

**State of Minnesota
Office of the State Auditor**



**Rebecca Otto
State Auditor**

Reporting and Publishing Requirements

City Financial Statements

**For Cities Under 2,500 in Population
Reporting on the Cash Basis of Accounting**

Description of the Office of the State Auditor

The mission of the Office of the State Auditor is to oversee local government finances for Minnesota taxpayers by helping to ensure financial integrity and accountability in local governmental financial activities.

Through financial, compliance, and special audits, the State Auditor oversees and ensures that local government funds are used for the purposes intended by law and that local governments hold themselves to the highest standards of financial accountability.

The State Auditor performs approximately 150 financial and compliance audits per year and has oversight responsibilities for over 3,300 local units of government throughout the state. The office currently maintains five divisions:

Audit Practice - conducts financial and legal compliance audits of local governments;

Government Information - collects and analyzes financial information for cities, towns, counties, and special districts;

Legal/Special Investigations - provides legal analysis and counsel to the Office and responds to outside inquiries about Minnesota local government law; as well as investigates allegations of misfeasance, malfeasance, and nonfeasance in local government;

Pension - monitors investment, financial, and actuarial reporting for approximately 700 public pension funds; and

Tax Increment Financing - promotes compliance and accountability in local governments' use of tax increment financing through financial and compliance audits.

The State Auditor serves on the State Executive Council, State Board of Investment, Land Exchange Board, Public Employees Retirement Association Board, Minnesota Housing Finance Agency, and the Rural Finance Authority Board.

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Reporting and Publishing Requirements

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February 2016

**Government Information Division
Office of the State Auditor
State of Minnesota**

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Reporting and Publishing Requirements - Cash Basis of Accounting

Introduction

Reporting Requirements for Cities Under 2,500 in Population

The Legislature adopted Minn. Stat. § 471.698 to improve the financial reporting of cities with populations under 2,500. The law is applicable to both statutory and home rule charter cities, and assigns the responsibility for preparing and publishing annual financial reports to city clerks or finance officers.

In addition, the Governmental Accounting Standards Board (GASB) issued Statement No. 34 - *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. This statement established new financial reporting requirements for state and local governments throughout the United States. The reporting requirements prescribed in this publication reflect the financial presentations defined in GASB Statement 34.

The city clerk/finance officer must prepare a detailed statement of the city's operations in a format prescribed by the State Auditor. The format is presented in this manual on pages 8 - 33. The city clerk/finance officer must file the financial statement in his/her office for public inspection within 45 days after the close of the calendar year. In addition, a copy of the financial statement and the Local Government Financial Reporting Form must be submitted to the Office of the State Auditor within 90 days after the close of the calendar year.

The statement or a summary statement (see pages 35 - 39) must be published within 90 days after the close of the calendar year in a qualified newspaper of general circulation in the city. If there is no such newspaper, the statement shall be posted in three of the most public places in the city as directed by the city council.

A city with a population of less than 2,500, may, at its option, comply with the reporting requirements for larger cities. If a city chooses to do so, the city clerk or finance officer must prepare a financial report in accordance with generally accepted accounting principles (GAAP). The GAAP reporting requirements can be found in the publication entitled "[City Audited Financial Statements For Cities Reporting in Accordance with Generally Accepted Accounting Principles](#)," which can be found on the Office of the State Auditor's (OSA) website in the Accounting & Auditing Documents section under the Auditing tab.

If this option is selected, the city should notify the Office of the State Auditor of the change in reporting status within 90 days after the close of the calendar year.

Reporting and Publishing Requirements - Cash Basis of Accounting

Auditing Requirements for Cities Under 2,500 in Population

The audit requirements for cities under 2,500 in population will depend on how the city is organized and the combined annual revenues for all governmental and enterprise funds.

Minn. Stat. §§ 412.02 and 412.591 require that:

- Cities that have combined the offices of clerk and treasurer must have an annual audit if annual revenue for all governmental and enterprise funds combined exceed the [annual audit threshold](#). The annual threshold is adjusted for inflation using the annual implicit price deflator for state and local expenditures as published by the United States Department of Commerce. The annual threshold is available on the OSA website in the Frequently Asked Questions section under the For Local Officials tab.
- Cities that are under 2,500 in population and are required to have an annual financial audit should refer to the reporting and publishing requirements found in the publication entitled "[City Audited Financial Statements For Cities Under 2,500 in Population Reporting on the Cash or Regulatory Basis of Accounting](#)" for guidance. This publication can be found on the OSA website in the Accounting & Auditing Documents section under the Auditing tab.
- Cities that have combined the offices of clerk and treasurer and the city's annual revenue for all governmental and enterprise funds combined is equal to or less than the annual audit threshold must have an audit once every five years in accordance with minimum audit procedures prescribed by the State Auditor. The Office of the State Auditor has developed procedures for an [Agreed-Upon Procedures](#) engagement that meets the minimum audit procedures. These procedures can be found on the OSA website in the Accounting & Auditing Documents section under the Auditing tab.
- Cities under 2,500 in population, where there are separate offices of clerk and treasurer, are not generally required by Minnesota law to have an audit.

Reporting and Auditing Requirements for Municipal Liquor Stores

Minn. Stat. § 471.6985, subd. 1, requires any city operating a municipal liquor store to publish a balance sheet and a statement of operations in conformance with generally accepted accounting principles, in the form and style prescribed by the State Auditor, within 90 days after the close of the fiscal year. The format prescribed on pages 36 - 39 meets the reporting requirements of Minn. Stat. § 471.6985, subd. 1.

Pursuant to Minn. Stat. § 471.6985, subd. 2, cities that operate a municipal liquor store with total annual sales in excess of \$350,000 are required to submit audited financial statements to the State Auditor within 180 days after the close of the fiscal year. The Office of the State Auditor encourages cities to prepare the financial statements on an accrual basis in accordance with generally accepted accounting principles. The format of the financial statements is presented on pages 27 - 30.

Enforcement Provisions

Cities are statutorily required to submit a copy of the financial statement and the Local Government Financial Reporting Form to the Office of the State Auditor in order to receive local government aid. If a city fails to comply with the applicable requirements, Minnesota Statutes authorize the State Auditor to:

- A. Notify the Minnesota Department of Revenue (DOR) that the city did not comply with the reporting requirements. Local government aid to the city will be withheld until the Office of the State Auditor notifies DOR that the city has complied with the reporting requirements. Minn. Stat. § 477A.017. If the city fails to comply by September 30 of the reporting year, aids may be permanently forfeited for that reporting year.
- B. Send staff auditors to the city or to contract with independent auditors in order to complete the appropriate reports. The costs related to completing and filing the financial statement or report will be charged to the city. If any city fails to pay such cost within 30 days of billing, the amount shall be deducted from any state-shared taxes or aids due the city. Minn. Stat. § 471.699.

Form and Style of Financial Statements

Pursuant to Minnesota Statute § 471.698

The State Auditor is authorized by Minn. Stat. § 471.698 to prescribe the form of the financial statements to be prepared by cities under 2,500 in population. Such reports must contain financial statements, classified by source of receipts and function of disbursements, and disclosures which present the results of city operations in detailed statements.

A copy of the financial statement must be submitted to the State Auditor within 90 days of the close of the calendar year. In addition, the financial statement or a summary of the statement in a form prescribed by the State Auditor must be published or posted, as described in the statute, within 90 days of the close of the calendar year.

The Governmental Accounting Standards Board Statement 34 established financial reporting standards for state and local governments. The sample financial statement contained in this report is designed to meet those requirements. In addition, the detail shown in the sample financial statement is the required minimum level of detail.

The sample financial statement, beginning on page 8, meets the reporting requirements of Minn. Stat. § 471.698. In addition, the sample summary financial report and statements, beginning on page 35, meet the publication requirements of Minn. Stat. § 471.698. The reporting and publication formats shown in these statements, including the level of detail, are the minimum requirements as prescribed by the State Auditor.

Generally, cash basis accounting is adequate for smaller cities. However, the Office of the State Auditor encourages cities under 2,500 in population to report in accordance with generally accepted accounting principles (GAAP). The GAAP reporting requirements can be found in the publication entitled "[City Audited Financial Statements For Cities Reporting in Accordance with Generally Accepted Accounting Principles](#)," which can be found on the Office of the State Auditor's website in the Accounting & Auditing Documents section under the Auditing tab.

Cities under 2,500 in population planning to report in accordance with GAAP should contact the Office of the State Auditor for information on the prescribed reporting standards.

Reporting and Publishing Requirements - Cash Basis of Accounting

Description of City Financial Statement

The prescribed city financial statement, on the cash basis of accounting, consists of eight schedules described below. Examples of the schedules begin on page 8.

Schedule 1 - Summary Statement of Receipts, Disbursements, Balances, and Investments

Schedule 1 is a statement of receipts, disbursements, transfers, and balances, including investments, summarized by fund. This summary should contain all city funds including liquor stores, utility funds, municipal hospitals, and nursing homes. The clerk's balance on January 1 should agree with the December 31 balance of the preceding year.

Schedule 2 - Statement of Cash Receipts and Disbursements by Fund - Governmental Funds

Schedule 2 is a statement of receipts classified by source and disbursements classified by function, transfers, and investments sold and purchased. The general fund, special revenue funds, capital projects funds, and debt service funds are required in Schedule 2. Statements for each fund listed in Schedule 1, with the exception of those funds presented in Schedules 3, 4, and 5, should be included in this schedule. Funds shown in the examples are only for illustration.

Schedule 3 - Statement of Net Position - Enterprise Funds

Schedule 3 is the statement of net position of the public service enterprise funds and should be reported on the accrual basis of accounting. Statements of net position are recommended for all enterprise funds, however, is required for the liquor store.

The water, sewer, refuse disposal, electric, gas, and heat utilities, along with municipal hospitals, nursing homes, and liquor stores are required to be reported as enterprise funds.

Schedule 4 - Statement of Revenues, Expenses, and Changes in Net Position - Enterprise Funds

Schedule 4 is the operating statement of the public service enterprise funds and should be reported on the accrual basis of accounting. Enterprise funds are established when revenues are intended to cover the cost of providing the service. The financing and operation of a governmental enterprise fund is similar to a private business enterprise.

Schedule 5 - Statement of Cash Flows - Enterprise Funds

Schedule 5 is the statement of cash flows. Each enterprise fund is shown in a separate column. The total for all enterprise funds is the next column. A Schedule 2 for each enterprise fund can be prepared as an alternate to Schedule 5.

Reporting and Publishing Requirements - Cash Basis of Accounting

Schedule 6 - Statement of Indebtedness, Other Long-Term Liabilities, and Contingent Liabilities

Schedule 6 is a statement of indebtedness by type and other long-term liabilities. Each bond issue should be listed separately. The principal balance at the beginning of the year should agree with the ending principal balance of the preceding year. A note should be included explaining any changes to the beginning balances. Amounts issued and paid are shown in Schedule 2 and Schedule 5 as received from borrowing and paid on the principal. Do not include outstanding orders in this schedule.

The Other Long-term Liabilities include net pension liability and OPEB obligations. Contingent liabilities are items that may become liabilities because of conditions undetermined at the time the financial statements are prepared. An example would be a lawsuit against the city for personal injuries resulting from the operation of the municipal liquor store. Disclosure of legal actions should state that an action has been filed or is pending and should state the amount claimed.

Schedule 7 - Statement of Accounts Receivable and Accounts Payable

Schedule 7 is a statement of accounts receivable and accounts payable. List items such as receivables and payables as of December 31, 20XX, which will not be collected or paid for until the following accounting period. An example of an account payable is fuel and utility bills for services used in December, but not paid for until the following year. Telephone billings, fuel oil, and street lighting are specific examples.

Schedule 8 - Statement of Investment Activity

Schedule 8 is a statement of the purchase, sale, and balances of investments summarized by fund. This summary should contain all city funds including liquor stores, utility funds, municipal hospitals, and nursing homes. The investment balance on January 1 should agree with the December 31 balance of the preceding year.

Sample Financial Statement
Cities Under 2,500 in Population
Reporting on a Cash Basis

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Reporting and Publishing Requirements - Cash Basis of Accounting

CITY FINANCIAL STATEMENT

CITY OF GRAND SLAM

WASHINGTON COUNTY

STATE OF MINNESOTA

March 15, 20XX

The Honorable Mayor and Council Members
City of Grand Slam:

I herewith submit to you the City of Grand Slam's Financial Statement for the year ended December 31, 20XX. This financial report contains statements of receipts and disbursements, balance sheets, operating statements, and statements of financial position for the enterprise funds, a statement of outstanding indebtedness, statement of accounts receivable, statement of accounts payable, and a statement of investment activity for all funds of the city. This report was prepared pursuant to Minn. Stat. § 471.698.

Respectfully submitted,

Wendy Thompson
City Clerk

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Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 1

**STATEMENT OF CASH RECEIPTS, DISBURSEMENTS, BALANCES, AND INVESTMENTS
FOR THE YEAR ENDED DECEMBER 31, 20XX**

| Fund Name (a) | Clerk's Balance January 1 | Receipts | Sale of Investments | Transfers In | Disbursements | Purchase of Investments | Transfers Out | Clerk's Balance December 31 | Investment Balance December 31 |
|--------------------------|---------------------------------|---------------------|------------------------|------------------|---------------------|----------------------------|------------------|-----------------------------------|--------------------------------------|
| General Fund | \$ 16,815 | \$ 206,171 | \$ 11,979 | \$ 10,000 | \$ 180,104 | \$ 20,000 | \$ 6,200 | \$ 38,661 | \$ 80,767 |
| Special Revenue Funds | | | | | | | | | |
| Ambulance Fund | 648 | 18,417 | 1,141 | - | 7,261 | 4,031 | - | 8,914 | 15,707 |
| Park Improvement Fund | 25,000 | 8,038 | - | - | 28,312 | - | - | 4,726 | 15,212 |
| Debt Service Funds | | | | | | | | | |
| City Hall | 5,607 | 27,339 | - | - | 32,834 | - | - | 112 | - |
| Elm Street Improvement | 17,351 | 11,416 | - | - | 11,945 | - | - | 16,822 | 26,302 |
| Birch Street Improvement | 14,589 | 23,859 | - | - | 20,815 | - | - | 17,633 | - |
| Capital Projects Funds | | | | | | | | | |
| Fire Hall | 495 | 458,218 | 100,000 | - | 271,279 | - | - | 287,434 | - |
| Main Street Construction | - | 474,456 | - | - | 435,564 | - | - | 38,892 | 25,000 |
| Enterprise Funds | | | | | | | | | |
| Water Fund | 42,609 | 96,021 | - | 6,200 | 100,068 | 1,654 | - | 43,108 | 47,075 |
| Sewer Fund | 15,572 | 43,260 | - | - | 36,622 | 11,000 | - | 11,210 | 108,852 |
| Liquor Fund | 23,374 | 142,473 | - | - | 132,712 | 8,810 | 10,000 | 14,325 | 15,000 |
| Total | \$ 162,060 | \$ 1,509,668 | \$ 113,120 | \$ 16,200 | \$ 1,257,516 | \$ 45,495 | \$ 16,200 | \$ 481,837 | \$ 333,915 |
| | | | | (b) | | | (b) | | (c) |

NOTES:

- (a) Funds shown are for illustrative purposes only. All funds of the city should be shown.
- (b) Total Transfers In (for all funds) must equal total Transfers Out (for all funds).
- (c) Enter the total of certificates of deposit, investments, and savings accounts.

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 2.1

**GENERAL FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 20XX**

| | |
|--|---------------------------------|
| Receipts | |
| Taxes | |
| General Property Tax | |
| Current, Delinquent, Penalties, and Interest | <u>\$ 68,364</u> |
| Licenses and Permits | |
| Business (Liquor, Cigarettes, etc.) | \$ 2,195 |
| Non-business (Building Permits, etc.) | <u>105</u> |
| Total Licenses and Permits | <u>\$ 2,300</u> |
| Intergovernmental | |
| State Grants | |
| Local Government Aid | \$ 74,195 |
| Market Value Credit | 28,550 |
| Fire Relief Aid | 2,661 |
| Other (Airport) | <u>4,336</u> |
| Total Intergovernmental | <u>\$ 109,742</u> |
| Charges for Services | |
| General Government (Filing Fees and Auto Registration) | \$ 92 |
| Public Safety (Police Protection) | 3,712 |
| Parks and Recreation | 3,922 |
| Other (S.A.C.) | <u>1,292</u> |
| Total Charges for Services | <u>\$ 9,018</u> |
| Fines and Forfeits | |
| County Court | <u>\$ 4,128</u> |
| Miscellaneous | |
| Interest Earnings (Checking, Savings, and Investments) | \$ 5,591 |
| Insurance Claims | 1,652 |
| Refunds Received | 717 |
| Sale of Property | <u>4,659</u> |
| Total Miscellaneous | <u>\$ 12,619</u> |
| Total Receipts | <u>\$ 206,171</u> |
| Other Financing Sources | |
| Sale of Investments | \$ 11,979 |
| Transfers From | |
| Liquor Fund | <u>10,000</u> |
| Total Other Financing Sources | <u>\$ 21,979</u> |
| Total Receipts and Other Financing Sources | <u><u>\$ 228,150</u></u> |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

**SCHEDULE 2.1
(Continued)**

**GENERAL FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 20XX**

| | |
|--|------------------|
| Disbursements | |
| General Government | |
| Mayor and Council | |
| Current | \$ 1,720 |
| Finance - Clerk and Treasurer | |
| Current | 11,864 |
| Capital outlay | 1,840 |
| Elections | |
| Current | 760 |
| Assessor | |
| Current | 2,790 |
| Independent Accounting and Auditing | |
| Current | 4,000 |
| Legal | |
| Current | 925 |
| City Hall | |
| Current | 8,258 |
| | \$ 32,157 |
| Total General Government | |
| Public Safety | |
| Police Protection | |
| Current | \$ 35,999 |
| Capital Outlay | 621 |
| Fire Protection | |
| Current | 9,015 |
| Capital Outlay | 412 |
| Building Inspection | |
| Current | 368 |
| Civil Defense | |
| Current | 334 |
| Animal Control (Dog Catcher) | |
| Current | 453 |
| | \$ 47,202 |
| Total Public Safety | |
| Streets and Hghways (Includes Street Cleaning) | |
| Streets Maintenance | |
| Current | \$ 17,271 |
| Capital Outlay - Construction | 22,400 |
| Capital Outlay - Equipment, Buildings, Etc. | 2,596 |
| Snow and Ice Removal | |
| Current | 3,430 |
| Street Lighting | |
| Current | 10,555 |
| | \$ 56,252 |
| Total Streets and Highways | |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

**SCHEDULE 2.1
(Continued)**

**GENERAL FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 20XX**

| | |
|---|-------------------|
| Disbursements (Continued) | |
| Sanitation | |
| Recycling | |
| Current | \$ 5,600 |
| Capital Outlay | 4,200 |
| Weed Eradication | |
| Current | 5,100 |
| Capital Outlay | 2,800 |
| | <hr/> |
| Total Sanitation | \$ 17,700 |
| | |
| Culture and Recreation | |
| Library | |
| Current | \$ 4,875 |
| Capital Outlay | 1,474 |
| Recreational Activities, Facilities, and Community Buildings | |
| Current | 3,495 |
| Capital Outlay | 2,229 |
| Parks and Boulevards | |
| Current | 5,249 |
| Capital Outlay | 3,252 |
| | <hr/> |
| Total Culture and Recreation | \$ 20,574 |
| | |
| Miscellaneous | |
| Airport | |
| Current | \$ 2,560 |
| Capital Outlay | 3,000 |
| Other (Cemetery) | |
| Current | 659 |
| | <hr/> |
| Total Miscellaneous | \$ 6,219 |
| | |
| Total Disbursements | \$ 180,104 |
| | |
| Other Financing Uses | |
| Purchase of Investments | \$ 20,000 |
| Transfers to Water Fund | 6,200 |
| | <hr/> |
| Total Other Financing Uses | \$ 26,200 |
| | |
| Total Disbursements and Other Financing Uses | \$ 206,304 |
| | <hr/> <hr/> |

Note: Insurance, benefits, workers compensation etc. should be allocated to the proper functional category to which it applies.

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 2.2

**AMBULANCE SPECIAL REVENUE FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 20XX**

| | |
|---|------------------|
| Receipts | |
| Intergovernmental | |
| Local Grants | |
| County | \$ 7,000 |
| Township | 1,000 |
| Charges for Services | |
| User Fees | 4,698 |
| Other Receipts | |
| Sale of Property | 694 |
| Refunds and Reimbursements | 840 |
| Donations | 4,185 |
| | <hr/> |
| Total Receipts | \$ 18,417 |
| Other Financing Sources | |
| Sale of Investments | 1,141 |
| | <hr/> |
| Total Receipts and Other Financing Sources | \$ 19,558 |
| | <hr/> <hr/> |
| Disbursements | |
| Public Safety | |
| Ambulance | |
| Current | \$ 4,977 |
| Capital Outlay | 2,284 |
| | <hr/> |
| Total Public Safety | \$ 7,261 |
| Other Financing Uses | |
| Purchase of Investments | 4,031 |
| | <hr/> |
| Total Disbursements and Other Financing Uses | \$ 11,292 |
| | <hr/> <hr/> |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 2.3

**PARK IMPROVEMENT SPECIAL REVENUE FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 20XX**

Receipts

| | |
|-------------------------|-------------------------------|
| Intergovernmental | |
| State Park Grant | \$ 7,662 |
| Other Receipts | |
| Interest on Investments | <u>376</u> |
| Total Receipts | <u><u>\$ 8,038</u></u> |

Disbursements

| | |
|----------------------------|--------------------------------|
| Culture and Recreation | |
| Parks | |
| Current | \$ 1,540 |
| Capital Outlay | <u>26,772</u> |
| Total Disbursements | <u><u>\$ 28,312</u></u> |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 2.4

CITY HALL DEBT SERVICE FUND STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 20XX

Receipts

| | |
|--|------------------|
| Taxes | |
| General Property Tax | |
| Current, Delinquent, Penalties, and Interest | \$ 17,286 |
| Intergovernmental Revenues | |
| State Grants and Aids | |
| Market Value Credit | 5,667 |
| Other Receipts | |
| Interest on Investments | 4,386 |
| | <hr/> |
| Total Receipts | \$ 27,339 |

Disbursements

| | |
|----------------------------|------------------|
| Debt Service | |
| Principal | \$ 15,000 |
| Interest | 17,810 |
| Fiscal Charges | 24 |
| | <hr/> |
| Total Disbursements | \$ 32,834 |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 2.5

ELM STREET IMPROVEMENT DEBT SERVICE FUND STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 20XX

Receipts

| | | |
|--|-----------|-----------------------------|
| Special Assessments (Include Penalties and Interest) | \$ | 8,342 |
| Other Receipts | | |
| Interest on Investments | | <u>3,074</u> |
| Total Receipts | \$ | <u><u>11,416</u></u> |

Disbursements

| | | |
|----------------------------|-----------|-----------------------------|
| Debt Service | | |
| Principal | \$ | 5,000 |
| Interest | | 6,900 |
| Fiscal Charges | | <u>45</u> |
| Total Disbursements | \$ | <u><u>11,945</u></u> |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 2.6

**BIRCH STREET IMPROVEMENT DEBT SERVICE FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 20XX**

| Receipts | |
|--|-------------------------|
| Special Assessments (Include Penalties and Interest) | \$ 23,859 |
| Other Receipts | |
| Interest on Investments | <u>-</u> |
| Total Receipts | <u>\$ 23,859</u> |
| | |
| Disbursements | |
| Debt Service | |
| Principal | \$ - |
| Interest | 20,750 |
| Fiscal Charges | <u>65</u> |
| Total Disbursements | <u>\$ 20,815</u> |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 2.7

FIRE HALL CAPITAL PROJECTS FUND STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDED DECEMBER 31, 20XX

| | |
|---|--------------------------|
| Receipts | |
| Other Receipts | |
| Interest on Investments | \$ 3,026 |
| Contributions | <u>105,192</u> |
| Total Receipts | <u>\$ 108,218</u> |
| Other Financing Sources | |
| Sale of Investments | \$ 100,000 |
| Borrowing - Sale of Bonds | <u>350,000</u> |
| Total Other Financing Sources | <u>\$ 450,000</u> |
| Total Receipts and Other Financing Sources | <u>\$ 558,218</u> |
| | |
| Disbursements | |
| Public Safety | |
| Fire | |
| Capital Outlay | |
| Building Construction | \$ 231,279 |
| Land | <u>40,000</u> |
| Total Disbursements | <u>\$ 271,279</u> |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 2.8

**MAIN STREET CONSTRUCTION CAPITAL PROJECTS FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 20XX**

Receipts

| | | |
|--|-----------|-----------------------|
| Special Assessments (Include Penalties and Interest) | \$ | 123,359 |
| Intergovernmental | | |
| State - Economic Development Grant | | <u>351,097</u> |
| Total Receipts | \$ | <u>474,456</u> |

Disbursements

| | | |
|----------------------------|-----------|-----------------------|
| Streets and Highways | | |
| Capital Outlay | | |
| Legal Fees | \$ | 34,235 |
| Construction - Main Street | | <u>401,329</u> |
| Total Disbursements | \$ | <u>435,564</u> |

Reporting and Publishing Requirements - Cash Basis of Accounting**CITY OF GRAND SLAM****SCHEDULE 3.1****STATEMENT OF NET POSITION
WATER ENTERPRISE FUND
DECEMBER 31, 20XX****Assets**

| | |
|--------------------------------------|---------------------|
| Current Assets | |
| Cash and Cash Equivalents | \$ 43,108 |
| Investments | - |
| Accounts Receivables, net | 1,250 |
| Accrued Interest Receivable | 791 |
| Inventories | 4,200 |
| Prepaid Expenses | 7,312 |
| | <hr/> |
| Total Current Assets | \$ 56,661 |
| Noncurrent Assets | |
| Restricted Cash and Cash Equivalents | |
| Cash and Cash Equivalents | \$ - |
| | <hr/> |
| Investments | \$ 47,075 |
| | <hr/> |
| Capital Assets | |
| Land | \$ 32,163 |
| Buildings | 85,977 |
| Machinery and Equipment | 1,985,464 |
| Less: Accumulated Depreciation | (1,023,663) |
| | <hr/> |
| Capital Assets, Net | \$ 1,079,941 |
| | <hr/> |
| Total Noncurrent Assets | \$ 1,127,016 |
| | <hr/> |
| Total Assets | \$ 1,183,677 |

Liabilities

| | |
|---|-------------------|
| Current Liabilities | |
| Accounts Payable | \$ 2,538 |
| Sales Tax Payable | 1,127 |
| Accrued Salaries Payable | 1,589 |
| Accrued Payroll Liabilities | 361 |
| Due to Other Funds | - |
| Compensated Absences | 510 |
| Bonds, Notes, and Loans Payable | 20,000 |
| | <hr/> |
| Total Current Liabilities | \$ 26,125 |
| Current Liabilities Payable From Restricted Assets | |
| Accrued Bond Interest Payable | \$ 35,842 |
| | <hr/> |
| Long-Term Liabilities | |
| Compensated Absences | \$ 3,175 |
| Bonds, Notes, and Loans Payable | 470,000 |
| | <hr/> |
| Total Noncurrent Liabilities | \$ 473,175 |
| | <hr/> |
| Total Liabilities | \$ 535,142 |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 3.1

(Continued)

**STATEMENT OF NET POSITION
WATER ENTERPRISE FUND
DECEMBER 31, 20XX**

| | |
|----------------------------------|-------------------|
| Net Position | |
| Net Investment in Capital Assets | \$ 589,941 |
| Restricted for Debt Service | 11,233 |
| Unrestricted | 47,361 |
| | <hr/> |
| Total Net Position | \$ 648,535 |
| | <hr/> <hr/> |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 4.1

WATER ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 20XX

| | |
|---|--------------------|
| Operating Revenues* | |
| Metered Water Sales | \$ 69,483 |
| Bulk Water Sales | 2,933 |
| Connection Fees | 2,720 |
| | <hr/> |
| Total Operating Revenues | \$ 75,136 |
| Operating Expenses | |
| Salaries and Wages | \$ 12,705 |
| Health and Life Insurance Contributions | 1,688 |
| Heat, Light, and Power | 7,401 |
| Repairs and Maintenance | 11,027 |
| Supplies | 1,497 |
| Insurance | 4,086 |
| Depreciation | 37,040 |
| | <hr/> |
| Total Operating Expenses | \$ 75,444 |
| Operating Income (Loss) | \$ (308) |
| Nonoperating Revenues (Expenses) | |
| Interest on Investments | \$ 6,817 |
| Taxes | 1,563 |
| Special Assessments (Include Penalties and Interest) | 11,848 |
| State - Market Value Credits | 657 |
| Interest Expense | (36,393) |
| Fiscal Agent Fees | (210) |
| | <hr/> |
| Total Nonoperating Revenues (Expenses) | \$ (15,718) |
| Net Income (Loss) Before Contributions and Transfers | \$ (16,026) |
| Transfer in From General Fund | 6,200 |
| | <hr/> |
| Change in Net Position | \$ (9,826) |
| Total Net Position - Beginning | 658,361 |
| | <hr/> |
| Total Net Position - Ending | \$ 648,535 |

*Enter actual sales only. Do not include State sales tax.

Reporting and Publishing Requirements - Cash Basis of Accounting**CITY OF GRAND SLAM****SCHEDULE 5.1****STATEMENT OF CASH FLOWS
WATER ENTERPRISE FUND
DECEMBER 31, 20XX**

| | |
|--|--------------------|
| Cash Flows From Operating Activities | |
| Receipts From Customers | \$ 73,651 |
| Payments to Suppliers | (23,561) |
| Payments to Employees | (12,358) |
| Internal Activity - Payments to Other Funds | - |
| Other Receipts (Payments) | 13,068 |
| | <u>13,068</u> |
| Net Cash Provided by (Used in) Operating Activities | \$ 50,800 |
| Cash Flows From Noncapital Financing Activities | |
| Transfers From (To) Other Funds | \$ 6,200 |
| | <u>6,200</u> |
| Cash Flows From Capital and Related Financing Activities | |
| Proceeds From Capital Debt | \$ - |
| Capital Contributions | - |
| Purchases of Capital Assets | (5,061) |
| Principal Paid on Capital Debt | (20,000) |
| Interest Paid on Capital Debt | (36,393) |
| Other Receipts (Payments) | (210) |
| | <u>(210)</u> |
| Net Cash Provided by (Used in) Capital and Related Financing Activities | \$ (61,664) |
| Cash Flows From Investing Activities | |
| Proceeds From Sales and Maturities of Investments | \$ - |
| Purchase of Investments | (1,654) |
| Interest and Dividends | 6,817 |
| | <u>6,817</u> |
| Net Cash Provided by (Used in) Investing Activities | \$ 5,163 |
| Net Increase (Decrease) in Cash and Cash Equivalents | \$ 499 |
| Cash and Cash Equivalents - Beginning of the Year | 42,609 |
| | <u>42,609</u> |
| Cash and Cash Equivalents - End of the Year | \$ 43,108 |
| | <u>43,108</u> |
| Cash and Cash Equivalents | |
| Current Assets | \$ 43,108 |
| Restricted Assets | - |
| | <u>-</u> |
| Total Cash and Cash Equivalents - End of Year | \$ 43,108 |
| | <u>43,108</u> |

Reporting and Publishing Requirements - Cash Basis of Accounting**CITY OF GRAND SLAM****SCHEDULE 3.2****STATEMENT OF NET POSITION
SEWER ENTERPRISE FUND
DECEMBER 31, 20XX****Assets**

Current Assets

| | | |
|-----------------------------|----|---------|
| Cash and Cash Equivalents | \$ | 11,210 |
| Investments | | 108,852 |
| Accounts Receivables, Net | | 6,378 |
| Accrued Interest Receivable | | 2,091 |
| Inventories | | - |
| Prepaid Expenses | | 406 |

Total Current Assets **\$ 128,937**

Noncurrent Assets

| | | |
|--------------------------------------|----|---|
| Restricted Cash and Cash Equivalents | | |
| Cash and Cash Equivalents | \$ | - |
| Investments | \$ | - |

Capital Assets

| | | |
|--------------------------------|----|-----------|
| Land | \$ | 36,215 |
| Buildings | | 98,524 |
| Machinery and Equipment | | 542,632 |
| Less: Accumulated Depreciation | | (181,782) |

Capital Assets, Net **\$ 495,589**

Total Noncurrent Assets **\$ 495,589**

Total Assets **\$ 624,526**

Liabilities

Current Liabilities

| | | |
|---------------------------------|----|-------|
| Accounts Payable | \$ | 2,734 |
| Sales Tax Payable | | - |
| Accrued Salaries Payable | | 2,555 |
| Accrued Payroll Liabilities | | 782 |
| Due to Other Funds | | - |
| Compensated Absences | | 243 |
| Bonds, Notes, and Loans Payable | | - |

Total Current Liabilities **\$ 6,314**

Current Liabilities Payable From

| | | |
|-------------------------------|----|---|
| Restricted Assets | | |
| Accrued Bond Interest Payable | \$ | - |

Long-Term Liabilities

| | | |
|---------------------------------|----|-----|
| Compensated Absences | \$ | 865 |
| Bonds, Notes, and Loans Payable | | - |

Total Noncurrent Liabilities **\$ 865**

Total Liabilities **\$ 7,179**

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 3.2
(Continued)

STATEMENT OF NET POSITION
SEWER ENTERPRISE FUND
DECEMBER 31, 20XX

| | |
|----------------------------------|-------------------|
| Net Position | |
| Net Investment in Capital Assets | \$ 495,589 |
| Restricted for Debt Service | - |
| Unrestricted | 121,758 |
| | <hr/> |
| Total Net Position | \$ 617,347 |
| | <hr/> <hr/> |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 4.2

SEWER ENTERPRISE FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED DECEMBER 31, 20XX

| | |
|---|--------------------|
| Operating Revenues | |
| Sewer Charges | \$ 32,104 |
| Sewer Permits | 150 |
| Total Operating Revenues | \$ 32,254 |
| Operating Expenses | |
| Salaries and Wages | \$ 13,251 |
| Health and Life Insurance Contributions | 951 |
| Heat, Light, and Power | 9,560 |
| Repairs and Maintenance | 7,234 |
| Supplies | 768 |
| Insurance | 1,086 |
| Testing | 840 |
| Office Expenses | 691 |
| Depreciation | 9,203 |
| Total Operating Expenses | \$ 43,584 |
| Operating Income (Loss) | \$ (11,330) |
| Nonoperating Revenues (Expenses) | |
| Interest on Investments | 11,006 |
| Net Income (Loss) Before Transfers | \$ (324) |
| Change in Net Position | \$ (324) |
| Total Net Position - Beginning | 617,671 |
| Total Net Position - Ending | \$ 617,347 |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 5.2

STATEMENT OF CASH FLOWS SEWER ENTERPRISE FUND DECEMBER 31, 20XX

| | |
|--|-------------------|
| Cash Flows From Operating Activities | |
| Receipts From Customers | \$ 30,967 |
| Payments to Suppliers | (20,742) |
| Payments to Employees | (12,380) |
| Internal Activity - Payments to Other Funds | - |
| Other Receipts (Payments) | - |
| | <hr/> |
| Net Cash Provided by (Used in) Operating Activities | \$ (2,155) |
| | |
| Cash Flows From Noncapital Financing Activities | |
| Transfers From (To) Other Funds | \$ - |
| | <hr/> |
| Cash Flows From Capital and Related Financing Activities | |
| Proceeds From Capital Debt | \$ - |
| Capital Contributions | - |
| Purchases of Capital Assets | (2,213) |
| Principal Paid on Capital Debt | - |
| Interest Paid on Capital Debt | - |
| Other Receipts (Payments) | - |
| | <hr/> |
| Net Cash Provided by (Used in) Capital and Related Financing Activities | \$ (2,213) |
| | |
| Cash Flows From Investing Activities | |
| Proceeds From Sales and Maturities of Investments | \$ - |
| Purchase of Investments | (11,000) |
| Interest and Dividends | 11,006 |
| | <hr/> |
| Net Cash Provided by (Used in) Investing Activities | \$ 6 |
| | |
| Net Increase (Decrease) in Cash and Cash Equivalents | \$ (4,362) |
| | |
| Cash and Cash Equivalents - Beginning of the Year | 15,572 |
| | <hr/> |
| Cash and Cash Equivalents - End of the Year | \$ 11,210 |
| | <hr/> |
| | |
| Cash and Cash Equivalents | |
| Current Assets | \$ 11,210 |
| Restricted Assets | - |
| | <hr/> |
| Total Cash and Cash Equivalents - End of Year | \$ 11,210 |
| | <hr/> |

Reporting and Publishing Requirements - Cash Basis of Accounting**CITY OF GRAND SLAM****SCHEDULE 3.3****STATEMENT OF NET POSITION
LIQUOR STORE ENTERPRISE FUND
DECEMBER 31, 20XX****Assets**

Current Assets

| | | |
|-----------------------------|----|--------|
| Cash and Cash Equivalents | \$ | 14,325 |
| Investments | | 15,000 |
| Accounts Receivables, Net | | - |
| Accrued Interest Receivable | | - |
| Inventories | | 18,043 |
| Prepaid Expenses | | 1,934 |

Total Current Assets **\$ 49,302**

Noncurrent Assets

| | | |
|--------------------------------------|----|---|
| Restricted Cash and Cash Equivalents | | |
| Cash and Cash Equivalents | \$ | - |
| Investments | \$ | - |

Capital Assets

| | | |
|--------------------------------|----|----------|
| Land | \$ | 26,395 |
| Buildings | | 90,800 |
| Machinery and Equipment | | - |
| Less: Accumulated Depreciation | | (54,749) |
| Capital Assets, Net | | 62,446 |

Total Noncurrent Assets **\$ 62,446**

Total Assets **\$ 111,748**

Liabilities

Current Liabilities

| | | |
|---------------------------------|----|-------|
| Accounts Payable | \$ | 2,219 |
| Sales Tax Payable | | 575 |
| Accrued Salaries Payable | | 1,628 |
| Accrued Payroll Liabilities | | 524 |
| Due to Other Funds | | 282 |
| Compensated Absences | | 477 |
| Bonds, Notes, and Loans Payable | | - |

Total Current Liabilities **\$ 5,705**

Current Liabilities Payable from

| | | |
|-------------------------------|----|---|
| Restricted Assets | | |
| Accrued Bond Interest Payable | \$ | - |

Long-Term Liabilities

| | | |
|---------------------------------|----|-------|
| Compensated Absences | \$ | 1,725 |
| Bonds, Notes, and Loans Payable | | - |

Total Noncurrent Liabilities **\$ 1,725**

Total Liabilities **\$ 7,430**

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 3.3
(Continued)

STATEMENT OF NET POSITION
LIQUOR STORE ENTERPRISE FUND
DECEMBER 31, 20XX

| | |
|----------------------------------|-------------------|
| Net Position | |
| Net investment in Capital Assets | \$ 62,446 |
| Restricted for Debt Service | - |
| Unrestricted | 41,872 |
| | <hr/> |
| Total Net Position | \$ 104,318 |
| | <hr/> <hr/> |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 4.3

**LIQUOR STORE ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 20XX**

| | <u>Off Sale</u> | <u>On Sale</u> | <u>Total</u> |
|---|-------------------------|-------------------------|---------------------------------|
| Sales* | \$ 65,294 | \$ 73,997 | \$ 139,291 |
| Less: Cost of Sales | <u>(37,601)</u> | <u>(42,613)</u> | <u>(80,214)</u> |
| Gross Profit | <u>\$ 27,693</u> | <u>\$ 31,384</u> | <u>\$ 59,077</u> |
| Operating Expenses | | | |
| Salaries and Wages | | | \$ 35,087 |
| Health and Life Insurance Contributions | | | 3,381 |
| Utilities | | | 1,771 |
| Repairs and Maintenance | | | 590 |
| Bar Supplies | | | 3,962 |
| Janitor Supplies | | | 487 |
| Office Supplies | | | 126 |
| Store Supplies | | | 807 |
| Liability Insurance (Dram Shop) | | | 5,457 |
| Professional Fees | | | 85 |
| Taxes and Licenses | | | 20 |
| Depreciation | | | <u>3,402</u> |
| Total Operating Expenses | | | <u>\$ 55,175</u> |
| Operating Income (Loss) | | | <u>\$ 3,902</u> |
| Nonoperating Revenues (Expenses) | | | |
| Vending Machine Commission | | | \$ 1,804 |
| Interest on Investment | | | <u>1,378</u> |
| Total Nonoperating Revenues (Expenses) | | | <u>\$ 3,182</u> |
| Net Income Before Transfers | | | \$ 7,084 |
| Transfers to General Fund | | | <u>(10,000)</u> |
| Change in Net Position | | | \$ (2,916) |
| Total Net Position - Beginning | | | <u>107,234</u> |
| Total Net Position - Ending | | | <u><u>\$ 104,318</u></u> |

*Enter actual sales only. Do not include State sales tax.

Reporting and Publishing Requirements - Cash Basis of Accounting

CTIY OF GRAND SLAM

SCHEDULE 5.3

STATEMENT OF CASH FLOWS LIQUOR ENTERPRISE FUND DECEMBER 31, 20XX

| | |
|--|-------------------|
| Cash Flows From Operating Activities | |
| Receipts From Customers | \$ 141,095 |
| Payments to Suppliers | (99,843) |
| Payments to Employees | (33,948) |
| Internal Activity - Payments to Other Funds | - |
| Other Receipts (Payments) | 1,804 |
| Net Cash Provided by (Used in) Operating Activities | \$ 9,108 |
| Cash Flows From Noncapital Financing Activities | |
| Transfers From (To) Other Funds | \$ (10,000) |
| Cash Flows From Capital and Related Financing Activities | |
| Proceeds From Capital Debt | \$ - |
| Capital Contributions | - |
| Purchases of Capital Assets | (725) |
| Principal Paid on Capital Debt | - |
| Interest Paid on Capital Debt | - |
| Other Receipts (Payments) | - |
| Net Cash Provided by (Used in) Capital and Related Financing Activities | \$ (725) |
| Cash Flows From Investing Activities | |
| Proceeds From Sales and Maturities of Investments | \$ - |
| Purchase of Investments | (8,810) |
| Interest and Dividends | 1,378 |
| Net Cash Provided by (Used in) Investing Activities | \$ (7,432) |
| Net Increase (Decrease) in Cash and Cash Equivalents | \$ (9,049) |
| Cash and Cash Equivalents - Beginning of the Year | 23,374 |
| Cash and Cash Equivalents - End of the Year | \$ 14,325 |
| Cash and Cash Equivalents | |
| Current Assets | \$ 14,325 |
| Restricted Assets | - |
| Total Cash and Cash Equivalents - End of Year | \$ 14,325 |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 6

**SCHEDULE OF INDEBTEDNESS, OTHER LONG-TERM LIABILITIES, AND CONTINGENT LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 20XX**

| | <u>Interest Rate (%)</u> | <u>Issue Date</u> | <u>Final Maturity Date</u> | <u>Outstanding January 1, 20XX</u> | <u>Issued in 20XX</u> | <u>Paid in 20XX</u> | <u>Outstanding December 31, 20XX</u> |
|---|------------------------------|-------------------|------------------------------------|--|---------------------------|-------------------------|--|
| Bonded Indebtedness | | | | | | | |
| General Obligation | | | | | | | |
| City Hall | 5.00 - 5.40 | 03/01/19XX | 03/01/20XX | \$ 335,000 | \$ - | \$ 15,000 | \$ 320,000 |
| Fire Hall | 8.00 - 8.67 | 05/08/20XX | 05/08/20XX | - | 350,000 | - | 350,000 |
| Total General Obligation | | | | \$ 335,000 | \$ 350,000 | \$ 15,000 | \$ 670,000 |
| Tax Increment | | | | | | | |
| Development District | --- | --- | --- | \$ - | \$ - | \$ - | \$ - |
| Special Assessment | | | | | | | |
| Elm Street Improvement | 5.25 - 5.80 | 07/20/19XX | 07/20/20XX | \$ 50,000 | \$ - | \$ 5,000 | \$ 45,000 |
| Birch Street Improvement | 8.15 - 9.20 | 03/13/20XX | 03/13/20XX | 500,000 | - | - | 500,000 |
| Total Special Assessment | | | | \$ 550,000 | \$ - | \$ 5,000 | \$ 545,000 |
| General Obligation Revenue | | | | | | | |
| Water Utility | 5.00 | 10/24/20XX | 10/24/20XX | \$ 510,000 | \$ - | \$ 20,000 | \$ 490,000 |
| Revenue Bonds | | | | | | | |
| Liquor Store | --- | --- | --- | \$ - | \$ - | \$ - | \$ - |
| Total Bonded Indebtedness | | | | \$ 1,395,000 | \$ 350,000 | \$ 40,000 | \$ 1,705,000 |
| Other Long-Term Indebtedness | | | | | | | |
| Installment Purchase Contract | 10.00 | 04/23/20XX | 04/23/20XX | \$ 41,956 | \$ - | \$ 2,596 | \$ 39,360 |
| Short-Term Indebtedness | | | | | | | |
| Tax Anticipation Certificates | --- | --- | --- | \$ - | \$ - | \$ - | \$ - |
| Total Indebtedness | | | | \$ 1,436,956 | \$ 350,000 | \$ 42,596 | \$ 1,744,360 |
| Other Long-Term Liabilities | | | | | | | |
| Net Pension Liability | | | | | | | |
| PERA | | | | | | | \$ 50,000 |
| Fire Relief Association | | | | | | | 15,000 |
| Net OPEB Obligations | | | | | | | 5,000 |
| Contingent Liabilities (Not required on this schedule if they are included in the notes to the financial statements) | | | | | | | |
| (Provide detailed explanation of Contingent Liabilities) | | | | | | | \$ 25,000 |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 7

**STATEMENT OF ACCOUNTS RECEIVABLE
DECEMBER 31, 20XX**

| Fund | Source of Revenues | Amount |
|----------------------------------|---------------------------|-----------------|
| General | Recreation Fees | \$ 230 |
| Ambulance | User Fees | 250 |
| Water | Customer User Charges | 1,250 |
| Sewer | Customer User Charges | 6,378 |
| Total Accounts Receivable | | \$ 8,108 |

**STATEMENT OF ACCOUNTS PAYABLE
DECEMBER 31, 20XX**

| Fund | Vendor Name | Item and Purpose | Claim Number | Amount |
|-------------------------------|-----------------------|-------------------------|---------------------|-----------------|
| General | Carlson Electric | Repair Wiring | 4096 | \$ 106 |
| General | Decker Supply Co. | Office Supplies | 4112 | 75 |
| General | Northern States Power | December Electricity | 4115 | 496 |
| General | Northwestern Bell | December Telephone | 4116 | 122 |
| General | General Oil Company | December Fuel | 4118 | 257 |
| Water | Great Plains Supply | Water Meters | 4125 | 1,442 |
| Water | Kern's Machinery | Pump Repairs | 4126 | 1,096 |
| Sewer | LeBlanc Construction | Sewer Main Repair | 4127 | 2,734 |
| Liquor | Peterson Distributing | Liquor | 4121 | 1,127 |
| Liquor | Van Dyke Distributing | Liquor | 4123 | 1,437 |
| Total Accounts Payable | | | | \$ 8,892 |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SCHEDULE 8

**STATEMENT OF INVESTMENT ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 20XX**

| Fund Name | Investment Balance January 1, 20XX | Sale of Investments | Purchase of Investments* | Investment Balance December 31, 20XX |
|-------------------------------|---|------------------------|-----------------------------|---|
| General Fund | \$ 72,746 | \$ 11,979 | \$ 20,000 | \$ 80,767 |
| Special Revenue Funds | | | | |
| Ambulance Fund | 12,817 | 1,141 | 4,031 | 15,707 |
| Park Improvement Fund | 15,212 | - | - | 15,212 |
| Debt Service Funds | | | | |
| City Hall | - | - | - | - |
| Elm Street Improvement | 26,302 | - | - | 26,302 |
| Birch Street Improvement | - | - | - | - |
| Capital Projects Funds | | | | |
| Fire Hall | 100,000 | 100,000 | - | - |
| Main Street Construction | 25,000 | - | - | 25,000 |
| Enterprise Funds | | | | |
| Water Fund | 45,421 | - | 1,654 | 47,075 |
| Sewer Fund | 97,852 | - | 11,000 | 108,852 |
| Liquor Fund | 6,190 | - | 8,810 | 15,000 |
| Total | \$ 401,540 | \$ 113,120 | \$ 45,495 | \$ 333,915 |
| | | [1] | [1] | [1] |

Notes:

*Purchase of investments includes interest earned that is now included as part of the investment.

[1] These amounts should equal the amounts shown on Schedule 1.

Publication Requirements
Cities Under 2,500 in Population
Reporting on a Cash Basis

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Description of City Summary Financial Report and Statements for Publication

The prescribed publishing requirements for a city reporting on the cash basis of accounting consists of a summary financial report and three statements as described below. Examples of the summary financial report and statements begin on page 35.

Summary Financial Report

The summary financial report provides information on the receipts, disbursements, and long-term indebtedness for all governmental funds of the city. This report should include the cash fund balance of the general fund. A comparison to the prior year with a percent change should also be included on the summary statement.

Statement of Net Position - Proprietary Funds

This statement is in a balance sheet format. Each enterprise fund is shown in a separate column. The total for all enterprise funds is the next column. If the city has an internal service fund, it is shown as the last column. This statement is recommended for all enterprise funds, but required for city liquor store enterprise funds.

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds

This statement is in an operating statement format. Each enterprise fund is shown in a separate column. The total for all enterprise funds is the next column. If the city has an internal service fund, it is shown as the last column.

Statement of Cash Flows - Proprietary Funds

This statement is based on the provisions of GASB Statement 9. Each enterprise fund is shown in a separate column. The total for all enterprise funds is the next column. If the city has an internal service fund, it is shown as the last column.

The water, sewer, refuse disposal, electric, gas, and heat utilities, along with municipal hospitals, nursing homes and liquor stores are required to be reported as enterprise funds.

NOTE: The transactions associated with the implementation of GASB Statement No. 68 - *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, are not included in the Summary Financial Statements. If pension costs are allocated to individual proprietary funds, these transactions should be included in the Summary Financial Statements.

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

SUMMARY FINANCIAL REPORT

The purpose of this report is to provide a summary of financial information concerning the City of Stolen Base to interested citizens. The complete financial statements may be examined at the City Hall, 51 Elm Street. Questions about this report should be directed to Ms. Wendy Thompson, Clerk at (651) 555-1234.

RECEIPTS AND DISBURSEMENTS FOR GENERAL OPERATIONS (GOVERNMENTAL FUNDS)

| | <u>Total 20X2</u> | <u>Total 20X1</u> | <u>Percent Increase (Decrease)</u> |
|---|-----------------------|-----------------------|--|
| Receipts | | | |
| Property Taxes | \$ 85,650 | \$ 83,945 | 2.03% |
| Special Assessments | 131,701 | 121,587 | 8.32% |
| Licenses and Permits | 2,300 | 1,900 | 21.05% |
| Intergovernmental | 482,168 | 137,649 | 250.29% |
| Charges for Services | 13,716 | 11,586 | 18.38% |
| Fines and Forfeits | 4,128 | 3,268 | 26.32% |
| Investment Earnings | 18,755 | 13,958 | 34.37% |
| Miscellaneous | 134,003 | 75,985 | 76.35% |
| Total Receipts | \$ 872,421 | \$ 449,878 | 93.92% |
| Per Capita | \$ 581.23 | \$ 302.13 | 92.37% |
| Disbursements | | | |
| Current | | | |
| General Government | \$ 30,317 | \$ 29,985 | 1.11% |
| Public Safety | 51,146 | 48,526 | 5.40% |
| Streets and Highways | 31,256 | 27,483 | 13.73% |
| Sanitation | 10,700 | 10,500 | 1.90% |
| Cemetery | 4,411 | 4,325 | 1.99% |
| Culture and Recreation | 15,159 | 14,582 | 3.96% |
| Airport | 2,560 | 2,689 | -4.80% |
| Debt Service | | | |
| Principal | 20,000 | 20,000 | 0.00% |
| Interest and Other Charges | 24,779 | 25,248 | -1.86% |
| Capital Outlay | 780,723 | 126,895 | 515.25% |
| Total Disbursements | \$ 971,051 | \$ 310,233 | 213.01% |
| Per Capita | \$ 646.94 | \$ 208.35 | 210.50% |
| Total Long-term Indebtedness | \$ 1,789,360 | \$ 1,436,956 | 24.52% |
| Per Capita | \$ 1,192.11 | \$ 965.05 | 23.53% |
| General Fund Cash Fund Balance - December 31* | \$ 116,928 | \$ 87,061 | 34.31% |
| Per Capita | \$ 77.90 | \$ 58.47 | 33.23% |

*Includes General Fund Investments

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 20XX

| | Enterprise Funds | | | Totals |
|--------------------------------------|---------------------|-------------------|-------------------|---------------------|
| | Water | Sewer | Liquor | |
| Assets | | | | |
| Current Assets | | | | |
| Cash and Cash Equivalents | \$ 43,108 | \$ 11,210 | \$ 14,325 | \$ 68,643 |
| Investments | - | 108,852 | 15,000 | 123,852 |
| Accounts Receivables, Net | 1,250 | 6,378 | - | 7,628 |
| Accrued Interest Receivable | 791 | 2,091 | - | 2,882 |
| Due From Other Governments | - | - | - | - |
| Inventories | 4,200 | - | 18,043 | 22,243 |
| Prepaid Expenses | 7,312 | 406 | 1,934 | 9,652 |
| Total Current Assets | \$ 56,661 | \$ 128,937 | \$ 49,302 | \$ 234,900 |
| Noncurrent Assets | | | | |
| Restricted Cash and Cash Equivalents | | | | |
| Cash and Cash Equivalents | \$ - | \$ - | \$ - | \$ - |
| Investments | \$ 47,075 | \$ - | \$ - | \$ 47,075 |
| Capital Assets | | | | |
| Land | \$ 32,163 | \$ 36,215 | \$ 26,395 | \$ 94,773 |
| Buildings | 85,977 | 98,524 | 90,800 | 275,301 |
| Machinery and Equipment | 1,985,464 | 542,632 | - | 2,528,096 |
| Less: Accumulated Depreciation | (1,023,663) | (181,782) | (54,749) | (1,260,194) |
| Capital Assets, Net | \$ 1,079,941 | \$ 495,589 | \$ 62,446 | \$ 1,637,976 |
| Total Noncurrent Assets | \$ 1,127,016 | \$ 495,589 | \$ 62,446 | \$ 1,685,051 |
| Total Assets | \$ 1,183,677 | \$ 624,526 | \$ 111,748 | \$ 1,919,951 |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Accounts Payable | \$ 2,538 | \$ 2,734 | \$ 2,219 | \$ 7,491 |
| Sales Tax Payable | 1,127 | - | 575 | 1,702 |
| Accrued Salaries Payable | 1,589 | 2,555 | 1,628 | 5,772 |
| Accrued Payroll Liabilities | 361 | 782 | 524 | 1,667 |
| Due to Other Funds | - | - | 282 | 282 |
| Compensated Absences | 510 | 243 | 477 | 1,230 |
| Bonds, Notes, and Loans Payable | 20,000 | - | - | 20,000 |
| Total Current Liabilities | \$ 26,125 | \$ 6,314 | \$ 5,705 | \$ 38,144 |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 20XX

| | Enterprise Funds | | | Totals |
|---|-------------------|-------------------|-------------------|---------------------|
| | Water | Sewer | Liquor | |
| Liabilities (Continued) | | | | |
| Current Liabilities Payable From Restricted Assets | | | | |
| Accrued Bond Interest Payable | \$ 35,842 | \$ - | \$ - | \$ 35,842 |
| Noncurrent Liabilities | | | | |
| Compensated Absences | \$ 3,175 | \$ 865 | \$ 1,725 | \$ 5,765 |
| Bonds, Notes, and Loans Payable | 470,000 | - | - | 470,000 |
| Total Noncurrent Liabilities | \$ 473,175 | \$ 865 | \$ 1,725 | \$ 475,765 |
| Total Liabilities | \$ 535,142 | \$ 7,179 | \$ 7,430 | \$ 549,751 |
| Net Position | | | | |
| Net Investment in Capital Assets | \$ 589,941 | \$ 495,589 | \$ 62,446 | \$ 1,147,976 |
| Restricted for Debt Service | 11,233 | - | - | 11,233 |
| Unrestricted | 47,361 | 121,758 | 41,872 | 210,991 |
| Total Net Position | \$ 648,535 | \$ 617,347 | \$ 104,318 | \$ 1,370,200 |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 20XX**

| | Enterprise Funds | | | |
|---|--------------------|--------------------|-------------------|---------------------|
| | Water | Sewer | Liquor | Total |
| Operating Revenues | | | | |
| Charges for Services | \$ 72,416 | \$ 32,104 | \$ 139,291 | \$ 243,811 |
| Less: Cost of Sales | - | - | (80,214) | (80,214) |
| Connection Fees | 2,720 | - | - | 2,720 |
| Miscellaneous | - | 150 | - | 150 |
| Total Operating Revenues | \$ 75,136 | \$ 32,254 | \$ 59,077 | \$ 166,467 |
| Operating Expenses | | | | |
| Personal Services | \$ 12,705 | \$ 13,039 | \$ 34,757 | \$ 60,501 |
| Health and Life Insurance Contributions | 1,510 | 951 | 3,381 | 5,842 |
| Pension Contributions | 178 | 212 | 673 | 1,063 |
| Utilities | 7,401 | 9,560 | 1,771 | 18,732 |
| Repairs and Maintenance | 11,027 | 7,234 | 590 | 18,851 |
| Supplies | 1,497 | 768 | 5,030 | 7,295 |
| Insurance Claims and Expenses | 4,086 | 1,086 | 5,466 | 10,638 |
| Testing | - | 840 | - | 840 |
| Other Expenses | - | 691 | 105 | 796 |
| Depreciation | 37,040 | 9,203 | 3,402 | 49,645 |
| Total Operating Expenses | \$ 75,444 | \$ 43,584 | \$ 55,175 | \$ 174,203 |
| Operating Income (Loss) | \$ (308) | \$ (11,330) | \$ 3,902 | \$ (7,736) |
| Nonoperating Revenues (Expenses) | | | | |
| Interest on Investment | \$ 6,817 | \$ 11,006 | \$ 1,378 | \$ 19,201 |
| Taxes | 1,563 | - | - | 1,563 |
| Special Assessments | 11,848 | - | - | 11,848 |
| Federal Grants | - | - | - | - |
| Market Value Credits | 657 | - | - | 657 |
| Other State Grants | - | - | - | - |
| County and Local Unit Grants | - | - | - | - |
| Miscellaneous Revenue | - | - | 1,804 | 1,804 |
| Interest Expense | (36,393) | - | - | (36,393) |
| Miscellaneous Expense | (210) | - | - | (210) |
| Total Nonoperating Revenue (Expenses) | \$ (15,718) | \$ 11,006 | \$ 3,182 | \$ (1,530) |
| Net Income (Loss) Before Contributions and Transfers | \$ (16,026) | \$ (324) | \$ 7,084 | \$ (9,266) |
| Capital Contributions | - | - | - | - |
| Transfers In | 6,200 | - | - | 6,200 |
| Transfers Out | - | - | (10,000) | (10,000) |
| Change in Net Position | \$ (9,826) | \$ (324) | \$ (2,916) | \$ (13,066) |
| Total Net Position - Beginning | 658,361 | 617,671 | 107,234 | 1,383,266 |
| Total Net Position - Ending | \$ 648,535 | \$ 617,347 | \$ 104,318 | \$ 1,370,200 |

Reporting and Publishing Requirements - Cash Basis of Accounting

CITY OF GRAND SLAM

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 20XX

| | Enterprise Funds | | | Totals |
|--|--------------------|-------------------|-------------------|--------------------|
| | Water | Sewer | Liquor | |
| Cash Flows From Operating Activities | | | | |
| Receipts From Customers | \$ 73,651 | \$ 30,967 | \$ 141,095 | \$ 245,713 |
| Payments to Suppliers | (23,561) | (20,742) | (99,843) | (144,146) |
| Payments to Employees | (12,358) | (12,380) | (33,948) | (58,686) |
| Internal Activity - Payments to Other Funds | - | - | - | - |
| Other Receipts (Payments) | 13,068 | - | 1,804 | 14,872 |
| Net Cash Provided by (Used in) Operating Activities | \$ 50,800 | \$ (2,155) | \$ 9,108 | \$ 57,753 |
| Cash Flows From Noncapital Financing Activities | | | | |
| Transfers From (To) Other Funds | \$ 6,200 | \$ - | \$ (10,000) | \$ (3,800) |
| Cash Flows From Capital and Related Financing Activities | | | | |
| Proceeds From Capital Debt | \$ - | \$ - | \$ - | \$ - |
| Capital Contributions | - | - | - | - |
| Purchases of Capital Assets | (5,061) | (2,213) | (725) | (7,999) |
| Principal Paid on Capital Debt | (20,000) | - | - | (20,000) |
| Interest Paid on Capital Debt | (36,393) | - | - | (36,393) |
| Other Receipts (Payments) | (210) | - | - | (210) |
| Net Cash Provided by (Used in) Capital and Related Financing Activities | \$ (61,664) | \$ (2,213) | \$ (725) | \$ (64,602) |
| Cash Flows From Investing Activities | | | | |
| Proceeds From Sales and Maturities of Investments | \$ - | \$ - | \$ - | \$ - |
| Purchase of Investments | (1,654) | (11,000) | (8,810) | (21,464) |
| Interest and Dividends | 6,817 | 11,006 | 1,378 | 19,201 |
| Net Cash Provided by (Used in) Investing Activities | \$ 5,163 | \$ 6 | \$ (7,432) | \$ (2,263) |
| Net Increase (Decrease) in Cash and Cash Equivalents | \$ 499 | \$ (4,362) | \$ (9,049) | \$ (12,912) |
| Cash and Cash Equivalents - Beginning of the Year | 42,609 | 15,572 | 23,374 | 81,555 |
| Cash and Cash Equivalents - End of the Year | \$ 43,108 | \$ 11,210 | \$ 14,325 | \$ 68,643 |
| Cash and Cash Equivalents | | | | |
| Current Assets | \$ 43,108 | \$ 11,210 | \$ 14,325 | \$ 68,643 |
| Restricted Assets | - | - | - | - |
| Total Cash and Cash Equivalents - End of Year | \$ 43,108 | \$ 11,210 | \$ 14,325 | \$ 68,643 |

Appendix

Applicable Minnesota Statutes

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Reporting and Publishing Requirements - Cash Basis of Accounting

MINNESOTA STATUTES § 471.697 - FINANCIAL REPORTS; FILING; CITIES, TOWNS OF 2,500.

Subdivision 1. All operations except some hospitals, nursing homes.

In any city with a population of more than 2,500 according to the latest federal census, or town with a population of more than 2,500 according to the latest federal census with an annual revenue of (1) \$670,500 or more in 2004, or (2) \$670,500 adjusted for inflation using the annual implicit price deflator for state and local expenditures as published by the United States Department of Commerce in 2005 and after, the city clerk, chief financial officer, town clerk, or town clerk-treasurer shall:

(a) Prepare a financial report covering the city's or town's operations including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions during the preceding fiscal year after the close of the fiscal year. Cities shall publish the report or a summary of the report, in a form as prescribed by the state auditor, in a qualified newspaper of general circulation in the city or, if there is none, post copies in three of the most public places in the city, no later than 30 days after the report is due in the office of the state auditor. The report shall contain financial statements and disclosures which present the city's or town's financial position and the results of city or town operations in conformity with generally accepted accounting principles. The report shall include such information and be in such form as may be prescribed by the state auditor;

(b) File the financial report in the clerk's or financial officer's office for public inspection and present it to the city council or town board after the close of the fiscal year. One copy of the financial report shall be furnished to the state auditor after the close of the fiscal year; and

(c) Submit to the state auditor audited financial statements which have been attested to by a certified public accountant, public accountant, or the state auditor within 180 days after the close of the fiscal year, except that the state auditor may upon request of a city or town and a showing of inability to conform, extend the deadline. The state auditor may accept this report in lieu of the report required in clause (b). A copy of the audited financial statement along with any management letter or other written findings or comments by the auditor must be provided to each city council member and the mayor, or to each town board member, no later than 30 days after the report is required to be submitted to the state auditor and presented at a scheduled meeting of the city council or town board prior to October 31 of the year in which the report is submitted to the state auditor.

A municipal hospital or nursing home established before June 6, 1979, whose fiscal year is not a calendar year on August 1, 1980, is not subject to this subdivision but shall submit to the state auditor a detailed statement of its financial affairs audited by a certified public accountant, a public accountant or the state auditor no later than 120 days after the close of its fiscal year. It may also submit a summary financial report for the calendar year.

Reporting and Publishing Requirements - Cash Basis of Accounting

MINNESOTA STATUTES § 471.698 - FINANCE REPORT, FILE, PUBLISH OR POST; CITIES UNDER 2,500.

Subdivision 1. All operations except some hospitals, nursing homes.

In any city with a population of less than 2,500 according to the latest federal census, the city clerk or chief financial officer shall:

(a) prepare a detailed statement of the financial affairs of the city including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions in the style and form prescribed by the state auditor, for the preceding fiscal year showing all money received, with the sources, and respective amounts thereof; all disbursements for which orders have been drawn upon the treasurer; the amount of outstanding and unpaid orders; all accounts payable; all indebtedness; contingent liabilities; all accounts receivable; the amount of money remaining in the treasury; and all items necessary to show accurately the revenues and expenditures and financial position of the city;

(b) file the statement in the clerk's or financial officer's office for the public inspection and present it to the city council within 45 days after the close of the fiscal year;

(c)(1) publish the statement, or a summary of the statement in a form as prescribed by the state auditor, within 90 days after the close of the fiscal year in a qualified newspaper of general circulation in the city; or

(2) if there is no qualified newspaper of general circulation in the city, the clerk shall, at the direction of the city council, post copies in three of the most public places in the city. It is not necessary to publish individual disbursements of less than \$300, if disbursements aggregating \$1,000 or more to any person, firm, or other entity are set forth in a schedule of major disbursements showing amounts paid out, to whom, and for what purpose, and are made a part of and published with the financial statement; and

(d) submit within 90 days after the close of the fiscal year a copy of the statement to the state auditor in such summary form as the state auditor may prescribe.

A municipal hospital or nursing home established before June 6, 1979, whose fiscal year is not a calendar year on August 1, 1980, is not subject to this subdivision but shall submit to the state auditor a detailed statement of its financial affairs audited by a certified public accountant, a public accountant or the state auditor no later than 120 days after the close of its fiscal year. It may also submit a summary financial report for the calendar year.

Subd. 2. May comply with section [471.697](#).

Any city described in subdivision 1 may comply with the provisions of section [471.697](#), in which case the provisions of subdivision 1 shall not apply to the city.

Reporting and Publishing Requirements - Cash Basis of Accounting

MINNESOTA STATUTES § 412.02 - CITY ELECTIONS; OFFICERS, TERMS, VACANCIES, CITY EMPLOYEES.

Subd. 3. Clerk, treasurer combined; audit standards.

(a) In cities operating under the standard plan of government the council may by ordinance adopted at least 60 days before the next regular city election combine the offices of clerk and treasurer in the office of clerk-treasurer, but such an ordinance shall not be effective until the expiration of the term of the incumbent treasurer or when an earlier vacancy occurs. After the effective date of the ordinance, the duties of the treasurer and deputy treasurer as prescribed by this chapter shall be performed by the clerk-treasurer or a duly appointed deputy. The offices of clerk and treasurer may be reestablished by ordinance.

(b) If the offices of clerk and treasurer are combined as provided by this section and the city's annual revenue for all governmental and enterprise funds combined is more than the amount in paragraph (c), the council shall provide for an annual audit of the city's financial affairs by the state auditor or a public accountant in accordance with minimum auditing procedures prescribed by the state auditor. If the offices of clerk and treasurer are combined and the city's annual revenue for all governmental and enterprise funds combined is the amount in paragraph (c), or less, the council shall provide for an audit of the city's financial affairs by the state auditor or a public accountant in accordance with minimum audit procedures prescribed by the state auditor at least once every five years, which audit shall be for a one-year period to be determined at random by the person conducting the audit.

(c) For the purposes of paragraph (b), the amount in 2004 is \$150,000, and in 2005 and after, \$150,000 adjusted for inflation using the annual implicit price deflator for state and local expenditures as published by the United States Department of Commerce.

Reporting and Publishing Requirements - Cash Basis of Accounting

MINNESOTA STATUTES § 412.591 - DUTIES OF CLERK AND TREASURER; MAY BE COMBINED.

Subdivision 1. Clerk not on council; transition.

The clerk shall perform all the duties imposed on the clerk in cities generally but shall not be a member of the council, except that when Optional Plan A is first adopted in any city, the incumbent clerk shall continue to be a member of the council until the expiration of the term.

Subd. 1a. If treasurer, duties unchanged.

The duties of the treasurer if that office exists shall not be affected by adoption of Optional Plan A.

Subd. 2. Combining, uncombining clerk-treasurer.

Cities operating under Optional Plan A may, by an ordinance effective after the expiration of the term of the incumbent treasurer at the date of adoption of Optional Plan A, combine the offices of clerk and treasurer in the office of clerk-treasurer and thereafter the duties of the treasurer as prescribed by this chapter shall be performed by the clerk-treasurer. The offices of clerk and treasurer may be reestablished by ordinance.

Subd. 3. Audit standards if combined.

(a) If the offices of clerk and treasurer are combined as provided by this section, and the city's annual revenue for all governmental and enterprise funds combined is more than the amount in paragraph (b), the council shall provide for an annual audit of the city's financial affairs by the state auditor or a certified public accountant in accordance with minimum procedures prescribed by the state auditor. If the offices of clerk and treasurer are combined and the city's annual revenue for all governmental and enterprise funds combined is the amount in paragraph (b), or less, the council shall provide for an audit of the city's financial affairs by the state auditor or a certified public accountant in accordance with minimum audit procedures prescribed by the state auditor at least once every five years, which audit shall be for a one-year period to be determined at random by the person conducting the audit.

(b) For the purposes of paragraph (a), the amount in 2004 is \$150,000, and in 2005 and after, \$150,000 adjusted for inflation using the annual implicit price deflator for state and local expenditures as published by the United States Department of Commerce.

Reporting and Publishing Requirements - Cash Basis of Accounting

MINNESOTA STATUTES § 471.6985 - MUNICIPAL LIQUOR STORE.

Subdivision 1. Publish balance sheet, operations.

Any city operating a municipal liquor store shall publish a balance sheet using generally accepted accounting procedures and a statement of operations of the liquor store within 90 days after the close of the fiscal year in the official newspaper of the city. The statement shall be headlined, in a type size no smaller than 18-point: “Analysis of(city)..... municipal liquor store operations for(year)....,” and shall be written in clear and easily understandable language. It shall contain the following information: total sales, cost of sales, gross profit, profit as percent of sales, operating expenses, operating income, contributions to and from other funds, capital outlay, interest paid and debt retired. The form and style of the statement shall be prescribed by the state auditor. Nonoperating expenses may not be extracted on the reporting form prior to determination of net profits for reporting purposes only. Administrative expenses charged to the liquor store by the city must be actual operating expenses and not used for any other public purpose prior to the determination of net profits. The publication requirements of this section shall be in addition to any publication or posting requirements for financial reports contained in sections [471.697](#) and [471.698](#). The statement may at the option of the city council be incorporated into the reports published pursuant to sections [471.697](#) and [471.698](#), in accordance with a form and style prescribed by the state auditor.

Subd. 2. If \$350,000 sales, audited statement.

Any city operating a municipal liquor store with total annual sales in excess of \$350,000 shall submit to the state auditor audited financial statements for the liquor store that have been attested to by a certified public accountant or the state auditor within 180 days after the close of the fiscal year, except that the state auditor may extend the deadline upon request of a city and a showing of inability to conform. The state auditor may accept this report in lieu of the report required by subdivision 1.