



CITY OF ROCHESTER, MINNESOTA

Financial Statement Overview 2021

City of Rochester

Independent Audit December 31, 2021

- **Issued unmodified opinion on City's basic financial statements**
 - City issued 2021 Annual Comprehensive Financial Report in June 2022
 - Smith Schafer relied on BakerTilly's unmodified opinion on Electric and Water Utility Funds
 - Smith Schafer relied on CliftonLarsonAllen's unmodified opinion on the blended component unit, DMCC
 - City applied for GFOA Certificate of Achievement for Excellence in Financial Reporting for the 2021 Annual Comprehensive Financial Report & responded to GFOA comments on 2020 Annual Comprehensive Financial Report for which City received the Certificate
- **Smith Schafer is performing the Single Audit of 2021 federal grant awards in July**
- **Audit Committee Meeting**
 - Reviewed results of 2021 Audit, Procedural Recommendations and Auditors' Responsibility Letter

Governmental Fund Types

- **General Fund**
- **Special Revenue Funds:**
 - Library
 - Municipal Recreation System
 - Mayo Civic Center
 - Edward Byrne Memorial JAG
 - Airport Operations
 - F.E. Williams Estate
 - Transit
 - Minnesota Bio Science Center
 - Community Development Projects
 - DMCC
- **Capital Project Fund**
 - Capital Improvement
- **Debt Service Funds:**
 - Tax Increment Bonds
 - TIF Revenue Bond
 - EDA Bond
 - Public Works & Transit Operation Center Bond
 - Lodging Tax Revenue Bond
 - GO Variable Rate Sales Tax Bond
 - Lease Revenue 2020A Bond
 - 2020C GO Refunding Bond

Proprietary Fund Types

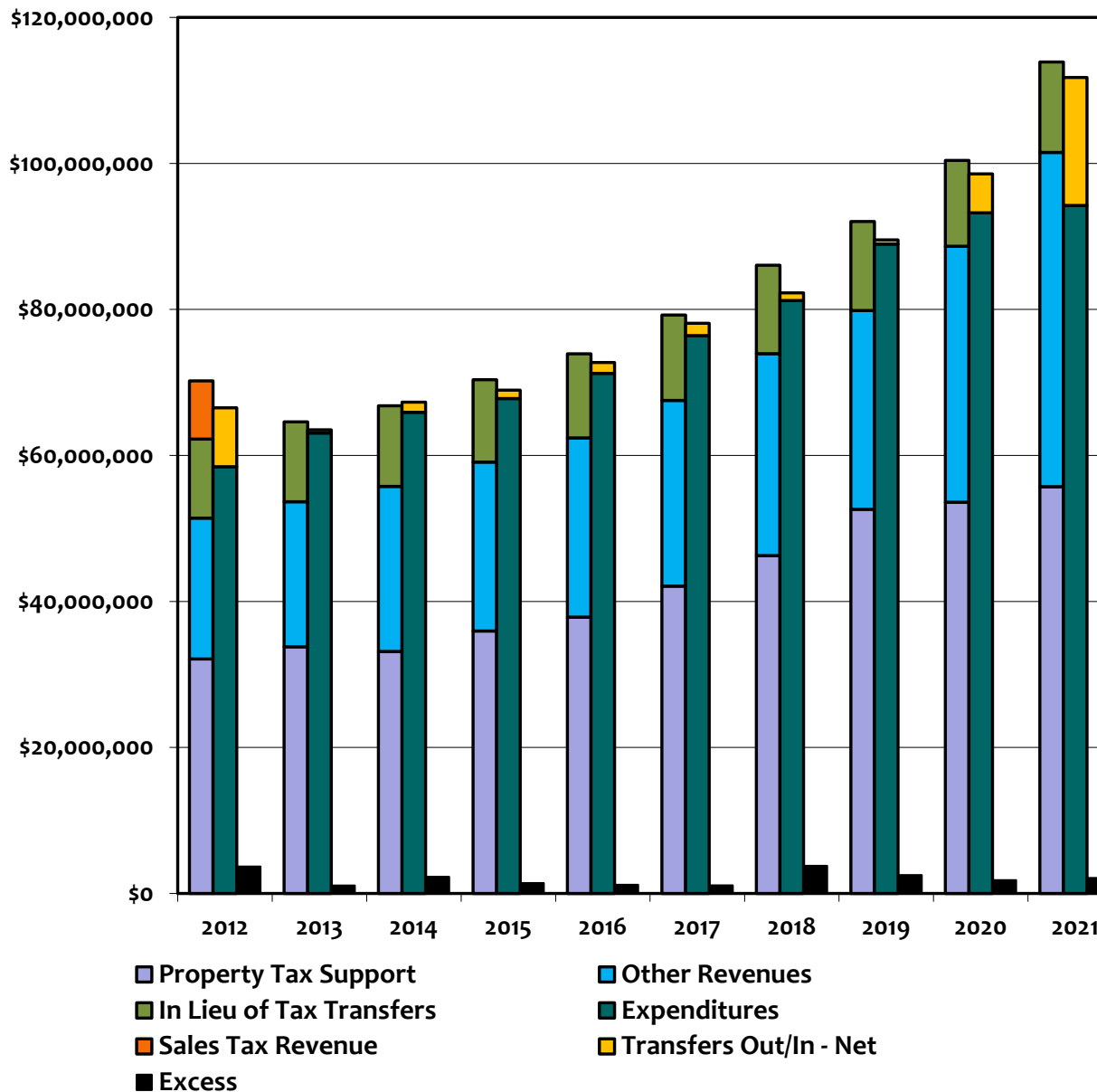
- **Enterprise Funds:**

- Parking
- Electric
- Water
- Sewer
- Storm Water

- **Internal Service Funds:**

- Equipment Revolving
- Information Technology Revolving
- Self-Insurance
- Employee Benefits

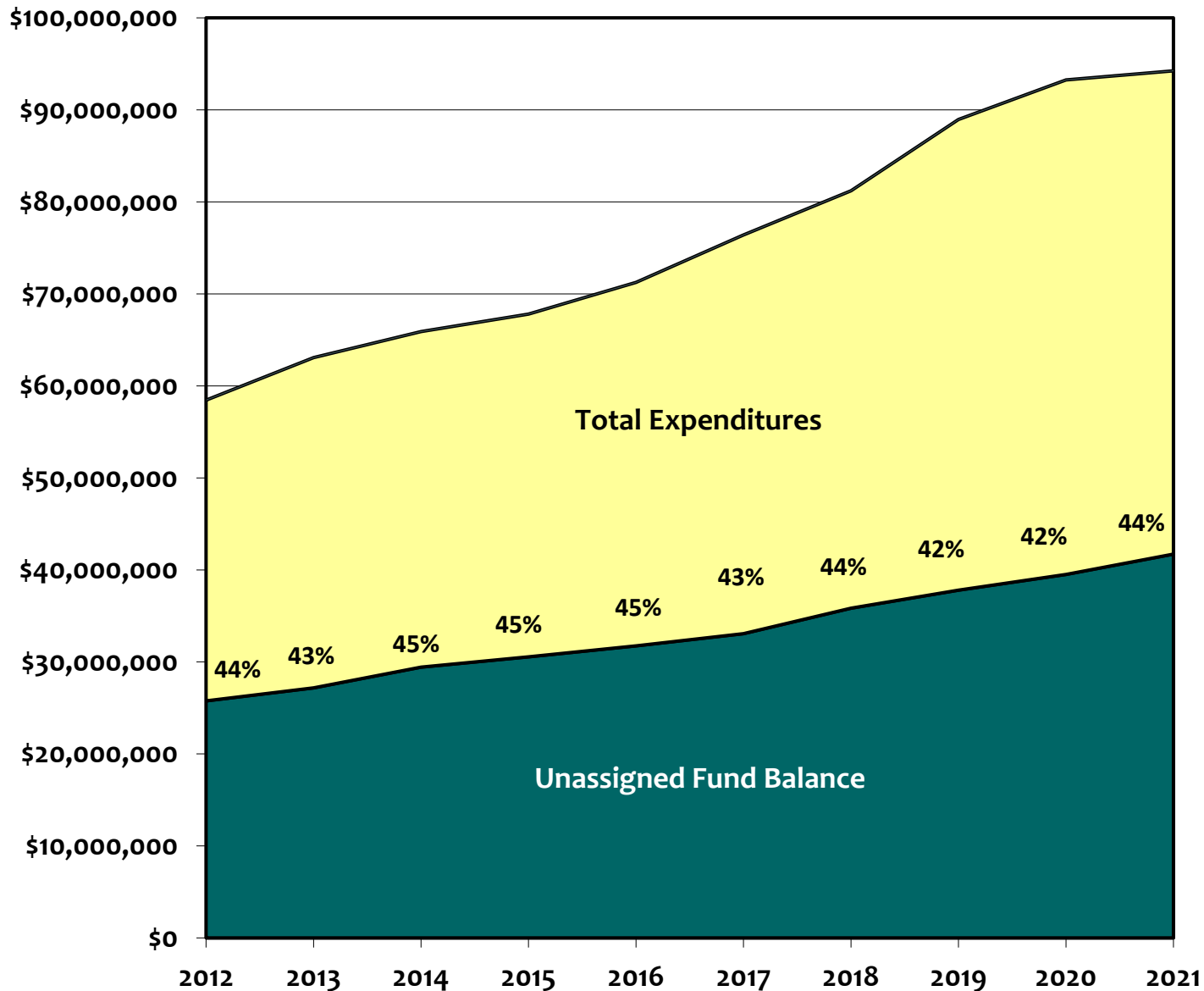
General Fund Revenues and Expenditures



- Generated surplus of **\$2,128,052** in 2021
- Revenues increased **\$12,867,991** from 2020 to 2021 primarily as the result of:
 - Increase in General Property Taxes of \$2.1M (Shift of levy from CIP to General)
 - Increase in intergovernmental revenue \$8.7M (ARPA funding in CY, net of Cares Funding PY)
 - Increase in Hotel/Motel tax revenue of \$1.1M
 - Increase in license and permit revenues of \$595K
- Expenditures increased from 2020 to 2021 by **\$1,002,581** or **1.1%**
 - Increases in:
 - Public Safety **\$3.7 Mil**
 - Decreases in:
 - General Government **\$0.7 Mil**
 - Cares Related Exp **\$2.6 Mil**
- 2021 In Lieu of Tax received by General Fund:

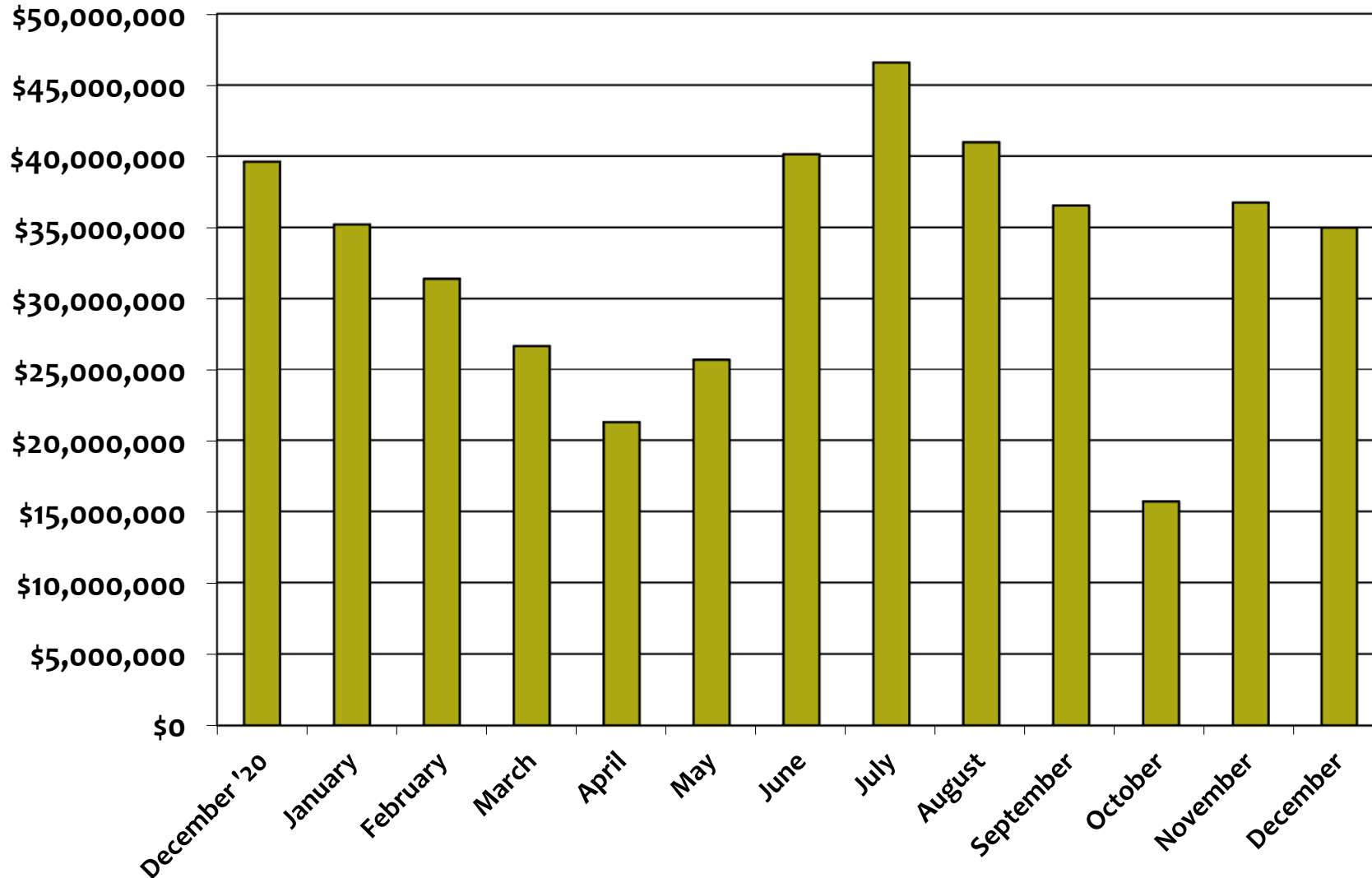
– Electric	\$8,469,289
– Sewer	1,995,000
– Storm Water	685,760
– Parking	816,098
– Water	407,125
– Total	<u>\$12,373,272</u>

General Fund – Unassigned



- General fund unassigned fund balance was **\$41,717,814** at 12/31/21 - expenditures totaled **\$94,250,741** in 2021
- State Auditor recommendation and adopted city policy is no less than 5 months of expenditures (**42%**)

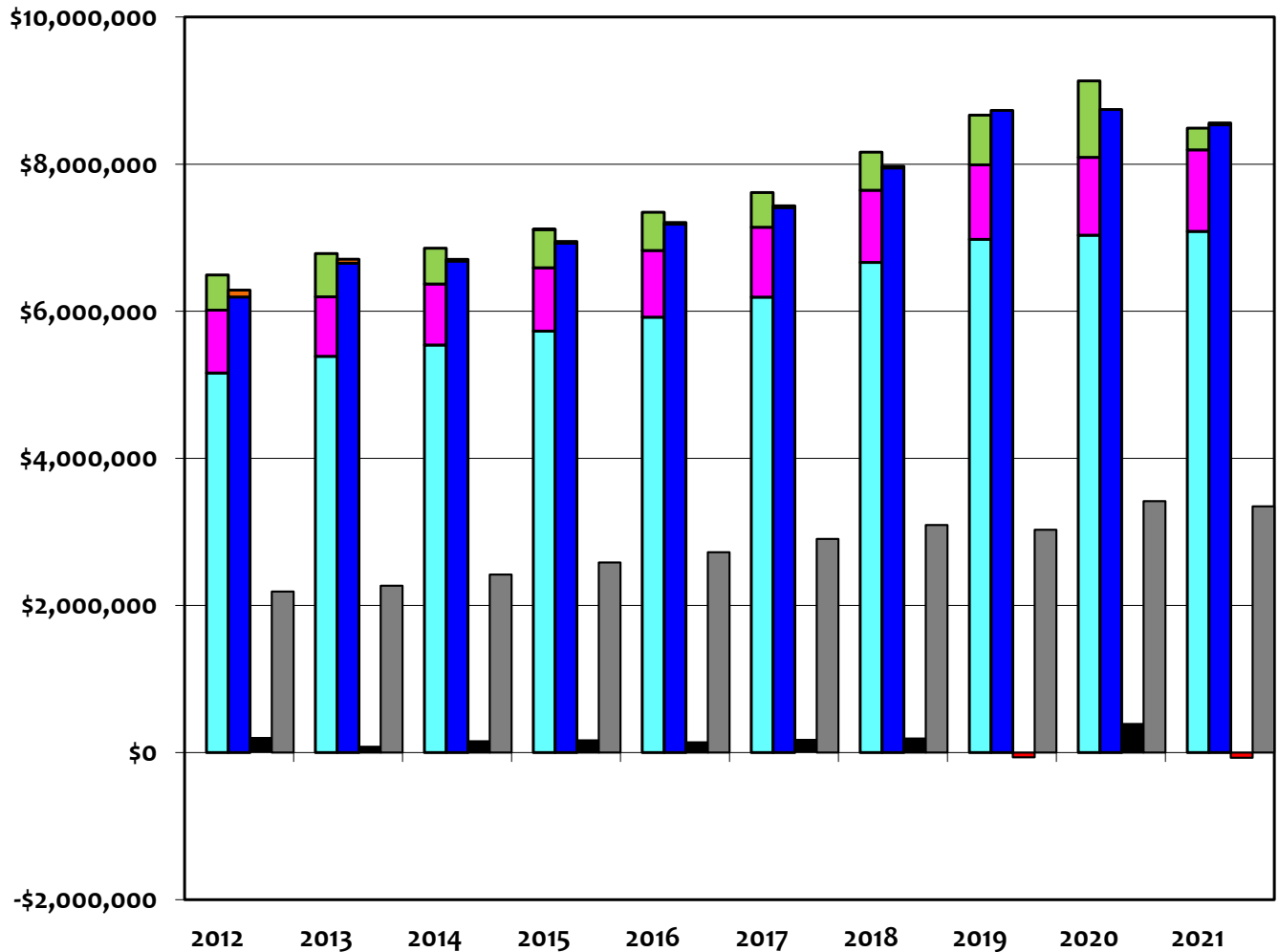
General Fund – 2021 Month End Cash and Investment Balances



Special Revenue Funds

- **Library**
- **Municipal Recreation System**
- **Mayo Civic Center**
- **Edward Byrne Memorial JAG**
- **Airport Operations**
- **F.E . Williams Trust**
- **Transit**
- **Minnesota Bio Science Center**
- **Community Development Projects**
- **DMCC**

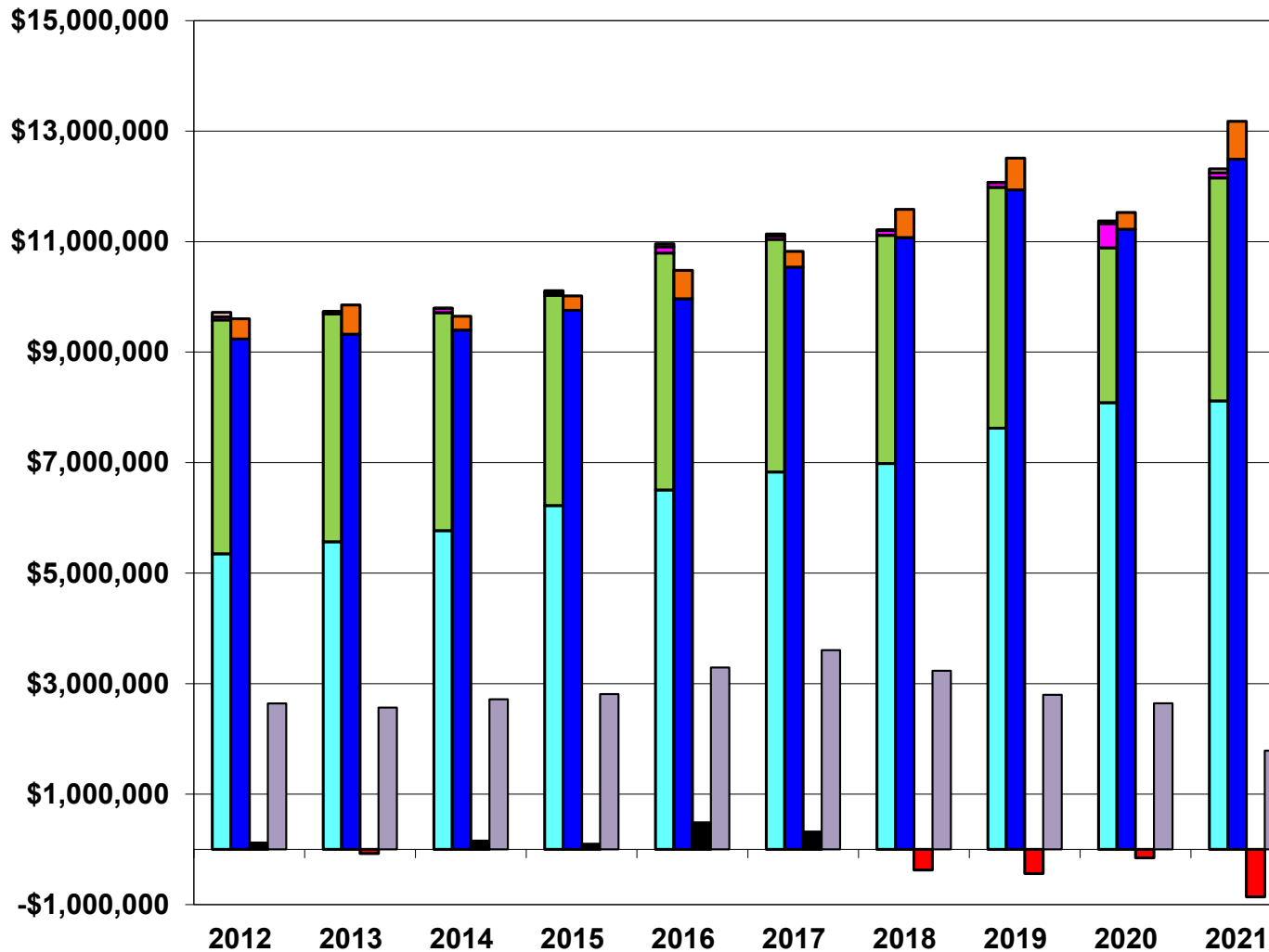
Library Fund



- Property taxes of **\$7,085,526** represented **83.5%** of Library revenues in 2021
- In 2021, the Library operated at a deficit of **\$70,651**
- County contributions totaled **\$1,106,839** in 2021 which is raised through property taxes levied outside of the City
- Expenditures decreased by **\$206,315** in 2021
- Ending Fund Balance of **\$3,347,446** was **39%** of 2021 Expenditures

■ Property Tax Support ■ County Contributions ■ Fees & Other Revenues
■ Transfers In ■ Expenditures ■ Transfers Out
■ Excess (Deficit in Red) ■ Fund Balance

Municipal Recreation System

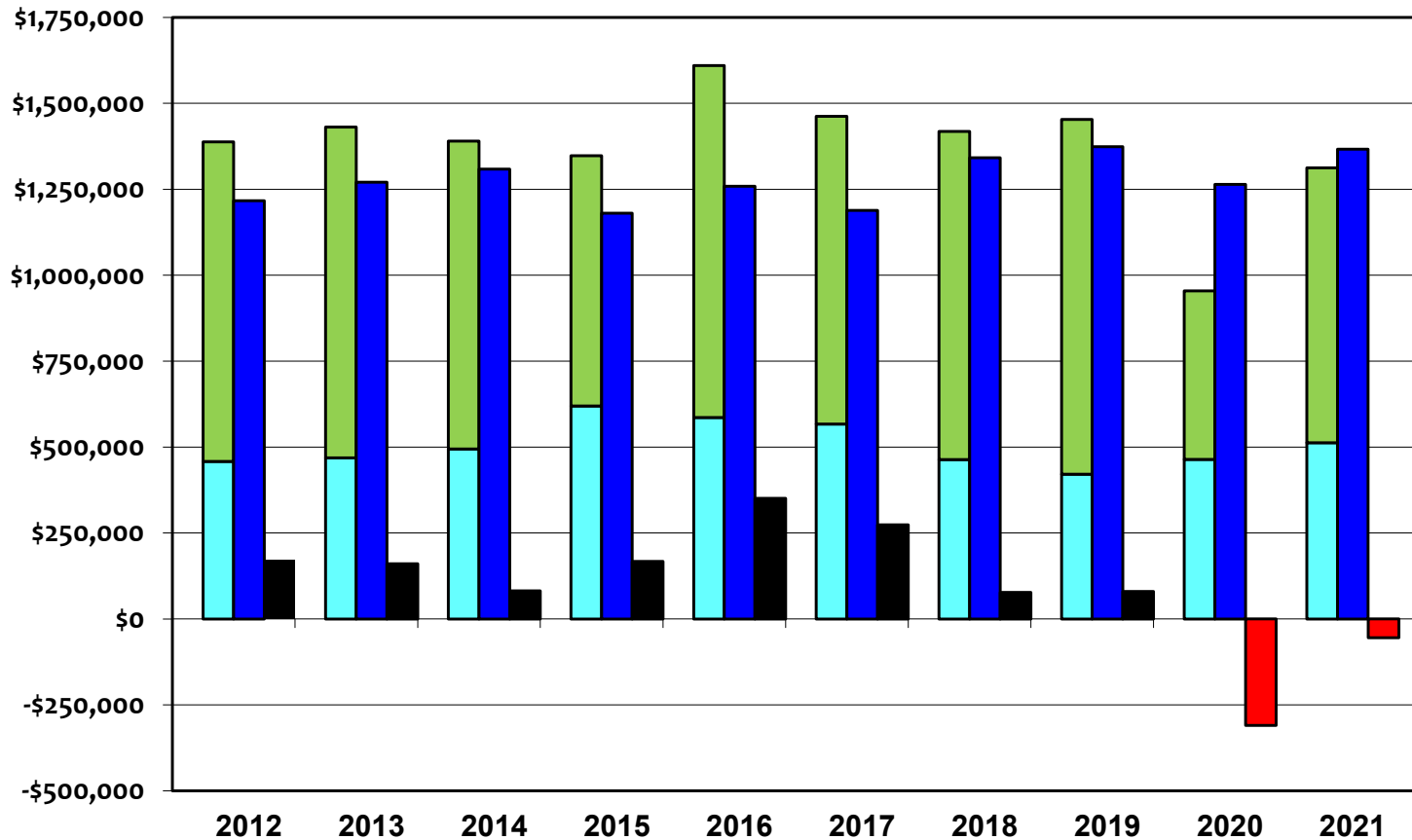


- Municipal Recreation System includes:**
 - Recreation Center
 - Golf operations
 - Parks, Forestry, and Parkway Maintenance
 - Recreation
 - Tennis Center
 - Swimming Pools
 - Plummer House
 - Foster Arend Park
 - Graham Arena
 - Nat'l Volleyball Center
- Property taxes of **\$8,120,341** were **66%** of revenues in 2021
- In 2021, Municipal Recreation System operated at a deficit of **\$857,907** after transfers out of **\$682,662**
- Fund balance totaled **\$1,786,381** at 12/31/21 (**14%** of 2021 Expenditures)

■ Property Tax Support
 ■ Fees & Other Revenues
 ■ Intergovernmental
 ■ Transfer In
■ Expenditures
 ■ Excess (Deficit in Red)
 ■ Transfers Out
 ■ Fund Balance

Recreation Center

Charges for Services, Direct Expenditures, and Property Tax Support

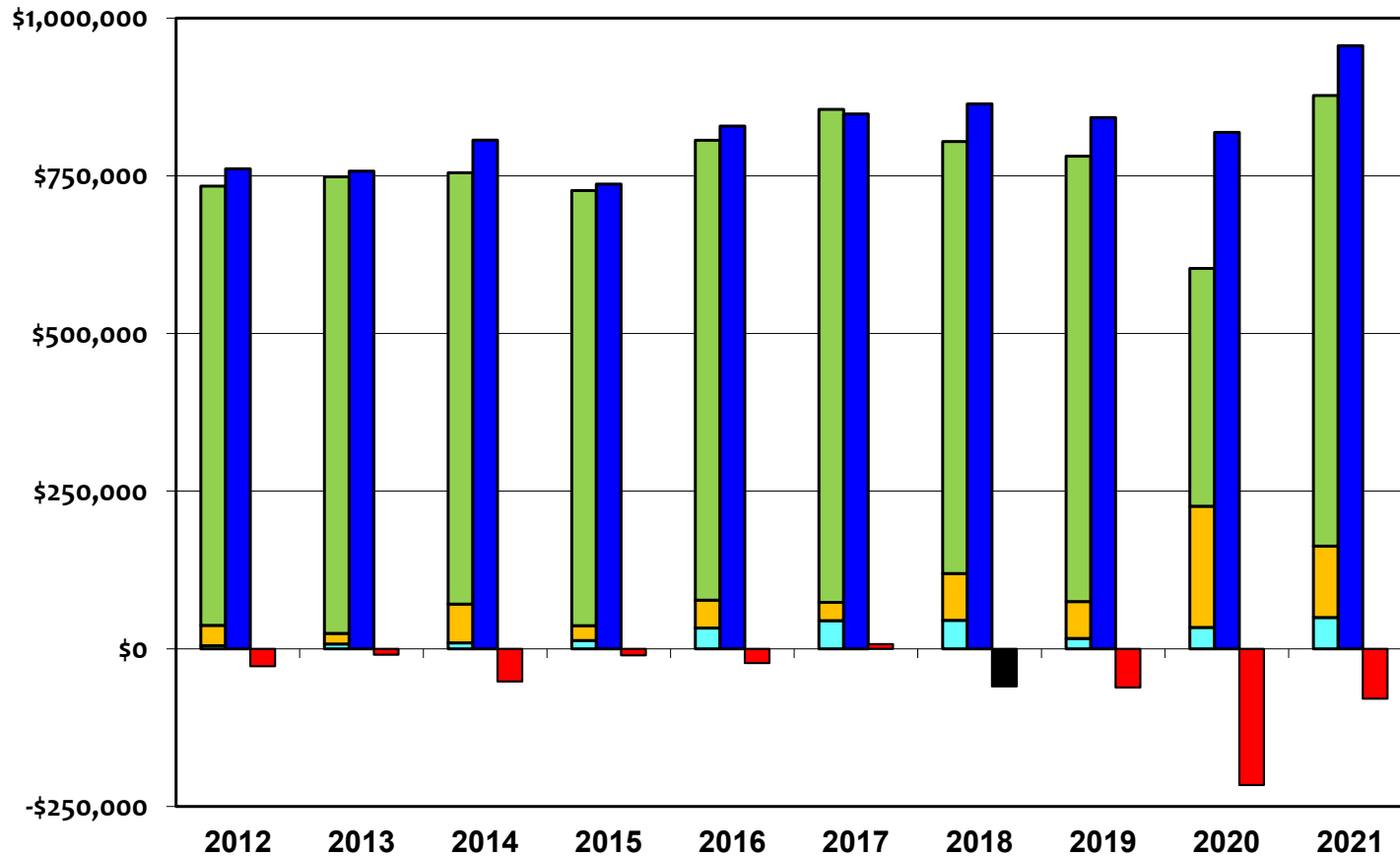


- Direct expenditures exceeded customer charge revenues by **\$567,072** in 2021, versus **\$773,835** in 2020
- The Recreation Center was supported by tax levy of **\$512,555** in 2021

■ Excess (Deficit in Red) after Property Tax Support ■ Direct Expenditures
 ■ Customer Charges ■ Property Tax Support

Graham Arenas

Charges for Services, Direct Expenditures, and Property Tax Support

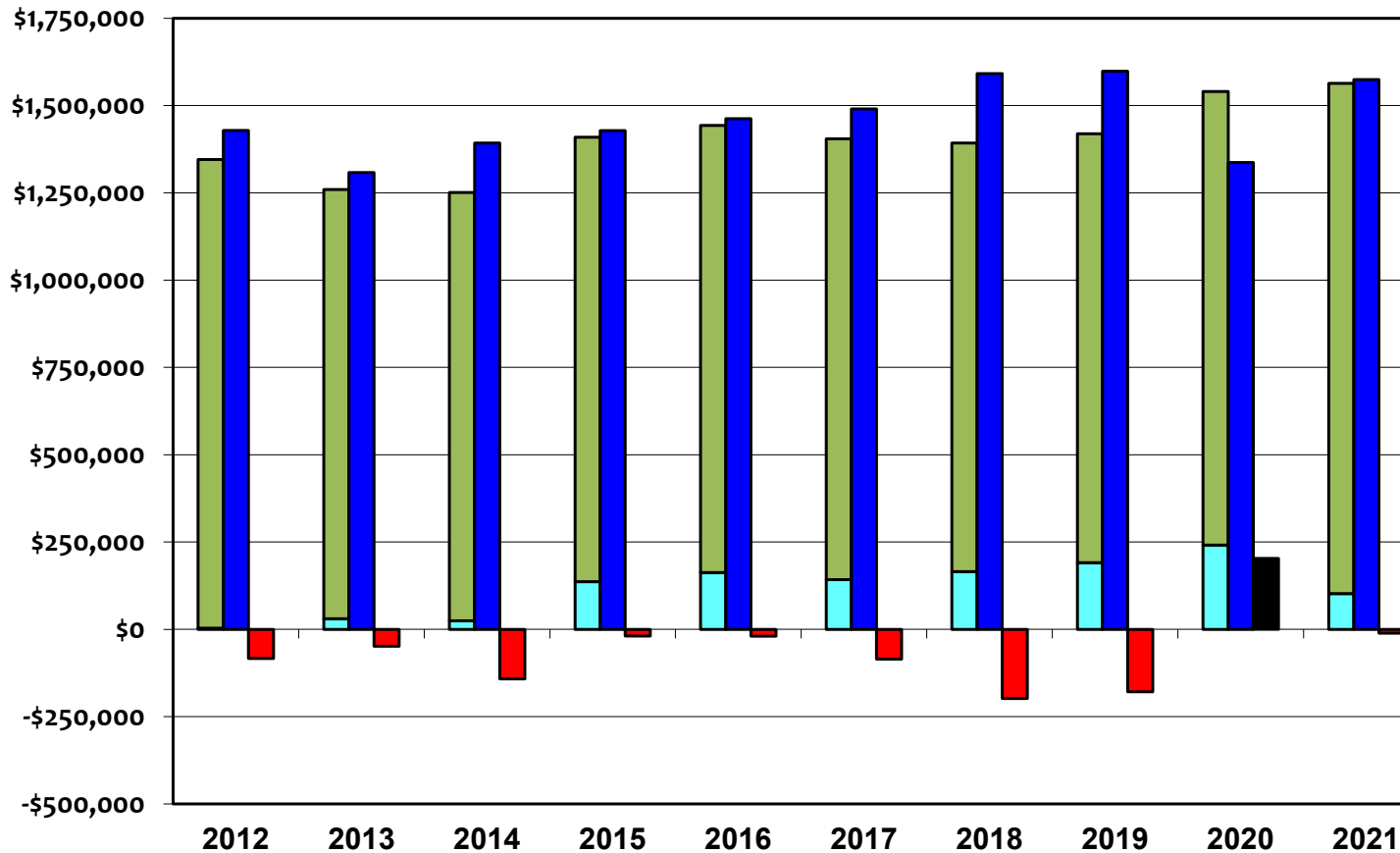


- Rentals, User Fees, and Program Fees totaled **\$714,386** in 2021
- Expenditures totaled **\$956,183** in 2021, an increase of **\$137,128** from 2020
- Any operating deficit is split between the city and county

■ Excess after Property Tax Support (Deficit Red) ■ Direct Expenditures
■ Program & User Fees ■ County Contributions
■ Property Tax Support

Golf Operations

Charges for Services, Direct Expenditures, and Property Tax Support

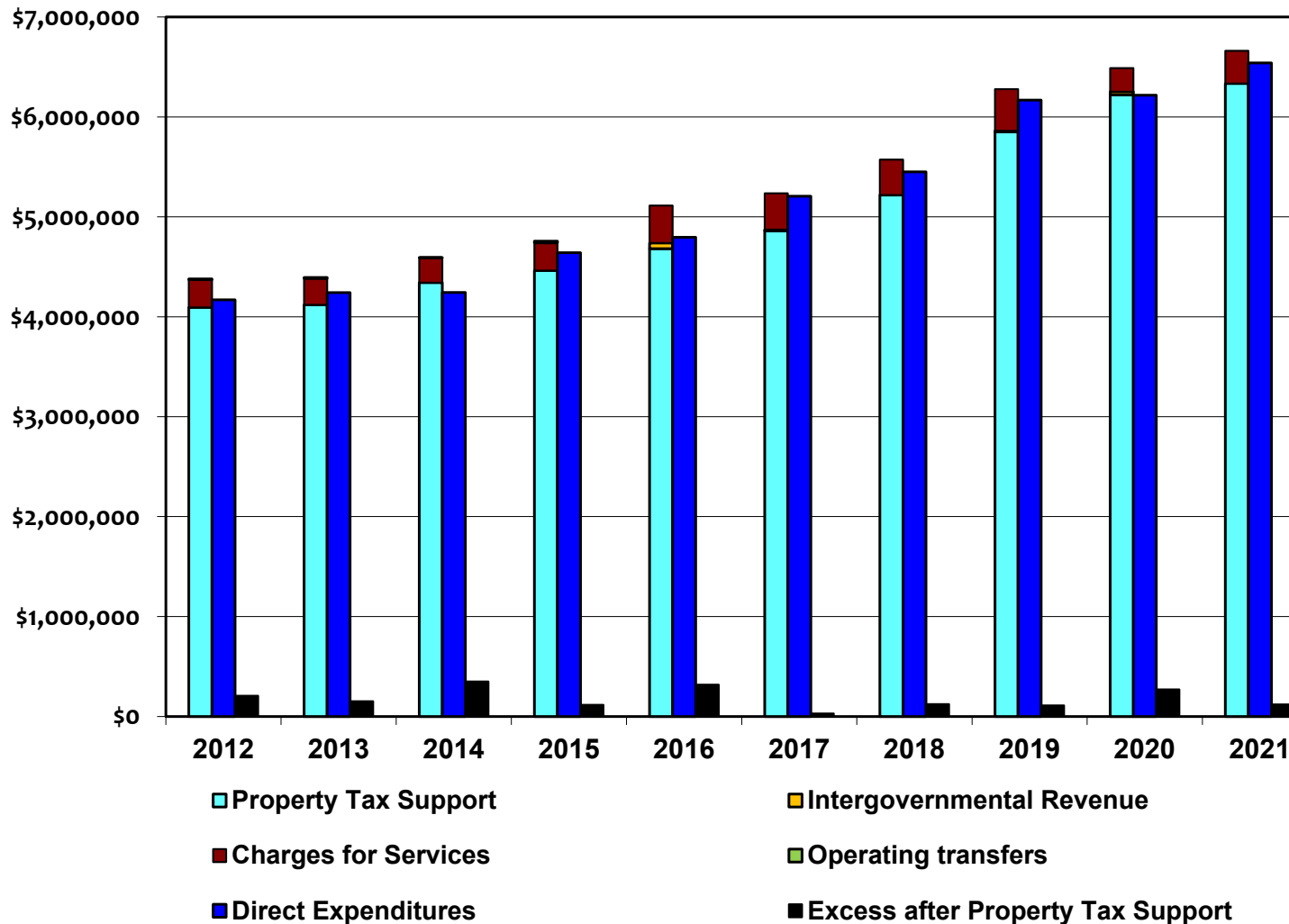


- Customer charges in 2021 increased **\$162,605** in comparison to 2020
- Total expenditures increased **\$237,489** from 2020 to 2021
- Property tax support totaled **\$102,058** in 2021
- Total expenditures exceeded customer charges revenues by **\$113,025** in 2021, versus **\$38,141** in 2020

■ Excess after Property Tax Support (Deficit Red) ■ Direct Expenditures
 ■ Customer Charges ■ Property Tax Support

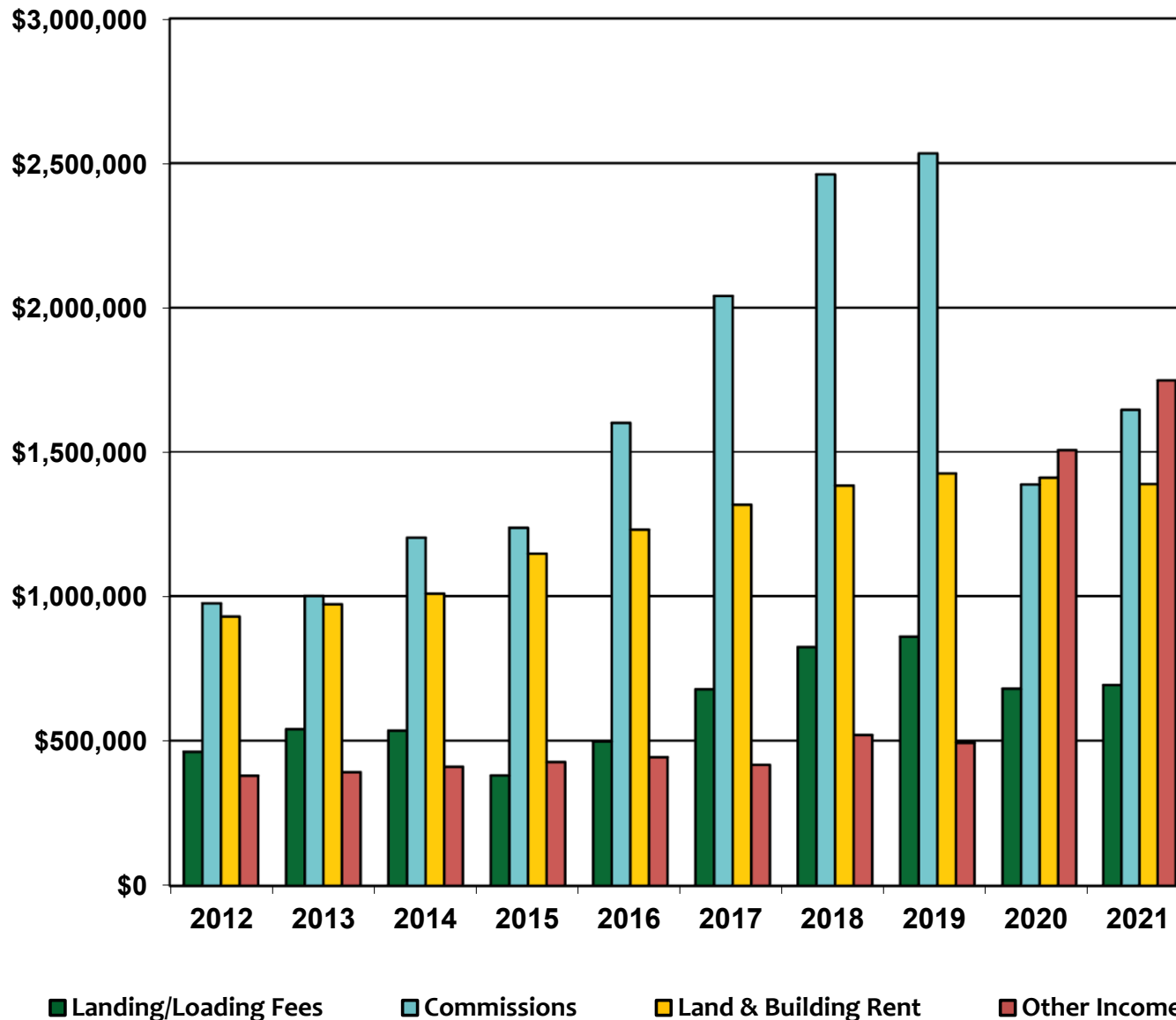
Park/Forestry/Parkway Maintenance

Charges for Services, Direct Expenditures, and Property Tax Support



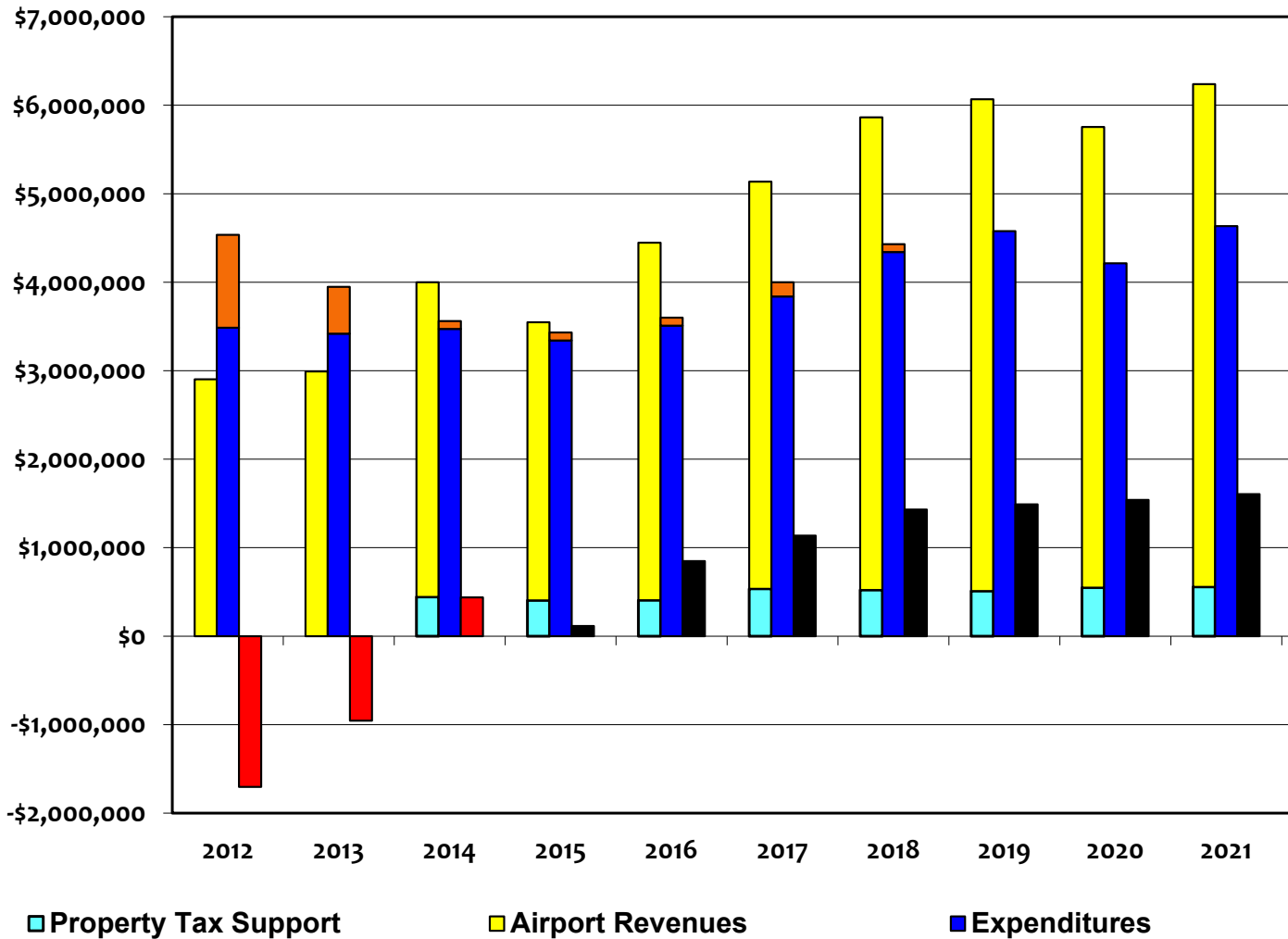
- Property taxes of **\$6,333,675** represented **95%** of revenues in 2021
- Expenditures of **\$6,539,244** in 2021 were **\$321,560** higher than 2020
- Overall departmental excess of **\$120,461** in 2021

Airport Operating Revenues



- Airport saw an increase in commissions of \$260,940 and an increase in landing/loader fees of \$12,583 in 2021
- Commission revenue generated primarily from:
 - Parking lot
 - Car rentals
 - Fixed Base Operator
- Land and building rent is the 3rd largest source of revenue (\$1,387,287 in 2021, a decrease of \$22,205)
- 2021 and 2020 other income includes \$1,185,535 and \$1,294,456 in CARES act funding, respectively
- Total Airport operating revenues in 2021 was \$5,475,562, an increase of \$492,610 from 2020

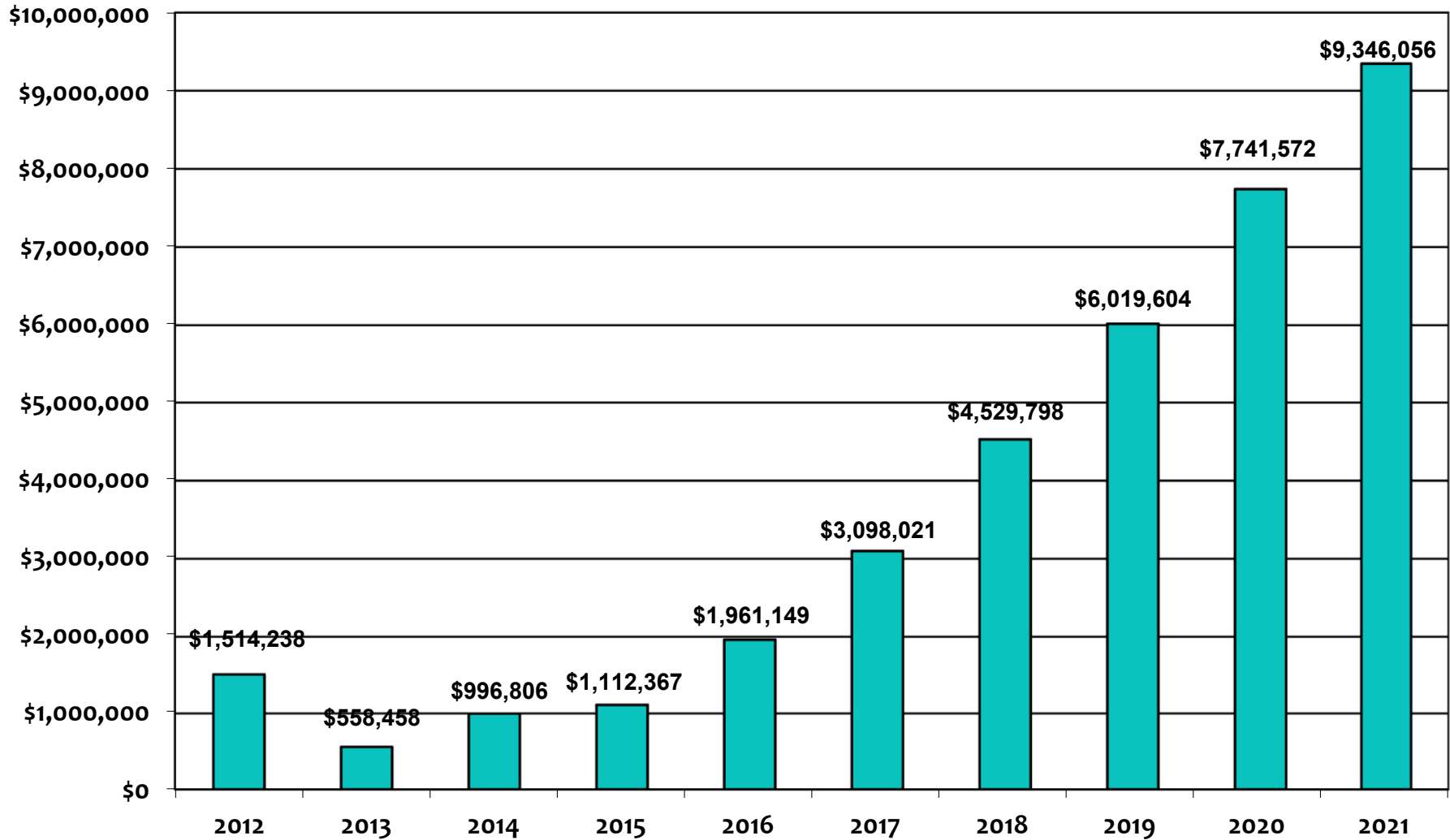
Airport Operations Fund



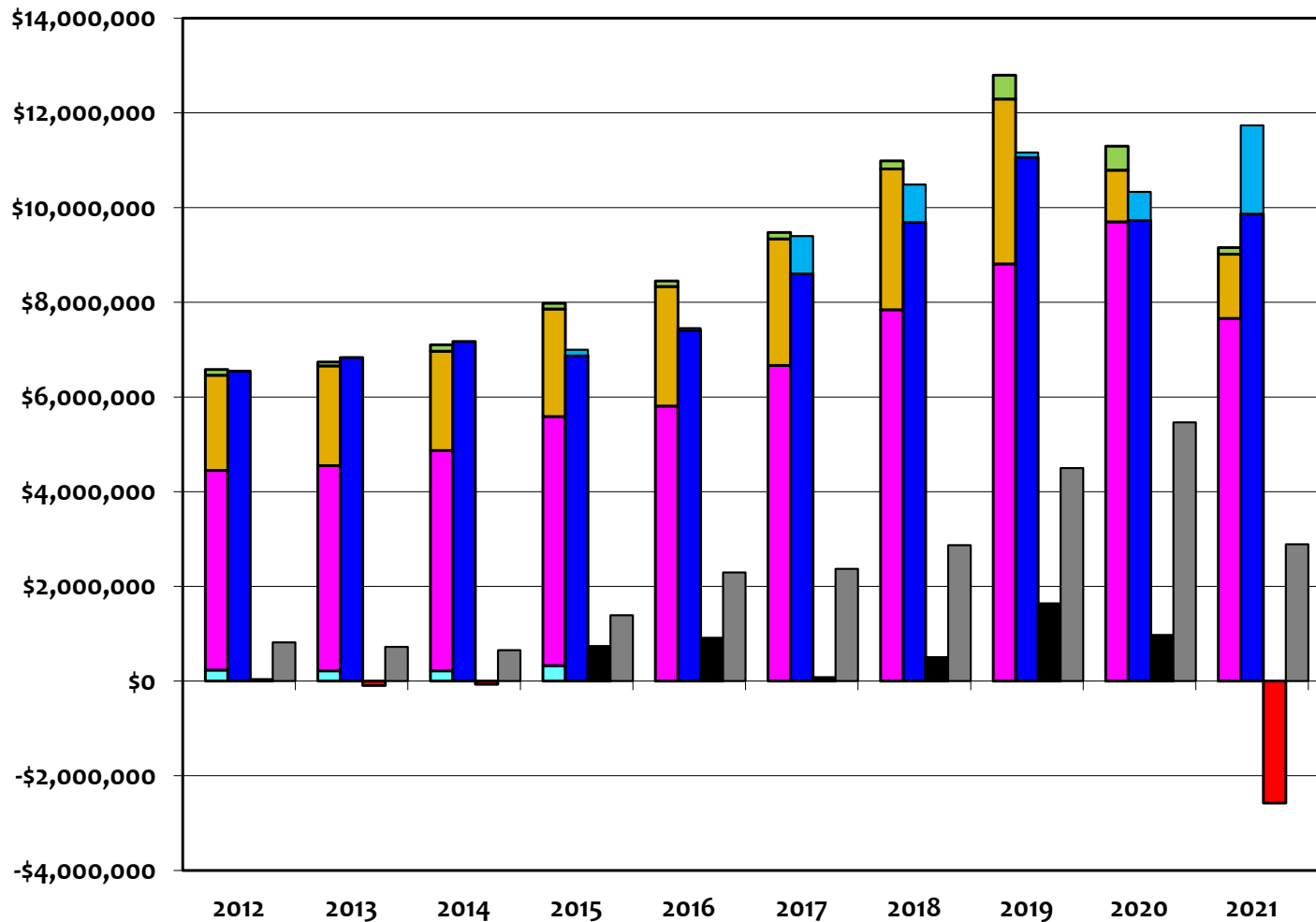
- Property taxes of **\$555,588** were collected for airport operations
 - Utilities (excluding natural gas)
 - Customs

■ Property Tax Support
 ■ Airport Revenues
 ■ Expenditures
■ Transfers Out, Net
 ■ Excess (Deficit in Red)

Airport Operations Fund – Fund Balance



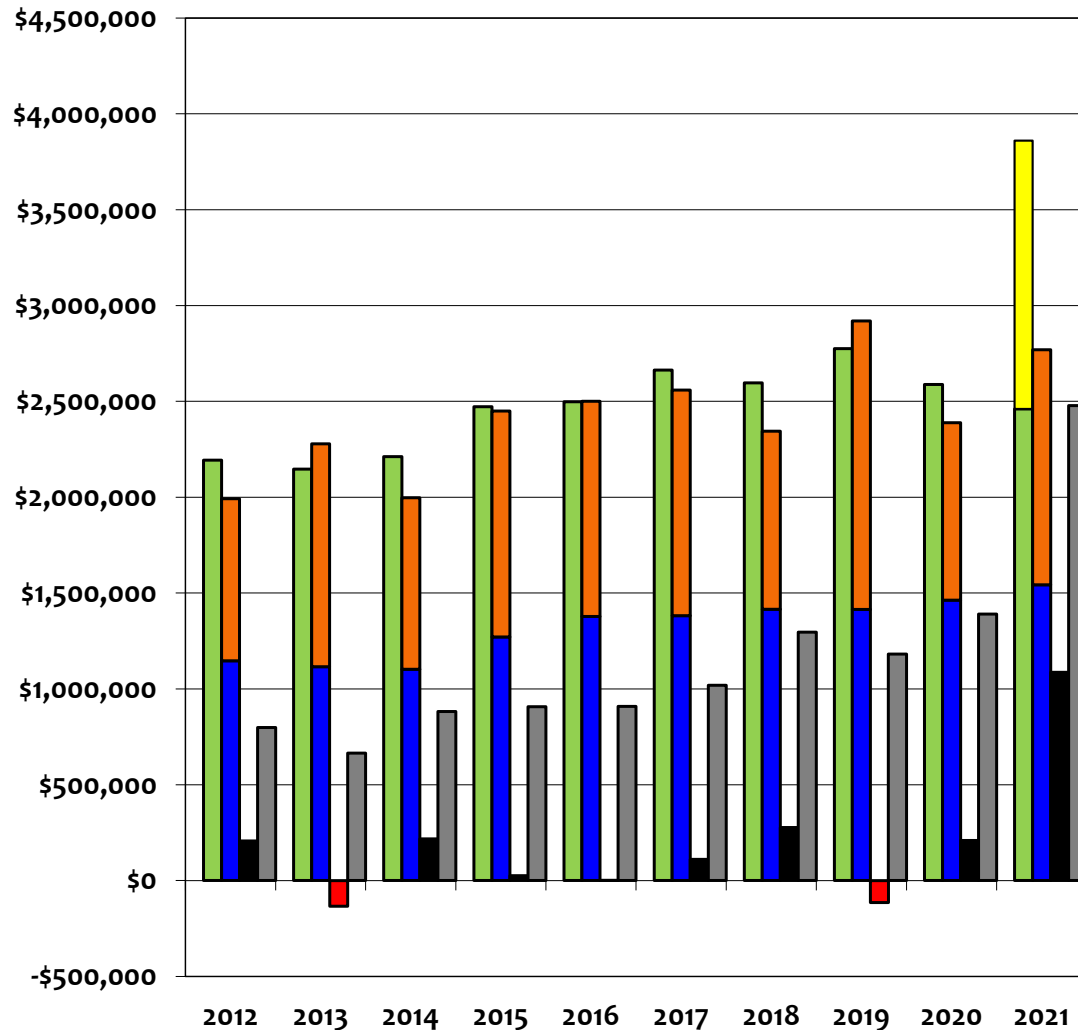
Transit Fund



- Decrease in revenues of \$2,141,892 primarily due to decreased federal grants related to COVID
- In 2021, the Transit Fund operated at a deficit of \$2,577,066 after transfers out of \$1,863,182 for capital expenditures
- Fund balance at December 31, 2021 totaled \$2,887,230
- Expenditures increase in 2018 and 2019 included expansion of services
- Expenditures decreased in 2020 due to COVID-19

■ Property Tax Support ■ Federal and State Grants ■ Charges for Services
■ Other Revenues ■ Expenditures ■ Transfers, net
■ Excess/Deficit (In Red) ■ Fund Balance

Minnesota Bio Science Center Fund



■ Rental income ■ Expenditures ■ Transfers In
■ Transfers Out ■ Excess (Deficit in Red) ■ Fund Balance

- This fund includes revenues from non-TIF portion of building only (Floors 4-8)
- Rental revenues totaled \$2,460,184 in 2021
- In 2021, the MN Bio Science Center operated at an excess of \$1,087,163 including a transfer in of \$1.4M from the proceeds of a property sale
- In 2021, transfers out of \$1,226,204 were made to the EDA Bond Fund for principal and interest payments, transfers out in 2020 amounted to \$926,416
- Fund Balance totaled \$2,477,674 at 12/31/21

Debt Service Funds

- **Tax Increment Bonds**
- **TIF Revenue Bond**
- **Economic Development Authority Bond**
- **Public Works and Transit Operation Center Bond**
- **Lodging Tax Revenue Bond**
- **GO Variable Rate Sales Tax Bond**
- **Lease Revenue 2020A Bond**
- **2020C GO Refunding Bond**

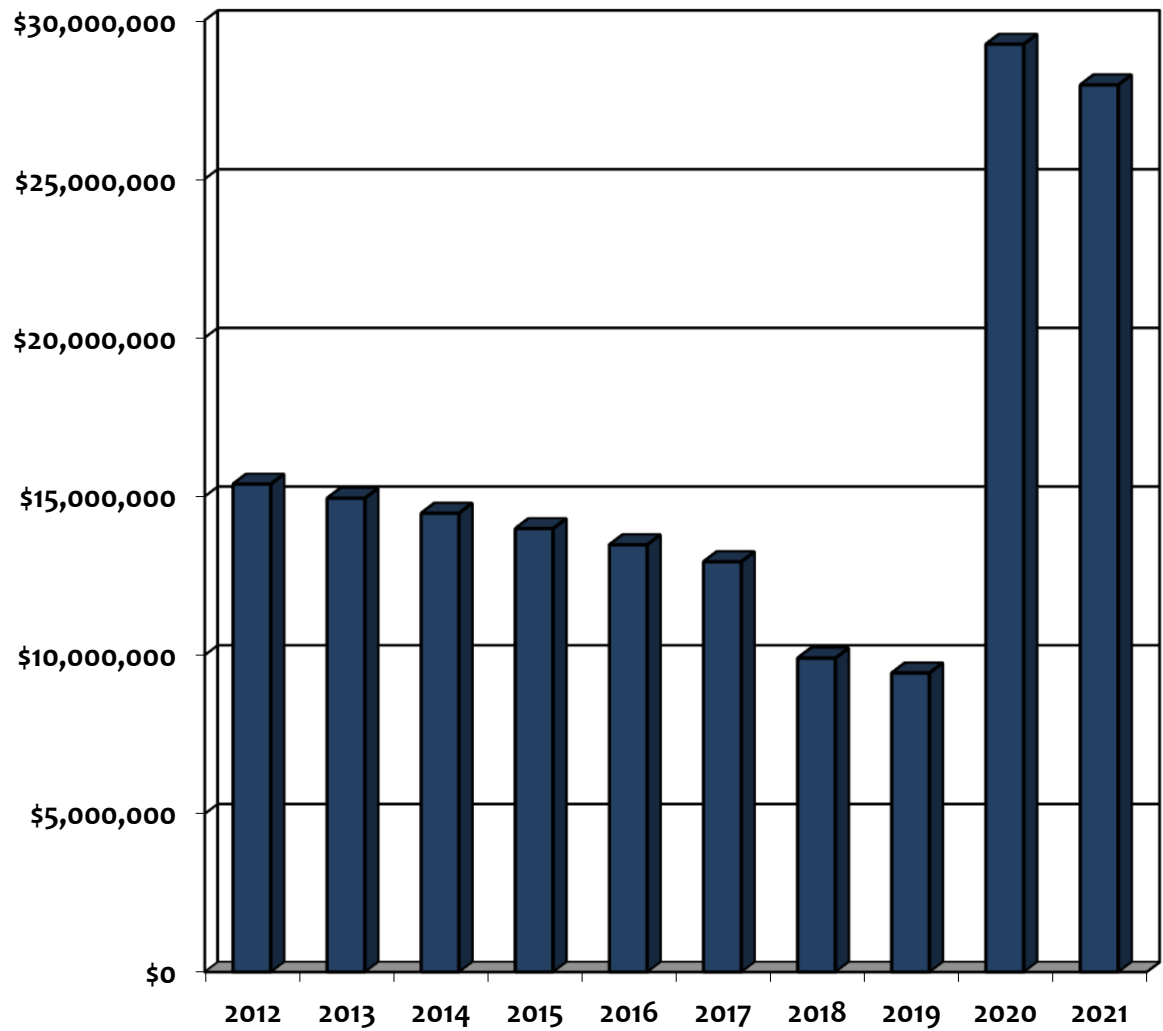
REDA Lease Revenue Bonds

- **REDA Lease Revenue Bonds Outstanding**

- 2012 15,385,000
- 2013 14,940,000
- 2014 14,470,000
- 2015 13,985,000
- 2016 13,475,000
- 2017 12,940,000
- 2018 9,904,000
- 2019 9,436,000
- 2020 29,244,000
- 2021 27,963,000

- **Bond payments for the 2007 and 2008 Bonds will be funded by sublease rent payments from tenants of the Minnesota Bio Science Center**

- **Bond payments for the 2020 bond (\$20.3M) will be funded from the taxing power of the City. Bond was issued to fund the construction of a Development Services Infrastructure Center and North Precinct**



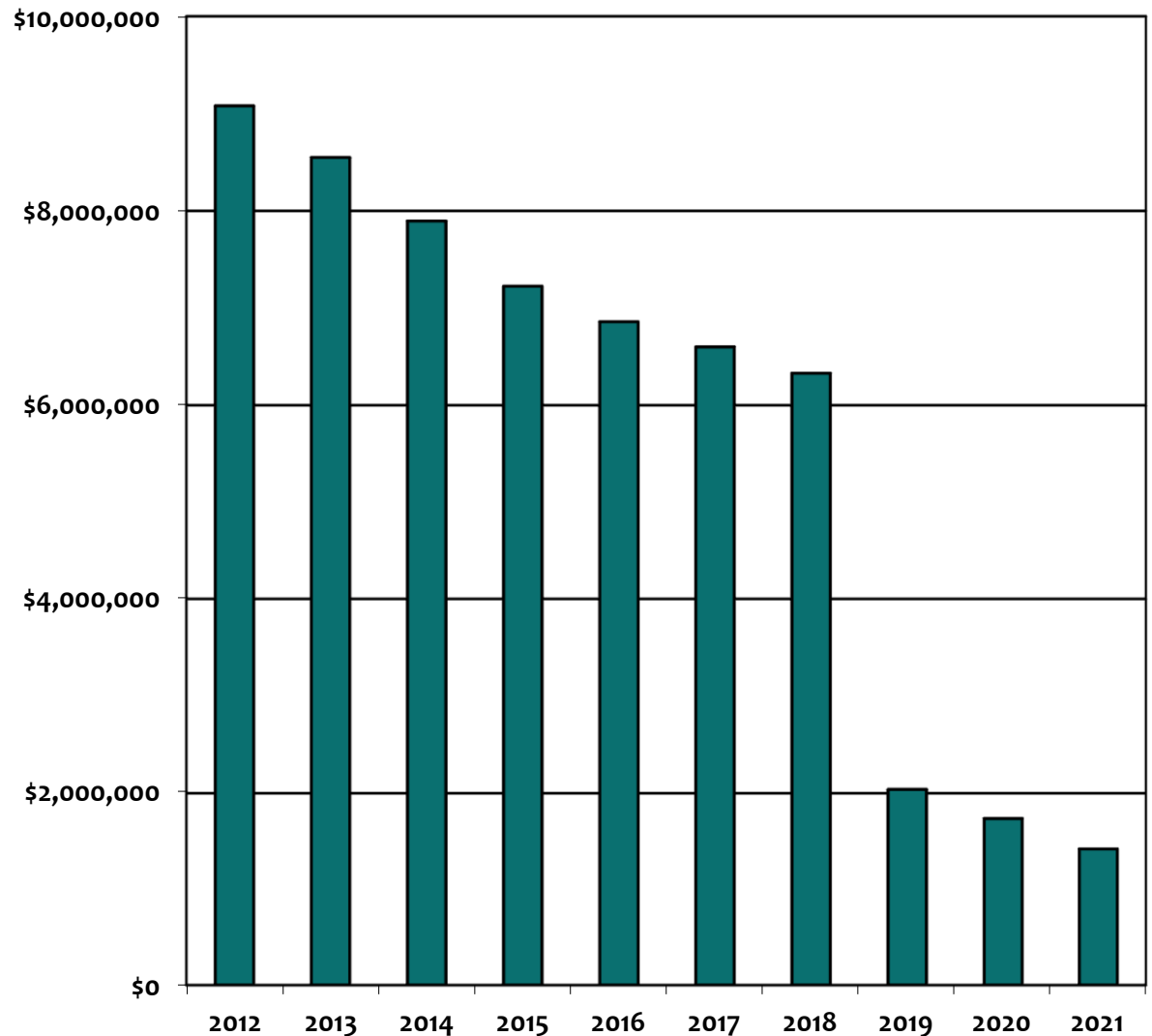
Tax Increment Bond

- **Tax Increment Bonds Outstanding**

– 2012	\$9,079,422
– 2013	8,548,965
– 2014	7,895,273
– 2015	7,224,787
– 2016	6,860,000
– 2017	6,600,000
– 2018	6,330,000
– 2019	2,040,000
– 2020	1,740,000
– 2021	1,425,000

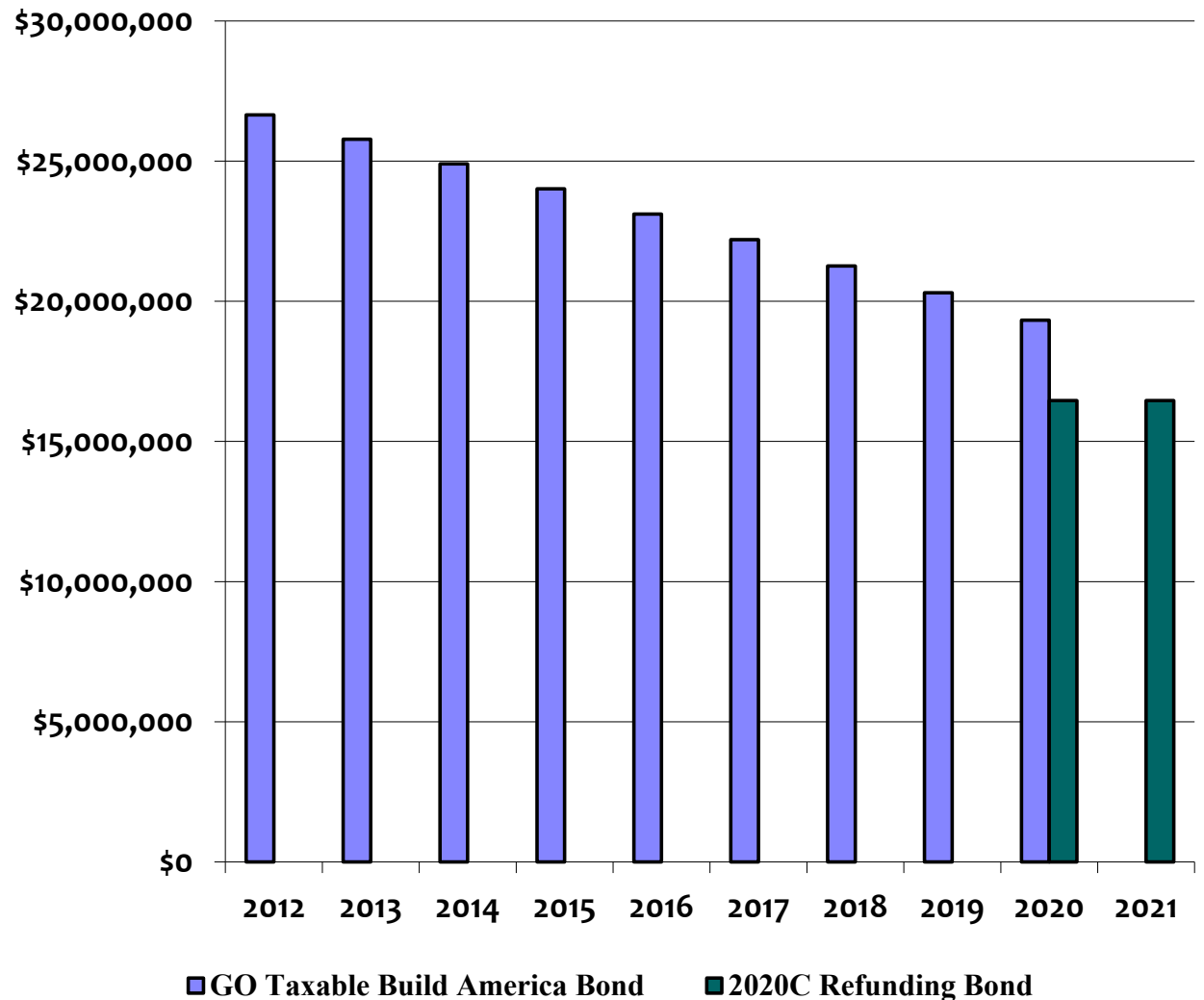
- **TIF Bond issued in 2009 is to be paid by the collection of Bio-Science Center tax increments and building lease revenues – Balance at 12/31/21 - **\$1,425,000****

- **Principal paid in 2021 totaled **\$315,000****

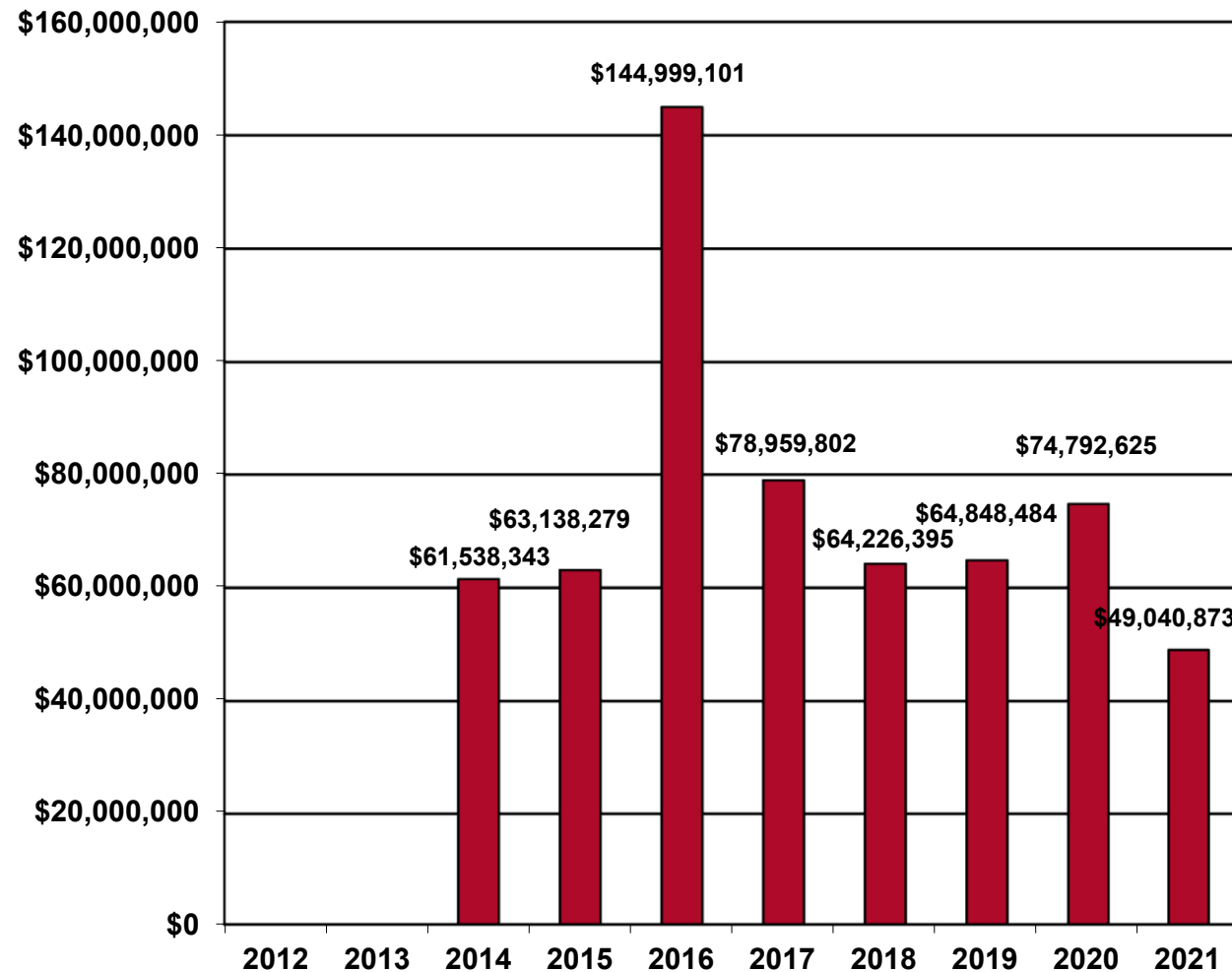


GO Taxable Build America Bond/2020C Refunding Bond

- GO Taxable Build America Bonds (Series 2010A) were issued in 2010. Proceeds of these bonds used for:
 - Public Works Operations Center \$23.8 million
 - Transit Operations Center \$2,475,000
 - Fire Truck \$425,000
- Issued 2020C Bond for \$16,460,000 in 2020 to refund 2010A Bond. 2010A bond was paid off in February 2021



Net Pension Liability



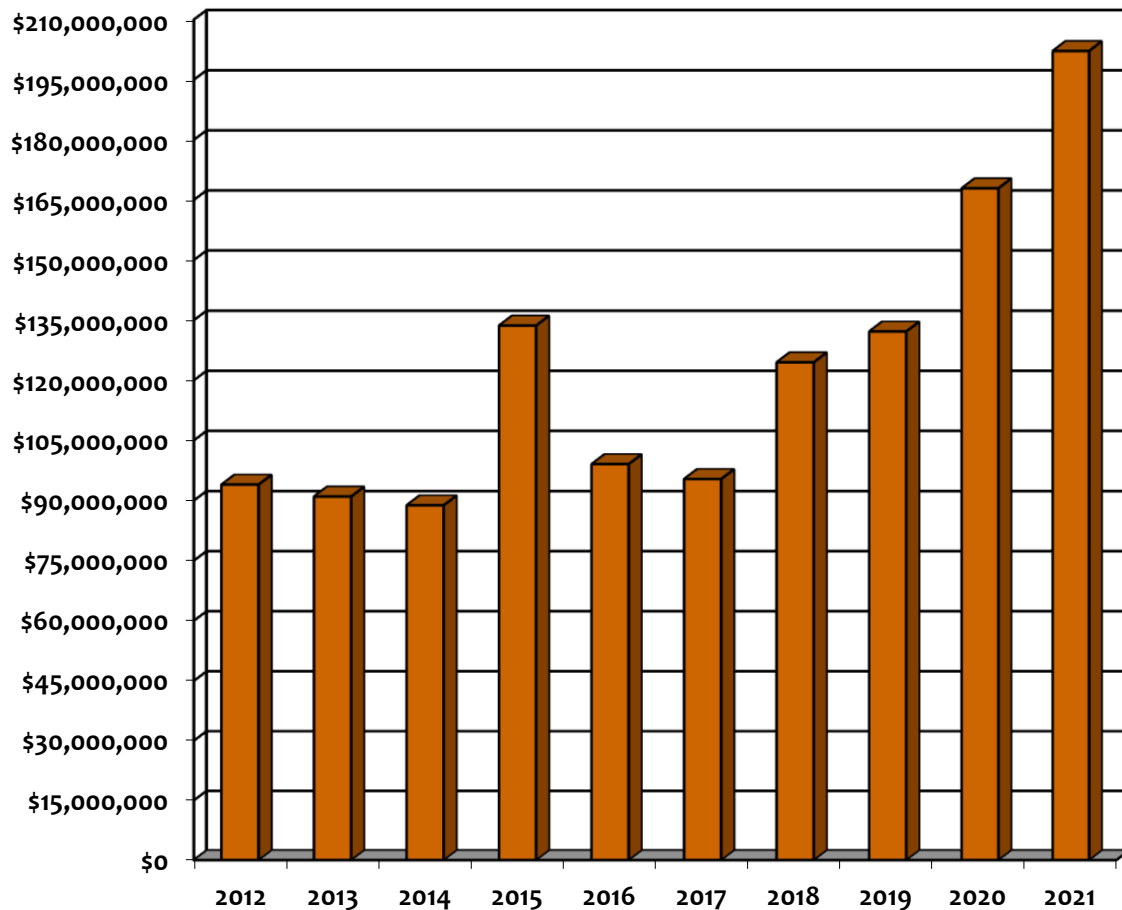
- Net Pension Liability represents City's portion of PERA underfunding – based on PERA Actuarial Report dated June 30, 2021
- Recorded as

– Governmental	\$35,289,580
– Proprietary	<u>13,751,293</u>
Total	\$49,040,873
- Funding percentages at June 30, 2021 estimated at
 - General Employee Fund: 87.0%
 - PEPPF: 93.7%

Capital Projects Fund

- **Capital Improvement**

Capital Projects Fund Balance

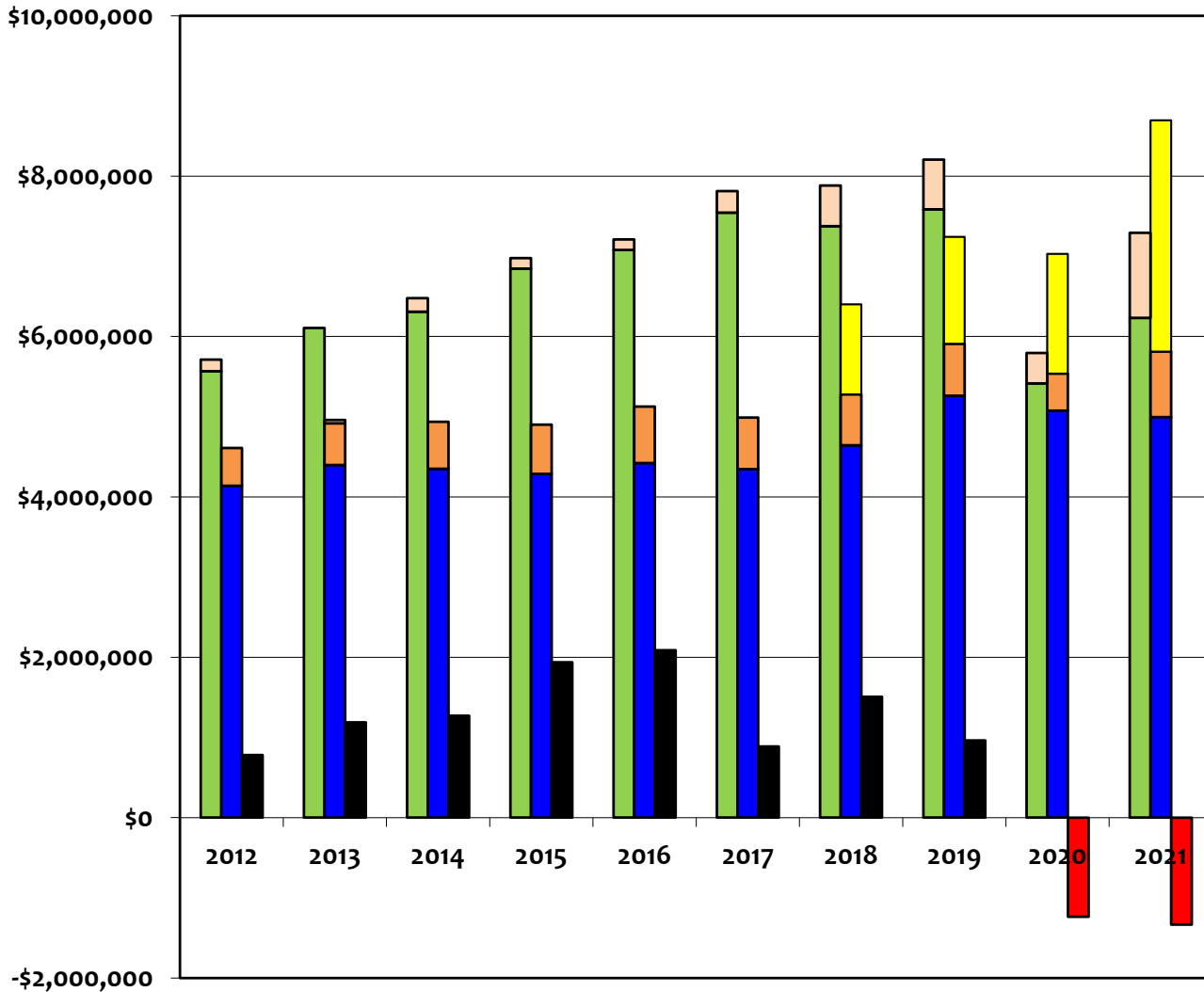


- Fund balance totaled **\$202,199,350** at 12/31/21
 - Fund balance is either committed by the City Council or restricted for the following:
 - Flood Control (\$13.2 Million)
 - Sewer and Water (\$7.2 Million)
 - Infrastructure Sales Tax Projects (\$44.0 Million)
 - Highways & Streets (\$20.4 Million)
 - Future Construction (\$22.5 Million)
 - Economic Development Loan (\$217,000)
 - Mass Transit (\$4.2 Million)
 - Tax Increment (\$13.6 Million)
 - Future Assessment Projects (\$9.0 Million)
 - Future Property Acquisition (\$704,000)
 - Park and Recreation (\$6.4 Million)
 - Fire Station, Computer Upgrades, Airport, Future Construction & other misc. projects (\$15.3 Million)
 - Mayo Civic Center (\$9.4 Million)
 - DMCC (\$36.2 Million)

Enterprise Funds

- **Parking**
- **Electric Utility**
- **Water Utility**
- **Sewer Utility**
- **Storm Water Utility**

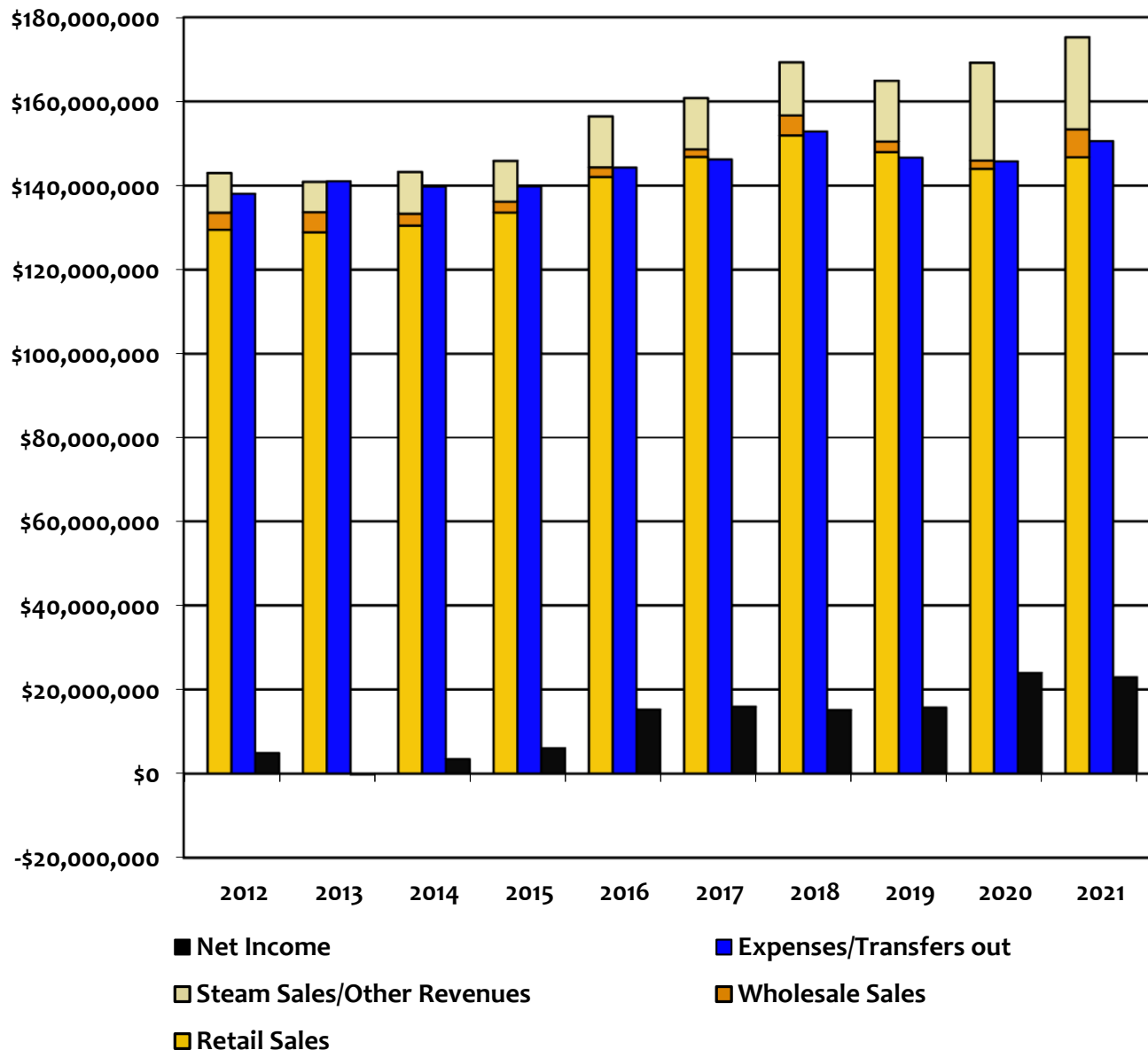
Parking Fund



- In 2021, revenues from Ramps increased by \$364,170 and parking fines collected increased by \$136,925
- Operating costs, not including depreciation, decreased by \$225,315
- Net loss totaled \$1,334,922 in 2021 and net loss totaled \$1,236,339 in 2020
- Unrestricted net position at December 31, 2021 totaled \$15.1 million
- Chart excludes capital contributions
- 2017 net income excludes transfer in of \$22.4 million related to bond proceeds
- Transfers out in 2017 include \$1.9 million related to consulting studies (DMCC)

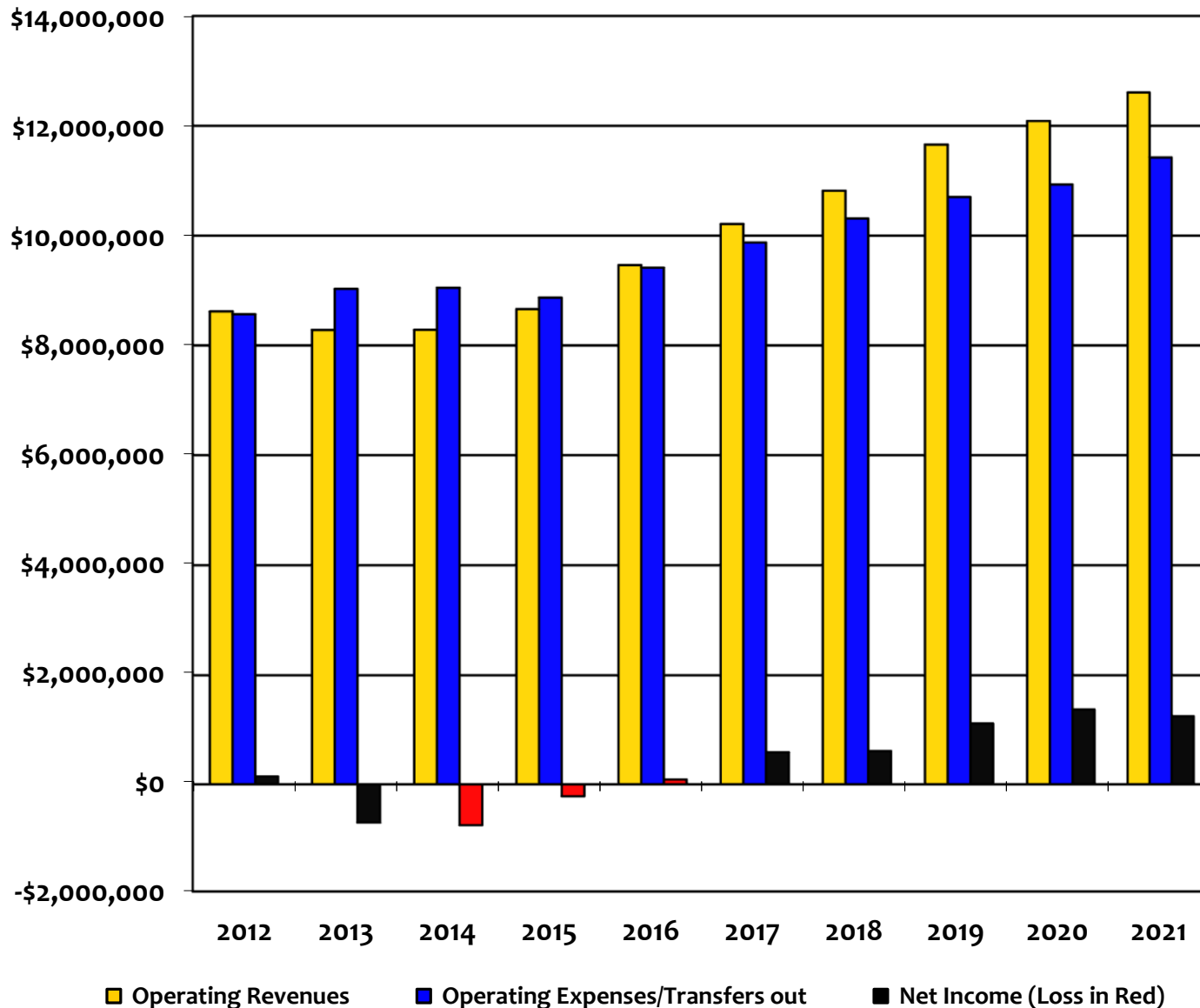
■ Revenues ■ Expenses ■ Transfers Out-In Lieu of Tax
■ Transfers Out-Debt Service ■ Other Income (Expense) ■ Net Income (Loss in Red)

Electric Utility (RPU)



- Electric revenues in 2021 were \$175,253,869, an increase of \$6,060,557
- Net income was \$22.9M in 2021 compared to \$24M in 2020
- No general rate increase in January 2021
- Additional Electric Customers:
 - 2021 548
 - 2020 1,252
 - 2019 1,047
 - 2018 1,102
 - 2017 939
 - 2016 1,520
 - 2015 974
 - 2014 418
 - 2013 392
 - 2012 583
- Operating expenses have fluctuated primarily as the result of SMMPA purchased power rate increases and the changing volume of wholesale activity
- Revenue Bonds and Electric Utility Notes of \$161,825,000 outstanding at 12/31/21

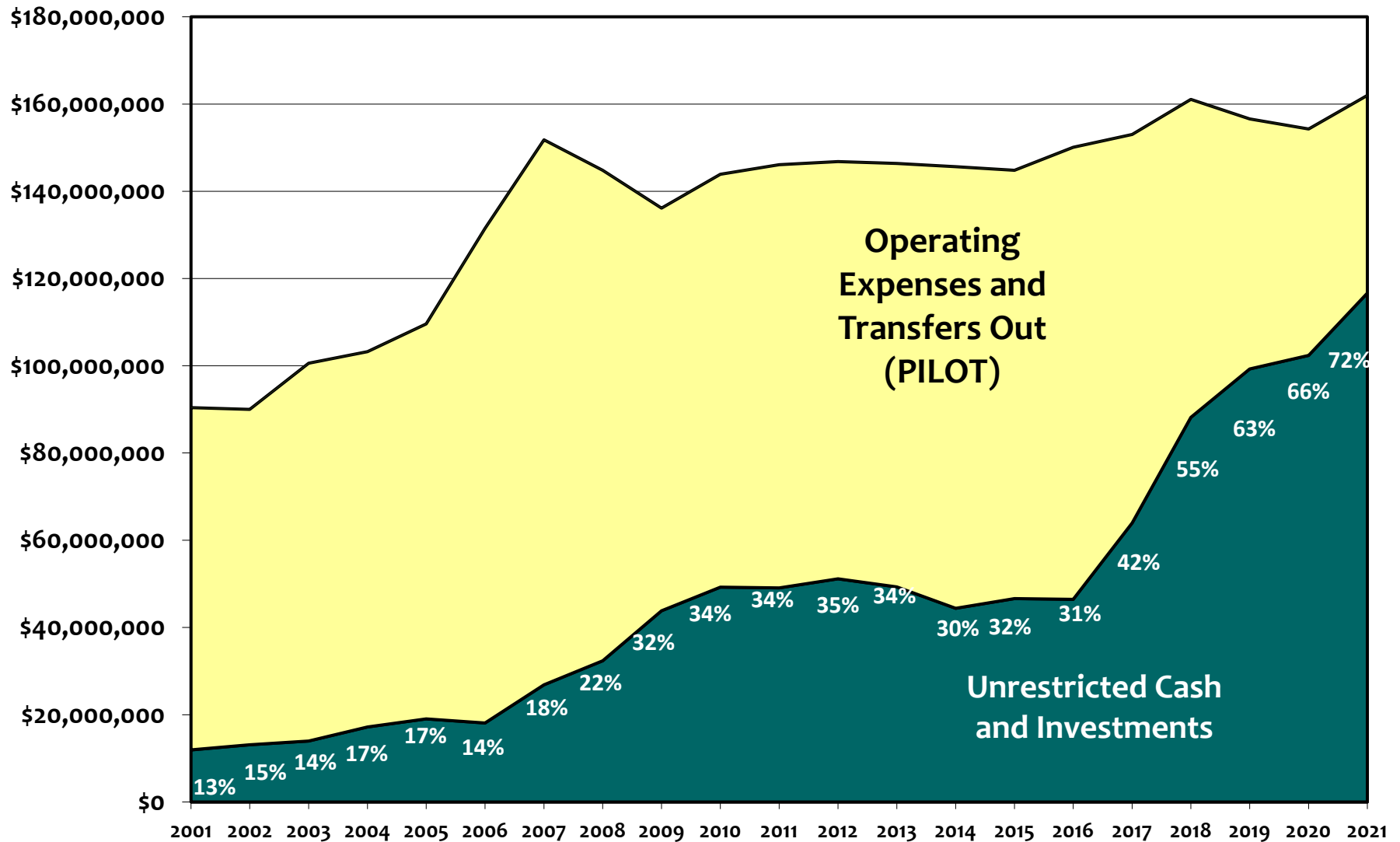
Water Utility (RPU)



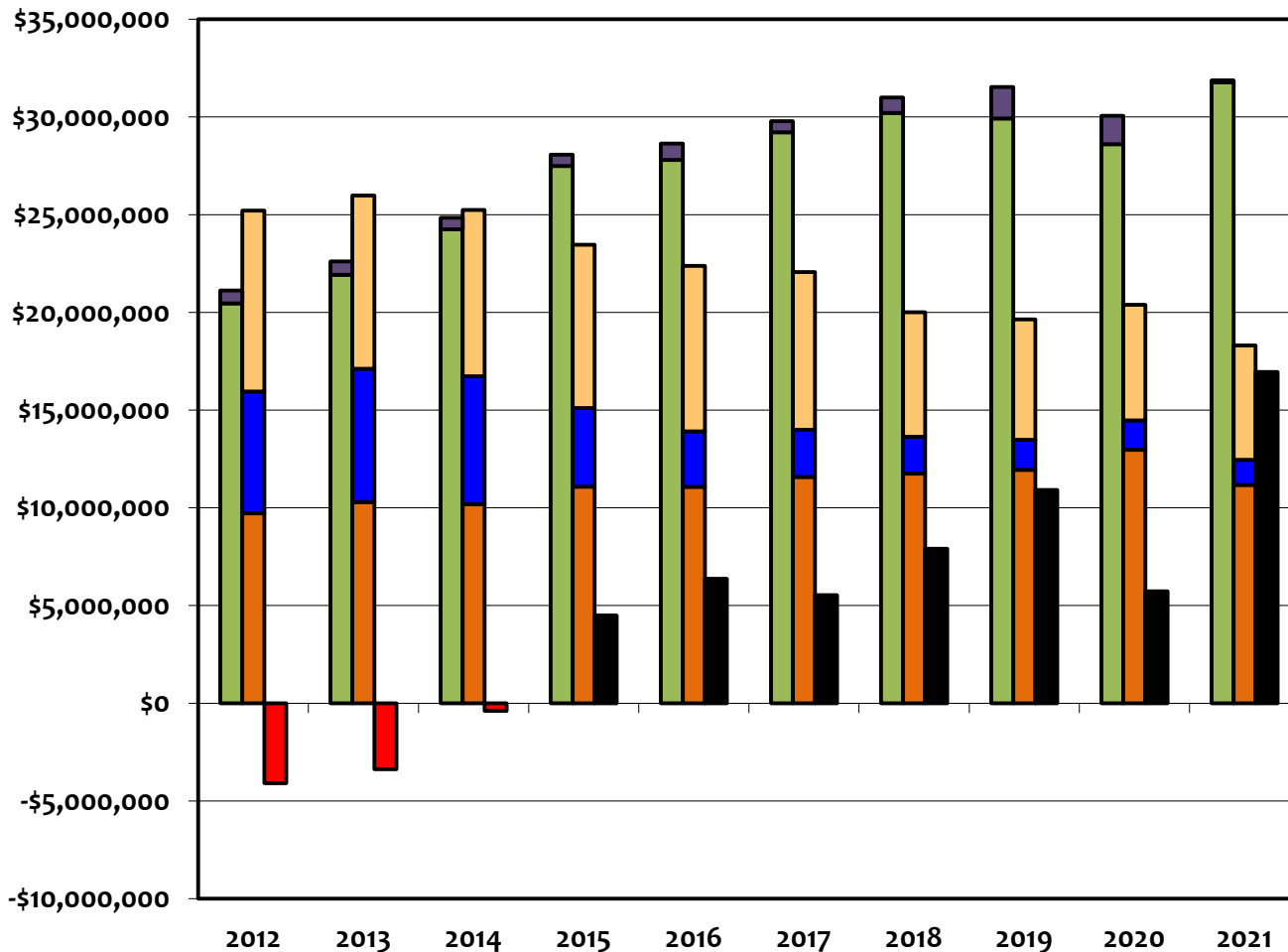
- Water revenues in 2021 were \$12,606,890, an increase of \$518,854
- Rates remained the same in 2021
- Additional Water Customers:
 - 2021 335
 - 2020 402
 - 2019 268
 - 2018 451
 - 2017 434
 - 2016 481
 - 2015 503
 - 2014 296
 - 2013 367
 - 2012 398
- Operating expenses/transfers out increased by \$492,943
- Net income for 2021 and 2020, as shown in the chart, of \$1,253,097 and \$1,375,765, respectively, excludes capital contributions

Electric and Water Utilities (RPU)

Unrestricted Cash and Investments Reserves



Sewer Utility

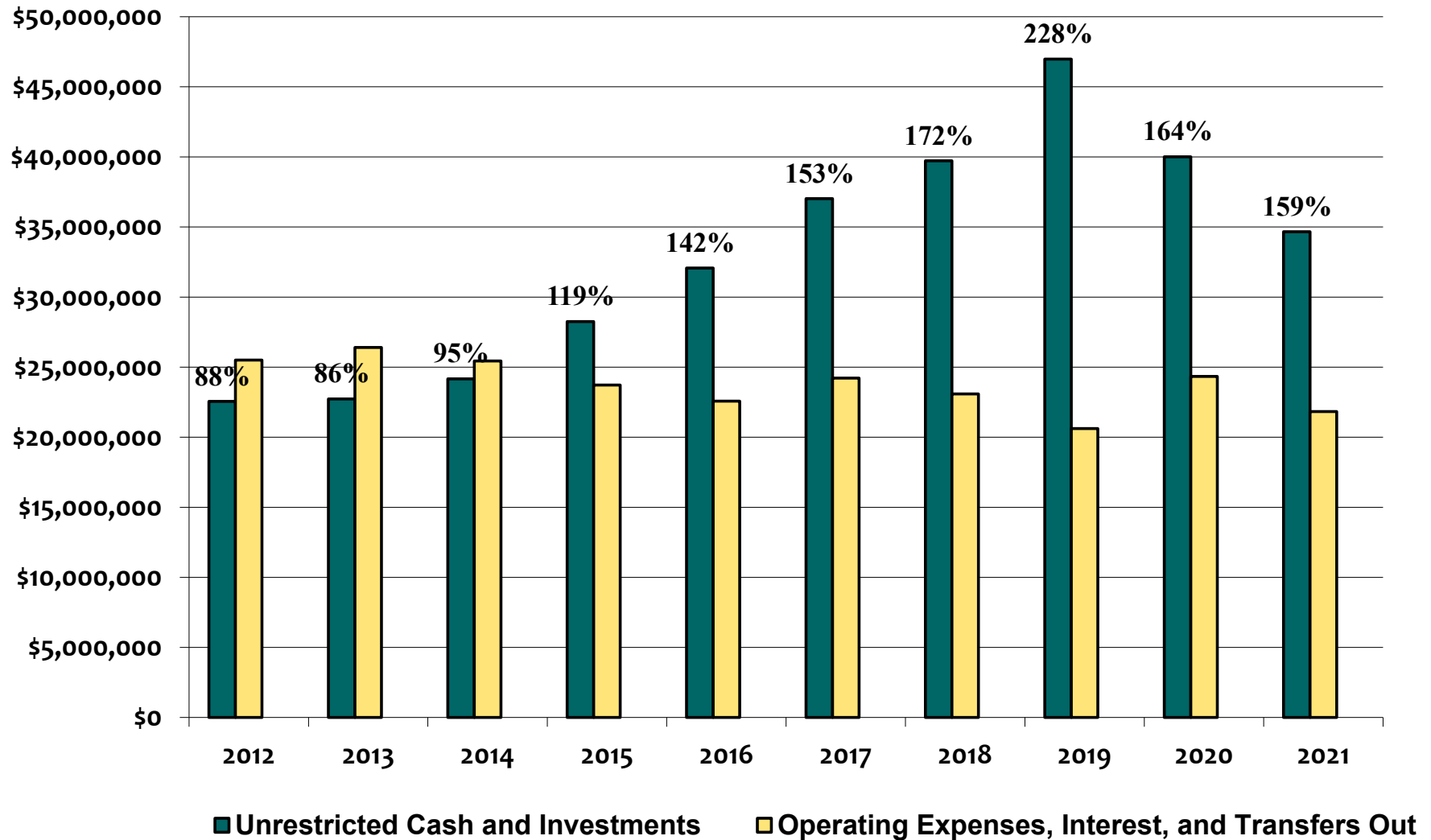


- Rate increases approved through 2021 based upon rate study completed in 2015
- Non-cash depreciation expense of **\$5.9 million** and interest expense of **\$1.3 million** in 2021
- Sewer Bonds outstanding totaled **\$64,950,000** at 12/31/21 which includes \$23M in 2020B Refunding Bonds which will be used to call the 2012A bonds in 2022

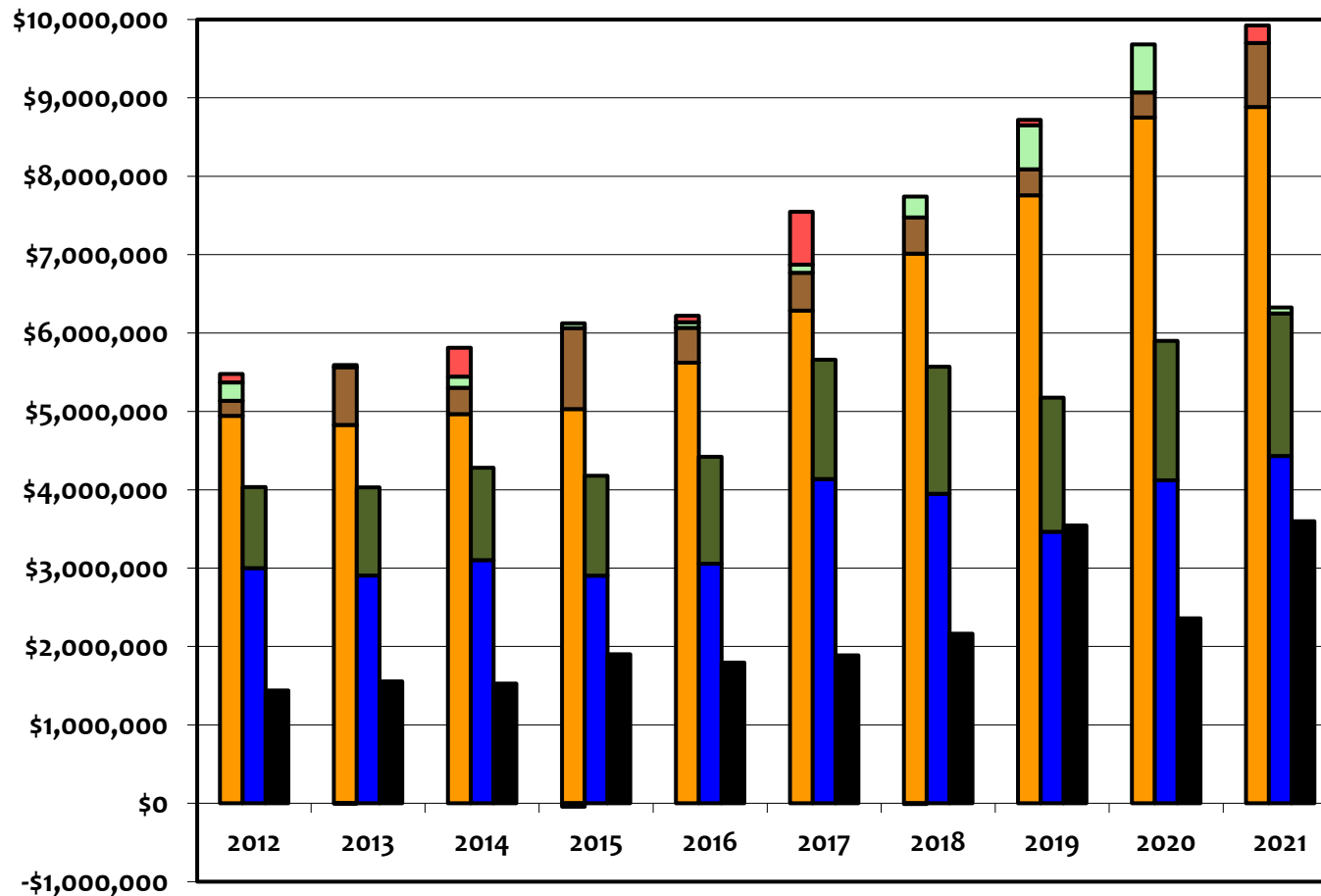
■ Revenues
■ Interest Expense on Bonds
■ Other Income- Net
■ Expenses Including In Lieu of Tax
■ Depreciation Expense
■ Income Before Cap. Contr. (Loss Red)

Sewer Utility

Unrestricted Cash and Investments Reserves



Storm Water Utility

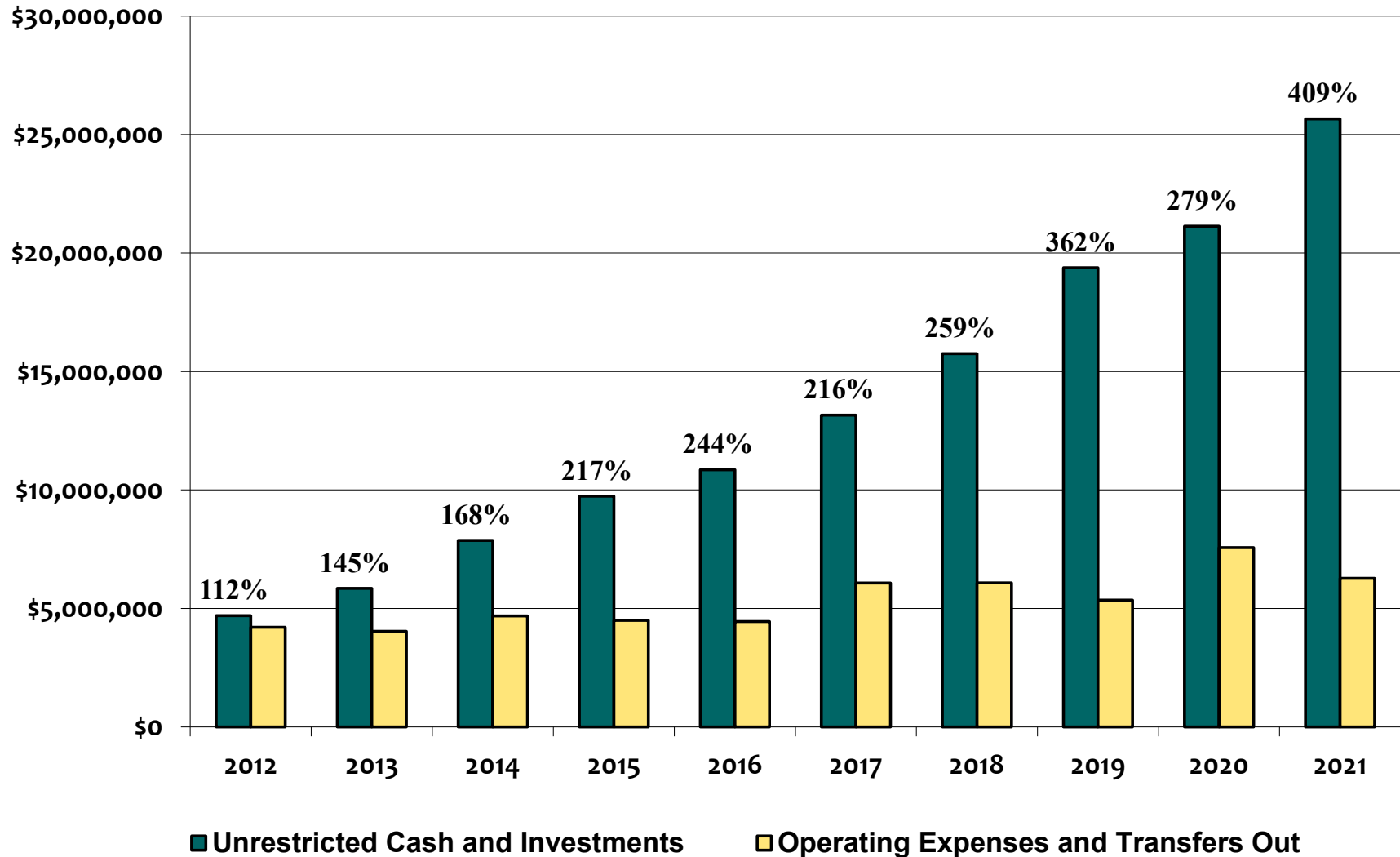


- Net income, after transfers (excluding capital contributions), totaled \$3,598,681 in 2021
- No rate change in January 2021. January 2020 was last year of 2015 rate study increases
- Operating excesses are being set aside to fund future storm water system improvements
- Capital contributions of \$6,298,171 and \$1,394,785 for 2021 and 2020 are not included in the chart
- Storm Water Unrestricted Net Position at 12/31/21 was \$26,100,672

■ Storm Water Fees
 ■ Revenue from Developers
 ■ Expenses Including In Lieu of Tax
■ Depreciation
 ■ Other Revenue (Expenses) - Net
 ■ Transfers In (Out) - Net
■ Net Income Before Capital Cont

Storm Water Utility

Unrestricted Cash and Investments Reserves

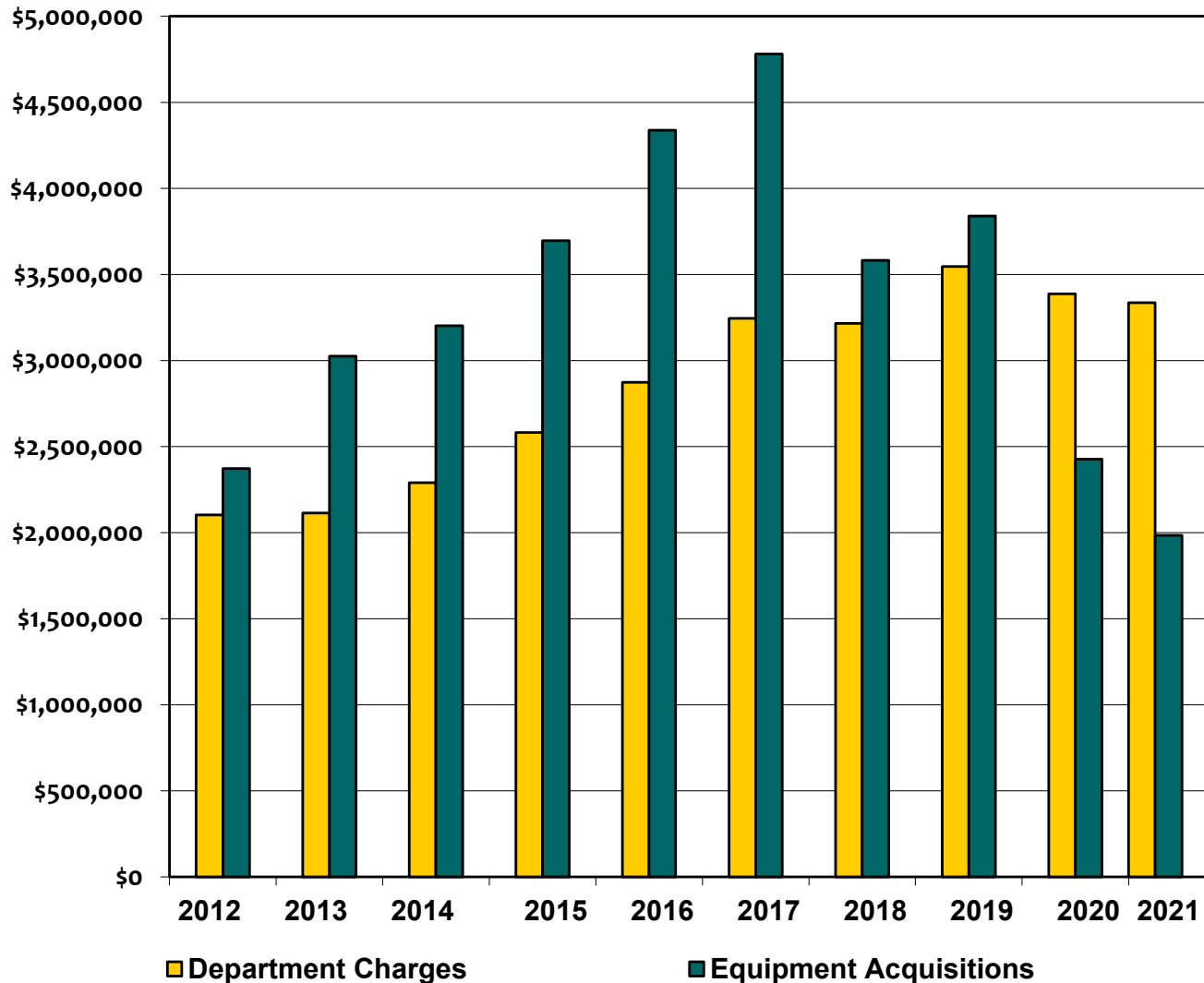


Internal Service Funds

- **Equipment Revolving**
- **Information Technology Revolving**
- **Self-Insurance**
- **Employee Benefits**

Equipment Revolving Fund

Departmental Charges & Equipment Acquisitions



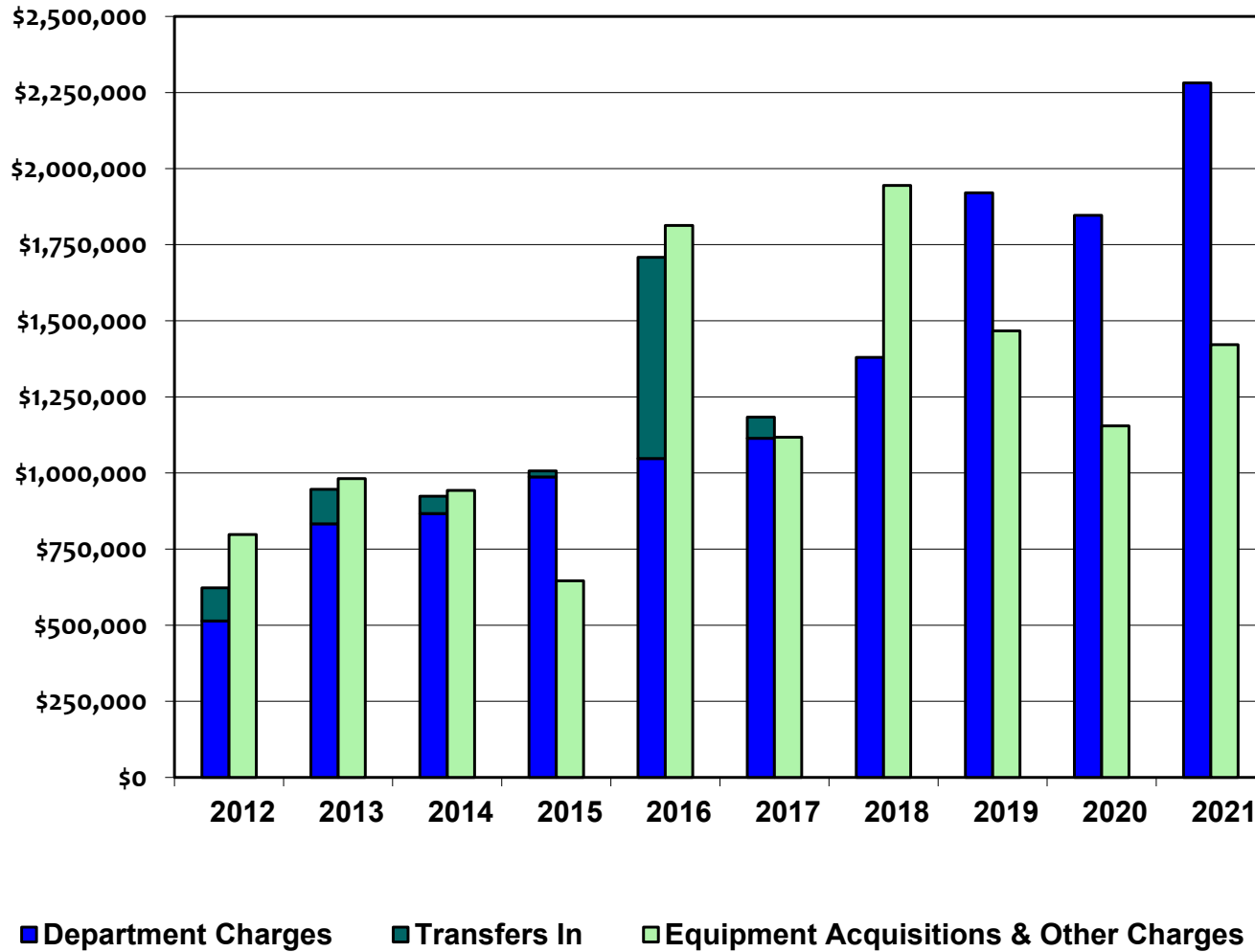
- Cash reserves and related interest earnings allows for:
 - Stable departmental charges
 - Interest income to supplement departmental charges as source of funding for acquisitions

- 2021 Equipment capitalized totaled **\$1,984,087** and included:

10 Ford Interceptor Utility AWD	563,560
1 Pierce Impel Pumper	663,059
1 Peterbilt 348	221,396
1 Street Sweeper	205,645

Information Technology Revolving Fund

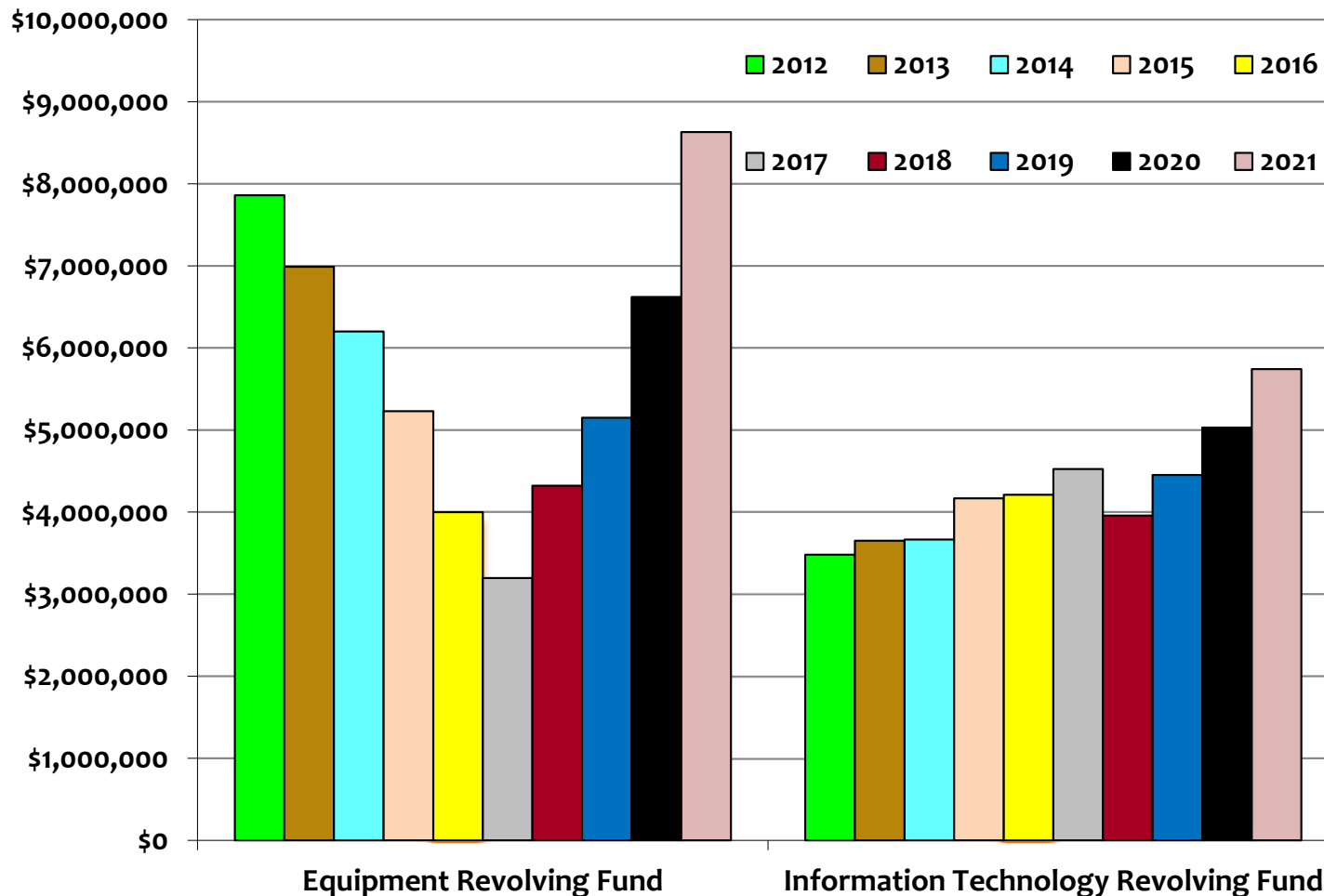
Departmental Charges & Equipment Acquisitions



- Cash reserves and related interest earnings allows for:
 - Stable departmental charges
 - Interest income to supplement departmental charges as source of funding for acquisitions
- Other charges consisting of maintenance agreements, software licenses and other professional and contracted services amounting to \$1,110,522 in 2021 and \$902,520 in 2020
- Increase in 2016 related to technology enhancements as part of the Mayo Civic Center expansion

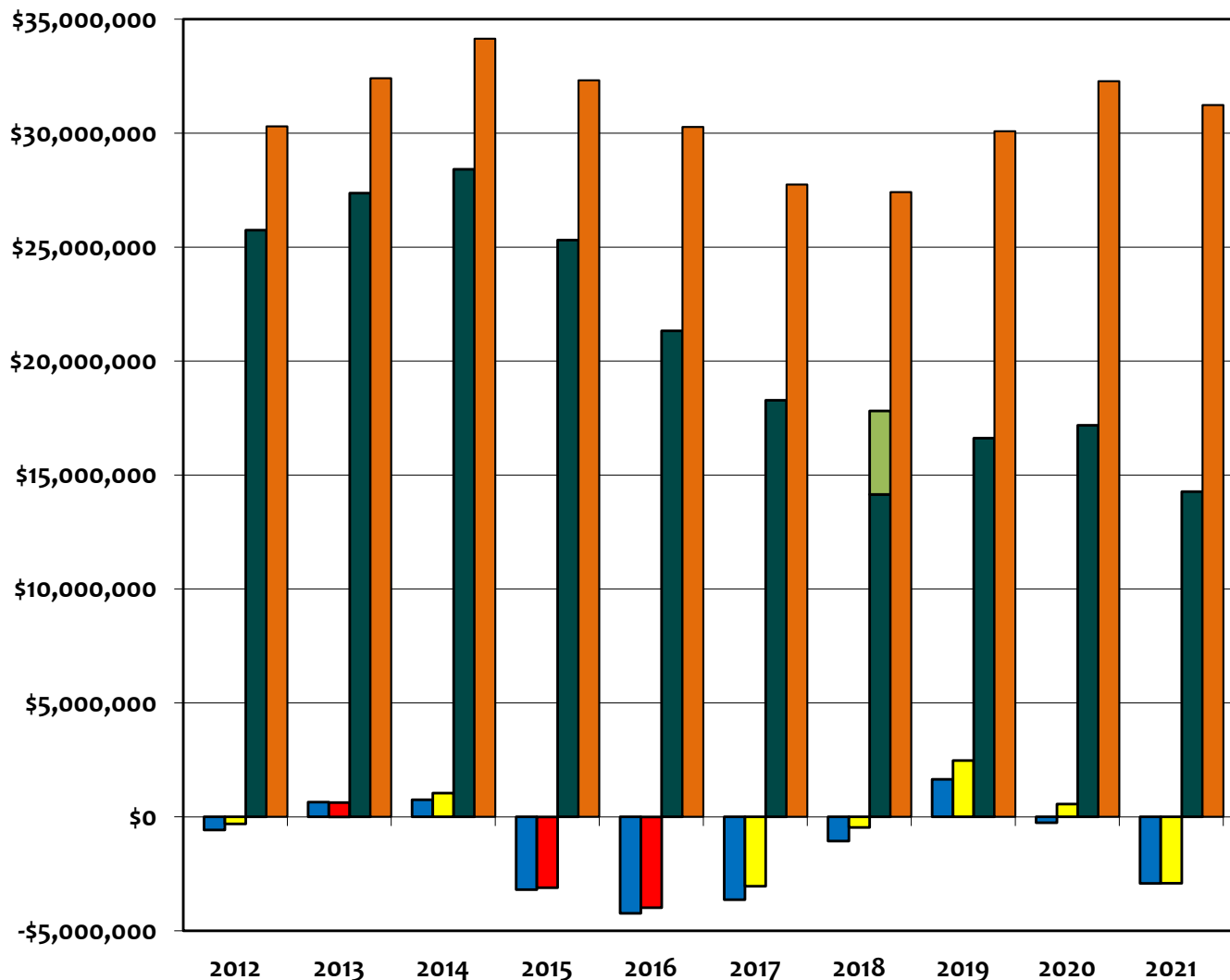
Equipment Revolving Fund and IT Revolving Fund

Unrestricted Net Position



- Unrestricted net position of the equipment revolving fund increased by \$2,009,925 to \$8,630,111 in 2021
- Unrestricted net position of the information technology revolving fund increased by \$709,446 to \$5,740,610 in 2021

Self-Insurance Fund

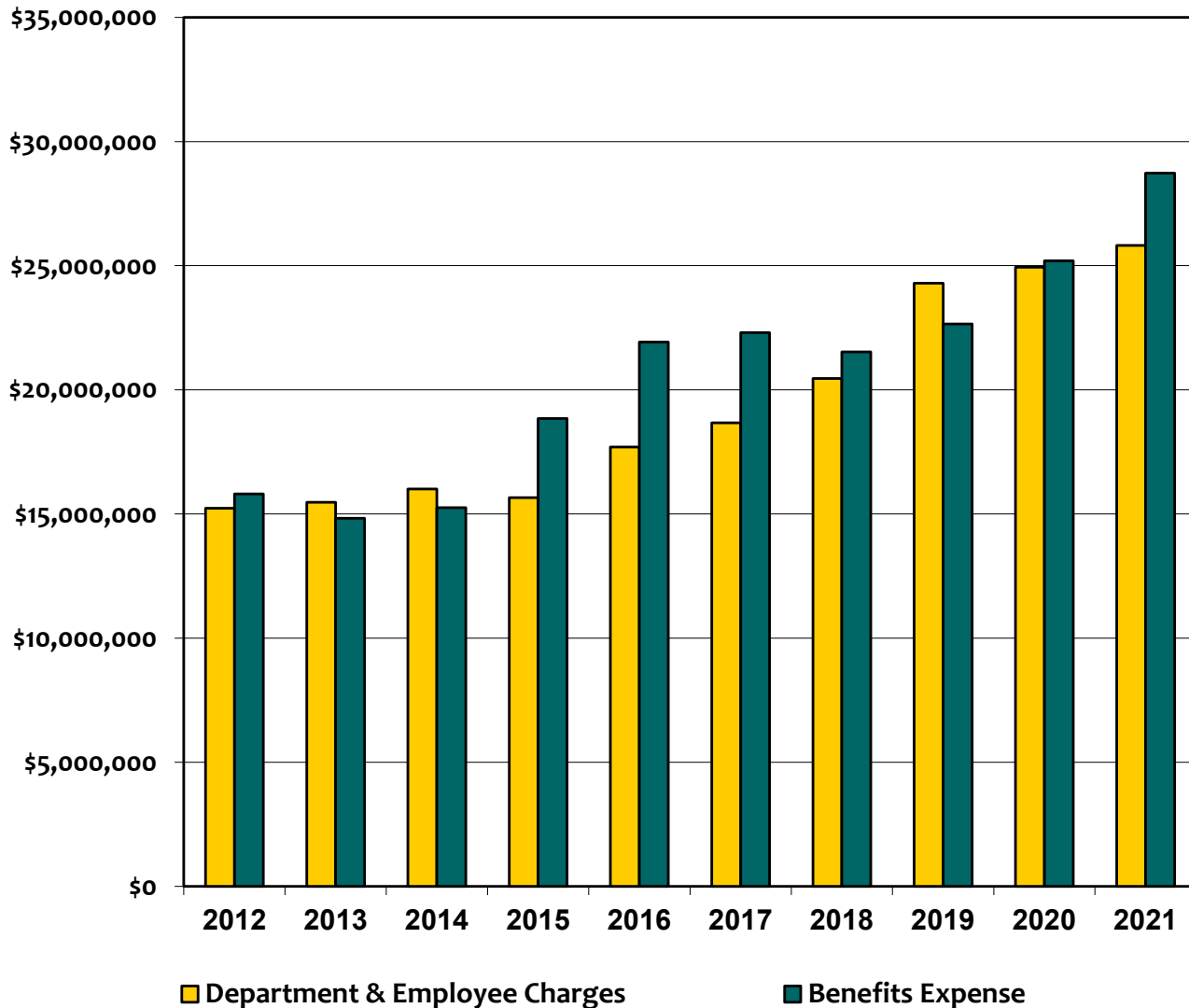


- Total Net Position at December 31, 2021 of **\$14,269,886** represents the City's reserve against Self-Insurance risk for:
 - **Deductible Property Loss**
 - **Medical/Dental Claims**
 - **Workers Comp Claims**
- Net loss in 2021 was **(\$2,911,153)** (a decrease of **\$3,474,235** from 2020's net income of **\$563,082**)
- Departmental medical charges increased by **5%** and dental charges increased by **1.5%** in 2021.
- In 2021 there was a **1.0%** shift in medical charges from the City to the employee.
- Implementation of GASB 75 in 2018 restated beginning net position by **\$3,670,778**

■ Cash and Invest/Adv
 ■ GASB 75 Implementation
 ■ Total Net Position
■ Net Income (Loss in Red)
 ■ Operating Income (Loss)

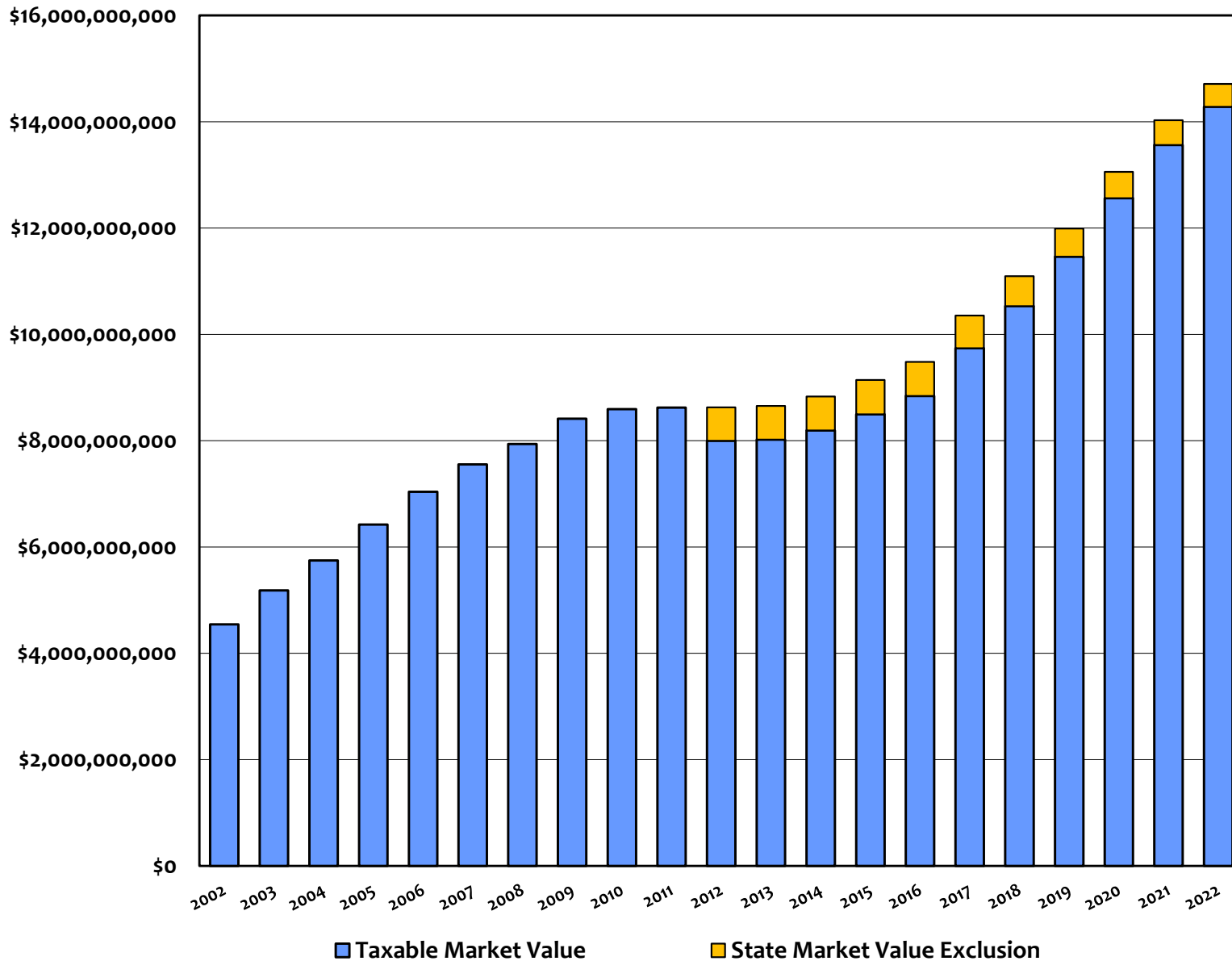
Self-Insurance Fund

Departmental/Employee Charges & Benefits Expense



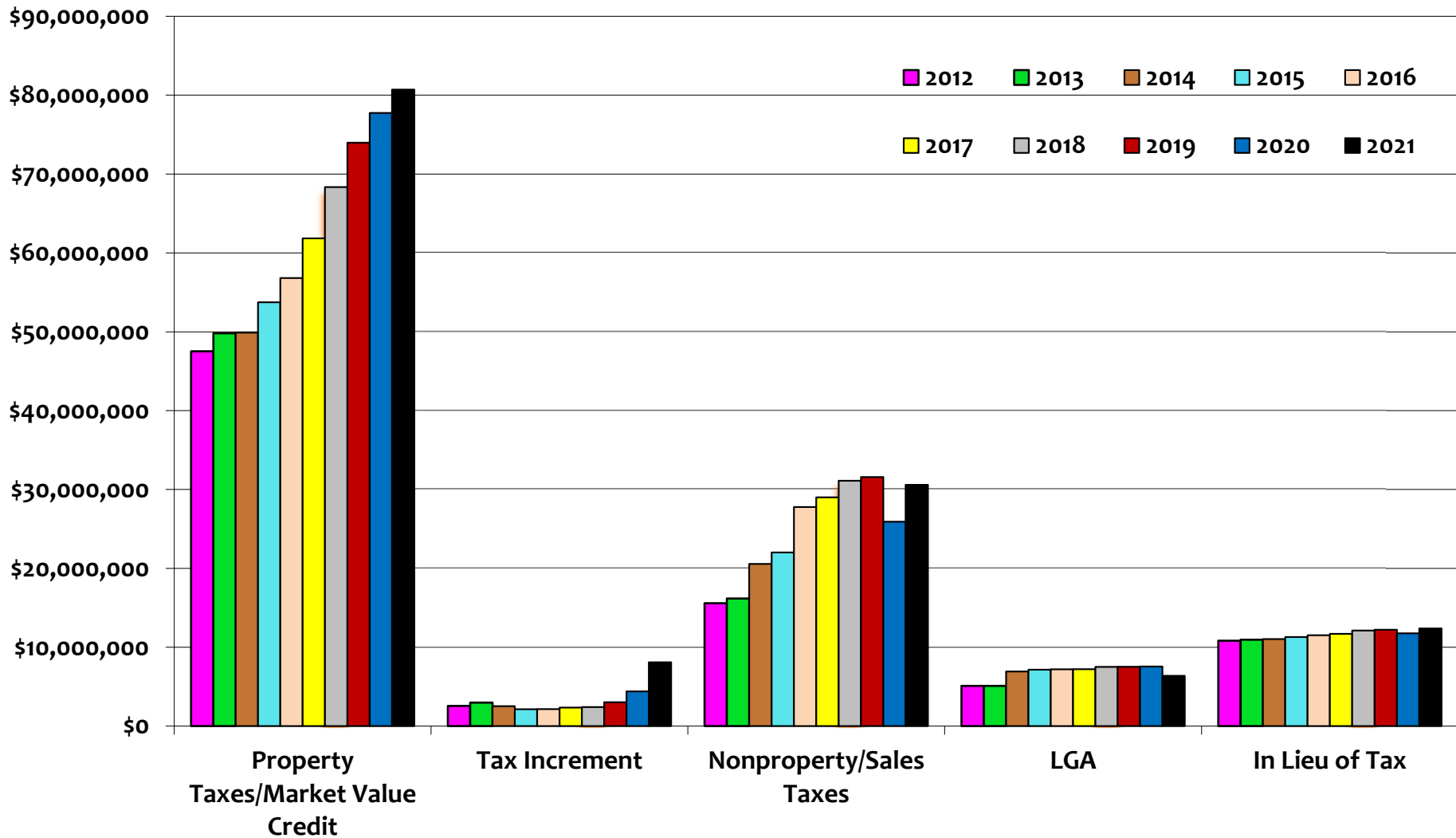
- Departmental and employee charges are used to pay health insurance claims
- Interest earnings on reserves are used to supplement departmental and employee charges
- Departmental medical charges have changed annually as follows:
 - 2021 5%
 - 2020 9%
 - 2019 14%
 - 2018 14%
 - 2017 14%
 - 2016 13%
 - 2015 -2%
 - 2014 5%
 - 2013 5%
 - 2012 -%
- In October of 2011 the City had an insurance holiday where neither the departments or the employees were charged for Health or Dental Insurance
- Expenses related to increase in OPEB liability was approximately \$1.3 Million in 2021

Total Taxable Market Value

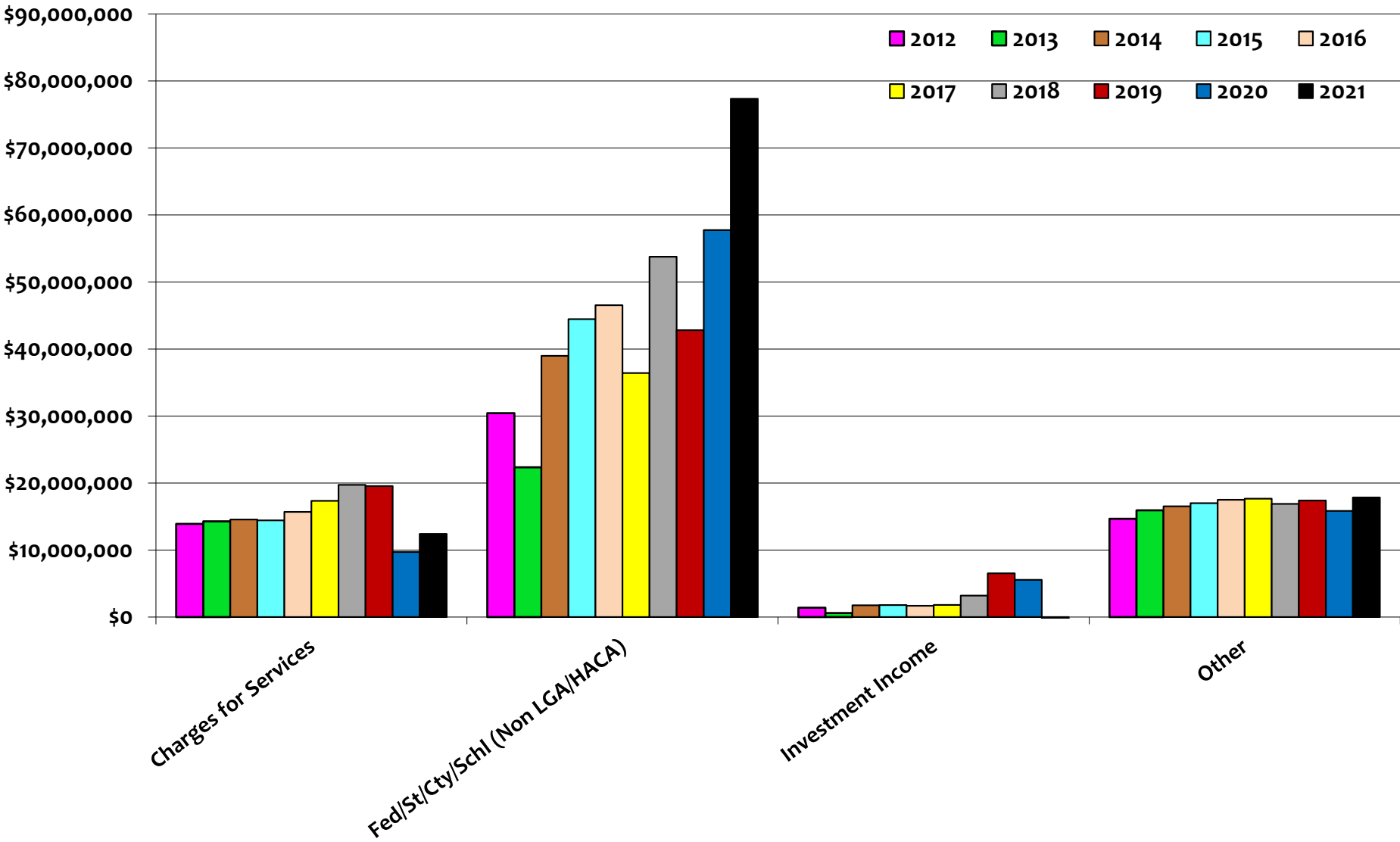


- Taxable Market Value for 2022 is **\$14.3 Billion**, up **\$716 Million (5.0%)** from 2021
- Includes both real property and personal property

Governmental Funds – All Revenues

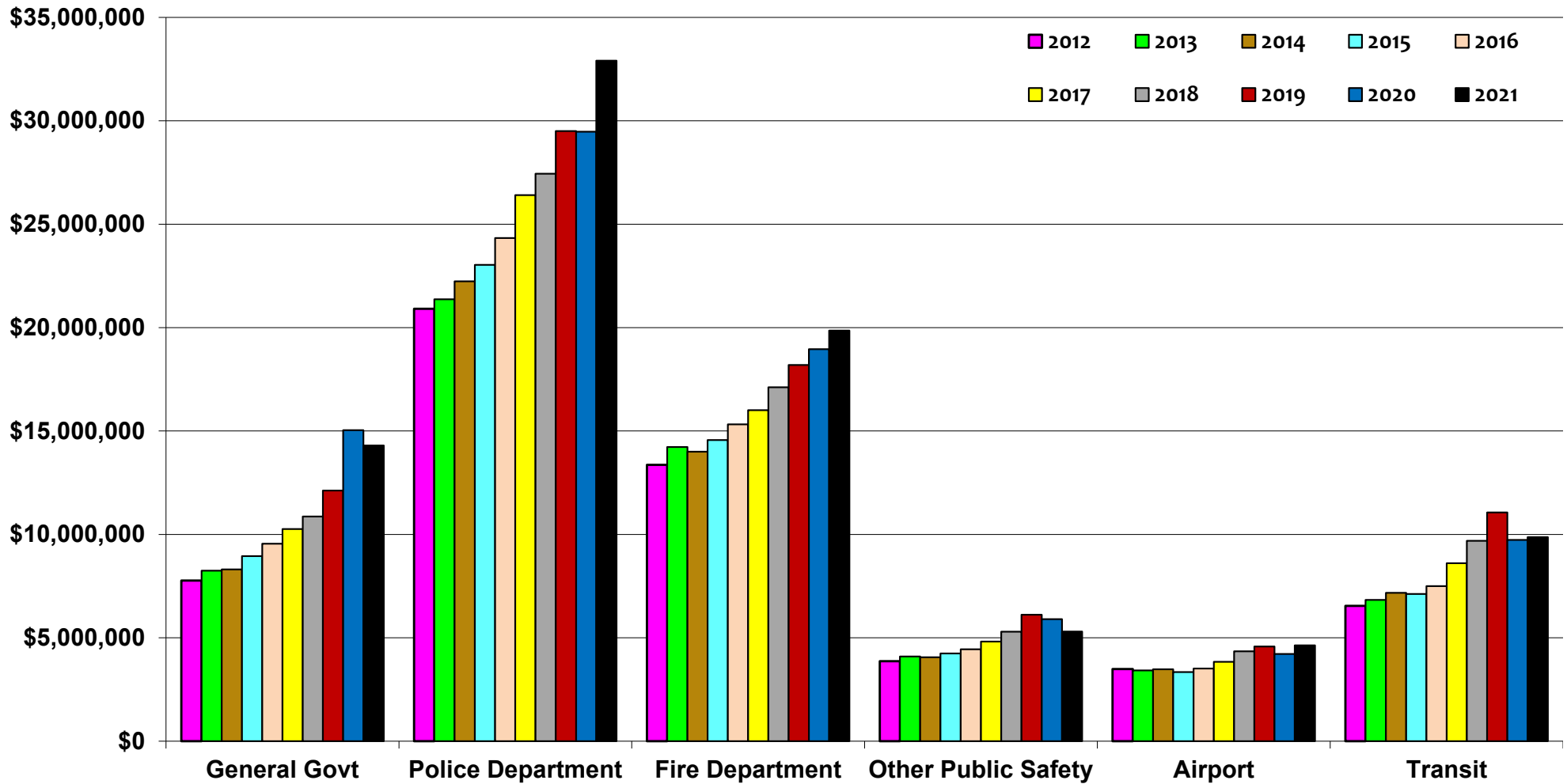


Governmental Funds – All Revenues



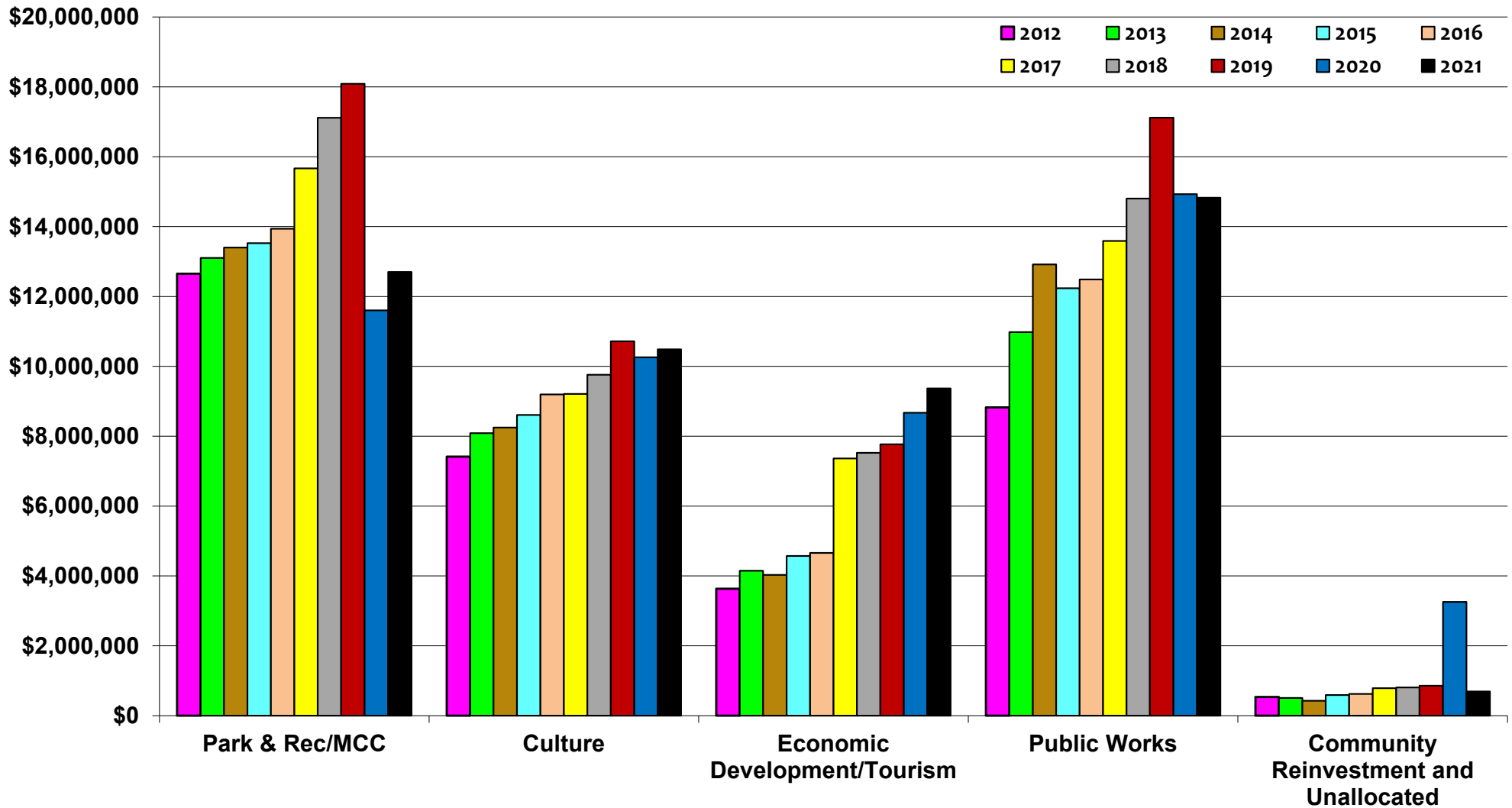
Governmental Funds – All Expenditures

(Excluding Capital Outlay and Debt Service)



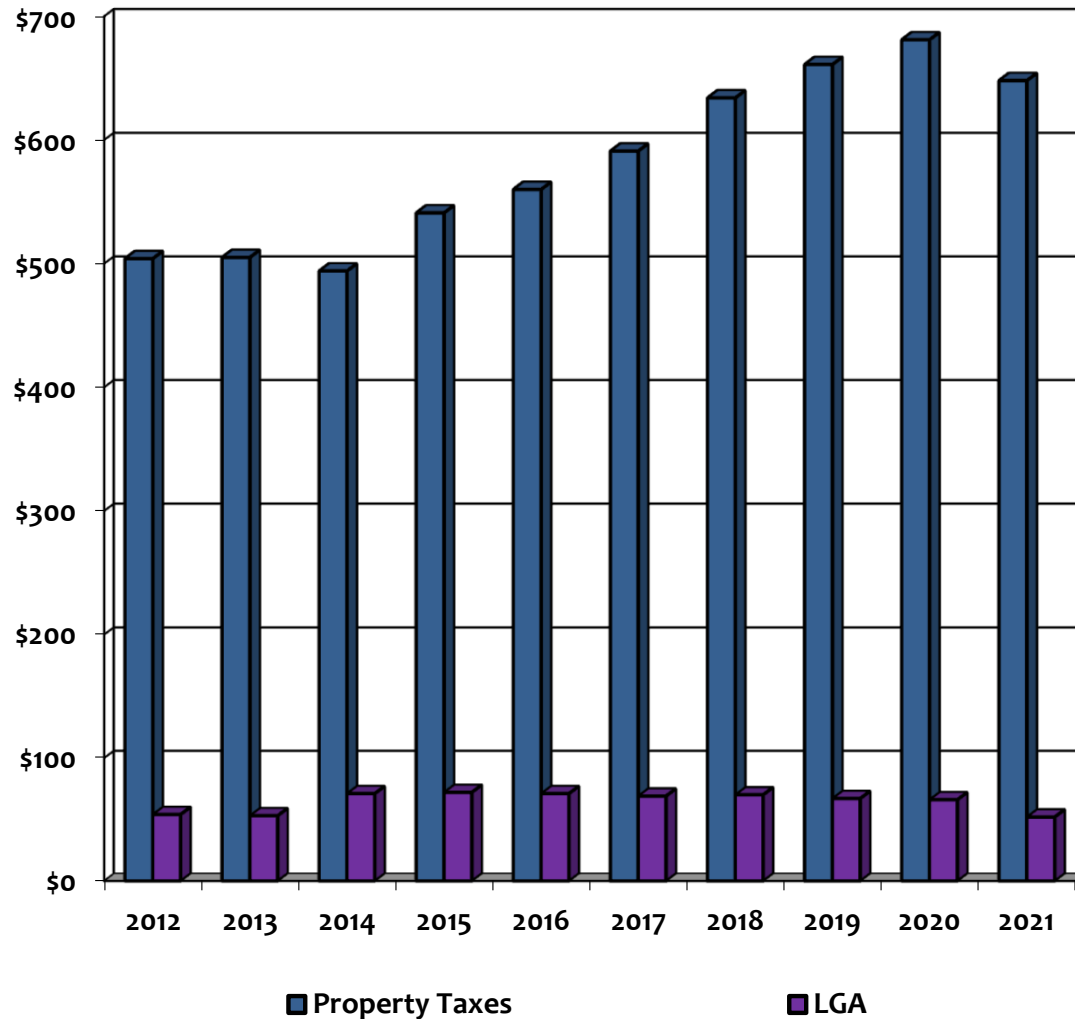
Governmental Funds – All Expenditures

(Excluding Capital Outlay and Debt Service)



Property Taxes & Local Government Aid (LGA)

(Per Capita, Inflation Adjusted, excludes Park and Rec Referendum Levy)



- *Per Capita Property Taxes*

- 2012 \$504
- 2016 560
- 2021 648

- *Per Capita LGA*

- 2012 \$54
- 2016 71
- 2021 52

- *Per Capita Total of Property Taxes & LGA*

- 2012 \$558
- 2016 631
- 2021 700

- *Population*

- 2012 109,400
- 2016 113,173
- 2021 121,395

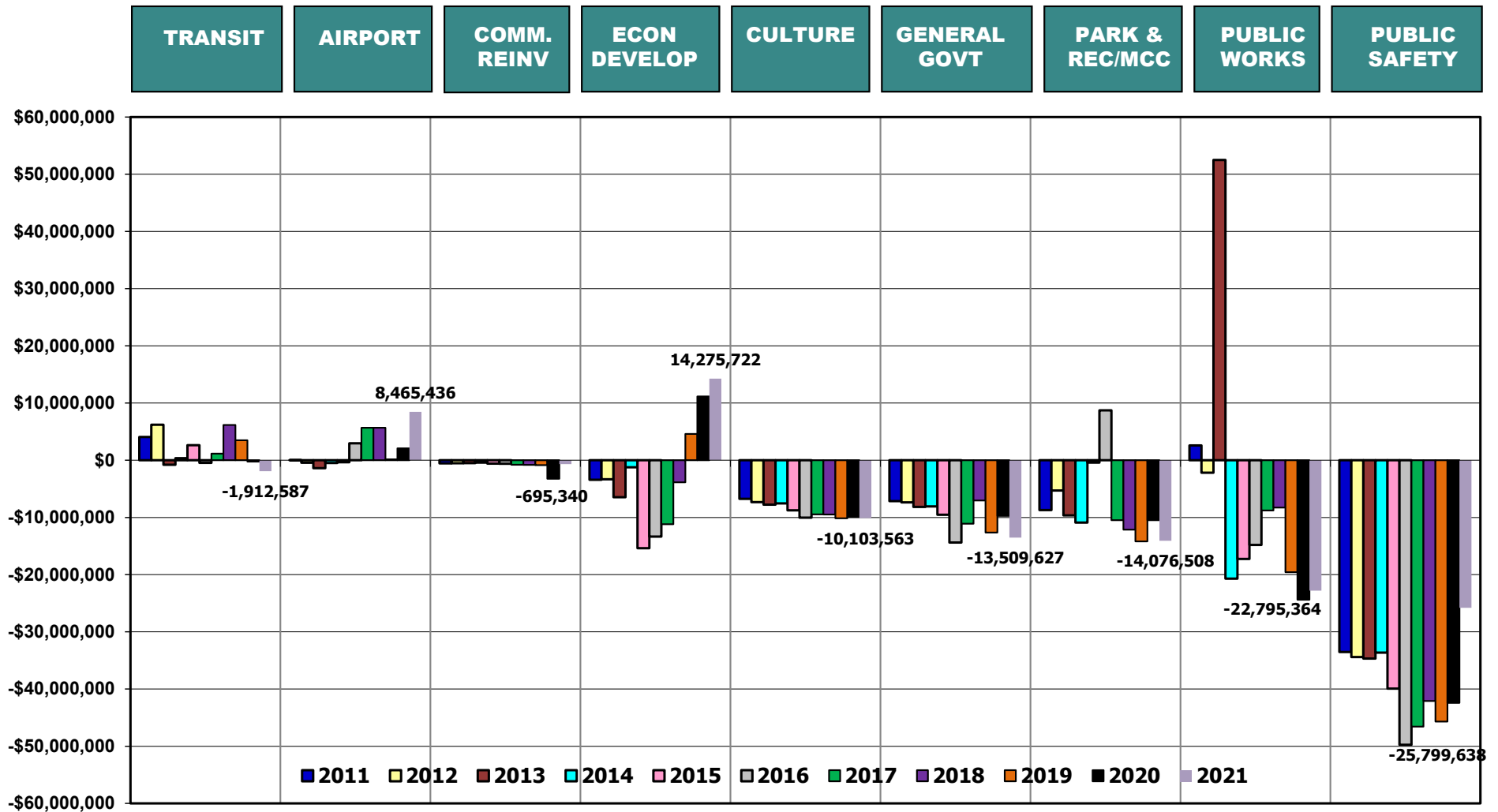
Government – Wide Financial Statements

- **Consists of:**
 - Statement of Net Position
 - Statement of Activities
- **Utilizes accrual basis of accounting and requires capitalization and depreciation of all property and equipment and recognition of all long-term liabilities**

CITY OF ROCHESTER, MINNESOTA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 14,891,706	\$ 914,193	\$ 163,775	\$ 304,111	\$ (13,509,627)	\$	\$ (13,509,627)
Public safety	56,133,204	8,258,978	22,074,588		(25,799,638)		(25,799,638)
Public works	32,317,332	652,836	1,407,671	7,461,461	(22,795,364)		(22,795,364)
Airport	8,172,986	5,340,225	1,527,878	9,770,319	8,465,436		8,465,436
Transit	11,520,951	1,454,948	7,658,491	494,925	(1,912,587)		(1,912,587)
Culture	11,706,026	15,645	1,586,818		(10,103,563)		(10,103,563)
Park and recreation/Mayo Civic Center	19,441,787	3,842,368	202,868	1,320,043	(14,076,508)		(14,076,508)
Economic development/tourism	19,773,316	3,150,019	923,941	29,975,078	14,275,722		14,275,722
Community reinvestment/unallocated	695,340				(695,340)		(695,340)
Interest on long-term debt	3,559,031				(3,559,031)		(3,559,031)
Total governmental activities	<u>178,211,679</u>	<u>23,629,212</u>	<u>35,546,030</u>	<u>49,325,937</u>	<u>(69,710,500)</u>		<u>(69,710,500)</u>
Business-Type activities:							
Parking	5,767,522	6,231,066		66,070		529,614	529,614
Electric utility	148,919,929	175,253,869		4,932,703		31,266,643	31,266,643
Water utility	11,215,782	12,606,890		3,501,172		4,892,280	4,892,280
Sewer utility	16,409,359	31,764,137		1,061,879		16,416,657	16,416,657
Storm water utility	5,573,105	9,699,308	12,000	3,366,177		7,504,380	7,504,380
Total business-type activities	<u>187,885,697</u>	<u>235,555,270</u>	<u>12,000</u>	<u>12,928,001</u>		<u>60,609,574</u>	<u>60,609,574</u>
Total	<u>\$ 366,097,376</u>	<u>\$ 259,184,482</u>	<u>\$ 35,558,030</u>	<u>\$ 62,253,938</u>	<u>(69,710,500)</u>	<u>60,609,574</u>	<u>(9,100,926)</u>
General revenues:							
General property taxes					80,426,235		80,426,235
Tax increments collection					8,087,643		8,087,643
Sales tax					21,470,339		21,470,339
Nonproperty taxes					9,119,775		9,119,775
Grants and contributions not restricted to specific programs:							
Local government aid					6,372,634		6,372,634
Other					19,168		19,168
Interest earnings					4,324,038	3,189,491	7,513,529
Gain on disposition of property					152,196	1,469,233	1,621,429
Net decrease in the fair value of investments					(5,368,092)	(3,076,500)	(8,444,592)
Miscellaneous					1,349,451	96,129	1,445,580
Transfers					8,804,231	(8,804,231)	
Total general revenues and transfers					<u>134,757,618</u>	<u>(7,125,878)</u>	<u>127,631,740</u>
Change in net position					65,047,118	53,483,696	118,530,814
Net position - beginning					867,113,392	631,260,350	1,498,373,742
Net position - ending					<u>\$ 932,160,510</u>	<u>\$ 684,744,046</u>	<u>\$ 1,616,904,556</u>

Net Revenue (Expense) By Function



Summary

- The pandemic makes 2020 and 2021 atypical years and difficult to compare to prior years.
- General Fund Unassigned Fund Balance at 44% of annual expenditures. (City policy is not less than 42%)
- Library Fund Balance at 39% and Municipal Recreation Fund Balance at 14% of annual expenditures. MCC operations is contracted with Experience Rochester. Due to the Pandemic funding was reduced by \$300k during 2021 and 2020.
- Airport Fund Balance has a balance of \$9,346,056 in 2021 an increase of \$1,604,484 from 2020. Fund balance is available to fund local match future construction projects including runway reconstruction.
- Transit fund expenditures exceeded revenues decreasing fund balance to \$2,887,230 at December 31, 2021. Much of this balance was used for additional bus purchases in 2021.
- Capital Improvement fund has \$202 Million in reserves for future capital projects as outlined in the City's capital improvement plan.
- Completed construction of the DSIC and North Precinct construction project.
- Parking fund has \$15 Million in reserves for future capital needs. The current year operating loss of \$1.3 Million was primarily due to an increase in transfers related to debt service.

Summary

- **Electric and Sewer Utilities servicing \$227 Million in bonds (including Crossover Refunding bond) with future access charges and user fees. Issued 2021A Revenue Refunding Bonds to refund the 2013B Electric Bonds for a cash flow savings of \$9.3 Million.**
- **Sewer rate increases have allowed the Sewer Fund to service outstanding Sewer Bonds and build cash reserves for future capital improvements.**
- **The City's Self-Insurance Fund reserves at December 31, 2021 totaled \$14.3 Million a decrease of \$2.9 Million from 2020. Cash, Investments and Advances balance as of December 31, 2021 totaled \$31.2 Million.**
- **Equipment Revolving fund unrestricted net position increased from \$6.6 Million in 2020 to \$8.6 Million in 2021. Working to rebuild reserves to fully support the replacement program.**
- **The activity of the DMCC, a separate non-profit corporation, is included in the fund financial statements. DMCC activities are being funded with sales tax collections and state GISA dollars.**