



CITY COUNCIL AGENDA

COUNCIL CHAMBERS

TUESDAY, AUGUST 27,
2024

6:00 PM

- 1. Call to Order/Roll Call/Pledge of Allegiance**
- 2. Approve Agenda**
- 3. Presentations/Introductions – None**
- 4. Approve minutes of the August 14, 2024, City Council Meeting and the August 20, 2024, Special City Council Meeting**
 - A. Approve minutes of the August 14, 2024, City Council Meeting and the August 20, 2024, Special City Council Meeting
- 5. Requests to be Heard**
- 6. Consent Agenda**
 - A. List of Claims for Release
 - B. Approve Change Order No 1 for Viaduct Park Bid Package 1
 - C. Approve Memorandum of Understanding with Great River Greening
 - D. Approve 2024-2025 School Resource Officer Contract
 - E. Resolution 2024-171 Approve Tobacco License for Indigo Dreams Vape Shoppe
 - F. Resolution 2024-172 Approve New Vehicles for Hire License
 - G. Approve Hangar Rental Agreement
 - H. Resolution 2024-173 Removing Jay Welborn from the Library Advisory Board and Declaring a Vacancy
 - I. Resolution 2024-175 Authorize Payment as Recommended by the Charitable Gambling Board to the Falcon Educational Enrichment Program
 - J. Accept the 2023 Annual Comprehensive Financial Report
 - K. Resolution 2024-174 Authorize the Fire Department to Apply for the Compeer Financial Emergency Response Equipment Grant
 - L. Resolution 2024-176 Authorize Payment as Recommended by the Charitable Gambling Board to the Faribault Youth Empowerment Center
- 7. Public Hearings – None**
- 8. Items for Discussion**
 - A. Ordinance 2023-20 Authorizing a Study and Imposing a Moratorium on the Establishment and Operation of Cannabis Businesses within the City of Faribault (second reading)
 1. Approve Summary Publication of Ordinance 2023-20
 - B. Sun Companies Properties Management/RSA Properties LLC Subdivision No 2 - Zoning Map Amendment; Easement Vacation

1. Ordinance 2024-5 Approve Rezoning Properties in 1900 Block of 4th Street NW to I-1 (Second Reading)
 - A. Ordinance 2024-5 Summary Publication
2. Ordinance 2024-6 Vacate a Portion of Drainage and Utility Easement at 1919 2nd St NW (Second Reading)
 - A. Ordinance 2024-6 Summary Publication

9. Bids - None

10. Boards and Commissions Reports, Announcements and Project Updates

11. Adjournment

(The Council may meet as a group for dinner)

NOTE:

CC Closed Captioning of Council meetings available on FCTV.

Please contact the City Administrator's Office if you need special accommodations related to a disability while attending the City Council meeting.

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CITY COUNCIL MINUTES

COUNCIL CHAMBERS

WEDNESDAY, AUGUST 14,
2024

6:00 PM

Call to Order/Roll Call/Pledge of Allegiance

The meeting of the City Council was called to order by Mayor Kevin Voracek at 6:00 p.m. Councilors in attendance included Sara Caron, Royal Ross, Tom Spooner and Chuck Thiele. Councilors Adama Doumbouya and Peter van Sluis were absent. Also in attendance were City Administrator Jessica Kinser, City Clerk Heather Slechta, Community and Economic Development Director David Wanberg, Parks and Recreation Director Paul Peanasky, Human Resources Director Kevin Bushard, City Engineer Mark DuChene, City Planner Harry Davis, and Fire Chief Dustin Dienst.

Approve Agenda

Motion by Ross, seconded by Thiele to approve the agenda as presented and carried unanimously.

Presentations/Introductions

Ruth's House of Hope Proclamation

Mayor Voracek presented Sue Stout with the Ruth's House of Hope Proclamation. Ruth's House will be celebrating their 20th Anniversary on August 23, 2024 at Apple Creek Orchard, there will be hayrides, games, food trucks and live music.

Approve minutes of the July 23, 2024 City Council Meeting, the July 23, 2024 Special City Council Meeting - Closed Session, the July 30, 2024 Special City Council Meeting and the July 30, 2024 Special City Council Meeting - Closed Session

Motion by Thiele, seconded by Ross to approve minutes of the July 23, 2024 City Council Meeting, the July 23, 2024 Special City Council Meeting - Closed Session, the July 30, 2024 Special City Council Meeting and the July 30, 2024 Special City Council Meeting - Closed Session and carried unanimously.

Requests to be Heard – None

Consent Agenda

- A. List of Claims for Release
- B. Approve application and Permit for a 1 Day to 4 Day Temporary On-Sale Liquor License for Divine Mercy Catholic Church and School

- C. Approve LG240B Application to Conduct Excluded Bingo
- D. Resolution 2024-149 Accept Donation to the Parks and Recreation Department
- E. Resolution 2024-159 Approve Hiring Library Receptionist
- F. Accept Professional Services Agreement for Viaduct Park Bid Package 1 Construction Administration Services
- G. Accept Professional Services Agreement for Viaduct Park Bid Package 2 Construction Administration Services
- H. Resolution 2024-162 Approve Municipal State Aid Street State Aid Funds Advancement
- I. Approve Petition and Waiver for Water Service Repair at 1014 1st ST NW
- J. Accept Quote for Well Repairs
- K. Approve LG220 Application for Exempt Permit
- L. Approve Applications and Permits for 1 Day to 4 Day Temporary On-Sale Liquor Licenses for Various Events for the Chamber of Commerce
- M. List of Positions Authorized to Issue Administrative Citations
- N. Resolution 2024-166 Approve Federal Aviation Administration Third Party Camera Image Hosting Agreement
- O. Approve New Golf Cart Permit

Motion by Ross, seconded by Caron to approve Consent Agenda items A-O and carried unanimously.

Public Hearings

Overview of DEED Applications and a Preliminary Development Agreement related to the Potential Relocation of KGP Telecommunications, LLC to Downtown Faribault

Community and Economic Development David Wanberg explained to the Council that Dale and Kathleen Putrah founded KGPCo in 1973. A locally based company with a global reach, KGPCo provides the world's leading communication and technology companies with a single source for network design, architecture, production, sourcing, installation, and support. KGPCo's success has resulted in it needing to find a new location for its global headquarters which is currently at 3305 Highway 60 West. While KGPCo can move its headquarters to elsewhere in Minnesota or other states, its roots are in Faribault, and it would like to remain and grow here.

Over the past year, KGPCo representatives, City Staff, Faribault Real Estate, LLC (FRE), and others have worked closely to keep and grow KGPCo in Faribault. KGPCo is working with FRE to relocate KGPCo's headquarters to the downtown area – potentially, the site at 511 and 513 Central Avenue. FRE would own and renovate the site, and KGPCo would lease the site from FRE. Having a headquarters in the downtown area would help strengthen the downtown and is consistent with the community's vision. However, such an investment involves financial costs beyond what KGPCo and/or FRE feel they can handle without financial assistance from others.

Wanberg stated that City Staff identified Minnesota Department of Employment and Economic Development (DEED) as a possible resource to offset some relocation/development costs. Based on anticipated capital expenditures of \$4.8 to \$5.0

million, the retention of 78 jobs, and the creation of eight new full-time jobs with an average wage of \$27.50 per hour, DEED indicated it would consider financial assistance in the form of a \$100,000 forgivable Minnesota Investment Fund (MIF) loan. DEED would also consider \$153,000 in assistance from the Job Creation Fund (JCF).

If DEED provides the requested funding, KGPCo would be responsible for administering the JCF forgivable loan. However, the City of Faribault would serve as a pass-through for the MIF forgivable loan and, as such, would have administrative responsibilities.

Consequently, DEED requires the City to conduct a public hearing for the MIF application and provide resolutions supporting the MIF and JCF applications. The MIF and JCF applications are the first of several financial assistance requests to retain and grow KGPCo in Faribault.

The potential relocation of KGPCo to the downtown area provides meaningful opportunities for KGPCo and the community. To aid in the relocation effort, it is in the best interest of KGPCo, FRE, and the City to enter into a Preliminary Development Agreement that outlines each entity's anticipated tasks and responsibilities related to the proposed development. The City Attorney prepared the attached Preliminary Development Agreement for City Council consideration.

Wanberg requested that the City Council take separate action on each of the following resolutions:

1. Resolution 2024-167 Support a Minnesota Investment Fund Application in Connection with KGP Telecommunications, LLC;
2. Resolution 2024-168 Support a Job Creation Fund Application in Connection with KGP Telecommunications, LLC; and
3. Resolution 2024-169 Authorize Execution of a Preliminary Development Agreement between the City of Faribault, KGP Telecommunications, LLC, and Faribault Real Estate, LLC

Councilor Caron stated that she thought that the cornerstone of downtown was going to be retail, she also had concerns about the Council not having enough information on what a business subsidy was. She asked if there was a housing element with this project, Wanberg stated that there are no plans put together for housing. Caron stated that she would not be voting in favor for this project. She thanked the Putrah family for their business. Wanberg explained that Staff have been working to get any major business downtown. Councilor Ross stated that this will make an awesome anchor business downtown and could drive more retail businesses. They are not asking for city money at this time.

Motion by Spooner, seconded by Thiele to open the public hearing and carried unanimously. The public hearing was opened at 6:24 p.m.

Matt Drevelow, Counsel for KGP Telecommunications, LLC explained to the Council the desire of KGP to stay in Faribault and the need for additional financing to make that happen.

Motion by Ross, seconded by Spooner to close the public hearing and carried unanimously. The public hearing closed at 6:29 p.m.

It was mentioned that KGP would be leasing the downtown space, Caron stated that leasing is not investing in the City.

Motion by Ross, seconded by Spooner to approve Resolution 2024-167 Support a Minnesota Investment Fund Application in Connection with KGP Telecommunications, LLC and carried 4:1 with Caron voting Nay.

Motion by Spooner, seconded by Thiele to approve Resolution 2024-168 Support a Job Creation Fund Application in Connection with KGP Telecommunications, LLC and carried 4:1 with Caron voting Nay.

Motion by Thiele, seconded by Ross to approve Resolution 2024-169 Authorize Execution of a Preliminary Development Agreement between the City of Faribault, KGP Telecommunications, LLC, and Faribault Real Estate LLC and carried 4:1 with Caron voting Nay.

Ordinance 2023-20 Authorizing a Study and Imposing a Moratorium on the Establishment and Operation of Cannabis Businesses within the City of Faribault

City Clerk Heather Slechta explained that at the July 30, 2024, Special City Council Work Session, the City Council along with Staff and the City Attorney discussed the proposed Ordinance regulating cannabis businesses within the City of Faribault. Through that discussion, it was the consensus of the Council to extend the moratorium within the City until January 1, 2024, to allow for more guidance from the Office of Cannabis Management and to further define zoning and regulations. Extending the moratorium requires a public hearing prior to approval.

Motion by Spooner, seconded by Ross to open the public hearing and carried unanimously. The public hearing was opened at 6:34 p.m.

There were no comments received during the public hearing or prior to the meeting.

Motion by Thiele, seconded by Caron to close the public hearing and carried unanimously. The public hearing was closed at 6:34 p.m.

Motion by Spooner, seconded by Ross to approve Ordinance 2023-20 Authorizing a Study and Imposing a Moratorium on the Establishment and Operation of Cannabis Businesses within the City of Faribault

Roll Call Vote:

Aye: Councilor Caron, Ross, Spooner, Thiele and Mayor Voracek

Nay:

Motion carried 5:0

Items for Discussion

Resolution 2024-161 Order Improvements, Approve Plans and Specifications and Establish Bid Date for Straight River Watermain Crossing - Contract 2023-09

City Engineer Mark DuChene that the 2023-2027 Capital Improvement Plan included the replacement of the 20" watermain across the UPRR and Straight River at 2nd Street NE. This watermain is a critical piece of infrastructure that transports the water from the City's Water Treatment Plant to the ground storage reservoirs on the east side of town. In 2020, there was a watermain break and repair between the UPRR tracks and the 2nd Street pedestrian bridge which elevated concerns about the location and design of this watermain. That, coupled with the proposed Downtown Area Park Improvements including a possible future multi-million-dollar skate loop over a portion of this watermain, it is prudent for the City to plan for the relocation of this watermain to not only reduce the risk of future issues with this watermain but also to protect the investment in the proposed park.

The Resolution 2024-161 approves the construction plans and specifications for the proposed Straight River Watermain Improvements - Contract 2023-09 project including removals, watermain replacement, storm sewer construction, grading, aggregate base, sidewalk construction, bituminous paving, turf restoration and related improvements.

The preliminary total estimated cost of the improvements, including 5% contingency and 20% engineering, is \$1,522,500. Funding for the project will come from the Water Utility Find.

The resolution also establishes a bid date of September 4, 2024, for the project. DuChene stated that in order to solicit the most competitive bids and given the timeline for the construction of the Viaduct Park, a flexible start date for this project is being provided but any work started in 2024 must be complete prior to winter conditions and all work regardless of start date must be completed by June 30, 2025.

Motion by Ross, seconded by Caron to approve Resolution 2024-161 Order Improvements, Approve Plans and Specifications and Establish Bid Date for Straight River Watermain Crossing - Contract 2023-09 and carried unanimously.

Ordinance 2024-14 Amending Chapter 18 of the City of Faribault Code of Ordinances (Second Reading) and Ordinance 2024-14 Summary Publication

Parks and Recreation Director Paul Peanasky stated that the first reading of Ordinance 2024-14 was held on July 23, 2024. Since that time, no public comments or changes made to the ordinance.

Motion by Caron, seconded by Thiele to approve Ordinance 2024-14 Amending Chapter 18 of the City of Faribault Code of Ordinances (Second Reading)

Aye: Councilor Caron, Ross, Spooner, Thiele and Mayor Voracek

Nay:

Motion carried 5:0

Motion by Spooner, seconded by Ross to approve Ordinance 2024-14 Summary Publication and carried unanimously.

Ordinance 2024-15 Amending Chapter 26 of the City of Faribault Code of Ordinances (Second Reading) and Ordinance 2024-15 Summary Publication

Parks and Recreation Director Paul Peanasky stated that the first reading of Ordinance 2024-15 was held on July 23, 2024. Since that time, no public comments or changes made to the ordinance.

Motion by Ross, seconded by Thiele to approve Ordinance 2024-15 Amending Chapter 26 of the City of Faribault Code of Ordinances (Second Reading)

Roll Call Vote:

Aye: Councilor Caron, Ross, Spooner, Thiele, Mayor Voracek

Nay:

Motion carried 5:0

Motion by Spooner, seconded by Ross to approve Ordinance 2024-15 Summary Publication and carried unanimously.

Sun Companies Properties Management/RSA Properties LLC Subdivision No 2 - Comprehensive Plan Amendment; Zoning Map Amendment; Easement Vacation; Preliminary Plat; Final Plat

City Planner Harry Davis explained that Sun Companies Properties Management LLC requested a comprehensive plan amendment at 1919 2nd St NW, northeast of the intersection between 4th St NW and 20th Ave NW. The comprehensive plan amendment proposed shifting the land use map designation for the property from commercial/residential mixed use to commercial/industrial mixed use for part of the future development area. Sun Companies Properties Management LLC also requested a zoning map amendment that would rezone areas from R-4, High Density Residential to I-1, Light Industrial use to facilitate future development.

Davis further explained that Sun Companies Properties Management LLC also requested vacating part of a drainage and utility easement at 1919 2nd St NW, northeast of the intersection between 4th St NW and 20th Ave NW to facilitate future development. The proposed easement vacation would not infringe or deter use or enjoyment on other properties and is needed to facilitate future expansion of C & S Vending. The final request made by Sun Companies Properties Management LLC was for the approval of the preliminary and final plat at 1919 2nd St NW, northeast of the intersection between 4th St NW and 20th Ave NW. The preliminary and final plat for RSA Properties LLC Subdivision No 2 combines seven (7) lots and one outlot into two buildable lots; one lot with frontage on 4th St NW, 20th Ave NW, and 2nd St NW and another at the corner of 4th St NW and 20th Ave NW. The proposed preliminary/final plats are consistent with the planning and zoning aspects of the City's Unified Development Ordinance.

The DRC, City Planner, and Planning Commission supported approval of the requests made by Sun Companies Properties Management LLC.

Councilor Ross asked about the section in the findings that discussed removal of future buildings, he had not seen that in the past, Davis stated that it is a clarification, the preliminary and the final plats are meant to focused more on the property lines and on the land itself rather than any future expansions and buildings other than what is currently existing. It will hopefully prevent any future confusion on if a building actually got built the way it was on the final plat. This will also protect the City and the developer in the future.

Motion by Spooner, seconded by Thiele to approve Resolution 2024-163 Approve a Comprehensive Plan Amendment for a Change of Land Use Map Designation at 1919 2nd Street NW and carried unanimously.

Motion by Spooner, seconded by Thiele to approve Ordinance 2024-5 Approve Rezoning Properties in 1900 Block of 4th Street NW to I-1 (First Reading)

Roll Call Vote:

Aye: Councilor Caron, Ross, Spooner, Thiele and Mayor Voracek

Nay:

Motion carried 5:0

Motion by Thiele, seconded by Caron to approve Ordinance 2024-6 Vacate a Portion of Drainage and Utility Easement at 1919 2nd St NW (First Reading)

Roll Call Vote:

Aye: Councilor Caron, Ross, Spooner, Thiele and Mayor Voracek

Nay:

Motion carried 5:0

Motion by Spooner, seconded by Ross to approve Resolution 2024-164 Approve the Preliminary and Final Plats for RSA Properties LLC Subdivision No 2 and carried unanimously.

Resolution 2024-165 Approve 2024 Primary Election Results and Abstract

City Clerk Heather Slechta informed the Council that on August 13, 2024, a Primary Election was held for the office of Mayor. Slechta explained that the top two candidates will be placed on the ballot for the November 5, 2024 General Election. The official Election Abstract was completed by Rice County Property Tax and Elections. Rice County Property Tax and Elections was able to complete the City of Faribault Election Abstract earlier than expected. Since the Council acted on this tonight, the Special Meeting that is scheduled for 8:00 am on Friday is able to be canceled.

The results were as follows:

Tom Spooner	707
Jonathan Wood	393
Adama Youhn Doumbouya	132
Brian C. Peterson	202

Tom Spooner and Jonathan Wood will be placed on the General Election ballot.

Motion by Ross, seconded by Caron to approve Resolution 2024-165 Approve 2024 Primary Election Results and Abstract and carried 4:0 with Spooner abstaining.

Bids

Resolution 2024-160 Accept Bids for 2024 Cannon River View Trail - Contract 2024-05

City Engineer Mark DuChene explained that on Wednesday, July 17, 2024, bids were received for the proposed 2024 Cannon River View Trail - Contract 2024-05 project including removals, grading, aggregate base, bituminous trail and related construction.

This trail segment will connect Two Rivers Park to the north industrial park area via existing and proposed trail segments as well as connect directly to the planned Twin Oaks Subdivision, a Rice County work force housing development and park planned for just north of the Rice County Public Safety Center.

The bids were tabulated as follows:

S.L. Contracting, Rochester, MN	\$237,840.00
Timm's Trucking, Morristown, MN	\$243,775.50
K.A. Witt Construction, New Prague, MN	\$277,368.60
Heselton Construction, Faribault	\$289,461.50
Urban Edge Solutions & Supply, LLC, Lonsdale, MN	\$394,813.50

Based on the low bidder's prices, the estimated funding for the project is will be as follows, including contingencies and engineering fees:

Park Improvement Fund	\$ 190,275.00
Carbon Reduction Program (Federal Grant)	\$ 95,225.00

It was recommended to award to the low bidder, S.L. Contracting. Construction on the project is scheduled to begin in September and be substantially completed by the end of October, 2024.

Mayor Voracek requested wayfinding/direction signage on the trail since it was under budget, DuChene will look into it.

Motion by Ross, seconded by Thiele to approve Resolution 2024-160 Accept Bids for 2024 Cannon River View Trail - Contract 2024-05 and carried unanimously.

Boards and Commissions Reports, Announcements and Project Updates

Councilor Ross stated that the Chamber Car-Cruise was on Friday evening.

Adjournment

Motion by Ross, seconded by Thiele to adjourn the City Council meeting and carried unanimously.

The meeting was adjourned at 6:59 p.m.

Respectfully Submitted,

Heather Slechta
City Clerk



CITY COUNCIL MINUTES

COUNCIL CHAMBERS

TUESDAY, AUGUST 20,
2024

6:30 PM

or immediately following the City Council Work Session

Call to Order/Roll Call/Pledge of Allegiance

The meeting of the City Council was called to order by Mayor Kevin Voracek at 8:00 p.m. Councilors in attendance included Sara Caron, Adama Doumbouya, Royal Ross, Tom Spooner and Chuck Thiele. Councilor Peter van Sluis was absent. Also in attendance were City Administrator Jessica Kinser, City Clerk Heather Slechta and Human Resources Director Kevin Bushard.

Consent Agenda

Resolution 2024-170 Approve Hiring Accounting Technicians

Human Resources Manager Kevin Bushard informed the Council that due to two there was a need to hire two Accounting Technicians. The position was posted from July 22, 2024, to August 5, 2024.

Twenty-five applications were received, reviewed and scored for the position. From that review, twelve applicants were selected for an interview. From the interview process, staff recommended the hiring of Pamela Davidson and Jade Peterson.

Motion by Thiele, seconded by Caron to approve Resolution 2024-170 Approve Hiring Accounting Technicians and carried unanimously.

Adjournment

Motion by Caron, seconded by Doumbouya to adjourn the City Council meeting and carried unanimously.

The meeting was adjourned at 8:02 p.m.

Respectfully Submitted,

Heather Slechta
City Clerk



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM: Jessica Kinser, City Administrator
MEETING DATE: August 27, 2024
SUBJECT: List of Claims for Release

Background:

A copy of the list of claims is available for City Council review through the City Administrator, in the amount of \$1,903,794.75, which includes check numbers 181333 to 181433 and automatic clearing house payments.

The description line for each claim provides information to assist readers in understanding the purpose of the purchase and the department making the purchase. Initials of the department making the purchase are included in the description when possible. At the bottom of each page is a key, listing the primary funds to help identify the fund associated with the claim.

Recommendation:

Approve the attached List of Claims for Release.

Attachments:

1. 08-27-2024 Council AP List

AP

AP Council Approval 08-27-2024



User: astadler
Printed: 8/22/2024 1:37:59 PM

Check Numb	Last Name	Acct 1	Amount	Description
181341	1st Line/Leewes Ventures LLC	101-45125-450-42990	425.00	Slushi Supplies for Aquatic Center Concession Stand
	1st Line/Leewes Ventures LLC		425.00	
0	5 Star Inspections Inc	101-42400-420-43090	13,233.20	July Electrical Inspections
	5 Star Inspections Inc		13,233.20	
0	A H Hermel Candy & Tobacco	101-45125-450-42990	511.24	Candy for Aquatic Center Concession Stand
	A H Hermel Candy & Tobacco		511.24	
181342	Abdi Sahra	101-00000-000-10100	500.00	Sambus for Safe Summer Kickoff
181342	Abdi Sahra	101-42110-420-43130	500.00	Sambus for Safe Summer Kickoff
181342	Abdi Sahra	101-00000-000-10108	-500.00	Sambus for Safe Summer Kickoff
	Abdi Sahra		500.00	
0	Abdo LLP	101-41510-410-43010	385.00	Interim Finance Director
0	Abdo LLP	101-41510-410-43090	2,175.00	Training and Vendor File Update
	Abdo LLP		2,560.00	
0	Ag Partners Coop	101-45200-450-42160	81.17	Insecticide
0	Ag Partners Coop	602-49480-000-42160	165.00	Weed Killer
	Ag Partners Coop		246.17	
181343	Ali Faysel	601-00000-000-20200	137.15	Reissue Ck#176741 Refund 023057-000 1603 Deerwood Ln
	Ali Faysel		137.15	
181344	Amazon Capital Services	101-45500-450-42190	111.88	Books

Check Numb	Last Name	Acct 1	Amount	Description
181344	Amazon Capital Services	101-45140-450-42110	165.43	Youth Football Mouthguards
181344	Amazon Capital Services	101-42121-420-42210	135.92	Arm Rests
181344	Amazon Capital Services	101-45140-450-42110	58.35	Youth Footballs
181344	Amazon Capital Services	101-45500-450-43130	29.99	Play Food Set for Early Literacy Area
181344	Amazon Capital Services	101-41510-410-42420	179.00	Scanner - Senior Accountant
181344	Amazon Capital Services	101-45500-450-42190	15.99	Books
181344	Amazon Capital Services	101-45140-450-42110	1,842.48	Youth Baseball Equipment -Flood Damage
181344	Amazon Capital Services	101-45500-450-42190	16.95	Books
181344	Amazon Capital Services	101-45500-450-42190	63.47	Books
181344	Amazon Capital Services	101-45500-450-43130	46.97	Games for Youth Activity Area
181344	Amazon Capital Services	101-45500-450-42190	14.79	Books
181344	Amazon Capital Services	603-49500-000-42110	0.48	Pens - Markers
181344	Amazon Capital Services	101-45500-450-43130	17.99	Food Play Set for Early Literacy Area
181344	Amazon Capital Services	101-45500-450-42190	38.97	Books
181344	Amazon Capital Services	601-49430-000-42110	3.32	Pens - Markers
181344	Amazon Capital Services	101-43126-430-42110	63.18	Pens - Markers - Forklift Checklists
181344	Amazon Capital Services	602-49450-000-42110	3.32	Pens - Markers
181344	Amazon Capital Services	101-45500-450-42190	23.38	Books
181344	Amazon Capital Services	101-45500-450-42110	19.15	Fruit Fly Traps
181344	Amazon Capital Services	101-45200-450-42110	224.00	Garage Door Openers
181344	Amazon Capital Services	101-45140-450-42110	69.37	Pet Parade Supplies
181344	Amazon Capital Services	101-45140-450-42110	121.82	Pet Parade Supplies
181344	Amazon Capital Services	101-45122-450-42110	124.66	First Aid Supplies
181344	Amazon Capital Services	101-45500-450-42190	14.88	Book
181344	Amazon Capital Services	101-45140-450-42110	98.50	Pet Parade Supplies
181344	Amazon Capital Services	101-42220-420-42210	15.78	Shrink Tube
181344	Amazon Capital Services	101-41940-410-42110	36.92	iPhone Case and Screen Protector - AI T.
181344	Amazon Capital Services	101-45500-450-43130	10.44	Cardstock for Kits
	Amazon Capital Services		3,567.38	
0	American Engineering Testing Inc	603-49500-000-45300	2,597.90	2022-14 Contaminated Soil Testing Per MnDOT Permit
	American Engineering Testing Inc		2,597.90	
181345	ANTHONY P & CAROL A LANGERUD	401-43121-430-44370	80.00	Reissue Check #177409 Franchise Fee Rebate 1824402010
	ANTHONY P & CAROL A LANGERUD		80.00	
0	APG Media of Southern Minnesota LLC	266-46500-462-43070	48.12	TIF Disclosure Statement
0	APG Media of Southern Minnesota LLC	271-46500-462-43070	48.12	TIF Disclosure Statement
0	APG Media of Southern Minnesota LLC	272-46500-462-43070	48.13	TIF Disclosure Statement
0	APG Media of Southern Minnesota LLC	270-46500-462-43070	48.12	TIF Disclosure Statement

Check Numb	Last Name	Acct 1	Amount	Description
0	APG Media of Southern Minnesota LLC	273-46500-462-43070	48.13	TIF Disclosure Statement
0	APG Media of Southern Minnesota LLC	101-41410-410-43510	827.55	Election Notice
0	APG Media of Southern Minnesota LLC	275-46500-462-43070	48.13	TIF Disclosure Statement
0	APG Media of Southern Minnesota LLC	267-46500-462-43070	48.12	TIF Disclosure Statement
0	APG Media of Southern Minnesota LLC	275-46500-462-43070	48.13	TIF Disclosure Statement
0	APG Media of Southern Minnesota LLC	101-41110-410-43510	68.75	Meeting Notice
0	APG Media of Southern Minnesota LLC	101-41110-410-43510	55.00	Council Agenda Notice
0	APG Media of Southern Minnesota LLC	101-41110-410-43510	309.38	Council Agenda Notice
APG Media of Southern Minnesota LLC			1,645.68	
0	Arrow Electric LLC	101-45125-450-44010	3,459.31	Emergency Pool Leak Repair at Aquatic Center
Arrow Electric LLC			3,459.31	
0	Auto Value Parts Store	101-42110-420-42210	15.40	Air Filter / #5
0	Auto Value Parts Store	101-43121-430-42210	33.98	Primer/Flat Black Paint - Street 118
0	Auto Value Parts Store	101-43121-430-42210	6.49	Light Bulbs - Street 318
0	Auto Value Parts Store	101-43121-430-42210	15.99	Electrical Relay With Pigtail Connector - Street Unit115
0	Auto Value Parts Store	101-43121-430-42210	16.99	Self Etching Primer - Street Unit 120
0	Auto Value Parts Store	602-49480-000-42210	13.20	Oil Filter
0	Auto Value Parts Store	101-43190-430-42110	12.99	Gloss Black Spray Paint
0	Auto Value Parts Store	101-42700-420-42210	84.89	Rear Disc Caliper / #24
0	Auto Value Parts Store	101-43121-430-42210	42.05	Oil Filter - Street Unit 217
0	Auto Value Parts Store	101-43190-430-42210	233.98	Oxygen Sensor
0	Auto Value Parts Store	101-42700-420-42210	120.99	Battery / #13
0	Auto Value Parts Store	101-45200-450-42210	17.11	Filters
0	Auto Value Parts Store	101-43121-430-42210	24.98	Hitch Reducer/Pin - Street #224
0	Auto Value Parts Store	101-43121-430-42210	21.96	Shrink Tubing - Street #224
0	Auto Value Parts Store	601-49430-000-42210	4.41	Oil Filter Unit 11
0	Auto Value Parts Store	101-45200-450-42210	47.66	Air Filters - Oil Filters - Primary Wire for Stock
0	Auto Value Parts Store	101-43121-430-42210	95.32	Air Filters - Oil Filters - Primary Wire for Stock
0	Auto Value Parts Store	101-42123-420-42210	23.83	Air Filters - Oil Filters - Primary Wire for Stock
0	Auto Value Parts Store	601-49430-000-42210	35.74	Air Filters - Oil Filters - Primary Wire for Stock
0	Auto Value Parts Store	602-49450-000-42210	35.74	Air Filters - Oil Filters - Primary Wire for Stock
Auto Value Parts Store			903.70	
181346	Baker & Taylor Entertainment	101-45500-450-42190	411.99	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	212.29	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	149.92	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	50.45	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	4.89	Books

Check Numb	Last Name	Acct 1	Amount	Description
181346	Baker & Taylor Entertainment	101-45500-450-42190	203.95	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	3.66	Book
181346	Baker & Taylor Entertainment	101-45500-450-42190	196.49	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	38.76	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	205.22	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	126.59	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	252.68	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	306.21	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	440.18	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	226.64	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	100.51	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	389.32	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	61.24	Books
181346	Baker & Taylor Entertainment	101-45500-450-42190	227.13	Books
	Baker & Taylor Entertainment		3,608.12	
181347	Barta Machine LLC	602-49480-000-44040	7,236.00	Repair Fine Screen
	Barta Machine LLC		7,236.00	
0	BCM Construction Inc	602-49450-000-44050	94,838.54	Lyndale Ave Sanitary Repair Flood Related
	BCM Construction Inc		94,838.54	
181348	BECC Corporation	602-49480-000-42170	2,160.13	Sensors
	BECC Corporation		2,160.13	
181349	Bokman Garrett & Jessica	601-00000-000-20200	69.75	Refund Check 022142-000, 2513 Hulett Ave
	Bokman Garrett & Jessica		69.75	
0	Bolton & Menk Inc	404-45200-450-45200	2,213.19	Viaduct Park Re Platting
	Bolton & Menk Inc		2,213.19	
181350	Borchert Erin M	601-00000-000-20200	45.91	Refund Check 008035-000, 321 7 St NW
	Borchert Erin M		45.91	
181333	c/o Teledoc Inc Healthiest You	101-00000-000-21707	870.00	Healthiest You - August 2024

Check Numb	Last Name	Acct 1	Amount	Description
	c/o Teledoc Inc Healthiest You		870.00	
181351	Canon Financial Services Inc	101-43121-430-44160	98.90	Copier Rent August
181351	Canon Financial Services Inc	602-49450-000-44160	10.29	Copier Rent August
181351	Canon Financial Services Inc	603-49500-000-44160	1.47	Copier Rent August
181351	Canon Financial Services Inc	101-41910-410-44160	112.20	Copier Lease
181351	Canon Financial Services Inc	101-42400-420-44160	167.08	Copier Charges 8/1/24-8/31/24
181351	Canon Financial Services Inc	601-49430-000-44160	10.29	Copier Rent August
181351	Canon Financial Services Inc	101-42124-420-44160	201.90	Coper Leases
181351	Canon Financial Services Inc	101-42220-420-44160	68.46	Copier Contract Charges
181351	Canon Financial Services Inc	240-46210-460-44160	112.21	Copier Lease
181351	Canon Financial Services Inc	101-41940-410-44160	224.41	Copier Lease
	Canon Financial Services Inc		1,007.21	
0	Carlo Lachmansingh Sales Inc	101-43170-430-42240	300.00	LED Traffic Light Bulbs
	Carlo Lachmansingh Sales Inc		300.00	
181352	Carter Ashley	601-00000-000-20200	3.05	Reissue Ck #173343 Refund 019234-001 220 6 Ave SE
	Carter Ashley		3.05	
181353	Cengage Learning Inc	101-45500-450-42190	41.00	Books
	Cengage Learning Inc		41.00	
181354	Central Technology Inc	101-45500-450-43095	1,176.23	Self Check Maintenance Agreement
	Central Technology Inc		1,176.23	
181355	Chicago Distribution Center	101-45500-450-42010	132.59	Bookmarks and Posters
	Chicago Distribution Center		132.59	
0	Cintas Corporation	601-49430-000-44060	20.75	Uniform Cleaning Water
0	Cintas Corporation	603-49500-000-44060	5.45	Uniform Cleaning Storm
0	Cintas Corporation	101-43121-430-44060	31.22	Uniform Cleaning Streets
0	Cintas Corporation	101-45200-450-44060	36.51	Laundry
0	Cintas Corporation	101-43126-430-44060	24.40	Shop Towels
0	Cintas Corporation	602-49480-000-44060	42.61	Uniform Laundry
0	Cintas Corporation	101-43126-430-44060	9.55	Uniform Cleaning Mechanics

Check Numb	Last Name	Acct 1	Amount	Description
0	Cintas Corporation	602-49450-000-44060	12.64	Uniform Cleaning Sewer
0	Cintas Corporation	602-49480-000-44060	6.43	Floor Mats
0	Cintas Corporation	101-45122-450-44060	14.79	Laundry Service - Mops
0	Cintas Corporation	602-49450-000-44060	12.64	Uniform Cleaning Sewer
0	Cintas Corporation	101-43121-430-44060	31.22	Uniform Cleaning Streets
0	Cintas Corporation	603-49500-000-44060	5.45	Uniform Cleaning Storm
0	Cintas Corporation	101-45200-450-44060	36.51	Laundry
0	Cintas Corporation	602-49480-000-44060	42.61	Uniform Laundry
0	Cintas Corporation	601-49430-000-44060	20.75	Uniform Cleaning Water
0	Cintas Corporation	602-49480-000-44060	48.44	Lab Towels/Floor Mats
0	Cintas Corporation	101-43126-430-44060	9.55	Uniform Cleaning Mechanics
0	Cintas Corporation	101-43126-430-44060	24.40	Shop Towels
0	Cintas Corporation	101-43121-430-44060	31.22	Uniform Cleaning Streets
0	Cintas Corporation	101-43126-430-44060	9.55	Uniform Cleaning Mechanics
0	Cintas Corporation	601-49430-000-44060	20.75	Uniform Cleaning Water
0	Cintas Corporation	602-49480-000-44060	42.61	Uniform Laundry
0	Cintas Corporation	602-49450-000-44060	12.64	Uniform Cleaning Sewer
0	Cintas Corporation	602-49480-000-44060	48.44	Lab Towels Floor Mats
0	Cintas Corporation	101-43126-430-44060	24.40	Shop Towels
0	Cintas Corporation	603-49500-000-44060	5.45	Uniform Cleaning Storm
0	Cintas Corporation	101-43126-430-44060	9.55	Uniform Cleaning Mechanics
0	Cintas Corporation	101-45200-450-44060	36.51	Laundry
0	Cintas Corporation	101-43121-430-44060	31.22	Uniform Cleaning Street
Cintas Corporation			708.26	
181356	City of Faribault	602-49480-000-43820	14.61	005003-022 214 14 St NE
181356	City of Faribault	602-49480-000-43820	3,699.01	005003-019 214 14 St NE
181356	City of Faribault	211-46310-460-43860	8.75	005003-000 16 1 St SE
181356	City of Faribault	101-45127-450-43850	12.52	005003-043 705 17 St SW
181356	City of Faribault	101-45127-450-43820	325.67	005003-030 705 17 St SW-Irrigation
181356	City of Faribault	101-45127-450-43860	48.39	005003-043 705 17 St SW
181356	City of Faribault	602-49480-000-43820	2,358.19	005003-023 214 14 St NE
181356	City of Faribault	225-49810-430-43850	10.20	005003-005 Airport Terminal
181356	City of Faribault	211-46310-460-43820	31.93	005003-000 16 1 St SE
181356	City of Faribault	101-45127-450-43820	27.67	005003-043 705 17 St SW
181356	City of Faribault	225-49810-430-43820	14.61	005003-005 Airport Terminal
181356	City of Faribault	601-49430-000-43850	131.42	005003-032 812 8 Ave NW (New Water Plant)
181356	City of Faribault	225-49810-430-43820	19.42	005003-004 3401 Hwy 21 W
181356	City of Faribault	902-00000-000-23935	-7,424.35	Water/Sewer - July
181356	City of Faribault	902-00000-000-23935	7,424.35	Water/Sewer - July
181356	City of Faribault	225-49810-430-43860	364.70	005003-004 3401 Hwy 21 W
181356	City of Faribault	211-46310-460-43850	40.73	005003-000 16 1 St SE

Check Numb	Last Name	Acct 1	Amount	Description
181356	City of Faribault	602-49480-000-43860	300.56	005003-019 214 14 St NE
181356	City of Faribault	225-49810-430-43850	15.97	005003-004 3401 Hwy 21 W
181356	City of Faribault	873-49499-000-43090	594.00	Roberds Lake Billing Fee - July
181356	City of Faribault	873-49499-000-43850	4,665.08	Roberds Lake SIU Bill - July
	City of Faribault		12,683.43	
181357	City of Mankato	101-42220-420-43140	1,500.00	Rope Rescue Technician Course - Vargo
	City of Mankato		1,500.00	
0	CivicPlus	101-41320-410-43090	1,197.00	Code Hosting Fees
0	CivicPlus	101-41110-410-43090	26.80	July Closed Captioning
	CivicPlus		1,223.80	
181334	Colonial Life	101-00000-000-21711	95.69	PR Batch 00516.08.2024 Short Term Disability
	Colonial Life		95.69	
181358	Community Co-op Oil Assn	101-43121-430-44040	182.00	Tire Repair - Street #115
181358	Community Co-op Oil Assn	101-45200-450-44040	48.00	Tire Tube/Repair
181358	Community Co-op Oil Assn	101-45200-450-42220	296.10	Tires
181358	Community Co-op Oil Assn	101-43190-430-42220	278.92	Tires
181358	Community Co-op Oil Assn	101-45200-450-42220	1,536.50	Tractor Tires
181358	Community Co-op Oil Assn	101-45122-450-42120	50.00	Lawn Mower Gasoline
181358	Community Co-op Oil Assn	101-45200-450-44040	82.00	Tire Repair
181358	Community Co-op Oil Assn	101-43121-430-43840	80.00	Tire Disposal
181358	Community Co-op Oil Assn	101-45200-450-42120	40.00	Fuel
181358	Community Co-op Oil Assn	101-45200-450-42220	120.00	Tire
181358	Community Co-op Oil Assn	101-45200-450-44040	40.50	Tire/Tube Repair
181358	Community Co-op Oil Assn	101-45122-450-42120	50.00	Lawn Mower Gas
181358	Community Co-op Oil Assn	101-43121-430-42120	27.94	Forklift Propane Refill
181358	Community Co-op Oil Assn	101-43121-430-42120	27.94	Forklift Propane Refill
181358	Community Co-op Oil Assn	101-42220-420-42120	67.98	Fuel
181358	Community Co-op Oil Assn	101-45200-450-42220	1,645.16	Garbage Truck Tires
181358	Community Co-op Oil Assn	601-49430-000-44040	25.00	Tire Repair Unit 9
181358	Community Co-op Oil Assn	101-42220-420-42120	64.38	Fuel
181358	Community Co-op Oil Assn	101-42220-420-42120	62.55	Fuel
181358	Community Co-op Oil Assn	101-42220-420-42120	20.00	Fuel
	Community Co-op Oil Assn		4,744.97	

Check Numb	Last Name	Acct 1	Amount	Description
181359	Core & Main LP	601-49430-000-42110	44,225.00	MXU Radio Changeout
181359	Core & Main LP	601-49430-000-42110	105,705.00	MXU Radio Changeout Project
181359	Core & Main LP	601-49430-000-42110	532.41	1 Inch Ally Meter 301 Central Ave
181359	Core & Main LP	601-49430-000-42110	105,705.00	MXU Radio Changeout
	Core & Main LP		256,167.41	
181360	Cottingham & Butler Inc	101-41800-410-43090	275.00	Classification Review
181360	Cottingham & Butler Inc	101-41800-410-43090	250.00	Classification Review - HRA Executive Director
	Cottingham & Butler Inc		525.00	
0	Crane Creek Asphalt	603-49500-000-42240	918.48	Asphalt Catch Basin Repairs
0	Crane Creek Asphalt	101-43121-430-42240	677.38	Tack and Asphalt
0	Crane Creek Asphalt	478-43121-430-45302	447,156.60	2024-02 Pay Req 3
0	Crane Creek Asphalt	478-43121-430-45310	87,989.02	2023-10 Pay Req 3
	Crane Creek Asphalt		536,741.48	
0	Culligan	101-45125-450-42110	762.50	Softener Salt for Aquatic Center
0	Culligan	101-45500-450-44160	40.50	Drinking Water Equip Rental
	Culligan		803.00	
181361	Dalco	601-49430-000-42110	83.68	Toilet Tissue WTP
	Dalco		83.68	
181362	Donatucci Anne Grace	601-00000-000-20200	21.73	Refund Check 024502-000, 410 11 Ave SE
	Donatucci Anne Grace		21.73	
181363	Donohue & Associates Inc	602-49480-000-43030	15,150.00	Engineering Fee WWTF Repairs
	Donohue & Associates Inc		15,150.00	
181364	Durand Dorothy L	601-00000-000-20200	124.43	Refund Check 006133-000, 827 Tatepaha Blvd
	Durand Dorothy L		124.43	
0	Eckberg Lammers PC	101-41610-410-43045	13,425.00	Prosecution Retainer

Check Numb	Last Name	Acct 1	Amount	Description
	Eckberg Lammers PC		13,425.00	
0	Electric Pump Inc	602-49450-000-44045	2,832.51	Frink Sanitary Liftstaion Repairs
0	Electric Pump Inc	602-49450-000-44045	-0.01	Warranty Replacement-Flygt Kit
0	Electric Pump Inc	602-49450-000-44045	0.01	Warranty Replacement-Flygt Kit
	Electric Pump Inc		2,832.51	
181365	ELM USA	101-45500-450-42010	51.90	Disc Cleaning Supplies
	ELM USA		51.90	
181366	Emergency Apparatus Maintenance Inc	101-42220-420-43090	356.71	NFPA Pump Test #2115
181366	Emergency Apparatus Maintenance Inc	101-42220-420-43090	356.71	NFPA Pump Test #2110
181366	Emergency Apparatus Maintenance Inc	101-42220-420-43090	356.71	NFPA Pump Test #2117
181366	Emergency Apparatus Maintenance Inc	101-42220-420-43090	356.71	NFPA Pump Test #2155
	Emergency Apparatus Maintenance Inc		1,426.84	
0	Empower Retirement-HCSP	101-00000-000-21720	1,487.78	PR Batch 00516.08.2024 Health Care Savings Plan 357
0	Empower Retirement-HCSP	101-00000-000-21720	868.69	PR Batch 00516.08.2024 Health Care Savings Plan L70 2
0	Empower Retirement-HCSP	101-00000-000-21720	773.53	PR Batch 00516.08.2024 Health Care Savings Plan L70 1
0	Empower Retirement-HCSP	101-00000-000-21720	30,000.54	PR Batch 00516.08.2024 Health Care Savings Plan
0	Empower Retirement-HCSP	101-00000-000-21720	1,111.02	PR Batch 00516.08.2024 Health Care Savings Act Fire
	Empower Retirement-HCSP		34,241.56	
0	Entenmann-Rovin Co	101-42110-420-42180	126.25	Badge
	Entenmann-Rovin Co		126.25	
0	Enterprise FM Trust	101-42110-420-44160	250.00	CD Fee Removal / #26
0	Enterprise FM Trust	101-42121-420-44160	694.49	Full Lease / #12
0	Enterprise FM Trust	101-42121-420-44160	635.64	Full Lease / #19
0	Enterprise FM Trust	101-42123-420-44160	838.23	Full Lease / #3
0	Enterprise FM Trust	101-42700-420-44160	750.29	Full Lease / #8
0	Enterprise FM Trust	101-42123-420-44160	888.62	Full Lease / #11
0	Enterprise FM Trust	101-42123-420-44160	875.91	Full Lease / #16
0	Enterprise FM Trust	101-42110-420-44160	635.32	Full Lease / #22
0	Enterprise FM Trust	101-42123-420-44160	843.65	Full Lease / #6
0	Enterprise FM Trust	101-42110-420-44160	979.65	Full Lease / #26
0	Enterprise FM Trust	101-42121-420-43090	-660.00	CREDIT: Custom Equipment / #16

Check Numb	Last Name	Acct 1	Amount	Description
0	Enterprise FM Trust	101-42121-420-44160	923.59	Full Lease / #7
0	Enterprise FM Trust	101-42110-420-44160	909.41	Full Lease #20
0	Enterprise FM Trust	101-42123-420-44160	844.36	Full Lease / #24
0	Enterprise FM Trust	101-42121-420-44160	732.59	Full Lease #1
0	Enterprise FM Trust	101-42123-420-43090	-660.00	CREDIT: Custom Equipment / #11
0	Enterprise FM Trust	101-42700-420-44160	924.31	Full Lease / #23
	Enterprise FM Trust		10,406.06	
0	ESS Brothers & Sons Inc	603-49500-000-42110	3,901.00	Catch Basin Grates
	ESS Brothers & Sons Inc		3,901.00	
181367	Evoqua Water Technologies LLC	602-49480-000-42210	126.60	Boiler Seal
	Evoqua Water Technologies LLC		126.60	
181368	Fareway Stores Inc #126	101-41110-410-42115	66.88	Ground Breaking for Viaduct Park
	Fareway Stores Inc #126		66.88	
181369	Faribault Ace Hardware	101-45200-450-42110	4.31	Electrical Outlet/Jefferson
181369	Faribault Ace Hardware	101-41940-410-42110	3.90	Fasteners
181369	Faribault Ace Hardware	101-43121-430-42110	6.29	Broom
181369	Faribault Ace Hardware	101-43121-430-42110	8.99	Sandbelt
181369	Faribault Ace Hardware	101-42210-420-42110	18.88	Nails and Screws
181369	Faribault Ace Hardware	101-42110-420-42010	8.99	Hobby Paint Marker
181369	Faribault Ace Hardware	602-49480-000-42110	34.68	Batteries/Paper Towels
181369	Faribault Ace Hardware	101-45200-450-42110	12.58	Faucet Knob/Painters Tape
181369	Faribault Ace Hardware	101-42110-420-42230	24.29	Roundup
181369	Faribault Ace Hardware	101-45200-450-42110	35.98	Bags
181369	Faribault Ace Hardware	101-42121-420-42010	12.58	Sharpie
181369	Faribault Ace Hardware	601-49430-000-42110	17.24	Carabiners for Employee Key Sets
181369	Faribault Ace Hardware	602-49480-000-42110	37.46	Batteries and Soap
181369	Faribault Ace Hardware	602-49480-000-42110	4.12	Pipe Parts
181369	Faribault Ace Hardware	602-49480-000-42110	16.19	Saw Blade
181369	Faribault Ace Hardware	101-45125-450-42210	11.57	Parts for Lawn Mower at Aquatic Center
181369	Faribault Ace Hardware	101-41940-410-42110	25.99	Fasteners
181369	Faribault Ace Hardware	101-42123-420-42110	1.00	Fasteners
181369	Faribault Ace Hardware	101-45200-450-42110	87.09	Fasteners and Strap
181369	Faribault Ace Hardware	101-42110-420-42230	40.00	Mulch
181369	Faribault Ace Hardware	602-49480-000-42110	16.18	Hose Coupler
181369	Faribault Ace Hardware	602-49480-000-42110	14.38	Battery

Check Numb	Last Name	Acct 1	Amount	Description
181369	Faribault Ace Hardware	101-45140-450-42110	20.11	Pet Parade Sticks
181369	Faribault Ace Hardware	602-49480-000-42110	26.95	Wasp Spray
181369	Faribault Ace Hardware	602-49480-000-42110	-0.50	Fastener Credit
181369	Faribault Ace Hardware	602-49480-000-42110	1.00	Fasteners
	Faribault Ace Hardware		490.25	
181370	Faribault Area Chamber of Commerce	101-41110-410-44384	15,214.84	Lodging Taxes - June
181371	Faribault Area Chamber of Commerce	101-45130-450-43131	1,350.00	Nite to Unite
	Faribault Area Chamber of Commerce		16,564.84	
181372	Faribault Area Senior Citizens Inc	101-41110-410-44383	23,472.00	Non-Profit/Civic Organization Payment
	Faribault Area Senior Citizens Inc		23,472.00	
0	Faribault Fleet Supply Inc	602-49450-000-42110	2.99	U Bolt
0	Faribault Fleet Supply Inc	601-49430-000-42110	53.96	Clips And Shovels
0	Faribault Fleet Supply Inc	601-49430-000-42170	184.99	Water Resistant Boots
0	Faribault Fleet Supply Inc	101-43121-430-42110	17.99	Sand Belt
0	Faribault Fleet Supply Inc	101-43121-430-42110	15.99	Jig Saw Blade
0	Faribault Fleet Supply Inc	101-43121-430-42110	21.99	Tank Sprayer
0	Faribault Fleet Supply Inc	101-45200-450-42110	23.94	Chain
0	Faribault Fleet Supply Inc	101-42220-420-42110	65.29	Spring Snaps
0	Faribault Fleet Supply Inc	225-49810-430-42110	61.98	LED Yard Light
0	Faribault Fleet Supply Inc	101-45200-450-42110	18.54	Hose Clamps/Connectors
0	Faribault Fleet Supply Inc	101-42220-420-42070	15.99	Propane Fill for Bullex
0	Faribault Fleet Supply Inc	101-45200-450-42110	21.98	Hammer Drill Bits
0	Faribault Fleet Supply Inc	101-43121-430-42110	29.48	Oil and Tote
0	Faribault Fleet Supply Inc	101-45200-450-42120	64.66	Kerosene
0	Faribault Fleet Supply Inc	101-43170-430-42110	47.48	Tester for Light Poles
	Faribault Fleet Supply Inc		647.25	
181340	Faribault Post Office	602-49480-000-44390	233.33	1st Class Annual Permit Fee
181340	Faribault Post Office	603-49500-000-44390	233.34	1st Class Annual Permit Fee
181340	Faribault Post Office	601-49430-000-44390	233.33	1st Class Annual Permit Fee
181373	Faribault Post Office	603-49500-000-43220	1,344.57	Utility Bills - July
181373	Faribault Post Office	601-49430-000-43220	1,344.58	Utility Bills - July
181373	Faribault Post Office	602-49480-000-43220	1,344.57	Utility Bills - July
	Faribault Post Office		4,733.72	

Check Numb	Last Name	Acct 1	Amount	Description
0	Faribault Rental Equipment Inc	101-45130-450-44160	162.00	Dunk Tank Rental
0	Faribault Rental Equipment Inc	601-49430-000-42410	400.00	Chop Saw Blades
	Faribault Rental Equipment Inc		562.00	
0	Faribault Umpire Association	101-45130-450-43130	2,550.00	Head Umpire Fee (UIC)
	Faribault Umpire Association		2,550.00	
0	Fastenal Company	101-42220-420-42110	20.32	Clear Shrink Tube
	Fastenal Company		20.32	
0	Fette Electronics Inc	101-45122-450-43090	95.00	Install Camera Software on PC
0	Fette Electronics Inc	101-45110-450-42420	179.99	Uninterruptible Power Supply Unit (UPS)
	Fette Electronics Inc		274.99	
181374	Fieldstone Family Homes, Inc.	101-00000-000-22000	1,000.00	Escrow Release for 2105 Goldenray 2023-00997
	Fieldstone Family Homes, Inc.		1,000.00	
181375	Fitzgerald Excavating & Trucking Inc	603-49500-000-45300	48,868.00	2022-14 Pay Req 6
	Fitzgerald Excavating & Trucking Inc		48,868.00	
0	From The Ground Up LLC	101-45200-450-43090	843.81	Mosquito Spraying
	From The Ground Up LLC		843.81	
181376	Global Translation & Interpreter LLC	101-43190-430-43090	130.00	Title XI Translation
	Global Translation & Interpreter LLC		130.00	
0	Godfather's Pizza	101-45125-450-42990	270.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	120.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	90.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	165.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	45.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	420.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	90.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45140-450-42110	84.56	Jr. Leader Appreciation Event
0	Godfather's Pizza	101-45125-450-42990	120.00	Pizza for Resale at Aquatic Center Concession Stand

Check Numb	Last Name	Acct 1	Amount	Description
0	Godfather's Pizza	101-45125-450-42990	180.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	330.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	45.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	45.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	120.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	90.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	90.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	60.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	60.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45125-450-42990	75.00	Pizza for Resale at Aquatic Center Concession Stand
0	Godfather's Pizza	101-45140-450-42115	184.92	Pet Parade Staff Meeting
	Godfather's Pizza		2,684.48	
181377	Goettlicher Carrie Corlee	101-45140-450-42110	647.00	Pet Parade Face Painters
	Goettlicher Carrie Corlee		647.00	
0	Gopher State One Call	603-49500-000-43090	163.35	One Call Locate Tickets for July
0	Gopher State One Call	602-49450-000-43090	163.35	One Call Locate Tickets for July
0	Gopher State One Call	601-49430-000-43090	163.35	One Call Locate Tickets for July
	Gopher State One Call		490.05	
181378	Hansen Mark & Janice	601-00000-000-20200	31.49	Refund Check 017012-000, 1822 Western Ave
	Hansen Mark & Janice		31.49	
181379	Harlequin Sales Corp/Reader Service	101-45500-450-42190	27.56	Books - Acct #328689385
	Harlequin Sales Corp/Reader Service		27.56	
0	Hart's Auto Supply	101-42123-420-42210	313.63	Front Rotor / #24
	Hart's Auto Supply		313.63	
0	Hawkins Inc	601-49430-000-42160	-0.01	Chlorine Cylinder Return
0	Hawkins Inc	601-49430-000-42160	0.01	Chlorine Cylinder Return
0	Hawkins Inc	601-49430-000-42160	3,082.40	Ammonia and Sodium Silicate
0	Hawkins Inc	601-49430-000-42160	-0.01	Chlorine Cylinder Return
0	Hawkins Inc	601-49430-000-42160	0.01	Chlorine Cylinder Return
0	Hawkins Inc	601-49430-000-42160	3,344.49	Fluoride and Sodium Silicate
0	Hawkins Inc	101-45125-450-42160	10.00	Chlorine Cylinder Demurrage for Aquatic Center

Check Numb	Last Name	Acct 1	Amount	Description
	Hawkins Inc		6,436.89	
0	Healy Construction Company Inc	401-43121-430-44050	6,365.47	2024-01 Pay Req 2
	Healy Construction Company Inc		6,365.47	
181380	Heartland Animal Hospital	101-42700-420-43090	1,640.00	Care of a Stray
181380	Heartland Animal Hospital	101-42700-420-43090	556.46	Care of Stray
181380	Heartland Animal Hospital	101-42700-420-43090	276.95	Care of Stray
	Heartland Animal Hospital		2,473.41	
181381	Heinen Daniel	601-00000-000-20200	18.80	Reissue Ck#178940 Refund 022614-000 1409 Highland Pl
	Heinen Daniel		18.80	
181382	Helen M Nagel Inc	101-45200-450-42110	686.00	Wood Mulch
181382	Helen M Nagel Inc	603-49500-000-42240	125.00	Sod For Catch Basin Repairs
	Helen M Nagel Inc		811.00	
181383	Henry G Meigs LLC	101-43121-430-42240	247.50	Demurrage
	Henry G Meigs LLC		247.50	
181384	Hillyard Hutchinson	101-45125-450-42110	412.60	Cleaning and Building Supplies for Aquatic Center
181384	Hillyard Hutchinson	101-45122-450-42110	29.93	Toilet Tissue Dispenser
181384	Hillyard Hutchinson	101-45122-450-42110	748.55	Floor Pads/Cleaner/Paper Towels/Toilet Tissue
	Hillyard Hutchinson		1,191.08	
181385	Hy-Vee - Accounts Receivable	101-43121-430-42110	17.07	Water
	Hy-Vee - Accounts Receivable		17.07	
181335	IAFF Local 665	101-00000-000-21708	810.00	PR Batch 00516.08.2024 IAFF Local 665
	IAFF Local 665		810.00	
0	ICON LLC	602-49450-000-45300	171,140.12	2023-08 Pay Req 5
0	ICON LLC	476-43121-430-45307	42,514.40	2022-07 Pay Req 2

Check Numb	Last Name	Acct 1	Amount	Description
	ICON LLC		213,654.52	
0	Ikonitski Dmitri	101-42123-420-43310	15.00	Lunch Per Diem
	Ikonitski Dmitri		15.00	
0	Innovative Office Solutions LLC	101-45110-450-42010	64.40	Monthly Planners - Pens - Rubber Bands
0	Innovative Office Solutions LLC	101-41410-410-42010	15.40	Election Supplies
0	Innovative Office Solutions LLC	101-45110-450-42010	40.69	Pens/Clips/Time Cards/Paper Pads
0	Innovative Office Solutions LLC	101-41510-410-42010	2.01	Pens
0	Innovative Office Solutions LLC	101-41320-410-42010	2.02	Pens
0	Innovative Office Solutions LLC	101-41800-410-42010	2.02	Pens
0	Innovative Office Solutions LLC	101-41940-410-42010	772.80	Copy Paper City Hall - 16 Cases
0	Innovative Office Solutions LLC	101-42110-420-42020	35.13	Ink Cartridge
0	Innovative Office Solutions LLC	101-42124-420-42010	67.74	Envelopes
0	Innovative Office Solutions LLC	101-42110-420-42110	87.28	Napkins - Plates
0	Innovative Office Solutions LLC	101-42124-420-42010	287.88	Paper
	Innovative Office Solutions LLC		1,377.37	
0	Internal Revenue Service	101-00000-000-21704	7,209.25	PR Batch 00516.08.2024 Medicare Employer
0	Internal Revenue Service	101-00000-000-21701	44,441.96	PR Batch 00516.08.2024 Federal Income Tax
0	Internal Revenue Service	101-00000-000-21703	20,326.65	PR Batch 00516.08.2024 FICA Employer
0	Internal Revenue Service	101-00000-000-21703	20,326.65	PR Batch 00516.08.2024 FICA Employee
0	Internal Revenue Service	101-00000-000-21704	7,209.25	PR Batch 00516.08.2024 Medicare Employee
	Internal Revenue Service		99,513.76	
181336	IUOE Local 70	101-00000-000-21708	2,013.50	PR Batch 00516.08.2024 Local 70 Union Dues
	IUOE Local 70		2,013.50	
0	Kennedy & Graven, Chartered	101-00000-000-22000	54.60	FA105-00459 Senior/Memory Care Housing Project - Redline
0	Kennedy & Graven, Chartered	101-41610-410-43040	54.60	FA105-00499 Former Mayo Site
0	Kennedy & Graven, Chartered	101-41610-410-43040	2,941.85	FA105-00005 General Matters
0	Kennedy & Graven, Chartered	290-46500-462-43040	395.05	EDA Kennedy Graven Invoices for General/DCREBIP and FDC
0	Kennedy & Graven, Chartered	101-41610-410-43040	468.30	FA105-00010 General Employment Matters
0	Kennedy & Graven, Chartered	101-41610-410-43040	575.40	FA105-00522 Sale of 3.88 Acre Parcel
0	Kennedy & Graven, Chartered	101-41610-410-43040	166.50	FA105-00507 Community Action Center
0	Kennedy & Graven, Chartered	101-41610-410-43040	312.20	FA105-00500 Rasmussen vs. City
0	Kennedy & Graven, Chartered	101-00000-000-22000	136.50	FA105-00457 TIF Matters for Aleph Development Project at Willow
0	Kennedy & Graven, Chartered	101-41610-410-43040	132.65	FA105-00012 General Licensing Matters

Check Numb	Last Name	Acct 1	Amount	Description
0	Kennedy & Graven, Chartered	101-41610-410-43040	650.70	FA105-00488 County Housing Site
0	Kennedy & Graven, Chartered	404-45200-450-45200	258.00	FA105-00492 River Ridge 4th Addition
0	Kennedy & Graven, Chartered	101-41610-410-43040	1,092.70	FA105-00183 General Labor Matters
0	Kennedy & Graven, Chartered	280-46310-461-43040	813.60	HRA Kennedy Graven Invoices for General Matters and FDC and 204
0	Kennedy & Graven, Chartered	101-00000-000-22000	178.40	FA105-00514 Kleeberger Matter
0	Kennedy & Graven, Chartered	101-41610-410-43040	1,553.90	FA105-00510 2024 City Council Meetings
0	Kennedy & Graven, Chartered	101-41610-410-43040	420.00	FA105-00509 505 Central Avenue
0	Kennedy & Graven, Chartered	101-00000-000-22000	268.50	FA105-00461 Divine Mercy Project
0	Kennedy & Graven, Chartered	101-41610-410-43040	56.85	FA105-00508 Heritage Preservation Commission
0	Kennedy & Graven, Chartered	101-00000-000-22000	54.60	FA105-00464 Tru Vue Development Matter
0	Kennedy & Graven, Chartered	101-41610-410-43040	113.70	FA105-00511 2024 Planning Commission Meetings
0	Kennedy & Graven, Chartered	101-41610-410-43040	491.40	FA105-00521 Archer Data Center
0	Kennedy & Graven, Chartered	601-49430-000-43040	267.60	FA105-00498 PFAS Matter
0	Kennedy & Graven, Chartered	101-00000-000-22000	245.70	FA105-00519 1620 17th Street NW
0	Kennedy & Graven, Chartered	101-00000-000-22000	326.70	FA105-00520 Stoneridge Fourth Edition
0	Kennedy & Graven, Chartered	101-41610-410-43040	5,006.45	FA105-00484 Faribault Mill
0	Kennedy & Graven, Chartered	101-41610-410-43040	246.35	FA105-00028 General Planning Matters
0	Kennedy & Graven, Chartered	101-41610-410-43040	1,650.20	FA105-00518 2024 Xcel Energy Franchise Renewal
0	Kennedy & Graven, Chartered	290-46500-462-43040	1,596.30	FA105-00490 Project Buckeye
0	Kennedy & Graven, Chartered	101-41610-410-43040	27.30	FA105-00190 Faribault Foods
0	Kennedy & Graven, Chartered	101-00000-000-22000	54.60	FA105-00495 Hometown Credit Union Lot Combination Matter
0	Kennedy & Graven, Chartered	101-42400-420-43130	450.90	FA105-00258 Hazardous Building - 1215 East Division Street
Kennedy & Graven, Chartered			21,062.10	
0	Keystone Interpreting Solutions Inc	101-45500-450-43090	369.40	ASL Interpreting
0	Keystone Interpreting Solutions Inc	101-45500-450-43090	139.70	SRP Interpreter
Keystone Interpreting Solutions Inc			509.10	
0	Klemensen Jon	101-45200-450-43090	791.67	Contract Mowing
0	Klemensen Jon	101-45127-450-43090	1,841.67	Contract Mowing
0	Klemensen Jon	101-45126-450-43090	250.00	Contract Mowing
Klemensen Jon			2,883.34	
0	Kline Distributing LLC	101-45125-450-42990	487.44	Donuts/Pretzels/Cheese Sauce for Resale at Aquatic Center
0	Kline Distributing LLC	101-45125-450-42990	984.44	Hot Dogs/Buns/Chips/Etc for Resale at Aquatic Center
0	Kline Distributing LLC	101-45125-450-42990	1,427.41	Chips/Cotton Candy/Donuts for Resale at Aquatic Center
Kline Distributing LLC			2,899.29	
181386	Knecht's Nurseries & Landscaping	101-45200-450-42250	207.84	Daylilies

Check Numb	Last Name	Acct 1	Amount	Description
	Knecht's Nurseries & Landscaping		207.84	
181387	Krampitz Jr Martin Havin	603-49500-000-44045	4.25	Hose Assembly
181387	Krampitz Jr Martin Havin	601-49430-000-44045	29.96	Hose Assembly
181387	Krampitz Jr Martin Havin	602-49450-000-44045	29.96	Hose Assembly
181387	Krampitz Jr Martin Havin	101-43121-430-44045	287.83	Hose Assembly
	Krampitz Jr Martin Havin		352.00	
181388	Lamperts	101-45200-450-42110	190.12	Treated Lumber/Bleacher Skids
181388	Lamperts	101-45140-450-42110	5.64	Pet Parade Sign Sticks
181388	Lamperts	101-45200-450-42110	29.80	Treated Plank/Bridge Deck
181388	Lamperts	101-45122-450-42230	105.98	Lattice - Credit Taken 2x in Error
	Lamperts		331.54	
0	Lano Equipment Inc	101-45200-450-42210	206.54	Hydraulic Hose Connections
	Lano Equipment Inc		206.54	
181337	Law Enforcement Labor Services Inc	101-00000-000-21708	1,410.00	PR Batch 00516.08.2024 LELS 357 Union Dues
	Law Enforcement Labor Services Inc		1,410.00	
181389	Loffler Companies Inc	101-41940-410-44160	168.47	Copier Charges
181389	Loffler Companies Inc	101-41910-410-44160	58.08	Copier Charges
181389	Loffler Companies Inc	101-42210-420-44160	15.04	Copy Machine Charges
181389	Loffler Companies Inc	601-49430-000-44160	39.92	July Copier Overage
181389	Loffler Companies Inc	101-42124-420-44160	80.39	Black and White and Color Copies
181389	Loffler Companies Inc	240-46210-460-44160	58.08	Copier Charges
	Loffler Companies Inc		419.98	
181390	Lube-Tech & Partners LLC	101-43121-430-42130	1,251.64	Bulk Oil
181390	Lube-Tech & Partners LLC	602-49450-000-42130	86.67	Bulk Oil
181390	Lube-Tech & Partners LLC	101-43121-430-42130	832.75	Bulk Oil
181390	Lube-Tech & Partners LLC	603-49500-000-42130	12.31	Bulk Oil
181390	Lube-Tech & Partners LLC	601-49430-000-42130	130.26	Bulk Oil
181390	Lube-Tech & Partners LLC	602-49450-000-42130	130.26	Bulk Oil
181390	Lube-Tech & Partners LLC	603-49500-000-42130	18.52	Bulk Oil
181390	Lube-Tech & Partners LLC	601-49430-000-42130	86.67	Bulk Oil

Check Numb	Last Name	Acct 1	Amount	Description
	Lube-Tech & Partners LLC		2,549.08	
0	MacQueen Equipment LLC	602-49450-000-42410	1,200.00	Bluetooth Headset
0	MacQueen Equipment LLC	101-00000-000-10113	-10,448.88	Waler Rails for Rope Rescue - Public Safety Aid Funds
0	MacQueen Equipment LLC	101-42220-420-42410	10,448.88	Waler Rails for Rope Rescue - Public Safety Aid Funds
0	MacQueen Equipment LLC	101-00000-000-10100	10,448.88	Waler Rails for Rope Rescue - Public Safety Aid Funds
0	MacQueen Equipment LLC	101-43121-430-42210	112.48	Work Lights - Street 115
0	MacQueen Equipment LLC	602-49450-000-42210	704.24	Swivel Joint Unit 7
	MacQueen Equipment LLC		12,465.60	
181391	Martin A Windows LLC	101-43121-430-43090	1,500.00	Landscape Maintenance
181391	Martin A Windows LLC	101-45200-450-43090	1,500.00	Landscaping Maintenance
	Martin A Windows LLC		3,000.00	
0	Martin Marietta Materials Inc	101-43121-430-42240	441.25	Asphalt
	Martin Marietta Materials Inc		441.25	
0	Matejcek Implement Company	225-49810-430-42210	99.14	Hose Ends and Wire for Mower
	Matejcek Implement Company		99.14	
181392	Matthies Robert P.	101-45140-450-42110	200.00	Pet Parade Horse
	Matthies Robert P.		200.00	
181393	Menards	601-49430-000-42110	2,256.66	Softener Salt WTP
	Menards		2,256.66	
181394	MESERB	602-49480-000-44330	7,707.00	MESERB Membership
	MESERB		7,707.00	
0	Met-Con Construction Inc	602-49480-000-44160	328.00	Crane Rental
0	Met-Con Construction Inc	437-45200-450-45200	22,023.00	East and South Doors
	Met-Con Construction Inc		22,351.00	
0	Midwest Tape LLC	101-45500-450-42192	133.97	Audio/Visual

Check Num	Last Name	Acct 1	Amount	Description
0	Midwest Tape LLC	101-45500-450-43096	813.63	Hoopla Streaming
0	Midwest Tape LLC	101-45500-450-42192	7.49	Audio/Visual
0	Midwest Tape LLC	101-45500-450-42192	95.80	Audio/Visual
	Midwest Tape LLC		1,050.89	
181395	Midwest Tree LLC	101-45200-450-43090	800.00	Tree Removal
	Midwest Tree LLC		800.00	
181396	Minnesota Ag Power Inc	602-49480-000-42210	225.31	Lawn Mower Parts
181396	Minnesota Ag Power Inc	602-49480-000-42210	97.48	Tractor Sensor
	Minnesota Ag Power Inc		322.79	
0	Minnesota Child Support Payment Center	101-00000-000-21716	1,295.38	PR Batch 00516.08.2024 Child Support
	Minnesota Child Support Payment Center		1,295.38	
181397	Minnesota Department of Labor & Industry	101-42110-420-44010	100.00	Elevator License
181398	Minnesota Department of Labor & Industry	101-00000-420-36260	-126.99	April 2024 Surcharge Retained
181398	Minnesota Department of Labor & Industry	101-00000-000-20820	6,349.31	April 2024 Surcharge
	Minnesota Department of Labor & Industry		6,322.32	
181399	Minnesota Department of Natural Resources	602-49480-000-43030	1,200.00	Storm Water Outfall Permit
	Minnesota Department of Natural Resources		1,200.00	
0	Minnesota Department of Revenue	101-00000-000-21702	21,216.12	PR Batch 00516.08.2024 State Income Tax
	Minnesota Department of Revenue		21,216.12	
181338	Minnesota Public Employees Association	101-00000-000-21708	124.00	PR Batch 00516.08.2024 Police Support Services
	Minnesota Public Employees Association		124.00	
181400	Minnesota Sports Federation	101-45130-450-43130	270.00	Softball MSF Team Memberships
	Minnesota Sports Federation		270.00	
181339	Minnesota Teamsters Local 320	101-00000-000-21708	733.20	PR Batch 00516.08.2024 Teamsters 320 Union Dues

Check Numb	Last Name	Acct 1	Amount	Description
	Minnesota Teamsters Local 320		733.20	
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	234.00	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	234.00	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	484.00	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	234.00	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49450-000-43090	234.00	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	484.00	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	254.00	Soil Tests
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	234.00	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	525.60	SIU Lab Testing
0	Minnesota Valley Testing Labs Inc	602-49480-000-43090	234.00	SIU Lab Testing
	Minnesota Valley Testing Labs Inc		3,151.60	
181401	MN BCA Criminal Justice Training & Education Unit	101-42121-420-43140	300.00	ICAC and Human Trafficking Conf / J Witt
	MN BCA Criminal Justice Training & Education Unit		300.00	
0	Money Movers Inc	101-45110-450-43090	10.25	Insurance Reimbursement Fees
	Money Movers Inc		10.25	
0	Motor Parts & Equipment Corp	101-43126-430-42410	172.99	Oxygen Sensor Socket Set - Shop
0	Motor Parts & Equipment Corp	101-42700-420-42210	208.78	Rotars / #24
0	Motor Parts & Equipment Corp	602-49480-000-42130	62.64	Oil
0	Motor Parts & Equipment Corp	101-42220-420-42210	0.01	LED Mini - Warranty
0	Motor Parts & Equipment Corp	101-42110-420-42210	16.51	Powerated Belt
0	Motor Parts & Equipment Corp	101-42220-420-42210	-0.01	LED Mini - Warranty
0	Motor Parts & Equipment Corp	101-43121-430-42210	15.65	Oil Filter - Street 115
0	Motor Parts & Equipment Corp	101-43121-430-42410	3.00	Socket - Streets
0	Motor Parts & Equipment Corp	602-49450-000-42210	6.29	Spark Plug
	Motor Parts & Equipment Corp		485.86	
0	MTI Distributing Inc	101-45200-450-42210	160.27	Tank ASM
0	MTI Distributing Inc	101-45200-450-42210	-0.01	Hydraulic Motor
0	MTI Distributing Inc	101-45200-450-42210	0.01	Hydraulic Motor
0	MTI Distributing Inc	101-45200-450-42210	63.01	Mower Caster Fork
0	MTI Distributing Inc	101-45200-450-42210	-0.01	Parts
0	MTI Distributing Inc	101-45200-450-42210	0.01	Parts
0	MTI Distributing Inc	101-45200-450-42210	39.35	Caster Fork Asm.

Check Numb	Last Name	Acct 1	Amount	Description
0	MTI Distributing Inc	101-45200-450-42210	269.95	Wheel Assembly
	MTI Distributing Inc		532.58	
181402	Northfield News	101-45500-450-42191	97.80	Newspaper Subscription NFN-20401
	Northfield News		97.80	
181403	Novare Settlement Holdings LLC	401-00000-430-36105	195.91	Reissue Ck#177145 18.8.30.4.26.089 Assessment Overpmt
	Novare Settlement Holdings LLC		195.91	
181404	Office of MNIT Services	101-42110-420-43090	486.45	Voice Services
	Office of MNIT Services		486.45	
0	On Target A & M Inc	603-49500-000-43090	570.37	Utility Bills - August
0	On Target A & M Inc	602-49480-000-43090	570.36	Utility Bills - August
0	On Target A & M Inc	601-49430-000-43090	570.36	Utility Bills - August
0	On Target A & M Inc	602-49480-000-43090	585.16	Utility Bills - June
0	On Target A & M Inc	603-49500-000-43090	585.15	Utility Bills - June
0	On Target A & M Inc	601-49430-000-43090	585.16	Utility Bills - June
	On Target A & M Inc		3,466.56	
181405	On-Site Companies	101-41410-410-42410	1,990.00	Air Conditioner - Precinct 1
	On-Site Companies		1,990.00	
0	Orchard Trust Company	101-00000-000-21706	2,432.00	PR Batch 00516.08.2024 Roth Deferred Compensation
0	Orchard Trust Company	101-00000-000-21706	8,799.00	PR Batch 00516.08.2024 MN Deferred Comp
	Orchard Trust Company		11,231.00	
0	Pepsi Cola of Mankato Inc	101-45125-450-42990	590.08	Aquatic Center Concession Stand Drinks for Resale
0	Pepsi Cola of Mankato Inc	101-45125-450-42990	200.00	Hogwash/Water for Resale at Aquatic Center
	Pepsi Cola of Mankato Inc		790.08	
0	Plunkett's Pest Control	101-43121-430-44010	143.90	Pest Control
0	Plunkett's Pest Control	603-49500-000-44010	2.12	Pest Control
0	Plunkett's Pest Control	602-49450-000-44010	14.98	Pest Control
0	Plunkett's Pest Control	601-49430-000-44010	14.98	Pest Control

Check Numb	Last Name	Acct 1	Amount	Description
0	Plunkett's Pest Control	101-45500-450-44010	438.26	Annual Pest Control
	Plunkett's Pest Control		614.24	
0	Porras Juan	101-42121-420-43090	50.00	Interpreting Services / #24-1477
	Porras Juan		50.00	
0	Public Employees Retirement Association	101-00000-000-21705	17,291.58	PR Batch 00516.08.2024 PERA Coordinated
0	Public Employees Retirement Association	101-00000-000-21705	28,470.72	PR Batch 00516.08.2024 PERA Police & Fire
0	Public Employees Retirement Association	101-00000-000-21705	19,951.89	PR Batch 00516.08.2024 PERA Coordinated
0	Public Employees Retirement Association	101-00000-000-21705	18,980.47	PR Batch 00516.08.2024 PERA Police & Fire
	Public Employees Retirement Association		84,694.66	
0	PVS Technologies Inc	602-49480-000-42160	10,649.86	Ferric Phos Removal
0	PVS Technologies Inc	602-49480-000-42160	10,967.56	Ferric Phos Removal
	PVS Technologies Inc		21,617.42	
0	Quality Aviation Inc	225-49810-430-43090	2,083.33	Airport Maintenance Agreement
0	Quality Aviation Inc	225-49810-430-43090	1,416.67	Airport Management Agreement
	Quality Aviation Inc		3,500.00	
181406	Quality Forklift Sales and Service Inc	601-49430-000-42210	27.99	Weed Trimmer Head
	Quality Forklift Sales and Service Inc		27.99	
0	R C Bliss Inc	101-42123-420-42210	191.48	Housing / #16
	R C Bliss Inc		191.48	
0	Rent 'N' Save Portable Services	101-45200-450-44160	824.30	Restroom Rentals
0	Rent 'N' Save Portable Services	101-45200-450-44160	884.30	Restroom Rentals
0	Rent 'N' Save Portable Services	101-45200-450-44160	134.00	Restroom Rentals
	Rent 'N' Save Portable Services		1,842.60	
181407	Rice County	873-49499-000-44371	5,650.69	Roberds Lake Sewer Collected - July
	Rice County		5,650.69	

Check Numb	Last Name	Acct 1	Amount	Description
181408	Rice County Historical Society	101-41110-410-44383	7,041.50	Civic Organization/Non-Profit Payment
	Rice County Historical Society		7,041.50	
181409	Riverland Community College	101-42220-420-43140	150.00	BLS Provider Training - Milewski
	Riverland Community College		150.00	
0	Ronco Engineering Sales	101-45200-450-42210	68.00	Seal Kit
0	Ronco Engineering Sales	101-45200-450-42210	152.88	Seal Kit
	Ronco Engineering Sales		220.88	
181410	Rosen Roger	101-45500-450-42190	119.61	Books
	Rosen Roger		119.61	
181411	Safety-Kleen Systems Inc	101-43126-430-42110	103.15	Parts Washer Service - Shop
	Safety-Kleen Systems Inc		103.15	
0	Sakatah Carvers LLC	437-41940-410-45200	215.19	Fleur de li Logos for Council Chambers
	Sakatah Carvers LLC		215.19	
0	Sanity Solutions Inc	101-41580-410-43095	139.80	Cloud Backups
	Sanity Solutions Inc		139.80	
181412	Schauer Alex	101-45125-450-43090	500.00	DJ Services for Teen Night at Aquatic Center
	Schauer Alex		500.00	
181413	Scheffler Paul R	101-45200-450-42110	200.00	Reissue Check #178881 Straw Bales
	Scheffler Paul R		200.00	
0	Schirmer Walter D	101-45500-450-44010	395.00	Carpet Maintenance
	Schirmer Walter D		395.00	
181414	Schuenke Albert L	601-00000-000-20200	2.62	Refund Check 007794-000, 1614 Springwood Ln

Check Numb	Last Name	Acct 1	Amount	Description
	Schuenke Albert L		2.62	
0	Selco	101-45500-450-42190	100.00	Lost Book from MNLink
	Selco		100.00	
0	SHI International Corp	101-41320-410-42420	1,344.03	Laptop
0	SHI International Corp	240-46210-460-42420	138.24	Docking Station for Robert Harris III New EDA Employee
	SHI International Corp		1,482.27	
0	Shred Right	101-42124-420-43090	40.00	Shredding Service
	Shred Right		40.00	
0	Shuda Michael	101-42121-420-43310	82.00	Per Diem / Tactical Narcotics Debriefing Conference 9/10-9/12
	Shuda Michael		82.00	
0	Sirchie Acquisition Company LLC	101-42124-420-42110	52.90	Evidence Tape
	Sirchie Acquisition Company LLC		52.90	
181415	Snyder Aaron & Breanna	601-00000-000-20200	87.47	Refund Check 023629-000, 2505 Hulett Ave
	Snyder Aaron & Breanna		87.47	
181416	South Side Electric Inc	101-00000-000-20820	7.60	Customer Paid Permit 2x Surcharge
181416	South Side Electric Inc	101-00000-420-32220	201.95	Customer Paid Permit 2x
181416	South Side Electric Inc	101-00000-420-34220	1.00	Customer Paid Permit 2x License Verification Fee
	South Side Electric Inc		210.55	
181417	Southern Minnesota Youth Football League	101-45140-450-42110	400.00	Cub Football Team Registration
	Southern Minnesota Youth Football League		400.00	
0	Springbrook Holding Company LLC	601-49430-000-44325	1,720.50	CivicPay IVR Subscription - July
0	Springbrook Holding Company LLC	602-49450-000-44325	1,720.50	CivicPay IVR Subscription - July
	Springbrook Holding Company LLC		3,441.00	

Check Numb	Last Name	Acct 1	Amount	Description
181418	Stanford David	601-00000-000-20200	54.85	Refund Check 017418-010, 853 Prairie Ave
	Stanford David		54.85	
0	Stantec Consulting Services Inc	601-49430-000-45300	2,007.00	2024-07 Watermain Improvements
	Stantec Consulting Services Inc		2,007.00	
181419	Star Sports & Apparel LLC	101-45140-450-42110	200.00	Pet Parade Medals
181419	Star Sports & Apparel LLC	101-41580-410-42180	100.00	Work Shirts
	Star Sports & Apparel LLC		300.00	
181420	State Industrial Products	101-43126-430-42110	457.99	Glass Cleaner - Shop
	State Industrial Products		457.99	
181421	Steele Waseca Coop Electric	902-00000-000-23935	2,205.75	Monthly Charges-July
181421	Steele Waseca Coop Electric	225-49810-430-43810	30.09	1017445-2011 T-Hangar
181421	Steele Waseca Coop Electric	225-49810-430-43810	8.01	41926-Airport
181421	Steele Waseca Coop Electric	225-49810-430-43810	628.67	23947-Airport 10
181421	Steele Waseca Coop Electric	225-49810-430-43810	156.25	1018611-Hangar 910K
181421	Steele Waseca Coop Electric	602-49450-000-43810	336.54	30493-Lift Station
181421	Steele Waseca Coop Electric	601-49430-000-43810	283.27	1116570-Water Tower-Met Con Way
181421	Steele Waseca Coop Electric	225-49810-430-43810	42.22	32094-Airport
181421	Steele Waseca Coop Electric	225-49810-430-43810	8.01	41927-Airport
181421	Steele Waseca Coop Electric	225-49810-430-43810	39.20	41901-Airport
181421	Steele Waseca Coop Electric	225-49810-430-43810	36.39	1018624-Hangar 910J
181421	Steele Waseca Coop Electric	101-43160-430-43810	73.99	27205-Airtech Park
181421	Steele Waseca Coop Electric	602-49450-000-43810	74.61	1089247-Lift Station-15625 Acorn Trl
181421	Steele Waseca Coop Electric	225-49810-430-43810	98.82	20891-Airport New Hangar
181421	Steele Waseca Coop Electric	902-00000-000-23935	-2,205.75	Monthly Charges-July
181421	Steele Waseca Coop Electric	602-49480-000-43810	62.28	23271-Sludge Farm
181421	Steele Waseca Coop Electric	101-43160-430-43810	48.53	32089-Highway 21 Lights
181421	Steele Waseca Coop Electric	225-49810-430-43810	270.86	41875-Airport S Hangars
181421	Steele Waseca Coop Electric	225-49810-430-43810	8.01	1077021-Security Hangar 2
	Steele Waseca Coop Electric		2,205.75	
181422	Swank Motion Pictures Inc	101-45130-450-42110	395.00	Movie License for Super Mario Bros.Movie
181422	Swank Motion Pictures Inc	101-45130-450-42110	395.00	Movie License for Surf's Up

Check Numb	Last Name	Acct 1	Amount	Description
	Swank Motion Pictures Inc		790.00	
181423	The Prophet Corporation	101-45200-450-42110	329.00	Basketball Goal
181423	The Prophet Corporation	101-45140-450-42110	257.75	Youth Mouth Guards
	The Prophet Corporation		586.75	
181424	The UPS Store	601-49430-000-43250	16.96	Water Samples Shipped
	The UPS Store		16.96	
0	Timm's Trucking Inc	101-45200-450-44010	153.04	Black Dirt (Teepee)
0	Timm's Trucking Inc	101-45200-450-44010	160.23	Black Dirt (Teepee)
0	Timm's Trucking Inc	101-45200-450-44010	8,237.15	Black Dirt (Teepee)
0	Timm's Trucking Inc	101-45200-450-44010	601.91	Black Dirt (Teepee)
	Timm's Trucking Inc		9,152.33	
181425	Titus Trevor & Jamie White	601-00000-000-20200	72.75	Refund Check 021124-000, 1521 Rondarwall Ln
	Titus Trevor & Jamie White		72.75	
181426	T-Mobile	101-45500-450-43096	133.87	Hotspots
	T-Mobile		133.87	
181427	Townsquare Media LLC	101-45110-450-43430	1,686.00	Radio Advertising
	Townsquare Media LLC		1,686.00	
181428	TRI Air Testing Inc	101-42220-420-43090	246.00	Moisture Air Testing SCBA's
	TRI Air Testing Inc		246.00	
0	Truck Center Companies East LLC	101-43121-430-42210	125.20	Oil Filter/Marker Light/Slack Adjuster - Street #118
0	Truck Center Companies East LLC	101-43121-430-42210	32.01	Marker Light - Street Unit 118
0	Truck Center Companies East LLC	602-49450-000-42210	-20.62	Lamp Credit
0	Truck Center Companies East LLC	101-43121-430-42210	300.21	Brake Chamber/Air Hose/Slack Adjuster - Street 413
0	Truck Center Companies East LLC	101-42220-420-42210	1.05	Spring Nut #2115
0	Truck Center Companies East LLC	101-43121-430-42410	115.86	Soot Sensor Removal Socket - Street #118

Check Numb	Last Name	Acct 1	Amount	Description
	Truck Center Companies East LLC		553.71	
181429	Twin Cities Business	101-45500-450-42191	24.95	Magazine Subscription - Acct #0000018077
	Twin Cities Business		24.95	
0	Tyler Technologies Inc	431-41510-410-44050	1,956.00	Tyler SAAS Fees
0	Tyler Technologies Inc	431-41510-410-44050	11,084.00	Tyler SAAS Fees
	Tyler Technologies Inc		13,040.00	
0	Uline	101-42124-420-42110	248.15	Rifle/Handgun and Knife Evidence Boxes
	Uline		248.15	
0	Union Pacific Railroad Co	404-45200-450-45300	1,898.00	Public At-Glance Pedestrian Crossing
0	Union Pacific Railroad Co	404-45200-450-45300	45,835.32	(2022-11) Teepee Tonka Trail RR Crossing
	Union Pacific Railroad Co		47,733.32	
181430	United Tactical Systems LLC	101-42123-420-43140	495.00	PepperBall Instructor Training (2022) / B Johns
	United Tactical Systems LLC		495.00	
0	Vessco Inc	601-49430-000-44045	524.79	Chlorine Regulator Repair
	Vessco Inc		524.79	
181431	Vo Truoc	601-00000-000-20200	26.44	Refund Check 015462-000, 516 Hulett Ave
	Vo Truoc		26.44	
181432	Wal-Mart	101-45140-450-42110	221.56	Pet Parade Supplies
181432	Wal-Mart	101-45140-450-42110	73.11	Pet Parade Supplies
181432	Wal-Mart	101-45130-450-42110	38.39	Pet Parade Float Decoration Supplies
181432	Wal-Mart	101-45500-450-42010	59.22	Cutlery/Bandages/Cups/Plates/Kleenex/Toilet Cleaner
181432	Wal-Mart	101-45140-450-42110	10.98	Pet Parade Supplies
181432	Wal-Mart	101-45125-450-42110	32.92	Hydration Supplies for Heat Wave
181432	Wal-Mart	101-45140-450-42110	37.85	Pet Parade Supplies
	Wal-Mart		474.03	

Check Numb	Last Name	Acct 1	Amount	Description
181433	Xcel Energy	101-43160-430-43810	20.51	45 State Ave Lighting
181433	Xcel Energy	101-43160-430-43810	18.54	305251679 1701 Grant St NW St Light
181433	Xcel Energy	602-49450-000-43810	45.30	302412146 1901 7 St NW Lift Station
181433	Xcel Energy	101-45500-450-43810	189.22	302342287 11 Division St E
181433	Xcel Energy	101-45200-450-43810	30.12	303920032 540 2nd Ave NW
181433	Xcel Energy	101-45122-450-43830	227.76	302342287 Boiler Heat Line 30%
181433	Xcel Energy	101-43160-430-43810	30.12	303328788 1600 30 St NW
181433	Xcel Energy	602-49450-000-43810	17.40	303333605 410 Frink Ave Lift Station
181433	Xcel Energy	101-42500-420-43810	44.88	303930334 Fairgrounds/300 Western
181433	Xcel Energy	101-43121-430-43810	4,035.86	304051816 1200 Belview Trl
181433	Xcel Energy	101-45500-450-43810	20.33	302342287 11 Division St E Security
181433	Xcel Energy	602-49450-000-43810	47.75	305211022 140 Riverchase Ct Lift Station
181433	Xcel Energy	602-49450-000-43810	43.40	304801551 1321 Matteson St Lift Station
181433	Xcel Energy	601-49430-000-43810	10,542.47	303329691 824 7 St NW Pump Water
181433	Xcel Energy	225-49810-430-43830	24.18	304268037 Hangar 910A - City
181433	Xcel Energy	101-43160-430-43810	80.55	304850223 415/430 2 Ave NW-2 Ave Signal System
181433	Xcel Energy	101-42110-420-43810	534.94	303877775 11 20th St NW Evidence Garage
181433	Xcel Energy	101-43160-430-43810	23.97	304116512 1000 Lyndale Ave S
181433	Xcel Energy	101-45200-450-43810	44.71	302165394 415 2nd Ave SW Wapacuta Pk
181433	Xcel Energy	602-49450-000-43810	77.24	302976387 1301 Willow St Lift Station
181433	Xcel Energy	101-45126-450-43810	19.59	171746 117 Shumway Lighting
181433	Xcel Energy	101-43160-430-43810	85.75	304850222 328 4 St NW-4 Ave NW Signal System
181433	Xcel Energy	601-49430-000-43830	24.18	302971552 824 7th St NW Water Works
181433	Xcel Energy	101-45200-450-43810	35.20	304915622 705 3 Ave NW-Wapacuta Park Shelter
181433	Xcel Energy	101-43160-430-43810	13.13	304116510 1904 Grant St NW
181433	Xcel Energy	101-45200-450-43810	2,294.77	302576466 1815 Alexander Dr
181433	Xcel Energy	601-49430-000-43830	56.34	304914908 812 8 Ave NW Bldg B-WTP
181433	Xcel Energy	225-49810-430-43830	24.18	304268058 Hangar 910B - City
181433	Xcel Energy	101-43160-430-43810	36.93	305051521 New Bridge Lights 2nd Ave Bridge
181433	Xcel Energy	101-43160-430-43810	33.62	304087990 510 2 Ave NW Carnival
181433	Xcel Energy	602-49480-000-43810	30.12	302940983 502 3rd Ave NW
181433	Xcel Energy	101-45200-450-43810	27.98	302321102 1000 7 Ave SW-S Alex Sec
181433	Xcel Energy	601-49430-000-43810	9,793.12	302568990 410 Alexander Park Well #5
181433	Xcel Energy	602-49450-000-43830	10.50	304051816 1200 Belview Trl
181433	Xcel Energy	225-49810-430-43830	24.18	302414965 3401 Hwy 21 W
181433	Xcel Energy	101-42500-420-43810	8.18	164184 930 4th CD Siren
181433	Xcel Energy	101-45200-450-43810	-13.86	303510224 Central Park Band Stand
181433	Xcel Energy	101-45122-450-43810	2,367.39	302825421 19 Division St W
181433	Xcel Energy	602-49450-000-43830	24.18	302458578 828 8 Ave NW Park Shop
181433	Xcel Energy	101-43170-430-43810	241.36	303396625 27 Division St E Signal Light
181433	Xcel Energy	101-45122-450-43810	6,615.42	303273787 15 Central Ave Load Profile
181433	Xcel Energy	101-45126-450-43810	42.22	302492805 117 Shumway Washington Center
181433	Xcel Energy	101-43160-430-43810	62.87	304850224 402 Central-Central Ave Signal System

Check Numb	Last Name	Acct 1	Amount	Description
181433	Xcel Energy	101-42500-420-43810	8.18	146104 920 9 Ave SW CD Siren
181433	Xcel Energy	602-49450-000-43810	420.02	304051816 1200 Belview Trl
181433	Xcel Energy	101-42500-420-43810	3.94	154013 1851 220 St E CD Siren
181433	Xcel Energy	101-43170-430-43810	88.00	303446090 1418 Division St W Signal Light
181433	Xcel Energy	101-45500-450-43830	531.44	302342287 11 Division St E 70%
181433	Xcel Energy	101-42110-420-43810	7,087.88	303688424 25 4th St NW
181433	Xcel Energy	101-45200-450-43830	24.18	302627100 Jefferson Warming House
181433	Xcel Energy	101-43170-430-43810	21.99	304131503 2200 30th St NW
181433	Xcel Energy	101-43160-430-43810	8.34	304116511 800 Lyndale Ave S
181433	Xcel Energy	101-45200-450-43810	30.60	304850239 Tee Pee Tonka Park Tunnel
181433	Xcel Energy	101-45200-450-43810	76.14	304428352 601 1st Ave NE Fleckenstein Bluffs Park
181433	Xcel Energy	602-49480-000-43830	736.40	302858086 214 14 St NE
181433	Xcel Energy	101-45200-450-43810	19.28	303683055 100 TP Tonka Security
181433	Xcel Energy	101-42210-420-43830	301.31	302350193 122 2 St NW Fire Hall
181433	Xcel Energy	101-45200-450-43810	103.85	303239611 Sr High Tennis Courts
181433	Xcel Energy	601-49430-000-43810	863.13	302814303 1217 Parshall Reservoir #2
181433	Xcel Energy	101-45500-450-43810	999.79	302342287 11 Division St E
181433	Xcel Energy	101-45200-450-43830	24.18	304017445 900 Lyndale Ave N
181433	Xcel Energy	101-43170-430-43810	-172.98	302525247 4050 Hwy 60 W
181433	Xcel Energy	101-45127-450-43810	-17.36	304160080 705 17th St SW
181433	Xcel Energy	101-42500-420-43810	3.94	178539 2613A Hulett Court
181433	Xcel Energy	602-49450-000-43810	38.41	302346525 3030 Hwy 60 W Lift Station
181433	Xcel Energy	602-49480-000-43810	19,773.93	304239286 214 14th St NE
181433	Xcel Energy	101-42500-420-43810	33.60	304214955 930 4th Ave NW Siren
181433	Xcel Energy	101-43160-430-43810	87.67	304886692 1190 60 W Street Light
181433	Xcel Energy	101-45200-450-43810	30.12	303659432 618 9 Ave SW Sledding Hill
181433	Xcel Energy	602-49450-000-43810	11.69	302794134 98 3 Ave NW Viaduct Lift Station
181433	Xcel Energy	225-49810-430-43830	24.18	304268056 Hangar 910G - Rental
181433	Xcel Energy	101-43160-430-43810	149.64	304850220 720 4 St NW Street Light Feed Point
181433	Xcel Energy	225-49810-430-43830	85.02	304924581 3401 Hwy 21 W
181433	Xcel Energy	101-45200-450-43810	50.72	304017445 900 Lyndale Ave N
181433	Xcel Energy	101-45122-450-43830	288.67	303402179 16 Central Ave
181433	Xcel Energy	902-00000-000-23935	71,497.81	Electricity Bill - July
181433	Xcel Energy	902-00000-000-23935	-71,497.81	Electricity Bill-July
181433	Xcel Energy	101-43170-430-43810	159.51	302531059 103 3 St NE Signal Light
181433	Xcel Energy	101-43160-430-43810	-136.74	304157632 1602 2nd Ave NW
181433	Xcel Energy	101-43160-430-43810	-373.17	302767481 210 3 St NE St Light HP
181433	Xcel Energy	602-49450-000-43810	14.81	303203605 319 Lind St Lift Station
181433	Xcel Energy	101-45126-450-43810	284.32	303373970 117 Shumway Load Profile
181433	Xcel Energy	101-43170-430-43810	-95.37	303453265 1500 7 St NW Signal Light
181433	Xcel Energy	101-45200-450-43810	-44.18	302261595 920 9 Ave SW
181433	Xcel Energy	101-43170-430-43810	-115.67	303691980 2219 Grant St Light
181433	Xcel Energy	101-45200-450-43810	35.26	303683055 100 Tee Pee Tonka Park

Check Numb	Last Name	Acct 1	Amount	Description
181433	Xcel Energy	101-43160-430-43810	194.24	304850219 218 3 St NW/129 4 St NW Street Light
181433	Xcel Energy	101-45200-450-43810	26.73	175957 500 Maple Lawn Cartway
181433	Xcel Energy	101-41940-410-43810	2,664.29	303683323 208 1 Ave NW
181433	Xcel Energy	602-49450-000-43810	46.09	303670994 1090 Cannon Circle Lift Station
181433	Xcel Energy	601-49430-000-43810	1,452.99	302969048 350 Alexander Park Well #6
181433	Xcel Energy	601-49430-000-43830	10.50	304051816 1200 Belview Trl
181433	Xcel Energy	601-49430-000-43810	279.60	304872579 812 8 Ave NW-WTP
181433	Xcel Energy	101-42500-420-43810	3.94	167157 1203 Parshall St
181433	Xcel Energy	101-43160-430-43810	-85.15	303661815 495 Heritage Pl
181433	Xcel Energy	101-42110-420-43830	85.02	303877775 11 20th St NW Evidence Garage
181433	Xcel Energy	601-49430-000-43810	420.02	304051816 1200 Belview Trl
181433	Xcel Energy	601-49430-000-43810	-4,094.05	303929972 1904 Fairground Dr
181433	Xcel Energy	101-43160-430-43810	110.58	304882766 17 3rd St NE Unit Street Light
181433	Xcel Energy	101-42210-420-43810	75.15	302527702 122 2 St NW Fire Hall
181433	Xcel Energy	101-41940-410-43830	124.90	303640982 208 1 Ave NW City Hall
181433	Xcel Energy	101-43170-430-43810	8.18	156258 117 Shumway CD Siren
181433	Xcel Energy	101-45126-450-43830	86.10	302971175 117 Shumway Washington Center
181433	Xcel Energy	602-49450-000-43810	-3.90	302772185 1150 Willow Lift Station
181433	Xcel Energy	603-49500-000-43810	59.72	304051816 1200 Belview Trl
181433	Xcel Energy	101-43121-430-43830	100.90	304051816 1200 Belview Trl
181433	Xcel Energy	603-49500-000-43830	1.49	304051816 1200 Belview Trl
181433	Xcel Energy	101-43160-430-43810	85.91	304850221 419 8 Ave NW-8 Ave Signal System
181433	Xcel Energy	101-43160-430-43810	84.56	305155739 201 30th St NW Lighting
181433	Xcel Energy	101-43160-430-43810	-231.82	304157645 3305 Highway 60
181433	Xcel Energy	101-42110-420-43830	570.55	303688424 25 4th St NW
181433	Xcel Energy	101-45122-450-43810	20.51	154794 16 Central Ave
	Xcel Energy		71,518.32	
0	Zarnoth Brush Works Inc	101-43121-430-42210	608.00	Elgin Broom
	Zarnoth Brush Works Inc		608.00	
0	Ziegler Inc	101-43121-430-42210	197.83	Fuel Filters - Street 316
	Ziegler Inc		197.83	
			1,903,794.75	



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM: Mark DuChene, Director of Engineering (City Engineer)
MEETING DATE: August 27, 2024
SUBJECT: Approve Change Order No 1 for Viaduct Park Bid Package 1

Background:

Bids for Viaduct Park were received and opened on Wednesday, February 14, 2024. The bid results were discussed at the February 20, 2024, Special Work Session, and the recommendation from Staff was to not move forward with the bids but to work with the low bidders to identify cost savings measures for bid packages 1 and 2.

Following the March 6, 2024, work session, Council directed staff to engage the apparent low bidders for Bid Packages 1 & 2 for the Downtown Area Park Project to develop cost-saving measures and other value engineering ideas to try and bring the total project costs down. This included directions to place Bid Package 3 (Skate Loop) on the shelf for at least now and remove all related components to the ice system. The City Council authorized a professional services contract with the architect of record to redesign a portion of the proposed structure to reduce the building footprint and remove the ice system refrigeration and resurfacing equipment rooms. The revised architectural drawings for Bid Package 1 (Building) as well as marked up drawings for Bid Package 2 (Site Work and Splash Pad) were shared with the apparent low bidders and revised pricing was submitted to the City.

The apparent low bidder for Bid Package 1 agreed to hold their bid by mutual agreement with the City as this process has born out, and at the May 21, 2024 worksession, Council directed staff to award bid package 1 to RW Carlstrom based on the apparent low bid of \$3,867,000.00 and then negotiate a change order with the low bidder based on the revised design changes. The Council awarded bid package 1 to RW Carlstrom on June 11, 2024, per Resolution 2024-112.

At that time, the estimated reduction in construction costs for bid package 1 was \$811,366.00. Since that time, City Staff and RW Carlstrom found

an error in the cost reduction proposal. The cost reduction proposal in May inadvertently included the entire elimination of Division 27 (low voltage, A/V and security equipment) which was not requested by the City and needed to be added back in. Since that time, the Contractor has submitted a revised cost reduction proposal for adding back in the Division 27 items and this results in a net cost reduction now \$440,106.00. Staff is continuing to review the project plans and specifications and is having discussions with the contractor on additional cost savings particularly related to the A/V system and the video surveillance system and will bring forth future change order requests as needed.

Funding for the project is to come from an internal loan through the Sanitary Sewer Fund (602) as discussed in the memo from the May 21, 2024, work session, a copy of which can be found here: <https://faribaultmn.portal.civicclerk.com/event/1236/files/report/4273>

This current change order approval brings the contract in alignment with the building size reduction and related cost savings as outlined in the attached Proposal Request Number 001.

Recommendation:

Approve Viaduct Park Bid Package 1 Proposal Request Response Number 001 (PR No. 1) and Authorize City Engineer to Execute Change Order No 1 Based on PR No. 1

Attachments:

1. PR01 Response - Faribault Viaduct Park Bid Package 1



Proposal Request Response

Project:

Faribault Downtown Area Park

Proposal Request Number: 0001

Title: Value Engineering Revisions

PR Response Date: May 14, 2024 – Rev3

To:

City of Faribault

Mark Duchene

101 1st Avenue NE

Faribault, MN 55021

Architect Project No: 2342

Contract Date: TBD

We propose to make the following changes in this contract :

PCO:0001

Name: Value Engineering Revisions	Source: PR 01	Type:
--	----------------------	--------------

Description:**Scope of work:**

Revisions per PR 01:

- Reduce building footprint between grids 8-9 and B-G.
- Eliminate refrigeration equipment and associated structural supports.
- Reduce electrical gear sizes.

Amount: (440,106.00)

Cost Items:

Number	Name	Description	Amount
01 0000	General Conditions	• Winter Conditions	30,0000
03 0000	CIP Concrete	• Reduce spread footings • Delete Snowmelt Pit • Delete Splash Pad Drain Pit • Reduce SOG area for building footprint	(29,000.00)
04 0000	Masonry	• Reduce CMU foundations • Reduce brick veneer	(12,000.00)
05 0000	Structural Steel	• Delete structural framing for condenser support framing • Delete ships ladder	(41,110.00)
06 0000	Wood, Plastic, and Comp	• Reduce Building Footprint • Reduce Interior Partitions	(8,049.00)
07 0000	Thermal & Moisture	• Reduce waterproofing • Reduce weather barrier • Reduce membrane roof area • Delete membrane roof details at support structure	(46,881.00)

08 0000	Openings	- Revise door and frame quantity - Delete Equip. Maint. Storage 12' x 11' OH Door Tag: O109	(18,501.00)
09 0000	Finishes	- Reduce drywall quantity - Increased ceramic tile cost	6,964.00
21 0000	Fire Suppression	Reduced rooms/coverage area	(990.00)
22 0000	Plumbing	Plumbing reductions	(55,300.00)
23 0000	Hydronics	Hydronic piping reductions	(71,650.00)
23 0000	HVAC	- Changes per PR01 revised mechanical drawings: - Reduce building square footage/eliminate rooms. - Remove controls associated with ice system integration, snow melt, and boilers that were eliminated	(125,800)
26 0000 27 0000	Electrical Communications and Security	- Switchgear: MDP changed from 1200 amp to 400 amp and removing the 700 amp branch breaker - Lighting: Deduct fixtures per revisions. - Lighting Controls: Adjusted per revisions. - Items removed from equipment schedule: B-1, B-2, P-1, P-2, P-3, P-4, WH-2, WH-4, Chiller feed from the electrical panel up to the Chiller location. - Items added to equipment schedule: EH-7, 8 and 9 - Division 27 removed cameras and speakers at skating loop.	(63,789.00)
31 0000	Earthwork	Reduction in building size	(4,000.00)

The total Cost to perform the work as described above is a CHANGE of (440,106.00).

Clarifications:

- Winter conditions were included based on an assumption of when construction would be underway. This can be more closely evaluated once an updated construction start and updated schedule are established.
- At the time of submission, we have not received pricing for the HVAC and controls modifications. We will revise and update pricing when this is received.

We appreciate the opportunity to provide pricing for the revisions in PR01. Please let us know if you have any questions or would like to proceed with incorporating this PR into the project.

Respectfully submitted,

Eric Baarts



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM: Paul J. Peanasky, Parks and Recreation Director
MEETING DATE: August 27, 2024
SUBJECT: Approve Memorandum of Understanding with Great River Greening

Background:

Attached is the Memorandum of Understanding (MOU) with Great River Greening regarding their agreement to assist the City with increasing the local tree canopy due to loss from the emerald ash borer. There will be no cost to the City except some time to assist them with property locations. As part of the agreement, Great River Greening will plant, water, and remove some trees within certain low-income areas in the community. We are anticipating approximately 600 trees will be received. Trees can only be planted and removed on public grounds, so this will not help with residential requests.

There have been several discussions with the Council over the past year with the benefit being that we will receive approximately 600 trees over a five-year period. They will water them for up to three years or until the grant expires. And there will be several tree giveaways for the community. We still have no specifics on when the program will begin but are hoping for this fall.

Recommendation:

Approve MOU with Great River Greening

Attachments:

1. Memorandum of Understanding

**COOLING MINNESOTA COMMUNITIES
MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF FARIBAULT AND GREAT RIVER GREENING**

- I. **Parties.** This **Memorandum of Understanding (MOU)** is made is made the **8th of August 2024** between **Great River Greening (hereinafter referred to as “GRG”)**, a 501c3 non-profit located in St. Paul, Minnesota and **the City of Faribault (hereinafter referred to as the “City”)**, a community located within Southern Minnesota, just south of the Twin Cities Metropolitan Area.
- II. **Scope of Services and Responsibilities.** GRG and the City agree to partner to work on public property in the three census tracts in the city that qualify as CEJST disadvantaged areas, with the goal of increasing tree canopy.

Responsibilities

GRG Responsibilities. GRG agrees to provide the following list of services:

- Full and complete administration of the federally funded grant received from the Inflation Reduction Act and the USDA Forest Service, Urban and Community Forestry Program
- Fiscal authority over project costs and activities
- Tree removal (GRG will coordinate with a contractor)
- Tree planting (work will be done by GRG field staff, contractors, and/or supervised volunteers)
- Watering of newly planted trees for three (3) years or until end of grant, whichever comes first (GRG will coordinate with a contractor)
- Tree giveaways to residents in designated areas (work will be coordinated between GRG and City)
- Grant reporting and administration (work will be done by GRG with inputs from City)

City Responsibilities. The City agrees to provide the following list of services:

- Provide maps and other existing documentation relevant to the program
- Provide a point of contact
- Access to site or properties
- Support logistical and/or coordination requests for tree giveaways and during events
- Comply with regular data requests to support reporting obligations

- III. **Limitation of liability.** The City shall indemnify GRG and hold it harmless from and against any loss, claims, liabilities, damages and costs, including reasonable attorney's fees, related to the Project or the performance of their services pursuant to this Agreement, unless caused by the negligence of GRG, its agents or employees.

GRG shall indemnify the City and hold it harmless from and against any loss, claims, liabilities, damages and costs, including reasonable attorney's fees, related to the Project or the performance of their services pursuant to this Agreement, unless caused by the negligence of the City, its agents or employees.

- IV. **Amendment.** This Agreement may be amended only in a written document signed by both parties.
- V. **Independent Contractors.** Each party, its officers, agents and employees are at all times an independent contractor to the other party. Nothing in this Agreement shall be construed to make or render either party or any of its officers, agents, or employees an agent, servant, or employee of, or joint venture of or with, the other.
- VI. **Entire Agreement.** This Agreement represents the entire agreement and understanding of the parties hereto with respect to the subject matter of this Agreement, and it supersedes all prior and concurrent agreements, understandings, promises or representations, whether written or oral, made by either party to the other concerning such subject matter.
- VII. **Insurance.** GRG agrees to maintain during the term of this Consulting Contract the following insurance: Workers Compensation Insurance, Commercial General Liability (with coverage no more restrictive than that provided for by standard ISO Form CG 00 01 11 88 or CG 00 01 10 93 with standard exclusions "a" through "n") with a minimum limit of \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate for bodily injury and property damages, the limit specified may be satisfied with a combination of primary and Umbrella/Excess Insurance.
- VIII. **Waiver.** The failure of either party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver or relinquishment of the right to enforce or require compliance with such provision.
- IX. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of Minnesota and the federal government.

- X. **Termination.** This agreement may be terminated by either party, with or without cause upon 30 days written notice to GRG or the Authorized Agent of the City.
- XI. **Completion.** Work for this Project will be performed by **February 28th, 2029**, unless circumstances beyond GRG's control that prevents GRG from completing the Project.

Authorized Representatives

Contracting Agent
Great River Greening

Project Manager
Katie Edmond

Address
251 Starkey Street, Suite 2200
Saint Paul, MN 55107

Contact Phone Number
(952) 239-9515

Email Address
kedmond@greatrivergreening.org

Landowner
City of Faribault

Authorized Contact
Paul Peanasky

Address
208 First Avenue Northwest
Faribault, MN 55021

Contact Phone Number
(507) 334-2222

Email Address
ppeanasky@ci.faribault.mn.us

The Grantee and the Subcontractor hereby each certify that it is the authorized representative and appropriate signatory for this Agreement. The authorized signatory representative below can differ from the authorized representative (main contact) listed above.

Grantee Authorized Representative	Landowner Authorized Representative
Great River Greening	City of Faribault
Signature: _____	Signature: _____
Name: Kateri Routh	Name: _____
Title: Executive Director	Title: _____
Date: _____	Date: _____

Grant Manager Initials: *TR 8/14/24*

Conservation Director Initials: *TR 8/14/24*

Director of Finance Initials: *GS 8/14/2024*



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM: John Sherwin, Chief of Police
MEETING DATE: August 27, 2024
SUBJECT: Approve 2024-2025 School Resource Officer Contract

Background:

Both the Faribault Police Department and Faribault School District desire to continue School Resource Officer (SRO) services for the 2024-2025 school year. Under the terms of the SRO agreement, which was revised last year, officers remain assigned to both the High School and Middle School during the school year.

On July 16, 2024, Chief Sherwin and Superintendent Bente met to discuss the contract. For the 2024-2025 school year, the School District will reimburse the City a total of \$130,675.

Recommendation:

Approve the 2024-2025 School Resource Officer Contract Agreement

Attachments:

1. 2024-25 Agreement Between City of Faribault and Faribault District 656

**2024-2025 Agreement Between
The City of Faribault**

AND

**Faribault School District #656
For School Resource Officer Services**

This agreement is between the City of Faribault (City) and Faribault School District #656 (School District or District).

Whereas, the City and School District wish to maintain a cooperative working relationship in protecting the safety of all students and staff on school property and all attendees at District sponsored events and activities, and to provide a safe environment for everyone in our community; and

Whereas, the School District and City desire to join in a mutual effort to curb delinquency, crime, and substance use disorder in the community; and

Whereas, Minnesota Statutes, section 126C.44 authorizes the District to contract with the City to have peace officers provide school resource officer, hereinafter referred to as SRO, services; and

Whereas, Minnesota Statutes, section 126C.44 further authorizes the District to levy for an appropriate portion of the costs incurred paying wages, providing benefits, and providing transportation for peace officers who are assigned to perform school resource officer services; and

Now, therefore, in consideration of the City and School District agree as follows:

School Resource Officer Program

A. Definitions. The following definitions apply to this Agreement:

Additional services – services that a peace officer provides; at the District's request, outside the regular hours of SRO service that are described in paragraph four (4) of this Agreement. By way of example, but without limitation, an SRO performs additional services if, at the request of a school administrator or District administrator, the SRO attends a school board meeting, an extracurricular activity, or a community function that is held outside of regularly scheduled hours.

School resource officer or SRO – a licensed peace officer who is employed by the City and is assigned to provide SRO duties or additional services pursuant to this Agreement.

SRO Duties – those duties performed by an SRO, as described in Section B of this Agreement.

B. Responsibilities – City

1. *Scope of SRO duties and services* – include, but are not limited to:

- i. Promoting positive behavior on school property;
- ii. Protecting persons who are present on school property or at a school sponsored event or activity;
- iii. Protecting real and personal property;
- iv. Deterring and addressing truancy;
- v. Serving as a role model for students, parents, and community members;
- vi. Serving as a mentor and resource for students;
- vii. Conferring with students, parents, and community members for the purpose of deterring or addressing criminal behavior on school property or at a school sponsored event or activity;
- viii. Visiting and inspecting high delinquency areas on school property;
- ix. Being present and visible on school property and surrounding areas;
- x. Deterring all forms of criminal activity on school property and at school sponsored events and activities;
- xi. Enforcing all criminal laws on school property and at school sponsored events and activities as necessary in the SRO's professional judgement;
- xii. Assisting the School District in developing plans and strategies to prevent and/or minimize dangerous situations and to address other security issues identified by the School District administration, when applicable, a school principal and/or the SRO;
- xiii. Giving presentations to students and staff that are designed to promote safety or to deter, decrease, or otherwise address illegal substance use or other potential criminal activity by students;
- xiv. In all matters related to law enforcement actions taken within the school or on school property (including investigations, interviews and searches or confiscation of property related to students), conducting themselves in a manner consistent with relevant federal and state statutes and case law, the standard operating procedures and general orders of their department, their professional judgement, and the board-adopted policies and procedures of the District;
- xv. Investigating and otherwise addressing criminal activity that has occurred, is alleged to have occurred, may have occurred, or is expected to occur on school property or at a school sponsored event or activity;
- xvi. Participating in any criminal prosecutions that may arise from services provided under this Agreement;
- xvii. Conducting searches of students, student lockers, student backpacks, school property, and student vehicles as authorized by law and at the request of a school official when the school official has reasonable grounds to believe the search will result in the discovery of drugs, a weapon, or any other item that is unlawful for a student to possess on school property, or the discovery of other evidence establishing that a student has committed a crime that has a direct nexus to school property or a school sponsored event or activity;
- xviii. Referring complaints about noncriminal student behavior to school administration as most school incidents and policy violations do not constitute criminal conduct and should not be addressed through law enforcement action;
- xix. Recovering lost or stolen property;

- xx. Responding to emergencies including, but not limited to, medical emergencies and situations involving a threat of violence or harm to property or to any person who is on school property or is at a school sponsored event or activity;
- xxi. Meeting and collaborating with school administrators and District administrators to develop and work toward mutually agreed upon goals; and
- xxii. Other tasks as assigned by the Faribault Police Department.

2. *Vehicles, Equipment, and Training.* The City is responsible for providing each SRO with a vehicle and all necessary law enforcement equipment, including necessary electronic devices. The City is also responsible for providing training and education to all peace officers who are assigned to provide services pursuant to this Agreement.

C. Responsibilities – School District

It shall be the responsibility of the School District to:

1. Provide guidance and assistance to the SRO through principals, teachers, administrative staff, and student body.
2. Provide meeting and office space and support services in both the Middle and Senior High Schools for use by the SRO to meet with students and staff on a public and private meeting basis.
3. Provide clerical help and assistance to the SRO when needed by them within any school in which they are working based on mutual agreement with the school principal.
4. The School District agrees to cooperate with the City on future community policing activities. Facilitate opportunities for SRO involvement in student and faculty programs and activities.

D. Accountability and Relationship of Parties

1. The administration of the School District and the City/Police Department commit to providing the necessary support to make the SRO program successful.
2. The SRO is a City employee subject to all personnel policies and practices of the Faribault Police Department regarding investigations, interviews, body-worn cameras, and searches relating to juveniles, except as such policies or practices may be modified by the terms and conditions of this Agreement. At all times and for all purpose, the City is and will remain the exclusive employer of all peace officers who perform services pursuant to this Agreement. No SRO may be considered to be an official, employee, agent, educational service provider, or representative of the District, and no SRO may make any representation to the contrary. The City maintains full control over the peace officers it employs and is solely responsible for all employment and administrative functions related its employees, including, but not limited to, supervision and evaluation, payroll and deductions, maintenance of all required insurance (e.g., workers' compensation insurance, unemployment insurance, liability insurance), and any labor disputes or grievances.

3. Nothing in this Agreement may be construed to create a partnership or joint venture between the District and the City. Neither party has any authority or power to take any unilateral action that could legally bind the other party. For purposes of the Minnesota Government Data Practices Act, each party is considered to be an independent contractor relative to the other party.

E. Payment:

1. School District will pay to the City a total of \$130,675 for SRO Services, which will be made in two equal payments on December 15, 2024 and March 15, 2025.
2. The City will invoice the District for “additional services” as defined in this agreement at the contract off-duty employment rate of \$85 per hour in 2024, and \$90 per hour in 2025. Invoices shall be paid by the District within 30 days of receipt.

F. General Provisions:

1. *Indemnification.* Each party is solely responsible for the act(s) and omission(s) of its own officers, employees, officials, agents, and representatives. To the extent permitted by law, each party agrees to indemnify the other party from any and all damages, liability, judgments, claims, expenses, attorney fees, and costs resulting from any act or omission of any of its officers, employees, officials, agents, or representatives. Each party’s liability, if any, is limited under Minnesota Statutes Chapter 466, and nothing this Agreement may be deemed to constitute a waiver of those limits.
2. *SRO Reassignment for Emergency Response.* The City reserves the right to suspend this Agreement and reassign the SRO in the event of natural or man-made disaster, civil unrest, terrorism, war, pandemic, or any similar unforeseen event for the duration of such an event. The School district agrees that the City’s failure to perform or delay the performance of the City’s specified duties in the Agreement will not constitute a breach of contract if the failure to perform or delay in the performance of the City’s specified duties is due to or caused by an event of natural or man-made disaster, civil unrest, terrorism, war, pandemic, or any similar unforeseen event.
3. *Effective Date and Term.* This agreement shall be effective upon execution by both parties and will automatically renew each year unless a party notifies the other party 90 days prior to expiration of the agreement that they wish to terminate the contract.
4. *Termination.* Either party may terminate this agreement for cause on 90 days written notice to the other party. If this agreement is terminated by the School District, the City shall receive from the School District the funds allocated for the program based on services provided through the date of termination.
5. *Future Funding.* The City and the School District will review the long-term funding of these programs on a continuous basis, but not less than annually.
6. *Notice.* Notice shall be provided to the addresses in this Section F(5). All notices, demands, or other communications required in the Agreement shall be effective: (i) if given personally, upon receipt; (ii) if given by electronic mail, when the other party

confirms receipt; (iii) if mailed by certified mail, postage prepaid, return receipt requested.

City

Title: Chief of Police
Address: 25 Fourth Street NW
Faribault, MN 55021
Email: jsherwin@ci.faribault.mn.us

School District

Title: [Insert]
Address: [Insert]
Email: [Insert]

7. *SRO Selection.* The City and School District agree to continue with the SRO appointed for the 2023-2024 school year, and beginning in the 2024-2025 school year, or if the 2023-2024 SRO is no longer available to complete the duties under this Agreement, will each provide input and work together and come to agreement on any candidates to be considered for School Resource Officer.
8. *Data Practices.* Parties acknowledge that both the School District and City are subject to the Minnesota Government Data Practices Act (Minnesota Statutes, Chapter 13). The SRO shall only be considered a school official for purposes of any District Policy, the Family Educational Rights and Privacy Act or the Minnesota Government Data Practices Act when performing SRO duties.
9. *Audit.* Each party must allow the other party or its duly authorized agents, and the state auditor or legislative auditor reasonable access to the party's books, records, documents, and accounting procedures and practices that are pertinent to all services provided under this Agreement for a minimum of six years from the termination of this Agreement.
10. *Waiver.* Any waiver by any party of a breach of any provisions of this Agreement shall not affect in any respect the validity of the remainder of this Agreement.
11. *Entire Agreement and Amendments.* This Agreement constitutes the entire Agreement between the parties. This Agreement may only be amended by written agreement of both parties.

Executed this _____ day of _____, 2024.

City of Faribault

Mayor

City Administrator

Date

Faribault School District #656

Chairman of the Board

Superintendent of Schools

Date



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica L. Kinser , City Administrator
FROM: Heather Slechta, City Clerk
MEETING DATE: August 27, 2024
SUBJECT: Resolution 2024-171 Approve Tobacco License for Indigo Dreams Vape Shoppe

Background:

Kellethyn McHerne III, on behalf of Indigo Dreams Vape Shoppe, located at 1930 NW 2nd Avenue, has applied for a Tobacco License in the city of Faribault and has paid all required fees.

If the license is approved, the licensing period will be through December 31, 2024.

Recommendation:

Approve Resolution 2024-171

Attachments:

1. Resolution 2024-171 Approve Tobacco License For Indigo Dreams Vape Shoppe

CITY OF FARIBAULT

RESOLUTION #2024-171

APPROVE TOBACCO LICENSE FOR INDIGO DREAMS VAPE SHOPPE

WHEREAS, Kellethyn McHerne III of Indigo Dreams Vape Shoppe, located at 1930 NW 2nd Ave, has submitted an application for a Tobacco License in the city of Faribault; and

WHEREAS, Indigo Dreams Vape Shoppe has paid the required fee and completed the application packet to request the license; and

NOW, THEREFORE BE IT RESOLVED, Kellethyn McHerne III of Indigo Dreams Vape Shoppe, located at 1930 NW 2nd Ave, Faribault, MN, be issued a Tobacco License valid through December 31, 2024.

Date Adopted: August 27, 2024

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Jessica L. Kinser, City Administrator



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM: Heather Slechta, City Clerk
MEETING DATE: August 27, 2024
SUBJECT: Resolution 2024-172 Approve New Vehicles for Hire License

Background:

Raphael Lieske, on behalf of Straight River Taxi, LLC has applied for a Vehicle for Hire License for their business located at 770 25th Street NE, Owatonna, MN 55060. The applicant has paid all required fees and submitted all required paperwork. A review of Straight River Taxi's insurance has been reviewed and approved by the City Attorney. A background check has been successfully completed by the Faribault Police Department.

Recommendation:

Approve Resolution 2024-172

Attachments:

1. Resolution 2024-172 Approve New Vehicles for Hire License

CITY OF FARIBAULT

RESOLUTION #2024-172

APPROVE NEW VEHICLES FOR HIRE LICENSE

WHEREAS, the City of Faribault has received an application for a vehicle for hire license for Straight River Taxi, 770 25th Street NE, Owatonna, MN 55060; and

WHEREAS, the City of Faribault has received the proper fees and the required Certificates of Insurance; has been provided proof of Certification of Compliance with the Minnesota Workers Compensation Insurance law; and been provided the necessary Tax Information Form; and

WHEREAS, the Police Department conducted the required background investigations; and

WHEREAS, the City Attorney reviewed the required Certificates of Insurance provided; and

NOW, THEREFORE BE IT RESOLVED, that the taxicab company listed above be granted renewal of their vehicle for hire license with the City of Faribault for the term of August 28, 2024 to January 31, 2025.

Date Adopted: August 27, 2024

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Jessica L. Kinser, City Administrator



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM: Travis Block, Public Works Director
MEETING DATE: August 27, 2024
SUBJECT: Approve Hangar Rental Agreement

Background:

Due to a recent vacancy, the City has received a new Hangar rental Agreement from Chris Ludewig from Northfield, MN. The lease term expires December 31, 2024.

Recommendation:

Staff recommends that the Council approve the above referenced Hangar Rental Agreement.

Attachments:

1. Hanger 441 Chris Ludewig Lease 08-07-2024

HANGAR RENTAL AGREEMENT

In consideration of the provisions of this agreement, the City grants to the occupant, and the occupant accepts and takes the right to occupy and use a hangar space located at the Faribault Municipal Airport for aircraft storage. The right to occupy and use hangar space is subject to the terms and conditions of the provisions in this agreement.

This hangar rental agreement is made on: Sept 1st, 2024

by and between the City of Faribault, a municipal corporation (the "City") and the occupant set forth in Section 1 of this agreement (the "Occupant");

SECTION 1 – OCCUPANT

1.1 Occupant Name: CHRISTOPHER J LUDWIG
Occupant Address: [REDACTED]
NORTHFIELD MN 55057
Phone: [REDACTED]
E-Mail: [REDACTED]
Aircraft Registration No. [REDACTED]

Referred to as the "Occupant" in this document.

1.2 Registered Aircraft Owner/Lessee. The occupant must be a registered aircraft owner or lessee. The occupant must provide the City with a copy of aircraft registration and/or aircraft lease. These documents must be on file with the City prior to occupying a hangar. The occupant must inform the City of any changes in their status as to ownership or lease of an aircraft. From time to time, the City may require occupants to provide copies of their most recent aircraft registration.

1.3 Grace Period for Providing Registration/Lease Documentation. An existing hangar occupant must retain a valid aircraft registration or lease document to maintain possession of the hangar. There is an automatic sixty-day grace period for existing occupants to provide current aircraft registration or lease documents to the City. The City may, at its option, grant an additional sixty-day grace period to an existing occupant, if an existing occupant makes a written request and the City approves the request.

SECTION 2 – HANGAR

2.1 Hangar. This agreement is for Hangar # 441, in Building 4 as identified on the map maintained by the City of Faribault Public Works Department.

- 2.2 Use of Hangar. The occupant has the right and privilege to use the hangar to store aircraft during the term of this agreement. The occupant's rights and privileges to use the hangar only pertain to aircraft storage and to no other purpose without the prior written consent of the City, except that other item's incident to the use of an aircraft may be stored therein.

It is the intention that the hangar leased pursuant to this agreement shall not be used for commercial purposes. Storage of an airplane owned by, or used in a business, where such use is incidental to the business, shall not be deemed commercial use of the hangar. The occupant may service and maintain occupant's aircraft, but may not service aircraft owned by others in the rented hangar space.

- 2.3 Hangar Door to be Closed. The occupant is responsible for ensuring the hangar door is closed at all times, except when entering or exiting the hangar. The occupant is responsible for, and holds the City harmless from, any damage or destruction to the door or to the hangar attributable to or caused wholly or partly by the occupant's failure to comply with this provision.

- 2.4 Condition of the Hangar. The occupant accepts the hangar in the condition existing on the date of this agreement. The City has no obligation to make any alteration, addition or improvement to the hangar.

- 2.5 Maintenance of the Hangar. The occupant, at occupant's own expense, must maintain the hangar in a safe, non-hazardous, neat, clean, and sanitary condition. No explosive, flammable or hazardous materials shall be stored in the leased hangar, provided, however, that materials incidental to the use and maintenance of the aircraft stored in the hangar may be kept in the hangar in such amounts as are reasonable for the above described purposes. Storage and use of such materials shall, at all times, comply with all federal, state and local laws, ordinances and regulations. Improper handling or disposal of hazardous materials shall be grounds for termination of this agreement.

The city, or its agent, will provide snow removal services to the area of the leased hangar and taxi-ways as close to the leased hangar entrance as possible, but the occupant will be primarily responsible for removal of snow and ice immediately in front of the leased premises.

The occupant is to report any maintenance concerns to the Airport Manager/FBO. If the manager is not available, occupant is to contact: Public Works Department, City of Faribault, 1200 Belview Trail, Faribault, MN 55021, (507) 333-0361, or to another address or telephone number as may be assigned to the responsible department of the City.

- 2.6 Fixtures; Improvements. The occupant cannot attach or install any fixture in the hangar, nor can the occupant repair, reconstruct, enlarge, add to or alter the hangar or any part of the hangar, without prior written consent of the City. Any fixtures or improvements added will be at the occupant's sole expense.

- 2.7 Ownership. The hangar, and all structural repairs, improvements, alterations, or additions made by the occupant, and any fixtures permanently attached to the hangar during the term of this agreement, become and remain the property of the City.

SECTION 3 – PAYMENTS, OTHER OCCUPANT RESPONSIBILITIES

- 3.1 Term. This agreement takes effect on the date hereof, and expires on Sept 30th, 2024. This agreement will automatically renew on a month by month basis, beginning on the first day of month following the expiration date of this agreement, or on other date as described in this agreement. The agreement automatically renews for an unlimited number of additional one-month terms until the agreement is terminated for any of the reasons described in the termination section of this agreement. An additional monthly fee (as provided for in the City's adopted fee schedule) will be assessed after the expiration of this agreement, and until a new agreement is signed.
- 3.2 Payments. The occupant must pay the amount identified in the City's fee schedule to the City on or before the first day of each month. The City Council reviews, revises and adopts the fee schedule annually. So long as payments are received in a timely manner, this agreement will remain in effect. Payments are to be made at the time and place indicated on the monthly billing. Correspondence can be sent to: Public Works Department, City of Faribault, 208 NW 1st Ave, Faribault, MN 55021, and (507) 333-0361. Occupants are responsible for informing the City of any changes in billing address.
- 3.3 Utilities. No utilities may be connected to a hangar, other than electricity provided by the City, unless prior written consent is received from the City. In the case of additional permitted utilities, the occupant is responsible for promptly paying all charges for using utilities. Utilities include, but are not limited to: water, gas, electricity, telephone, rubbish removal, or any other utility used or consumed in connection with or in the hangar during the term of this agreement. The occupant must be able to, within a reasonable time after a request by the City, provide proof of utility payments to the City.
- 3.4 Taxes. Should a determination be made that the interest of the occupant in this agreement is taxable in any way, and should any tax be levied, the occupant is responsible for promptly paying the tax when due. The occupant must be able to, within a reasonable time after a request by the City, provide proof of tax payments to the City.
- 3.5 Mortgages; Assignment. The occupant cannot mortgage, encumber, assign as security, transfer, assign, or sublet their interest in this agreement, in whole or in part, without receiving prior written consent from the City. Violations of this provision will terminate this agreement.

SECTION 4 – CITY OF FARIBAULT RIGHTS, RESPONSIBILITIES

- 4.1 Inspection. The occupant must allow the City access to the hangar, for the purpose of conducting inspections of the hangar to determine whether the occupant is complying with the provisions of this agreement. The occupant may be a party to the compliance inspection; however, the City is not required to notify the occupant nor make any accommodation to the occupant before conducting compliance inspections.
- 4.2 Maintenance. The occupant must allow the City access to the hangar, for the purpose of conducting maintenance on the hangar. The occupant may be a party to access for maintenance purposes; however, the City is not required to notify the occupant of its intent to conduct maintenance.
- 4.3 Access to Aircraft. The City of Faribault will not operate, move, or otherwise change the position of any aircraft. The Fixed Base Operator, or occupant will be contacted to operate, move, or otherwise change the position of any aircraft, if such action is necessary for inspection or maintenance in a hangar. During periods of maintenance and/or inspection of hangars, should the aircraft need to be tied down on the apron, any fees that are or may be in place will be waived.
- 4.4 Residential Through the Fence Access. The City of Faribault will not permit or enter into any arrangements that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport.

SECTION 5 – TERMINATION PROVISIONS

- 5.1 Termination. Either party to this agreement may, at any time and for any reason, terminate this agreement upon thirty days advance written notice to the other party. Billing for final payment will include the last full month (including periods of more than fifteen days).
- 5.2 Default. In the event the occupant defaults in the performance of any provisions of this agreement and the default continues for a period of twenty days after service of written notice of the default by the City on the occupant, the City may repossess the hangar or any portion of it with or without terminating this agreement. Any such action by the City is done without prejudice to any other remedy for any payments due the City or other breach of agreement provision. In the case of default by the occupant, the City may, at its option, terminate this agreement by giving written notice of the termination. The rights and remedies given to the City are deemed to be cumulative, and the exercise of one cannot be deemed to be an election by the City to exclude the exercise of any other right or remedy at a different time.

- 5.3 Destruction. In the event the hangar is destroyed by any cause, whether natural or man-made, or is rendered unusable for any reason (as determined by the City), this agreement immediately and without further action terminates. In such an event, the occupant is to surrender possession of the hangar to the City. The City is to refund any amounts paid by the occupant as consideration, for the month in which such destruction occurs. The refund is to be equal to the proportion of the number of days in the month following the destruction to the number of days in the month.
- 5.4 Notice of Vacation. Prior to vacating the hangar for any reason, the occupant is to deliver to the City a notice of their intent to vacate the hangar. The occupant understands and agrees that up to five days before vacating the hangar and up to three days after vacating the hangar, the City may conduct vacation inspections to determine whether the occupant has complied with the provisions of this agreement. The occupant may be a party to the vacation inspection; however, the City is not required to make unreasonable accommodations in order to allow the occupant to be present at vacation inspections.
- 5.5 Removal of Items. The occupant cannot, under any circumstances, remove any property belonging to the City, including fixtures attached to and made part of the hangar, from the hangar.
- 5.6 Surrender of Possession. The occupant must peaceably vacate and quietly yield and surrender the hangar upon termination of this agreement. The occupant must surrender the hangar to the City in as good condition and repair as existed the date the occupant began using the hangar, with reasonable wear and tear excepted. Keys issued, as well as any copies that may have been made, must be given to the City upon termination.

SECTION 6 – OTHER PROVISIONS

6.1 Liability provisions; Indemnification; Insurance:

Notwithstanding anything to the contrary in this agreement, the City, its officers, agents, and employees shall not be liable or responsible in any manner to the occupant, occupant's successors or assigns, the occupant's contractor or subcontractors, material suppliers, laborers, or to any other person or persons for any claim, demand, damage, or cause of action of any kind or character arising out of or by reason of the execution of this agreement or the performance of this agreement, nor will the occupant make any claim against the City for or on account of any injury, loss or damage resulting from the occupant's property or use thereof. The occupant, and the occupant's successors or assigns, agree to protect, defend and save the City, and its officers, agents, and employees, harmless from all such claims, demands, damages, and causes of action and the costs, disbursements, and expenses of defending the same, including but not limited to, attorneys fees, consulting services, and other technical, administrative or professional assistance. Nothing in this agreement shall constitute a waiver or limitation of any immunity or limitation on liability to which the City is entitled under Minnesota Statutes, Chapter 466 or otherwise.

The occupant shall obtain and keep current a liability insurance policy in at least the sum of \$1,500,000 (aggregate, \$500,000 each person) coverage. The occupant shall during the term of this agreement adequately insure against any loss or damage to the hangar premise in the amount required by the City in its sole discretion. The occupant's policy shall include the City as an additional insured, shall be in a form acceptable to the City and shall provide insurance with respect to occupant's full indemnification and defense responsibilities contained in this agreement. All required insurance policies shall insure on an occurrence and not a claims-made basis, shall be issued by insurance companies which are reasonably acceptable to the City, and shall not be cancelable, reduced or materially changed unless thirty (30) days prior written notice shall have been given to the City. The occupant shall provide the City with a current certificate of liability insurance consistent with these requirements.

The occupant shall meet, and provide upon request verification of, all licensure requirements of the City of Faribault, State of Minnesota and/or the United States Government to legally comply with this agreement.

- 6.2 Transferring, subletting, selling: The occupant shall not assign, transfer, sublet or sell any interest in this agreement or in the improvements located on the property. Upon termination of this agreement by either party under the provisions of this agreement, the hangar will be made available for rent to interested parties on the waiting list maintained by the Airport Manager. No exceptions to this provision shall be permitted without prior written consent of the City. Failure to obtain prior written consent before assigning, subletting, or selling any interest in this agreement or in the improvements located on this property shall be sufficient grounds for terminating this agreement without obligation of the City to the occupant.
- 6.3 Use of Airport Facilities. The occupant has the privilege of using the public portions of the airport. Use of the airport is under the rules and conditions as now exist or may be enacted in the future by the City, the State of Minnesota, or the United State government. The occupant is subject to customary charges for such use as may be established from time to time by the City.
- 6.4 Compliance with Laws. The occupant agrees to abide by and conform to all laws, rules, and regulations, including future amendments, controlling or affecting the use or occupancy of the hangar.
- 6.5 Discrimination. The occupant, in the use of the Faribault Municipal Airport or any facilities, including the hangar, at the Airport, shall not discriminate or permit discrimination against any person or group of persons on the grounds of race, color or national origin or in any manner prohibited by Part 21 of the Regulations of the Office of the United States Secretary of Transportation. The occupant further agrees to comply with any requirement made to enforce such regulation which may demanded of the City by the United States government under authority of said Part 21.

6.6 Civil Rights: Occupant agrees that it will comply with applicable laws, statutes and rules that are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from federal assistance. This provision obligates occupant or its transferee for the period during which federal assistance is extended to the airport, except where federal assistance is to provide, or is in form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the provision obligates the party or any transferee for the longer of the following periods: (1) the period during which the property is used by the sponsor or any transferee for a purpose for which federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (2) the period during which the airport sponsor or any transferee retains ownership or possession of the property.

6.7 General Provisions:

a. Airport Access

Occupant has the privilege of using the public portions of the airport, such as runways and other public facilities, under such terms, ordinances, rules and regulations as now exist or may be enacted by City, and subject to charges for such use as may be established by City, by ordinance or agreement with occupant.

b. Waiver

The waiver by City or occupant of any breach of any term of this agreement shall not be deemed a waiver of any prior or subsequent breach of the same term or any other term of this agreement.

c. Headings

The headings in this agreement are for convenience in reference and are not intended to define or limit the scope of any provision of this agreement.

d. Entire Agreement; Amendments

This agreement represents the entire agreement between the parties and supersedes any prior agreements regarding the premises. This agreement may only be amended or modified if done in writing and executed by all parties to this agreement.

e. Severability

If any part of this agreement shall be held invalid, it shall not affect the validity of the remaining parts of this agreement, provided that such invalidity does not materially prejudice either party under the remaining parts of this agreement.

f. Choice of Law and Venue

This agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. Any disputes, controversies, or claims arising out of this agreement shall be heard in the state or federal courts of Minnesota, and all parties to this agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

g. Public Data

City shall use reasonable care to treat matters pertaining to occupant in a confidential manner to the extent permitted by law. This agreement, and the information related to it, are subject to the Minnesota Government Data Practices Act, which presumes that data collected by City is public data unless classified otherwise by law.

h. Commitments to Federal and State Agencies

Nothing in this agreement shall be construed to prevent City from making such commitments as it desires to the Federal Government or the State of Minnesota in order to qualify for the expenditure of Federal or State funds on the airport.

i. Successors

This agreement shall extend to bring the legal representatives, successors and assigns of the parties to this agreement.

j. Relationship of Parties

Nothing contained in this agreement shall be deemed to create a partnership, association or joint venture between City and occupant, or to create any other relationship between the parties other than that of landlord and occupant.

k. Multiple Parties

If more than one person or entity is named as the occupant, the obligations of the occupant shall be the joint and several responsibilities of all persons or entities named as occupant.

l. Consent and Approvals

Whenever in this agreement the consent or approval of City is required, such phrase means the formal approval or consent of City through a meeting of the Faribault City Council. When the consent or approval of City's staff is required,

such phrase means the consent or approval from the appropriate employee or agent of City.

m. Notice

Any notice required under this agreement shall be in writing and delivered in person or by courier or mailed by certified mail, return receipt requested by United States Mail, postage prepaid addressed as follows:

If to the City: City of Faribault
Department of Public Works
1200 Belview Trail
Faribault, MN 55021

If to the occupant: CHRIS LUDWIG
[REDACTED]
NORTFIELD, MN 55057

Notice is deemed given (i) two business days after being deposited in the mail, whether or not the notice is accepted by the named recipient, or (ii) if delivered by any other means, the date such notice is actually received by the named recipient. Either party may change the party's address for notice by providing written notice to the other party.

This agreement takes effect when it has been approved by the City Council of the City of Faribault or City Council's designated officer, is signed by occupant, and is accompanied by payment of one month's charges and other information, as provided in the agreement.

The term of this agreement begins on the date indicated:

Sept 1st, 2024

CITY OF FARIBAULT:

Dated: _____

By: _____
Kevin F. Voracek, Mayor

Attest: _____
Jessica L. Kinser, City Administrator

OCCUPANT:

Dated: Sept 2nd, 2024

By: Christopher J. Ludwig
CHRISTOPHER J. LUDWIG



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM: Heather Slechta, City Clerk
MEETING DATE: August 27, 2024
SUBJECT: Resoulition 2024-173 Removing Jay Welborn from the Library Advisory Board and Declaring a Vacancy

Background:

Jay Welborn was appointed to the Library Advisory Board at the April 23, 2024, City Council meeting. Mr. Welborn has not attended a monthly Library Advisory Board meeting since his appointment. Mr. Welborn's term expires on January 31, 2025. Staff is recommending that Mr. Welborn be removed from the Library Advisory Board and a vacancy be declared.

Recommendation:

Approve Resolution 2024-173.

Attachments:

1. Resolution 2024-173 Removing Jay Welborn from the Library Advisory Board and Declaring a Vacancy

CITY OF FARIBAULT

RESOLUTION #2024-173

**REMOVING JAY WELBORN FROM THE LIBRARY ADVISORY BOARD AND
DECLARING A VACANCY**

WHEREAS, Jay Welborn is a member of the Library Advisory Board; and

WHEREAS, Mr. Welborn has not attended a Library Advisory Board meeting since being appointed on April 23, 2024; and

WHEREAS, Mr. Welborn term expires on January 31, 2025; and

WHEREAS, said removal requires a vote of not less than five members of the City Council.

NOW, THEREFORE BE IT RESOLVED, that the City Council that Jay Welborn is hereby removed from the Library Advisory Board and a vacancy is declared.

Date Adopted: August 27, 2024

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Jessica L. Kinser, City Administrator



Request for Council Action

TO: Mayor and City Council
THROUGH: Charitable Gambling Board
Jessica Kinser, City Administrator
FROM: Heather Slechta, City Clerk
MEETING DATE: August 27, 2024
SUBJECT: Resolution 2024-175 Authorize Payment as Recommended by the Charitable Gambling Board to the Falcon Educational Enrichment Program

Background:

The Faribault Charitable Gambling Board reviewed a request for funding from the Falcon Educational Enrichment Program at their August 21, 2024, meeting. The Charitable Gambling Board recommends funding the request in the amount of \$3,500 to use towards expenses related to funding requests from teachers for educational programs and instruction supplies.

Recommendation:

Approve Resolution 2024-175.

Attachments:

1. Resolution 2024-175 Authorize Payment as Recommended by the Charitable Gambling Board to Falcon Educational Enrichment Program

CITY OF FARIBAULT

RESOLUTION #2024-175

AUTHORIZE PAYMENT AS RECOMMENDED BY THE CHARITABLE GAMBLING BOARD TO THE FALCON EDUCATIONAL ENRICHMENT PROGRAM

WHEREAS, the Faribault Charitable Gambling Board reviewed a request for funding from the Falcon Educational Enrichment Program at their August 21, 2024 meeting. The Charitable Gambling Board recommends funding the request in the amount of \$3,500 to use towards expenses related to funding request from teachers for educational programs and instruction supplies ; and

WHEREAS, the recommendation for funding this request is in accordance with City and State regulations for charitable gambling fund contributions.

NOW, THEREFORE BE IT RESOLVED, that the Faribault City Council authorizes payment as recommended by the Charitable Gambling Board.

Date Adopted: August 27, 2024

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Jessica L. Kinser, City Administrator



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM:
MEETING DATE: August 27, 2024
SUBJECT: Accept the 2023 Annual Comprehensive Financial Report

Background:

Annually, the City of Faribault is required to have an audit. This information is presented to you in the format of an Annual Comprehensive Financial Report (ACFR). The City of Faribault submits this report to the Government Finance Officer's Association for recognition through the Certificate of Achievement for Excellence in Financial Reporting program.

Recommendation:

To accept the 2023 Annual Comprehensive Financial Report

Attachments:

1. ACFR - 2023 Faribault - Final
2. CL - 2023 Faribault - Final
3. GAS-LC - 2023 Faribault - Final

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PREPARED BY:

FINANCE DEPARTMENT

Chad Guse
Assistant Finance Director

Member GFOA of U.S. and Canada
Published

CITY OF FARIBAULT
FARIBAULT, MINNESOTA

Annual Comprehensive Financial Report

FOR THE YEAR ENDED
DECEMBER 31, 2023



**City of Faribault, Minnesota
Comprehensive Annual Financial Report
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INTRODUCTORY SECTION

**CITY OF FARIBAULT
FARIBAULT, MINNESOTA**

**FOR THE YEAR ENDED
DECEMBER 31, 2023**





August 13, 2024

To the Honorable Mayor, Council Members, and Citizens of the City of Faribault:

The Annual Comprehensive Financial Report (ACFR) for the City of Faribault for the fiscal year ended December 31, 2023, is hereby submitted. Minnesota State Statutes requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standard by a firm of licensed certified public accountants.

The report consists of management's representations concerning the finances of the City of Faribault. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Faribault has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Faribault's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Faribault's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Faribault's financial statements have been audited by BerganKDV, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Faribault for the fiscal year ended December 31, 2023, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Faribault's financial statements for the fiscal year ended December 31, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Faribault's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Faribault, incorporated in 1872, is the county seat of Rice County and is located approximately 50 miles south of Minneapolis/St. Paul on Interstate 35. The City encompasses an area of approximately 15.882 square miles and has a current estimated population of 24,679. The City of Faribault is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the Governing Council.

Profile of the Government (Continued)

The City of Faribault operates under a home rule charter adopted in 1975 and has operated under a Council/Administrator form of government. The Faribault City Council is charged with exercising legislative power and determining local policy. The Governing Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and approving certain personnel actions as authorized in the City Charter and negotiated personnel contracts. The City Administrator is the Chief Administrative Officer directly accountable to the City Council for all matters of municipal operation. The Council is comprised of the Mayor, who serves a four-year term of office, and six City Council members who serve staggered four-year terms. All members are elected at large.

The City of Faribault provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; airport services; culture and recreational activities; and general administrative services. This report also includes the following entities as component units of the City of Faribault due to the nature of their relationship with the City in a discrete presentation.

Faribault Housing and Redevelopment Authority (HRA)
Faribault Economic Development Authority (EDA)

The annual budget serves as the foundation for the City of Faribault's financial planning and control. All departments of the City of Faribault are required to submit requests for appropriation to the City Administrator in July each year. The City's Administrator uses these requests as the starting point for developing a proposed budget. The City Administrator then presents this proposed budget to the City Council for review. The City Council is required to hold public meetings on the proposed budget and to adopt a final budget by no later than December 31, the close of the City of Faribault's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). Department heads prepare budget revisions that are reviewed by the City Administrator and require the special approval of the City Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General fund, this comparison is presented on page 35 as part of the basic financial statements for the governmental funds. For governmental funds, other than the General fund, with appropriated annual budgets, this comparison is presented in the government fund subsection of this report, which starts on page 103.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Faribault operates.

Local economy. Faribault is the Rice County seat, with the Rice County Government Services Center and the County Courthouse located on the west edge of the city's downtown area. A number of state-owned institutions are also located in Faribault, which include the Minnesota Correctional Facility and the Minnesota Academies for the Deaf and Blind.

The labor force averaged 11,209 people in 2023, which is an increase of 118 people compared to the prior year. In 2023, the average annual unemployment rate in Faribault was 3.4%, down from 3.5% in 2022, and is compared favorable to the national average of 3.7%.

The City has been working in conjunction with Rice County as they prepare for the new Rice County Public Safety Center. Rice County has acquired 109 acres within Faribault City limits for a 76-bed Public Safety Center. This has included negotiating a development agreement, public infrastructure, and land swaps with Rice County, a private business, and the City. Construction continued in 2023 with completion anticipated in fall of 2024.

Factors Affecting Financial Condition (Continued)

Overall, the City of Faribault continues to work to encourage positive growth and economic development. Due to the City's population, its location along Interstate 35, and its close proximity to the Minneapolis/Saint Paul metropolitan area, it is attractive to businesses that need affordable land and labor costs to expand their operations. A feasibility study for an additional interchange on Interstate 35 at County State Aid Highway 9 concluded, and the City began a master plan initiative on the western corridor of Hwy. 60 in an effort to begin jump-starting development within this region. We believe the sustained activity by both new and expanding industries in the community will continue to contribute to retaining and adding retail business and housing options within the city and continue to provide stability to both the City and the region.

Major Initiatives. The City Council adopted a new funding mechanism for funding street improvements in 2021, which began with 2022 projects. In lieu of levying special assessments on benefiting properties for improvements such as street reconstructions, overlays, and new sidewalks, additional franchise fees will be collected from electric and natural gas utility customers. For individual property owners, businesses, and institutions, this effectively spreads the costs of those types of projects out over an indefinite period of time, rather than being burdened with a large assessment at a point in time.

The City continued to refine plans for the new 2.7-acre park along the Straight River that will feature a multi-purpose building and splash pad within walking distance of downtown. Phase two of the project, which will include a skating surface, will continue to be pursued to ensure the park's regional-interest comes to fruition.

The City continued to see significant progress on several multifamily housing projects following the completion of a 77-unit market rate building on former City property immediately south of the TH60/Viaduct Bridge in 2023. Construction began on the first of a three-phased apartment complex, with construction of the second apartment building starting in 2024 immediately following the completion of the first building. The second phase of The Ponds apartment complex, a 19-unit market-rate apartment building on Cardinal Avenue, began in 2023. Plans for a proposed 54-unit apartment building at the former Farmer Seed and Nursery site continued to move forward with construction anticipated to begin in 2025. The Rice County Housing and Redevelopment Authority received approvals to develop a 22-lot, single-family detached housing subdivision north of the new County Public Safety Center. Construction on six, affordable, five-bedroom homes will begin in 2024. Staff continued to engage with various developers interested in developing a full range of housing developments in Faribault. We expect several housing proposals in 2024.

Sage Glass acquired Vetrotech, a specialty glass company, and built a new addition to accommodate 40 new employees. The EDA provided Sage with a forgivable loan, and the City provided tax abatement to support the project. The EDA and HRA provided the final installments of a \$1 million forgivable loan to Faribo Downtown Central to maintain and improve historic buildings downtown. The City Council also provided a \$500,000 low-interest loan to Faribo Downtown Central.

Staff met with prospective businesses and industries, including representatives from Midwest Recovery, which intends to move forward in 2025 with a revised plan for developing a drug and alcohol recovery center adjacent to Cardinal Lane. Staff expects additional industrial development along the I-35 corridor in 2024 and 2025.

Factors Affecting Financial Condition (Continued)

Long-term financial planning. The City of Faribault completes an annual update of a multi-year Financial Management Plan which is used to serve as a guide for the financial management of the City. The report projects cash requirements, revenue sources and debt needs in relation to the Capital Improvement Plan. A five-year Capital Improvement Plan (CIP) is developed as part of the budget process and long-range planning. The CIP is used to coordinate the location, timing, and financing of capital improvements over a multi-year period. The CIP is a working document which is reviewed and updated annually to reflect changing community needs, priorities, and funding opportunities.

Relevant Financial Policies. The City Council has adopted several financial management policies. The financial management policies include investment, debt, purchasing, revenues, and fund balance. The fund balance policy is relevant for management of adequate balances to operate during the period between tax collections, which are received by Rice County in two installments of June and December. The current policy requires unrestricted-unassigned fund balance for the General Fund to be not less than 35% and a maximum of 50% of the succeeding year's appropriations. The City has met this requirement at the 2023 fiscal year end.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Faribault, Minnesota for its Annual Comprehensive Financial Report for fiscal year ended December 31, 2022. This was the 32nd consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both GAAP and other applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the professional, efficient services of many dedicated people. I would like to express my appreciation to all Finance Department personnel for their dedication and professional contributions put forth throughout the year and during the audit and reporting process. I would also like to thank all City departments for their cooperation and ongoing support. Further recognition goes to the Administrator, Mayor, and the members of the Council for their interest and support in planning and conducting the financial operations of the City in a responsible and professional manner. The City's excellent financial status is a tribute to these unified efforts.

Respectfully Submitted,



Chad Guse
Assistant Finance Director

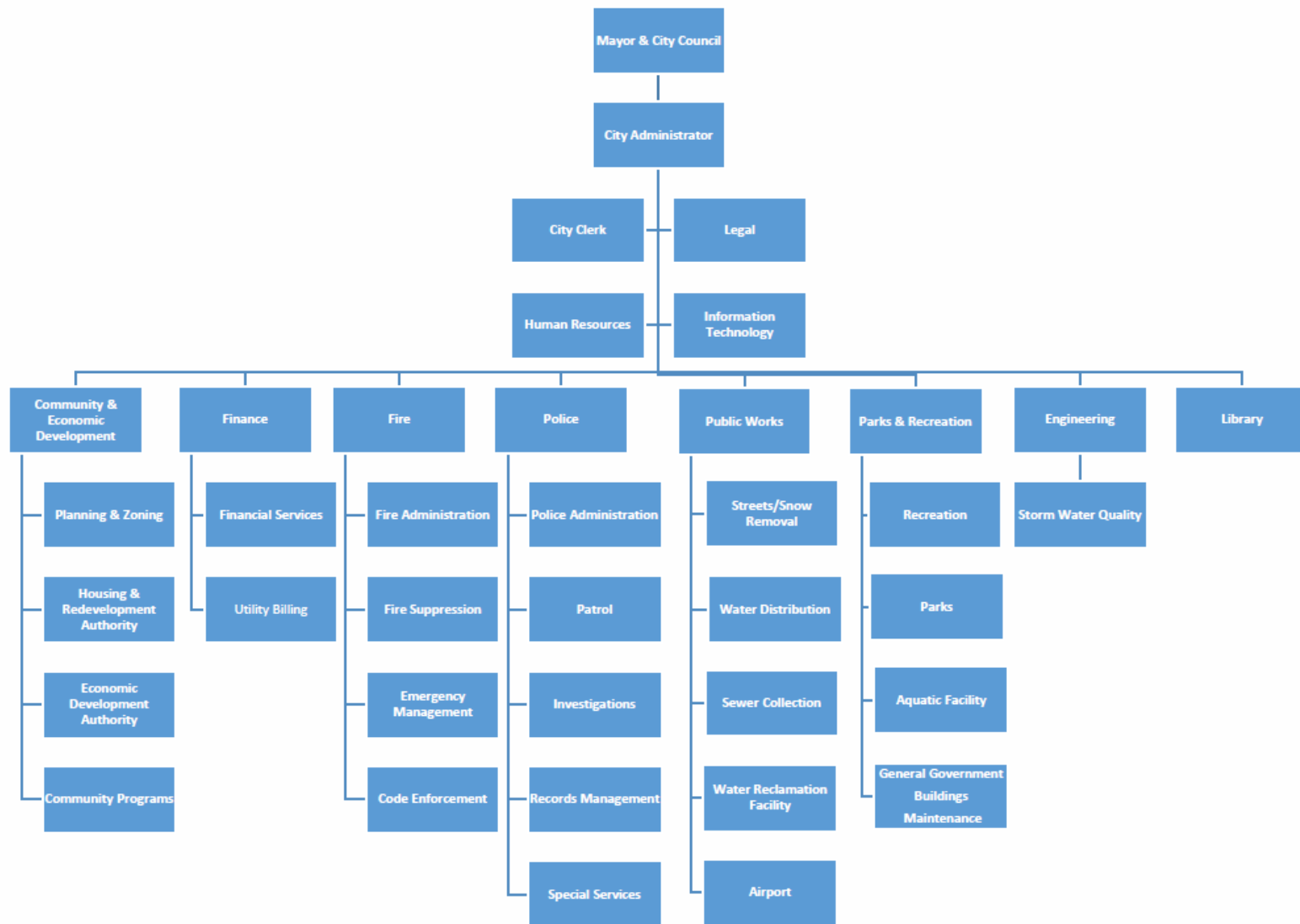
**City of Faribault, Minnesota
City Directory
December 31, 2023**

<u>Elected Officials</u>	<u>Position</u>	<u>Term Expires</u>
Kevin Voracek	Mayor	December 31, 2024
Sara Caron	Council Member	December 31, 2024
Royal Ross	Council Member	December 31, 2024
Thomas Spooner	Council Member	December 31, 2026
Peter van Sluis	Council Member	December 31, 2026
Adama Doumboya	Council Member	December 31, 2026
Chuck Thiele	Council Member	December 31, 2024

Administration

Timothy Murray	City Administrator
Jeanne Day	Finance Director
Ann Remold	Assistant Finance Director
Travis Block	Public Works Director
John Sherwin	Chief of Police
Dustin Dienst	Fire Chief and Emergency Management Director
Mark DuChene	Director of Engineering
Delane James	Director of Library Services
David Wanberg	Community and Economic Development Director
Paul Peanasky	Parks and Recreation Director

City of Faribault Organizational Chart December 31, 2023



City of Faribault
GFOA Certificate of Achievement for Excellence in Financial Reporting



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Faribault
Minnesota**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morill

Executive Director/CEO





Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, as of and for the year ended December 31, 2023, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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.

Emphasis of Matter - Implementation of GASB 96

The City has adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City of Faribault's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

Responsibilities of Management for the Financial Statements (Continued)

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 GAAS 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 GAAS 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, which follows this report letter, and Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Faribault's basic financial statements. The combining and individual fund statements and schedules identified in the Table of Contents 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 relates 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 combining and individual fund 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 included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements 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 August 13, 2024, on our consideration of the City of Faribault's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Bugankov, Ltd.

St. Cloud, Minnesota
August 13, 2024

City of Faribault, Minnesota Management's Discussion and Analysis

As management of the City of Faribault, 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, 2023.

FINANCIAL HIGHLIGHTS

- ◆ The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$201,669,216 (*net position*). Of this amount, \$35,296,996 (*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 \$11,831,893 over the prior year, including an increase of \$5,847,669 attributable to governmental activities, and an increase of \$5,984,224 attributable to business-type activities.
- ◆ A large part of the increase is due to investment earnings and fair value adjustments, due to interest rates and favorable market conditions in the current year. Other items include the City receiving one-time Public Safety aid from the state of Minnesota in the amount of \$1,063,288.
- ◆ As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$25,486,448, an increase of \$2,718,701 in comparison with the prior year. A large part of the increase is due to investment earnings and fair value adjustments, due to interest rates and favorable market conditions in the current year. Other items include the City receiving one-time Public Safety aid from the state of Minnesota in the amount of \$1,063,288. Approximately 57.7% of the ending fund balances, or \$14,713,859, is non-spendable, restricted, committed or assigned.
- ◆ At the end of the current fiscal year, unassigned fund balance for the General fund was \$10,772,589 or 50% of total 2024 General fund budgeted expenditures.
- ◆ As described in Note 1 of the notes to basic financial statements, the City implemented Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs), during the fiscal year ended December 31, 2023. This standard changed the way subscription transactions are reported by the City but did not result in a restatement of net position in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, 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.

**City of Faribault, Minnesota
Management's Discussion and Analysis**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide financial statements - (Continued) 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 revenues (*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, public works, culture and recreation, community development, and airport. The business-type activities of the City include water, sewer, and storm water operations.

The government-wide financial statements start on page 24 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 three categories: governmental funds, proprietary funds, and fiduciary 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 17 individual governmental funds, four of which are Debt Service funds. 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 fund, Street Improvement Projects fund, and Public Facility Projects fund all of which are considered to be major funds. Data from the other 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 and schedules* elsewhere in this report.

**City of Faribault, Minnesota
Management's Discussion and Analysis**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (Continued)

The City adopts an annual appropriated budget for all funds. The budgetary comparison statements have been provided for these funds to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 28 of this report.

Proprietary funds - The City maintains two different types of proprietary funds. *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, sewer, and storm water operations. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for the funding of workers' compensation and property/liability insurance to other functions of the City.

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 the water, sewer, and storm water, which are considered to be major funds of the City.

The basic proprietary fund financial statements start on page 34 of this report.

Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 40 of this report.

Notes to Basic 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 basic financial statements start on page 43 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pensions and other postemployment benefits to its employees.

Required supplementary information can be found on page 86 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented following the required supplementary information.

Combining and individual fund statements and schedules start on page 98 of this report.

City of Faribault, Minnesota
Management's Discussion and Analysis

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 \$201,669,216 at the close of the most recent fiscal year.

City of Faribault's Summary of Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 30,245,739	\$ 28,453,126	\$ 25,862,342	\$ 23,609,119	\$ 56,108,081	\$ 52,062,245
Capital assets	103,765,912	99,616,230	84,290,882	82,699,982	188,056,794	182,316,212
Total assets	<u>134,011,651</u>	<u>128,069,356</u>	<u>110,153,224</u>	<u>106,309,101</u>	<u>244,164,875</u>	<u>234,378,457</u>
Deferred outflows of resources	<u>10,437,359</u>	<u>12,682,574</u>	<u>397,424</u>	<u>620,409</u>	<u>10,834,783</u>	<u>13,302,983</u>
Long-term liabilities outstanding	19,659,017	30,891,961	16,106,298	18,409,742	35,765,315	49,301,703
Other liabilities	3,397,742	3,946,924	2,590,879	2,982,918	5,988,621	6,929,842
Total liabilities	<u>23,056,759</u>	<u>34,838,885</u>	<u>18,697,177</u>	<u>21,392,660</u>	<u>41,753,936</u>	<u>56,231,545</u>
Deferred inflows of resources	<u>10,996,466</u>	<u>1,364,929</u>	<u>580,040</u>	<u>247,643</u>	<u>11,576,506</u>	<u>1,612,572</u>
Net position						
Net investment in capital assets	96,404,494	91,958,483	67,740,160	64,318,882	164,144,654	156,277,365
Restricted	2,227,566	2,109,444	-	-	2,227,566	2,109,444
Unrestricted	<u>11,763,725</u>	<u>10,480,189</u>	<u>23,533,271</u>	<u>20,970,325</u>	<u>35,296,996</u>	<u>31,450,514</u>
Total net position	<u>\$ 110,395,785</u>	<u>\$ 104,548,116</u>	<u>\$ 91,273,431</u>	<u>\$ 85,289,207</u>	<u>\$ 201,669,216</u>	<u>\$ 189,837,323</u>

A major portion of the City's net position (\$164,144,654 or 81.39%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); 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.

An additional portion of the City's net position (\$2,227,566 or 1.11%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, (\$35,296,996 or 17.50%), 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. The same situation held true for the prior fiscal year.

Governmental activities - Governmental activities increased the City's net position by \$5,847,669. Key elements of this increase were an increase in the fair value of investments as well as increased intergovernmental revenues, primarily from State of Minnesota for road construction.

City of Faribault, Minnesota
Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

City of Faribault's Changes in Net Position

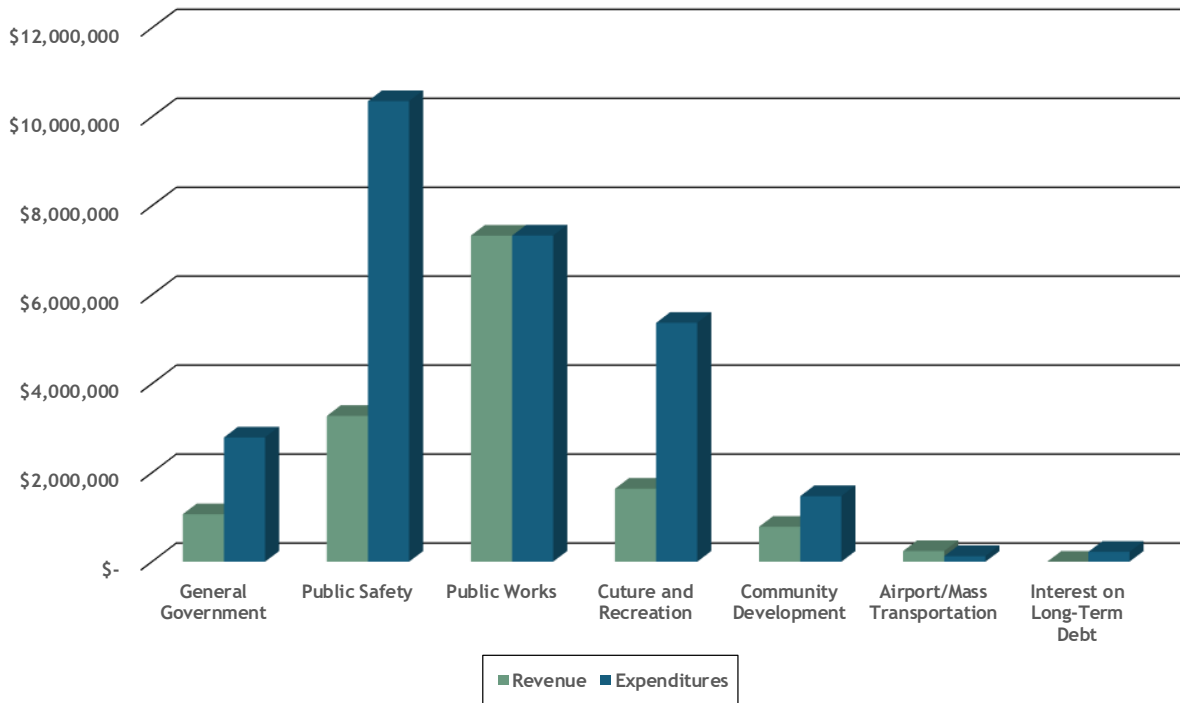
The following graphs depict various governmental activities and show the revenue and expenses directly related to those activities.

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	\$ 6,126,705	\$ 5,232,469	\$ 13,395,621	\$ 12,113,567	\$ 19,522,326	\$ 17,346,036
Operating grants and contributions	4,401,143	4,244,690	93,014	-	4,494,157	4,244,690
Capital grants and contributions	3,811,145	1,489,851	1,292,264	1,987,816	5,103,409	3,477,667
General revenues						
Property taxes/tax increments	11,216,835	10,630,173	-	-	11,216,835	10,630,173
Other taxes	201,642	199,770	-	-	201,642	199,770
Grants and contributions not restricted to specific programs	6,123,355	6,266,052	-	-	6,123,355	6,266,052
Unrestricted investment earnings	992,430	(1,049,309)	1,215,471	(1,177,663)	2,207,901	(2,226,972)
Gain/(loss) on sale of capital assets	103,330	276,977	7,000	(2,247)	110,330	274,730
Total revenues	32,976,585	27,290,673	16,003,370	12,921,473	48,979,955	40,212,146
Expenses						
General Government	2,793,971	4,465,592	-	-	2,793,971	4,465,592
Public Safety	10,355,241	9,897,831	-	-	10,355,241	9,897,831
Public Works	7,099,760	6,791,025	-	-	7,099,760	6,791,025
Culture and Recreation	5,370,222	4,883,533	-	-	5,370,222	4,883,533
Community Development	1,473,668	1,774,560	-	-	1,473,668	1,774,560
Airport and Mass Transportation	124,769	439,371	-	-	124,769	439,371
Interest on Long-Term Debt	220,058	253,792	-	-	220,058	253,792
Water	-	-	3,177,209	2,947,860	3,177,209	2,947,860
Sewer	-	-	5,792,857	5,543,828	5,792,857	5,543,828
Storm Water	-	-	740,307	793,545	740,307	793,545
Total expenses	27,437,689	28,505,704	9,710,373	9,285,233	37,148,062	37,790,937
Change in net position before transfers	5,538,896	(1,215,031)	6,292,997	3,636,240	11,831,893	2,421,209
Transfers in (out)	308,773	300,000	(308,773)	(300,000)	-	-
Change in Net Position	5,847,669	(915,031)	5,984,224	3,336,240	11,831,893	2,421,209
Net Position, January 1	104,548,116	105,463,147	85,289,207	81,952,967	189,837,323	187,416,114
Net Position, December 31	\$ 110,395,785	\$ 104,548,116	\$ 91,273,431	\$ 85,289,207	\$ 201,669,216	\$ 189,837,323

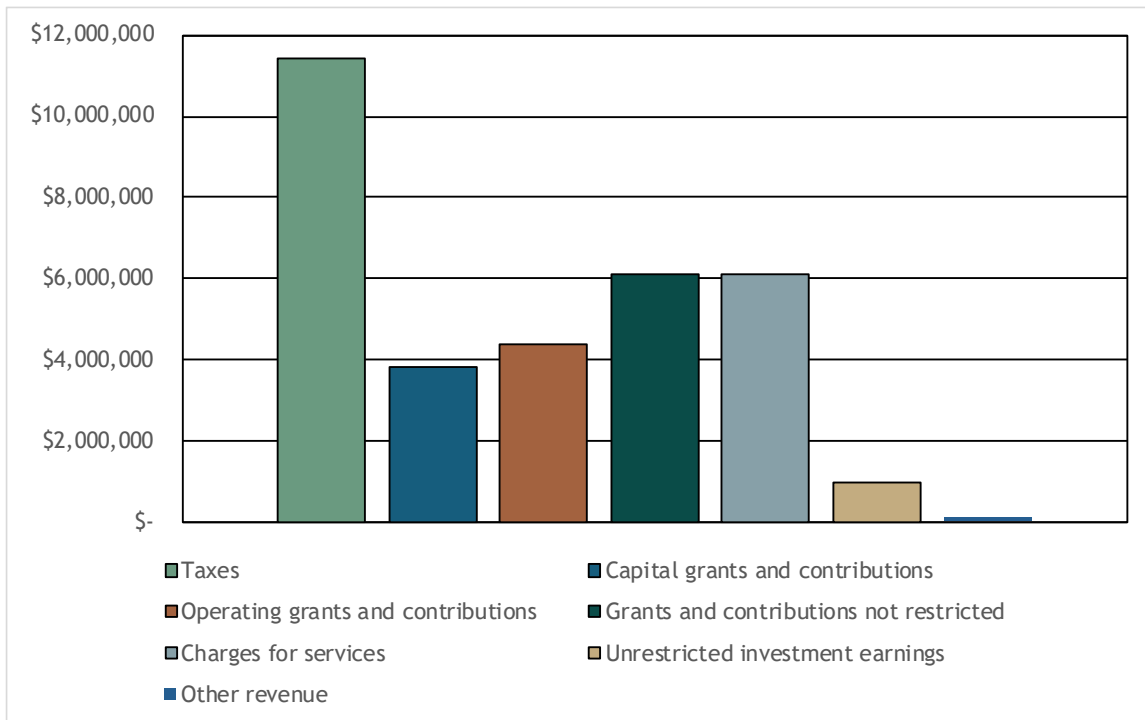
**City of Faribault, Minnesota
Management's Discussion and Analysis**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Expenditures and Revenues - Governmental Activities



Revenue by Source - Governmental Activities

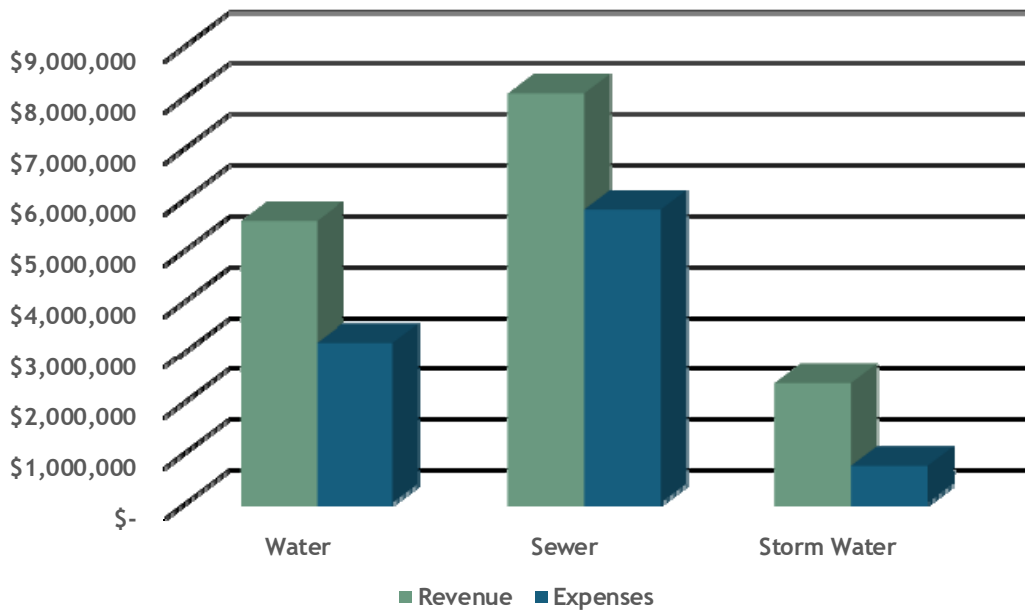


City of Faribault, Minnesota
Management's Discussion and Analysis

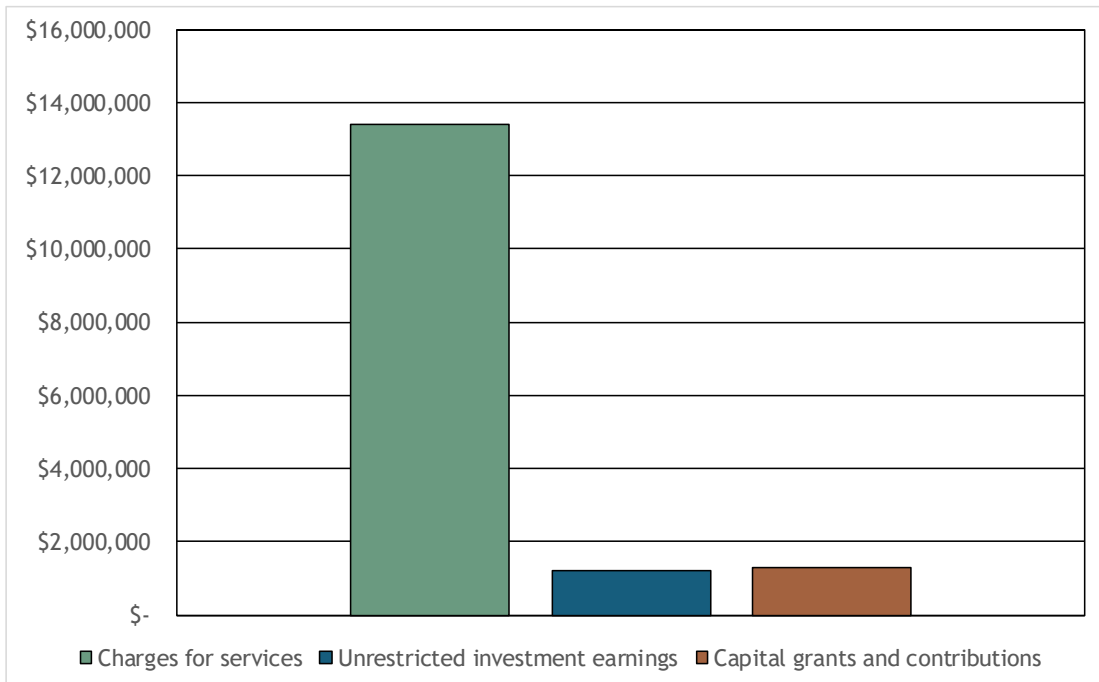
GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-type activities - Business-type activities increased the City's net position by \$5,984,224. Similar to governmental activities, key elements of this increase were due to an increase in the fair value of investments and utility rate increases.

Expenditures and Revenues - Business-Type Activities



Revenue by Source - Business Type Activities



City of Faribault, Minnesota
Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

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 end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$25,486,448, an increase of \$2,718,701 in comparison with the prior year. Approximately 42.27 percent of this total amount, \$10,772,589, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance consists of the following 1) nonspendable (\$136,486), 2) restricted (\$3,612,718), 3) committed (\$5,409,313), or 4) assigned (\$5,555,342) for specific purposes.

Major Funds	Fund Balance December 31,		Increase (Decrease)
	2023	2022	
<i>General</i>	\$ 13,319,126	\$ 10,746,938	\$ 2,572,188

- ◆ Property taxes for the year increased due to a 6.69% levy increase and growth, as well as new construction, in taxable market values.
- ◆ Intergovernmental revenue increased due to one-time Public Safety Aid received from the State of Minnesota
- ◆ Charges for Building Permits increased due to additional multi-family construction activity in 2023 over 2022.
- ◆ Investment Income increased \$986,341 due to improved returns and favorable fair value adjustments

<i>Street Improvement Projects</i>	\$ 3,287,022	\$ 2,407,511	\$ 879,511
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- ◆ Fund balance increased due to increased Intergovernmental revenues of \$3,178,630 from the State of Minnesota for Street construction projects, this was offset with an increase of expenditures for capital outlay.

Nonmajor Government funds have a total fund balance of \$8,880,300. The net decrease in fund balance during the current year was \$732,998. The decrease is mainly attributable to capital outlay expenditures of \$2,156,894 for capital projects.

Proprietary funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the business-type activities at the end of the year amounted to \$23,533,271. The total increase in net position for business-type activities was \$5,984,224. Factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

**City of Faribault, Minnesota
Management's Discussion and Analysis**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

General Fund Budgetary Highlights

The City's General fund budget was amended during the year. The final budget reflected an increase in expenditures of \$146,559, from the original budget. This increase in budget was primarily due to personnel services for Engineering for severance payments. Actual revenues and other sources were over budget by \$1,777,945, and expenditures were over budget by \$160,315 (not including transfers).

- ◆ The largest positive variance for revenues was Investment earnings, which were over budget by \$395,254, due to interest rates and favorable market conditions. Additional positive variances were related to Contributions and Donations, which were over budget by \$119,403, primarily due to separate Police and Fire donations from a local business.
- ◆ Most expenditure functions within the General fund were under budget for 2023. The largest negative variance was in Public works maintenance, which was over budget by \$71,490, mainly due to unforeseen increases in supply costs.

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, 2023, was \$188,056,794 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment, park facilities, roads, highways, and bridges. The total increase in the City's investment in capital assets for the current fiscal year was \$5,740,582.

Major capital asset events during the current fiscal year included:

- ◆ Purchase of two 2023 freightliner dump trucks.
- ◆ Completion of Water Treatment Plant
- ◆ Construction continued on the Northwest Area Water Tower Watermain Extension project.
- ◆ Construction was completed on the airfield lighting project.

**City of Faribault's Capital Assets
(net of depreciation and amortization)**

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 10,743,419	\$ 10,575,386	\$ 594,574	\$ 594,574	\$ 11,337,993	\$ 11,169,960
Construction in progress	4,622,308	1,912,868	7,953,971	16,018,023	12,576,279	17,930,891
Buildings and structures	20,101,471	20,754,587	30,381,940	20,101,703	50,483,411	40,856,290
Improvements other than buildings	5,247,485	7,549,300	44,168,146	44,837,242	49,415,631	52,386,542
Machinery and equipment	4,179,440	3,876,570	1,094,116	1,148,440	5,273,556	5,025,010
Infrastructure and airport	57,524,989	54,885,586	-	-	57,524,989	54,885,586
Subscription asset	986,059	-	98,135	-	1,084,194	-
Leased assets	360,741	61,933	-	-	360,741	61,933
Total	\$ 103,765,912	\$ 99,616,230	\$ 84,290,882	\$ 82,699,982	\$ 188,056,794	\$ 182,316,212

Additional information on the City's capital assets can be found in Note 6.

City of Faribault, Minnesota **Management's Discussion and Analysis**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Long-term debt - At the end of the current fiscal year, the City had total debt outstanding of \$26,776,364. The additional long-term debt is defined below related to bonded indebtedness and other long-term debt.

City of Faribault's Outstanding Debt

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 5,100,000	\$ 6,120,000	\$ -	\$ -	\$ 5,100,000	\$ 6,120,000
General obligation equipment certificates	-	30,000	-	-	-	30,000
General obligation assessment improvement bonds	1,430,000	1,640,000	-	-	1,430,000	1,640,000
General obligation revenue bonds	-	-	16,236,000	17,946,268	16,236,000	17,946,268
Bond premium	653,948	762,242	-	-	653,948	762,242
Loans payable	-	10,250	-	-	-	10,250
Lease liability	333,896	62,739	-	-	333,896	62,739
Subscription liability	998,865	-	93,446	-	1,092,311	-
Compensated absences payable	1,613,711	1,632,338	316,498	290,575	1,930,209	1,922,913
Total	\$ 10,130,420	\$ 10,257,569	\$ 16,645,944	\$ 18,236,843	\$ 26,776,364	\$ 28,494,412

Credit Rating

AA The City maintains a long-term "AA/Stable" rating from Standard and Poor's for general obligation debt. The rating agency highlighted the City's very strong management, very strong budgetary flexibility with an available funds balance of 54% of operating expenditures, and strong debt and contingent liability position.

Minnesota statutes limit the amount of net general obligation debt a City may issue to 3% 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 \$58,566,528 which is in excess of the City's outstanding general obligation debt of \$6,530,000.

Additional information on the City's long-term debt can be found in Note 7.

Economic Factors and Next Year's Budgets and Rates

The 2024 budget was conservatively developed to account for economic and legislative activity. It provides for a balanced budget and a sound financial plan for 2024 that maintains core service levels and is sensitive to the financial concerns of the City's taxpayers. The 2024 adopted tax levy increased 10.43 percent, compared to the 2023 adopted tax levy. The City continues to see slight increases in Local Government Aid (LGA) distributions, allowing the City to continue funding various capital projects.

Requests for Information

This financial report is designed to provide a general overview of 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 Office of the Finance Director, City of Faribault, 208 1st Avenue NW, Faribault, MN 55021-5105.

BASIC FINANCIAL STATEMENTS

City of Faribault
Statement of Net Position
December 31, 2023

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Economic Development Authority	Housing and Redevelopment Authority
Assets					
Cash and investments	\$ 24,256,560	\$ 22,810,800	\$ 47,067,360	\$ 2,921,612	\$ 1,394,694
Cash and investments held in escrow	-	-	-	-	48,950
Restricted cash	661,121	-	661,121	-	-
Property tax receivable	187,893	-	187,893	5,562	5,454
Accounts receivable	929,690	1,392,973	2,322,663	-	29,121
Interest receivable	115,357	150,004	265,361	13,248	4,357
Notes receivable	72,643	-	72,643	42,431	43,280
Leases receivable	570,621	115,375	685,996	-	-
Special assessments receivable	1,799,111	282,117	2,081,228	-	-
Due from other governments	1,345,183	185,366	1,530,549	-	323,068
Due from component unit	49,974	736,059	786,033	-	-
Inventory	-	166,652	166,652	-	-
Land held for resale	121,100	-	121,100	193,379	-
Prepaid items	136,486	22,996	159,482	-	1,465
Capital assets not being depreciated					
Land	10,743,419	594,574	11,337,993	91,834	594,041
Construction in progress	4,622,308	7,953,971	12,576,279	-	-
Capital assets being depreciated					
Buildings and structures	32,668,281	50,706,433	83,374,714	-	3,525,546
Improvements other than buildings	11,748,051	70,143,473	81,891,524	-	-
Machinery and equipment	11,923,729	3,174,993	15,098,722	-	43,368
Infrastructure and airport	96,970,554	-	96,970,554	-	-
Less accumulated depreciation	(66,257,230)	(48,380,697)	(114,637,927)	-	(2,207,283)
Assets being amortized					
Machinery and equipment	413,050	-	413,050	-	-
Subscription asset	1,093,951	122,643	1,216,594	-	-
Less accumulated amortization	(160,201)	(24,508)	(184,709)	-	-
Total assets	<u>134,011,651</u>	<u>110,153,224</u>	<u>244,164,875</u>	<u>3,268,066</u>	<u>3,806,061</u>
Deferred Outflows of Resources					
Deferred outflows of resources related to pensions	9,919,613	303,505	10,223,118	-	-
Deferred outflows of resources related to OPEB	<u>517,746</u>	<u>93,919</u>	<u>611,665</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>10,437,359</u>	<u>397,424</u>	<u>10,834,783</u>	<u>-</u>	<u>-</u>
 Total assets and deferred outflows of resources	 <u>\$ 144,449,010</u>	 <u>\$ 110,550,648</u>	 <u>\$ 254,999,658</u>	 <u>\$ 3,268,066</u>	 <u>\$ 3,806,061</u>

See notes to basic financial statements.

City of Faribault
Statement of Net Position
December 31, 2023

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Economic Development Authority	Housing and Redevelopment Authority
Liabilities					
Accounts payable	\$ 725,607	\$ 265,836	\$ 991,443	\$ 160,401	\$ 35,736
Salaries and benefits payable	440,239	-	440,239	-	-
Deposits payable	204,513	-	204,513	-	21,508
Contracts payable	89,645	221,276	310,921	-	-
Due to other governments	12,038	10,115	22,153	-	14,713
Due to primary government	-	-	-	786,033	-
Interest payable	9,717	104,580	114,297	48,212	-
Unearned revenue	28,271	300	28,571	-	-
Net G.O. bonds payable					
Payable within one year	1,260,000	1,788,556	3,048,556	-	-
Payable after one year	5,923,948	14,447,444	20,371,392	-	-
Subscription Liability					
Payable within one year	99,197	30,073	129,270	-	-
Payable after one year	899,668	63,373	963,041	-	-
Lease liability					
Payable within one year	99,683	-	99,683	-	-
Payable after one year	234,213	-	234,213	-	-
Compensated absences payable					
Payable within one year	428,832	170,143	598,975	-	-
Payable after one year	1,184,879	146,355	1,331,234	-	-
Net pension liability					
Payable after one year	9,826,606	1,160,755	10,987,361	-	-
Total OPEB liability					
Payable after one year	1,589,703	288,371	1,878,074	-	-
Total liabilities	<u>23,056,759</u>	<u>18,697,177</u>	<u>41,753,936</u>	<u>994,646</u>	<u>71,957</u>
Deferred Inflows of Resources					
Deferred inflows of resources related to pensions	9,985,886	384,281	10,370,167	-	-
Deferred inflows of resources related to OPEB	439,959	80,384	520,343	-	-
Deferred inflows of resources related to leases receivable	570,621	115,375	685,996	-	-
Total deferred inflows of resources	<u>10,996,466</u>	<u>580,040</u>	<u>11,576,506</u>	<u>-</u>	<u>-</u>
Net Position					
Net investment in capital assets	96,404,494	67,740,160	164,144,654	91,834	1,955,672
Restricted for					
Debt service	1,124,087	-	1,124,087	-	-
Fire insurance escrow	85,567	-	85,567	-	-
Youth baseball (Peter Smith fund)	75,554	-	75,554	-	-
Charitable gambling	48,646	-	48,646	-	-
Public safety programs	15,268	-	15,268	-	-
Rehabilitation projects	189,081	-	189,081	-	-
Revolving loans	443,349	-	443,349	936,194	24,916
Park capital improvements	246,014	-	246,014	-	-
Mobile home rehab	-	-	-	-	75,331
Public housing	-	-	-	-	597,413
Unrestricted	11,763,725	23,533,271	35,296,996	1,245,392	1,080,772
Total net position	<u>110,395,785</u>	<u>91,273,431</u>	<u>201,669,216</u>	<u>2,273,420</u>	<u>3,734,104</u>
 Total liabilities, deferred inflows of resources, and net position	<u>\$ 144,449,010</u>	<u>\$ 110,550,648</u>	<u>\$ 254,999,658</u>	<u>\$ 3,268,066</u>	<u>\$ 3,806,061</u>

See notes to basic financial statements.

City of Faribault
Statement of Activities
Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities				
General government	\$ 2,793,971	\$ 707,943	\$ 358,260	\$ -
Public safety	10,355,241	1,211,093	1,952,047	114,654
Public works	7,099,760	2,573,239	1,117,910	3,640,080
Culture and recreation	5,370,222	1,298,691	340,935	-
Community development	1,473,668	186,058	598,231	-
Mass transportation and airport	124,769	149,681	33,760	56,411
Interest on long-term debt	220,058	-	-	-
Total governmental activities	<u>27,437,689</u>	<u>6,126,705</u>	<u>4,401,143</u>	<u>3,811,145</u>
Business-type activities				
Water	3,177,209	4,533,999	-	696,629
Sewer	5,792,857	7,289,882	92,972	16,060
Storm Sewer	740,307	1,571,740	42	579,575
Total business-type activities	<u>9,710,373</u>	<u>13,395,621</u>	<u>93,014</u>	<u>1,292,264</u>
Total primary government	<u>\$ 37,148,062</u>	<u>\$ 19,522,326</u>	<u>\$ 4,494,157</u>	<u>\$ 5,103,409</u>
Component Units				
Economic Development Authority	\$ 711,497	\$ 3,718	\$ 15,565	\$ -
Housing and Redevelopment Authority	<u>673,344</u>	<u>336,119</u>	<u>592,744</u>	<u>-</u>
Total component units	<u>\$ 1,384,841</u>	<u>\$ 339,837</u>	<u>\$ 608,309</u>	<u>\$ -</u>
General revenues				
Property taxes, levied for general purposes				
Property taxes, levied for debt service				
Tax increments				
Other taxes				
Unrestricted investment income				
Grants and contributions not restricted to specific programs				
Gain on sale of assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - beginning				
Net position - ending				

See notes to basic financial statements.

Net (Expense) Revenues and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Economic Development Authority	Housing and Redevelopment Authority
\$ (1,727,768)	\$ -	\$ (1,727,768)	\$ -	\$ -
(7,077,447)	-	(7,077,447)	-	-
231,469	-	231,469	-	-
(3,730,596)	-	(3,730,596)	-	-
(689,379)	-	(689,379)	-	-
115,083	-	115,083	-	-
(220,058)	-	(220,058)	-	-
(13,098,696)	-	(13,098,696)	-	-
-	2,053,419	2,053,419	-	-
-	1,606,057	1,606,057	-	-
-	1,411,050	1,411,050	-	-
-	5,070,526	5,070,526	-	-
(13,098,696)	5,070,526	(8,028,170)	-	-
			(692,214)	-
			-	255,519
			(692,214)	255,519
10,950,969	-	10,950,969	322,878	329,468
265,866	-	265,866	-	-
-	-	-	293,478	-
201,642	-	201,642	335	342
992,430	1,215,471	2,207,901	137,902	(12,710)
6,123,355	-	6,123,355	-	-
103,330	7,000	110,330	-	-
308,773	(308,773)	-	-	-
18,946,365	913,698	19,860,063	754,593	317,100
5,847,669	5,984,224	11,831,893	62,379	572,619
104,548,116	85,289,207	189,837,323	2,211,041	3,161,485
\$ 110,395,785	\$ 91,273,431	\$ 201,669,216	\$ 2,273,420	\$ 3,734,104

City of Faribault
Balance Sheet - Governmental Funds
December 31, 2023

	General	Street Improvement Projects	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and investments	\$ 12,925,336	\$ 2,139,734	\$ 8,705,265	\$ 23,770,335
Restricted cash	661,121	-	-	661,121
Taxes receivable - current	67,759	1,049	8,476	77,284
Taxes receivable - delinquent	95,346	448	14,815	110,609
Accounts receivable	230,407	427,244	271,735	929,386
Interest receivable	76,510	7,494	29,267	113,271
Due from other funds	81,901	-	-	81,901
Due from other governments	147,574	1,123,726	73,883	1,345,183
Due from component unit	-	-	49,974	49,974
Notes receivable	-	-	72,643	72,643
Leases receivable	206,274	-	364,347	570,621
Special assessment receivable				
Current	46	9,634	1,422	11,102
Delinquent	22,866	2,759	5,004	30,629
Deferred	4,769	1,489,799	262,812	1,757,380
Land held for resale	-	-	121,100	121,100
Prepaid items	132,986	-	3,500	136,486
Total assets	\$ 14,652,895	\$ 5,201,887	\$ 9,984,243	\$ 29,839,025
Liabilities				
Accounts payable	\$ 332,007	\$ 5,261	\$ 355,968	\$ 693,236
Salaries and benefits payable	440,239	-	-	440,239
Deposits payable	203,604	-	909	204,513
Contracts payable	-	83,103	6,542	89,645
Due to other funds	-	-	81,901	81,901
Due to other governments	8,853	-	3,185	12,038
Unearned revenue	19,811	-	8,460	28,271
Total liabilities	1,004,514	88,364	456,965	1,549,843
Deferred Inflows of Resources				
Unavailable revenue - property taxes	95,346	448	14,815	110,609
Unavailable revenue - special assessments	27,635	1,492,558	267,816	1,788,009
Unavailable revenue - state shared taxes	-	333,495	-	333,495
Deferred inflows of resources related to leases receivable	206,274	-	364,347	570,621
Total deferred inflows of resources	329,255	1,826,501	646,978	2,802,734
Fund Balances				
Nonspendable	132,986	-	3,500	136,486
Restricted	661,121	-	2,951,597	3,612,718
Committed	95,600	8,489	5,305,224	5,409,313
Assigned	1,656,830	3,278,533	619,979	5,555,342
Unassigned	10,772,589	-	-	10,772,589
Total fund balances	13,319,126	3,287,022	8,880,300	25,486,448
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,652,895	\$ 5,201,887	\$ 9,984,243	\$ 29,839,025

See notes to basic financial statements.

City of Faribault
Reconciliation of the Balance Sheet to
the Statement of Net Position - Governmental Funds
December 31, 2023

Total fund balances - governmental funds	\$ 25,486,448
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.	
Cost of capital assets	168,676,342
Less accumulated depreciation	(66,257,230)
Cost of leased assets	413,050
Cost of subscription assets	1,093,951
Less accumulated amortization	(160,201)
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:	
G.O. bonds payable	(6,530,000)
Unamortized bond premiums	(653,948)
Subscription liability	(998,865)
Lease liability	(333,896)
Compensated absences payable	(1,613,711)
Total OPEB liability	(1,589,703)
Net pension liability	(9,826,606)
Delinquent receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.	
Property taxes	110,609
Special assessments	30,629
Deferred outflows of resources and deferred inflows of resources are created as a result of various differences related to pensions and OPEB that are not recognized in the governmental funds.	
Deferred inflows of resources related to pensions	(9,985,886)
Deferred inflows of resources related to OPEB	(439,959)
Deferred outflows of resources related to pensions	9,919,613
Deferred outflows of resources related to OPEB	517,746
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Deferred special assessments	1,757,380
State shared taxes	333,495
Governmental funds do not report a liability for accrued interest on long-term debt until due and payable.	
	(9,717)
Internal service funds are used by management to charge the cost of services to individual funds. The assets and liabilities are included in the governmental activities Statement of Net Position.	
	456,244
Total net position - governmental activities	<u>\$ 110,395,785</u>

City of Faribault
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2023

	General	Street Improvement Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 9,686,809	\$ 1,600	\$ 1,950,005	\$ 11,638,414
Special assessments	3,761	278,299	56,458	338,518
Licenses and permits	912,539	-	-	912,539
Intergovernmental	8,748,169	4,233,958	848,421	13,830,548
Charges for services	1,906,223	1,701,506	1,322,509	4,930,238
Fines and forfeitures	140,879	-	3,500	144,379
Miscellaneous				
Investment income	499,724	96,145	372,909	968,778
Contributions and donations	150,405	-	-	150,405
Other	52,649	66,134	101,815	220,598
Total revenues	<u>22,101,158</u>	<u>6,377,642</u>	<u>4,655,617</u>	<u>33,134,417</u>
Expenditures				
Current				
General government	2,770,766	-	128,102	2,898,868
Public safety	8,884,971	-	98,479	8,983,450
Public works	3,110,614	111,797	-	3,222,411
Culture and recreation	4,498,166	-	217,796	4,715,962
Community development	-	-	1,449,443	1,449,443
Mass transportation and airport	-	-	122,310	122,310
Debt service				
Principal	155,236	-	1,271,504	1,426,740
Interest and other charges	37,279	-	293,298	330,577
Capital outlay				
General government	6,637	-	238,903	245,540
Public safety	435,186	-	246,791	681,977
Public works	6,627	5,395,106	585,597	5,987,330
Culture and recreation	8,612	-	1,085,603	1,094,215
Mass transportation and airport	-	-	108,321	108,321
Total expenditures	<u>19,914,094</u>	<u>5,506,903</u>	<u>5,846,147</u>	<u>31,267,144</u>
Excess of revenues over (under) expenditures	2,187,064	870,739	(1,190,530)	1,867,273
Other Financing Sources (Uses)				
Proceeds from sale of capital asset	-	-	103,330	103,330
Lease proceeds	292,598	-	-	292,598
Subscription proceeds	146,727	-	-	146,727
Transfers in	-	8,772	354,202	362,974
Transfers out	(54,201)	-	-	(54,201)
Total other financing sources (uses)	<u>385,124</u>	<u>8,772</u>	<u>457,532</u>	<u>851,428</u>
Net change in fund balances	2,572,188	879,511	(732,998)	2,718,701
Fund Balances				
Beginning of year	<u>10,746,938</u>	<u>2,407,511</u>	<u>9,613,298</u>	<u>22,767,747</u>
End of year	<u>\$ 13,319,126</u>	<u>\$ 3,287,022</u>	<u>\$ 8,880,300</u>	<u>\$ 25,486,448</u>

See notes to basic financial statements.

City of Faribault
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances to the
Statement of Activities - Governmental Funds
Year Ended December 31, 2023

Total net change in fund balances - governmental funds \$ 2,718,701

Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.

Capital outlays	8,421,589
Depreciation expense	(4,465,821)
Amortization expense	(141,645)
Loss on disposal of capital assets	(44,142)
Contributed assets	(754,213)

Some expenses are recognized as paid in the governmental funds but recognized as the expense is incurred in the Statement of Activities.

Compensated absences payable	18,627
Total OPEB liability	348,424

Principal payments on long-term debt are recognized as expenditures in the governmental funds but as an increase in the net position in the Statement of Activities.

Bond principal payments	1,260,000
Loan payments	10,250
Lease payments	61,404
Subscription payments	95,086

Governmental funds report the effects of bond premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

108,294

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due and thus requires use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

2,225

Proceeds from long-term debt are recognized as another financing source in the governmental funds but have no impact on the changes in net position in the Statement of Activities.

(292,598)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Special assessments	(246,962)
State shared taxes	(147,267)

Governmental funds recognize pension contributions as expenditures at the time of payment whereas the Statement of Activities factors in items related to pensions on a full accrual perspective.

Pension expense	(1,154,101)
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Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (loss) of internal service funds are reported with governmental activities.

54,989

Delinquent receivables will be collected in subsequent years, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.

Property taxes	(4,456)
Special assessments	(715)

Change in net position - governmental activities

\$ 5,847,669

See notes to basic financial statements.



City of Faribault
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual - General Fund
Year Ended December 31, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues				
Taxes	\$ 9,656,552	\$ 9,656,552	\$ 9,686,809	\$ 30,257
Special assessments	3,100	3,100	3,761	661
Licenses and permits	810,281	810,281	912,539	102,258
Intergovernmental	7,293,762	8,425,952	8,748,169	322,217
Charges for services	1,591,705	1,598,831	1,906,223	307,392
Fines and forfeitures	128,000	128,000	140,879	12,879
Miscellaneous revenues				
Investment income	104,470	104,470	499,724	395,254
Contributions and donations	15,000	31,002	150,405	119,403
Other	4,350	4,350	52,649	48,299
Total revenues	<u>19,607,220</u>	<u>20,762,538</u>	<u>22,101,158</u>	<u>1,338,620</u>
Expenditures				
Current				
General government	3,037,379	2,867,405	2,777,403	(90,002)
Public safety	8,925,839	9,162,494	8,896,071	(266,423)
Public works	3,044,657	3,147,679	3,110,614	(37,065)
Culture and recreation	4,589,345	4,566,201	4,498,166	(68,035)
Mass transportation and airport	10,000	10,000	-	(10,000)
Debt service				
Principal	-	-	155,236	155,236
Interest and other charges	-	-	37,279	37,279
Capital outlay				
General government	-	-	439,325	439,325
Total expenditures	<u>19,607,220</u>	<u>19,753,779</u>	<u>19,914,094</u>	<u>160,315</u>
Excess of revenues over (under) expenditures	-	1,008,759	2,187,064	1,178,305
Other Financing Sources (Uses)				
Lease proceeds	-	-	292,598	292,598
Subscription proceeds	-	-	146,727	146,727
Transfers out	-	-	(54,201)	(54,201)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>385,124</u>	<u>385,124</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 1,008,759</u>	<u>2,572,188</u>	<u>\$ 1,563,429</u>
Fund Balances				
Beginning of year			<u>10,746,938</u>	
End of year			<u>\$ 13,319,126</u>	

See notes to basic financial statements.

City of Faribault
Statement of Net Position - Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Total	
Assets					
Current assets					
Cash and cash equivalents	\$ 6,015,689	\$ 12,720,759	\$ 4,074,352	\$ 22,810,800	\$ 486,225
Accounts receivable	465,561	717,626	209,786	1,392,973	304
Interest receivable	27,062	103,720	19,222	150,004	2,086
Leases receivable	100,050	15,325	-	115,375	-
Due from other governments	185,366	-	-	185,366	-
Due from component unit	-	736,059	-	736,059	-
Special assessments receivable					
Current	490	491	375	1,356	-
Delinquent	4,334	5,417	2,165	11,916	-
Inventory	155,349	11,303	-	166,652	-
Prepaid items	11,957	7,720	3,319	22,996	-
Total current assets	<u>6,965,858</u>	<u>14,318,420</u>	<u>4,309,219</u>	<u>25,593,497</u>	<u>488,615</u>
Noncurrent assets					
Special assessments receivable	123,230	95,017	50,598	268,845	-
Capital assets not being depreciated					
Land	34,483	218,847	341,244	594,574	-
Construction in progress	5,743,644	1,043,371	1,166,956	7,953,971	-
Capital assets being depreciated					
Buildings and structures	14,048,464	36,657,969	-	50,706,433	-
Machinery and equipment	1,353,828	1,507,429	313,736	3,174,993	-
Improvements other than buildings	26,995,257	28,126,890	15,021,326	70,143,473	-
Less accumulated depreciation	(13,886,605)	(28,735,344)	(5,758,748)	(48,380,697)	-
Assets being amortized					
Subscription asset	96,495	13,074	13,074	122,643	-
Less accumulated amortization	(23,782)	(363)	(363)	(24,508)	-
Net capital assets	<u>34,361,784</u>	<u>38,831,873</u>	<u>11,097,225</u>	<u>84,290,882</u>	<u>-</u>
Total noncurrent assets	<u>34,485,014</u>	<u>38,926,890</u>	<u>11,147,823</u>	<u>84,559,727</u>	<u>-</u>
Total assets	<u>41,450,872</u>	<u>53,245,310</u>	<u>15,457,042</u>	<u>110,153,224</u>	<u>488,615</u>
Deferred Outflows of Resources					
Deferred outflows of resources related to pensions	81,628	194,230	27,647	303,505	-
Deferred outflows of resources related to OPEB	24,745	58,830	10,344	93,919	-
Total deferred outflows of resources	<u>106,373</u>	<u>253,060</u>	<u>37,991</u>	<u>397,424</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 41,557,245</u>	<u>\$ 53,498,370</u>	<u>\$ 15,495,033</u>	<u>\$ 110,550,648</u>	<u>\$ 488,615</u>

See notes to basic financial statements.

City of Faribault
Statement of Net Position - Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Total	
Liabilities					
Current liabilities					
Accounts payable	\$ 96,314	\$ 155,249	\$ 14,273	\$ 265,836	\$ 32,371
Contracts payable	201,759	19,517	-	221,276	-
Interest payable	28,863	75,717	-	104,580	-
Unearned revenue	300	-	-	300	-
Due to other governments	10,059	56	-	10,115	-
Bonds payable due within one year	501,556	1,287,000	-	1,788,556	-
Subscription liability due within one year	25,909	2,082	2,082	30,073	-
Current compensated absences	74,070	93,272	2,801	170,143	-
Total current liabilities	<u>938,830</u>	<u>1,632,893</u>	<u>19,156</u>	<u>2,590,879</u>	<u>32,371</u>
Noncurrent liabilities					
Compensated absences	35,253	94,801	16,301	146,355	-
Subscription liability	45,431	8,971	8,971	63,373	-
Bonds payable	7,501,444	6,946,000	-	14,447,444	-
Total OPEB liability	75,977	180,633	31,761	288,371	-
Net pension liability	312,187	742,831	105,737	1,160,755	-
Total noncurrent liabilities	<u>7,970,292</u>	<u>7,973,236</u>	<u>162,770</u>	<u>16,106,298</u>	<u>-</u>
Total liabilities	<u>8,909,122</u>	<u>9,606,129</u>	<u>181,926</u>	<u>18,697,177</u>	<u>32,371</u>
Deferred Inflows of Resources					
Deferred inflows of resources related to pensions	103,353	245,923	35,005	384,281	-
Deferred inflows of resources related to OPEB	21,179	50,352	8,853	80,384	-
Deferred inflows of resources related to leases receivable	100,050	15,325	-	115,375	-
Total deferred inflows of resources	<u>224,582</u>	<u>311,600</u>	<u>43,858</u>	<u>580,040</u>	<u>-</u>
Net Position					
Net investment in capital assets	26,085,685	30,568,303	11,086,172	67,740,160	-
Unrestricted	6,337,856	13,012,338	4,183,077	23,533,271	456,244
Total net position	<u>32,423,541</u>	<u>43,580,641</u>	<u>15,269,249</u>	<u>91,273,431</u>	<u>456,244</u>
 Total liabilities, deferred inflows of resources, and net position	<u>\$ 41,557,245</u>	<u>\$ 53,498,370</u>	<u>\$ 15,495,033</u>	<u>\$ 110,550,648</u>	<u>\$ 488,615</u>

See notes to basic financial statements.



City of Faribault
Statement of Revenues, Expenses, and Changes
in Net Position - Proprietary Funds
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Totals	
Operating Revenues					
Charges for sales	\$ 4,159,431	\$ -	\$ 1,550,620	\$ 5,710,051	\$ -
Charges for services	286,616	7,268,562	20,613	7,575,791	-
Total operating revenues	4,446,047	7,268,562	1,571,233	13,285,842	-
Operating Expenses					
Personnel services	642,415	1,510,496	180,903	2,333,814	-
Materials and supplies	694,273	678,538	20,258	1,393,069	-
Depreciation	786,815	1,812,454	343,868	2,943,137	-
Claims	-	5,718	-	5,718	66,510
Other services and charges	973,656	1,555,248	200,254	2,729,158	-
Total operating expenses	3,097,159	5,562,454	745,283	9,404,896	66,510
Operating income (loss)	1,348,888	1,706,108	825,950	3,880,946	(66,510)
Nonoperating Revenues (Expenses)					
Investment income	336,997	667,554	210,920	1,215,471	23,652
Special assessment interest	931	1,151	507	2,589	-
Gain (loss) on sale of asset	2,500	7,000	4,976	14,476	-
Intergovernmental	-	21,268	-	21,268	-
Interest and other charges	(82,550)	(230,403)	-	(312,953)	-
Other income	103,700	107,933	42	211,675	97,847
Total nonoperating revenues (expenses)	361,578	574,503	216,445	1,152,526	121,499
Income before capital contributions and transfers	1,710,466	2,280,611	1,042,395	5,033,472	54,989
Capital Contributions	679,950	-	579,575	1,259,525	-
Transfers out	(90,000)	(218,773)	-	(308,773)	-
Change in net position	2,300,416	2,061,838	1,621,970	5,984,224	54,989
Net Position					
Beginning of year	30,123,125	41,518,803	13,647,279	85,289,207	401,255
End of year	\$ 32,423,541	\$ 43,580,641	\$ 15,269,249	\$ 91,273,431	\$ 456,244

See notes to basic financial statements.

City of Faribault
Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Total	
Cash Flows - Operating Activities					
Receipts from customers and users	\$ 4,314,022	\$ 7,324,729	\$ 1,557,698	\$ 13,196,449	\$ -
Payments to suppliers	(2,044,378)	(2,196,562)	(215,177)	(4,456,117)	(72,061)
Payments to employees	(598,386)	(1,513,957)	(206,011)	(2,318,354)	-
Other operating receipts	-	-	-	-	97,543
Net cash flows					
- operating activities	1,671,258	3,614,210	1,136,510	6,421,978	25,482
Cash Flows - Noncapital					
Financing activities					
Intergovernmental revenue	-	21,268	-	21,268	-
Due from component unit	-	(190,036)	-	(190,036)	-
Transfer to other funds	(90,000)	(218,773)	-	(308,773)	-
Net cash flows - noncapital financing activities	(90,000)	(387,541)	-	(477,541)	-
Cash Flows - Capital and Related					
Financing Activities					
Principal paid on debt	(455,268)	(1,255,000)	-	(1,710,268)	-
Interest paid on debt	(84,583)	(241,944)	-	(326,527)	-
Proceeds from sale of capital assets	2,500	7,000	27,999	37,499	-
Intergovernmental revenue	679,950	-	423,101	1,103,051	-
Acquisition of capital assets	(2,441,935)	(1,159,467)	(919,294)	(4,520,696)	-
Net cash flows					
- capital and related financing activities	(2,299,336)	(2,649,411)	(468,194)	(5,416,941)	-
Cash Flows - Investing Activities					
Interest and dividends received	334,137	633,141	204,433	1,171,711	23,087
Net change in cash and cash equivalents	(383,941)	1,210,399	872,749	1,699,207	48,569
Cash and Cash Equivalents					
January 1	6,399,630	11,510,360	3,201,603	21,111,593	437,656
December 31	\$ 6,015,689	\$ 12,720,759	\$ 4,074,352	\$ 22,810,800	\$ 486,225

See notes to basic financial statements.

City of Faribault
Statement of Cash Flows - Proprietary Funds
Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water (601)	Sewer (602)	Storm Water (603)	Total	
Reconciliation of Operating Income (Loss) to Net Cash Flows - Operating Activities					
Operating income (loss)	\$ 1,348,888	\$ 1,706,108	\$ 825,950	\$ 3,880,946	\$ (66,510)
Adjustments to reconcile operating income (loss) to net cash flows - operating activities					
Other revenues	104,631	109,084	549	214,264	97,847
Depreciation expense	786,815	1,812,454	343,868	2,943,137	-
Net pension liability expense	26,765	35,139	(14,695)	47,209	-
OPEB expense	(13,247)	(39,010)	(5,415)	(57,672)	-
Accounts receivable	(46,173)	(56,708)	(3,082)	(105,963)	(304)
Special assessments receivable	(5,242)	3,791	(11,002)	(12,453)	-
Due from other governments	(185,366)	-	-	(185,366)	-
Prepaid items	(7,977)	(7,514)	(3,218)	(18,709)	-
Inventory	(6,536)	(3,759)	-	(10,295)	-
Accounts payable	(360,141)	54,159	8,560	(297,422)	(5,551)
Due to other governmental units	(1,795)	56	(7)	(1,746)	-
Unearned revenue	125	-	-	125	-
Compensated absences payable	30,511	410	(4,998)	25,923	-
Total adjustments	<u>322,370</u>	<u>1,908,102</u>	<u>310,560</u>	<u>2,541,032</u>	<u>91,992</u>
Net cash flows					
- operating activities	<u>\$ 1,671,258</u>	<u>\$ 3,614,210</u>	<u>\$ 1,136,510</u>	<u>\$ 6,421,978</u>	<u>\$ 25,482</u>
Noncash Capital Activities					
Contributions of capital assets from developers	\$ -	\$ -	\$ 156,474	\$ 156,474	\$ -

City of Faribault
Statement of Fiduciary Net Position
December 31, 2023

	<u>Custodial Funds</u>
Assets	
Current	
Cash and investments	\$ 1,235,205
Restricted cash	14,653
Accounts receivable	22,225
Due from other governments	<u>192,072</u>
Total current assets	<u>1,464,155</u>
Capital assets	
Land	62,426
Buildings	1,900,382
Building equipment	226,297
Maintenance equipment	79,754
Less accumulated depreciation	<u>(1,728,546)</u>
Total capital assets	<u>540,313</u>
Total assets	<u>2,004,468</u>
Liabilities	
Accounts payable	\$ 15,492
Accrued property taxes	13,021
Deposits payable	14,727
Due to other governments	<u>6,950</u>
Total liabilities	<u>50,190</u>
Net Position	<u><u>\$ 1,954,278</u></u>

City of Faribault
Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2023

	Custodial Funds
Additions	
Rental income	\$ 551,583
Interest	76,554
Sewer charges	120,766
Other	9,171
Total additions	<u>758,074</u>
Deductions	
Administrative	84,455
Utilities	50,025
Operating and maintenance	106,585
Taxes and insurance	23,459
Sewer expenses	116,465
Depreciation	39,967
Total deductions	<u>420,956</u>
Change in net position	337,118
Net Position	
Beginning of year	<u>1,617,160</u>
End of year	<u><u>\$ 1,954,278</u></u>



City of Faribault
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Faribault (the City) operates under the Home Rule Charter form of government in accordance with applicable State of *Minnesota Statutes*. The City was organized as a municipality in 1872 in Rice County.

The City provides a full range of municipal services including public safety (police and fire protection), highways and streets, public improvements, planning and zoning, culture, recreation and parks, water and sewer service, and general administrative services.

The form of government established by Section 1.01, Chapter 1, of the City's Charter is the "Council-Administrator Plan". The City Council is composed of a mayor and six City Council members who are qualified electors and elected at large. The City Council exercises the legislative power to the City and determines all matter of policy. The City Administrator is the head of the administrative branch of the City government and is responsible to the City Council for the proper administration of all affairs relating to the City.

The powers of the City include all powers, which a municipal corporation in this State may exercise in harmony with the constitutions of the State and of the United States. It is the intention of the City chapter that every power, which the people of the City might lawfully confer upon themselves as a municipal corporation, by specific enumeration in the charter, shall be deemed to have been so conferred by the provisions of Section 1.02, Chapter 1 of the City Charter. The Charter is to be construed liberally in favor of the City, and the specific mention of particular powers in the Charter shall not be construed as limiting in any way the generality of the power conferred.

The Mayor serves for a term of four years and until a successor is elected and qualifies. The Mayor presides at meetings of the City Council and votes as a member. The City Administrator is appointed for an indefinite term by the City Council. The City Administrator is the Chief Administrative Officer of the City, whose powers and duties are provided for in the Faribault Home Rule Charter, Chapter 6.

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 by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization, or (2) there is a 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. Component units for which the City has been determined to be financially accountable can be blended with the primary government or be included as a discrete presentation. Each discretely presented component unit is reported in a separate column in the government-wide financial statements.

City of Faribault
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Included in the City's reporting entity, based upon the application of these criteria, are the following discretely presented component units.

1. Faribault Housing and Redevelopment Authority (HRA)

The HRA was created by the City to carry out certain redevelopment and low rent assistance programs pursuant to State law. The HRA is primarily responsible for residential development and redevelopment. The governing board is appointed by the City Council and approved the HRA's tax levy. The HRA is governed by seven board members, one of which is a City Council member and six are City residents. It is the criterion that results in the HRA being reported as a discretely presented component unit. The HRA is presented as a governmental fund type.

2. Faribault Economic Development Authority (EDA)

The EDA was created pursuant to *Minnesota Statutes* §§ 469.090 through 469.108 to carry out economic and industrial development and redevelopment within the City in accordance with policies established by the City Council. The governing board is appointed by the City Council and approved the EDA's tax levy. The EDA is governed by seven board members, two of which are City Council members and five are City residents. It is the criterion that results in the EDA being reported as a discretely presented component unit. The EDA is presented as a governmental fund type.

Separate financial statements for the HRA and EDA are not prepared.

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 City. The fiduciary funds are only reported in the Statement of Fiduciary Net Position at the fund financial statement level. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately in the Statement of Activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. Internally dedicated revenues are reported as general revenues rather than program revenues.

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

City of Faribault
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

The Custodial Funds are presented in the fiduciary fund financial statements. Since, by definition, the assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the City, these Funds are not incorporated into the government-wide 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 and fiduciary 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 period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

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 nonexchange 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.

City of Faribault
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Description of Funds:

The City reports the following Major Governmental Funds:

General Fund - This 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.

Street Improvement Projects - Capital Projects Fund - This fund is used to account for the costs associated with the street projects completed within the City.

The City reports the following Major Proprietary Funds:

Water Fund - This fund accounts for the operating, maintenance, and capital improvement of the City's water distribution system.

Sewer Fund - This fund accounts for the operating, maintenance, and capital improvement of the City's sewer collection operations.

Storm Water Fund - This fund accounts for the operation, maintenance, and capital improvements of the City's storm water system.

Additionally, the City reports the following fund types:

Internal Service Funds - These funds account for insurance costs related to property and liability deductible expenses and reserved balance for one outstanding workers compensation claim.

Fiduciary Funds - These funds are used to account for assets held by the City in a custodial capacity for others. The City's Custodial Funds account for activities of Robinwood Manor and Roberds Lake Sewer District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures, or expenses if they involved external organizations, such as buying goods and services or payment in lieu of taxes, such as charges between the City's utility functions and various other functions 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 and of the City's internal service 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 nonoperating revenues and expenses.

**City of Faribault
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

1. 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 investments pool is considered to be cash and cash equivalents for purposes of the statements of cash flows.

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

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

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

In accordance with GASB Statement No. 79, the Minnesota Municipal Investment Pool securities are valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the 4M Liquid Asset Fund. Investments in the 4M Plus must be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period will be subject to a penalty equal to seven days interest on the amount withdrawn. Seven days' notice of redemption is required for withdrawals of investments in the 4M Term Series withdrawn prior to the maturity date of that series. A penalty could be assessed as necessary to recoup the Series for any charges, losses, and other costs attributable to the early redemption.

2. Restricted Cash

The City has received monies restricted for specific purposes. The balance in restricted cash represents unspent deposits of \$661,121 to be used for fire damage repairs, EDA loans, and youth baseball activities.

**City of Faribault
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

3. Receivables

Accounts receivable include amounts billed for services provided before year end. Rent receivable of the primary government and the discretely presented housing and redevelopment component unit have been reported net of uncollectible amounts. Delinquent utility charges are annually certified to the county for collection. As a result, there is no allowance for uncollectable amounts in the other enterprise funds.

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

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

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

The County Auditor submits the list of taxes and special assessments to be collected on each parcel of property to the County Treasurer in January of each year. Delinquent taxes receivable include the past six years' uncollected taxes. Delinquent taxes have been offset by a deferred inflow of resources for taxes not received within 60 days after year end in the governmental fund financial statements.

Special assessments represent the financing for public improvements paid for by benefiting property owners. These assessments are recorded as receivable upon certification to the County. Special assessments are recognized as revenue when they are 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.

4. Inventory and 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. Prepaid items are recorded as an expenditure at the time of consumption.

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

City of Faribault
Notes to Basic Financial Statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. 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 as assets with an initial, individual cost of more than \$5,000 except for infrastructure which ranges from \$25,000 to \$100,000 and an estimated useful life in excess of one year. Such purchased assets are recorded at historical cost or estimated historical cost if historical cost is not available. Assets acquired prior to 1986 are recorded at estimated historical cost. Donated capital assets are recorded at acquisition value at the date of donation. 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.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvement are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Classification	Years
Buildings and structures	15 - 75
Furniture and equipment	3 - 15
Licensed motor vehicle equipment	3 - 12
Machinery and equipment	3 - 15
Other improvements	15 - 30
Infrastructure	20 - 60

6. Deferred Outflows/Inflows of Resources

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

**City of Faribault
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

6. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of financial position and fund financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets 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 three items that qualify for reporting in this category. The City presents deferred inflows of resources on the Governmental Fund Balance Sheet as unavailable revenue. The governmental funds report unavailable revenues from three sources: property taxes, special assessments, and State shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City presents deferred inflows of resources on the Statement of Net Position for deferred inflows of resources related to pensions and OPEB for various estimate differences that will be amortized and recognized over future years. Finally, deferred inflows of resources related to leases receivable are reported in both the government-wide Statement of Net Position and the Governmental Funds Balance Sheet.

7. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave 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. In accordance with the provisions of *Statement of Government Accounting Standards* No. 16, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that are estimated to be taken upon separation from the City. The General fund is typically used to liquidate governmental compensated absences.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**City of Faribault
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

9. Pensions

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

10. Fund Balance Classifications

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

- ◆ **Nonspendable Fund Balances** - These are amounts that cannot be spent because they are not in spendable form as they are legally or contractually required to be maintained intact and include prepaid items.
- ◆ **Restricted Fund Balances** - These are amounts subject to externally enforceable legal restrictions.
- ◆ **Committed Fund Balances** - The government's highest level of decision-making authority is the City Council. These amounts are constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council. Committed amounts cannot be used for any other purpose.
- ◆ **Assigned Fund Balances** - These are 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 City Council itself or by an official to which the governing body delegates the authority. The City Council has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Finance Director.
- ◆ **Unassigned Fund Balances** - The residual classification for the General Fund and also negative residual amounts in other funds.

The City will spend restricted funds first for expenditures that meet the intended purpose before using unrestricted fund balance. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made for the purposes intended.

**City of Faribault
Notes to Basic Financial Statements**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

10. Fund Balance Classifications (Continued)

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 not less than 35% and a maximum unassigned fund balance of not more than 50% of the following year's General Fund budgeted expenditures to be used for cash flow purposes, unanticipated expenditures of a non-recurring nature, unexpected expenditures increases due to local disasters, and unexpected revenue shortfalls.

11. Net Position

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

E. Use of Estimates

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

F. Budgetary Information

The City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing on January 1 of the following year. At least one special City Council meeting is conducted to obtain public comments as required by the State Truth in Taxation Law.

The budgets are prepared by fund, function, and activities. The budgets are adopted on a basis consistent with general accepted accounting principles and all appropriations lapse at the end of the budget year to the extent that they have not been expended. The expenditures appropriated in the budget resolution may not legally exceed estimated revenues available from various sources.

The City Council annually adopts budgets prior to January 1 for the City's General and Special Revenue Funds with the exception of the Library Donations Fund. Budgets are also adopted for the Capital Project Funds, as well as the Debt Service Funds in accordance with the bond indenture provisions. A separate budget report is issued at the beginning of each year. Formal budgetary integration is employed as a management control device during the year. Budget revisions between functions or activities may be made by the City Administrator. Budget revisions at the fund level are authorized by the City Council in accordance with the City Charter at the request of the City Administrator. The legal level of budgetary control is therefore at the fund level.

NOTE 2 - DEPOSITS AND INVESTMENTS

A. Deposits

In accordance with applicable *Minnesota Statutes*, the City maintains deposits at depository banks authorized by the City Council.

City of Faribault
Notes to Basic Financial Statements

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

A. Deposits (Continued)

The cash and investments for both of the discretely presented component units are pooled with the City's cash and investments.

Custodial Credit Risk - Deposits: This is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a policy that requires the City's deposits be collateralized in accordance with *Minnesota Statutes* § 118A for an amount exceeding FDIC, SAIF, BIF, or FCUA coverage. As of December 31, 2023, the City's bank balance was not exposed to custodial credit risk because it was insured and fully collateralized with securities held by the pledging financial institution's trust department or agent and in the City's name. The book balance as of December 31, 2023, was \$11,915,652 for deposits.

B. Investments

As of December 31, 2023, the City had the following investments:

Investment Type	Fair Value	Investment Maturities				Fair Value Measurement
		Less than One Year	1-2 Years	3-5 Years	Greater than 5 Years	
Pooled investments						
4M	\$ 253,428	\$ 253,428	\$ -	\$ -	\$ -	N/A
Brokered money market funds	81,198	81,198	-	-	-	N/A
Non-pooled investments						
Government securities	6,494,226	-	2,651,356	3,842,870	-	Level 2
Municipal bonds	27,441,819	2,863,471	14,820,177	9,548,490	209,681	Level 2
Negotiable certificates of deposit	7,381,770	5,233,693	1,438,911	709,166	-	Level 2
Total	<u>\$ 41,652,441</u>	<u>\$ 8,431,790</u>	<u>\$ 18,910,444</u>	<u>\$ 14,100,526</u>	<u>\$ 209,681</u>	

An investment with a fair value measurement with a Level 1 input is valued using quoted market prices while a Level 2 input is valued using a matrix pricing model.

Government securities and Municipal Bonds were rated from A+ to AAA by Standard & Poor's. Other investments were not rated.

Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of an investment in a single issuer. Investments should be diversified to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities.

Credit Risk: This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. *Minnesota Statutes* limit investments based on investment type.

Interest Rate Risk: This is the risk that market values of securities in a portfolio would decrease due to changes in market interest rates.

Custodial Credit Risk - Investments: This is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City typically limits its exposure by purchasing insured or registered investments.

City of Faribault
Notes to Basic Financial Statements

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

B. Investments (Continued)

Summary of cash deposits and investments as of December 31, 2023, were as follows:

Petty cash	\$ 1,045
Deposits	11,690,109
Investments	<u>41,652,441</u>
 Total	 <u><u>\$ 53,343,595</u></u>

Deposits and investments are presented in the December 31, 2023, basic financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 51,383,666
Restricted cash	661,121
Cash held in escrow	48,950
 Statement of Fiduciary Net Position	
Cash and investments	1,235,205
Restricted cash	<u>14,653</u>
 Total deposits and investments	 <u><u>\$ 53,343,595</u></u>

NOTE 3 - LOANS RECEIVABLE

Primary Government

The City has made loans to local businesses and individuals that qualify for the Minnesota small cities development program. The businesses and individuals pay varying installments on the loans. The loans balances at year end totaled \$72,643.

Discretely Presented Component Units

The Housing and Redevelopment Authority has loans receivable from homeowners who qualified for the Minnesota Housing Finance Agency's CRV program and through the HRA's corridor rehab program. Homeowners are paying varying monthly installments. The balance at year end totals \$43,280.

The Economic Development Authority has loans receivable from businesses that made improvements that qualified for the industrial development loan program, Minnesota Investment Fund and EDA Revolving Fund. The businesses and individuals make monthly payments. The balance at year end on the programs total \$189,771. Additionally, there has been an allowance for uncollectible accounts of \$147,340 that are not expected to be collected on.

City of Faribault
Notes to Basic Financial Statements

NOTE 4 - LEASES RECEIVABLE

The City has various leases for radio towers, agricultural land, and private airport hangar land leases. At December 31, 2023, there were Governmental Activity leases that included sixteen airport hangar land leases and one airport agricultural land lease. In addition, Business-Type Activities include three water tower leases, and one sewer agricultural land lease. The lease agreements include annual principal and interest payments. Interest and discount rates on the loan agreements range from 2.0% to 5.0%. Revenues from these leases for the year ended December 31, 2023, was \$32,739.

The City's schedule of future payments included in the measurement of the lease receivable is as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 34,379	\$ 15,188	\$ 49,567
2025	22,889	14,193	37,082
2026	22,299	13,543	35,842
2027	21,374	12,911	34,285
2028	19,378	12,307	31,685
2029-2033	105,270	53,080	158,350
2034-2038	110,954	37,760	148,714
2039-2043	53,961	25,208	79,169
2044-2048	34,472	20,207	54,679
2049-2053	38,105	16,278	54,383
2054-2063	67,147	19,323	86,470
2064-2073	25,590	8,850	34,440
2074-2078	14,803	1,293	16,096
Total	<u>\$ 570,621</u>	<u>\$ 250,141</u>	<u>\$ 820,762</u>

City of Faribault
Notes to Basic Financial Statements

NOTE 4 - LEASES RECEIVABLE (CONTINUED)

Year Ending December 31,	Business-Type Activities		
	Principal	Interest	Total
2024	\$ 18,248	\$ 14,656	\$ 32,904
2025	3,012	13,830	16,842
2026	3,105	12,716	15,821
2027	3,201	13,641	16,842
2028	3,301	13,541	16,842
2029-2033	15,109	66,101	81,210
2034-2038	13,041	63,668	76,709
2039-2043	7,590	60,402	67,992
2044-2048	7,418	55,006	62,424
2049-2053	24,338	38,086	62,424
2054-2055	17,012	3,796	20,808
Total	<u>\$ 115,375</u>	<u>\$ 355,443</u>	<u>\$ 470,818</u>

NOTE 5 - INTERFUND ACTIVITY

A. Interfund Transfers

Transfers during the year ended December 31, 2023, were as follows:

	Transfers In		
	Street Improvement Projects Fund	Nonmajor Governmental Funds	Total
Transfers out			
General Fund	\$ -	\$ 54,201	\$ 54,201
Water Fund	-	90,000	90,000
Sewer Fund	8,772	210,001	218,773
Total	<u>\$ 8,772</u>	<u>\$ 354,202</u>	<u>\$ 362,974</u>

Transfers were made from the General Fund to the Public Facility Projects Fund for public facility projects and fund balance allocation purposes. Transfers were made between nonmajor governmental funds as debt service funds were closed, and the remaining equity was transferred. Transfers were made from the Water Fund and the Sewer Fund to the Street Improvement Projects Fund and Public Facility Projects Fund for operating purposes.

City of Faribault
Notes to Basic Financial Statements

NOTE 6 - CAPITAL ASSETS

Governmental capital and leased asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	\$ 10,575,386	\$ 168,033	\$ -	\$ 10,743,419
Construction in progress	1,912,868	4,170,674	(1,461,234)	4,622,308
Total capital assets not being depreciated	12,488,254	4,338,707	(1,461,234)	15,365,727
Capital assets being depreciated				
Buildings and structures	32,505,500	162,781	-	32,668,281
Improvements other than buildings	11,462,518	314,115	(28,582)	11,748,051
Machinery and equipment	11,414,097	980,685	(471,053)	11,923,729
Infrastructure and airport	93,930,830	3,039,724	-	96,970,554
Total capital assets being depreciated	149,312,945	4,497,305	(499,635)	153,310,615
Less accumulated depreciation for				
Buildings and structures	11,750,913	815,897	-	12,566,810
Improvements other than buildings	3,913,218	2,615,930	(28,582)	6,500,566
Machinery and equipment	7,537,527	633,673	(426,911)	7,744,289
Infrastructure and airport	39,045,244	400,321	-	39,445,565
Total accumulated depreciation	62,246,902	4,465,821	(455,493)	66,257,230
Total capital assets being depreciated, net	87,066,043	31,484	(44,142)	87,053,385

City of Faribault
Notes to Basic Financial Statements

NOTE 6 - CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Leased assets being amortized				
Machinery and equipment	\$ 80,489	\$ 332,561	\$ -	\$ 413,050
Subscription asset	-	1,093,951	-	1,093,951
Total assets being amortized	80,489	1,426,512	-	1,507,001
Less accumulated amortization for				
Machinery and equipment	18,556	33,753	-	52,309
Subscription asset	-	107,892	-	107,892
Total accumulated amortization	18,556	141,645	-	160,201
Total leased assets, net	61,933	1,284,867	-	1,346,800
Governmental activities capital assets, net	99,616,230	\$ 5,655,058	\$ (1,505,376)	103,765,912

City of Faribault
Notes to Basic Financial Statements

NOTE 6 - CAPITAL ASSETS (CONTINUED)

Business-type capital asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 594,574	\$ -	\$ -	\$ 594,574
Construction in progress	16,018,023	3,640,262	(11,704,314)	7,953,971
Total capital assets not being depreciated	16,612,597	3,640,262	(11,704,314)	8,548,545
Capital assets being depreciated				
Buildings and structures	39,166,938	11,539,495	-	50,706,433
Improvements other than buildings	69,422,279	783,767	(62,573)	70,143,473
Machinery and equipment	3,074,542	175,208	(74,757)	3,174,993
Total capital assets not being depreciated	111,663,759	12,498,470	(137,330)	124,024,899
Less accumulated depreciation for				
Buildings and structures	19,065,235	1,259,258	-	20,324,493
Improvements other than buildings	24,585,037	1,429,839	(39,549)	25,975,327
Machinery and equipment	1,926,102	229,532	(74,757)	2,080,877
Total accumulated depreciation	45,576,374	2,918,629	(114,306)	48,380,697
Total capital assets being depreciated, net	66,087,385	9,579,841	(23,024)	75,644,202
Business-type activities				
Leased assets being amortized				
Subscription asset	\$ -	\$ 122,643	\$ -	\$ 122,643
Less accumulated amortization for				
Subscription asset	-	24,508	-	24,508
Total leased assets, net	-	98,135	-	98,135
Business-type activities capital assets, net	<u>\$ 82,699,982</u>	<u>\$ 13,318,238</u>	<u>\$ (11,727,338)</u>	<u>\$ 84,290,882</u>

City of Faribault
Notes to Basic Financial Statements

NOTE 6 - CAPITAL ASSETS (CONTINUED)

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

Governmental activities	
General government	\$ 67,221
Public safety	513,428
Public works	3,457,620
Culture and recreation	564,984
Community development	1,754
Mass transportation and airport	<u>2,459</u>
Total depreciation and amortization expense - governmental activities	<u>\$ 4,607,466</u>
Business-type activities	
Water	\$ 786,815
Sewer	1,812,454
Storm water	<u>343,868</u>
Total depreciation and amortization expense - business-type activities	<u>\$ 2,943,137</u>

A. Discretely Presented Component Units

Activity for the EDA for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	<u>\$ 91,834</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,834</u>

City of Faribault
Notes to Basic Financial Statements

NOTE 6 - CAPITAL ASSETS (CONTINUED)

A. Discretely Presented Component Units (Continued)

Activity for the HRA for the year ended December 31, 2023, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated				
Land	\$ 594,041	\$ -	\$ -	\$ 594,041
Capital assets being depreciated				
Buildings and structures	3,525,546	-	-	3,525,546
Machinery and equipment	43,368	-	-	43,368
Capital assets being depreciated	3,568,914	-	-	3,568,914
Less accumulated depreciation for				
Buildings and structures	2,130,394	72,505	-	2,202,899
Machinery and equipment	47	4,337	-	4,384
Total accumulated depreciation	2,130,441	76,842	-	2,207,283
Total capital assets being depreciated, net	1,438,473	(76,842)	-	1,361,631
Total HRA capital assets, net	<u>\$ 2,032,514</u>	<u>\$ (76,842)</u>	<u>\$ -</u>	<u>\$ 1,955,672</u>

Depreciation expense was charged to functions/programs of the discretely presented HRA as follows:

Housing and redevelopment authority	<u>\$ 76,842</u>
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NOTE 7 - LONG-TERM DEBT

A. General Obligation Bonds

The City issues general obligation (G.O.) bonds and equipment certificates to provide funds for the acquisition and construction of major capital facilities. G.O. bonds have been issued for both general government and proprietary activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, G.O. bonds have been issued to refund G.O. bonds. G.O. bonds are direct obligations and pledge the full faith and credit of the City.

City of Faribault
Notes to Basic Financial Statements

NOTE 7 - LONG-TERM DEBT (CONTINUED)

Primary Government

B. Components of Long-Term Liabilities

	Issue Date	Interest Rates	Original Issue	Final Maturity	Principal Outstanding	Due Within One Year
Long-term liabilities						
Governmental activities						
G.O. Bonds						
G.O. Crossover Refunding						
Bonds 2015A	11/18/2015	2.75 - 3.00 %	\$ 1,685,000	12/15/2027	\$ 670,000	\$ 160,000
G.O. Improvement						
Bonds 2015A	11/18/2015	2.75 - 3.00 %	1,375,000	12/15/2030	710,000	95,000
G.O. State Aid						
Bonds 2021A	5/13/2021	1.20 - 2.00 %	1,505,000	12/15/2031	1,225,000	145,000
G.O. Refunding						
Bonds 2021B	12/2/2021	3.00 - 5.00 %	5,610,000	12/15/2029	3,925,000	860,000
Total G.O. Bonds					6,530,000	1,260,000
Bond premium					653,948	-
Lease liability					333,896	99,683
Subscription liability					988,865	99,197
Compensated absences					1,613,711	428,832
Total governmental activities					10,120,420	1,887,712
Business-type activities						
Notes from direct borrowing						
G.O. Water Revenue						
PFA Note 2019	5/15/2019	1.00%	10,205,719	8/20/2039	7,553,000	480,000
G.O. Sewer Revenue						
PFA Note 2009	7/28/2009	2.55%	21,258,552	8/20/2029	8,233,000	1,287,000
G.O. Water Revenue						
PFA Note 2021	11/12/2021	1.00%	522,527	8/20/2042	450,000	21,556
Total notes from direct borrowing					16,236,000	1,788,556
Subscription liability					93,446	30,073
Compensated absences					316,498	170,143
Total business-type activities					16,645,944	1,988,772
Total all long-term liabilities					\$ 26,766,364	\$ 3,876,484

City of Faribault
Notes to Basic Financial Statements

NOTE 7 - LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

C. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities					
Bonds payable					
G.O. Bonds	\$ 6,120,000	\$ -	\$ (1,020,000)	\$ 5,100,000	\$ 1,055,000
G.O. Equipment Certificates	30,000	-	(30,000)	-	-
G.O. Improvement Bonds	1,640,000	-	(210,000)	1,430,000	205,000
Total bonds payable	<u>7,790,000</u>	<u>-</u>	<u>(1,260,000)</u>	<u>6,530,000</u>	<u>1,260,000</u>
Bond premium	762,242	-	(108,294)	653,948	-
Loans payable	10,250	-	(10,250)	-	-
Subscription liability	947,224	146,727	(95,086)	998,865	99,197
Lease liability	102,702	292,598	(61,404)	333,896	99,683
Compensated absences payable	<u>1,632,338</u>	<u>571,002</u>	<u>(589,629)</u>	<u>1,613,711</u>	<u>428,832</u>
Governmental activity long-term liabilities	<u>\$ 10,297,532</u>	<u>\$ 1,010,327</u>	<u>\$ (2,124,663)</u>	<u>\$ 10,120,420</u>	<u>\$ 1,887,712</u>
Business-type activities					
Notes from direct borrowing					
G.O. PFA Revenue Notes	\$ 17,946,268	\$ -	\$ (1,710,268)	\$ 16,236,000	\$ 1,788,556
Subscription liability	-	122,643	(29,197)	93,446	30,073
Compensated absences payable	<u>290,575</u>	<u>131,538</u>	<u>(105,615)</u>	<u>316,498</u>	<u>170,143</u>
Total business-type activities	<u>\$ 18,236,843</u>	<u>\$ 254,181</u>	<u>\$ (1,845,080)</u>	<u>\$ 16,645,944</u>	<u>\$ 1,988,772</u>

D. Lease Liability

The City's Governmental Activity has eight lease agreements for copier equipment and one lease agreement for a postage machine. The lease agreements include annual principal and interest payments as noted. Interest and discount rates on the lease agreements are 3.0%.

E. Subscription Liability

The City has several subscription agreements with various terms. Principal and interest payments in the amounts of \$95,086 and \$32,702 for governmental activities and \$29,197 and \$3,679 for business-type activities.

City of Faribault
Notes to Basic Financial Statements

NOTE 7 - LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

F. Minimum Debt Payments

Minimum annual principal and interest payments required to retire long-term liabilities:

Year Ending December 31,	Governmental Activities		
	G.O. Bonds		
	Principal	Interest	Total
2024	\$ 1,055,000	\$ 186,393	\$ 1,241,393
2025	1,100,000	142,793	1,242,793
2026	1,155,000	97,093	1,252,093
2027	740,000	48,518	788,518
2028	570,000	24,980	594,980
2029-2033	480,000	10,880	490,880
Total	<u>\$ 5,100,000</u>	<u>\$ 510,657</u>	<u>\$ 5,610,657</u>

Year Ending December 31,	Governmental Activities		
	G.O. Improvement Bonds		
	Principal	Interest	Total
2024	\$ 205,000	\$ 48,100	\$ 253,100
2025	210,000	40,700	250,700
2026	220,000	33,050	253,050
2027	225,000	24,800	249,800
2028	230,000	17,550	247,550
2029-2033	340,000	12,688	352,688
Total	<u>\$ 1,430,000</u>	<u>\$ 176,888</u>	<u>\$ 1,606,888</u>

City of Faribault
Notes to Basic Financial Statements

NOTE 7 - LONG-TERM DEBT (CONTINUED)

Primary Government (Continued)

F. Minimum Debt Payments (Continued)

Year Ending December 31,	Governmental Activities			Business-Type Activities		
	SBITA Lease Liability			Notes from direct borrowing		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 99,197	\$ 29,966	\$ 129,163	\$ 1,747,000	\$ 289,972	\$ 2,036,972
2025	102,173	26,990	129,163	1,784,000	252,553	2,036,553
2026	105,239	23,925	129,164	1,823,000	214,253	2,037,253
2027	107,021	20,768	127,789	1,861,000	175,036	2,036,036
2028	585,235	53,709	638,944	1,901,000	134,912	2,035,912
2029-2033	-	-	-	3,923,000	271,460	4,194,460
2034-2038	-	-	-	2,587,000	108,640	2,695,640
2039-2043	-	-	-	610,000	7,650	617,650
Total	<u>\$ 998,865</u>	<u>\$ 155,358</u>	<u>\$ 1,154,223</u>	<u>\$ 16,236,000</u>	<u>\$ 1,454,476</u>	<u>\$ 17,690,476</u>

Year Ending December 31,	Governmental Activities			Business-Type Activities		
	Lease Liability			SBITA Lease Liability		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 99,683	\$ 8,705	\$ 108,388	\$ 30,073	\$ 2,803	\$ 32,876
2025	99,068	5,720	104,788	30,653	1,901	32,554
2026	88,235	2,830	91,065	18,726	982	19,708
2027	45,600	436	46,036	6,893	420	7,313
2028	1,310	20	1,330	7,101	213	7,314
Total	<u>\$ 333,896</u>	<u>\$ 17,711</u>	<u>\$ 351,607</u>	<u>\$ 93,446</u>	<u>\$ 6,319</u>	<u>\$ 99,765</u>

City of Faribault
Notes to Basic Financial Statements

NOTE 8 - FUND BALANCE

A summary of governmental fund balance classifications at December 31, 2023, is as follows:

	General Fund	Street Improvement Projects	Nonmajor Governmental Funds	Total
Primary Government				
Nonspendable				
Prepaid items	\$ 132,986	\$ -	\$ 3,500	\$ 136,486
Restricted				
Debt Service	-	-	2,009,239	2,009,239
Charitable Gambling	-	-	48,646	48,646
Park Capital Improvements	-	-	246,014	246,014
Public Safety Programs	-	-	15,268	15,268
Rehabilitation Projects	-	-	189,081	189,081
Revolving Loans	-	-	443,349	443,349
GF Loan to 290 for FDC	500,000	-	-	500,000
Fire Escrow	85,567	-	-	85,567
Youth Baseball (Peter Smith Fund)	75,554	-	-	75,554
Total restricted	661,121	-	2,951,597	3,612,718
Committed				
Hiawathaland Transit	95,600	-	-	95,600
Capital improvement encumbrances	-	8,489	1,999,907	2,008,396
Airport	-	-	91,918	91,918
Government buildings	-	-	101,722	101,722
Community development	-	-	105,765	105,765
Library	-	-	3,005,912	3,005,912
Total committed	95,600	8,489	5,305,224	5,409,313
Assigned				
K-9 program	2,996	-	-	2,996
Childrens program	6,201	-	-	6,201
Compensated absences	399,675	-	33,809	433,484
Hazardous properties	10,000	-	-	10,000
Library	-	-	11,272	11,272
Public Safety Aid	974,298	-	-	974,298
Donations	263,660	-	-	263,660
Future capital improvements	-	3,278,533	574,898	3,853,431
Total assigned	1,656,830	3,278,533	619,979	5,555,342
Unassigned	10,772,589	-	-	10,772,589
Total fund balances	\$ 13,319,126	\$ 3,287,022	\$ 8,880,300	\$ 25,486,448

City of Faribault
Notes to Basic Financial Statements

NOTE 9 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters for which the City carries insurance. The City participates in the League of Minnesota Cities Insurance Trust (LMCIT) for workers' compensation and property and casualty insurance coverage. The LMCIT is a risk sharing pool with approximately 800 other governmental units.

The City pays an annual premium to the LMCIT for its workers' compensation and property and liability insurance. The LMCIT is self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain limits for each insured event. 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 (IBNR). The City has a deductible under the LMCIT policy of \$5,000 per occurrence.

The City has one open worker's compensation claim from 2013, when the City was self-insured, that has not been settled and estimated losses are retained in the City's Worker's Compensation internal service fund.

The general liability and property damage activities are accounted for in the Property/Liability Insurance internal service fund. For liability insurance, the first \$50,000 for each occurrence and an annual aggregate of \$100,000 is retained by the City. All property is insured at replacement value with a \$50,000 deductible. These amounts are used to promote an aggressive maintenance program to help limit liability losses.

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

Amounts recorded in the Workers' Compensation Insurance internal service fund for 2023, 2022, and 2021 are as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Claims liability - January 1	\$ 30,000	\$ 30,000	\$ 79,500
Claims adjustment	-	-	(49,500)
Claims paid	<u>-</u>	<u>-</u>	<u>-</u>
Claims liability - December 31	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>

NOTE 10 - PENSION PLANS

The City participates in various pension plans. Total pension expense for the year ended December 31, 2023, was \$2,538,667. The components of pension expense are noted in the following plan summaries.

The General Fund, Water, Sewer, and Storm Water Funds typically liquidate the liability related to the pensions.

**City of Faribault
Notes to Basic Financial Statements**

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association

A. Plan Description

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

General Employees Retirement Plan

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

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 local relief associations 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 Employees Plan Benefits

General Employees Plan benefits are based on a member's highest average salary for any 5 successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for a Coordinated members is 1.2% for each of the first 10 years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated members is 1.7% for all years of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. 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 Faribault
Notes to Basic Financial Statements**

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

B. Benefits Provided (Continued)

General Employees Plan Benefits (Continued)

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50% of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1% and a maximum of 1.5%. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. 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.

Police and Fire Plan Benefits

Benefits for the Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50% after five years up to 100% after 10 years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014, vest on a prorated basis from 50% after 10 years up to 100% after 20 years of credited service. The annuity accrual rate is 3% 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%. 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. 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 6.5% of their annual covered salary in fiscal year 2023 and the City was required to contribute 7.5% for Coordinated Plan members. The City's contributions to the General Employees Fund for the year ended December 31, 2023, were \$549,754. The City's contributions were equal to the required contributions as set by state statute.

City of Faribault
Notes to Basic Financial Statements

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

C. Contributions (Continued)

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.8% of their annual covered salary in fiscal year 2023 and the City was required to contribute 17.7% for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the year ended December 31, 2023, were \$784,977. The City's contributions were equal to the required contributions as set by state statute.

D. Pension Costs

General Employees Fund Pension Costs

At December 31, 2023, the City reported a liability of \$5,155,721 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the State's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$142,063.

The net pension liability was measured as of June 30, 2023, 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, 2022, through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0922% at the end of the measurement period and 0.0930% for the beginning of the period.

City's proportionate share of the net pension liability	\$ 5,155,721
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>142,063</u>
Total	<u><u>\$ 5,297,784</u></u>

For the year ended December 31, 2023, the City recognized pension expense of \$848,370 for its proportionate share of General Employees Plan's pension expense. Included in the amount, the City recognized \$638 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

City of Faribault
Notes to Basic Financial Statements

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

General Employees Fund Pension Costs (Continued)

At December 31, 2023, 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
	<u> </u>	<u> </u>
Differences between expected and actual economic experience	\$ 169,668	\$ 36,133
Changes in actuarial assumptions	848,835	1,413,139
Net collective difference between projected and actual investment earnings	-	210,068
Changes in proportion	55,006	47,520
Contributions paid to PERA subsequent to the measurement date	<u>274,568</u>	<u>-</u>
Total	<u><u>\$ 1,348,077</u></u>	<u><u>\$ 1,706,860</u></u>

The \$274,568 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	Pension Expense Amount
	<u> </u>
2024	\$ 149,791
2025	(781,564)
2026	110,267
2027	<u>(111,845)</u>
Total	<u><u>\$ (633,351)</u></u>

City of Faribault
Notes to Basic Financial Statements

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

Police and Fire Fund Pension Costs

At December 31, 2023, the City reported a liability of \$5,831,640 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2023, 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, 2022, through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.3377% at the end of the measurement period and 0.3419% for the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2023. 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 aid was paid on October 1, 2022. 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% funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90% funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$5,983,946.

City's proportionate share of the net pension liability	\$ 5,831,640
State of Minnesota's proportionate share of the net pension liability associated with the City	<u>152,306</u>
Total	<u><u>\$ 5,983,946</u></u>

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 (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. For the year ended December 31, 2023, the City recognized pension expense of \$1,686,807 for its proportionate share of the Police and Fire Plan's pension expense. Included in this amount, the City recognized (\$14,148) 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.

City of Faribault
Notes to Basic Financial Statements

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

Police and Fire Fund Pension Costs (Continued)

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 supplemental state aid. The City also recognized \$32,121 for the year ended December 31, 2023, as revenue and an offsetting reduction of the net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund

At December 31, 2023, the City reported its proportionate share of the Police and Fire 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
	<u> </u>	<u> </u>
Differences between expected and actual economic experience	\$ 1,613,252	\$ -
Changes in actuarial assumptions	6,814,547	8,200,236
Net collected difference between projected actual investment earnings	-	232,035
Changes in proportion	63,318	231,036
Contributions paid to PERA subsequent to the measurement date	<u>383,924</u>	<u>-</u>
Total	<u><u>\$ 8,875,041</u></u>	<u><u>\$ 8,663,307</u></u>

City of Faribault
Notes to Basic Financial Statements

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

D. Pension Costs (Continued)

Police and Fire Fund Pension Costs (Continued)

The \$383,924 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2024	\$ 261,895
2025	34,661
2026	1,406,483
2027	(397,895)
2028	<u>(1,477,334)</u>
Total	<u>\$ (172,190)</u>

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	33.5 %	5.10 %
International equity	16.5	5.30
Fixed income	25.0	0.75
Private markets	<u>25.0</u>	5.90
Total	<u>100.0 %</u>	

**City of Faribault
Notes to Basic Financial Statements**

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

F. Actuarial Methods and Assumptions

The total pension liability in the June 30, 2023, 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 7.0%. 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 7.0% was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25% for the General Employees Plan and 2.25% for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25% for the General Employees. Plan and 1% for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75% after one year of service to 3.0% 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 are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023, actuarial valuation. The most recent four-year experience study for the Police and Fire Plan was completed in 2020 and was 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 2023:

General Employees Fund

Changes in Actuarial Assumptions

- ◆ The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

Changes in Plan Provisions

- ◆ An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- ◆ The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- ◆ The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- ◆ A one-time, non-compounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

City of Faribault
Notes to Basic Financial Statements

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

F. Actuarial Methods and Assumptions (Continued)

Police and Fire Fund

Changes in Actuarial Assumptions

- ◆ The investment return assumption and single discount rate were changed from 6.5% to 7.0%.
- ◆ The single discount rate changed from 5.4% to 7.0%.

Changes in Plan Provisions

- ◆ Additional one-time direct state aid contribution of 19.4 million will be contributed to the Plan on October 1, 2023.
- ◆ Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- ◆ A one-time, non-compounding benefit increase of 3.0% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- ◆ Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- ◆ The total and permanent duty disability benefit was increased, effective July 1, 2023.

G. Discount Rate

The discount rate used for the General Employees Plan used to measure the total pension liability in 2023 was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from Plan members and employers will be made at rates set in *Minnesota Statutes*. Based on these assumptions, the fiduciary net positions of the General Employees and Police and Fire Plans were 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.

City of Faribault
Notes to Basic Financial Statements

NOTE 10 - PENSION PLANS (CONTINUED)

Public Employees' Retirement Association (Continued)

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 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in Discount Rate (6%)	Current Discount Rate (7%)	1% Increase in Discount Rate (8%)
City's proportionate share of the General Employees Fund net pension liability	\$ 9,120,884	\$ 5,155,721	\$ 1,894,223
	1% Decrease in Discount Rate (6%)	Current Discount Rate (7%)	1% Increase in Discount Rate (8%)
City's proportionate share of the Police and Fire Fund net pension liability	\$ 11,570,669	\$ 5,831,640	\$ 1,113,390

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.

Public Employees Defined Contribution Plan (Defined Contribution Plan)

The City has City Council members that 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 Faribault
Notes to Basic Financial Statements

NOTE 10 - PENSION PLANS (CONTINUED)

I. Pension Plan Fiduciary Net Position (Continued)

Public Employees Defined Contribution Plan (Defined Contribution Plan) (Continued)

The defined contribution plan consists of individual accounts paying a lump-sum benefit. Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses; therefore, there is no future liability to the City. *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 5% of salary which is matched by the elected official's employer. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees must be a fixed percentage of salary. 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% of employer contributions and twenty-five hundredths of 1% (.25%) of the assets in each member's account annually.

Pension expense for the year is equal to the contributions made. Total contributions made by the City during fiscal year 2023 were:

Contribution Amount		Percentage of Covered Payroll		Required Rate
Employee	Employer	Employee	Employer	
\$ 3,490	\$ 3,490	5%	5%	5%

NOTE 11 - POST EMPLOYMENT HEALTH CARE PLAN

A. Plan Description

The City's defined benefit OPEB plan provides a single-employer defined benefit health care plan to eligible retirees. The plan offers medical coverage. Medical coverage is administered by Blue Cross Blue Shield. It is the City's policy to periodically review its medical coverage and to obtain requests for proposals in order to provide the most favorable benefits and premiums for City employees and retirees. No assets are accumulated in a trust.

B. Benefits Provided

Retirees receiving benefits contribute 100% of their premium costs, except those receiving disability benefits. Retirees and their spouses contribute to the health care plan at the same rate as active employees.

C. Contributions

Contribution requirements are established by the City, based on the contract terms with Blue Cross Blue Shield. The required contributions are based on projected pay-as-you-go financing requirements. For 2023, the City contributed \$85,174 for retirees receiving health care benefits.

City of Faribault
Notes to Basic Financial Statements

NOTE 11 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

D. Members

As of December 31, 2021, the following were covered by the benefit terms:

Active employees electing coverage	106
Active employees waiving coverage	21
Retirees electing coverage	<u>7</u>
Total	<u><u>134</u></u>

E. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation measured as of December 31, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Key Methods and Assumptions Used in Valuation of Total OPEB Liability

Investment rate of return	1.84% net of investment expense
Salary increases	3.00% including inflation
Inflation	2.50%
Healthcare cost trend increases	7.5% for FY2022, gradually decreasing over several decades to an ultimate rate of 3.9% in FY2075 and later years.
Mortality assumption	Pub-2010 General (General) and Public Safety (Police and Fire) mortality tables with projected mortality improvements based on scale MP-2021, and other adjustments.

The discount rate used to measure the total OPEB liability was 4.05% based on 20-year municipal bond rates.

F. Total OPEB Liability

The City's total OPEB liability of \$1,878,073 was measured as of December 31, 2022, and was determined by an actuarial valuation as of December 31, 2021.

City of Faribault
Notes to Basic Financial Statements

NOTE 11 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

F. Total OPEB Liability (Continued)

Changes in the total OPEB liability are as follows:

	Total OPEB Liability
Balances at January 1, 2023	<u>\$ 2,248,719</u>
Changes for the year	
Service cost	157,490
Interest	43,489
Differences between expected and actual economic experience	5,624
Employer contributions	-
Changes of assumptions	(491,864)
Benefit payments	(85,384)
Net changes	<u>(370,645)</u>
Balances at December 31, 2023	<u><u>\$ 1,878,074</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 1.84% in 2022 to 4.05% in 2023.

The General Fund, and the Water, Sewer, and Storm Water Enterprise Funds typically liquidate the liability related to OPEB.

G. OPEB Liability Sensitivity

The following presents the City's total OPEB liability calculated using the discount rate of 4.05% as well as the liability measured using 1% lower and 1% higher than the current discount rate.

Total OPEB Liability		
1% Decrease in Discount Rate (3.05%)	Current Discount Rate (4.05%)	1% Increase in Discount Rate (5.05%)
\$ 2,082,435	\$ 1,878,074	\$ 1,699,121

City of Faribault
Notes to Basic Financial Statements

NOTE 11 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

G. OPEB Liability Sensitivity (Continued)

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

Total OPEB Liability		
1% Decrease in Trend Rate (6.5% Decreasing to 2.9%)	Current Trend Rate (7.5% Decreasing to 3.9%)	1% Increase in Trend Rate (8.5% Decreasing to 4.9%)
\$ 1,626,658	\$ 1,878,074	\$ 2,179,673

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

For the year ended December 31, 2023, the City recognized OPEB expense of \$160,211. At December 31, 2023, 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 liability	\$ -	\$ 82,001
Changes of assumptions	526,281	438,342
Contributions between measurement date and reporting date	85,384	-
Total	<u>\$ 611,665</u>	<u>\$ 520,343</u>

City of Faribault
Notes to Basic Financial Statements

NOTE 11 - POST EMPLOYMENT HEALTH CARE PLAN (CONTINUED)

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

The amount of \$85,384 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Total</u>
2024	\$ 663
2025	663
2026	739
2027	1,073
2028	1,420
Thereafter	<u>1,380</u>
Total	<u><u>\$ 5,938</u></u>

NOTE 12 - JOINTLY GOVERNED ORGANIZATIONS

The City participates in various jointly governed organizations that generally have separate governing boards composed of representative of each member organization. During 2023, the City did not have any related party transactions involving the jointly governed organizations. The City participated in the following jointly governed organizations in 2023:

- ◆ Cannon River Drug and Violent Offender Task Force (CRDVOTF)
- ◆ Dakota County Multi-Agency Assistance Group (DCMAAG)
- ◆ Consolidated Public Safety Answering Point

The City does not have a significant ongoing financial interest or responsibility with these organizations. The financial statements for the jointly governed organization can be obtained by contacting the City at City Hall, 208 NW 1st Avenue, Faribault, Minnesota, 55021-5105.

NOTE 13 - COMMITTED CONTRACTS

At December 31, 2023, the City had commitments of \$2,245,849 for ongoing construction contracts that have not been completed.

NOTE 14 - CONTINGENT LIABILITIES

The Housing and Redevelopment Authority (HRA) in the course of business has obtained various deferred loans from governmental agencies. Generally, the entire loan amounts will be forgiven unless the HRA defaults on the conditions noted in the deferred loan agreements. HRA management has indicated that their intent is to meet their conditions. The deferred loans are not recorded as a liability in the HRA's financial statements; however, if the HRA were to default, the unforgiven portion would have to be repaid to the original funding source.

City of Faribault
Notes to Basic Financial Statements

NOTE 15 - CONDUIT DEBT

The City of Faribault issued a Tax-Exempt Refunding Note, Series 2022 for Shattuck St. Mary's to refinance the Taxable Refunding Note, Series 2021. The note is secured by the property financed and is payable solely from private sector entity revenues. Upon repayment of the note, ownership of the acquired facilities transfers to the private-sector entity served by the note issuance. Neither the City of Faribault or the State of Minnesota, or any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2023, the \$24,300,000 Series 2022 Note remains outstanding.



REQUIRED SUPPLEMENTARY INFORMATION

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

For Fiscal Year Ended June 30,	City's Proportionate Share (Percentage) of the Net Pension Liability (Asset)	City's Proportionate Share (Amount) of the Net Pension Liability (Asset)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0835%	\$ 4,327,404	\$ -	\$ 4,327,404	\$ 4,747,243	91.2%	78.2%
2016	0.0826%	6,706,710	87,614	6,794,324	5,126,319	130.8%	68.9%
2017	0.0821%	5,241,210	65,935	5,307,145	5,291,600	99.0%	75.9%
2018	0.0847%	4,698,809	154,168	4,852,977	5,691,880	82.6%	79.5%
2019	0.0863%	4,771,334	148,160	4,919,494	6,105,160	78.2%	80.2%
2020	0.0907%	5,437,879	167,690	5,605,569	6,469,093	84.1%	79.1%
2021	0.0938%	4,005,680	122,370	4,128,050	6,752,613	59.3%	87.0%
2022	0.0930%	7,365,631	216,104	7,581,735	6,967,920	105.7%	76.7%
2023	0.0922%	5,155,721	142,063	5,297,784	7,330,053	70.3%	83.1%

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

Schedule of City's Proportionate Share
of Net Pension Liability - Public Employees Police and Fire Retirement Fund
Last Ten Years*

For Fiscal Year Ended June 30,	City's Proportion of the Net Pension Liability (Asset)	City's Proportionate Share of the Net Pension Liability (Asset)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with the City	City's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with the City	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.3160%	\$ 3,590,499	\$ -	\$ 3,590,499	\$ 2,984,858	120.3%	86.6%
2016	0.3310%	13,283,606	-	13,283,606	3,113,844	426.6%	63.9%
2017	0.3290%	4,441,892	-	4,441,892	3,376,877	131.5%	85.4%
2018	0.3344%	3,534,264	-	3,534,264	3,524,494	100.3%	88.8%
2019	0.3544%	3,725,102	-	3,725,102	3,738,492	99.6%	89.3%
2020	0.3415%	4,470,600	106,060	4,576,660	3,854,378	118.7%	87.2%
2021	0.3365%	2,567,138	116,764	2,683,902	4,062,499	66.1%	93.7%
2022	0.3419%	14,878,137	650,076	15,528,213	4,153,757	373.8%	70.5%
2023	0.3377%	5,831,640	234,901	6,066,541	4,434,898	136.8%	86.5%

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

See notes to required supplementary information.

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

Fiscal Year Ending December 31,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 376,725	\$ 376,725	\$ -	\$ 5,023,000	7.50%
2016	396,870	396,870	-	5,291,600	7.50%
2017	390,596	390,596	-	5,207,947	7.50%
2018	440,818	440,818	-	5,877,573	7.50%
2019	490,385	490,385	-	6,538,467	7.50%
2020	538,375	538,375	-	7,178,333	7.50%
2021	616,151	616,151	-	8,215,347	7.50%
2022	531,237	531,237	-	7,083,161	7.50%
2023	549,136	549,136	-	7,321,813	7.50%

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

**Schedule of City Contributions
Public Employees Police and Fire Retirement Fund
Last Ten Years***

Fiscal Year Ending December 31,	Statutorily Required Contribution	Contributions in Relation to the Statutorily Required Contributions	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 483,547	\$ 483,547	\$ -	\$ 2,984,858	16.20%
2016	547,054	547,054	-	3,376,877	16.20%
2017	583,424	583,424	-	3,601,383	16.20%
2018	585,729	585,729	-	3,615,611	16.20%
2019	630,783	630,783	-	3,721,434	16.95%
2020	695,780	695,780	-	3,930,960	17.70%
2021	648,105	648,105	-	3,661,610	17.70%
2022	734,718	734,718	-	4,150,946	17.70%
2023	767,848	767,848	-	4,338,124	17.70%

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

City of Faribault
Schedule of Changes in Total OPEB Liability
and Related Ratios

	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021
Total OPEB Liability				
Service cost	\$ 61,075	\$ 69,506	\$ 81,896	\$ 104,806
Interest	70,363	67,670	87,373	45,784
Differences between expected and actual experience	-	-	(924,672)	(7,231)
Changes of assumptions	150,785	255,387	135,711	160,150
Benefit payments	(89,470)	(96,608)	(91,968)	(94,837)
Net change in total OPEB liability	192,753	295,955	(711,660)	208,672
Beginning of year	1,830,446	2,023,199	2,319,154	1,607,494
End of year	<u>\$ 2,023,199</u>	<u>\$ 2,319,154</u>	<u>\$ 1,607,494</u>	<u>\$ 1,816,166</u>
Covered employee payroll	\$ 9,371,206	\$ 9,801,191	\$ 9,154,947	\$ 10,684,652
Total OPEB liability as a percentage of covered employee payroll	21.6%	23.7%	17.6%	17.0%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.
No assets are accumulated in a trust for OPEB.

December 31, 2022	December 31, 2023
\$ 121,663	\$ 157,490
38,255	43,489
83,878	5,623
238,931	(491,864)
(50,174)	(85,384)
432,553	(370,646)
1,816,166	2,248,719
<u>\$ 2,248,719</u>	<u>\$ 1,878,073</u>
\$ 12,053,650	\$ 12,053,650
18.7%	15.6%

City of Faribault
Notes to Required Supplementary Information

General Employees Fund

2023 Changes

Changes in Actuarial Assumptions

- ◆ The investment return assumption and single discount rate were changed from 6.5% to 7.0%.

Changes in Plan Provisions

- ◆ An additional one-time direct state aid contribution of \$170.1 million was contributed to the Plan on October 1, 2023.
- ◆ The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- ◆ The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- ◆ A one-time, non-compounding benefit increase of 2.5% minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

2021 Changes

Changes in Actuarial Assumptions

- ◆ The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- ◆ The mortality improvement scale was changed from scale MP-2019 to scale MP-2020.

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

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

City of Faribault
Notes to Required Supplementary Information

General Employees Fund (Continued)

2020 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

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

Changes in Plan Provisions

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

2019 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2018 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

2017 Changes

Changes in Actuarial Assumptions

- ◆ The CSA loads were changed from 0.8% for active members and 60% for vested and non-vested deferred members. The revised CSA loads are now 0.0% for active member liability, 15% for vested deferred member liability and 3% for non-vested deferred member liability.

City of Faribault
Notes to Required Supplementary Information

General Employees Fund (Continued)

2017 Changes(Continued)

Changes in Actuarial Assumptions (Continued)

- ◆ The assumed post-retirement benefit annual increase rate was changed from 1.0% per year for all years to 1.0% per year through 2044 and 2.5% per year thereafter.

Changes in Plan Provisions

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

2016 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

City of Faribault
Notes to Required Supplementary Information

Police and Fire Fund

2023 Changes

Changes in Actuarial Assumptions

- ◆ The investment return assumption was changed from 6.5% to 7.0%.
- ◆ The single discount rate changed from 5.4% to 7.0%.

Changes in Plan Provisions

- ◆ Additional one-time direct state aid contribution of 19.4 million will be contributed to the Plan on October 1, 2023.
- ◆ Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50% vesting after five years, increasing incrementally to 100% after 10 years.
- ◆ A one-time, non-compounding benefit increase of 3.0% will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- ◆ Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- ◆ The total and permanent duty disability benefit was increased, effective July 1, 2023.

2022 Changes

Changes in Actuarial Assumptions

- ◆ The mortality improvement scale was changed from scale MP-2020 to scale MP-2021.
- ◆ The single discount rate was changed from 6.5% to 5.4%.

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

2021 Changes

Changes in Actuarial Assumptions

- ◆ The investment return and single discount rates were changed from 7.5% to 6.5% for financial reporting purposes.
- ◆ The inflation assumption was changed from 2.5% to 2.25%.
- ◆ The payroll growth assumption was changed from 3.25% to 3.0%.
- ◆ 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 MP-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 resulted 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 resulted in more assumed terminations.
- ◆ Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates resulted in more projected disabilities.
- ◆ Assumed percent married for active female members was changed from 60% to 70%. Minor changes to form of payment assumptions were applied.

City of Faribault
Notes to Required Supplementary Information

Police and Fire Fund (Continued)

2021 Changes (Continued)

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

2020 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

2019 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

2018 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- ◆ Postretirement benefit annual increases were changed to 1.00% 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% funding, or July 1, 2048, if earlier.
- ◆ Member contributions were changed from 10.80% to 11.30% of pay, effective January 1, 2019, and 11.80% of pay, effective January 1, 2020.
- ◆ Employer contributions were changed from 16.20% to 16.95% of pay, effective January 1, 2019, and 17.70% of pay, effective January 1, 2020.
- ◆ Interest credited on member contributions decreased from 4.00% to 3.00%, beginning July 1, 2018.
- ◆ Deferred augmentation was changed to 0.00%, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply.
- ◆ Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 Changes

Changes in Actuarial Assumptions

- ◆ Assumed salary increases were changed as recommended in the June 30, 2016, experience study. The net effect is proposed rates that average 0.34% lower than the previous rates.
- ◆ Assumed rates of retirement were changed, resulting in fewer retirements.
- ◆ The CSA load was 30% for vested and non-vested deferred members. The CSA has been changed to 33% for vested members and 2% 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.

City of Faribault
Notes to Required Supplementary Information

Police and Fire Fund (Continued)

2017 Changes (Continued)

Changes in Actuarial Assumptions (Continued)

- ◆ Assumed termination rates were decreased to 3% 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% to 60%.
- ◆ 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 annual benefit increase rate was changed from 1% for all years to 1% per year through 2064 and 2.5% thereafter.
- ◆ The single discount rate was changed from 5.6% per annum to 7.5% per annum.

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

2016 Changes

Changes in Actuarial Assumptions

- ◆ The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2037 and 2.5% thereafter to 1.0% per year for all future years.
- ◆ The assumed investment return was changed from 7.9% to 7.5%. The single discount rate changed from 7.9% to 5.6%.
- ◆ The single discount rate changed from 7.90% to 5.60%.
- ◆ The assumed future salary increases, payroll growth, and inflation was decreased by 0.25% to 3.25% for payroll growth and 2.50% for inflation.

Changes in Plan Provisions

- ◆ There have been no changes since the prior valuation.

2015 Changes

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

City of Faribault
Notes to Required Supplementary Information

Post Employment Health Care Plan

2023 Changes

Changes in Actuarial Assumptions

- ◆ The discount rate changed from 1.84% to 4.05%.

2022 Changes

Changes in Actuarial Assumptions

- ◆ The discount rate changed from 2.00% to 1.84%.

2021 Changes

Changes in Actuarial Assumptions

- ◆ The discount rate changed from 2.75% to 2.00%.

2020 Changes

Changes in Actuarial Assumptions

- ◆ The discount rate changed from 3.71% to 2.75%.

Changes in Plan Provisions

- ◆ Retiree premiums and disabled public safety contribution amounts were updated to current levels.

2019 Changes

Changes in Actuarial Assumptions

- ◆ The discount rate changed from 3.31% to 3.71%.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

City of Faribault
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Taxes					
Property taxes	\$ 9,306,552	\$ 9,306,552	\$ 9,329,557	\$ 23,005	\$ 8,767,555
Franchise fees	225,000	225,000	215,481	(9,519)	239,270
Miscellaneous taxes	125,000	125,000	141,771	16,771	144,002
Total taxes	9,656,552	9,656,552	9,686,809	30,257	9,150,827
Special assessments	3,100	3,100	3,761	661	1,084
Licenses and permits					
Business	84,250	84,250	85,950	1,700	97,926
Non-business	726,031	726,031	826,589	100,558	596,701
Total licenses and permits	810,281	810,281	912,539	102,258	694,627
Intergovernmental revenue					
Local government aid	6,102,837	6,102,837	6,102,837	-	6,029,788
Agricultural market value credit	1,500	1,500	1,779	279	998
PERA aid	-	-	175,014	175,014	5,049
Fire aid	140,000	140,000	173,927	33,927	153,651
Police aid	345,000	345,000	367,981	22,981	370,348
MSA	297,804	297,804	285,126	(12,678)	297,804
Federal grants	-	68,902	119,654	50,752	1,329,205
County grants	236,707	236,707	238,767	2,060	230,807
School district public safety	115,886	115,886	119,533	3,647	117,045
Other grants and aids	54,028	1,117,316	1,163,551	46,235	42,186
Total intergovernmental revenue	7,293,762	8,425,952	8,748,169	322,217	8,576,881
Charges for services					
General government	51,330	51,330	118,264	66,934	82,097
Public safety	251,205	258,331	387,908	129,577	313,745
Public works	676,700	676,700	740,676	63,976	800,705
Culture and recreation	612,470	612,470	659,375	46,905	534,518
Total charges for services	1,591,705	1,598,831	1,906,223	307,392	1,731,065
Fines and forfeitures	128,000	128,000	140,879	12,879	130,997
Miscellaneous revenues					
Investment income	104,470	104,470	499,724	395,254	(486,617)
Contributions and donations	15,000	31,002	150,405	119,403	44,399
Other	4,350	4,350	52,649	48,299	217,362
Total miscellaneous revenues	123,820	139,822	702,778	562,956	(224,856)
Total revenues	19,607,220	20,762,538	22,101,158	1,338,620	20,060,625

City of Faribault
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

Continued

	2023				2022
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Expenditures					
Current					
General government					
Council					
Personnel services	\$ 79,313	\$ 79,313	\$ 78,710	\$ (603)	\$ 68,811
Supplies	1,750	1,750	1,432	(318)	3,364
Other services and charges	327,279	319,859	342,074	22,215	383,681
Total council	408,342	400,922	422,216	21,294	455,856
Administrator and elections					
Personnel services	294,345	296,512	296,697	185	311,021
Supplies	5,050	3,800	2,875	(925)	6,181
Other services and charges	14,575	18,155	15,803	(2,352)	14,378
Total administrator and elections	313,970	318,467	315,375	(3,092)	331,580
Communications					
Personnel services	-	78,054	77,009	(1,045)	-
Supplies	-	9,157	8,896	(261)	-
Other services and charges	-	13,280	19,132	5,852	-
Total administrator and elections	-	100,491	105,037	4,546	-
Finance					
Personnel services	389,232	400,277	396,601	(3,676)	373,674
Supplies	5,125	5,650	4,228	(1,422)	5,231
Other services and charges	81,288	81,288	74,349	(6,939)	59,535
Total finance	475,645	487,215	475,178	(12,037)	438,440
Legal					
Other services and charges	277,230	237,230	222,535	(14,695)	242,618
Personnel administration					
Personnel services	273,979	275,134	280,108	4,974	253,346
Supplies	9,200	9,100	11,496	2,396	2,294
Other services and charges	67,072	67,072	60,299	(6,773)	63,646
Total personnel administration	350,251	351,306	351,903	597	319,286
Planning and zoning					
Personnel services	458,170	458,338	321,939	(136,399)	423,095
Supplies	1,550	1,600	533	(1,067)	1,288
Other services and charges	43,267	43,267	28,565	(14,702)	30,622
Total planning and zoning	502,987	503,205	351,037	(152,168)	455,005
City hall maintenance					
Personnel services	68,665	69,665	70,759	1,094	78,543
Supplies	13,100	12,550	13,208	658	13,603
Other services and charges	89,117	82,717	81,128	(1,589)	79,019
Total city hall maintenance	170,882	164,932	165,095	163	171,165
Information technology					
Personnel services	180,334	181,182	151,175	(30,007)	167,944
Supplies	9,750	9,650	23,848	14,198	8,450
Other services and charges	44,780	44,780	94,636	49,856	43,526
Total information technology	234,864	235,612	269,659	34,047	219,920

City of Faribault
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

Continued

	2023			2022	
	Budgeted Amounts		Variance with Final Budget - Over (Under)	Actual Amounts	
	Original	Final			
Expenditures (Continued)					
Current (continued)					
General government (continued)					
Other					
Other services and charges	\$ 303,208	\$ 68,025	\$ 99,368	\$ 31,343	\$ 159,342
Total general government	<u>3,037,379</u>	<u>2,867,405</u>	<u>2,777,403</u>	<u>(90,002)</u>	<u>2,793,212</u>
Public safety					
Police					
Personnel services	5,339,999	5,390,476	5,287,088	(103,388)	5,106,623
Supplies	253,525	361,817	408,788	46,971	230,269
Other services and charges	616,982	637,634	480,148	(157,486)	477,849
Total police	<u>6,210,506</u>	<u>6,389,927</u>	<u>6,176,024</u>	<u>(213,903)</u>	<u>5,814,741</u>
Community services					
Personnel services	266,211	268,953	265,876	(3,077)	209,227
Supplies	31,950	32,550	25,263	(7,287)	12,271
Other services and charges	25,945	40,960	35,766	(5,194)	25,293
Total community services	<u>324,106</u>	<u>342,463</u>	<u>326,905</u>	<u>(15,558)</u>	<u>246,791</u>
Civil defense					
Supplies	400	400	-	(400)	404
Other services and charges	5,650	5,650	3,905	(1,745)	5,274
Total civil defense	<u>6,050</u>	<u>6,050</u>	<u>3,905</u>	<u>(2,145)</u>	<u>5,678</u>
Code enforcement					
Personnel services	459,381	463,364	368,175	(95,189)	436,186
Supplies	7,650	8,100	4,099	(4,001)	9,867
Other services and charges	126,655	126,655	121,039	(5,616)	123,607
Total code enforcement	<u>593,686</u>	<u>598,119</u>	<u>493,313</u>	<u>(104,806)</u>	<u>569,660</u>
Fire					
Personnel services	1,607,136	1,611,039	1,675,662	64,623	1,544,980
Supplies	97,400	123,641	130,350	6,709	109,984
Other services and charges	86,955	91,255	89,912	(1,343)	75,924
Total fire	<u>1,791,491</u>	<u>1,825,935</u>	<u>1,895,924</u>	<u>69,989</u>	<u>1,730,888</u>
Total public safety	<u>8,925,839</u>	<u>9,162,494</u>	<u>8,896,071</u>	<u>(266,423)</u>	<u>8,367,758</u>
Public works					
Administration					
Personnel services	111,243	133,339	128,654	(4,685)	101,502
Supplies	760	1,060	163	(897)	53
Other services and charges	7,775	7,775	6,352	(1,423)	3,668
Total administration	<u>119,778</u>	<u>142,174</u>	<u>135,169</u>	<u>(7,005)</u>	<u>105,223</u>

City of Faribault
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

Continued

	2023				2022
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
Public works (continued)					
Maintenance					
Personnel services	\$ 1,218,706	\$ 1,232,286	\$ 1,172,320	\$ (59,966)	\$ 1,202,360
Supplies	503,250	506,200	584,172	77,972	553,837
Other services and charges	571,416	579,548	633,032	53,484	591,133
Total maintenance	<u>2,293,372</u>	<u>2,318,034</u>	<u>2,389,524</u>	<u>71,490</u>	<u>2,347,330</u>
Engineering					
Personnel services	588,174	642,428	555,262	(87,166)	550,501
Supplies	7,950	8,350	7,031	(1,319)	9,573
Other services and charges	35,383	36,693	23,628	(13,065)	27,956
Total engineering	<u>631,507</u>	<u>687,471</u>	<u>585,921</u>	<u>(101,550)</u>	<u>588,030</u>
Total public works	<u>3,044,657</u>	<u>3,147,679</u>	<u>3,110,614</u>	<u>(37,065)</u>	<u>3,040,583</u>
Culture and recreation					
Parks and recreation					
Personnel services	3,163,102	3,140,981	3,104,951	(36,030)	2,897,392
Supplies	501,300	522,852	498,550	(24,302)	474,774
Other services and charges	924,943	902,368	894,665	(7,703)	909,580
Total parks and recreation	<u>4,589,345</u>	<u>4,566,201</u>	<u>4,498,166</u>	<u>(68,035)</u>	<u>4,281,746</u>
Mass transportation and airport					
Airport					
Other services and charges	10,000	10,000	-	(10,000)	-
Total airport	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>
Debt Service					
Principal	-	-	155,236	155,236	17,751
Interest and other charges	-	-	37,279	37,279	1,937
Total debt service	<u>-</u>	<u>-</u>	<u>192,515</u>	<u>192,515</u>	<u>19,688</u>
Capital outlay					
General government	-	-	439,325	439,325	22,599
Public safety					
Fire	-	-	-	-	26,280
Total capital outlay	<u>-</u>	<u>-</u>	<u>439,325</u>	<u>439,325</u>	<u>48,879</u>
Total expenditures	<u>19,607,220</u>	<u>19,753,779</u>	<u>19,914,094</u>	<u>160,315</u>	<u>18,551,866</u>
Excess of revenues over (under) expenditures	-	1,008,759	2,187,064	1,178,305	1,508,759
Other Financing Sources (Uses)					
Lease proceeds	-	-	292,598	292,598	22,599
Subscription proceeds	-	-	146,727	146,727	-
Transfers out	-	-	(54,201)	(54,201)	(748,159)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>385,124</u>	<u>385,124</u>	<u>(725,560)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ 1,008,759</u>	<u>2,572,188</u>	<u>\$ 1,563,429</u>	<u>783,199</u>
Fund Balances					
Beginning of year			10,746,938		9,963,739
End of year			<u>\$ 13,319,126</u>		<u>\$ 10,746,938</u>

City of Faribault Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special revenue funds are established to account for specific revenue or other sources that are designated for financing particular functions or activities as required by deferral regulations, *Minnesota Statute*, City charter provisions, local ordinances, or specific grant agreements. Most of the special revenue funds are related to specific federal and state housing programs or grants for specific activities.

Nonmajor Capital Projects Funds

Capital project funds are established to account for the resources used for the acquisition of capital facilities and infrastructure for the City with the exception of those financed by the enterprise funds.

Nonmajor Debt Service Funds

The Debt Service funds are established to account for the collection of ad valorem taxes, special assessments, and tax increment revenue transfers, as well as the payment of principal and interest of general long-term debt.

Internal Service Funds

The Internal Service Fund is to account for the financing of goods and services provided by one fund to the other departments of the City. These services are provided on a cost reimbursement basis or are partially or fully self-funded through interest earnings on dedicated reserves.

City of Faribault
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2023

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Assets				
Cash and investments	\$ 4,464,242	\$ 2,257,861	\$ 1,983,162	\$ 8,705,265
Taxes receivable - current	772	43	7,661	8,476
Taxes receivable - delinquent	2,458	317	12,040	14,815
Accounts receivable	57,743	203,711	10,281	271,735
Interest receivable	6,865	13,489	8,913	29,267
Due from other governments	73,883	-	-	73,883
Due from component unit	-	49,974	-	49,974
Notes receivable	72,643	-	-	72,643
Leases receivable	364,347	-	-	364,347
Special assessment receivable				
Current	-	-	1,422	1,422
Delinquent	-	-	5,004	5,004
Deferred	-	-	262,812	262,812
Land held for resale	-	121,100	-	121,100
Prepaid items	3,500	-	-	3,500
Total assets	\$ 5,046,453	\$ 2,646,495	\$ 2,291,295	\$ 9,984,243
Liabilities				
Accounts payable	\$ 2,872	\$ 350,896	\$ 2,200	\$ 355,968
Deposits payable	909	-	-	909
Contracts payable	-	6,542	-	6,542
Due to other funds	81,901	-	-	81,901
Due to other governments	3,185	-	-	3,185
Unearned revenue	8,460	-	-	8,460
Total liabilities	97,327	357,438	2,200	456,965
Deferred Inflows of Resources				
Unavailable revenue - property taxes	2,458	317	12,040	14,815
Unavailable revenue - special assessments	-	-	267,816	267,816
Deferred inflows of resources related to leases receivable	364,347	-	-	364,347
Total deferred inflows of resources	366,805	317	279,856	646,978
Fund Balances				
Nonspendable	3,500	-	-	3,500
Restricted	696,344	246,014	2,009,239	2,951,597
Committed	3,305,317	1,999,907	-	5,305,224
Assigned	577,160	42,819	-	619,979
Total fund balances	4,582,321	2,288,740	2,009,239	8,880,300
Total liabilities, deferred inflows of resources, and fund balances	\$ 5,046,453	\$ 2,646,495	\$ 2,291,295	\$ 9,984,243

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City of Faribault
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2023

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 568,319	\$ 806	\$ 1,380,880	\$ 1,950,005
Special assessments	-	-	56,458	56,458
Intergovernmental	685,441	-	162,980	848,421
Charges for services	350,743	931,222	40,544	1,322,509
Fines and forfeitures	3,500	-	-	3,500
Miscellaneous				
Investment income	135,922	124,432	112,555	372,909
Other	4,771	97,044	-	101,815
Total revenues	<u>1,748,696</u>	<u>1,153,504</u>	<u>1,753,417</u>	<u>4,655,617</u>
Expenditures				
Current				
General government	60,453	67,649	-	128,102
Public safety	29,615	68,864	-	98,479
Culture and recreation	-	217,796	-	217,796
Community development	1,449,443	-	-	1,449,443
Mass transportation and airport	122,310	-	-	122,310
Debt service				
Principal	11,504	-	1,260,000	1,271,504
Interest and other charges	92	-	293,206	293,298
Capital outlay				
General government	-	238,903	-	238,903
Public safety	-	246,791	-	246,791
Public works	-	585,597	-	585,597
Culture and recreation	-	1,085,603	-	1,085,603
Mass transportation and airport	108,321	-	-	108,321
Total expenditures	<u>1,781,738</u>	<u>2,511,203</u>	<u>1,553,206</u>	<u>5,846,147</u>
Excess of revenues over (under) expenditures	(33,042)	(1,357,699)	200,211	(1,190,530)
Other Financing Sources (Uses)				
Proceeds from sale of capital asset	-	103,330	-	103,330
Transfers in	3,597	325,605	25,000	354,202
Total other financing sources (uses)	<u>3,597</u>	<u>428,935</u>	<u>25,000</u>	<u>457,532</u>
Net change in fund balances	(29,445)	(928,764)	225,211	(732,998)
Fund Balances				
Beginning of year	<u>4,611,766</u>	<u>3,217,504</u>	<u>1,784,028</u>	<u>9,613,298</u>
End of year	<u>\$ 4,582,321</u>	<u>\$ 2,288,740</u>	<u>\$ 2,009,239</u>	<u>\$ 8,880,300</u>

City of Faribault
Nonmajor Special Revenue Funds
Combining Balance Sheet
December 31, 2023

	Special Revenue			
	Charitable Gambling (210)	General Government Buildings (211)	Public Safety Programs (215)	Library Donation (217)
Assets				
Cash and investments	\$ 41,851	\$ 102,344	\$ 15,193	\$ 3,017,184
Taxes receivable - current	-	-	-	-
Taxes receivable - delinquent	-	-	-	-
Accounts receivable	6,603	100	-	-
Interest receivable	192	452	75	-
Due from other governments	-	-	-	-
Notes receivable	-	-	-	-
Leases receivable	-	-	-	-
Prepaid items	-	-	-	-
Total assets	\$ 48,646	\$ 102,896	\$ 15,268	\$ 3,017,184
Liabilities				
Accounts payable	\$ -	\$ 74	\$ -	\$ -
Deposits payable	-	909	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Unearned revenue	-	191	-	-
Total liabilities	-	1,174	-	-
Deferred Inflows of Resources				
Unavailable revenue - property taxes	-	-	-	-
Deferred inflows of resources related to leases receivable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted				
Charitable gambling	48,646	-	-	-
Forfeited and seized assets	-	-	15,268	-
Rehabilitation projects	-	-	-	-
Revolving loans	-	-	-	-
Committed				
General government buildings	-	101,722	-	-
Library donation	-	-	-	3,005,912
Airport	-	-	-	-
Community development	-	-	-	-
Assigned				
Capital improvements	-	-	-	-
Library donation	-	-	-	11,272
Compensated absences	-	-	-	-
Total fund balances	48,646	101,722	15,268	3,017,184
Total liabilities, deferred inflows of resources, and fund balances	\$ 48,646	\$ 102,896	\$ 15,268	\$ 3,017,184

Special Revenue

Municipal Airport (225)	Community Development Fund (239, 240)	Rental Housing Rehabilitation (244)	SCDP Revolving Loan Fund (247)	Total Nonmajor Special Revenue Funds
\$ 554,729	\$ 175,621	\$ 188,243	\$ 369,077	\$ 4,464,242
-	772	-	-	772
-	2,458	-	-	2,458
3,979	47,061	-	-	57,743
2,473	1,206	838	1,629	6,865
73,883	-	-	-	73,883
-	-	-	72,643	72,643
364,347	-	-	-	364,347
3,500	-	-	-	3,500
<u>\$ 1,002,911</u>	<u>\$ 227,118</u>	<u>\$ 189,081</u>	<u>\$ 443,349</u>	<u>\$ 5,046,453</u>
\$ 2,798	\$ -	\$ -	\$ -	\$ 2,872
-	-	-	-	909
-	81,901	-	-	81,901
-	3,185	-	-	3,185
8,269	-	-	-	8,460
<u>11,067</u>	<u>85,086</u>	<u>-</u>	<u>-</u>	<u>97,327</u>
-	2,458	-	-	2,458
364,347	-	-	-	364,347
<u>364,347</u>	<u>2,458</u>	<u>-</u>	<u>-</u>	<u>366,805</u>
3,500	-	-	-	3,500
-	-	-	-	48,646
-	-	-	-	15,268
-	-	189,081	-	189,081
-	-	-	443,349	443,349
-	-	-	-	101,722
-	-	-	-	3,005,912
91,918	-	-	-	91,918
-	105,765	-	-	105,765
532,079	-	-	-	532,079
-	-	-	-	11,272
-	33,809	-	-	33,809
<u>627,497</u>	<u>139,574</u>	<u>189,081</u>	<u>443,349</u>	<u>4,582,321</u>
<u>\$ 1,002,911</u>	<u>\$ 227,118</u>	<u>\$ 189,081</u>	<u>\$ 443,349</u>	<u>\$ 5,046,453</u>

City of Faribault
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2023

	Special Revenue			
	Charitable Gambling (210)	General Government Buildings (211)	Public Safety Programs (215)	Library Donation (217)
Revenues				
Taxes	\$ 47,234	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services				
Program fees	-	-	-	-
Rents	-	16,814	-	-
Fines and forfeitures	-	-	3,500	-
Miscellaneous				
Investment income	2,679	5,057	1,367	64,985
Other	-	-	-	-
Total revenues	<u>49,913</u>	<u>21,871</u>	<u>4,867</u>	<u>64,985</u>
Expenditures				
Current				
General government	55,192	5,261	-	-
Public safety	-	-	29,615	-
Community development	-	-	-	-
Mass transportation and airport	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Mass transportation and airport	-	-	-	-
Total expenditures	<u>55,192</u>	<u>5,261</u>	<u>29,615</u>	<u>-</u>
Excess of revenues over (under) expenditures	(5,279)	16,610	(24,748)	64,985
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Net change in fund balances	(5,279)	16,610	(24,748)	64,985
Fund Balances				
Beginning of year	<u>53,925</u>	<u>85,112</u>	<u>40,016</u>	<u>2,952,199</u>
End of year	<u>\$ 48,646</u>	<u>\$ 101,722</u>	<u>\$ 15,268</u>	<u>\$ 3,017,184</u>

Special Revenue

Municipal Airport (225)	Community Development Fund (239, 240)	Rental Housing Rehabilitation (244)	SCDP Revolving Loan Fund (247)	Total Nonmajor Special Revenue Funds
\$ 197	\$ 520,888	\$ -	\$ -	\$ 568,319
88,250	597,191	-	-	685,441
-	184,248	-	-	184,248
149,681	-	-	-	166,495
-	-	-	-	3,500
24,280	9,097	9,707	18,750	135,922
1,921	1,040	-	1,810	4,771
<u>264,329</u>	<u>1,312,464</u>	<u>9,707</u>	<u>20,560</u>	<u>1,748,696</u>
-	-	-	-	60,453
-	-	-	-	29,615
-	1,449,443	-	-	1,449,443
122,310	-	-	-	122,310
10,250	1,254	-	-	11,504
-	92	-	-	92
108,321	-	-	-	108,321
<u>240,881</u>	<u>1,450,789</u>	<u>-</u>	<u>-</u>	<u>1,781,738</u>
23,448	(138,325)	9,707	20,560	(33,042)
3,597	-	-	-	3,597
27,045	(138,325)	9,707	20,560	(29,445)
600,452	277,899	179,374	422,789	4,611,766
<u>\$ 627,497</u>	<u>\$ 139,574</u>	<u>\$ 189,081</u>	<u>\$ 443,349</u>	<u>\$ 4,582,321</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Charitable Gambling Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Taxes	\$ 34,000	\$ 34,000	\$ 47,234	\$ 13,234	\$ 42,791
Miscellaneous					
Investment income	860	860	2,679	1,819	(3,348)
Total revenues	<u>34,860</u>	<u>34,860</u>	<u>49,913</u>	<u>15,053</u>	<u>39,443</u>
Expenditures					
Current					
General government					
Other services and charges	<u>32,250</u>	<u>32,250</u>	<u>55,192</u>	<u>22,942</u>	<u>61,714</u>
Net change in fund balances	<u>\$ 2,610</u>	<u>\$ 2,610</u>	(5,279)	<u>\$ (7,889)</u>	(22,271)
Fund Balances					
Beginning of year			<u>53,925</u>		<u>76,196</u>
End of year			<u>\$ 48,646</u>		<u>\$ 53,925</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
General Government Buildings Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Charges for services					
Rent	\$ 13,300	\$ 13,300	\$ 16,814	\$ 3,514	\$ 12,900
Miscellaneous					
Investment income	1,090	1,090	5,057	3,967	(4,721)
Total revenues	<u>14,390</u>	<u>14,390</u>	<u>21,871</u>	<u>7,481</u>	<u>8,179</u>
Expenditures					
Current					
General government					
Supplies	500	500	-	(500)	-
Other services and charges	<u>7,763</u>	<u>7,763</u>	<u>5,261</u>	<u>(2,502)</u>	<u>5,953</u>
Total expenditures	<u>8,263</u>	<u>8,263</u>	<u>5,261</u>	<u>(3,002)</u>	<u>5,953</u>
Net change in fund balances	<u>\$ 6,127</u>	<u>\$ 6,127</u>	16,610	<u>\$ 10,483</u>	2,226
Fund Balances					
Beginning of year			85,112		82,886
End of year			<u>\$ 101,722</u>		<u>\$ 85,112</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Public Safety Programs Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Fines and forfeitures	\$ 2,700	\$ 2,700	\$ 3,500	\$ 800	\$ 60
Miscellaneous					
Investment income	940	940	1,367	427	(2,568)
Total revenues	<u>3,640</u>	<u>3,640</u>	<u>4,867</u>	<u>1,227</u>	<u>(2,508)</u>
Expenditures					
Current					
Public safety					
Supplies	-	-	29,615	29,615	4,357
Other services and charges	1,000	1,000	-	(1,000)	363
Total expenditures	<u>1,000</u>	<u>1,000</u>	<u>29,615</u>	<u>28,615</u>	<u>4,720</u>
Net change in fund balances	<u>\$ 2,640</u>	<u>\$ 2,640</u>	(24,748)	<u>\$ (27,388)</u>	(7,228)
Fund Balances					
Beginning of year			<u>40,016</u>		<u>47,244</u>
End of year			<u>\$ 15,268</u>		<u>\$ 40,016</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Municipal Airport Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Taxes	\$ -	\$ -	\$ 197	\$ 197	\$ 9,937
Charges for services					
Rents	132,739	132,739	149,681	16,942	137,298
Intergovernmental					
Federal	-	-	56,411	56,411	275,418
State	31,590	31,590	31,839	249	61,167
Miscellaneous					
Investment income	5,800	5,800	24,280	18,480	(33,789)
Other	-	-	1,921	1,921	-
Total revenues	<u>170,129</u>	<u>170,129</u>	<u>264,329</u>	<u>94,200</u>	<u>450,031</u>
Expenditures					
Current					
Mass transportation and airport					
Supplies	5,500	14,500	16,073	1,573	5,621
Other services and charges	108,292	101,292	106,237	4,945	117,909
Debt service					
Principal	15,375	15,375	10,250	(5,125)	61,500
Capital outlay					
Mass transportation and airport	-	111,560	108,321	(3,239)	315,841
Total expenditures	<u>129,167</u>	<u>242,727</u>	<u>240,881</u>	<u>(1,846)</u>	<u>500,871</u>
Excess of revenues over (under) expenditures	40,962	(72,598)	23,448	96,046	(50,840)
Other Financing Sources					
Transfers in	-	-	3,597	3,597	-
Net change in fund balances	<u>\$ 40,962</u>	<u>\$ (72,598)</u>	<u>27,045</u>	<u>\$ 99,643</u>	<u>(50,840)</u>
Fund Balances					
Beginning of year			<u>600,452</u>		<u>651,292</u>
End of year			<u>\$ 627,497</u>		<u>\$ 600,452</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Community Development Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Taxes	\$ 534,276	\$ 534,276	\$ 520,888	\$ (13,388)	\$ 622,458
Charges for services					
Program fees	386,113	386,113	184,248	(201,865)	296,377
Intergovernmental	-	-	597,191	597,191	258,280
Miscellaneous					
Investment income	11,970	11,970	9,097	(2,873)	(17,534)
Other	-	-	1,040	1,040	1,127
Total revenues	<u>932,359</u>	<u>932,359</u>	<u>1,312,464</u>	<u>380,105</u>	<u>1,160,708</u>
Expenditures					
Current					
Community development					
Personnel services	645,346	644,766	432,498	(212,268)	507,940
Supplies	5,900	6,250	3,427	(2,823)	25,558
Other services and charges	431,110	431,110	1,013,518	582,408	1,169,134
Debt service					
Principal	-	-	1,254	1,254	-
Interest and other charges	-	-	92	92	-
Total expenditures	<u>1,082,356</u>	<u>1,082,126</u>	<u>1,450,789</u>	<u>368,663</u>	<u>1,702,632</u>
Excess of revenues over (under) expenditures	(149,997)	(149,767)	(138,325)	11,442	(541,924)
Other Financing Sources					
Proceeds from sale of capital asset	-	-	-	-	1,600
Net change in fund balances	<u>\$ (149,997)</u>	<u>\$ (149,767)</u>	<u>(138,325)</u>	<u>\$ 11,442</u>	<u>(540,324)</u>
Fund Balances					
Beginning of year			277,899		818,223
End of year			<u>\$ 139,574</u>		<u>\$ 277,899</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Rental Housing Rehabilitation Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023			2022
	Budgeted Amounts		Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts	Actual Amounts
Revenues				
Miscellaneous				
Investment income	\$ 2,600	\$ 2,600	\$ 9,707	\$ (10,468)
Expenditures				
Current				
Culture and recreation				
Other services and charges	100,000	100,000	-	-
Net change in fund balances	<u>\$ (97,400)</u>	<u>\$ (97,400)</u>	<u>9,707</u>	<u>(10,468)</u>
Fund Balances				
Beginning of year			<u>179,374</u>	<u>189,842</u>
End of year			<u>\$ 189,081</u>	<u>\$ 179,374</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
SCDP Revolving Loan Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023			2022
	Budgeted Amounts		Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final		
Revenues				
Charges for services	\$ -	\$ -	\$ -	\$ 19,999
Miscellaneous				
Investment income	4,500	4,500	14,250	(18,253)
Other	1,810	1,810	-	1,943
Total revenues	<u>6,310</u>	<u>6,310</u>	<u>14,250</u>	<u>3,689</u>
Expenditures				
Current				
Community development				
Other services and charges	<u>84,000</u>	<u>84,000</u>	<u>(84,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ (77,690)</u>	<u>\$ (77,690)</u>	<u>\$ 98,250</u>	<u>3,689</u>
Fund Balances				
Beginning of year			<u>422,789</u>	<u>419,100</u>
End of year			<u>\$ 443,349</u>	<u>\$ 422,789</u>

City of Faribault
Nonmajor Capital Projects Funds
Combining Balance Sheet -
December 31, 2023

	Capital Projects			Total Nonmajor Capital Projects Funds
	Park Improvements (404)	Capital Replacement General (431)	Public Facility Projects (437)	
Assets				
Cash and investments	\$ 599,818	\$ 1,127,973	\$ 530,070	\$ 2,257,861
Taxes receivable - current	8	27	8	43
Taxes receivable - delinquent	58	202	57	317
Accounts receivable	110,120	41,259	52,332	203,711
Interest receivable	2,074	4,830	6,585	13,489
Due from component unit	-	-	49,974	49,974
Land held for resale	121,100	-	-	121,100
Total assets	<u>\$ 833,178</u>	<u>\$ 1,174,291</u>	<u>\$ 639,026</u>	<u>\$ 2,646,495</u>
Liabilities				
Accounts payable	\$ 162,106	\$ 2,516	\$ 186,274	\$ 350,896
Contracts payable	-	-	6,542	6,542
Total liabilities	<u>162,106</u>	<u>2,516</u>	<u>192,816</u>	<u>357,438</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	58	202	57	317
Fund Balances				
Restricted				
Park capital improvements	246,014	-	-	246,014
Committed				
Encumbrances	425,000	1,128,754	446,153	1,999,907
Assigned				
Future capital improvements	-	42,819	-	42,819
Total fund balances	<u>671,014</u>	<u>1,171,573</u>	<u>446,153</u>	<u>2,288,740</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 833,178</u>	<u>\$ 1,174,291</u>	<u>\$ 639,026</u>	<u>\$ 2,646,495</u>

City of Faribault
Nonmajor Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2023

	Capital Projects			Total Nonmajor Capital Projects Funds
	Park Improvements (404)	Capital Replacement General (431)	Public Facility Projects (437)	
Revenues				
Taxes	\$ 148	\$ 514	\$ 144	\$ 806
Charges for services	665,764	59,087	206,371	931,222
Miscellaneous				
Investment income	26,830	72,386	25,216	124,432
Other	60,915	31,630	4,499	97,044
Total revenues	<u>753,657</u>	<u>163,617</u>	<u>236,230</u>	<u>1,153,504</u>
Expenditures				
Current				
General government	-	2,497	65,152	67,649
Public safety	-	18,654	50,210	68,864
Culture and recreation	34,649	-	183,147	217,796
Capital outlay				
General government	-	16,929	221,974	238,903
Public safety	-	129,574	117,217	246,791
Public works	-	585,597	-	585,597
Culture and recreation	733,075	318,063	34,465	1,085,603
Total expenditures	<u>767,724</u>	<u>1,071,314</u>	<u>672,165</u>	<u>2,511,203</u>
Excess of revenues under expenditures	(14,067)	(907,697)	(435,935)	(1,357,699)
Other Financing Sources (Uses)				
Proceeds from sale of capital asset	-	103,330	-	103,330
Transfers in	250,000	50,605	25,000	325,605
Total other financing sources (uses)	<u>250,000</u>	<u>153,935</u>	<u>25,000</u>	<u>428,935</u>
Net change in fund balances	235,933	(753,762)	(410,935)	(928,764)
Fund balances				
Beginning of year	<u>435,081</u>	<u>1,925,335</u>	<u>857,088</u>	<u>3,217,504</u>
End of year	<u>\$ 671,014</u>	<u>\$ 1,171,573</u>	<u>\$ 446,153</u>	<u>\$ 2,288,740</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Street Improvement Projects Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023			2022
	Budgeted Amounts		Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts	Actual Amounts
Revenues				
Taxes	\$ -	\$ -	\$ 1,600	\$ 715
Special assessments	265,567	265,567	278,299	341,430
Intergovernmental	3,540,520	3,540,520	4,233,958	1,055,328
Charges for services	1,700,000	1,700,000	1,701,506	1,470,134
Investment income	26,000	26,000	96,145	(153,444)
Other	-	-	66,134	309,014
Total revenues	<u>5,532,087</u>	<u>5,532,087</u>	<u>6,377,642</u>	<u>3,023,177</u>
Expenditures				
Current				
Public works	248,836	248,836	111,797	145,458
Capital outlay				
Public works	<u>6,888,700</u>	<u>7,711,290</u>	<u>5,395,106</u>	<u>4,003,193</u>
Total expenditures	<u>7,137,536</u>	<u>7,960,126</u>	<u>5,506,903</u>	<u>4,148,651</u>
Excess of revenues over (under) expenditures	(1,605,449)	(2,428,039)	870,739	(1,125,474)
Other Financing Sources				
Transfers in	<u>-</u>	<u>-</u>	<u>8,772</u>	<u>250,000</u>
Net change in fund balances	<u>\$ (1,605,449)</u>	<u>\$ (2,428,039)</u>	<u>879,511</u>	<u>\$ (875,474)</u>
Fund Balances				
Beginning of year			<u>2,407,511</u>	<u>3,282,985</u>
End of year			<u>\$ 3,287,022</u>	<u>\$ 2,407,511</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Park Improvements Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Taxes	\$ -	\$ -	\$ 148	\$ 148	\$ 71
Charges for services	601,500	601,500	665,764	64,264	261,953
Miscellaneous					
Investment income	9,900	9,900	26,830	16,930	(29,295)
Other	-	-	60,915	60,915	30,000
Total revenues	<u>611,400</u>	<u>611,400</u>	<u>753,657</u>	<u>142,257</u>	<u>262,729</u>
Expenditures					
Current					
Culture and recreation	-	-	34,649	34,649	205,772
Capital outlay					
Culture and recreation	<u>995,000</u>	<u>1,629,055</u>	<u>733,075</u>	<u>(895,980)</u>	<u>586,226</u>
Total expenditures	<u>995,000</u>	<u>1,629,055</u>	<u>767,724</u>	<u>(861,331)</u>	<u>791,998</u>
Excess of revenues over (under) expenditures	(383,600)	(1,017,655)	(14,067)	1,003,588	(529,269)
Other Financing Sources (Uses)					
Transfers in	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (133,600)</u>	<u>\$ (767,655)</u>	<u>235,933</u>	<u>\$ 1,003,588</u>	<u>(529,269)</u>
Fund Balances					
Beginning of year			<u>435,081</u>		<u>964,350</u>
End of year			<u>\$ 671,014</u>		<u>\$ 435,081</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Capital Replacement Grant Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Taxes	\$ -	\$ -	\$ 514	\$ 514	\$ 97
Charges for services	75,000	75,000	59,087	(15,913)	75,000
Miscellaneous					
Investment income	30,900	30,900	72,386	41,486	(97,884)
Contributions	-	-	-	-	65,360
Other	112,500	112,500	31,630	(80,870)	-
Total revenues	218,400	218,400	163,617	(54,783)	42,573
Expenditures					
Current					
General government	-	-	2,497	2,497	-
Public safety	-	-	18,654	18,654	456,610
Culture and recreation	-	-	-	-	50,746
Capital outlay					
General government	160,000	216,740	16,929	(199,811)	-
Public safety	1,174,250	1,174,250	129,574	(1,044,676)	97,695
Public works	80,000	609,216	585,597	(23,619)	99,646
Culture and recreation	319,500	403,967	318,063	(85,904)	104,319
Total expenditures	1,733,750	2,404,173	1,071,314	(1,332,859)	809,016
Excess of revenues over (under) expenditures	(1,515,350)	(2,185,773)	(907,697)	1,278,076	(766,443)
Other Financing Sources (Uses)					
Proceeds from sale of capital asset	-	-	103,330	103,330	49,700
Transfers in	-	-	50,605	50,605	234,031
Transfers out	-	-	-	-	(750,000)
Total other financing sources (uses)	-	-	153,935	153,935	(466,269)
Net change in fund balances	\$ (1,515,350)	\$ (2,185,773)	(753,762)	\$ 1,432,011	(1,232,712)
Fund Balances					
Beginning of year			1,925,335		3,158,047
End of year			\$ 1,171,573		\$ 1,925,335



City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
Public Facility Projects Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ -	\$ -	\$ 144	\$ 144	\$ 69
Intergovernmental	-	-	-	-	210,669
Charges for services	262,000	262,000	206,371	(55,629)	162,000
Miscellaneous					
Investment income	25,500	25,500	25,216	(284)	(32,271)
Other	-	-	4,499	4,499	55,771
Total revenues	<u>287,500</u>	<u>287,500</u>	<u>236,230</u>	<u>(51,270)</u>	<u>396,238</u>
Expenditures					
Current					
General government	16,777	30,921	65,152	34,231	226,898
Public safety	-	-	50,210	50,210	-
Culture and recreation	-	-	183,147	183,147	110,026
Capital outlay					
General government	700,000	719,334	221,974	(497,360)	1,236,327
Public safety	120,000	162,600	117,217	(45,383)	-
Culture and recreation	137,000	552,910	34,465	(518,445)	2,116,528
Total expenditures	<u>973,777</u>	<u>1,465,765</u>	<u>672,165</u>	<u>(793,600)</u>	<u>3,689,779</u>
Excess of revenues over (under) expenditures	(686,277)	(1,178,265)	(435,935)	742,330	(3,293,541)
Other Financing Sources (Uses)					
Proceeds from sale of capital asset	-	-	-	-	225,677
Transfers in	25,000	25,000	25,000	-	1,516,190
Total other financing sources (uses)	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>1,741,867</u>
Net change in fund balances	<u>\$ (661,277)</u>	<u>\$ (1,153,265)</u>	<u>(410,935)</u>	<u>\$ 742,330</u>	<u>(1,551,674)</u>
Fund Balances					
Beginning of year			857,088		2,408,762
End of year			<u>\$ 446,153</u>		<u>\$ 857,088</u>



City of Faribault
Nonmajor Debt Service Funds
Combining Balance Sheet
December 31, 2023

	2015A G.O. S/A Imp Bond (346)	2015A G.O. Crossover Refunding Bond (347)	2021A G.O. Improvement Bond (348)	2021B G.O. Refunding Bond (349)	Total
Assets					
Cash and investments	\$ 226,570	\$ 623,839	\$ 2	\$ 1,132,751	\$ 1,983,162
Taxes receivable - current	439	1,046	-	6,176	7,661
Taxes receivable - delinquent	686	1,626	-	9,728	12,040
Accounts receivable	-	-	-	10,281	10,281
Interest receivable	1,022	2,781	-	5,110	8,913
Special assessment receivable					
Current	399	-	-	1,023	1,422
Delinquent	2,897	170	-	1,937	5,004
Deferred	95,837	-	-	166,975	262,812
Total assets	<u>\$ 327,850</u>	<u>\$ 629,462</u>	<u>\$ 2</u>	<u>\$ 1,333,981</u>	<u>\$ 2,291,295</u>
Liabilities					
Accounts payable	\$ 550	\$ 550	\$ 1,050	\$ 50	\$ 2,200
Deferred Inflows of Resources					
Unavailable revenue - property taxes	686	1,626	-	9,728	12,040
Unavailable revenue					
- special assessments	98,734	170	-	168,912	267,816
Total deferred inflows of resources	99,420	1,796	-	178,640	279,856
Fund Balances					
Restricted	227,880	627,116	(1,048)	1,155,291	2,009,239
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 327,850</u>	<u>\$ 629,462</u>	<u>\$ 2</u>	<u>\$ 1,333,981</u>	<u>\$ 2,291,295</u>

City of Faribault
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2023

	2015A G.O. S/A Imp Bond (346)	2015A G.O. Crossover Refunding Bond (347)	2021A G.O. Improvement Bond (348)
Revenues			
Taxes	\$ 78,950	\$ 188,009	\$ -
Special assessments	20,614	-	-
Intergovernmental	-	-	162,980
Charges for services	-	-	-
Miscellaneous			
Investment income	13,225	33,624	-
Total revenues	<u>112,789</u>	<u>221,633</u>	<u>162,980</u>
Expenditures			
Debt service			
Principal	95,000	160,000	140,000
Interest and other charges	21,355	19,613	24,030
Total expenditures	<u>116,355</u>	<u>179,613</u>	<u>164,030</u>
Excess of revenues over (under) expenditures	(3,566)	42,020	(1,050)
Other Financing Sources			
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(3,566)	42,020	(1,050)
Fund Balances			
Beginning of year	<u>231,446</u>	<u>585,096</u>	<u>2</u>
End of year	<u>\$ 227,880</u>	<u>\$ 627,116</u>	<u>\$ (1,048)</u>

2021B G.O. Refunding Bond (349)	Total
\$ 1,113,921	\$ 1,380,880
35,844	56,458
-	162,980
40,544	40,544
65,706	112,555
<u>1,256,015</u>	<u>1,753,417</u>

865,000	1,260,000
228,208	293,206
<u>1,093,208</u>	<u>1,553,206</u>

162,807	200,211
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<u>25,000</u>	<u>25,000</u>
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187,807	225,211
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<u>967,484</u>	<u>1,784,028</u>
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<u>\$ 1,155,291</u>	<u>\$ 2,009,239</u>
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City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2015A G.O. S/A Imp Bond Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Taxes	\$ 78,977	\$ 78,977	\$ 78,950	\$ (27)	\$ 76,576
Special assessments	22,500	22,500	20,614	(1,886)	23,017
Miscellaneous					
Investment income	3,000	3,000	13,225	10,225	(15,112)
Total revenues	<u>104,477</u>	<u>104,477</u>	<u>112,789</u>	<u>8,312</u>	<u>84,481</u>
Expenditures					
Debt service					
Principal	95,000	95,000	95,000	-	90,000
Interest and other charges	20,450	20,450	21,355	905	23,791
Total expenditures	<u>115,450</u>	<u>115,450</u>	<u>116,355</u>	<u>905</u>	<u>113,791</u>
Net change in fund balances	<u>\$ (10,973)</u>	<u>\$ (10,973)</u>	<u>(3,566)</u>	<u>\$ 7,407</u>	<u>(29,310)</u>
Fund Balances					
Beginning of year			<u>231,446</u>		<u>260,756</u>
End of year			<u>\$ 227,880</u>		<u>\$ 231,446</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2015A G.O. Crossover Refunding Bond Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ 188,016	\$ 188,016	\$ 188,009	\$ (7)	\$ 187,542
Special assessments	1,500	1,500	-	(1,500)	92
Miscellaneous					
Investment income	8,800	8,800	33,624	24,824	(35,079)
Total revenues	<u>198,316</u>	<u>198,316</u>	<u>221,633</u>	<u>23,317</u>	<u>152,555</u>
Expenditures					
Debt service					
Principal	160,000	160,000	160,000	-	155,000
Interest and other charges	19,563	19,563	19,613	50	24,137
Total expenditures	<u>179,563</u>	<u>179,563</u>	<u>179,613</u>	<u>50</u>	<u>179,137</u>
Net change in fund balances	<u>\$ 18,753</u>	<u>\$ 18,753</u>	42,020	<u>\$ 23,267</u>	(26,582)
Fund Balances					
Beginning of year			585,096		611,678
End of year			<u>\$ 627,116</u>		<u>\$ 585,096</u>

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2021A G.O. Improvement Bond
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Intergovernmental	\$ 162,980	\$ 162,980	\$ 162,980	\$ -	\$ 166,205
Miscellaneous					
Investment income	-	-	-	-	6
Total revenues	162,980	162,980	162,980	-	166,211
Expenditures					
Debt service					
Principal	140,000	140,000	140,000	-	140,000
Interest and other charges	22,980	22,980	24,030	1,050	26,209
Total expenditures	162,980	162,980	164,030	1,050	166,209
Net change in fund balances	\$ -	\$ -	(1,050)	\$ (1,050)	2
Fund Balances					
Beginning of year			2		-
End of year			\$ (1,048)		\$ 2

City of Faribault
Schedule of Revenues, Expenditures, and
Changes in Fund Balances -
Budget and Actual
2021B G.O. Refunding Bond
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Taxes	\$ 1,115,111	\$ 1,115,111	\$ 1,113,921	\$ (1,190)	\$ 972,975
Special assessments	34,000	34,000	35,844	1,844	47,332
Charges for services	51,500	51,500	40,544	(10,956)	51,500
Miscellaneous					
Investment income	-	-	65,706	65,706	(83,732)
Total revenues	<u>1,200,611</u>	<u>1,200,611</u>	<u>1,256,015</u>	<u>55,404</u>	<u>988,075</u>
Expenditures					
Debt service					
Principal	865,000	865,000	865,000	-	6,035,000
Interest and other charges	226,700	226,700	228,208	1,508	278,276
Total expenditures	<u>1,091,700</u>	<u>1,091,700</u>	<u>1,093,208</u>	<u>1,508</u>	<u>6,313,276</u>
Excess of revenues over (under) expenditures	108,911	108,911	162,807	53,896	(5,325,201)
Other Financing Sources (Uses)					
Transfers in	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	-	<u>1,076,897</u>
Net change in fund balances	<u>\$ 133,911</u>	<u>\$ 133,911</u>	<u>187,807</u>	<u>\$ 53,896</u>	<u>(4,248,304)</u>
Fund Balances					
Beginning of year			<u>967,484</u>		<u>5,215,788</u>
End of year			<u>\$ 1,155,291</u>		<u>\$ 967,484</u>

City of Faribault
Internal Service Funds
Combining Statement of Net Position
December 31, 2023

	Workers Compensation (704)	Property/ Liability Insurance (705)	Total
Assets			
Cash and investments	\$ 287,628	\$ 198,597	\$ 486,225
Interest receivable	1,269	817	2,086
Accounts receivable	-	304	304
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 288,897</u>	<u>\$ 199,718</u>	<u>\$ 488,615</u>
Liabilities			
Accounts payable	<u>\$ -</u>	<u>\$ 32,371</u>	<u>\$ 32,371</u>
Net Position			
Unrestricted	<u>288,897</u>	<u>167,347</u>	<u>456,244</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and net position	<u>\$ 288,897</u>	<u>\$ 199,718</u>	<u>\$ 488,615</u>

City of Faribault
Internal Service Funds
Combining Statement of Revenues, Expenses, and
Changes in Net Position
Year Ended December 31, 2023

	Workers Compensation (704)	Property/ Liability Insurance (705)	Total
Operating Expenses			
Claims	\$ -	\$ 66,510	\$ 66,510
Nonoperating Revenues			
Investment income	14,688	8,964	23,652
Miscellaneous revenue	30,000	67,847	97,847
Total nonoperating revenues	<u>44,688</u>	<u>76,811</u>	<u>121,499</u>
Change in net position	44,688	10,301	54,989
Net position, January 1	<u>244,209</u>	<u>157,046</u>	<u>401,255</u>
Net position, December 31	<u><u>\$ 288,897</u></u>	<u><u>\$ 167,347</u></u>	<u><u>\$ 456,244</u></u>

**City of Faribault
Internal Service Funds
Combining Statement of Cash Flows
Year Ended December 31, 2023**

	Workers Compensation (704)	Property/ Liability Insurance (705)	Total
Cash Flows - Operating Activities			
Payments to suppliers	\$ (30,000)	\$ (42,061)	\$ (72,061)
Other operating receipts	30,000	67,543	97,543
Net cash flows - operating activities	<u>-</u>	<u>25,482</u>	<u>25,482</u>
Cash Flows - Investing Activities			
Interest received	<u>14,364</u>	<u>8,723</u>	<u>23,087</u>
Net change in cash and cash equivalents	14,364	34,205	48,569
Cash and Cash Equivalents, January 1	<u>273,264</u>	<u>164,392</u>	<u>437,656</u>
Cash and Cash Equivalents, December 31	<u><u>\$ 287,628</u></u>	<u><u>\$ 198,597</u></u>	<u><u>\$ 486,225</u></u>
Reconciliation of Operating Loss to Net Cash Flows - Operating Activities			
Operating loss	\$ -	\$ (66,510)	\$ (66,510)
Adjustments to reconcile operating loss to net cash flows - loss to net cash flows - operating activities			
Other revenues	30,000	67,847	97,847
Accounts receivable	-	(304)	(304)
Accounts payable	<u>(30,000)</u>	<u>24,449</u>	<u>(5,551)</u>
Total adjustments	<u>-</u>	<u>91,992</u>	<u>91,992</u>
Net cash flows - operating activities	<u><u>\$ -</u></u>	<u><u>\$ 25,482</u></u>	<u><u>\$ 25,482</u></u>

City of Faribault
Combining Statement of Fiduciary Net Position
December 31, 2023

	Custodial Funds		
	Robinwood Manor	Roberds Lake Sewer District	Total
Assets			
Current			
Cash and investments	\$ 1,224,670	\$ 10,535	\$ 1,235,205
Restricted cash	14,653	-	14,653
Accounts receivable	8,188	14,037	22,225
Due from other governments	192,072	-	192,072
Total current assets	<u>1,439,583</u>	<u>24,572</u>	<u>1,464,155</u>
Capital assets			
Land	62,426	-	62,426
Buildings	1,900,382	-	1,900,382
Building equipment	226,297	-	226,297
Maintenance equipment	79,754	-	79,754
Less accumulated depreciation	(1,728,546)	-	(1,728,546)
Total capital assets	<u>540,313</u>	<u>-</u>	<u>540,313</u>
Total assets	<u>1,979,896</u>	<u>24,572</u>	<u>2,004,468</u>
Liabilities			
Accounts payable	\$ 11,906	\$ 3,586	\$ 15,492
Accrued property taxes	13,021	-	13,021
Deposits payable	14,727	-	14,727
Due to other governments	-	6,950	6,950
Total liabilities	<u>39,654</u>	<u>10,536</u>	<u>50,190</u>
Net position	<u>\$ 1,940,242</u>	<u>\$ 14,036</u>	<u>\$ 1,954,278</u>

City of Faribault
Combining Statement of Changes in Fiduciary Net Position
Year Ended December 31, 2023

	Custodial Funds		
	Robinwood Manor	Roberds Lake Sewer District	Total
Additions			
Rental income	\$ 551,583	\$ -	\$ 551,583
Investment Income	76,554	-	76,554
Sewer charges	-	120,766	120,766
Other	9,171	-	9,171
Total additions	637,308	120,766	758,074
Deductions			
Administrative	84,455	-	84,455
Utilities	50,025	-	50,025
Operating and maintenance	106,585	-	106,585
Taxes and insurance	23,459	-	23,459
Sewer expenses	-	116,465	116,465
Depreciation	39,967	-	39,967
Total deductions	304,491	116,465	420,956
Change in net position	332,817	4,301	337,118
Net Position			
Beginning of year	1,607,425	9,735	1,617,160
End of year	\$ 1,940,242	\$ 14,036	\$ 1,954,278

City of Faribault
Housing and Redevelopment Authority Component Unit
Combining Balance Sheet
December 31, 2023

		Special Revenue		
	Housing Redevelopment Authority Administration (280)	Public Housing (241)	CRV Mobile Home Rehab (254)	Total
Assets				
Cash and investments	\$ 843,884	\$ 494,097	\$ 56,713	\$ 1,394,694
Cash and investments held in escrow	-	48,950	-	48,950
Taxes receivable - current	2,229	-	-	2,229
Taxes receivable - delinquent	3,225	-	-	3,225
Accounts receivable	-	29,121	-	29,121
Interest receivable	4,103	-	254	4,357
Due from other funds	250,000	-	-	250,000
Due from other governments	-	323,068	-	323,068
Notes receivable	24,916	-	18,364	43,280
Prepaid expenses	1,465	-	-	1,465
Total assets	<u>\$ 1,129,822</u>	<u>\$ 895,236</u>	<u>\$ 75,331</u>	<u>\$ 2,100,389</u>
Liabilities				
Accounts payable	\$ 24,134	\$ 11,602	\$ -	\$ 35,736
Deposits payable	-	21,508	-	21,508
Due to other funds	-	250,000	-	250,000
Due to other governments	-	14,713	-	14,713
Total liabilities	<u>24,134</u>	<u>297,823</u>	<u>-</u>	<u>321,957</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	3,225	-	-	3,225
Fund Balances				
Restricted				
Public housing	-	597,413	-	597,413
Revolving loans	24,916	-	-	24,916
Mobile home rehab	-	-	75,331	75,331
Unassigned	1,077,547	-	-	1,077,547
Total fund balances	<u>1,102,463</u>	<u>597,413</u>	<u>75,331</u>	<u>1,775,207</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,129,822</u>	<u>\$ 895,236</u>	<u>\$ 75,331</u>	<u>\$ 2,100,389</u>
Total fund balances reported above				\$ 1,775,207

Amounts reported for the Housing and Redevelopment Authority in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources, and therefore,
are not reported in the funds

Cost of capital assets 4,162,955
Less: accumulated depreciation (2,207,283)

Some receivables are not available soon enough to pay for the current period's expenditures,
and therefore are reported as unavailable revenue in the funds

Delinquent taxes receivable 3,225

Total net position - Housing and Redevelopment Authority \$ 3,734,104

City of Faribault
Housing and Redevelopment Authority Component Unit
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2023

		Special Revenue		
	Housing Redevelopment Authority Administration (280)	Public Housing (241)	CRV Mobile Home Rehab (254)	Total
Revenues				
Property taxes	\$ 329,896	\$ -	\$ -	\$ 329,896
Intergovernmental	58	582,261	-	582,319
Charges for services	15,212	319,964	-	335,176
Miscellaneous				
Investment income	(25,475)	9,830	2,935	(12,710)
Other	6,252	5,116	-	11,368
Total revenues	<u>325,943</u>	<u>917,171</u>	<u>2,935</u>	<u>1,246,049</u>
Expenditures				
Current				
Housing and redevelopment				
Supplies	-	10,159	-	10,159
Other services and charges	113,642	408,319	-	521,961
Loans and grants	64,382	-	-	64,382
Total expenditures	<u>178,024</u>	<u>418,478</u>	<u>-</u>	<u>596,502</u>
Excess of revenues over (under) expenditures	147,919	498,693	2,935	649,547
Fund Balances				
Beginning of year	<u>954,544</u>	<u>98,720</u>	<u>72,396</u>	<u>1,125,660</u>
End of year	<u>\$ 1,102,463</u>	<u>\$ 597,413</u>	<u>\$ 75,331</u>	<u>\$ 1,775,207</u>

Amounts reported for the Housing and Redevelopment Authority in the
Statement of Activities are different because:

Net change in fund balances - Housing and Redevelopment Authority	\$ 649,547
Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Depreciation expense	(76,842)
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.	
Property taxes	(86)
Change in net position - Housing and Redevelopment Authority	<u>\$ 572,619</u>

City of Faribault
Housing and Redevelopment Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
HRA Administration Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Property taxes	\$ 328,850	\$ 328,850	\$ 329,896	\$ 1,046	\$ 311,674
Charges for service					
Administrative fees	45,250	45,250	15,212	(30,038)	128,574
Intergovernmental					
State of Minnesota	-	-	58	58	31
Miscellaneous					
Investment income	7,500	7,500	(25,475)	(32,975)	(58,352)
Other	1,943	1,943	6,252	4,309	26,124
Total revenues	<u>383,543</u>	<u>383,543</u>	<u>325,943</u>	<u>(57,600)</u>	<u>408,051</u>
Expenditures					
Current					
Housing and redevelopment					
Other services and charges	377,768	377,768	113,642	(264,126)	242,669
Loans and grants	533,500	533,500	64,382	(469,118)	301,961
Capital outlay					
Housing and redevelopment	40,000	40,000	-	(40,000)	43,368
Total expenditures	<u>951,268</u>	<u>951,268</u>	<u>178,024</u>	<u>(773,244)</u>	<u>587,998</u>
Excess of revenues over (under) expenditures	(567,725)	(567,725)	147,919	715,644	(179,947)
Other Financing Sources					
Proceeds from sale of capital asset	-	-	-	-	24,900
Net change in fund balances	<u>\$ (567,725)</u>	<u>\$ (567,725)</u>	147,919	<u>\$ 715,644</u>	(155,047)
Fund Balances					
Beginning of year			954,544		1,109,591
End of year			<u>\$ 1,102,463</u>		<u>\$ 954,544</u>

City of Faribault
Housing and Redevelopment Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Public Housing Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Charges for service					
Rents	\$ 631,000	\$ 631,000	\$ 319,964	\$ (311,036)	\$ 232,643
Intergovernmental					
Federal	-	-	582,261	582,261	1,620
Miscellaneous					
Investment income	2,300	2,300	9,830	7,530	(9,312)
Other	6,000	6,000	5,116	(884)	13,614
Total revenues	<u>639,300</u>	<u>639,300</u>	<u>917,171</u>	<u>277,871</u>	<u>238,565</u>
Expenditures					
Current					
Housing and redevelopment					
Other services and charges	529,962	529,962	408,319	(121,643)	360,163
Supplies	23,000	23,000	10,159	(12,841)	23,731
Total expenditures	<u>552,962</u>	<u>552,962</u>	<u>418,478</u>	<u>(134,484)</u>	<u>383,894</u>
Net change in fund balances	<u>\$ 86,338</u>	<u>\$ 86,338</u>	498,693	<u>\$ 412,355</u>	(145,329)
Fund Balances					
Beginning of year			<u>98,720</u>		<u>244,049</u>
End of year			<u>\$ 597,413</u>		<u>\$ 98,720</u>

City of Faribault
 Housing and Redevelopment Authority
 (Discretely Presented Component Unit)
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual - CRV Mobile Home Rehab
 Year Ended December 31, 2023
 With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023			2022
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget - Over (Under)	Actual Amounts
Revenues				
Miscellaneous				
Investment income	\$ 750	\$ 750	\$ 2,185	\$ (3,165)
Fund Balances				
Beginning of year			72,396	75,561
End of year			\$ 75,331	\$ 72,396

City of Faribault
Economic Development Authority Component Unit
Combining Balance Sheet
December 31, 2023

		Special Revenue		
	Economic Development Authority Administration (290)	Industrial Development Loan Program (243)	MN Investment Fund - Federal (248)	MN Investment Fund (249)
Assets				
Cash and investments	\$ 1,303,165	\$ 261,451	\$ 623,843	\$ 13,991
Taxes receivable - current	2,184	-	-	-
Taxes receivable - delinquent	3,166	-	-	-
Interest receivable	5,946	1,160	2,778	62
Due from other funds	1,677	-	-	-
Notes receivable	9,522	32,909	-	-
Land held for resale	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,325,660</u>	<u>\$ 295,520</u>	<u>\$ 626,621</u>	<u>\$ 14,053</u>
Liabilities				
Accounts payable	\$ 8,148	\$ -	\$ -	\$ -
Due to primary government	-	-	-	-
Due to other funds	-	-	-	-
Interest payable	-	-	-	-
Total liabilities	<u>8,148</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	<u>3,166</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted				
Revolving loans	-	295,520	626,621	14,053
Assigned for revolving loans	-	-	-	-
Unassigned	<u>1,314,346</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>1,314,346</u>	<u>295,520</u>	<u>626,621</u>	<u>14,053</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,325,660</u>	<u>\$ 295,520</u>	<u>\$ 626,621</u>	<u>\$ 14,053</u>

Total fund balances reported above

Amounts reported for the Economic Development Authority in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore,
are not reported as assets in governmental funds
Cost of capital assets

Some receivables are not available soon enough to pay for the current period's expenditures,
and therefore are reported as unavailable revenue in the fund
Delinquent taxes receivable

Total net position - Economic Development Authority

Capital Projects

EDA Revolving Fund (292)	TIF Capital Projects	Total
\$ 404,661	\$ 314,501	\$ 2,921,612
-	212	2,396
-	-	3,166
1,796	1,506	13,248
-	-	1,677
-	-	42,431
-	193,379	193,379
<u>\$ 406,457</u>	<u>\$ 509,598</u>	<u>\$ 3,177,909</u>
\$ -	\$ 152,253	\$ 160,401
-	786,033	786,033
-	1,677	1,677
-	48,212	48,212
-	988,175	996,323
-	-	3,166
-	-	936,194
406,457	-	406,457
-	(478,577)	835,769
<u>406,457</u>	<u>(478,577)</u>	<u>2,178,420</u>
<u>\$ 406,457</u>	<u>\$ 509,598</u>	<u>\$ 3,177,909</u>
		\$ 2,178,420
		91,834
		3,166
		<u>\$ 2,273,420</u>

City of Faribault
Economic Development Authority Component Unit
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended December 31, 2023

		Special Revenue		
	Economic Development Authority Administration (290)	Industrial Development Loan Program (243)	MN Investment Fund - Federal (248)	MN Investment Fund (249)
Revenues				
Taxes	\$ 323,297	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Intergovernmental	57	-	-	-
Charges for services	938	-	-	-
Miscellaneous				
Investment income	59,415	13,327	32,166	722
Other	15,815	2,299	-	-
Total revenues	<u>399,522</u>	<u>15,626</u>	<u>32,166</u>	<u>722</u>
Expenditures				
Current				
Economic development				
Other services and charges	127,254	-	-	-
Debt service				
Interest and other charges	-	-	-	-
Total expenditures	<u>127,254</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	272,268	15,626	32,166	722
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	(45,638)	-	-	-
Total other financing sources (uses)	<u>(45,638)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	226,630	15,626	32,166	722
Fund Balances				
Beginning of year	<u>1,087,716</u>	<u>279,894</u>	<u>594,455</u>	<u>13,331</u>
End of year	<u>\$ 1,314,346</u>	<u>\$ 295,520</u>	<u>\$ 626,621</u>	<u>\$ 14,053</u>

Net change in fund balances - Economic Development Authority

Amounts reported for the Economic Development Authority in the statement of activities are different because:

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
Property taxes

Change in net position - Economic Development Authority

Capital Projects

EDA Revolving Fund (292)	TIF Capital Projects	Total
\$ -	\$ -	\$ 323,297
-	293,478	293,478
-	-	57
-	-	938
20,643	11,629	137,902
174	-	18,288
<u>20,817</u>	<u>305,107</u>	<u>773,960</u>

-	541,589	668,843
-	42,654	42,654
-	<u>584,243</u>	<u>711,497</u>

20,817	(279,136)	62,463
-	45,638	45,638
-	-	(45,638)
-	<u>45,638</u>	<u>-</u>

20,817	(233,498)	62,463
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<u>385,640</u>	<u>(245,079)</u>	<u>2,115,957</u>
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<u>\$ 406,457</u>	<u>\$ (478,577)</u>	<u>\$ 2,178,420</u>
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\$ 62,463

(84)

\$ 62,379

City of Faribault
Economic Development Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
EDA Administration Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)	Actual Amounts
	Original	Final			
Revenues					
Property taxes	\$ 322,273	\$ 322,273	\$ 323,297	\$ 1,024	\$ 305,444
Charges for service	2,500	2,500	938	(1,562)	3,199
Intergovernmental	-	-	57	57	1,216,690
Miscellaneous					
Investment income	6,600	6,600	59,415	52,815	(62,151)
Other	883	883	15,815	14,932	80,409
Total revenues	<u>332,256</u>	<u>332,256</u>	<u>399,522</u>	<u>67,266</u>	<u>1,543,591</u>
Expenditures					
Current					
Economic development					
Other services and charges	1,170,541	1,170,541	127,254	(1,043,287)	1,233,493
Supplies	250	250	-	(250)	78
Total expenditures	<u>1,170,791</u>	<u>1,170,791</u>	<u>127,254</u>	<u>(1,043,537)</u>	<u>1,233,571</u>
Excess of revenues over (under) expenditures	(838,535)	(838,535)	272,268	1,110,803	310,020
Other Financing Sources					
Transfers out	<u>-</u>	<u>-</u>	<u>(45,638)</u>	<u>(45,638)</u>	<u>-</u>
Net change in fund balances	<u>\$ (838,535)</u>	<u>\$ (838,535)</u>	226,630	<u>\$ 1,065,165</u>	310,020
Fund Balances					
Beginning of year			<u>1,087,716</u>		<u>777,696</u>
End of year			<u>\$ 1,314,346</u>		<u>\$ 1,087,716</u>

City of Faribault
 Economic Development Authority
 (Discretely Presented Component Unit)
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual
 Industrial Development Loan Program Fund
 Year Ended December 31, 2023
 With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Miscellaneous					
Investment income	\$ 3,400	\$ 3,400	\$ 13,327	\$ 9,927	\$ (13,844)
Other	2,300	2,300	2,299	(1)	2,582
Total revenues	<u>5,700</u>	<u>5,700</u>	<u>15,626</u>	<u>9,926</u>	<u>(11,262)</u>
Expenditures					
Current					
Economic development					
Other services and charges	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ (94,300)</u>	<u>\$ (94,300)</u>	<u>15,626</u>	<u>\$ 109,926</u>	<u>(11,262)</u>
Fund Balances					
Beginning of year			<u>279,894</u>		<u>291,156</u>
End of year			<u>\$ 295,520</u>		<u>\$ 279,894</u>

City of Faribault
 Economic Development Authority
 (Discretely Presented Component Unit)
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual
 Minnesota Investment Fund - Federal
 Year Ended December 31, 2023
 With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023			2022
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget - Over (Under)	Actual Amounts
Revenues				
Miscellaneous				
Investment income	\$ 9,000	\$ 9,000	\$ 23,166	\$ (34,690)
Fund Balances				
Beginning of year			594,455	629,145
End of year			\$ 626,621	\$ 594,455

City of Faribault
 Economic Development Authority
 (Discretely Presented Component Unit)
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual
 Minnesota Investment Fund
 Year Ended December 31, 2023
 With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023			2022
	Budgeted Amounts		Variance with	
	Original	Final	Final Budget - Over (Under)	Actual Amounts
Revenues				
Miscellaneous				
Investment income	\$ 200	\$ 200	722	\$ 522
				(779)
Fund Balances				
Beginning of year			13,331	14,110
End of year			\$ 14,053	\$ 13,331

City of Faribault
Economic Development Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
EDA Revolving Fund
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Miscellaneous					
Investment income	\$ 5,300	\$ 5,300	\$ 20,643	\$ 15,343	\$ (21,496)
Other	180	180	174	(6)	521
Total revenues	<u>5,480</u>	<u>5,480</u>	<u>20,817</u>	<u>15,337</u>	<u>(20,975)</u>
Expenditures					
Current					
Economic development					
Loans and grants	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ (94,520)</u>	<u>\$ (94,520)</u>	<u>20,817</u>	<u>\$ 115,337</u>	<u>(20,975)</u>
Fund Balances					
Beginning of year			<u>385,640</u>		<u>406,615</u>
End of year			<u>\$ 406,457</u>		<u>\$ 385,640</u>

City of Faribault
Economic Development Authority
(Discretely Presented Component Unit)
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual
Tax Increment Financing Funds
Year Ended December 31, 2023
With Comparative Actual Amounts for the Year Ended December 31, 2022

	2023				2022
	Budgeted Amounts			Variance with Final Budget - Over (Under)	
	Original	Final	Actual Amounts		Actual Amounts
Revenues					
Tax increments	\$ 295,197	\$ 295,197	\$ 293,478	\$ (1,719)	\$ 183,052
Miscellaneous					
Investment income	2,487	2,487	11,629	9,142	(9,272)
Total revenues	<u>297,684</u>	<u>297,684</u>	<u>305,107</u>	<u>7,423</u>	<u>173,780</u>
Expenditures					
Current					
Economic development	265,614	265,614	541,589	275,975	179,169
Capital outlay					
Economic development	100,000	100,000	-	(100,000)	-
Debt service					
Interest and other charges	23,117	23,117	42,654	19,537	30,298
Total expenditures	<u>388,731</u>	<u>388,731</u>	<u>584,243</u>	<u>195,512</u>	<u>209,467</u>
Excess of revenues over (under) expenditures	(91,047)	(91,047)	(279,136)	(188,089)	(35,687)
Other Financing Sources					
Transfers in	-	-	45,638	45,638	-
Net change in fund balances	<u>\$ (91,047)</u>	<u>\$ (91,047)</u>	<u>(233,498)</u>	<u>\$ (142,451)</u>	<u>(35,687)</u>
Fund Balances					
Beginning of year			(245,079)		(209,392)
End of year			<u>\$ (478,577)</u>		<u>\$ (245,079)</u>

City of Faribault
Tax Increment Financing Funds
Sub Combining Balance Sheet
December 31, 2023

	TIF District #6 Housing (263)	TIF District #8 River Ridge (266)	TIF District #9 Faribault Road (267)	TIF District #13 Hamilton (270)
Assets				
Cash and investments	\$ 89,845	\$ 67,179	\$ 65,360	\$ 83
Taxes receivable - current	-	-	212	-
Interest receivable	408	303	281	112
Land held for resale	-	-	-	193,379
Total assets	<u>\$ 90,253</u>	<u>\$ 67,482</u>	<u>\$ 65,853</u>	<u>\$ 193,574</u>
Liabilities				
Accounts payable	\$ -	\$ 53	\$ 44,514	\$ 19,477
Due to other funds	-	-	-	-
Due to primary government	-	-	-	703,656
Interest payable	-	-	-	43,264
Total liabilities	<u>-</u>	<u>53</u>	<u>44,514</u>	<u>766,397</u>
Fund Balances				
Restricted for economic development	90,253	67,429	21,339	-
Unassigned	-	-	-	(572,823)
Total fund balances	<u>90,253</u>	<u>67,429</u>	<u>21,339</u>	<u>(572,823)</u>
Total liabilities and fund balances	<u>\$ 90,253</u>	<u>\$ 67,482</u>	<u>\$ 65,853</u>	<u>\$ 193,574</u>

TIF District #14 Straight River Apts (271)	TIF District #15 Lofts at Evergreen (272)	TIF District #16 Farmer Seed (273)	TIF District #17 Riverchase Apts (274)	TIF District #18 Willow St Apts (275)	Total
\$ 62,495	\$ 29,393	\$ -	\$ 73	\$ 73	\$ 314,501
-	-	-	-	-	212
275	127	-	-	-	1,506
-	-	-	-	-	193,379
<u>\$ 62,770</u>	<u>\$ 29,520</u>	<u>\$ -</u>	<u>\$ 73</u>	<u>\$ 73</u>	<u>\$ 509,598</u>
\$ 61,804	\$ 26,405	\$ -	\$ -	\$ -	\$ 152,253
-	-	1,677	-	-	1,677
49,974	-	-	15,908	16,495	786,033
3,493	-	-	710	745	48,212
<u>115,271</u>	<u>26,405</u>	<u>1,677</u>	<u>16,618</u>	<u>17,240</u>	<u>988,175</u>
-	3,115	-	-	-	182,136
(52,501)	-	(1,677)	(16,545)	(17,167)	(660,713)
<u>(52,501)</u>	<u>3,115</u>	<u>(1,677)</u>	<u>(16,545)</u>	<u>(17,167)</u>	<u>(478,577)</u>
<u>\$ 62,770</u>	<u>\$ 29,520</u>	<u>\$ -</u>	<u>\$ 73</u>	<u>\$ 73</u>	<u>\$ 509,598</u>

City of Faribault
Tax Increment Financing Funds
Sub Combining Schedule of Revenues, Expenditures,
and Changes in Fund Balances
Year Ended December 31, 2023

	TIF District #6 Housing (263)	TIF District #8 River Ridge (266)	TIF District #9 Faribault Road (267)	TIF District #13 Hamilton (270)
Revenues				
Tax increments	\$ 23,069	\$ -	\$ 89,294	\$ 53,971
Miscellaneous				
Investment income	4,288	3,535	1,410	384
Total revenues	<u>27,357</u>	<u>3,535</u>	<u>90,704</u>	<u>54,355</u>
Expenditures				
Current				
Economic development	3,884	1,953	90,757	306,282
Debt service				
Interest and other charges	-	-	-	38,702
Total expenditures	<u>3,884</u>	<u>1,953</u>	<u>90,757</u>	<u>344,984</u>
Excess of revenues over (under) expenditures	23,473	1,582	(53)	(290,629)
Other Financing Sources (Uses)				
Transfers in	-	-	-	45,638
Net change in fund balances	23,473	1,582	(53)	(244,991)
Fund Balances				
Beginning of year	<u>66,780</u>	<u>65,847</u>	<u>21,392</u>	<u>(327,832)</u>
End of year	<u>\$ 90,253</u>	<u>\$ 67,429</u>	<u>\$ 21,339</u>	<u>\$ (572,823)</u>

TIF District #14 Straight River Apts (271)	TIF District #15 Lofts at Evergreen (272)	TIF District #16 Farmer Seed (273)	TIF District #17 Riverchase Apts (274)	TIF District #18 Willow St Apts (275)	Total
\$ 68,466	\$ 58,678	\$ -	\$ -	\$ -	\$ 293,478
1,539	598	(64)	(19)	(42)	11,629
70,005	59,276	(64)	(19)	(42)	305,107
67,780	66,077	1,677	1,642	1,537	541,589
2,499	-	-	709	744	42,654
70,279	66,077	1,677	2,351	2,281	584,243
(274)	(6,801)	(1,741)	(2,370)	(2,323)	(279,136)
-	-	-	-	-	45,638
(274)	(6,801)	(1,741)	(2,370)	(2,323)	(233,498)
(52,227)	9,916	64	(14,175)	(14,844)	(245,079)
\$ (52,501)	\$ 3,115	\$ (1,677)	\$ (16,545)	\$ (17,167)	\$ (478,577)



STATISTICAL SECTION (UNAUDITED)

**City of Faribault
Statistical Section (Unaudited)**

This part of the City of Faribault's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

- Table 1 – Net Position by Component
- Table 2 – Changes in Net Position
- Table 3 – Governmental Activities Tax Revenue by Source
- Table 4 – Fund Balances of Governmental Funds
- Table 5 – Changes in Fund Balances of Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, property taxes.

- Table 6 – General Government Tax Revenues by Source
- Table 7 – Assessed Net Tax Capacity and Estimated Market Value of Taxable Property
- Table 8 – Property Tax Rates-Direct and Overlapping Governments
- Table 9 – Principal Property Taxpayers
- Table 10 – Tax Levies and Collections

Debt Capacity

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

- Table 11 – Legal Debt Margin Information
- Table 12 – Ratios of Outstanding Debt by Type
- Table 13 – Ratio of General Bonded Debt Outstanding
- Table 14 – Computation of Direct and Overlapping Debt
- Table 15 – Pledged Revenue Coverage

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

- Table 16 – Demographic and Economic Statistics
- Table 17 – Employment and Unemployment Data
- Table 18 – Principal Employers

City of Faribault
Statistical Section (Unaudited) (Continued)

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and activities it performs.

Table 19 - Full-time Equivalent City Government Employees by Function

Table 20 - Operating Indicators by Function

Table 21 - Capital Asset Statistics by Function

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Faribault
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2014	2015	2016	2017
Governmental Activities				
Net investment in capital assets	\$ 63,567,659	\$ 64,202,541	\$ 67,488,244	\$ 73,260,607
Restricted	8,158,722	7,845,972	6,739,340	6,453,086
Unrestricted	18,214,503	13,017,748	10,719,739	9,811,044
Total governmental activities net position	<u>\$ 89,940,884</u>	<u>\$ 85,066,261</u>	<u>\$ 84,947,323</u>	<u>\$ 89,524,737</u>
Business-Type Activities				
Net investment in capital assets	\$ 47,312,684	\$ 47,343,894	\$ 47,111,389	\$ 47,495,068
Unrestricted	10,625,438	11,835,723	14,619,101	16,314,469
Total business-type activities net position	<u>\$ 57,938,122</u>	<u>\$ 59,179,617</u>	<u>\$ 61,730,490</u>	<u>\$ 63,809,537</u>
Primary Government				
Net investment in capital assets	\$ 110,880,343	\$ 111,546,435	\$ 114,599,633	\$ 120,755,675
Restricted	8,158,722	7,845,972	6,739,340	6,453,086
Unrestricted	28,839,941	24,853,471	25,338,840	26,125,513
Total primary government net position	<u>\$ 147,879,006</u>	<u>\$ 144,245,878</u>	<u>\$ 146,677,813</u>	<u>\$ 153,334,274</u>

Table 1

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 74,950,690	\$ 79,601,458	\$ 83,536,004	\$ 85,729,980	\$ 91,958,483	\$ 96,404,494
5,903,592	5,826,032	5,542,687	5,206,636	2,109,444	2,227,566
8,762,919	7,694,919	9,532,266	14,526,531	10,480,189	11,763,725
<u>\$ 89,617,201</u>	<u>\$ 93,122,409</u>	<u>\$ 98,610,957</u>	<u>\$ 105,463,147</u>	<u>\$ 104,548,116</u>	<u>\$ 110,395,785</u>
\$ 53,108,071	\$ 55,404,002	\$ 57,515,982	\$ 61,043,364	\$ 64,318,882	\$ 67,740,160
16,910,137	18,388,868	20,417,185	20,909,603	20,970,325	23,533,271
<u>\$ 70,018,208</u>	<u>\$ 73,792,870</u>	<u>\$ 77,933,167</u>	<u>\$ 81,952,967</u>	<u>\$ 85,289,207</u>	<u>\$ 91,273,431</u>
\$ 128,058,761	\$ 135,005,460	\$ 141,051,986	\$ 146,773,344	\$ 156,277,365	\$ 164,144,654
5,903,592	5,826,032	5,542,687	5,206,636	2,109,444	2,227,566
25,673,056	26,083,787	29,949,451	35,436,134	31,450,514	35,296,996
<u>\$ 159,635,409</u>	<u>\$ 166,915,279</u>	<u>\$ 176,544,124</u>	<u>\$ 187,416,114</u>	<u>\$ 189,837,323</u>	<u>\$ 201,669,216</u>

City of Faribault
Changes in Net Position - Continued on the Following Pages
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2014	2015	2016	2017
Expenses				
Governmental activities				
General government	\$ 2,729,083	\$ 3,417,037	\$ 2,851,055	\$ 2,131,092
Public safety	5,630,027	6,410,355	8,658,872	7,733,758
Public works	4,924,654	5,121,505	5,120,421	4,888,232
Culture and recreation	3,724,231	4,124,948	3,821,787	3,811,718
Community development	1,105,751	468,410	388,888	660,096
Mass transportation and airport	339,854	583,060	625,844	225,456
Interest on long-term debt	849,245	652,853	661,745	424,567
Total governmental activities expenses	<u>19,302,845</u>	<u>20,778,168</u>	<u>22,128,612</u>	<u>19,874,919</u>
Business-type activities				
Water	1,880,020	1,837,580	1,952,799	2,438,794
Sewer	5,164,401	5,166,377	5,277,036	5,786,198
Storm water	642,554	556,120	510,763	654,176
Total business-type activities expenses	<u>7,686,975</u>	<u>7,560,077</u>	<u>7,740,598</u>	<u>8,879,168</u>
Total primary government expenses	<u>\$ 26,989,820</u>	<u>\$ 28,338,245</u>	<u>\$ 29,869,210</u>	<u>\$ 28,754,087</u>
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 816,844	\$ 733,815	\$ 635,666	\$ 169,182
Public safety	535,316	685,712	885,141	900,636
Public works	6,982	2,109,972	468,551	449,056
Culture and recreation	586,185	605,332	545,566	532,209
Community development	514,656	514,524	419,738	435,317
Mass transportation and airport	102,032	105,747	110,060	104,264
Interest on long-term debt	-	-	-	-
Operating grants and contributions	2,639,584	1,598,831	2,164,499	1,578,268
Capital grants and contributions	3,337,167	2,098,715	2,061,960	961,195
Total governmental activities program revenues	<u>8,538,766</u>	<u>8,452,648</u>	<u>7,291,181</u>	<u>5,130,127</u>
Business-type activities				
Charges for services				
Water	2,568,060	2,517,390	2,724,160	2,905,732
Sewer	5,884,447	5,631,142	6,046,637	6,222,069
Storm water	654,436	673,210	694,647	727,178
Operating grants and contributions	61,053	12,681	117,017	85,006
Capital grants and contributions	188,968	218,612	554,404	631,360
Total business-type activities program revenues	<u>9,356,964</u>	<u>9,053,035</u>	<u>10,136,865</u>	<u>10,571,345</u>
Total primary government program revenues	<u>\$ 17,895,730</u>	<u>\$ 17,505,683</u>	<u>\$ 17,428,046</u>	<u>\$ 15,701,472</u>

Table 2
(Continued)

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 2,368,227	\$ 2,721,903	\$ 4,370,454	\$ 3,451,666	\$ 4,465,592	\$ 2,793,971
7,312,906	8,004,680	8,373,772	7,723,127	9,897,831	10,355,241
8,222,401	13,717,203	5,561,386	6,040,400	6,791,025	7,099,760
4,080,387	4,751,610	4,386,138	4,057,914	4,883,533	5,370,222
651,932	936,868	733,871	839,840	1,774,560	1,473,668
242,615	222,172	166,711	124,849	439,371	124,769
307,295	272,362	247,642	310,497	253,792	220,058
<u>23,185,763</u>	<u>30,626,798</u>	<u>23,839,974</u>	<u>22,548,293</u>	<u>28,505,704</u>	<u>27,437,689</u>
2,015,307	2,084,318	2,239,264	3,005,169	2,947,860	3,177,209
5,065,094	4,844,902	5,100,830	5,034,296	5,543,828	5,792,857
653,226	608,973	697,719	821,394	793,545	740,307
<u>7,733,627</u>	<u>7,538,193</u>	<u>8,037,813</u>	<u>8,860,859</u>	<u>9,285,233</u>	<u>9,710,373</u>
<u>\$ 30,919,390</u>	<u>\$ 38,164,991</u>	<u>\$ 31,877,787</u>	<u>\$ 31,409,152</u>	<u>\$ 37,790,937</u>	<u>\$ 37,148,062</u>
\$ 175,327	\$ 201,483	\$ 548,188	\$ 623,072	\$ 674,827	\$ 707,943
676,128	840,838	855,597	744,977	989,449	1,211,093
570,042	1,272,154	785,940	981,291	2,337,502	2,573,239
538,894	603,334	464,627	741,770	775,074	1,298,691
405,648	434,377	389,546	292,818	318,319	186,058
99,466	93,981	117,942	119,048	137,298	149,681
-	-	51,500	-	-	-
3,802,002	2,501,109	5,559,212	6,077,902	4,244,690	4,401,143
2,434,639	11,322,660	3,533,090	3,189,927	1,489,851	3,811,145
<u>8,702,146</u>	<u>17,269,936</u>	<u>12,305,642</u>	<u>12,770,805</u>	<u>10,967,010</u>	<u>14,338,993</u>
3,089,689	3,198,518	3,570,779	3,787,623	4,062,415	4,533,999
6,247,682	6,305,254	6,573,529	6,414,426	6,650,746	7,289,882
748,647	853,335	996,731	1,171,959	1,400,406	1,571,740
40,821	92,578	27,178	1,740,209	-	93,014
1,325,858	-	-	188,301	1,987,816	1,292,264
<u>11,452,697</u>	<u>10,449,685</u>	<u>11,168,217</u>	<u>13,302,518</u>	<u>14,101,383</u>	<u>14,780,899</u>
<u>\$ 20,154,843</u>	<u>\$ 27,719,621</u>	<u>\$ 23,473,859</u>	<u>\$ 26,073,323</u>	<u>\$ 25,068,393</u>	<u>\$ 29,119,892</u>

City of Faribault
Changes in Net Position - Continued on the Following Pages
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year			
	2014	2015	2016	2017
Net (Expense)/Revenue				
Governmental activities	\$ (10,764,079)	\$ (12,325,520)	\$ (14,837,431)	\$ (14,744,792)
Business-type activities	1,669,989	1,492,958	2,396,267	1,692,177
 Total primary government net expense	<u>\$ (9,094,090)</u>	<u>\$ (10,832,562)</u>	<u>\$ (12,441,164)</u>	<u>\$ (13,052,615)</u>
General Revenues and Other Changes in Net Position				
Governmental activities				
Taxes				
Property taxes	\$ 6,850,823	\$ 6,905,170	\$ 7,567,441	\$ 8,019,866
Other taxes	1,254,487	1,264,643	1,312,839	1,333,459
Franchise Fees	-	-	-	-
Grants and contributions not restricted to specific programs	5,291,878	5,398,373	5,448,723	5,410,978
Unrestricted investment earnings	940,359	284,587	342,406	255,037
Gain on sale of assets	79,421	46,751	47,084	121,877
Capital transfers	-	-	-	-
Transfers	-	-	-	-
Total governmental activities	<u>14,416,968</u>	<u>13,899,524</u>	<u>14,718,493</u>	<u>15,141,217</u>
Business-type activities				
Unrestricted investment earnings	398,444	144,774	151,056	159,000
Other	-	-	-	-
Gain on disposal of capital assets	41,308	4,739	3,550	-
Capital transfers	-	-	-	-
Extraordinary item	(1,135,520)	-	-	-
Transfers	-	-	-	-
Total business-type activities	<u>(695,768)</u>	<u>149,513</u>	<u>154,606</u>	<u>159,000</u>
Total primary government	<u>\$ 13,721,200</u>	<u>\$ 14,049,037</u>	<u>\$ 14,873,099</u>	<u>\$ 15,300,217</u>
Change in Net Position				
Governmental activities	\$ 3,652,889	\$ 1,574,004	\$ (118,938)	\$ 396,425
Business-type activities	974,221	1,642,471	2,550,873	1,851,177
Total primary government	<u>\$ 4,627,110</u>	<u>\$ 3,216,475</u>	<u>\$ 2,431,935</u>	<u>\$ 2,247,602</u>

Table 2
(Continued)

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ (14,483,617)	\$ (13,356,862)	\$ (11,534,332)	\$ (9,777,488)	\$ (17,538,694)	\$ (13,098,696)
3,719,070	2,911,492	3,130,404	4,441,659	4,816,150	5,070,526
<u>\$ (10,764,547)</u>	<u>\$ (10,445,370)</u>	<u>\$ (8,403,928)</u>	<u>\$ (5,335,829)</u>	<u>\$ (12,722,544)</u>	<u>\$ (8,028,170)</u>
\$ 8,709,587	\$ 9,193,281	\$ 9,779,553	\$ 10,202,070	\$ 10,630,173	\$ 11,216,835
1,058,594	1,164,118	44,890	180,295	199,770	201,642
-	-	250,579	-	-	-
5,608,821	5,686,466	5,987,725	6,049,176	6,266,052	6,123,355
197,058	785,447	596,563	(117,163)	(1,049,309)	992,430
132,050	219,490	731,606	15,300	276,977	103,330
-	-	-	-	-	-
247,547	(186,732)	(368,036)	300,000	300,000	308,773
<u>15,953,657</u>	<u>16,862,070</u>	<u>17,022,880</u>	<u>16,629,678</u>	<u>16,623,663</u>	<u>18,946,365</u>
162,182	676,438	641,857	(121,859)	(1,177,663)	1,215,470
-	-	-	-	-	-
45,700	-	-	-	(2,247)	7,000
-	-	-	-	-	-
-	-	-	-	-	-
(247,547)	186,732	368,036	(300,000)	(300,000)	(308,773)
<u>(39,665)</u>	<u>863,170</u>	<u>1,009,893</u>	<u>(421,859)</u>	<u>(1,479,910)</u>	<u>913,697</u>
<u>\$ 15,913,992</u>	<u>\$ 17,725,240</u>	<u>\$ 18,032,773</u>	<u>\$ 16,207,819</u>	<u>\$ 15,143,753</u>	<u>\$ 19,860,062</u>
\$ 1,470,040	\$ 3,505,208	\$ 5,488,548	\$ 6,852,190	\$ (915,031)	\$ 5,847,669
3,679,405	3,774,662	4,140,297	4,019,800	3,336,240	5,984,223
<u>\$ 5,149,445</u>	<u>\$ 7,279,870</u>	<u>\$ 9,628,845</u>	<u>\$ 10,871,990</u>	<u>\$ 2,421,209</u>	<u>\$ 11,831,892</u>



City of Faribault
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)

Table 3

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>Franchise/Other Tax</u>	<u>Total</u>
2014	\$ 6,850,823	\$ 1,254,487	\$ 8,105,310
2015	6,905,170	1,264,643	8,169,813
2016	7,567,441	1,312,839	8,880,280
2017	8,006,752	1,333,459	9,340,211
2018	8,709,587	1,058,594	9,768,181
2019	9,228,216	1,152,457	10,380,673
2020	9,776,001	280,002	10,056,003
2021	10,261,049	405,207	10,666,256
2022	10,637,995	426,063	11,064,058
2023	11,018,447	404,486	11,422,933

City of Faribault
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2014	2015	2016	2017
General Fund				
Nonspendable	\$ 37,616	\$ 50,979	\$ 28,558	\$ 144,522
Restricted	104,694	129,381	45,955	60,752
Committed	119,565	28,350	8,800	-
Assigned	1,093,886	1,149,341	1,200,294	1,109,922
Unassigned	9,442,877	6,860,969	7,105,050	6,679,473
Total general fund	<u>\$ 10,798,638</u>	<u>\$ 8,219,020</u>	<u>\$ 8,388,657</u>	<u>\$ 7,994,669</u>
All Other Governmental Funds				
Nonspendable	\$ -	\$ 750	\$ 750	\$ -
Restricted	16,988,376	12,332,784	11,491,037	5,582,699
Committed	331,777	1,585,301	336,364	623,686
Assigned	4,327,660	8,970,673	9,970,256	9,144,171
Unassigned	(114,088)	-	-	-
Total all other governmental funds	<u>\$ 21,533,725</u>	<u>\$ 22,889,508</u>	<u>\$ 21,798,407</u>	<u>\$ 15,350,556</u>

Table 4

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 51,880	\$ 63,952	\$ 76,482	\$ 76,053	\$ 69,096	\$ 132,986
32,657	51,599	91,819	151,608	74,166	661,121
-	-	384,121	66,000	85,600	95,600
1,116,301	1,772,605	639,106	411,088	699,672	1,656,830
6,329,661	6,858,653	9,230,527	9,258,990	9,818,404	10,772,589
<u>\$ 7,530,499</u>	<u>\$ 8,746,809</u>	<u>\$ 10,422,055</u>	<u>\$ 9,963,739</u>	<u>\$ 10,746,938</u>	<u>\$ 13,319,126</u>
\$ -	\$ 1,570	\$ 150	\$ 10,090	\$ 8,625	\$ 3,500
5,262,116	5,328,587	5,056,322	12,649,890	2,691,575	2,951,597
1,810,701	1,436,325	1,231,998	1,649,062	5,021,625	5,313,713
9,327,750	7,714,122	7,935,004	8,743,043	4,298,984	3,898,512
-	-	-	-	-	-
<u>\$ 16,400,567</u>	<u>\$ 14,480,604</u>	<u>\$ 14,223,474</u>	<u>\$ 23,052,085</u>	<u>\$ 12,020,809</u>	<u>\$ 12,167,322</u>

City of Faribault
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2014	2015	2016	2017
Revenues				
Taxes	\$ 8,111,546	\$ 8,152,741	\$ 8,892,617	\$ 9,340,211
Licenses and permits	336,451	450,594	579,910	584,291
Intergovernmental	8,723,808	8,036,997	8,194,106	6,868,543
Charges for services	2,034,943	4,206,074	2,487,899	1,934,400
Fines and forfeitures	146,034	146,555	139,988	139,203
Special assessments	978,880	795,413	676,339	745,351
Investment earnings	818,913	248,997	320,586	235,964
Miscellaneous	261,035	212,200	576,111	271,182
Total revenues	21,411,610	22,249,571	21,867,556	20,119,145
Expenditures				
General government	2,156,701	2,413,980	2,483,904	2,171,456
Public safety	5,189,189	5,613,683	6,173,674	6,469,054
Public works	2,254,844	2,563,315	2,508,656	2,435,326
Culture and recreation	3,278,408	3,295,935	3,386,036	3,506,685
Community development	1,097,367	495,267	368,414	615,266
Mass transportation and airport	217,499	160,702	157,408	225,456
Capital outlay	4,141,315	4,012,971	4,827,744	3,899,445
Debt service				
Principal	1,391,500	7,271,500	2,226,500	7,241,500
Interest and other	852,641	752,814	682,902	480,423
Total expenditures	20,579,464	26,580,167	22,815,238	27,044,611
Excess (deficiency) of revenues over (under) expenditures	832,146	(4,330,596)	(947,682)	(6,925,466)
Other Financing Sources (Uses)				
Transfers in	658,940	4,085,485	1,068,224	1,128,477
Transfers out	(658,940)	(4,085,485)	(1,059,090)	(1,196,727)
Debt issued	2,295,000	1,375,000	-	-
Refunding Bond Payment	-	-	-	-
Premiums (discounts) on debt issued	-	-	-	-
Loans issued	-	1,685,000	-	-
Lease Proceeds	-	-	-	-
Insurance recoveries	-	-	-	-
Sale of capital assets	224,114	46,761	47,084	121,877
Total other financing sources (uses)	2,519,114	3,106,761	56,218	53,627
Prior period adjustments	412,698	-	-	-
Net change in fund balance	\$ 3,763,958	\$ (1,223,835)	\$ (891,464)	\$ (6,871,839)
Debt service as a percentage of noncapital expenditures	13.6%	35.4%	15.8%	32.9%

Table 5

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 9,760,408	\$ 10,380,673	\$ 10,056,003	\$ 10,666,256	\$ 11,064,058	\$ 11,638,414
435,191	573,029	546,332	489,278	694,627	912,539
10,677,803	17,670,476	11,804,719	10,637,519	10,603,948	13,830,548
2,020,639	2,844,027	2,672,179	2,736,626	4,218,226	4,930,238
134,306	153,884	102,929	173,652	131,057	144,379
800,103	674,505	645,690	606,399	412,955	338,518
182,633	774,752	587,226	(112,123)	(1,027,887)	968,778
59,351	93,896	789,451	3,140,318	965,903	371,003
24,070,434	33,165,242	27,204,529	28,337,925	27,062,887	33,134,417
2,354,599	2,242,493	4,177,023	3,170,209	3,087,777	2,898,868
6,866,411	7,422,539	7,879,433	8,184,223	8,829,088	8,983,450
2,697,960	2,768,585	2,940,856	2,986,321	3,186,041	3,222,411
3,788,067	4,047,403	3,444,812	4,144,362	4,648,290	4,715,962
637,923	975,502	698,253	853,420	1,702,632	1,449,443
242,615	222,172	166,711	124,849	123,530	122,310
6,959,273	15,845,818	7,388,664	5,905,389	8,608,654	8,117,383
1,301,500	1,376,500	1,436,500	2,591,500	2,094,251	1,426,740
315,842	283,311	256,774	319,859	415,277	330,577
25,164,190	35,184,323	28,389,026	28,280,132	32,695,540	31,267,144
(1,093,756)	(2,019,081)	(1,184,497)	57,793	(5,632,653)	1,867,273
2,785,000	946,434	1,458,097	2,064,294	3,077,118	362,974
(1,237,453)	(671,434)	(1,158,097)	(1,764,294)	(2,777,118)	(54,201)
-	-	-	7,115,000	-	-
-	-	-	-	(5,215,000)	-
-	-	-	882,202	-	-
-	-	-	-	-	-
-	-	-	-	22,599	439,325
-	820,938	1,571,007	-	-	-
132,050	219,490	731,606	15,300	276,977	103,330
1,679,597	1,315,428	2,602,613	8,312,502	(4,615,424)	851,428
-	-	-	-	-	-
\$ 585,841	\$ (703,653)	\$ 1,418,116	\$ 8,370,295	\$ (10,248,077)	\$ 2,718,701
8.3%	6.0%	8%	13%	10%	8%



City of Faribault
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Table 6

Fiscal Year	Franchise Tax	Property Tax	Charitable Gambling Tax	Miscellaneous Taxes	Total
2014	\$ 1,226,781	\$ 6,857,059	\$ 22,669	\$ 5,037	\$ 8,111,546
2015	1,236,991	6,888,098	22,306	5,346	8,152,741
2016	1,291,883	7,579,778	20,956	-	8,892,617
2017	1,306,960	8,006,752	26,499	-	9,340,211
2018*	1,028,160	8,701,811	30,433	-	9,760,404
2019	1,117,811	9,228,216	34,646	-	10,380,673
2020	250,579	9,776,001	29,423	-	10,056,003
2021	237,281	10,261,049	51,437	116,489	10,666,256
2022	239,270	10,637,995	42,791	144,002	11,064,058
2023	215,481	11,018,447	47,234	141,771	11,422,933

* Note: Beginning in 2018 internal franchise fees for the Water/Sewer Fund were classified as a transfer rather than a franchise Fee. Beginning in 2021 lodging taxes were reported as a revenue rather than a pass-through on the balance sheet.

City of Faribault
Assessed Net Tax Capacity and Estimated Market Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended December 31,	Assessed Net Tax Capacity				
	Real Property	Personal Property	Total Real and Personal Property	Less Tax Exempt Real Property	Net Tax Capacity
2014	\$ 12,807,436	\$ 549,742	\$ 13,357,178	\$ 226,348	\$ 13,130,830
2015	13,149,803	557,946	13,707,749	195,950	13,511,799
2016	13,539,891	581,532	14,121,423	200,218	13,921,205
2017	14,200,555	606,129	14,806,684	206,069	14,600,615
2018	14,929,623	665,254	15,594,877	207,042	15,387,835
2019	16,647,837	680,284	17,328,121	184,224	17,143,897
2020	17,854,012	686,874	18,540,886	187,152	18,353,734
2021	18,584,506	744,841	19,329,347	208,810	19,120,537
2022	20,038,004	393,836	20,431,840	254,980	20,176,860
2023	23,118,569	454,975	23,573,544	305,930	23,267,614

Note: The county assessor must assess at least one-fifth of the listed parcels in the county each year. The county assesses property at approximately 95 to 105 percent of actual value for all types of real and personal property. Assessed Net Tax Capacity is determined by taking the market value multiplied by the statutory class rates for the property.

Property tax classifications are set by state statute and are amended regularly by the Legislature (*Minnesota Statute* § 273.13).

Source: Rice County Department of Property Tax and Elections

Table 7

Total Direct Tax Rate	Taxable Market Value	Ratio of Assessed Tax Capacity to Market Value
53.810	\$ 1,055,158,800	1.24 %
53.168	1,090,176,900	1.24
56.253	1,118,578,500	1.25
55.696	1,174,945,200	1.24
57.182	1,241,695,100	1.24
54.803	1,361,660,500	1.26
53.137	1,474,959,900	1.24
52.574	1,554,252,000	1.23
51.680	1,661,037,400	1.22
47.444	1,952,217,600	1.19

**City of Faribault
Property Tax Rates
Direct and Overlapping (1) Governments
Last Ten Fiscal Years**

Table 8

Fiscal Year	City of Faribault			Overlapping Rates				
	General Fund	Debt Service Fund	Total	Rice County	School District		Other Districts	Total (3)
					ISD #656			
					Tax Capacity Based	Market Value Based (2)		
2014	0.42487	0.11500	0.53987	0.38387	0.29813	0.00202	0.04860	1.27047
2015	0.42328	0.10840	0.53168	0.38847	0.19340	0.00191	0.03037	1.14392
2016	0.45044	0.11209	0.56253	0.42535	0.20267	0.00200	0.03025	1.22080
2017	0.45343	0.10353	0.55696	0.41566	0.22064	0.00171	0.02863	1.22189
2018	0.48175	0.09007	0.57182	0.41810	0.15812	0.00170	0.02851	1.17655
2019	0.48649	0.06154	0.54803	0.39515	0.14823	0.00174	0.02700	1.11841
2020	0.47307	0.05830	0.53137	0.39527	0.12747	0.00193	0.02718	1.08129
2021	0.45459	0.07115	0.52574	0.39852	0.15452	0.00189	0.03031	1.10909
2022	0.45627	0.06053	0.51680	0.39335	0.14591	0.00205	0.03002	1.08608
2023	0.41455	0.05845	0.47300	0.36702	0.12888	0.00206	0.02762	0.99652

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Faribault. Not all overlapping rates apply to all City of Faribault property owners (e.g. the rates for the school district will only apply to the portion of the property owners located within the geographic boundaries of the school district.)

(2) Market value based property tax rates are based on \$100 of market valuation.

(3) Total Direct and Overlapping Rates do not include the market value based tax rates for the School District.

Source: Rice County Department of Property Tax and Elections

**City of Faribault
Principal Property Taxpayers
Current Year and Ten Years Ago**

Table 9

Taxpayer	Type of Business	2023			2014		
		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Faribault Foods, Inc.	Manufacturing/Food Processing	\$ 1,004,949	1	4.92%	\$ 109,554	5	0.83 %
Aldi, Inc	Commercial/Industrial	506,356	2	2.48%	54,758	10	0.41
Xcel Energy/Northern States Power Co	Utility	397,401	3	1.95%	431,594	1	3.27
Sage Electrochromics	Commercial/Industrial	331,156	4	1.62%			
Daikin Applied Americas Inc.	Manufacturing	310,352	5	1.52%			
Wal-Mart	Commercial	225,556	6	1.10%	240,358	2	1.82
Allina Health System	Medical Clinic	221,305	7	1.08%	100,534	8	0.76
McDonough Farms LLC	Commerical	184,118	8	0.90%			
MN Municipal Power	Utility	142,370	9	0.70%	134,358	4	1.02
Faribault Crossroads	Commercial	125,534	10	0.61%	101,658	6	0.77
Tru Vue, Inc	Manufacturing				100,690	7	0.76
State Bank of Faribault	Commercial						
Cashin, Patrick	Commercial/Residential				157,203	3	1.19
Northern Tool & Equipment	Commercial				83,548	9	0.63
Total		<u>\$ 3,449,097</u>		<u>16.88%</u>	<u>\$ 1,514,255</u>		<u>11.46 %</u>

Source: Rice County Department of Property Taxes



**City of Faribault
Property Tax Levies and Collections
Last Ten Fiscal Years**

Table 10

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected Within The Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	\$ 6,758,722	\$ 6,691,643	99.01%	\$ 65,304	\$ 6,756,947	99.97%
2015	6,880,685	6,806,256	98.92%	72,654	6,878,910	99.97%
2016	7,503,833	7,451,568	99.30%	50,490	7,502,058	99.98%
2017	7,999,280	7,933,140	99.17%	65,202	7,998,342	99.99%
2018	8,658,704	8,566,760	98.94%	91,156	8,657,916	99.99%
2019	9,250,896	9,172,217	99.15%	77,588	9,249,805	99.99%
2020	9,752,651	9,676,424	99.22%	74,203	9,750,627	99.98%
2021	10,162,266	10,093,377	99.32%	65,279	10,158,656	99.96%
2022	10,559,078	10,496,766	99.41%	52,432	10,549,198	99.91%
2023	11,184,332	11,114,572	99.38%	-	11,114,572	99.38%

Source: Rice County Department of Property Tax and Elections

**City of Faribault
Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year			
	2014	2015	2016	2017
Debt limit	\$ 31,654,764	\$ 32,705,307	\$ 33,557,355	\$ 35,248,356
Total net debt applicable to limit	<u>19,199,678</u>	<u>14,271,168</u>	<u>13,795,080</u>	<u>9,990,997</u>
Legal debt margin	<u>\$ 12,455,086</u>	<u>\$ 18,434,139</u>	<u>\$ 19,762,275</u>	<u>\$ 25,257,359</u>
Total net debt applicable to the limit as a percentage of debt limit	60.7%	43.6%	41.1%	28.3%

Legal Debt Margin Calculation for Fiscal Year 2023

Taxable market value

Debt limit (Note A)

Debt applicable to limit
General obligation bonds
Less amount available in
Debt Service funds (Note B)

Total net debt applicable to limit

Legal debt margin

Note A: Under state law, the City's outstanding general obligation debt should not exceed 3% of the market value of taxable property. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for the extinguishment of those obligations.

Note B: M.S.A. Section 475.51 (definitions)

1. Obligations issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property specially benefited thereby, including those which are general obligations of the municipality issuing them, if the municipality is entitled to reimbursement in whole or in part from the proceeds of the special assessments.
2. Warrant or orders having no definite or fixed maturity.
3. Obligations payable wholly from the income from revenue producing conveniences.
4. Obligations issued to create or maintain a Permanent Improvement Revolving fund.
5. Obligations issued for the acquisition and betterment of public water works system and public lighting, heating or power systems, and of any combination thereof or for any other public convenience from which a revenue is or may be derived.
6. Not applicable.
7. Amount of all money and face value of all securities held as a Debt Service fund for the extinguishment of obligations other than those deductible under this subdivision.
8. Obligation to repay loans made under section 216C37.
9. Obligations to repay loans made from money received from litigation or settlement of alleged violations of Federal petroleum pricing regulations.
10. Obligations issued to pay pension fund liabilities under section 457.52, subdivision 6, or any charter authority.
11. All other obligations which under the provisions of law authorizing their issuance are not to be included in computing the net debt of the municipality.

Table 11

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 37,250,853	\$ 40,849,815	\$ 44,248,797	\$ 46,627,560	\$ 49,831,122	\$ 58,566,528
<u>7,556,534</u>	<u>12,201,584</u>	<u>7,255,000</u>	<u>12,013,974</u>	<u>6,038,146</u>	<u>4,520,761</u>
<u>\$ 29,694,319</u>	<u>\$ 28,648,231</u>	<u>\$ 36,993,797</u>	<u>\$ 34,613,586</u>	<u>\$ 43,792,976</u>	<u>\$ 54,045,767</u>
20.3%	29.9%	16.4%	25.8%	12.1%	7.7%

\$ 1,952,217,600

\$ 58,566,528

6,530,000

(2,009,239)

4,520,761

\$ 54,045,767

City of Faribault
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-type Activities
	General Obligation Bonds	GO Special Assessment Bonds	Loans Payable	Leases	SBITA	General Obligation Revenue Bonds
2014	\$ 24,930,000.00	\$ 2,930,000.00	\$ 502,250.00	\$ -	\$ -	\$ 18,469,000.00
2015	20,150,000	3,560,000	440,750	-	-	17,443,000
2016	18,600,000	2,945,000	379,250	-	-	16,391,000
2017	11,650,000	2,715,000	317,750	-	-	15,312,000
2018	10,540,000	2,585,000	256,250	-	-	14,205,000
2019	9,405,000	2,405,000	194,750	-	-	23,275,719
2020	8,250,000	2,185,000	133,250	-	-	20,191,417
2021	13,180,000	1,840,000	71,750	-	-	19,650,795
2022	6,150,000	1,640,000	10,250	62,739	-	17,946,269
2023	5,100,000	1,430,000	-	333,896	988,864	16,236,000

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
 *See the Schedule of Economic and Economic Statistics (Table 16) for personal income and population data.

Table 12

Total Primary Government	Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income*	Per Capita*
\$ 46,831,250.00	22.53 %	5.79 %	\$ 2,000.14
41,593,750	26.21	4.71	1,759
38,315,250	29.19	4.59	1,619
29,994,750	39.17	3.58	1,262
27,586,250	45.01	3.29	1,161
35,280,469	38.60	4.21	1,479
30,759,667	47.95	2.54	1,286
34,742,545	44.74	2.65	1,453
25,809,258	64.36	1.92	1,062
24,088,760	81.04	1.66	976

City of Faribault
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Table 13

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Funds	Net Bonded Debt	Percentage of Estimated Actual Value of Taxable Property*	Per Capita**
2014	\$ 27,860,000	\$ 4,521,589	\$ 23,338,411	2.2118 %	\$ 988
2015	23,710,000	4,441,763	19,268,237	1.7674	813
2016	21,545,000	3,708,131	17,836,869	1.5946	752
2017	14,365,000	3,799,822	10,565,178	0.8992	444
2018	13,125,000	3,594,597	9,530,403	0.7675	399
2019	11,810,000	3,420,851	8,389,149	0.6161	351
2020	10,435,000	3,118,010	7,316,990	0.4961	306
2021	15,020,000	3,006,026	12,013,974	0.7730	502
2022	8,552,242	1,751,854	6,800,388	0.4094	280
2023	7,183,948	2,009,239	5,174,709	0.2651	210

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

*See the Schedule of Assessed Net Tax Capacity and Estimate Market Value of Taxable Property (Table 7) for property value data.

**See the Schedule of Economic and Economic Statistics (Table 16) for population data.

**City of Faribault
Computation of Direct and Overlapping Debt
December 31, 2023**

Table 14

	Net General Obligation Debt	Percentage Applicable to City	Amount Applicable to City of Faribault Share of Debt
Direct debt			
City of Faribault	\$ 7,183,948	100%	\$ 7,183,948
Overlapping debt			
Rice County	60,370,000	29.94%	15,649,746
School District 656	3,350,000	65.68%	1,915,218
Total overlapping debt	63,720,000		17,564,963
Total direct and overlapping debt	\$ 70,903,948		\$ 24,748,911

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognized that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the resident and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Outstanding debt data provided by Rice County,

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

Table 15

		General Obligation Revenue Bonds						
Fiscal Year		Operating Revenue (1)	Operating Expenses (2)	Net Available Revenue	Debt Service (3)			Coverage
					Principal	Interest	Total	
2014	*	\$ 5,884,447	\$ 2,523,653	\$ 3,360,794	\$ 1,286,000	\$ 496,485	\$ 1,782,485	188.55
2015	*	5,631,142	2,539,869	3,091,273	1,026,000	470,960	1,496,960	206.50
2016	*	6,045,959	2,677,772	3,368,187	1,052,000	444,796	1,496,796	225.03
2017	*	6,221,970	3,230,187	2,991,783	1,079,000	417,970	1,496,970	199.86
2018	*	6,246,397	2,840,135	3,406,262	1,107,000	390,456	1,497,456	227.47
2019	**	9,502,351	4,327,976	5,174,375	1,135,000	362,228	1,497,228	345.60
2020	**	10,139,670	4,702,473	5,437,197	1,665,420	364,366	2,029,786	267.87
2021	**	10,175,091	4,654,310	5,520,781	1,660,000	382,796	2,042,796	270.26
2022	**	10,699,805	5,711,883	4,987,922	1,704,527	360,371	2,064,898	241.56
2023	**	11,714,609	6,060,344	5,654,265	1,710,268	326,527	2,036,795	277.61

(1) Operating revenue includes connection charges.

(2) Total operating expenses exclusive of depreciation.

(3) Includes principal and interest on revenue bonds only.

* Includes Only Sewer Pledged Coverage

**Includes Water and Sewer Pledged Coverage

**City of Faribault
Demographic and Economic Statistics
Last Ten Fiscal Years**

Table 16

Fiscal Year		Population (1)	Personal Income (2)	Personal Income Per Capita (3)	Median Age (4)	School Enrollment (5)	Unemployment Rate (6)
2014	Estimate	23,631	\$ 850,456,059	\$ 35,989	35.8	3,777	4.1
2015	Estimate	23,700	884,484,000	37,320	36.1	3,678	3.6
2016	Estimate	23,718	836,652,450	35,275	36.6	3,696	3.5
2017	Estimate	23,769	993,235,203	41,787	37.6	3,566	3.7
2018	Estimate	23,884	998,040,708	41,787	36.4	3,540	3.8
2019	Estimate	23,912	1,054,423,552	44,096	37.7	3,551	4.5
2020	Estimate	23,912	1,212,386,224	50,702	37.9	3,434	4.2
2021	Estimate	23,912	1,311,142,784	54,832	38.4	3,302	4.2
2022	Estimate	24,298	1,341,954,242	55,229	38.3	3,271	3.5
2023	Estimate	24,679	1,453,124,199	58,881	38.7	3,375	3.3

Source:

(1) Minnesota State Demographic Center - <https://mn.gov/admin/demography/data-by-topic/population-data/our-estimates/pop-finder2.jsp>

(2) US Census Bureau

(3) US Census Bureau

(4) US Census Bureau

(5) Independent School District #656

(6) Minnesota Department of Employment and Economic Development

**City of Faribault
Employment/Unemployment Data
Last Ten Fiscal Years**

Table 17

<u>Fiscal Year</u>	<u>Average Employment Rice County</u>	<u>Average Unemployment Rice County</u>	<u>Average Unemployment State of Minnesota</u>
2014	33,529	4.1	4.2
2015	33,902	3.6	3.7
2016	34,815	3.5	3.9
2017	35,813	3.2	3.5
2018	35,826	3.1	3.2
2019	36,852	3.2	3.5
2020	37,376	4.2	4.9
2021	34,116	2.8	3.0
2022	37,472	2.6	3.6
2023	36,932	2.6	2.8

Source: Minnesota Department of Employment and Economic Development.

**City of Faribault
Principal Employers
Current and Ten Years Ago**

Table 18

	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Jennie-O Turkey Store	750	1	7.02 %	595	2	2.54 %
Faribault Public Schools	600	2	5.61	550	3	2.35
MN State Corrections Facility	580	3	5.43	631	1	2.69
Faribault Foods Inc	536	4	5.01	247	8	1.05
Daikin Applied	505	5	4.72			
Aldi's	405	6	3.79			
Rice County	397	7	3.71	350	4	1.49
Allina Health Faribault Medical Center	336	8	3.14	350	5	1.49
Sage Electrochromics	300	9	2.81			
Trystar	261	10	2.44			
McQuay International				341	6	1.46
Wal Mart				200	9	0.85
Mn Academies				200	10	0.85
Hy-Vee Food Stores				270	7	1.15
Total	<u>4,670</u>		<u>43.69 %</u>	<u>3,734</u>		<u>15.92 %</u>

Sources: Minnesota Department of Employment and Economic Development. And Individual Phone Calls to Companies



City of Faribault
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Table 19

Function	Full-time Equivalent Employees as of December 31									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government	16.50	16.30	16.30	11.97	15.70	15.70	16.00	16.19	16.73	20.00
Public safety										
Police										
Officers	32.17	32.14	33.11	35.07	35.03	35.03	35.01	34.01	34.00	34.00
Civilians	7.53	9.35	10.36	9.67	9.85	9.65	9.92	9.44	9.67	8.30
Fire										
Firefighters and officers	10.81	10.67	11.23	11.39	11.22	11.26	10.48 *	10.95	10.99	11.00
Civilians	3.50	2.80	3.25	2.95	5.30	5.30	4.07 *	4.00	5.47	5.38
Streets and highways										
Engineering	5.47	4.27	4.21	4.48	4.42	4.47	5.44	6.00	6.00	6.00
Maintenance	12.45	12.25	12.00	11.91	14.44	14.61	14.50	14.46	15.38	13.38
Culture and recreation										
Parks	7.20	7.22	6.85	7.81	8.69	8.66	7.56 *	7.87	7.78	8.22
Library	10.05	9.95	9.07	10.53	11.13	10.22	8.50 *	8.47	10.80	10.54
Recreation programs	24.73	25.22	24.41	25.15	25.53	24.44	14.59 *	24.25	25.74	27.34
Housing and economic development	5.00	5.00	5.50	5.50	6.00	6.00	6.00	6.00	7.00	7.00
Water	3.97	3.75	3.44	6.60	3.57	3.00	3.25	3.26	3.31	3.00
Sewer	13.18	13.76	13.65	16.70	12.94	12.98	11.69	11.49	11.60	11.66
Total	152.56	152.68	153.38	159.73	163.82	161.32	147.01	156.39	164.47	165.82

Source: City Human Resource Records

* Number reflects COVID 19 layoffs/reduction in hours

City of Faribault
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year				
	2014	2015	2016	2017	2018
General government					
Ordinances and Resolutions adopted	260	240	315	305	301
Administration - Licenses processed	151	157	171	149	136
Police					
Total part I crimes most serious	702	821	576	641	498
Total part II crimes	875	961	978	869	900
Youth liaison cases	1,508	2,430	2,412	141	97
Investigative cases handled	271	372	443	346	406
Public safety calls for service	22,185	24,570	27,876	27,817	28,452
Traffic citations issued	1,661	2,136	2,216	2,479	2,285
Parking tickets issued	833	902	1,007	1,223	793
Fire					
Number of calls answered	2,121	2,151	2,348	2,280	2,560
Code enforcement					
Building permits issued	1,163	1,061	1,104	1,231	1,244
Highways and streets					
Seal coating (blocks)	70	100	100	80	95
Gravel maintenance (hours)	162	161	300	456	465
Bituminous materials (Rock) (Tons)	1,817	1,156	900	1,008	1,148
Culture and recreation					
Indoor pool attendance	26,734	24,048	23,826	21,879	22,751
Outdoor pool attendance	29,297	33,556	30,152	22,672	24,068
Athletics and sports program participation	8,159	9,419	3,164	2,954	3,112
Library circulation	197,738	188,858	172,584	162,473	159,894
Library program attendance	15,418	17,038	21,073	18,652	18,465
Water					
Water pumped (billion gallons)	1.20	1.28	1.37	1.25	1.35
Residential meters replaced/repared	7,412 *	106	156	56	41
Water main breaks repaired	24	10	7	9	9
Wastewater					
Total Flow (billion gallons)	1.40	1.30	1.40	1.50	1.60
Miles of sewer mains cleaned	61	66	60	57	31

*Major meter replacement project

**Low attendance due to COVID-19 Restrictions

***Several of the Library's Storytime Videos on YouTube and Facebook went Viral in 2022

Sources: Various government departments.

Table 20

Fiscal Year				
2019	2020	2021	2022	2023
291	248	298	310	274
144	146	159	157	143
551	524	433	526	394
917	778	640	593	522
315	164	201	356	324
413	325	234	304	345
28,504	26,103	28,973	24,754	26,594
2,597	2,691	2,887	1,979	1,855
1,137	356	558	614	608
2,728	2,543	2,953	2,966	295
1,429	1,294	1,281	1,910	1,591
51	52	55	78	73
460	431	368	175	207
1,000	1,155	1,105	894	1,075
27,559	13,845 **	20,790	21,759	29,815
22,356	- **	18,086	23,170	27,195
5,062	2,966 **	2,687	3,102	4,696
160,404	79,727 **	160,404	108,950	111,365
20,536	23,114	20,536	121,622 ***	23,353
1.27	1.29	1.35	1.35	1.45
55	82	65	116	113
12	11	15	19	11
1.78	1.61	1.40	1.35	1.45
51	50	39	61	50

City of Faribault
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year				
	2014	2015	2016	2017	2018
Public safety					
Police					
Stations	1	1	1	1	1
Fire					
Stations	1	1	1	1	1
Public works					
Street division					
Miles of street	105	105	105	105	105
Culture and recreation					
Area in acres	392	392	392	392	392
Outdoor ice rinks	3	3	3	3	3
Swimming pools	2	2	2	2	2
Water					
Municipal water					
Water meters	7,240	7,350	7,371	7,242	7,422
Maximum production capacity	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Miles of water main	137.01	137.01	137.01	137.01	133.00
Municipal water treatment					
Lift stations	9	9	9	9	9
Miles of sanitary sewer	115.18	115.18	115.18	115.18	120.00
Storm drains					
Miles of storm sewer	68.40	68.90	72.00	86.00	88.00

Note: No capital asset indicators are available for the general government function.

Source: City of Faribault Financial Records.

Table 21

Fiscal Year				
2019	2020	2021	2022	2023
1	1	1	1	1
1	1	1	1	1
105	105	105	105	114
392	392	392	392	403
3	3	3	3	4
2	2	2	2	2
7,482	7,512	7,370	7,574	7,300
7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
141.00	141.00	142.40	142.40	143.64
11	11	11	11	12
120.00	120.00	120.05	120.05	121.19
88.00	88.00	89.46	89.46	91.36



**City of Faribault
Rice County, Minnesota**

Communications Letter

December 31, 2023

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**Report on Matters Identified as a Result of
the Audit of the Basic Financial Statements**

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

In planning and performing our audit of the basic financial statements of the governmental activities, business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, Minnesota, as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 over financial reporting.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the City's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

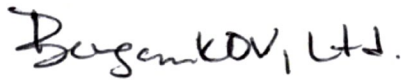
- ◆ *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- ◆ *Probable.* The future event or events are likely to occur.

We did not identify any deficiencies in internal control that we consider to be material weaknesses.

During our audit, we also became aware of deficiencies in internal control other than significant deficiencies or material weaknesses, and other matters that are opportunities for strengthening internal controls and operating efficiency. They are described in the accompanying letter under Recommendation for Management.

The accompanying memorandum also includes financial analysis provided as a basis for discussion. The matters discussed herein were considered by us during our audit and they do not modify the opinion expressed in our Independent Auditor's Report dated August 13, 2024, on such statements.

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

A handwritten signature in black ink, appearing to read "Bugemkov, Ltd." with a stylized, cursive script.

St. Cloud, Minnesota
August 13, 2024

**City of Faribault
Recommendation for Management**

Improve Tenant Reporting Internal Control

During our audit, we analyzed the reporting process for the tenant information for the Robinwood Manor Elderly Housing Project and Faribault HRA, LLC. We noted inconsistencies in the reporting of tenant balances and security deposit information amongst the reports. Internal reports should be updated to remove old tenant balances that were previously written off with proper resolution and to reflect accurate security and pet deposit information. Additionally, year-end trial balances were not reconciled in a timely manner.

To improve internal control over the reporting process and to prevent potential omissions and errors, we recommend the Project implement additional oversight procedures to ensure the accuracy, timeliness, and completeness of housing reports.

**City of Faribault
Required Communication**

We have audited the basic financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2023. Professional standards require that we advise you of the following matters related to our audit.

Our Responsibility in Relation to the Financial Statement Audit

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

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

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

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

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

Our responsibility with respect to the other information in documents containing the audited basic financial statements and auditor's report does not extend beyond the basic financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information was not audited, and we do not express an opinion or provide any assurance on it.

City of Faribault Required Communication

Our Responsibility in Relation to *Government Auditing Standards*

As communicated in our engagement letter, part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, the objective of our tests was not to provide an opinion on compliance with such provisions.

Our Responsibility in Relation to Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)

As communicated in our engagement letter, in accordance with the Uniform Guidance, we examined on a test basis, evidence about the City's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* applicable to each of its major federal programs for the purpose of expressing an opinion on the City's compliance with those requirements. While our audit provided a reasonable basis for our opinion, it did not provide a legal determination on the City's compliance with those requirements.

In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

Planned Scope and Timing of the Audit

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

Compliance with All Ethics Requirements Regarding Independence

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

Significant Risks Identified

We have identified the following significant risks of material misstatement:

- ◆ Management Override of Controls - Management override of internal control is considered a risk in substantially all engagements as management may be incentivized to produce better results.
- ◆ Misappropriation of Assets - If duties cannot be appropriately segregated, there is a risk of unauthorized disbursements being made by the City. In addition, generally this results in less review taking place as transactions are recorded in the financial statements.
- ◆ Improper Revenue Recognition - Revenue recognition is considered a fraud risk on substantially all engagements as it generally has a significant impact on the results of the government's operations. In addition, complexities exist surrounding the calculation and recording of various revenue sources.

**City of Faribault
Required Communication**

Significant Risks Identified (Continued)

- ◆ Lease Valuation - Lease Receivable and Related Deferred Inflows of Resources - These are material to the financial statements and involve significant estimates.
- ◆ Pension Valuation - Net Pension Liability, Deferred Outflows of Resources Related to Pensions, and Deferred Inflows of Resources Related to Pensions - These are generally material to the financial statements and involve significant estimates.
- ◆ Other Post-Employment Benefits Valuation - Total OPEB Liability, Deferred Outflows of Resources Related to OPEB, and Deferred Inflows of Resources Related to OPEB - These are generally material to the financial statements and involve significant estimates.
- ◆ Capital Assets Valuation - Capital Assets and Related Deprecation - These are material to the financial statements and involve significant estimates.

Qualitative Aspects of the City's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in the notes to basic financial statements. There have been no initial selection of accounting policies and no changes to significant accounting policies or their application during 2023. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

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

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

Expense Allocation - Certain expenses are allocated to programs based on an estimate of the benefit to that particular program. Examples are salaries, benefits, and supplies.

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

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

**City of Faribault
Required Communication**

Qualitative Aspects of the City's Significant Accounting Practices (Continued)

Significant Accounting Estimates (Continued)

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

Financial Statement Disclosures

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

Significant Difficulties Encountered during the Audit

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

Uncorrected and Corrected Misstatements

For the purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effects of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the basic financial statements taken as a whole and each applicable opinion unit. Management has corrected all such misstatements.

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

Disagreements with Management

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

Representations Requested from Management

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

Management's Consultations with Other Accountants

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

City of Faribault Required Communication

Other Significant Matters, Findings, or Issues

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

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the City's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

We applied certain limited procedures to the RSI that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

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

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

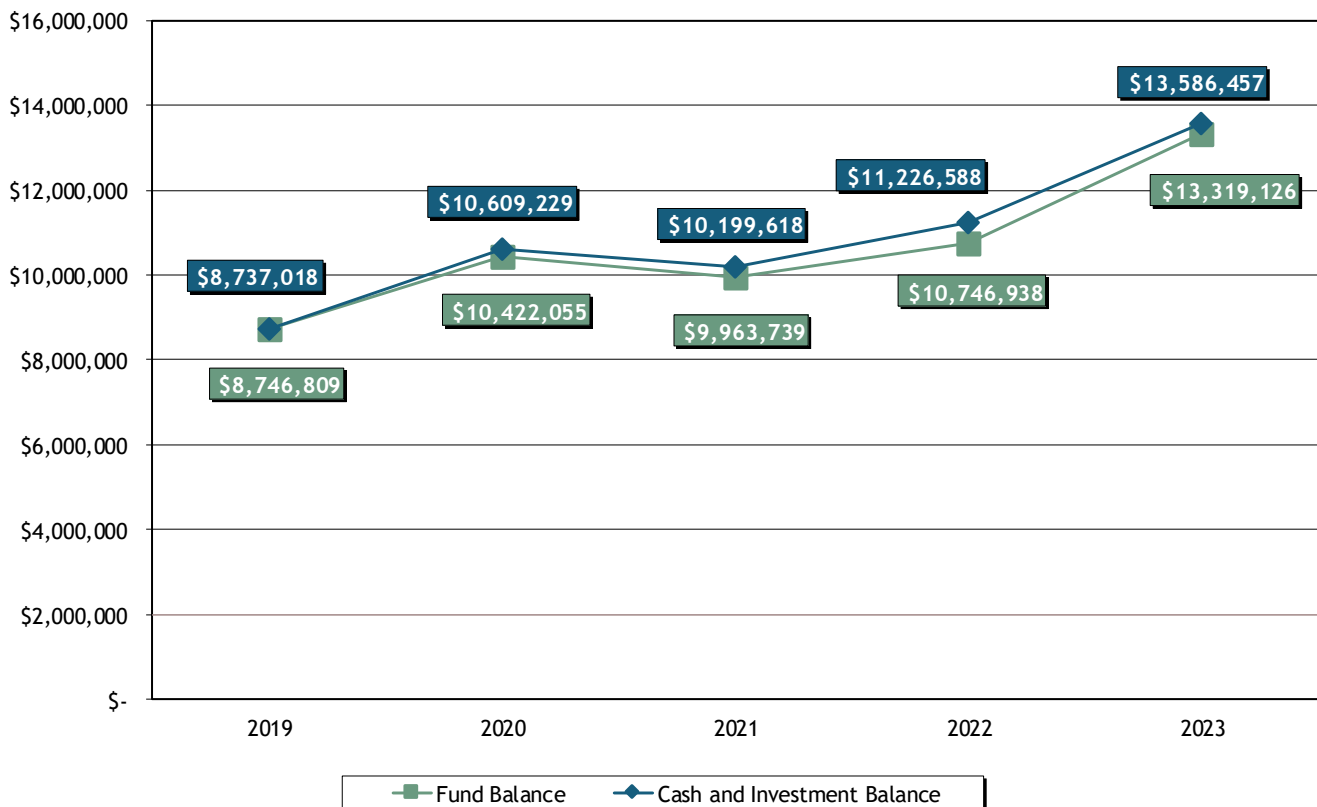
City of Faribault Financial Analysis

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

General Fund - Fund Balance

The following graph illustrates the relationship between cash and investments and fund balance over the past five years. At December 31, 2023, the General Fund balance consisted of \$132,986 nonspendable, \$661,121 restricted, \$95,600 committed, \$1,656,830 assigned, and \$10,772,589 unassigned. The total unassigned fund balance represented over six months of expenditures at current levels. The City's Fund Balance Policy states that the City will maintain an unassigned fund balance amount not less than 35% and a maximum of 50% of the next year's budgeted expenditures in the General Fund. Based on the 2024 budgeted expenditures of \$20,874,705 the City's unassigned General Fund balance was at 52% at December 31, 2023.

Cash and Investments and Fund Balance



On the following pages, we will discuss the revenues and expenditures of the General Fund and the variations in the fund balance.

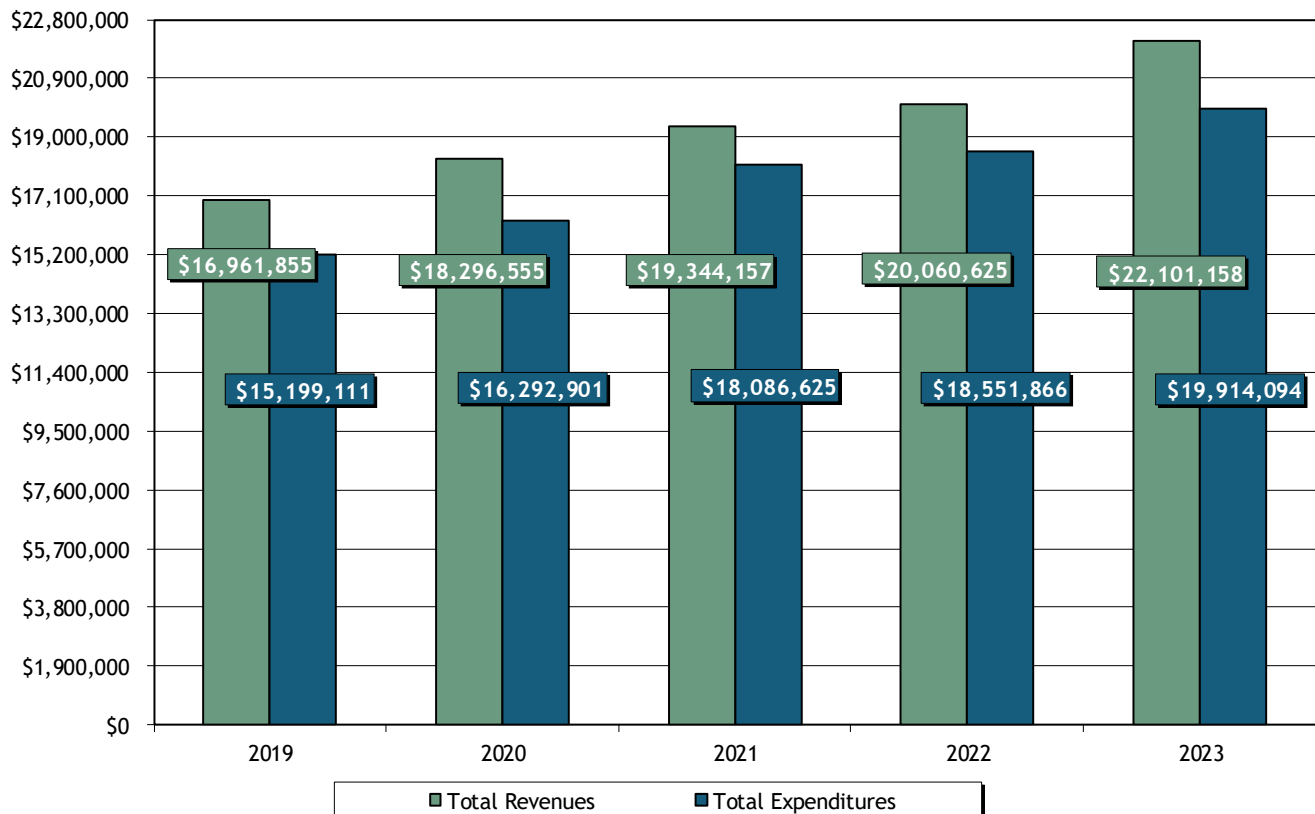
City of Faribault Financial Analysis

General Fund - Revenues and Expenditures

The following table and graph show the overall operations of the General Fund. Revenues have increased over each of the five years shown with a high in 2023 of \$22,101,158. Overall, from 2019 to 2023, revenues have increased \$5,139,303. Similarly, expenditures have increased over each of the five years presented. In 2022, expenditures were \$19,914,094, an increase from the prior year expenditure total of \$18,551,866. Since 2019, expenditures have increased \$4,714,983. Transfers out were made for capital related items.

	2019	2020	2021	2022	2023
Revenues	\$ 16,961,855	\$ 18,296,555	\$ 19,344,157	\$ 20,060,625	\$ 22,101,158
Expenditures	15,199,111	16,292,901	18,086,625	18,551,866	19,914,094
Proceeds from the sale of capital assets	-	1	-	-	-
Lease and SBITA proceeds	-	-	-	22,599	439,325
Net transfers	(546,434)	(328,409)	(1,715,848)	(748,159)	(54,201)
Net change in fund balance	\$ 1,216,310	\$ 1,675,246	\$ (458,316)	\$ 783,199	\$ 2,572,188

Revenues and Expenditures



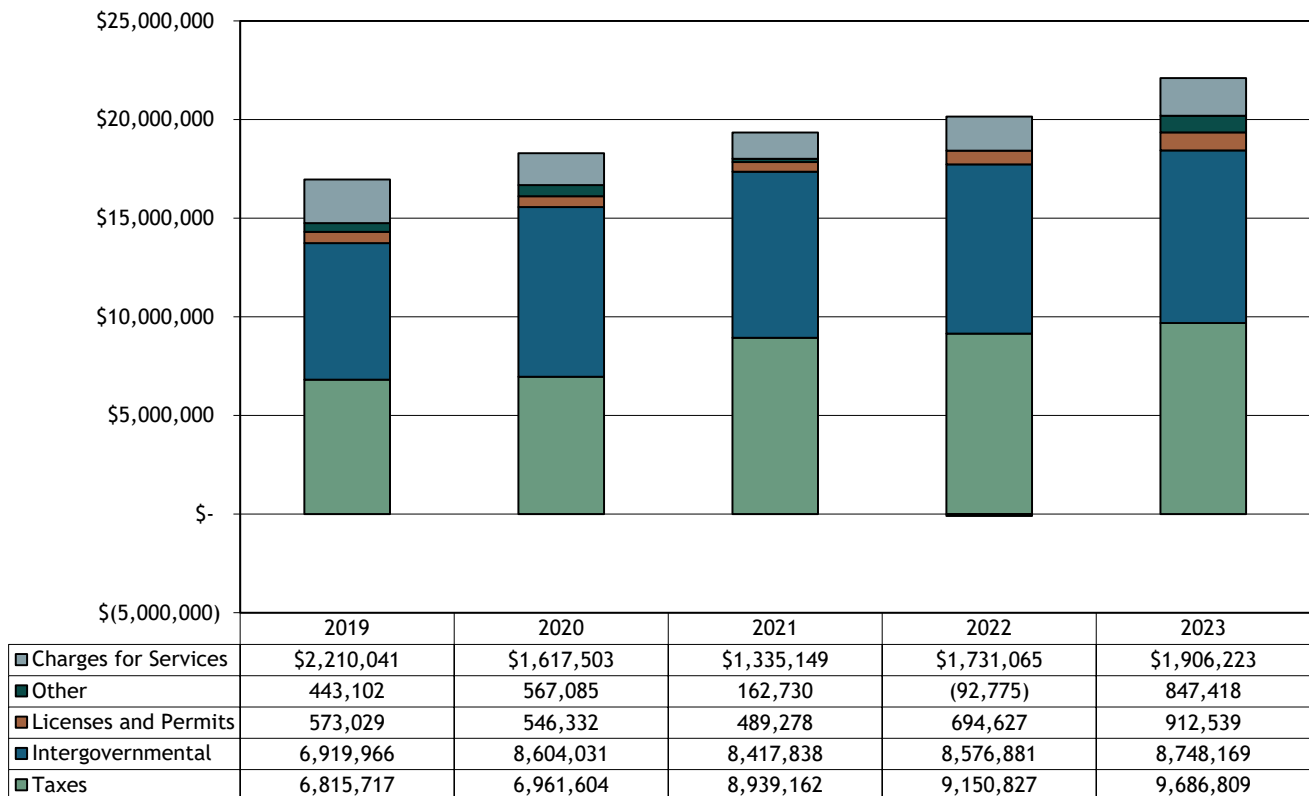
City of Faribault Financial Analysis

General Fund - Revenues

The following graph presents comparisons of revenues by type, illustrating the majority of revenue for the City is from taxes, intergovernmental sources, and charges for services. These three sources represent 42.9%, 39.6%, and 9.6% of total General Fund revenues, respectively. Other revenues include items such as licenses and permits, fines and forfeitures, special assessments, investment earnings, and other miscellaneous items.

Revenues of the General Fund increased from 2022 to 2023 by \$2,040,533. Property taxes increased \$535,982 due to an increase in the amount of property tax levied for the General Fund. The largest increase was in the miscellaneous category which increased 940,193 due to a change in market conditions at the end of 2023 as compared to the prior year.

General Fund Revenues



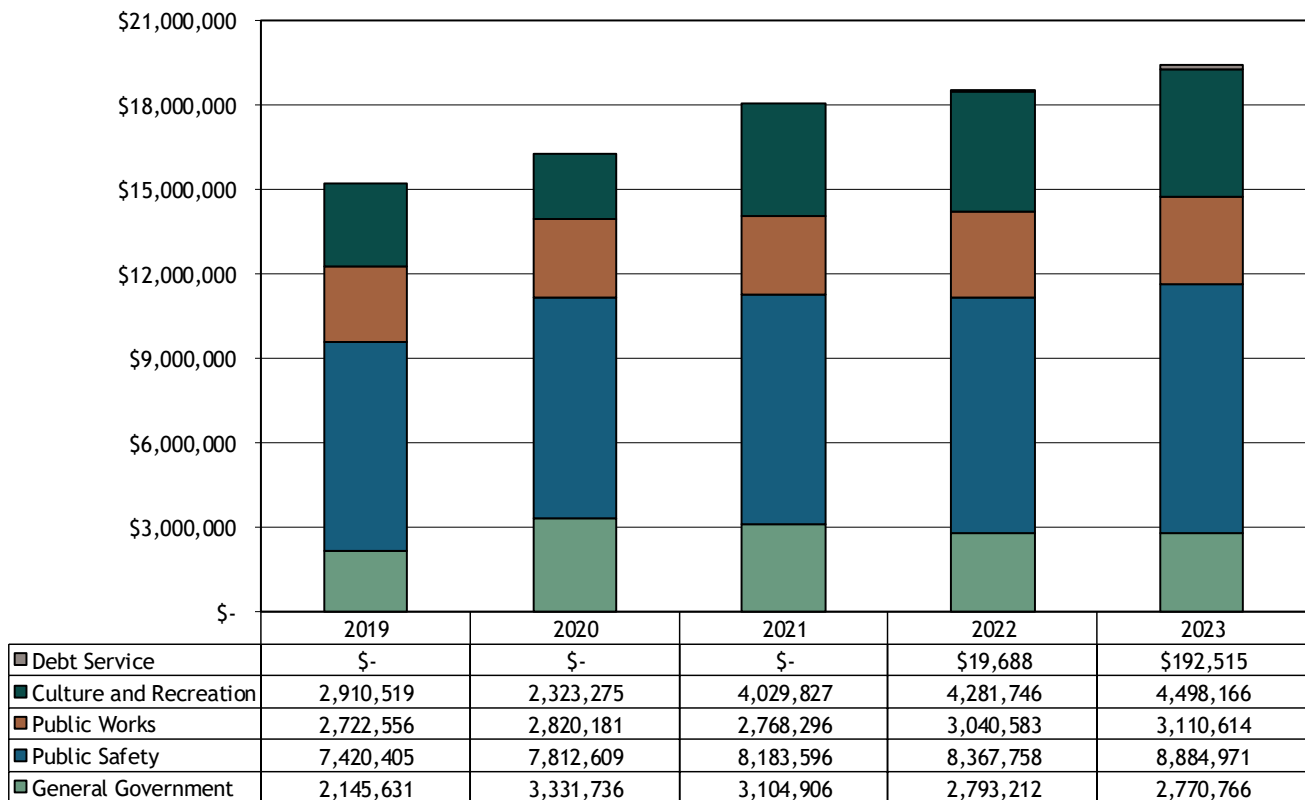
City of Faribault Financial Analysis

General Fund - Expenditures

The graph below represents the breakdown of expenditures by department. Public safety continues to comprise the largest portion of General Fund expenditures, representing 44,6%. Overall, General Fund expenditures increased \$1,362,228 from 2022.

Public safety had the largest increase at \$517,213 due to filling several vacancies and encountering increased fire calls during 2023. Capital outlay increased due to public safety leases and SBITAs that were issued during 2023 showing an offsetting other financing source.

General Fund Expenditures



**City of Faribault
Financial Analysis**

General Fund - Budgetary Comparison

	Original Budget	Final Budget	Actual Amounts	Variance With Final Budget - Over (Under)
Revenues				
Property taxes	\$ 9,656,552	\$ 9,656,552	\$ 9,686,809	\$ 30,257
Special assessments	3,100	3,100	3,761	661
Licenses and permits	810,281	810,281	912,539	102,258
Intergovernmental	7,293,762	8,425,952	8,748,169	322,217
Charges for services	1,591,705	1,598,831	1,906,223	307,392
Fines and forfeitures	128,000	128,000	140,879	12,879
Miscellaneous revenues	123,820	139,822	702,778	562,956
Total revenue	19,607,220	20,762,538	22,101,158	1,338,620
Expenditures				
General government	3,037,379	2,867,405	2,777,403	(90,002)
Public safety	8,925,839	9,162,494	8,896,071	(266,423)
Public works	3,044,657	3,147,679	3,110,614	(37,065)
Culture and recreation	4,589,345	4,566,201	4,498,166	(68,035)
Mass transportation and airport	10,000	10,000	-	(10,000)
Debt service	-	-	192,515	192,515
Capital outlay	-	-	439,325	439,325
Total expenditures	19,607,220	19,753,779	19,914,094	160,315
Excess of revenue over (under) expenditures	-	1,008,759	2,187,064	1,178,305
Other Financing Sources (Uses)				
Lease and SBITA proceeds	-	-	439,325	439,325
Net transfers	-	-	(54,201)	(54,201)
Net change in fund balances	\$ -	\$ 1,008,759	\$ 2,572,188	\$ 1,563,429

Overall, actual revenue was \$1,338,620, or 6.4%, over budget. The largest variance was in the Miscellaneous category which was \$562,956 due primarily to a conservative budget for investment income.

Overall, actual expenditures were more than budgeted amounts by \$160,315, or 0.8%. All categories were relatively in line with budgeted amounts. The largest variance occurred in the capital outlay category with the leases and SBITAs that were not included in the budget and have an offsetting other financing source.

City of Faribault Financial Analysis

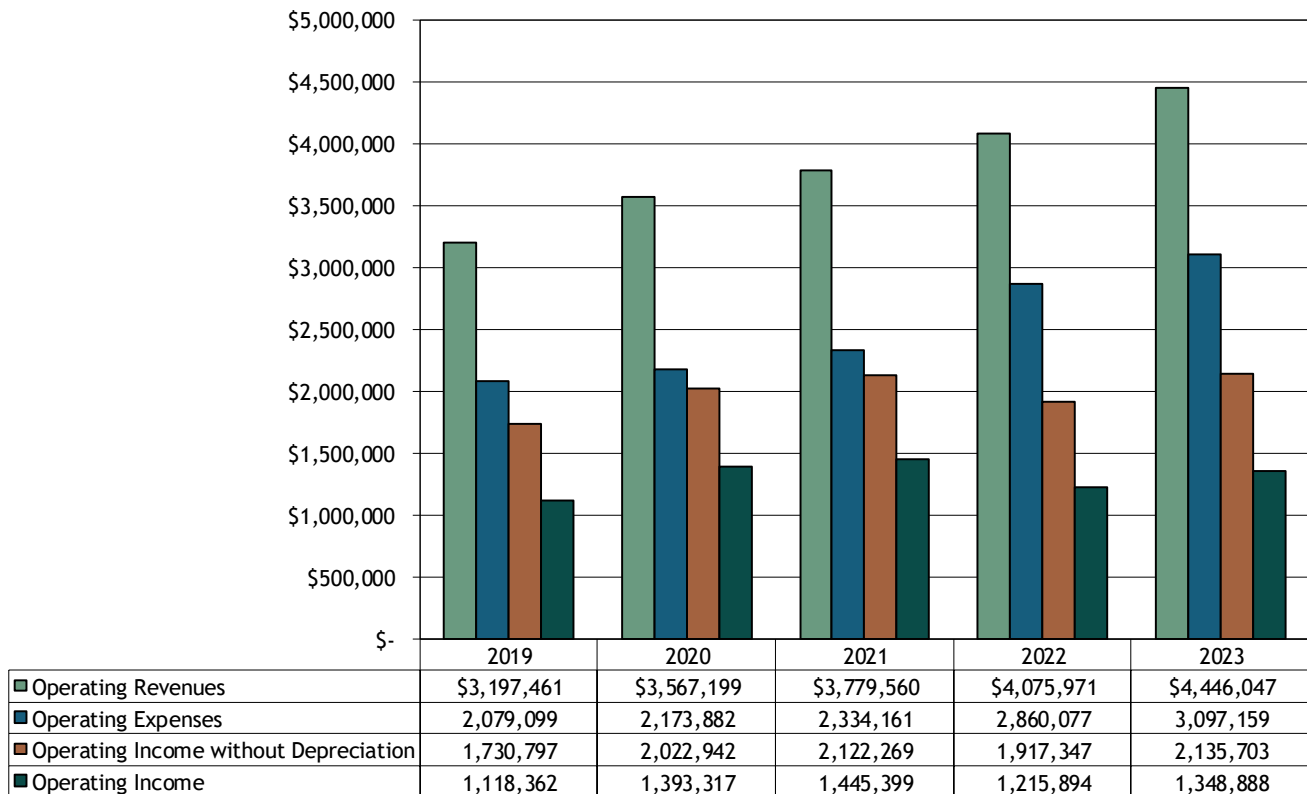
Water Enterprise Fund

The following graph illustrates the current operations of the Water Fund for the past five years. Operating income is shown with and without depreciation below.

Operating revenue increased \$370,076, or 9.1%, from 2022 due to increased rates, number of meters, and water access charges in 2023. Operating expenses increased by \$237,082, or 8.3%. The increase is due in part to increased expenses for water meters and increased depreciation. The net effect of the increased revenues and increased expenses is operating income of \$1,348,888.

Enterprise funds may be used to account for any activity in which a fee is charged. It is not required to have the fee support the entire activity; however, the basic premise in establishing an enterprise fund is that the activity will be operated similar to a business. Therefore, it is expected the enterprise fund would at least be able to meet its obligations currently and into the future.

Water Operations

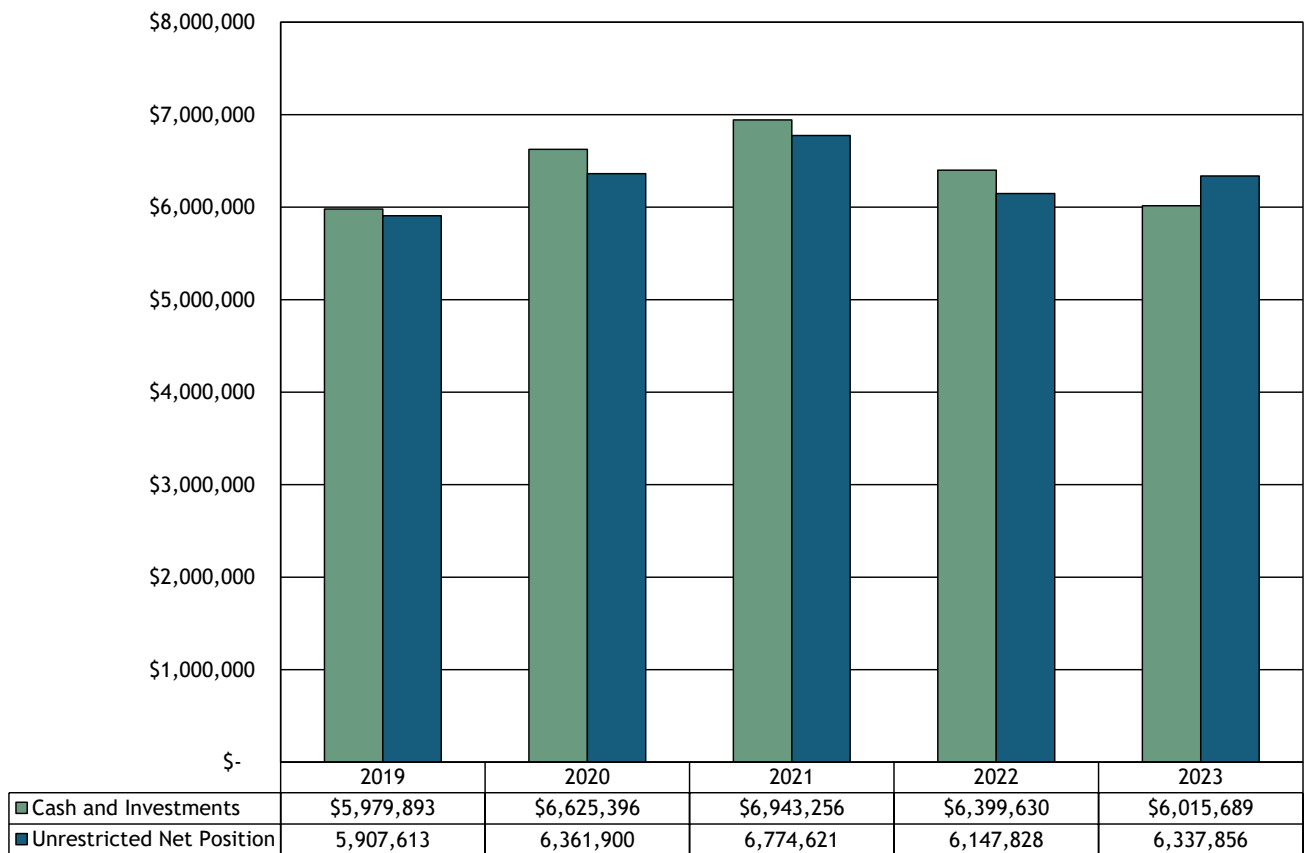


City of Faribault Financial Analysis

Water Enterprise Fund (Continued)

This graph shows the cash and investment and unrestricted net position balances as of December 31 for the last five years. The Water Fund cash and investment balance has increased \$35,796 since 2019, while unrestricted net position has increased \$430,243 over the last five years. The cash and investment balance decreased \$927,567 since it's high point in 2021, while the unrestricted net position for the Water Fund decreased \$436,765 during the same time period.

Water Fund



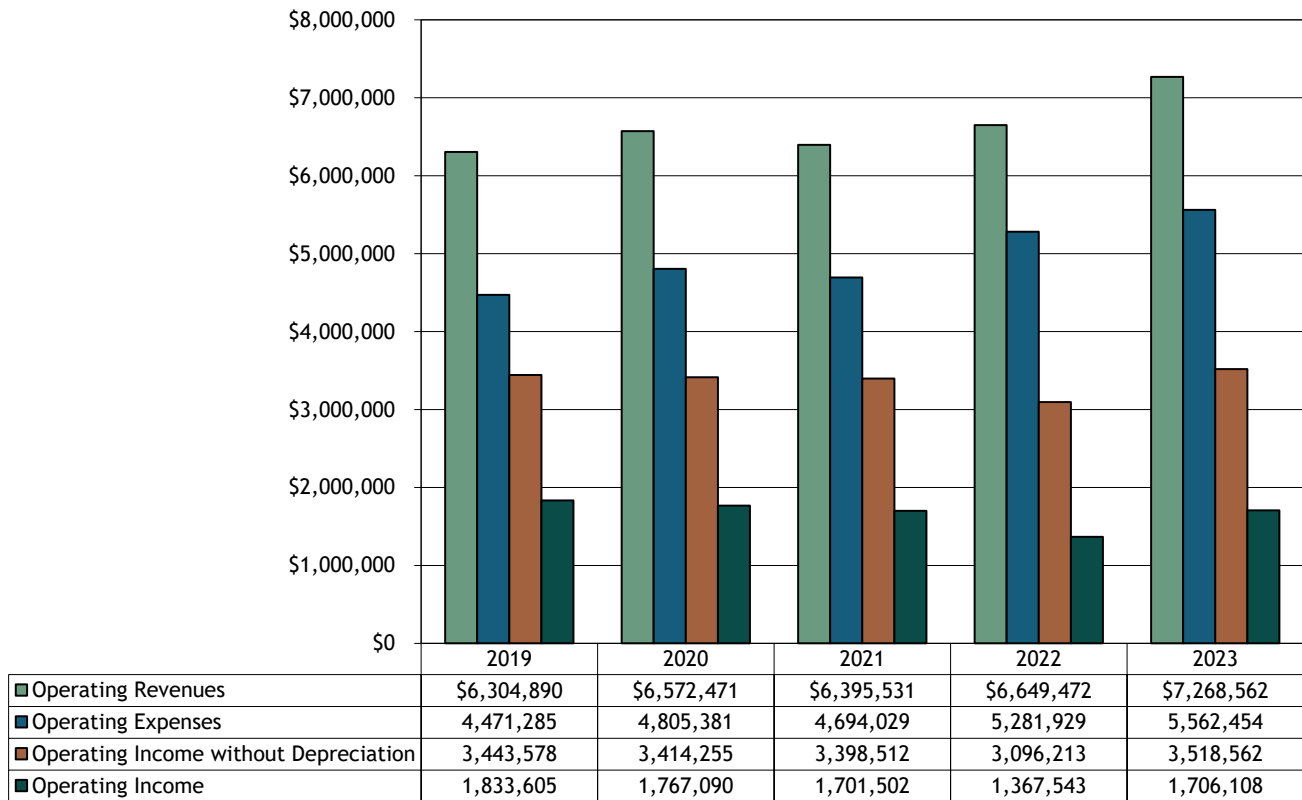
City of Faribault Financial Analysis

Sewer Enterprise Fund

The following graph illustrates the current operations of the Sewer Fund for the past five years. Operating income is shown with and without depreciation below.

The Sewer Fund has shown an operating income in each of the five years presented. In 2023, the Fund showed an operating income of \$1,706,108. This is an increase in operating income of \$338,565 from 2022. The Fund experienced an increase in operating revenue due primarily to increases in sewer access charge revenue and increased rates. Operating expenses increased \$280,525 due in large part to an decrease in the amount of pension expense recognized for 2023 offset by increased chemical products and equipment parts, along with increased engineering fees.

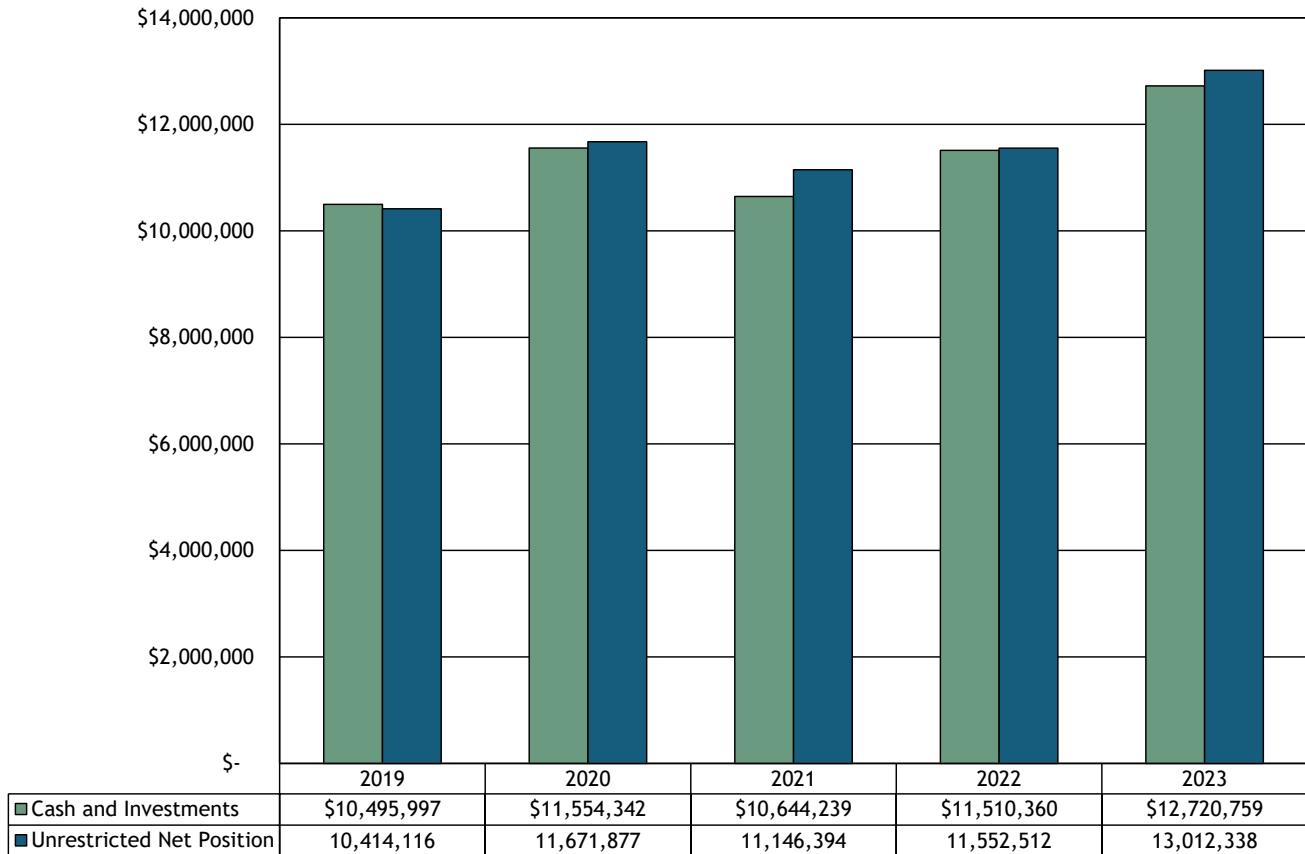
Sewer Operations



**City of Faribault
Financial Analysis**

Sewer Enterprise Fund (Continued)

Sewer Fund



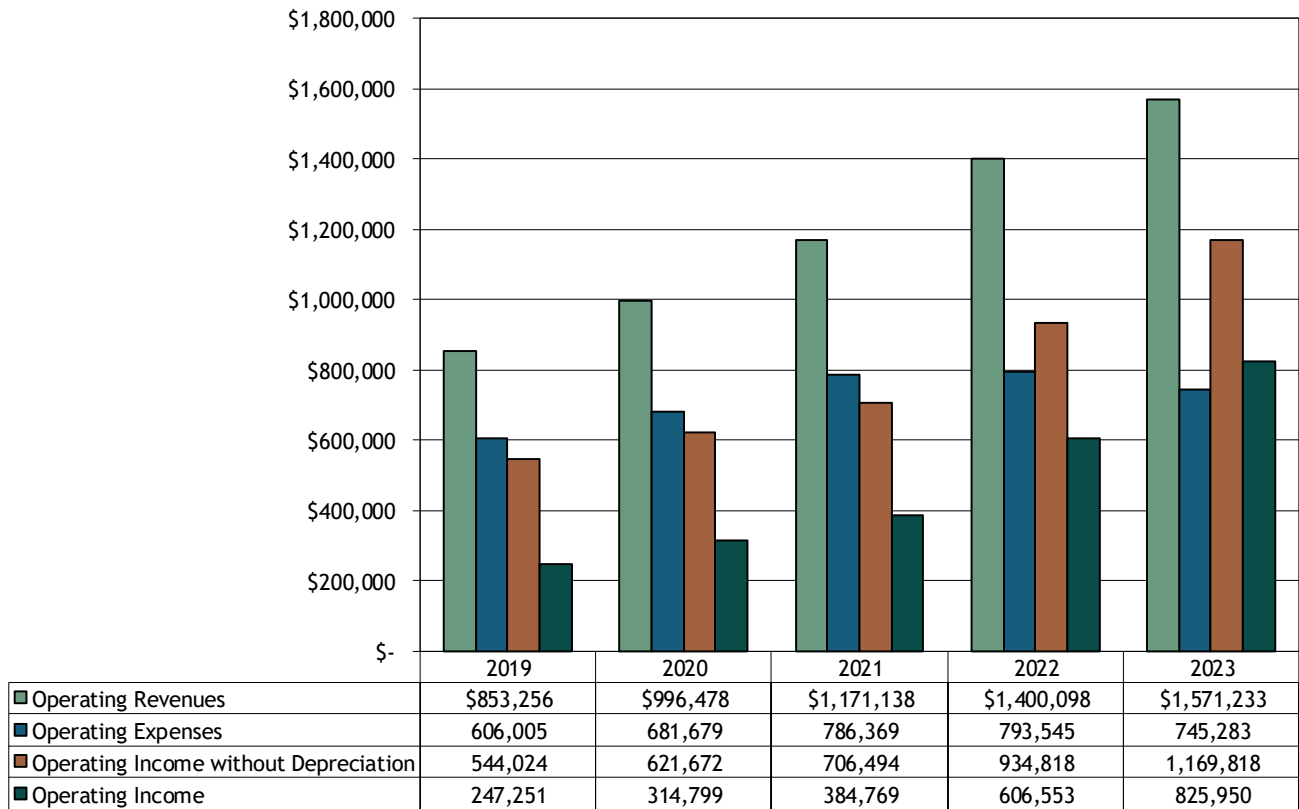
The graph above shows the cash and investment and unrestricted net position balances as of December 31 for the last five years. The cash and investment balance has increased \$2,224,762 over the last five years while unrestricted net position has increased \$2,598,222 over the same time period. The Sewer Fund cash and investment balance increased \$1,210,399 in 2023 while the unrestricted net position increased \$1,459,826 for the year.

City of Faribault Financial Analysis

Storm Water Enterprise Fund

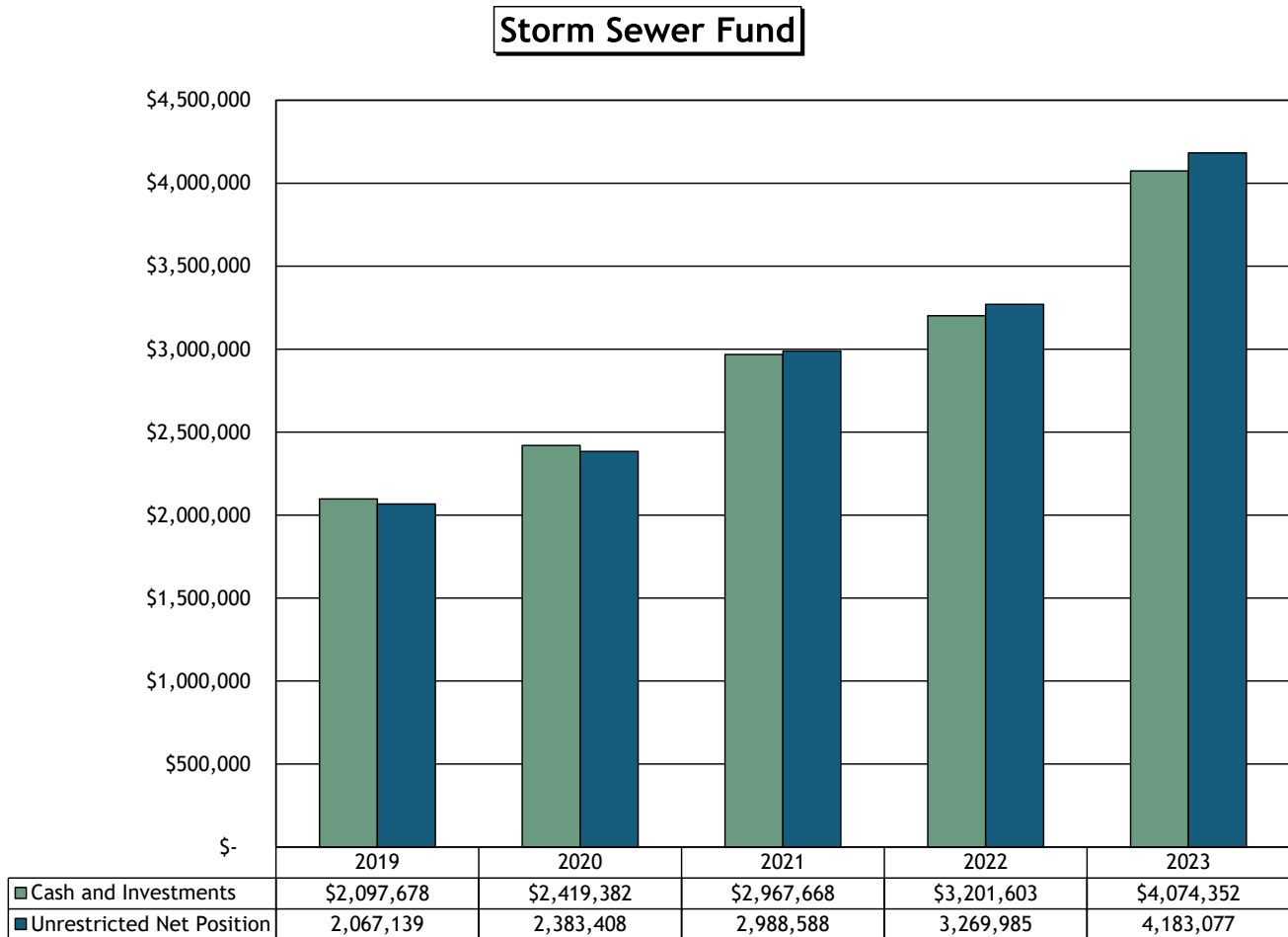
The following graph illustrates the current operations of the Storm Water Fund for the past five years. For all five years shown, the City's Storm Water Fund has generated an operating income with a high in 2023. Operating revenue increased \$171,135 or 12.2%, while expenses decreased \$48,262, or 6.1%, compared to 2022. Revenue increased with increased rates and residential lot equivalents. The net effect of the changes in revenues and expenses is operating income of \$825,950.

Storm Sewer Operations



**City of Faribault
Financial Analysis**

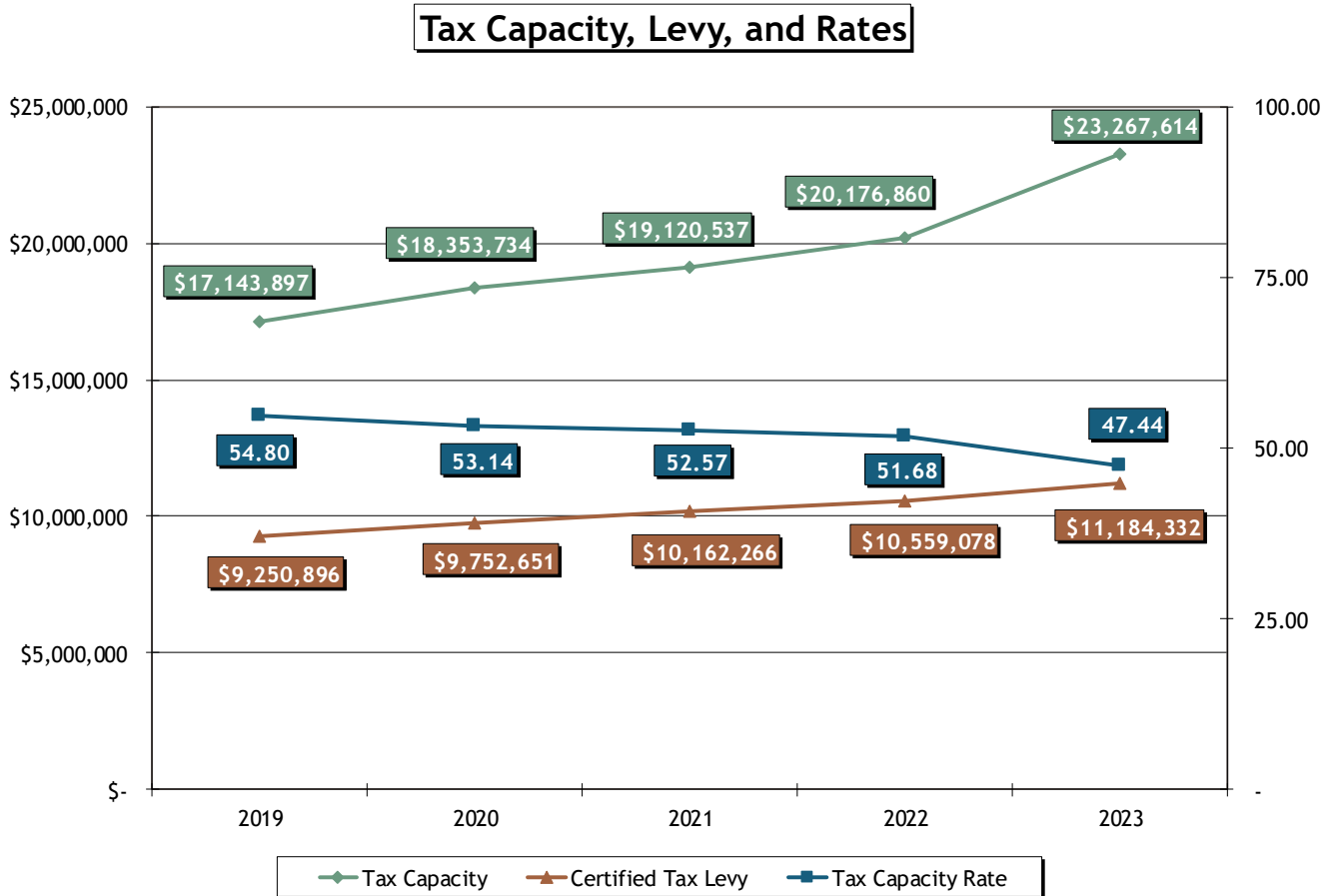
Storm Water Enterprise Fund (Continued)



As of December 31, 2023, the Storm Water Fund had an ending net cash and investment balance of \$4,074,352. This is an increase of \$872,749 compared to 2022. Unrestricted net position at year-end was \$4,183,077, which increased \$913,092 in 2023. Both cash and investments and unrestricted net position have nearly doubled over the past five-year period for the Storm Sewer Fund.

City of Faribault
Financial Analysis

Tax Capacity, Levy, and Rates



The chart above graphs the tax capacity (not including Tax Increment Financing (TIF) Districts), tax capacity rate and certified tax levy for 2019 through 2023. The tax capacity is based on total tax capacity, prior to adjustments for captured TIF.

Comparing 2019 through 2023, the City's tax capacity has increased from \$17,143,897 to \$23,267,614 or \$6,123,717 in five years. This is a 35.7% increase in tax capacity. The City's certified levy over this same time frame has increased \$1,933,436, or 20.90%. These changes allowed for a decrease in the tax capacity rate from 54.80 in 2019 to 47.44 in 2023.

City of Faribault Emerging Issues

Executive Summary

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

- ◆ **Implementation Guide No. 2021-1 - Amending Capitalization Requirements**
GASB has issued Implementation Guide No. 2021-1, amending previously issued guidance regarding capitalization requirements for capital assets that are significant in the aggregate but below the government's capitalization threshold individually.
- ◆ **Accounting Standard Update - GASB Statement No. 100 - *Accounting Changes and Error Corrections***
GASB has issued GASB Statement No. 100 relating to accounting and financial reporting for accounting changes and error corrections. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability.
- ◆ **Accounting Standard Update - GASB Statement No. 101 - *Compensated Absences***
GASB has issued GASB Statement No. 101 relating to accounting and financial reporting for compensated absences. The unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

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

Implementation Guide No. 2021-1 - Amending Capitalization Requirements

Implementation Guide No. 2021-1, amended previously issued guidance contained in Implementation Guide No. 2015-1 regarding capitalization requirements for capital assets that are significant in the aggregate.

Original guidance stated that it *may be* appropriate for a government to establish a capitalization policy that would require capitalization for certain types of assets with individual acquisition costs that are less than the threshold for an individual asset.

Amended guidance states that a government *should* capitalize assets whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are significant. Computers and classroom furniture are common examples of asset types that could be significant collectively. The amended guidance clarifies that if 100 computers costing \$1,500 each totaling a \$150,000 aggregate amount is significant, the government *should* capitalize the computers.

Information provided above was obtained from www.gasb.org.

City of Faribault Emerging Issues

Accounting Standard Update - GASB Statement No. 100 - *Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62*

The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting - understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement.

This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in Required Supplementary Information (RSI) and Supplementary Information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB Statement No. 100 is effective for reporting periods beginning after June 15, 2023. Earlier application is encouraged.

Information provided above was obtained from www.gasb.org.

City of Faribault Emerging Issues

Accounting Standard Update - GASB Statement No. 101 - *Compensated Absences*

The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave - not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

GASB Statement No. 101 is effective for reporting periods beginning after December 15, 2023. Earlier application is encouraged.

Information provided above was obtained from www.gasb.org.

City of Faribault
Rice County, Minnesota

Reports on Compliance with
Government Auditing Standards,
Uniform Guidance, and Legal Compliance

December 31, 2023



**City of Faribault
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City of Faribault
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023

Federal Agency/Pass Through Agency/Program Title	Federal Assistance Listing Number	Federal Expenditures
U.S. Department of Housing and Urban Development		
Received directly		
Public and Indian Housing	14.850	\$ 322,507
U.S. Department of Agriculture		
Passed through the State of Minnesota		
Urban and Community Forestry Program	10.675	5,000
U.S. Department of Justice		
Received directly		
Rural Violent Crime Initiative	16.309	81,027
U.S. Department of Transportation		
Passed through the State of Minnesota		
Airport Improvement Program	20.106C	56,411
Highway Planning and Construction	20.205	935,404
State and Community Highway Safety	20.600	12,161
Towards Zero Deaths	20.608	17,249
DWI Enforcement	20.616	4,218
Total U.S. Department of Transportation		<u>1,025,443</u>
Total Federal Expenditures		<u>\$ 1,433,977</u>

See notes to schedule of expenditures and federal awards.

City of Faribault
Notes to Schedule of Expenditures of Federal Awards

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the City under programs of the federal government for the year-ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2 - PASS-THROUGH GRANT NUMBERS

All pass-through entities listed above use the same Assistance Listing numbers as the federal grantors to identify these grants and have not assigned any additional identifying numbers.

NOTE 3 - INDIRECT COST RATE

The City did not elect to use the 10 percent de minimis indirect cost rate, as allowed under the Uniform Guidance.

NOTE 4 - OUTSTANDING LOANS

As of December 31, 2023, the City had outstanding loans with the Minnesota Public Facilities Authority in the amount of \$8,003,000 related to the Capitalization Grants for Drinking Water State Revolving Funds program (ALN 66.468).



**Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
*Government Auditing Standards***

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Faribault
Faribault, 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 units, each major fund, and the aggregate remaining fund information of the City of Faribault, Minnesota as of and for the year ended December 31, 2023, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 13, 2024.

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 City's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

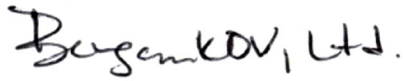
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses, or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Bugemkov, Ltd." with a stylized flourish at the end.

St. Cloud, Minnesota
August 13, 2024



**Report on Compliance for each Major Federal Program
and Report on Internal Control over Compliance in Accordance with
the Uniform Guidance**

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the City's major federal program for the year ended December 31, 2023. The City's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- ◆ Exercise professional judgment and maintain professional skepticism throughout the audit.
- ◆ Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- ◆ Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

Report on Internal Control over Compliance (Continued)

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

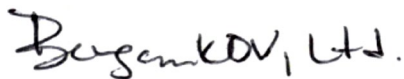
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Faribault, Minnesota, as of and for the year ended December 31, 2023, and the related notes to financial statements which collectively comprise the City's basic financial statements. We issued our report thereon dated August 13, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



St. Cloud, Minnesota
August 13, 2024

**City of Faribault
Schedule of Findings and Questioned Costs**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	We issued an unmodified opinion on the fair presentation of the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information in accordance with accounting principles generally accepted in the United States of America (GAAP).
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Internal control over financial reporting:	
◆ Material weakness(es) identified?	No
◆ Significant deficiency(ies) identified?	None reported

Noncompliance material to financial statements noted?	No
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Federal Awards

Type of auditor's report issued on compliance for major programs:	Unmodified
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Internal control over major programs:	
◆ Material weakness(es) identified?	No
◆ Significant deficiency(ies) identified?	None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
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Identification of Major Programs

Assistance Listing No.:	20.205
Name of Federal Program or Cluster:	Highway Planning and Construction

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
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Auditee qualified as low risk auditee?	Yes
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**City of Faribault
Schedule of Findings and Questioned Costs**

SECTION II - FINANCIAL STATEMENT FINDINGS

There were no financial statement findings.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal award findings.

There were no questioned costs.

SECTION IV - PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None



Minnesota Legal Compliance

Independent Auditor's Report

Honorable Mayor and Members
of the City Council
City of Faribault
Faribault, 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 units, each major fund, and the aggregate remaining fund information of the City of Faribault, Minnesota as of and for the year ended December 31, 2023, and the related notes to financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August 13, 2024.

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 *Minnesota Statute* § 6.65, insofar as they relate to accounting matters. 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.

A handwritten signature in black ink that reads 'BerganKDV, Ltd.'.

St. Cloud, Minnesota
August 13, 2024



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM: Dustin Dienst, Director of Fire and Code Services
MEETING DATE: August 27, 2024
SUBJECT: Resolution 2024-174 Authorize the Fire Department to Apply for the Compeer Financial Emergency Response Equipment Grant

Background:

The Faribault Fire Department is committed to and expected to provide a timely, safe and effective service to the citizens of our response district.

Compeer Financial has an Emergency Response Equipment Grant just for emergency responders. It is a non-matching grant, which, if awarded, will pay the entire cost of the equipment requested. We would like to apply for the grant and use the funds to purchase four (4) Milwaukee LED mobile scene lights and batteries. The total amount of this grant request is \$2,165.88.

Recommendation:

Authorize the Fire Department to apply for the Compeer Financial Emergency Response Equipment Grant.

Attachments:

1. Resolution 2024-174 Authorize the Fire Department to Apply for the Compeer Financial Emergency Response Equipment Grant
2. Grant Summary Form - Compeer Financial

CITY OF FARIBAULT

RESOLUTION #2024-174

AUTHORIZE THE FIRE DEPARTMENT TO APPLY FOR THE COMPEER FINANCIAL EMERGENCY RESPONSE EQUIPMENT GRANT

WHEREAS, the Faribault Fire Department is responsible for fire and life safety response in the City of Faribault and the Rural Fire District; and

WHEREAS, the Faribault Fire Department continually seeks out grant opportunities to assist with the purchase of equipment; and

WHEREAS, Compeer Financial has an Emergency Response Equipment Grant that is designed for fire departments to help them purchase equipment; and

WHEREAS, the Faribault Fire Department would like authorization from the City Council to apply for the Compeer Financial Emergency Response Equipment Grant.

NOW, THEREFORE BE IT RESOLVED, that the Faribault City Council authorizes the Faribault Fire Department to apply for the Compeer Financial Emergency Response Equipment Grant.

Date Adopted: August 27, 2024

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Jessica Kinser, City Administrator



GRANT SUMMARY FORM

Pre-Application ☒ Application ☐ Award Acceptance ☐ Amendment ☐
Department: Fire Department
Contact Person: Alex Bolster & Dustin Dienst

Grant Name: Compeer Financial Emergency Response Equipment Grant
Grantor: Compeer Financial
Total Project Cost: \$ 2,165.88 Total Award Amount: _____
Total Cash Match: \$ 0.00 Total In-Kind Match: _____
Application Date: 08/28/24 Grant Period From 08/01/24 To 08/31/24
Funding Type (Federal, State, Other): Other/Local
CFDA Number: _____ Electronic or Hardcopy Submission: Electronic

Project Description

Purchase 4 Milwaukee LED mobile scene lighting and 4 batteries. These four Lights and Batteries will replace old halogen scene lights on our front line trucks and trailers.

How is the Match Amount Determined::

No match.

Fixed Amount: _____ or % of project cost 0.00% or Other ☐

Explanation of Other:

For this City fiscal year, how much of the required local cash match amount is:

Already In Department Budget: _____ Not Budgeted: _____

Proposed Source of Match: _____

Director Approval

Dustin Dienst

Administrator Approval

Alex Bolster



Request for Council Action

TO: Mayor and City Council
THROUGH: Charitable Gambling Board
Jessica Kinser, City Administrator
FROM: Heather Slechta, City Clerk
MEETING DATE: August 27, 2024
SUBJECT: Resolution 2024-176 Authorize Payment as
Recommended by the Charitable Gambling Board
to the Faribault Youth Empowerment Center

Background:

The Faribault Charitable Gambling Board reviewed a request for funding from the Faribault Youth Empowerment Center at their August 21, 2024 meeting. The Board recommends funding the request in the amount of \$1,150 to use towards expenses for an event that will celebrate National Hispanic Heritage Month on September 22, 2024, at Central Park.

Recommendation:

Approve Resolution 2024-176.

Attachments:

1. Resolution 2024-176 Authorize Payment as Recommended by the Charitable Gambling Board to Faribault Youth Empowerment Center

CITY OF FARIBAULT

RESOLUTION #2024-176

AUTHORIZE PAYMENT AS RECOMMENDED BY THE CHARITABLE GAMBLING BOARD TO THE FARIBAULT YOUTH EMPOWERMENT CENTER

WHEREAS, the Faribault Charitable Gambling Board reviewed a request for funding from the Faribault Youth Empowerment Center at their August 21, 2024 meeting. The Charitable Gambling Board recommends funding the request in the amount of \$1,150 to use towards expenses for an event that will celebrate National Hispanic Heritage Month on September 22, 2024, at Central Park; and

WHEREAS, the recommendation for funding this request is in accordance with City and State regulations for charitable gambling fund contributions.

NOW, THEREFORE BE IT RESOLVED, that the Faribault City Council authorizes payment as recommended by the Charitable Gambling Board.

Date Adopted: August 27, 2024

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Jessica L. Kinser, City Administrator



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
FROM: Heather Slechta, City Clerk
MEETING DATE: August 27, 2024
SUBJECT: Ordinance 2023-20 Authorizing a Study and Imposing a Moratorium on the Establishment and Operation of Cannabis Businesses within the City of Faribault (second reading)

Background:

The City Council held a public hearing at their August 14, 2024, City Council meeting to review and discuss Ordinance 2023-20 Authorizing a Study and Imposing a Moratorium on the Establishment and Operation of Cannabis Businesses within the City of Faribault. There were no comments received during the public hearing. The Council approved the first reading of Ordinance 2023-20. Since the August 14, 2024, meeting, staff has not received any comments nor have any changes been made to the ordinance.

Recommendation:

Approve Ordinance 2023-20 Extending the Study and Imposing a Moratorium on the Establishment and Operation of Cannabis Businesses

Attachments:

1. Ordinance 2023-20 Authorizing a Study and Imposing a Moratorium on the Establishment and Operation of Cannabis Businesses within the City of Faribault

**CITY OF FARIBAULT
ORDINANCE NO. 2023-20**

**AN INTERIM ORDINANCE AUTHORIZING A STUDY AND
IMPOSING A MORATORIUM ON THE OPERATION OF CANNABIS
BUSINESSES WITHIN THE CITY OF FARIBAULT**

THE CITY OF FARIBAULT ORDAINS:

Section 1. Legislative Findings and Authority

- A. The Minnesota Legislature recently enacted, and the Governor signed, 2023 Minnesota Session Laws, Chapter 63 – H.F. No. 100 (the “Act”), which is comprehensive legislation relating to cannabis including, but not limited to, the establishment of the Office of Cannabis Management (“OCM”), legalizing and limiting the possession and use of cannabis and certain hemp products by adults, providing for the licensing, inspection, and regulation of cannabis and hemp businesses, taxing the sale of cannabis flower, cannabis products, and certain hemp products, establishing grant and loan programs, amending criminal penalties, providing for expungement of certain convictions, and providing for the temporary regulation of Edible Cannabinoid Products.
- B. The Act provides local units of government certain authority related to Cannabis Businesses, including the authority to (i) require local registration of certain Cannabis Businesses operating retail establishments, (ii) adopt reasonable restrictions on the time, place, and manner of the operation of Cannabis Businesses, provided that such restrictions do not prohibit the establishment or operation of a Cannabis Business, (iii) limit the number of certain Cannabis Businesses based on the population of the community, and (iv) prohibit the operation of a Cannabis Business within 1,000 feet of a school, or 500 feet of a day care, residential treatment facility, or an attraction within a public park that is regularly used by minors, including a playground or athletic field.
- C. The Act requires the OCM, which was established effective July 1, 2023, to work with local governments to develop model ordinances for reasonable restrictions on the time, place, and manner of the operation of Cannabis Businesses. The Act also requires the OCM to establish additional rules and regulations relating to the operation of Cannabis Businesses. It is anticipated that the city of Faribault (the

- "City") will benefit from reviewing and analyzing the OCM's model ordinances, rules and regulations before making any decisions related to the regulation of Cannabis Businesses in the City.
- D. The Act (Minnesota Statutes, section 342.13(e)) expressly allows a local unit of government that is conducting studies or has authorized a study to be conducted or has held or scheduled a hearing for the purpose of considering adoption or amendment of reasonable restrictions on the time, place and manner of the operation of Cannabis Businesses to adopt an interim ordinance applicable to all or part of its jurisdiction for the purpose of protecting the planning process and the health, safety, and welfare of its citizens. The interim ordinance may regulate, restrict, or prohibit the operation of Cannabis Businesses within the jurisdiction or a portion thereof until January 1, 2025.
 - E. Given the uncertainty regarding the model ordinances to be developed by the OCM and the broad scope of the changes to Minnesota law brought about by the Act, the City desires to adopt an interim ordinance for the purpose of protecting the planning process and the health, safety, and welfare of its citizens.
 - F. The City desires to conduct a study for the purpose of considering the adoption or amendment of reasonable restrictions on the time, place and manner of the operation of Cannabis Businesses as well as the other regulations local units of government may adopt under the Act.
 - G. On August 8, 2023, after providing at least 10 days published notice, the City Council held a public hearing on and approved Interim Ordinance 2023-20 prohibiting the operation of Cannabis Businesses within the City until June 1, 2024.
 - H. As of May 1, 2024, the OCM has indicated that it will publish draft rules and regulations identified in Section 1(C) after June 1, 2024, and the OCM has not indicated when a model ordinance will be available – given the identified benefit to the City in reviewing and considering these items prior to making a decision on regulating Cannabis Businesses it is prudent to extend Interim Ordinance 2023-20.
 - I. On May 14, 2024, after providing at least 10 days published notice, the City Council held a public hearing regarding the consideration and

adoption of an amendment to Interim Ordinance 2023-20 that would extend the effective period of Interim Ordinance 2023-20 until August 1, 2024.

- J. On May 24, the Governor signed 2024 Minnesota Session Laws, Chapter 121 (HF 4757) amending the Act ("2024 Amendment"). The 2024 Amendment included two amendments to the Act. The first of those amendments creates a license preapproval for certain businesses that will authorize a business to begin certain processes without a Cannabis Business license under Minnesota Laws, chapter 121, section 148 ("License Preapproval"), including in some instances allowing a business to begin cultivation without a license under Minnesota Laws chapter 121, section 151 ("Early Cultivation"). The second of those amendments removes medical cannabis business, medical cannabis processor, and medical cannabis retailer ("Medical Cannabis Businesses") from the definition of Cannabis Business in Minnesota Statutes 324.01, subdivision 14.
- K. The Legislature's decision to change the definition of Cannabis Business in the 2024 Amendment does not preclude the City from having a moratorium on businesses related to cannabis that will be subject to city zoning and operational regulations and which are Cannabis Businesses; Medical Cannabis Businesses; businesses with a License Preapproval, including Early Cultivators; or other businesses that must confirm compliance with city regulations.
- L. To provide clear communication to businesses seeking to operate within the City and to create a clear record, the City Council desires to amend the interim ordinance to explicitly list and include License Preapproval, Early Cultivation, and Medical Cannabis Business in the businesses that are subject to the interim ordinance.
- M. The amendments to this Ordinance are intended to supplement and clarify Interim Ordinance 2023-20 to confirm that if a court of competent jurisdiction finds that License Preapproval, Early Cultivators, or Medical Cannabis Businesses are not subject to the authority granted to units of local government in Minnesota Statutes, section 342.13 (e) that these amendments invoke the authority granted under Minnesota Statutes, section 462.355, subdivision 4(a) "to regulate, restrict, or prohibit any use ... within the jurisdiction or a portion thereof for a period not to exceed one year from the date it is effective" by enacting an interim ordinance.

- N. On August 14, 2024, after providing at least 10 days published notice, the city council held a public hearing regarding the consideration and adoption of this amendment to Interim Ordinance 2023-20.

Section 2. Definitions. For purposes of this Ordinance, the following terms shall have the meaning given them in this section.

- A. "2024 Amendment" refers to 2024 Minnesota Session Laws, Chapter 121 (H.F. 4757).
- B. "Act" means 2023 Minnesota Session Laws, Chapter 63 (H.F. No. 100).
- C. "Cannabis Business" has the meaning given the term in Minnesota Statutes, section 342.01, subdivision 14. Cannabis Business also includes Medical Cannabis Businesses, Early Cultivators, and License Preapprovals.
- D. "City" means the city of Faribault, a Minnesota municipal corporation.
- E. "Early Cultivator" means a business authorized to begin cultivating/growing cannabis prior to receiving a license as provided under 2024 Minnesota Session Laws, chapter 121, section 151.
- F. "Edible Cannabinoid Product" has the meaning given the term in Minnesota Statutes, section 151.72, subdivision 1(f).
- G. "License Preapproval" means a business authorized to begin certain business operations related to cannabis under 2024 Minnesota Session Laws, chapter 121, section 148.
- H. "OCM" means the Office of Cannabis Management, established as set forth in Minnesota Statutes, section 342.02, subd. 1.
- I. "Ordinance" means this interim ordinance, which is adopted pursuant to Minnesota Statutes, section 342.13(e) and Minnesota Statutes, section 462.355, subdivision 4(a).

Section 3. Study Authorized. The City Council hereby authorizes and directs City staff to conduct a study regarding the adoption or amendment of reasonable restrictions on the time, place, and manner of the operation of Cannabis Businesses, as well as other potential local regulations allowed under the Act, and report to the City Council on the potential regulation of Cannabis

Businesses. The study may include a review of any model ordinances that OCM is directed to draft under Minnesota Statutes, section 342.13(d), an analysis of potential setback regulations allowed under Minnesota Statutes, section 342.13(c), and such other matters as staff may determine are relevant to the City Council's consideration of this matter. The report may also include City staff's recommendations on whether the City Council should adopt regulations and, if so, the recommended types of regulations.

Section 4. Moratorium. A moratorium is hereby imposed on the operation of any Cannabis Business within the City. During the term of this Ordinance, no business, person, or entity may establish or operate a Cannabis Business within the jurisdictional boundaries of the City. Accordingly, during the period that this Ordinance is in effect, the City shall not accept, process, or act on any application, site plan, building permit, zoning request, or other approval, including any requested confirmation, certification, approval, or other request from the OCM or other governmental entity requesting City review of any application or proposal for a business proposing to engage in the operation of a Cannabis Business. During the term of the moratorium, it is a violation of this Ordinance for any business, person, or entity to establish or operate a Cannabis Business within the City. The moratorium also includes Early Cultivators, License Preapprovals, and Medical Cannabis Businesses to the extent they are considered to be outside of the definition of Cannabis Business.

Section 5. Exceptions. The moratorium imposed by this Ordinance does not apply to: (i) the continued operation of a duly established business as part of the Medical Cannabis Program administered by the Minnesota Department of Health and the OCM that was lawfully operating within the City prior to the effective date of this Ordinance; or (ii) the sale of Edible Cannabinoid Products under Minnesota Statutes, Section 151.72, provided, however, that nothing in this Ordinance exempts a business, person, or entity from complying with all other requirements and prohibitions of applicable laws and ordinances related to such exceptions.

Section 6. Enforcement. Violation of this Ordinance is a misdemeanor. The City may also enforce this Ordinance by mandamus, injunction, or other appropriate civil remedy in any court of competent jurisdiction. A violation of this Ordinance is also subject to the City's general penalties prescribed in the city code and may further result in the City reporting violations to the OCM, if relevant to OCM licensing. The City Council hereby authorizes City staff and consultants to initiate any legal action deemed necessary to secure compliance with this Ordinance.

Section 7. Severability. Every section, provision, and part of this Ordinance is declared severable from every other section, provision, and part. If any section, provision, or part of this Ordinance is held to be invalid by a court of competent jurisdiction, such judgment shall not invalidate any other section, provision, or part of this Ordinance.

Section 8. Effective Date And Term. This ordinance shall take effect and be in force after its passage and publication, in accordance with Section 3.05 of the City Charter. This Ordinance shall remain in effect until January 1, 2025, or until the City Council expressly repeals it, whichever occurs first.

First Reading: August 14, 2024

Second Reading: August 27, 2024

Publication Date: _____, 2024

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Jessica Kinser, City Administrator

Summary Publication

CITY OF FARIBAULT ORDINANCE No. 2023-20

AUTHORIZING A STUDY AND IMPOSING A MORATORIUM ON THE ESTABLISHMENT AND OPERATION OF CANNABIS BUSINESSES WITHIN THE CITY OF FARIBAULT

On August 27, 2024, the Faribault City Council adopted Ordinance 2023-20 Authorizing a Study and Imposing a Moratorium on the Establishment and Operation of Cannabis Businesses within the City of Faribault. A complete copy of the ordinance is available for public review during regular business hours at City Hall, 208 1st Avenue NW, Faribault, Minnesota.

First Reading: August 14, 2024

Second Reading: August 27, 2024

Publication: August 31, 2024



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
David Wanberg, CED Director
FROM: Harry Davis, City Planner
MEETING DATE: August 27, 2024
SUBJECT: Sun Companies Properties Management/RSA
Properties LLC Subdivision No 2 - Zoning Map
Amendment; Easement Vacation

Background:

Sun Companies Properties Management LLC requests a zoning map amendment and easement vacation for property at 1919 2nd St NW, northeast of the intersection between 4th St NW and 20th Ave NW. These two ordinances passed first reading at the August 14, 2024 City Council meeting.

Please see each of the following agenda sub-items for the related ordinances and summary publications.

Recommendation:

Approve the second reading of ordinances and their summary publications in each of the associated sub-items.

Attachments:



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
David Wanberg, CED Director
FROM: Harry Davis, City Planner
MEETING DATE: August 27, 2024
SUBJECT: Ordinance 2024-5 Approve Rezoning Properties in
1900 Block of 4th Street NW to I-1 (Second
Reading)

Background:

On August 14, 2024, the Faribault City Council approved the first reading of Ordinance 2024-5, which proposes a zoning map amendment at 1919 2nd St NW, northeast of the intersection between 4th St NW and 20th Ave NW. The City received no comments from the public nor made substantive changes to the ordinance since the first reading.

Recommendation:

Approve the second reading of Ordinance 2024-5.

Attachments:

1. Ordinance 2024-5 Approve Rezoning Properties in 1900 Block of 4th Street NW to I-1

**CITY OF FARIBAULT
ORDINANCE No. 2024-5**

**APPROVE REZONING CERTAIN PROPERTIES ON THE NORTH SIDE OF THE
1900 BLOCK OF 4TH STREET NW TO I-1, LIGHT INDUSTRIAL DISTRICT**

WHEREAS, Rick Amundson (the Applicant), on behalf of Sun Companies Property Management LLC and Scott and Therese Amundson (collectively the “Owners”), has requested that the City Council rezone the south portion of 1919 2nd Street NW and a portion of the north side of the 1900 Block of 4th Street NW from R-4, High-Density Residential to I-1, Light Industrial; and

WHEREAS, the properties described in the above recitals and graphically depicted in Exhibit A are hereinafter referred to as the subject property; and

WHEREAS, the Applicant, in separate applications, also requested a comprehensive plan amendment to guide the subject property for commercial/industrial mixed-use and preliminary and final plat approval that, collectively with the Applicant’s rezoning request, would facilitate the Applicant’s proposed expansion of the C & S Vending Company Building at 1919 2nd Street NW; and

WHEREAS, the requested I-1, Light Industrial revises a portion of a previous zoning map amendment approved by Ordinance 2022-4, on March 8, 2022, at the subject site; and

WHEREAS, the City Council approved Resolution 2024-163 on August 14, 2024, which amended the City’s comprehensive plan to guide the subject property for commercial/industrial mixed-use; and

WHEREAS, City Staff reviewed the Applicant’s rezoning request, prepared a report to the Planning Commission, and made a recommendation to approve the Applicant’s rezoning request; and

WHEREAS, the Planning Commission, on July 15, 2024, following proper notice, held a public hearing regarding the said request; and

WHEREAS, the Planning Commission finds that it is appropriate to rezone the subject property as requested by the Applicant based on the following written findings of the Planning Commission as required by Section 2-180 of the City's Unified Development Ordinance:

1. Criteria: Whether the amendment is consistent with the applicable policies of the City's Land Use Plan.

Finding: Per Resolution 2024-163, the Land Use Plan guides the subject properties for commercial/industrial mixed-use, which is consistent with the proposed I-1, Light Industrial District zoning. In addition, the proposed zoning is consistent with existing light industrial zoning, residential, and existing land uses adjoining the rezoning area.

2. Criteria: Whether the amendment is in the public interest and is not solely for the benefit of a single property owner.

Finding: It is in the public's best interest to ensure reasonable and logical use of the property. The adjoining industrial property is on an undersized parcel which prevents expansion and the proposed rezoning application can facilitate an associated subdivision plat that combines several properties making room for business expansion on this block. It is reasonable to rezone the subject property to I-1, Light Industrial District to match the adjoining industrial property on the block and allow for the needed business expansion in the public interest of job preservation and expansion of the City's tax base.

3. Criteria: Whether the existing uses of property and the zoning classification of property within the general area of the property in question are compatible with the proposed zoning classification, where the amendment is to change the zoning classification of a particular property.

Finding: The surrounding properties include existing industrial, commercial, and residential uses. The proposed I-1 Light Industrial District zoning would allow for the necessary expansion of an adjoining business on this block.

4. Criteria: Whether there are reasonable uses of the property in question permitted under the existing zoning classification, where the amendment is to change the zoning classification of a particular property.

Finding: The existing undeveloped parcels included in this rezoning proposal are not the highest and best use of the land. Furthermore, the City has received a request for industrial development on the subject property.

5. Criteria: Whether there has been a change in the character or trend of development in the general area of the property in question, which has taken place since such property was placed in its present zoning classification, where the amendment is to change the zoning classification of a particular property.

Finding: There have been several high-density residential developments in the City since the subject property was zoned R-4, High-Density Residential District, and the Applicant and Owners have not been able to acquire all of the property deemed necessary for the development of high-density apartments on site as they had hoped. Since that time, the City has received a request for industrial development on the subject property. The proposal will help preserve jobs and build the City's property tax base. Therefore, rezoning the subject property to I-1, Light Industrial District is appropriate.

WHEREAS, the City Council held a public meeting on August 14, 2024, to consider approval of the first reading of Ordinance 2024-5; and

WHEREAS, the City Council also held a public meeting on August 27, 2024 to consider approval of the second reading of Ordinance 2024-5; and

WHEREAS, based on the City Staff's report, the results of the public hearing, and the written findings of the Planning Commission, the City Council of the City of Faribault concurs with the written findings of the Planning Commission and makes the identical findings.

NOW, THEREFORE, THE CITY OF FARIBAULT ORDAINS:

Section 1: Findings and Incorporation of Recitals and Exhibits. Where applicable, the recitals and exhibits incorporated in this ordinance constitute the written findings of the City Council.

Section 2: Rezoning Approval. The City Council hereby rezones the subject property graphically depicted in Exhibit A to I-1, Light Industrial District. The effective date of the rezoning shall be as outlined in Section 5 of this resolution.

Section 3: Official Zoning Map. The City does not need to republish the City's official zoning map to show the rezoning. However, the City Planner shall show the rezoning on the official zoning map on file with the City.

Section 4: Authorization to Take Additional Steps. The City Council authorizes and directs the Mayor, City Staff, and City Consultants to take any additional steps and actions necessary and convenient to accomplish the intent of this ordinance. Such additional steps may include an adjustment to the I-1, Light Industrial zoning district boundary on the 1919 2nd Street NW property based on the future final plat of the property.

Section 5: Effective Date. This ordinance is effective immediately upon its passage and publication per the City Charter.

First Reading:	August 14, 2024
Second Reading:	August 27, 2024
Publication Date:	September 3, 2024

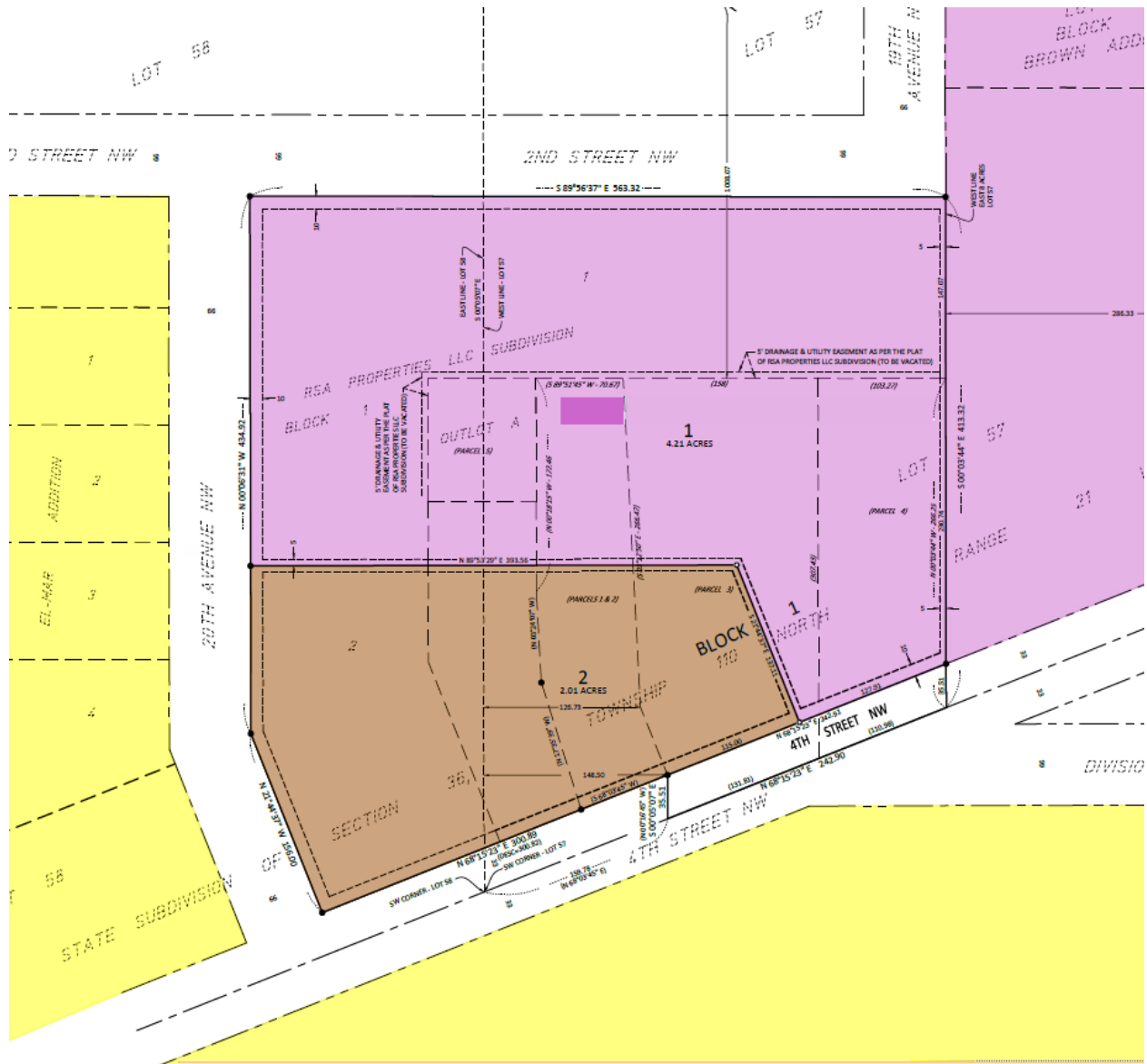
Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Jessica L. Kinser, City Administrator

EXHIBIT A:
Graphic Depiction of Subject Property to be Rezoned
to I-1 Light Industrial



Purple = I-1; Brown = R-4

Properties to be Rezoned:

- 1914 4th St NW - PID # 1836275023
- 1916 4th St NW - PID # 1836275024
- 1918 4th St NW - PID # 1836275025 and PID # 1836275027
- 1920 4th St NW - PID # 1836275029
- Outlot A, Block 1 of RSA Properties LLC Subdivision - PID # 1836253003



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
David Wanberg, CED Director
FROM: Harry Davis, City Planner
MEETING DATE: August 27, 2024
SUBJECT: Ordinance 2024-5 Summary Publication

Background:

Ordinance 2024-5 will take effect on the date of its publication in the official newspaper of the City of Faribault. Instead of publishing the entire ordinance, the Faribault City Charter allows the City Council, with a five-sevenths vote, to approve a summary publication of the ordinance that informs the public of the ordinance's title, intent, and effect. The summary must also state the complete text of the ordinance is on file at the city administrator's office. Refer to the attached summary publication of Ordinance 2024-5.

Recommendation:

Approve the summary publication for Ordinance 2024-5.

Attachments:

1. Ordinance 2024-5 Summary Publication

Summary Publication

CITY OF FARIBAULT ORDINANCE No. 2024-5

APPROVE REZONING CERTAIN PROPERTIES ON THE NORTH SIDE OF THE 1900 BLOCK OF 4TH STREET NW TO I-1, LIGHT INDUSTRIAL DISTRICT

On August 27, 2024, the Faribault City Council adopted Ordinance 2024-5 rezoning certain properties on the north side of the 1900 block of 4th Street NW to I-1, Light Industrial. A complete copy of the ordinance is available for public review during regular business hours at City Hall, 208 1st Avenue NW, Faribault, Minnesota.

First Reading: August 14, 2024
Second Reading: August 27, 2024
Publication: September 3, 2024



Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
David Wanberg, CED Director
FROM: Harry Davis, City Planner
MEETING DATE: August 27, 2024
SUBJECT: Ordinance 2024-6 Vacate a Portion of Drainage and Utility Easement at 1919 2nd St NW (Second Reading)

Background:

On August 14, 2024, the Faribault City Council approved the first reading of Ordinance 2024-6, which proposes an easement vacation at 1919 2nd St NW, northeast of the intersection between 4th St NW and 20th Ave NW. The City received no comments from the public nor made substantive changes to the ordinance since the first reading.

Recommendation:

Approve the second reading of Ordinance 2024-6

Attachments:

1. Ordinance 2024-6 Vacate an Portion of Drainage and Utility Easement at 1919 2nd St NW

**CITY OF FARIBAULT
ORDINANCE No. 2024-6**

**APPROVE VACATING A PORTION OF DRAINAGE AND UTILITY EASEMENT AT 1919
2ND ST NW**

WHEREAS, the City of Faribault, (the “Applicant”) requests vacating a portion of public drainage and utility easements near 1919 2nd St NW, depicted and legally described in Exhibit A; and

WHEREAS, City Staff reviewed the application and made a report to the Planning Commission; and

WHEREAS, the Planning Commission, on July 15, 2024, following proper notice, held a public hearing regarding the Applicant’s request; and

WHEREAS, based on a review of the City Staff report and the results of the public hearing, the Planning Commission recommended approval of the Applicant’s request per the following findings as required by Section 2-540 of the City’s Unified Development Ordinance:

1. Criteria: No private rights will be injured or endangered as a result of the vacation.

Finding: The easement is completely within the applicant’s property and will not impact private rights of other properties or property owners.

2. Criteria: The public will not suffer loss or inconvenience resulting from the granting of the requested vacation.

Finding: The easement is completely within the applicant’s property and the public will not suffer any loss or inconvenience with the requested vacation.

3. Criteria: No written objection has been received, prior to the public hearing, from an adjacent property owner who did not join in the application.

Finding: No objections to the easement vacation were received.

WHEREAS, the City Council conducted the first reading of this ordinance on August 14, 2024, and the second reading of this ordinance on August 27, 2024; and

WHEREAS, based on the City Staff's report, the results of the public hearing, and the written findings and recommendation of the Planning Commission, the City Council concurred with the findings of the Planning Commission as stated in the above recitals and made identical findings.

NOW, THEREFORE, THE CITY OF FARIBAULT ORDAINS:

Section 1. Findings. The recitals and exhibits in this ordinance are incorporated into this ordinance, and, where applicable, constitute the City Council's findings.

Section 2. Vacation of a Portion of Right-of-Way. Pursuant to City of Faribault Unified Development Ordinance, Chapter 2, Article 10 and Minn. Stat. § 412.851, the City of Faribault hereby vacates the public drainage and utility easements situated in the City of Faribault, County of Rice, State of Minnesota, legally described and depicted in Exhibit A.

Section 3. Authorization to take Additional Steps. City Staff, City Consultants, and the City Attorney are authorized and directed to take any additional steps and actions necessary or convenient to accomplish the intent of this ordinance.

Section 4. Effective Date. This ordinance shall be effective immediately upon its passage and publication according to the Faribault City Charter.

First Reading: August 14, 2024
Second Reading: August 27, 2024
Publication Date: September 3, 2024

Faribault City Council

Kevin F. Voracek, Mayor

ATTEST:

Jessica L. Kinser, City Administrator

Exhibit A
Easement Vacation Legal Description

That part of the 5 foot wide utility easement as dedicated on the plat of RSA PROPERTIES LLC SUBDIVISION, on file and of record with the Rice County Recorder, which lies coincident with and westerly and northerly of the following described line:

Commencing at the northwest corner of Lot 2, Block 1, RSA PROPERTIES LLC SUBDIVISION; thence North 00 degrees 05 minutes 07 seconds West, along the west line of said Outlot A, a distance of 5.00 feet to the point of beginning; thence continuing North 00 degrees 05 minutes 07 seconds West, along said west line, 146.65 feet to the northwest corner of said Outlot A; thence South 89 degrees 56 minutes 37 seconds East, along the north line of said Outlot A and along the southerly line of Lot 1, Block 1, RSA PROPERTIES LLC SUBDIVISION; a distance of 414.16 feet to a point distant 5.00 feet west of the southeasterly corner of said Lot 1 and there terminating.

Exhibit A

Easement Vacation Area

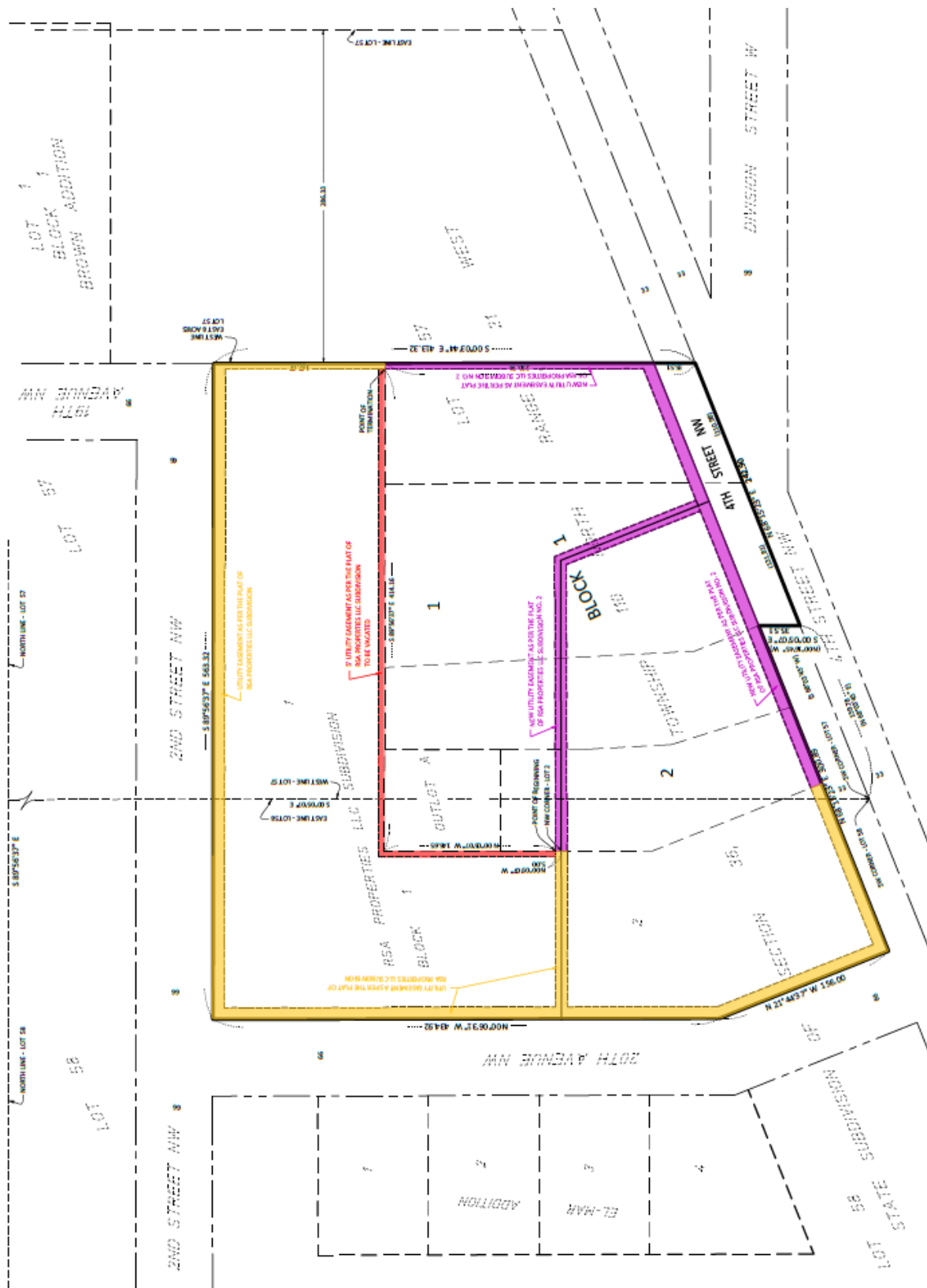
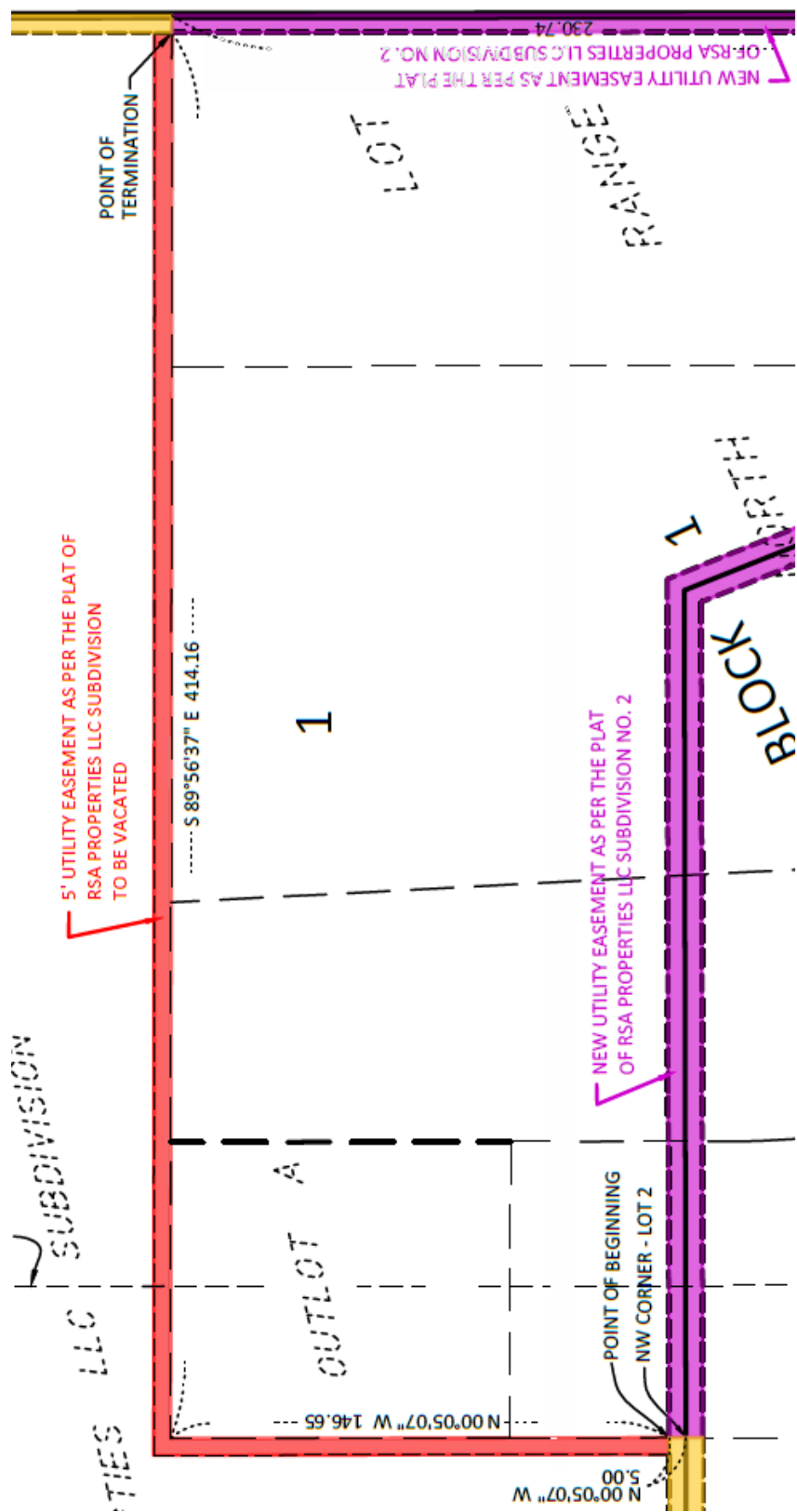


Exhibit A
Easement Vacation Area





Request for Council Action

TO: Mayor and City Council
THROUGH: Jessica Kinser, City Administrator
David Wanberg, CED Director
FROM: Harry Davis, City Planner
MEETING DATE: August 27, 2024
SUBJECT: Ordinance 2024-6 Summary Publication

Background:

Ordinance 2024-6 will take effect on the date of its publication in the official newspaper of the City of Faribault. Instead of publishing the entire ordinance, the Faribault City Charter allows the City Council, with a five-sevenths vote, to approve a summary publication of the ordinance that informs the public of the ordinance's title, intent, and effect. The summary must also state the complete text of the ordinance is on file at the city administrator's office. Refer to the attached summary publication of Ordinance 2024-6.

Recommendation:

Approve the summary publication for Ordinance 2024-6.

Attachments:

1. Ordinance 2024-6 Summary Publication

Summary Publication

CITY OF FARIBAULT ORDINANCE No. 2024-6

APPROVE VACATING A PORTION OF DRAINAGE AND UTILITY EASEMENT AT 1919 2ND ST NW

On August 27, 2024, the Faribault City Council adopted Ordinance 2024-6 vacating a portion of drainage and utility easement at 1919 2nd St NW. A complete copy of the ordinance is available for public review during regular business hours at City Hall, 208 1st Avenue NW, Faribault, Minnesota.

First Reading: August 14, 2024
Second Reading: August 27, 2024
Publication: September 3, 2024