



Annual Financial Report

City of Rogers

Rogers, Minnesota

For the year ended December 31, 2021



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City of Rogers, Minnesota
Annual Financial Report
Table of Contents
For the Year Ended December 31, 2021

	<u>Page No.</u>
Introductory Section	
Elected and Appointed Officials	9
Financial Section	
Independent Auditor's Report	13
Management's Discussion and Analysis	17
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	33
Statement of Activities	34
Fund Financial Statements	
Governmental Funds	
Balance Sheet	38
Reconciliation of the Balance Sheet to the Statement of Net Position	41
Statement of Revenues, Expenditures and Changes in Fund Balances	42
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	44
General Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	45
Rogers Activity Center Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	47
Proprietary Funds	
Statement of Net Position	48
Statement of Revenues, Expenses and Changes in Net Position	51
Statement of Cash Flows	52
Notes to the Financial Statements	55
Required Supplementary Information	
Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability - General Employees Retirement Fund	92
Schedule of Employer's Public Employees Retirement Association Contributions - General Employees Retirement Fund	92
Notes to the Required Supplementary Information - General Employees Retirement Fund	93
Schedule of Employer's Share of Public Employees Retirement Association Net Pension Liability - Public Employees Police and Fire Fund	95
Schedule of Employer's Public Employees Retirement Association Contributions - Public Employees Police and Fire Fund	95
Notes to the Required Supplementary Information - Public Employees Police and Fire Fund	96
Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Ratios	98
Schedule of Employer's Fire Relief Association's Contributions	98
Schedule of Changes in the City's Total OPEB Liability and Related Ratios	99
Combining and Individual Fund Financial Statements and Schedules	
Nonmajor Governmental Funds	
Combining Balance Sheet	102
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	103
Nonmajor Special Revenue Funds	
Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	105
Nonmajor Capital Projects Funds	
Combining Balance Sheet	106
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	108

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City of Rogers, Minnesota
 Annual Financial Report
 Table of Contents (Continued)
 For the Year Ended December 31, 2021

	<u>Page No.</u>
Combining and Individual Fund Financial Statements and Schedules (Continued)	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	110
Debt Service Funds	
Combining Balance Sheet	116
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	118
TIF Funds	
Combining Balance Sheet	120
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	122
Street and Related Improvement Projects Funds	
Combining Balance Sheet	124
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	125
Enterprise Funds	
Water Fund	
Combining Schedule of Net Position	126
Combining Schedule of Revenues, Expenses and Changes in Net Position	129
Sewer Fund	
Combining Schedule of Net Position	130
Combining Schedule of Revenues, Expenses and Changes in Net Position	132
Storm Sewer Fund	
Combining Schedule Net Position	133
Combining Schedule of Revenues, Expenses and Changes in Net Position	134
Municipal Liquor Store Fund	
Combining Schedule of Operating Revenues and Expenses	135
Summary Financial Report	
Revenues and Expenditures for General Operations - Governmental Funds	136
 Other Required Reports	
Independent Auditor's Report	
on Minnesota Legal Compliance	139
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	140

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INTRODUCTORY SECTION

CITY OF ROGERS
ROGERS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2021

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City of Rogers, Minnesota
Elected and Appointed Officials
For the Year Ended December 31, 2021

ELECTED

Name	Title	Term Expires
Rick Ihli	Mayor	12/31/2022
Mark Eiden	Council Member	12/31/2022
Bruce Gorecki	Council Member	12/31/2022
Shannon Klick	Council Member	12/31/2024
Kevin Jullie	Council Member	12/31/2024

APPOINTED

Steve Stahmer	City Administrator
Bridget Bruska	Finance Director
Stacy Scharber	Assistant City Administrator / City Clerk
Greta Pudas	Assistant Finance Director
Bradley Feist	Fire Chief
Dan Wills	Police Chief
Doran Cote	Public Works Director / City Engineer
Gary Buysse	Liquor Operations Director
Jason Greninger	Information Systems Director
Mike Bauer	Parks and Recreation Director

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FINANCIAL SECTION

CITY OF ROGERS
ROGERS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Rogers, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Rogers, Minnesota (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund and Rogers Activity Center special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 17, the Schedules of Employer's Share of the Net Pension Liability, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios, the Schedules of Employer's Contributions, the related note disclosures and the Schedule of Changes in the City's OPEB Liability and Related Ratios starting on page 92 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



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Minneapolis, Minnesota
June 28, 2022



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Management's Discussion and Analysis

As management of the City of Rogers, Minnesota, (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2021.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$155,476,098 (net position). Of this amount, \$46,966,110 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$13,655,120 as a result of revenues in excess of expenses. \$7,465,036 was a result of an increase of net position within Enterprise funds, and \$6,190,084 from an increase of net position within Governmental funds. This is largely due to continued development and growth. The City's partnerships with developers to expand utility and transportation infrastructure and associated development fees have contributed to a large part of the increase in total net position.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$29,825,858, an increase of \$4,048,811 in comparison with the prior year. Approximately 38.7 percent of this total amount, \$11,547,104, is either nonspendable or restricted for specific purposes. The remaining fund balance was committed by City Council, assigned or unassigned.
- At the end of the current fiscal year, unassigned fund balance for the General fund was \$6,975,071, or 64.9 percent of 2021 actual expenditures and 61.1 percent of budgeted 2022 expenditures.
- The City's total long-term debt increased \$6,299,826 or 103.7 percent during the current fiscal year. The key factor of this increase was due to the issuance of the 2021A Bond, offset with regularly scheduled bond payments.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves. The following chart shows how the various parts of this annual report are arranged and related to one another:

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements. Internal service funds statements are also included, reflecting balances prior to their elimination from the government-wide financial statements, to avoid "doubling-up" effect within the governmental and business-type activities columns of said statements.

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

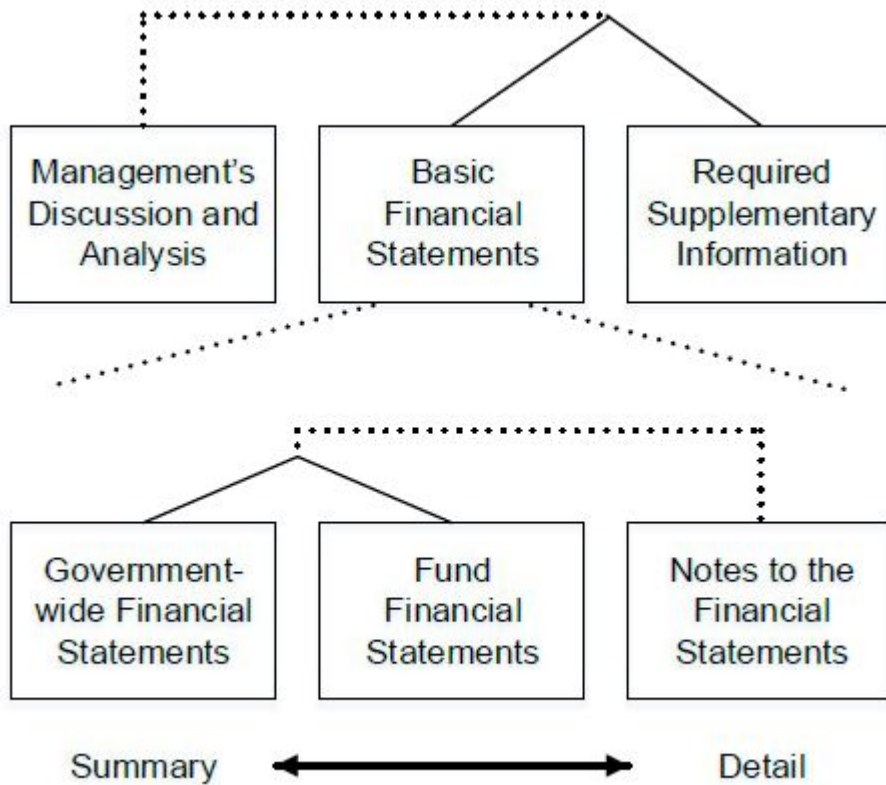


Figure 2 summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the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

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

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

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

The *statement of net position* presents information on all of the City’s assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, economic development, housing, and interest on long-term debt. The business-type activities of the City include water, sewer, storm sewer and municipal liquor.

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

The government-wide financial statements start on page 33 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local government, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances (deficits) provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains numerous individual governmental funds. The Debt Service fund consists of 6 sub-funds, the street and related improvement project fund consists of 4 sub-funds, and the tax increment financing fund consists of 6 sub-funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Debt Service fund, Rogers Activity Center fund, Revolving Capital fund, Capital Improvement Projects fund and the Street and Related Improvement Projects fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for the General fund and the Rogers Activity Center special revenue fund. Budgetary comparison statements have been provided for the General fund and the Rogers Activity Center fund to demonstrate compliance with their budgets.

The basic governmental fund financial statements start on page 38 of this report.

Proprietary Funds. The City maintains four proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, storm sewer and municipal liquor.

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

The basic proprietary funds financial statements start on page 48 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 55 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the City’s progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. Required supplementary information can be found on page 94 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented following the notes to the financial statements. Combining and individual fund financial statements and schedules start on page 104 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$155,476,098 at the close of the most recent fiscal year.

By far, the largest portion of the City’s net position (61.0 percent) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Rogers’s Summary of Net Position

	Governmental Activities			Business-type Activities		
	2021	2020	Increase (Decrease)	2021	2020	Increase (Decrease)
Assets						
Current and other assets	\$ 39,962,026	\$ 33,247,336	\$ 6,714,690	\$ 36,511,029	\$ 29,535,253	\$ 6,975,776
Capital assets	71,170,737	68,685,433	2,485,304	31,839,174	27,568,399	4,270,775
Total Assets	<u>111,132,763</u>	<u>101,932,769</u>	<u>9,199,994</u>	<u>68,350,203</u>	<u>57,103,652</u>	<u>11,246,551</u>
Deferred Outflows of Resources	<u>4,064,259</u>	<u>2,075,221</u>	<u>1,989,038</u>	<u>562,839</u>	<u>138,669</u>	<u>424,170</u>
Liabilities						
Noncurrent liabilities outstanding	11,840,325	10,735,464	1,104,861	5,973,548	2,227,010	3,746,538
Other liabilities	4,872,988	3,878,019	994,969	496,338	666,292	(169,954)
Total Liabilities	<u>16,713,313</u>	<u>14,613,483</u>	<u>2,099,830</u>	<u>6,469,886</u>	<u>2,893,302</u>	<u>3,576,584</u>
Deferred Inflows of Resources	<u>4,728,363</u>	<u>1,829,245</u>	<u>2,899,118</u>	<u>722,404</u>	<u>93,303</u>	<u>629,101</u>
Net Position						
Net investment in capital assets	63,789,527	63,465,433	324,094	31,035,815	26,713,399	4,322,416
Restricted	13,684,646	13,769,355	(84,709)	-	-	-
Unrestricted	<u>16,281,173</u>	<u>10,330,474</u>	<u>5,950,699</u>	<u>30,684,937</u>	<u>27,542,317</u>	<u>3,142,620</u>
Total Net Position	<u>\$ 93,755,346</u>	<u>\$ 87,565,262</u>	<u>\$ 6,190,084</u>	<u>\$ 61,720,752</u>	<u>\$ 54,255,716</u>	<u>\$ 7,465,036</u>

An additional portion of the City’s net position (\$13,684,646) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$46,966,110) may be used to meet the City’s ongoing obligations to citizens and creditors.

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

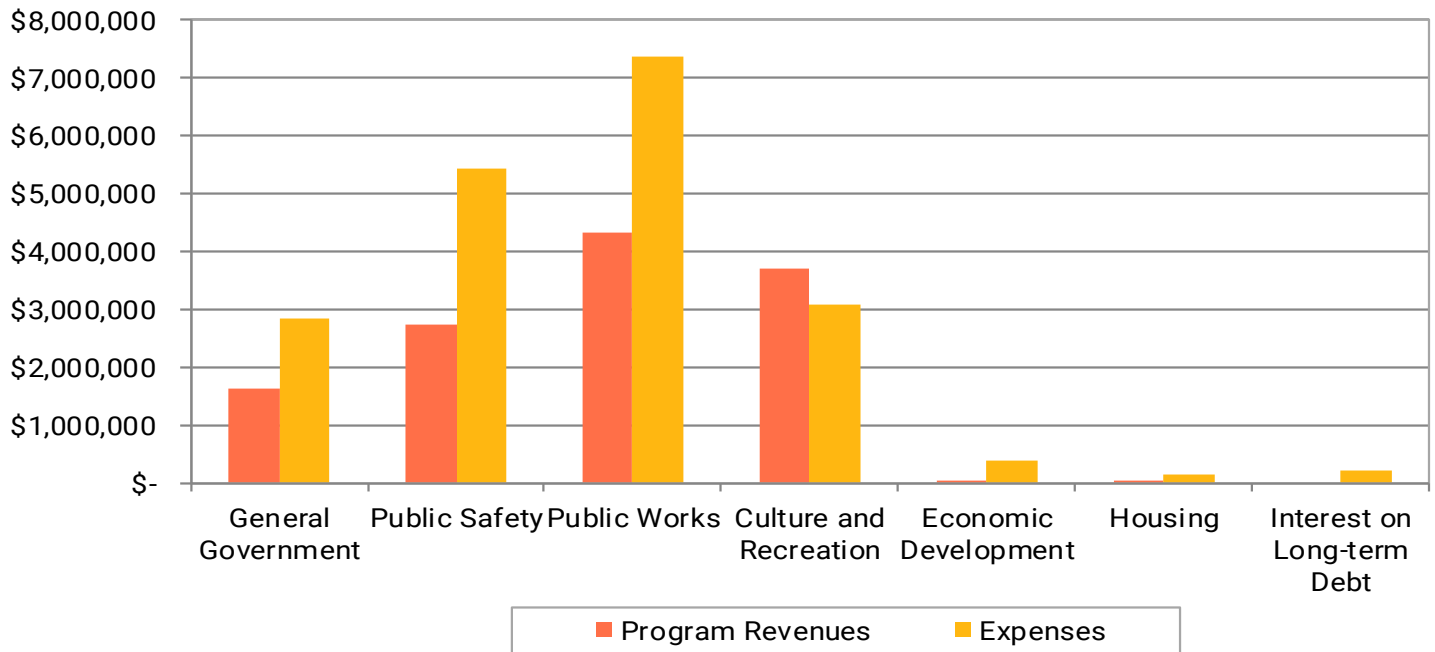
Governmental Activities. Governmental activities increased the City's net position by \$6,190,084, thereby accounting for approximately 45 percent of the growth in the net position of the City. Key elements of this increase are as follows:

City of Rogers's Changes in Net Position

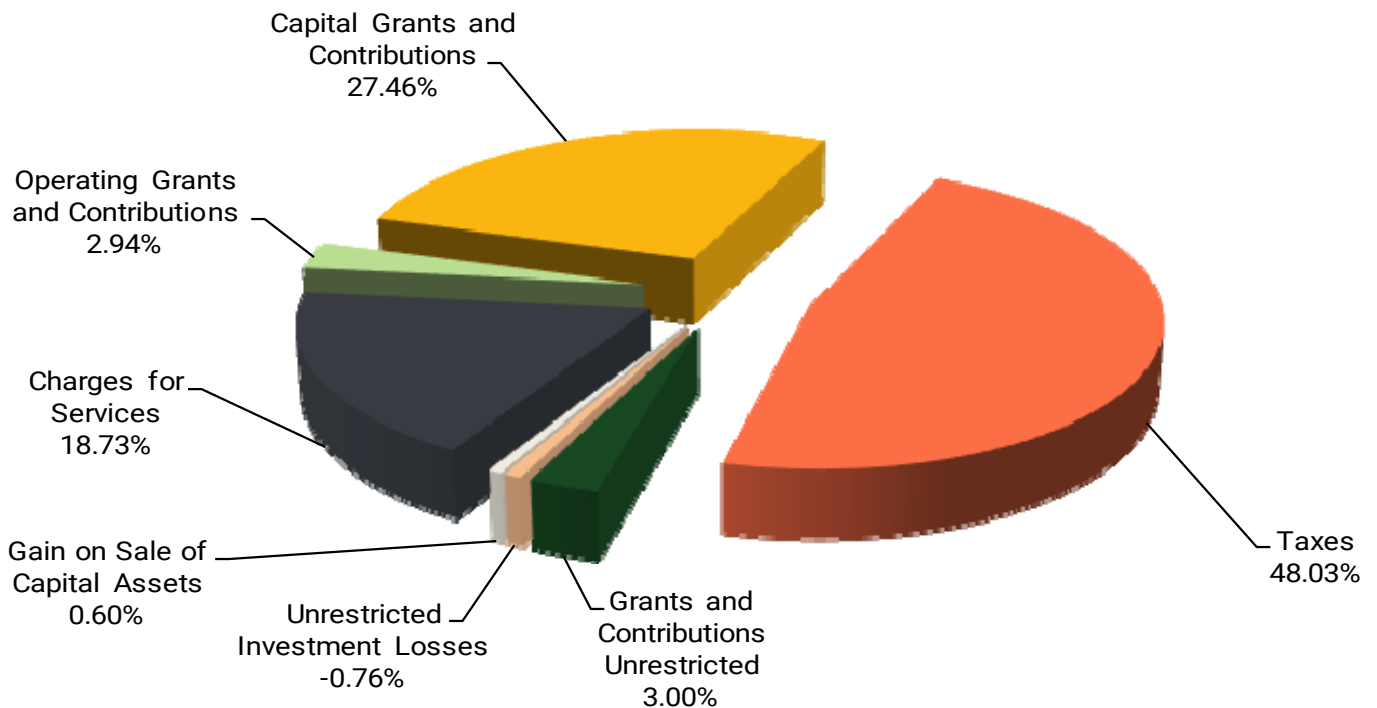
	Governmental Activities			Business-type Activities		
	2021	2020	Increase (Decrease)	2021	2020	Increase (Decrease)
Revenues						
Program Revenues						
Charges for services	\$ 4,743,754	\$ 3,556,470	\$ 1,187,284	\$ 8,132,575	\$ 7,764,819	\$ 367,756
Operating grants and contributions	743,428	1,833,136	(1,089,708)	2,128	5,066	(2,938)
Capital grants and contributions	6,954,321	2,414,159	4,540,162	8,508,963	1,883,005	6,625,958
General Revenues						
Taxes						
Property taxes	8,702,265	8,512,729	189,536	-	-	-
Tax increments	663,781	474,161	189,620	-	-	-
Franchise taxes	2,796,430	2,622,217	174,213	-	-	-
Grants and contributions not restricted to specific programs	760,798	576,378	184,420	-	-	-
Unrestricted investment earnings (lc	(191,551)	580,294	(771,845)	(323,694)	579,212	(902,906)
Gain on sale of capital assets	150,689	140,603	10,086	-	-	-
Total Revenues	25,323,915	20,710,147	4,613,768	16,319,972	10,232,102	6,087,870
Expenses						
General government	2,850,960	2,763,755	87,205	-	-	-
Public safety	5,434,641	5,425,198	9,443	-	-	-
Public works	7,363,427	3,592,585	3,770,842	-	-	-
Culture and recreation	3,095,046	1,811,516	1,283,530	-	-	-
Economic development	387,693	518,779	(131,086)	-	-	-
Housing	156,707	280,151	(123,444)	-	-	-
Interest on long-term debt	221,174	448,072	(226,898)	-	-	-
Water	-	-	-	1,901,769	1,814,196	87,573
Sewer	-	-	-	1,841,277	2,032,164	(190,887)
Storm sewer	-	-	-	594,264	739,950	(145,686)
Municipal liquor	-	-	-	4,141,809	3,969,212	172,597
Total Expenses	19,509,648	14,840,056	4,669,592	8,479,119	8,555,522	(76,403)
Increase in Net Position						
Before Transfers	5,814,267	5,870,091	(55,824)	7,840,853	1,676,580	6,164,273
Transfers - Internal Activities	375,817	632,579	(256,762)	(375,817)	(632,579)	256,762
Change in Net Position	6,190,084	6,502,670	(312,586)	7,465,036	1,044,001	6,421,035
Net Position, January 1	87,565,262	81,062,592	6,502,670	54,255,716	53,211,715	1,044,001
Net Position, December 31	\$ 93,755,346	\$ 87,565,262	\$ 6,190,084	\$ 61,720,752	\$ 54,255,716	\$ 7,465,036

The following graph depicts various governmental activities and shows the program revenues and expenses directly related to those activities.

Expenses and Program Revenues - Governmental Activities

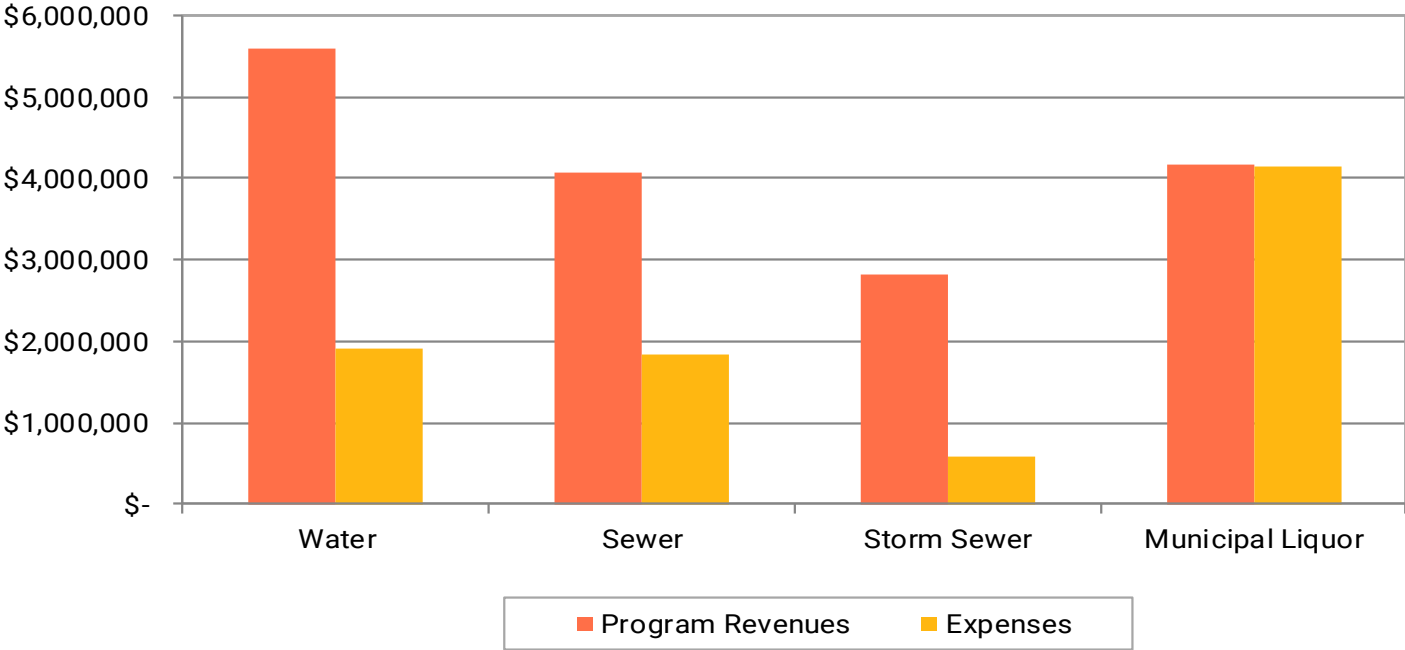


Revenues by Source - Governmental Activities

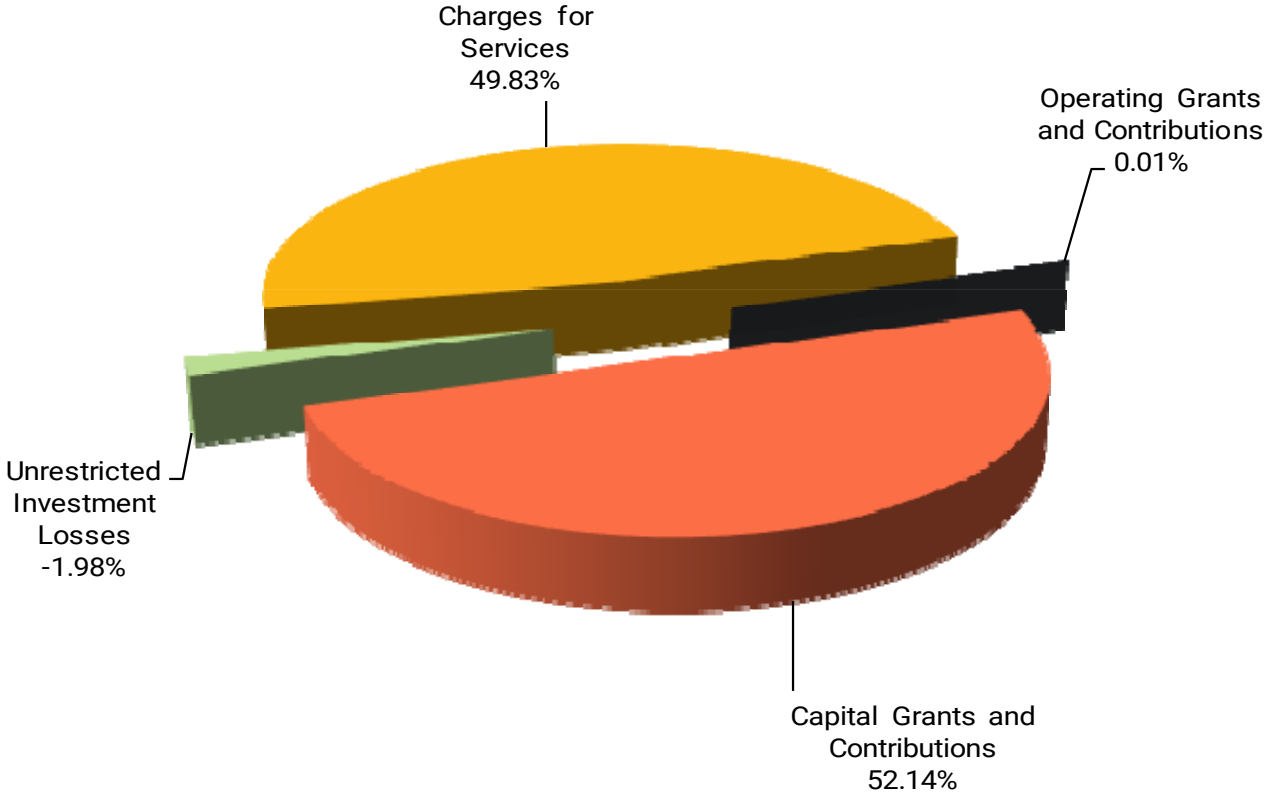


Business-type Activities. Business-type activities increased the City’s net position by \$7,465,036, contributing for 55 percent of the total growth in the City’s net position. Key elements of this increase are as follows:

Expenses and Program Revenues - Business-type Activities



Revenues by Source - Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

Governmental Funds. As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$29,825,858, an increase of \$4,048,811 in comparison with the prior year. Approximately 23.4 percent of this total amount, \$6,975,071, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance (\$22,850,787) is not available for new spending because it is either 1) nonspendable (\$228,944), 2) restricted (\$11,318,160), 3) committed (\$10,915,836) or 4) assigned (\$387,847) for specific purposes.

The General fund experienced an increase in fund balance in 2021. See the below section, "General Fund Budgetary Highlights" for more detailed information.

The fund balance of the Rogers Activity fund increased \$346,376 from the prior year due to charges for services and tax revenues exceeding operating costs.

The fund balance of the Debt Service fund increased \$269,774 from the prior year due to special assessments and tax revenues exceeding debt service costs.

The Capital Improvement Projects fund balance increased \$808,594 from the prior year due to taxes and intergovernmental revenues exceeding capital outlay expenditures.

The Revolving Capital fund balance decreased \$15,202. The decrease is mainly due to capital project costs in excess of revenues.

The Street and Related Improvement Projects fund increased fund balance by \$217,719. The increase is due to bonds issued in 2021, offset by project costs.

General Fund Budgetary Highlights

Actual revenues were \$1,469,914 over budget and expenditures were \$640,281 over budget; along with transfers and other financing sources, the end result was an increase in fund balance of \$664,799.

Revenue highlights include:

- Non-business licenses and permits were \$885,661 in excess of budget.
- Intergovernmental revenue had a positive budget variance of \$72,721.
- Refunds and reimbursements were \$366,420 over budget.
- General government charges for services were \$434,358 over budget.

Expenditure highlights include:

- General engineering expenditures exceeded budgeted amounts by \$323,533, mostly due to engineering services of \$462,817, offset by personal services being \$138,762 under budget.
- The police protection and administration department had a positive budget variance of \$114,894 due to personal services, supplies and other services and charges being under budget by \$42,233, \$24,379, and \$48,282, respectively.
- Building inspections had an unfavorable variance of \$276,839, largely due to increased building permit activity.
- Public works had a positive budget variance of \$93,584 mainly due to the unpaved streets and sidewalks departments, which were under budget by \$44,787 and \$54,211, respectively.
- Culture and recreation had a positive budget variance of \$73,963 due to the community recreation department being under budget by \$35,978 and the senior recreation/transportation department being under budget by \$29,120.
- Capital outlay related to public safety was over budget by \$342,210 due to the purchase of land for Fire Station 2.

Rogers Activity Center Fund Budgetary Highlights

Actual revenues had a positive budget variance of \$101,984, mostly due to charges for services in excess of budget by \$89,474. Expenditures had a negative budget variance of \$40,543, due to culture and recreation capital outlay over budget by \$31,193.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2021, amounts to \$103,009,911 (net of accumulated depreciation). This investment in capital assets includes land, structures, improvements, machinery and equipment, park facilities and roads.

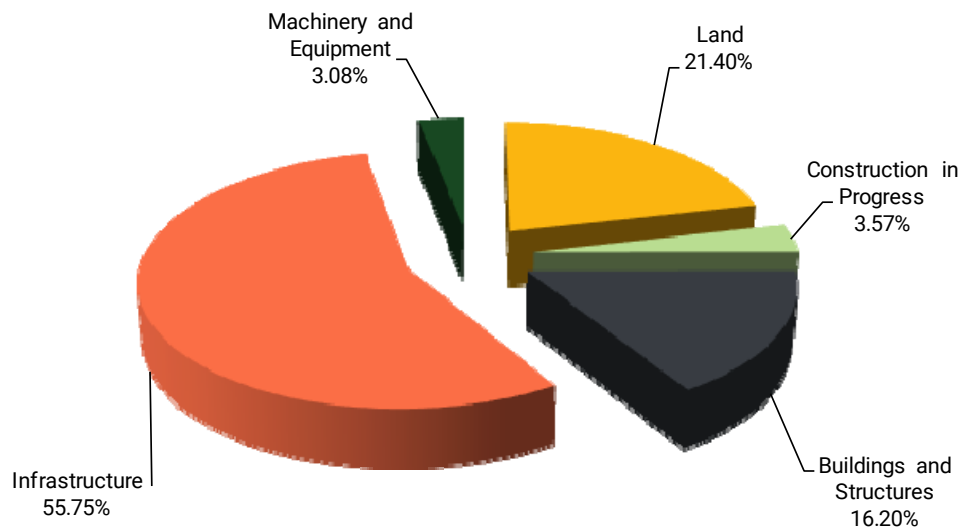
Major public project capital asset events during the current fiscal year were as follows:

- Purchase of the Canfield property
- Completion of Northdale Boulevard Street Improvements
- Completion of Industrial Boulevard Extension
- Completion of City Future CR 117 Street Project
- Completion of South Point Street Improvements
- Completion of the Hassan Hills Street Improvements
- Purchase of:
 - Two John Deere Mowers
 - Four Police Squad Cars
 - 2021 GMC Sierra 250
 - 2021 Western Star Cab and Chassis Truck
 - Fire Station #2 Land

Additional information on the City's capital assets can be found in Note 3B starting on page 67 of this report.

City of Rogers's Capital Assets (Net of Depreciation)

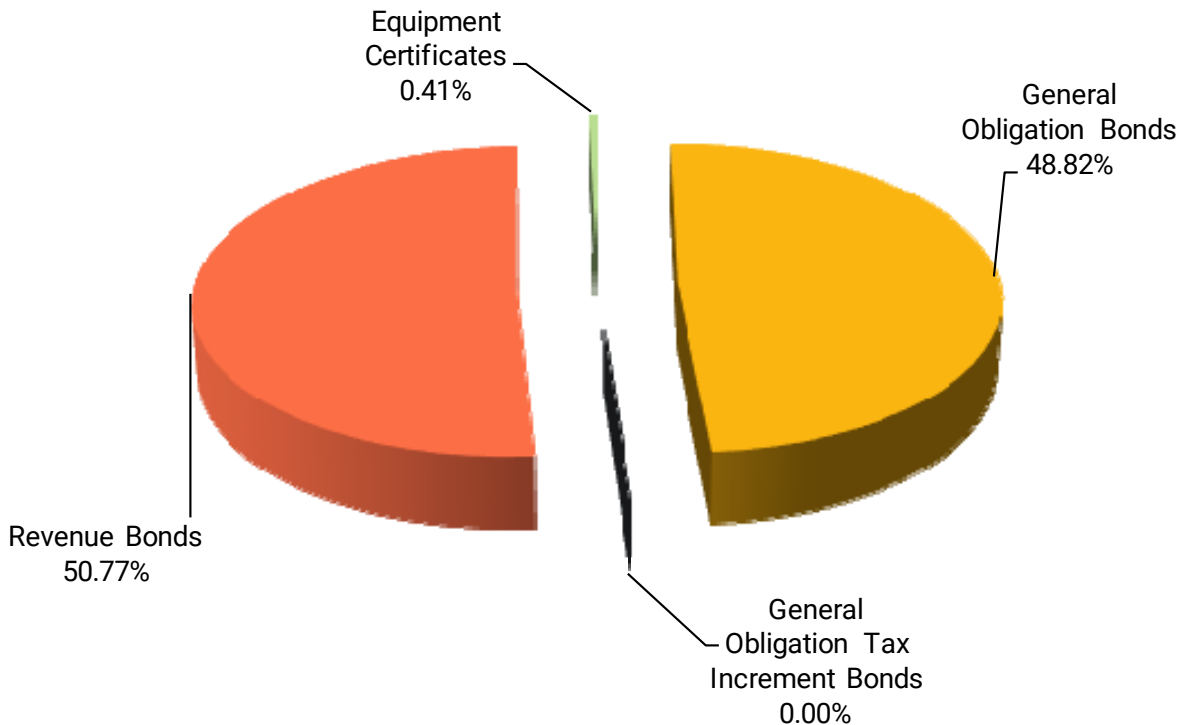
	Governmental Activities			Business-type Activities		
	2021	2020	Increase (Decrease)	2021	2020	Increase (Decrease)
Land	\$ 19,969,421	\$ 18,867,367	\$ 1,102,054	\$ 2,075,353	\$ 2,075,353	\$ -
Construction in Progress	3,476,741	6,349,417	(2,872,676)	196,130	44,455	151,675
Buildings and Structures	15,413,655	15,557,054	(143,399)	1,276,760	1,447,090	(170,330)
Infrastructure	29,357,725	24,863,897	4,493,828	28,072,590	23,740,490	4,332,100
Machinery and Equipment	2,953,195	3,047,698	(94,503)	218,341	261,011	(42,670)
Total	\$ 71,170,737	\$ 68,685,433	\$ 2,485,304	\$ 31,839,174	\$ 27,568,399	\$ 4,270,775



Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$12,374,826 . \$7,571,467 is governmental-related debt, and \$4,803,359 is enterprise fund-related debt. While all of the City’s bonds have revenue streams, they are all backed by the full faith and credit of the City.

City of Rogers’s Outstanding Debt

	Governmental Activities			Business-type Activities		
	2021	2020	Increase (Decrease)	2021	2020	Increase (Decrease)
General Obligation Bonds	\$ 5,890,000	\$ 3,410,000	\$ 2,480,000	\$ -	\$ -	\$ -
General Obligation Tax Increment Bonds	-	80,000	(80,000)	-	-	-
Revenue Bonds	1,465,000	1,630,000	(165,000)	4,660,000	855,000	3,805,000
Equipment Certificates	50,000	100,000	(50,000)	-	-	-
Bond Premium	166,467	-	166,467	143,359	-	143,359
Total	\$ 7,571,467	\$ 5,220,000	\$ 2,351,467	\$ 4,803,359	\$ 855,000	\$ 3,948,359



The City’s total debt increased \$6,299,826 (103.70 percent) during the current fiscal year due to issuance of the 2021A Bond, offset by regularly schedule bond payments.

Minnesota statutes limit the amount of net general obligation debt a City may issue to 3 percent of the market value of taxable property within the City. Net debt is debt payable solely from ad valorem taxes. The current debt limitation for the City is \$67,804,175 . The City is under the statutory debt limit as of December 31, 2021.

The City improved its bond rating of AA2 by Moody’s Investors Service to an AA+ rating from Standard & Poor’s which was formally assigned on February 7, 2014, which was reaffirmed in 2015.

Additional information on the City’s long-term debt can be found in Note 3E starting on page 72 of this report.

Economic Factors and Next Year's Budgets and Rates

The City's elected officials considered many factors when setting the fiscal year 2022 budget, rates, and fees. These considerations include, but are not limited to, the following:

- Fiscal stewardship: making budget decisions acknowledging both the short and long-term impacts, consistent with the City's long-range financial plans.
- Tax/service level balance: fund operations at a level to provide quality services at a reasonable cost while addressing development-related growth in service demand.
- Strategic investments: consider additional investments when they help achieve the City's goals and provide a significant return to the community.
- Budget outcomes: seek to make connection between resources and results.
- Changes to the tax base due to conditions in the commercial and housing markets in a rapidly growing community.

The City's adopted budget for 2022 includes a property tax levy of \$9,472,345, which is an eight point seven percent increase over the previous year. The City's growth in tax capacity was over six percent and the tax rate increased approximately four percent to 34.762 percent.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City Finance Department, 22350 South Diamond Lake Road, Rogers, MN 55374.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF ROGERS
ROGERS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2021

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City of Rogers, Minnesota
Statement of Net Position
December 31, 2021

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and temporary investments	\$ 33,677,301	\$ 33,334,396	\$ 67,011,697
Receivables			
Accounts	860,272	593,154	1,453,426
Accrued interest	129,868	-	129,868
Taxes	78,060	-	78,060
Special assessments	2,529,699	110,938	2,640,637
Loans	267,868	-	267,868
Due from other governments	3,568,664	58,117	3,626,781
Internal balances	(1,828,659)	1,828,659	-
Inventories	25,747	488,982	514,729
Prepaid items	222,597	96,783	319,380
Net pension asset	430,609	-	430,609
Capital assets			
Land and construction in progress	23,446,162	2,271,483	25,717,645
Depreciable assets (net of accumulated depreciation)	47,724,575	29,567,691	77,292,266
Total Assets	<u>111,132,763</u>	<u>68,350,203</u>	<u>179,482,966</u>
Deferred Outflows of Resources			
Deferred other postemployment benefits	83,876	22,440	106,316
Deferred pension resources	3,980,383	540,399	4,520,782
Total Deferred Outflows of Resources	<u>4,064,259</u>	<u>562,839</u>	<u>4,627,098</u>
Liabilities			
Accounts payable	1,368,003	106,216	1,474,219
Accrued salaries payable	109,878	29,703	139,581
Accrued interest payable	36,543	40,457	77,000
Due to other governments	27,904	319,962	347,866
Escrows payable	2,514,404	-	2,514,404
Unearned revenue	816,256	-	816,256
Noncurrent liabilities			
Due within one year			
Long-term liabilities	939,201	188,717	1,127,918
Due in more than one year			
Long-term liabilities	7,738,723	4,893,704	12,632,427
Other postemployment benefits payable	596,477	159,584	756,061
Net pension liability	2,565,924	731,543	3,297,467
Total Liabilities	<u>16,713,313</u>	<u>6,469,886</u>	<u>23,183,199</u>
Deferred Inflows of Resources			
Deferred other postemployment benefits	189,293	50,643	239,936
Deferred pension resources	4,539,070	671,761	5,210,831
Total Deferred Inflows of Resources	<u>4,728,363</u>	<u>722,404</u>	<u>5,450,767</u>
Net Position			
Net investment in capital assets	63,789,527	31,035,815	94,825,342
Restricted for			
Debt service	2,766,878	-	2,766,878
Tax increment financing	761,680	-	761,680
Loans	453,076	-	453,076
Police forfeitures	29,142	-	29,142
Park improvements	2,878,937	-	2,878,937
Economic development	192,625	-	192,625
Capital improvements	6,602,308	-	6,602,308
Unrestricted	16,281,173	30,684,937	46,966,110
Total Net Position	<u>\$ 93,755,346</u>	<u>\$ 61,720,752</u>	<u>\$ 155,476,098</u>

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

City of Rogers, Minnesota
Statement of Activities
For the Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 2,850,960	\$ 1,635,039	\$ -	\$ -
Public safety	5,434,641	2,146,677	406,322	180,000
Public works	7,363,427	241,097	291,914	3,783,774
Culture and recreation	3,095,046	701,395	19,650	2,986,712
Economic development	387,693	46	25,542	3,835
Housing	156,707	19,500	-	-
Interest on long-term debt	221,174	-	-	-
Total Governmental Activities	<u>19,509,648</u>	<u>4,743,754</u>	<u>743,428</u>	<u>6,954,321</u>
Business-type Activities				
Water	1,901,769	1,874,504	405	3,727,456
Sewer	1,841,277	1,398,479	402	2,675,894
Storm sewer	594,264	701,843	599	2,105,613
Municipal liquor	4,141,809	4,157,749	722	-
Total Business-type Activities	<u>8,479,119</u>	<u>8,132,575</u>	<u>2,128</u>	<u>8,508,963</u>
Total	<u>\$ 27,988,767</u>	<u>\$ 12,876,329</u>	<u>\$ 745,556</u>	<u>\$ 15,463,284</u>

General Revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Tax increments

Franchise and local sales taxes

Grants and contributions not restricted to specific programs

Unrestricted investment earnings (loss)

Gain on sale of capital assets

Transfers - Internal Activities

Total General Revenues and Transfers

Change in Net Position

Net Position, January 1

Net Position, December 31

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

Net (Expenses) Revenues and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (1,215,921)	\$ -	\$ (1,215,921)
(2,701,642)	-	(2,701,642)
(3,046,642)	-	(3,046,642)
612,711	-	612,711
(358,270)	-	(358,270)
(137,207)	-	(137,207)
(221,174)	-	(221,174)
<u>(7,068,145)</u>	<u>-</u>	<u>(7,068,145)</u>
-	3,700,596	3,700,596
-	2,233,498	2,233,498
-	2,213,791	2,213,791
-	16,662	16,662
<u>-</u>	<u>8,164,547</u>	<u>8,164,547</u>
<u>(7,068,145)</u>	<u>8,164,547</u>	<u>1,096,402</u>
8,249,043	-	8,249,043
453,222	-	453,222
663,781	-	663,781
2,796,430	-	2,796,430
760,798	-	760,798
(191,551)	(323,694)	(515,245)
150,689	-	150,689
375,817	(375,817)	-
<u>13,258,229</u>	<u>(699,511)</u>	<u>12,558,718</u>
6,190,084	7,465,036	13,655,120
<u>87,565,262</u>	<u>54,255,716</u>	<u>141,820,978</u>
<u>\$ 93,755,346</u>	<u>\$ 61,720,752</u>	<u>\$ 155,476,098</u>

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

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FUND FINANCIAL STATEMENTS

CITY OF ROGERS
ROGERS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2021

City of Rogers, Minnesota

Balance Sheet

Governmental Funds

December 31, 2021

	General	Debt Service	Rogers Activity Center	Capital Improvement Projects
Assets				
Cash and temporary investments	\$ 9,426,270	\$ 810,135	\$ 1,546,239	\$ 3,484,375
Receivables				
Accounts	202,533	-	223,437	90,876
Accrued interest	129,868	-	-	-
Taxes	78,060	-	-	-
Special assessments	-	1,993,286	-	-
Notes receivable	-	-	-	-
Due from other governments	140,452	-	32	-
Due from other funds	314,270	-	-	-
Inventories	25,747	-	-	-
Prepaid items	200,748	-	2,449	-
	<u>\$ 10,517,948</u>	<u>\$ 2,803,421</u>	<u>\$ 1,772,157</u>	<u>\$ 3,575,251</u>
Liabilities				
Accounts payable	\$ 689,676	\$ -	\$ 15,772	\$ -
Accrued salaries payable	105,406	-	4,472	-
Escrows payable	2,305,487	-	-	-
Due to other governments	15,793	-	8,956	-
Due to other funds	-	-	-	277,796
Advance from other funds	-	-	-	965,766
Unearned revenue	23,860	-	3,208	-
Total Liabilities	<u>3,140,222</u>	<u>-</u>	<u>32,408</u>	<u>1,243,562</u>
Deferred Inflows of Resources				
Unavailable revenue - property taxes	78,060	-	-	-
Unavailable revenue - special assessments	-	1,993,286	-	-
Unavailable revenue - intergovernmental	-	-	-	-
Total Deferred Inflows of Resources	<u>78,060</u>	<u>1,993,286</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	226,495	-	2,449	-
Restricted	-	810,135	-	-
Committed	-	-	1,737,300	2,331,689
Assigned	98,100	-	-	-
Unassigned	6,975,071	-	-	-
Total Fund Balances	<u>7,299,666</u>	<u>810,135</u>	<u>1,739,749</u>	<u>2,331,689</u>
	<u>\$ 10,517,948</u>	<u>\$ 2,803,421</u>	<u>\$ 1,772,157</u>	<u>\$ 3,575,251</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances				

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

<u>Revolving Capital</u>	<u>Street and Related Improvement Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 4,760,072	\$ 1,473,955	\$ 12,176,255	\$ 33,677,301
-	-	343,426	860,272
-	-	-	129,868
-	-	-	78,060
536,413	-	-	2,529,699
-	-	267,868	267,868
2,570,078	-	858,102	3,568,664
-	-	-	314,270
-	-	-	25,747
-	-	19,400	222,597
<u>\$ 7,866,563</u>	<u>\$ 1,473,955</u>	<u>\$ 13,665,051</u>	<u>\$ 41,674,346</u>
\$ 79,693	\$ 135,404	\$ 447,458	\$ 1,368,003
-	-	-	109,878
-	72,472	136,445	2,514,404
-	-	3,155	27,904
-	-	166,047	443,843
-	-	733,320	1,699,086
-	-	789,188	816,256
<u>79,693</u>	<u>207,876</u>	<u>2,275,613</u>	<u>6,979,374</u>
-	-	-	78,060
536,413	-	-	2,529,699
1,661,355	-	600,000	2,261,355
<u>2,197,768</u>	<u>-</u>	<u>600,000</u>	<u>4,869,114</u>
-	-	-	228,944
3,536,542	387,840	6,583,643	11,318,160
2,052,560	878,239	3,916,048	10,915,836
-	-	289,747	387,847
-	-	-	6,975,071
<u>5,589,102</u>	<u>1,266,079</u>	<u>10,789,438</u>	<u>29,825,858</u>
<u>\$ 7,866,563</u>	<u>\$ 1,473,955</u>	<u>\$ 13,665,051</u>	<u>\$ 41,674,346</u>

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

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City of Rogers, Minnesota
 Reconciliation of the Balance Sheet
 to the Statement of Net Position
 Governmental Funds
 December 31, 2021

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

Total Fund Balances - Governmental	\$ 29,825,858
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.</p>	
Cost of capital assets	134,114,266
Less accumulated depreciation	(62,943,529)
<p>Long-term assets from pensions reported in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.</p>	
	430,609
<p>Noncurrent liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Noncurrent liabilities at year-end consist of</p>	
Compensated absences payable	(1,000,822)
Severance obligations payable	(105,635)
Other postemployment benefits payable	(596,477)
Bonds payable	(7,571,467)
Net pension liability	(2,565,924)
<p>Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds.</p>	
Special assessments receivable	2,529,699
Taxes receivable	78,060
Grant receivable	2,261,355
<p>Governmental funds do not report a liability for accrued interest until due and payable.</p>	
	(36,543)
<p>Governmental funds do not report long-term amounts related to pensions.</p>	
Deferred outflows of resources	3,980,383
Deferred inflows of resources	(4,539,070)
<p>Governmental funds do not report long-term amounts related to other postemployment benefits</p>	
Deferred outflows of resources	83,876
Deferred inflows of resources	(189,293)
	(189,293)
Total Net Position - Governmental Activities	\$ 93,755,346

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

City of Rogers, Minnesota
Statement of Revenues, Expenditures and
Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

	General	Debt Service	Rogers Activity Center	Capital Improvement Projects
Revenues				
Taxes	\$ 7,013,903	\$ 453,222	\$ 260,734	\$ 651,778
Tax increments	-	-	-	-
Franchise taxes	-	-	-	-
Licenses and permits	1,874,420	-	-	-
Intergovernmental	670,826	-	-	565,070
Charges for services	1,274,426	-	595,974	-
Fines and forfeitures	68,823	-	-	-
Special assessments	-	565,647	-	-
Income (loss) on investments	(141,906)	7,288	12,183	13,539
Miscellaneous	532,754	-	89,327	-
Total Revenues	<u>11,293,246</u>	<u>1,026,157</u>	<u>958,218</u>	<u>1,230,387</u>
Expenditures				
Current				
General government	2,666,017	-	-	-
Public safety	5,248,912	-	-	-
Public works	1,476,892	-	-	-
Culture and recreation	968,706	-	544,509	-
Economic development	-	-	-	-
Capital outlay				
General government	-	-	-	31,661
Public safety	342,210	-	-	305,592
Public works	40,000	-	-	189,907
Culture and recreation	-	-	64,853	106,058
Economic development	-	-	-	-
Housing	-	-	-	-
Debt service				
Principal	-	695,000	-	-
Interest and other	-	146,001	-	660
Bond issuance costs	-	-	-	-
Total Expenditures	<u>10,742,737</u>	<u>841,001</u>	<u>609,362</u>	<u>633,878</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>550,509</u>	<u>185,156</u>	<u>348,856</u>	<u>596,509</u>
Other Financing Sources (Uses)				
Transfers in	229,235	84,618	-	-
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
Sale of capital assets	55	-	-	212,085
Transfers out	(115,000)	-	(2,480)	-
Total Other Financing Sources (Uses)	<u>114,290</u>	<u>84,618</u>	<u>(2,480)</u>	<u>212,085</u>
Net Change in Fund Balances	664,799	269,774	346,376	808,594
Fund Balances, January 1	<u>6,634,867</u>	<u>540,361</u>	<u>1,393,373</u>	<u>1,523,095</u>
Fund Balances, December 31	<u>\$ 7,299,666</u>	<u>\$ 810,135</u>	<u>\$ 1,739,749</u>	<u>\$ 2,331,689</u>

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

Revolving Capital	Street and Related Improvement Projects	Other Governmental Funds	Total Governmental Funds
\$ 125,000	\$ -	\$ 341,000	\$ 8,845,637
-	-	663,781	663,781
-	-	2,656,516	2,656,516
-	-	-	1,874,420
908,724	-	177,078	2,321,698
629,231	-	2,706,074	5,205,705
-	-	17,479	86,302
247,634	-	-	813,281
(75,415)	17,075	(24,315)	(191,551)
100,004	119,970	216,786	1,058,841
<u>1,935,178</u>	<u>137,045</u>	<u>6,754,399</u>	<u>23,334,630</u>
-	-	159,477	2,825,494
-	-	-	5,248,912
-	-	-	1,476,892
-	-	-	1,513,215
-	-	167,651	167,651
-	-	-	31,661
-	-	380,822	1,028,624
2,565,622	2,921,829	73,718	5,791,076
-	-	2,516,778	2,687,689
-	-	218,424	218,424
-	-	1,044,980	1,044,980
-	-	-	695,000
-	-	-	146,661
-	52,725	-	52,725
<u>2,565,622</u>	<u>2,974,554</u>	<u>4,561,850</u>	<u>22,929,004</u>
<u>(630,444)</u>	<u>(2,837,509)</u>	<u>2,192,549</u>	<u>405,626</u>
665,242	-	157,549	1,136,644
-	2,880,000	-	2,880,000
-	175,228	-	175,228
-	-	-	212,140
(50,000)	-	(593,347)	(760,827)
<u>615,242</u>	<u>3,055,228</u>	<u>(435,798)</u>	<u>3,643,185</u>
(15,202)	217,719	1,756,751	4,048,811
<u>5,604,304</u>	<u>1,048,360</u>	<u>9,032,687</u>	<u>25,777,047</u>
<u>\$ 5,589,102</u>	<u>\$ 1,266,079</u>	<u>\$ 10,789,438</u>	<u>\$ 29,825,858</u>

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

City of Rogers, Minnesota
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances
to the Statement of Activities
Governmental Funds
For the Year Ended December 31, 2021

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

Net Change in Fund Balances - Governmental Funds	\$ 4,048,811
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.</p>	
Capital outlays	5,489,533
Depreciation expense	(3,172,778)
<p>Governmental funds report a gain (loss) on sale of capital assets to the extent of cash exchanged, whereas the disposition of the assets book value is included in the total gain (loss) in the statement of activities.</p>	
Disposals	(543,970)
Depreciation on disposals	482,519
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.</p>	
Capital assets contributed from developers	230,000
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The amounts below are the effects of these differences in the treatment of long-term debt and related items.</p>	
Debt issued	(2,880,000)
Principal repayments	695,000
Bond premium	(175,228)
Amortization of bond premium	8,761
<p>Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however interest expense is recognized as the interest accrues, regardless of when it is due.</p>	
	(30,549)
<p>Certain revenues are recognized as soon as earned. Under the modified accrual basis of accounting certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.</p>	
Special assessments	(678,791)
Taxes	(3,458)
Intergovernmental	2,261,355
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Compensated absences	(82,859)
Severance obligations	(6,181)
Other postemployment benefits	(31,586)
<p>Long-term pension activity is not reported in governmental funds.</p>	
Pension expense	550,015
Pension revenue	29,490
	579,505
Change in Net Position - Governmental Activities	\$ 6,190,084

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

City of Rogers, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 7,012,162	\$ 7,012,162	\$ 7,013,903	\$ 1,741
Licenses and permits	992,893	992,893	1,874,420	881,527
Intergovernmental	598,105	598,105	670,826	72,721
Charges for services	906,499	906,499	1,274,426	367,927
Fines and forfeitures	80,400	80,400	68,823	(11,577)
Interest on investments	70,000	70,000	(141,906)	(211,906)
Miscellaneous	163,273	163,273	532,754	369,481
Total Revenues	<u>9,823,332</u>	<u>9,823,332</u>	<u>11,293,246</u>	<u>1,469,914</u>
Expenditures				
Current				
General government	2,316,554	2,316,554	2,666,017	(349,463)
Public safety	5,123,113	5,132,757	5,248,912	(116,155)
Public works	1,528,476	1,570,476	1,476,892	93,584
Culture and recreation	1,042,669	1,042,669	968,706	73,963
Capital outlay				
Public safety	-	-	342,210	(342,210)
Public works	40,000	40,000	40,000	-
Total Expenditures	<u>10,050,812</u>	<u>10,102,456</u>	<u>10,742,737</u>	<u>(640,281)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(227,480)</u>	<u>(279,124)</u>	<u>550,509</u>	<u>829,633</u>
Other Financing Sources (Uses)				
Transfers in	227,480	227,480	229,235	1,755
Sale of capital assets	-	-	55	55
Transfers out	-	-	(115,000)	(115,000)
Total Other Financing Sources (Uses)	<u>227,480</u>	<u>227,480</u>	<u>114,290</u>	<u>(113,190)</u>
Net Change in Fund Balances	-	(51,644)	664,799	716,443
Fund Balances, January 1	<u>6,634,867</u>	<u>6,634,867</u>	<u>6,634,867</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 6,634,867</u>	<u>\$ 6,583,223</u>	<u>\$ 7,299,666</u>	<u>\$ 716,443</u>

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

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City of Rogers, Minnesota
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget and Actual
Rogers Activity Center Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 260,734	\$ 260,734	\$ 260,734	\$ -
Charges for services	506,500	506,500	595,974	89,474
Interest on investments	4,000	4,000	12,183	8,183
Miscellaneous				
Contributions and donations	85,000	85,000	86,980	1,980
Other	-	-	2,347	2,347
Total Revenues	<u>856,234</u>	<u>856,234</u>	<u>958,218</u>	<u>101,984</u>
Expenditures				
Current				
Culture and recreation				
Personal services	302,828	302,828	295,767	7,061
Supplies	75,000	75,000	73,851	1,149
Other services and charges	157,331	157,331	174,891	(17,560)
Capital outlay				
Culture and recreation	33,660	33,660	64,853	(31,193)
Total Expenditures	<u>568,819</u>	<u>568,819</u>	<u>609,362</u>	<u>(40,543)</u>
Excess of Revenues Over Expenditures	287,415	287,415	348,856	61,441
Other Financing Uses				
Transfers out	<u>(2,480)</u>	<u>(2,480)</u>	<u>(2,480)</u>	<u>-</u>
Net Change in Fund Balances	284,935	284,935	346,376	61,441
Fund Balances, January 1	<u>1,393,373</u>	<u>1,393,373</u>	<u>1,393,373</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 1,678,308</u>	<u>\$ 1,678,308</u>	<u>\$ 1,739,749</u>	<u>\$ 61,441</u>

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

City of Rogers, Minnesota
Statement of Net Position
Proprietary Funds
December 31, 2021

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewer	Storm Sewer	Municipal Liquor	
Assets					
Current Assets					
Cash and temporary investments	\$ 16,341,998	\$ 12,182,673	\$ 3,586,100	\$ 1,223,625	\$ 33,334,396
Receivables					
Accounts	156,768	235,657	120,659	80,070	593,154
Due from other governments	26,601	31,355	66	95	58,117
Due from other funds	-	443,843	-	-	443,843
Inventories	-	-	-	488,982	488,982
Prepaid items	3,485	80,767	2,363	10,168	96,783
Total Current Assets	<u>16,528,852</u>	<u>12,974,295</u>	<u>3,709,188</u>	<u>1,802,940</u>	<u>35,015,275</u>
Noncurrent Assets					
Special assessments receivable	48,036	33,562	29,340	-	110,938
Advance to other funds	-	1,699,086	-	-	1,699,086
Capital assets					
Land	810,812	123,541	166,421	974,579	2,075,353
Buildings and improvements	3,991,348	1,021,216	-	1,211,213	6,223,777
Infrastructure	17,445,523	13,951,824	11,533,671	-	42,931,018
Machinery and equipment	224,746	498,586	214,858	224,961	1,163,151
Construction in progress	183,582	-	12,548	-	196,130
Less accumulated depreciation	<u>(10,037,167)</u>	<u>(5,239,474)</u>	<u>(4,629,804)</u>	<u>(843,810)</u>	<u>(20,750,255)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>12,618,844</u>	<u>10,355,693</u>	<u>7,297,694</u>	<u>1,566,943</u>	<u>31,839,174</u>
Total Noncurrent Assets	<u>12,666,880</u>	<u>12,088,341</u>	<u>7,327,034</u>	<u>1,566,943</u>	<u>33,649,198</u>
Total Assets	<u>29,195,732</u>	<u>25,062,636</u>	<u>11,036,222</u>	<u>3,369,883</u>	<u>68,664,473</u>
Deferred Outflows of Resources					
Deferred other postemployment benefits resources	7,226	7,199	4,156	3,859	22,440
Deferred pension resources	121,166	120,650	82,023	216,560	540,399
Total Deferred Outflows of Resources	<u>128,392</u>	<u>127,849</u>	<u>86,179</u>	<u>220,419</u>	<u>562,839</u>
Liabilities					
Current Liabilities					
Accounts payable	29,660	6,483	5,396	64,677	106,216
Accrued salaries payable	7,756	7,731	4,298	9,918	29,703
Accrued interest payable	40,457	-	-	-	40,457
Due to other governments	2,960	262,332	-	54,670	319,962
Due to other funds	-	-	-	314,270	314,270
Compensated absences payable - current	13,155	13,064	9,319	38,179	73,717
Bonds payable - current	115,000	-	-	-	115,000
Total Current Liabilities	<u>208,988</u>	<u>289,610</u>	<u>19,013</u>	<u>481,714</u>	<u>999,325</u>

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

City of Rogers, Minnesota
Statement of Net Position (Continued)
Proprietary Funds
December 31, 2021

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewer	Storm Sewer	Municipal Liquor	
Noncurrent Liabilities					
Severance obligations payable	\$ 6,610	\$ 6,610	\$ 5,149	\$ 18,162	\$ 36,531
Compensated absences payable	30,126	29,917	21,340	87,431	168,814
Other postemployment benefits payable	51,389	51,194	29,557	27,444	159,584
Bonds payable	4,688,359	-	-	-	4,688,359
Net pension liability	164,022	163,326	111,035	293,160	731,543
Total Noncurrent Liabilities	<u>4,940,506</u>	<u>251,047</u>	<u>167,081</u>	<u>426,197</u>	<u>5,784,831</u>
Total Liabilities	<u>5,149,494</u>	<u>540,657</u>	<u>186,094</u>	<u>907,911</u>	<u>6,784,156</u>
Deferred Inflows of Resources					
Deferred other postemployment benefits resources	16,308	16,246	9,380	8,709	50,643
Deferred pension resources	150,619	149,978	101,962	269,202	671,761
Total Deferred Outflows of Resources	<u>166,927</u>	<u>166,224</u>	<u>111,342</u>	<u>277,911</u>	<u>722,404</u>
Net Position					
Net investment in capital assets	11,815,485	10,355,693	7,297,694	1,566,943	31,035,815
Unrestricted	12,192,218	14,127,911	3,527,271	837,537	30,684,937
Total Net Position	<u>\$ 24,007,703</u>	<u>\$ 24,483,604</u>	<u>\$ 10,824,965</u>	<u>\$ 2,404,480</u>	<u>\$ 61,720,752</u>

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

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City of Rogers, Minnesota
Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2021

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewer	Storm Sewer	Municipal Liquor	
Operating Revenues					
Sales	\$ -	\$ -	\$ -	\$ 4,157,749	\$ 4,157,749
Cost of sales	-	-	-	(3,103,863)	(3,103,863)
Gross Profit	-	-	-	1,053,886	1,053,886
Charges for services	1,862,731	1,395,880	680,215	-	3,938,826
Miscellaneous	11,773	2,599	21,628	-	36,000
Total Operating Revenues	<u>1,874,504</u>	<u>1,398,479</u>	<u>701,843</u>	<u>1,053,886</u>	<u>5,028,712</u>
Operating Expenses					
Personal services	399,508	403,362	270,825	705,394	1,779,089
Supplies	191,457	28,338	8,982	25,890	254,667
Other services and charges	663,880	1,098,485	110,135	269,908	2,142,408
Depreciation	523,914	311,092	204,322	36,754	1,076,082
Total Operating Expenses	<u>1,778,759</u>	<u>1,841,277</u>	<u>594,264</u>	<u>1,037,946</u>	<u>5,252,246</u>
Operating Income (Loss)	<u>95,745</u>	<u>(442,798)</u>	<u>107,579</u>	<u>15,940</u>	<u>(223,534)</u>
Nonoperating Revenues (Expenses)					
Income (loss) on investments	(143,753)	(160,648)	(20,030)	737	(323,694)
Interest expense	(54,707)	-	-	-	(54,707)
Bond issuance costs	(68,303)	-	-	-	(68,303)
Other income	405	402	599	722	2,128
Total Nonoperating Revenues (Expenses)	<u>(266,358)</u>	<u>(160,246)</u>	<u>(19,431)</u>	<u>1,459</u>	<u>(444,576)</u>
Income (Loss) Before Contributions and Transfers	(170,613)	(603,044)	88,148	17,399	(668,110)
Capital Contributions					
Connection fees and special assessments	2,123,689	933,716	275,431	-	3,332,836
Contributions from Developers	1,603,767	1,742,178	1,830,182	-	5,176,127
Transfers Out	(76,735)	(8,700)	(55,609)	(234,773)	(375,817)
Change in Net Position	3,480,108	2,064,150	2,138,152	(217,374)	7,465,036
Net Position, January 1	<u>20,527,595</u>	<u>22,419,454</u>	<u>8,686,813</u>	<u>2,621,854</u>	<u>54,255,716</u>
Net Position, December 31	<u>\$ 24,007,703</u>	<u>\$ 24,483,604</u>	<u>\$ 10,824,965</u>	<u>\$ 2,404,480</u>	<u>\$ 61,720,752</u>

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

City of Rogers, Minnesota
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewer	Storm Sewer	Municipal Liquor	
Cash Flows from Operating Activities					
Receipts from customers and users	\$ 1,828,147	\$ 1,327,911	\$ 704,009	\$ 4,149,024	\$ 8,009,091
Payments to suppliers	(852,417)	(1,333,591)	(119,521)	(3,249,661)	(5,555,190)
Payments to employees	(434,776)	(435,964)	(271,618)	(619,265)	(1,761,623)
Net Cash Provided (Used) by Operating Activities	<u>540,954</u>	<u>(441,644)</u>	<u>312,870</u>	<u>280,098</u>	<u>692,278</u>
Cash Flows from Noncapital Financing Activities					
Payment on advance to other funds	-	(1,747,078)	-	-	(1,747,078)
Payment on due to other funds	-	-	-	171,428	171,428
Transfers to other funds	(76,735)	(8,700)	(55,609)	(234,773)	(375,817)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(76,735)</u>	<u>(1,755,778)</u>	<u>(55,609)</u>	<u>(63,345)</u>	<u>(1,951,467)</u>
Cash Flows from Capital Financing Activities					
Acquisition of property and equipment	(177,963)	-	-	(19,055)	(197,018)
Connection fees/special assessments received	2,127,993	1,015,093	279,615	-	3,422,701
Interest paid on bonds	(20,896)	-	-	-	(20,896)
Proceeds from issuance of bonds, net of bond issuance costs	4,000,000	-	-	-	4,000,000
Principal paid on bonds	(115,000)	-	-	-	(115,000)
Net Cash Provided by Capital Financing Activities	<u>5,814,134</u>	<u>1,015,093</u>	<u>279,615</u>	<u>(19,055)</u>	<u>7,089,787</u>
Cash Flows from Investing Activities					
Interest received (loss) on investments	(143,753)	(160,648)	(20,030)	737	(323,694)
Net Increase (decrease) in Cash and Cash Equivalents					
	6,134,600	(1,342,977)	516,846	198,435	5,506,904
Cash and Cash Equivalents, January 1	<u>10,207,398</u>	<u>13,525,650</u>	<u>3,069,254</u>	<u>1,025,190</u>	<u>27,827,492</u>
Cash and Cash Equivalents, December 31	<u>\$ 16,341,998</u>	<u>\$ 12,182,673</u>	<u>\$ 3,586,100</u>	<u>\$ 1,223,625</u>	<u>\$ 33,334,396</u>

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

City of Rogers, Minnesota
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended December 31, 2021

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewer	Storm Sewer	Municipal Liquor	
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating income (loss)	\$ 95,745	\$ (442,798)	\$ 107,579	\$ 15,940	\$ (223,534)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Other income related to operations	405	402	599	722	2,128
Depreciation	523,914	311,092	204,322	36,754	1,076,082
(Increase) decrease in assets					
Accounts receivable	(38,119)	(42,130)	2,232	(8,630)	(86,647)
Due from other governments	(8,238)	(28,438)	(66)	(95)	(36,837)
Inventories	-	-	-	153,128	153,128
Prepaid items	(2,607)	(7,111)	(1,544)	(1,469)	(12,731)
Decrease in deferred outflows					
Deferred pension resources	(89,749)	(89,345)	(62,658)	(176,249)	(418,001)
Deferred postemployment benefit resources	(2,185)	(2,180)	(980)	(824)	(6,169)
Increase (decrease) in liabilities					
Accounts payable	1,803	(2,538)	2,130	(7,992)	(6,597)
Due to other governments	2,748	(195,256)	-	7,123	(185,385)
Accrued salaries payable	2,847	2,837	1,216	2,661	9,561
Compensated absences payable	(10,614)	(10,737)	1,433	18,486	(1,432)
Severance obligations payable	(6,287)	(6,287)	(815)	2,181	(11,208)
Other postemployment benefits payable	10,987	10,964	4,100	3,116	29,167
Net pension liability	(79,794)	(79,620)	(39,252)	(19,682)	(218,348)
Decrease in deferred inflows					
Deferred postemployment benefit resources	(496)	(487)	(1,208)	(1,410)	(3,601)
Deferred pension resources	140,594	139,988	95,782	256,338	632,702
 Net Cash Provided (Used) by Operating Activities	 <u>\$ 540,954</u>	 <u>\$ (441,644)</u>	 <u>\$ 312,870</u>	 <u>\$ 280,098</u>	 <u>\$ 692,278</u>
 Noncash Capital Financing and Investing Activities					
Capital assets contributed by developers	<u>\$ 1,603,767</u>	<u>\$ 1,742,178</u>	<u>\$ 1,830,182</u>	<u>\$ -</u>	<u>\$ 5,176,127</u>
Amortization of bond premium	<u>\$ 4,944</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,944</u>

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

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City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies

A. Reporting Entity

The City of Rogers, Minnesota (the City) operates under "Optional Plan A" as defined in the State of Minnesota statutes. The City is governed by an elected Mayor and four-member City Council. The City Council exercises legislative authority and determines all matters of policy. The City Council appoints personnel responsible for the proper administration of all affairs relating to the City. The City has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The City has identified the following component unit using the above criteria.

Blended Component Unit. The Economic Development Authority (the EDA) of the City was organized in 2002 and is an entity legally separate from the City. The governing body is composed of a five-member Board, all of whom are members of the City Council. The City Council approves all appointments to the Board, with the Mayor being elected President of the EDA each year. Although legally separate, the EDA is reported as if it were part of the primary government since its governing body is substantively the same as the City Council and there is a financial burden/benefit relationship between the City and EDA. There is currently no financial activity in the EDA. Separate financial statements are not prepared for the EDA.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City and its component unit. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

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

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

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

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

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

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

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

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

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

The City reports the following major governmental funds:

The *General fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *Debt Service fund* accounts for the servicing of general long-term debt not being financed by proprietary funds.

The *Rogers Activity Center fund* accounts for the resources accumulated, through committed tax levies and charges for services, and payments made related to the operations of the Rogers Activity Center.

The *Capital Improvement Projects fund* accounts for the resources accumulated and payments made for a variety of capital projects.

The *Revolving Capital fund* accounts for the resources accumulated and payments made for a variety of capital projects.

The *Street and Related Improvement Projects fund* accounts for the resources accumulated and payments made for street and related improvement projects.

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major proprietary funds:

The *Water fund* accounts for the activities of the water distribution system the City maintains.

The *Sewer fund* accounts for the activities of the City's sewage collection operations.

The *Storm Sewer fund* accounts for the costs associated with the City's storm sewer system.

The *Municipal Liquor fund* accounts for the costs associated with the City's liquor store operation.

As a general rule, the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary funds' principal ongoing operations. The principal operating revenues of the City enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Deposits and Investments

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

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings on investments are allocated to the individual funds based upon the average of month-end cash and investment balances.

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

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a “depository” by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City's recurring fair value measurements are listed in detail on page 65.

The City has the following recurring fair value measurements as of December 31, 2021:

- US agency securities of \$15,338,272 are valued using quoted market prices (Level 1 inputs)
- Brokered money markets of \$1,860,469 are valued using quoted market prices (Level 1 inputs)
- US government treasury securities of \$2,020,835 are valued using quoted market prices (Level 1 inputs)
- Municipal securities of \$6,160,143 are valued using a matrix pricing model (Level 2 inputs)
- Brokered certificates of deposits of \$12,025,464 are valued using a matrix pricing model (Level 2 inputs)
- Mortgage backed securities of \$8,447,084 are valued using a matrix pricing model (Level 2 inputs)

Property Taxes

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

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

Accounts Receivable

Accounts receivable include amounts billed for services provided before year end. Unbilled utility enterprise fund receivables are also included for services provided in 2021. The City annually certifies delinquent water, sewer and storm sewer accounts to the County for collection in the following year. As a result, there has been no allowance for doubtful accounts established in the enterprise funds.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

Special Assessments

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

Interfund Receivables and Payables

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

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

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

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items,) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an estimated useful life of more than five years and an initial individual cost of more than the following:

Assets	Cost
Land Improvements	\$ 10,000
Buildings and Building Improvements	50,000
Improvements other than Buildings (Land Improvements)	25,000
Machinery and Equipment	10,000
Infrastructure and Other Improvements	100,000
Other Assets	10,000
Construction in Progress	Accumulate all costs and capitalize if > \$100,000 when completed

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

In the case of initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include items dating back to June 30, 1980. The City was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Assets	Useful Lives in Years
Land Improvements	Not depreciated
Buildings and Improvements	7 to 40
Improvements other than Buildings	15 to 20
Machinery and Equipment	5 to 15
Infrastructure and Other Improvements	15 to 50
Construction in Progress	Not depreciated

Deferred Outflows of Resources

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

Compensated Absences

Vacation time for all permanent full-time employees is earned according to years of service. Permanent part-time employees who work at least twenty hours per week receive a proportionate amount of vacation time according to the number of hours worked each week. An employee's earned vacation time may be carried over into a new year if it is no more than twice the vacation time earned during each year.

Permanent full-time employees earn 96 hours of paid sick leave each year and can accrue up to 800 hours. Permanent part-time employees working at least 20 hours per week earn sick leave in proportion to the number of hours worked.

Regular employees who leave before completing five years of service may receive their accrued vacation time in pay or time off before their termination date. Regular full-time or part-time employees who leave the City after five years of continuous service may be paid for one half of their unused sick leave in addition to any accrued vacation time. Employees who leave after ten years of continuous service will additionally receive one day's pay for each full year of service to the City.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

All vacation pay is accrued when earned in the government-wide and proprietary funds financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General fund is typically used to liquidate governmental compensated absences payable.

Long-term Obligations

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

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

Pensions

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

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plan administered by Rogers Fire Department Relief Association and additions to and deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. Investments are reported at fair value. The General fund is typically used to liquidate the governmental net pension liability.

The total pension expense for the General Employee Plan (GERP), Police and Fire Plan (PEFPF), and the Rogers Fire Relief Association is as follows:

GERP	\$ 131,615
PEFPF	72,291
Fire Relief	<u>56,877</u>
 Total Pension Expense	 <u><u>\$ 260,783</u></u>

Postemployment Benefits Other Than Pensions

Under Minnesota statute §471.61, subdivision 2b, public employers must allow retirees and their dependents to continue coverage indefinitely in an employer-sponsored health care plan, under the following conditions: 1) Retirees must be receiving (or eligible to receive) an annuity from a Minnesota public pension plan, 2) Coverage must continue in group plan until age 65, and retirees must pay no more than the group premium, and 3) Retirees may obtain dependent coverage immediately before retirement. All premiums are funded on a pay-as-you-go basis. The liability was actuarially determined, in accordance with GASB Statement 75, at January 1, 2020.

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Inflows of Resources

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

Furthermore, the City has additional items which qualify for reporting in this category on the statement of net position. The items, deferred pension resources and deferred other postemployment benefit resources, are reported only in the statement of net position and results from actuarial calculations involving net differences between projected and actual earnings on plan investments and changes in proportions.

Fund Balance

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

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

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

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

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

Unassigned - The residual classification for the General fund and also negative residual amounts in other funds.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has formally adopted a fund balance policy for the General fund. The City's policy is to maintain a minimum unassigned fund balance of 45-50 percent of the next year's budgeted expenditures for cash-flow timing needs.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position

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

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

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

Note 2: Stewardship, Compliance and Accountability

A. Budgetary Information

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

In June of each year, all departments of the City submit requests for appropriations to the Finance Director so that a budget may be prepared. Before September 30, the proposed budget is presented to the City Council for review. The City Council holds public hearings, and a final budget is prepared and adopted in early December.

The appropriated budget is prepared by fund, function and department. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control is the department level.

The original General fund budget was amended to increase expenditures \$51,644.

B. Excess of Expenditures Over Appropriations

For the year ended December 31, 2021 expenditures exceeded appropriations in the following funds:

Fund	Budget	Actual	Excess of Expenditures Over Appropriations
General	\$ 10,102,456	\$ 10,742,737	\$ 640,281
Rogers Activity Center	568,819	609,362	40,543

The excess expenditures were funded by revenues in excess of expectations.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds

A. Deposits and Investments

Deposits

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

Minnesota statutes require that all City deposits be protected by insurance, surety bond or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds, with the exception of irrevocable standby letters of credit issued by Federal Home Loan Banks as this type of collateral only requires collateral pledged equal to 100 percent of the deposits not covered by insurance or bonds.

Authorized collateral in lieu of a corporate surety bond includes:

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

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

At year end, the City's carrying amount of deposits was \$18,542,255 and the bank balance was \$18,938,479. The bank balance was covered by federal depository insurance totaling \$250,000. The remaining balance was covered by collateral held by the City's agent in the City's name.

Investments

The Minnesota Municipal Money Market Fund (the 4M Fund) is a customized cash management and investment program for Minnesota public funds. Sponsored and governed by the League of Minnesota Cities since 1987, the 4M Fund is a unique investment alternative designed to address the daily and long-term investment needs of Minnesota cities and other municipal entities. Allowable under Minnesota statutes, the 4M Fund is comprised of top quality, rated investments.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

The Minnesota Municipal Money Market Fund is regulated by Minnesota statutes and the Board of Directors of the League of Minnesota Cities and is an external investment pool not registered with the Securities Exchange Commission (SEC) that follows the regulatory rules of the SEC. In accordance with GASB Statement No. 79, the City's investment in this pool is valued at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals from the 4M Liquid Asset Fund. Investments in the 4M Plus must be deposited for a minimum of 14 calendar days. Withdrawals prior to the 14-day restriction period will be subject to a penalty equal to seven days interest on the amount withdrawn. Seven days' notice of redemption is required for withdrawals of investments in the 4M Term Series withdrawn prior to the maturity date of that series. A penalty could be assessed as necessary to recoup the Series for any charges, losses, and other costs attributable to the early redemption. Financial statements of the 4M Fund can be obtained by contracting RBC Global Management at 100 South Fifth Street, Suite 2300, Minneapolis, MN 55402-1240.

As of December 31, 2021, the City had the following investments that are insured or registered, or securities held by the City or its agent in the City's name:

Investment Type	Credit Quality/Ratings (1)	Segmented Time Distribution (2)	Amount	Fair Value Measurement Using		
				Level 1	Level 2	Level 3
Pooled Investments at Amortized Costs						
4M fund	N/A	Less than one year	\$ 2,605,876			
Non-pooled Investments at Fair Value						
Brokered money market	N/A	Less than one year	1,860,469	\$ 1,860,469	\$ -	\$ -
Brokered certificates of deposits	N/A	Less than one year	5,212,768	-	5,212,768	-
Brokered certificates of deposits	N/A	One to Five Years	6,812,696	-	6,812,696	-
U.S. agency securities	AAA	One to Five Years	4,602,191	4,602,191	-	-
U.S. agency securities	AAA	Five to Ten Years	10,736,081	10,736,081	-	-
Municipal Securities	AA1	One to Five Years	2,432,553	-	2,432,553	-
Municipal Securities	AA2	One to Five Years	1,944,744	-	1,944,744	-
Municipal Securities	AA3	One to Five Years	508,755	-	508,755	-
Municipal Securities	AAA	One to Five Years	667,873	-	667,873	-
Municipal Securities	AA2	Five to Ten Years	606,218	-	606,218	-
Mortgage backed securities	AAA	One to Five Years	2,681,665	-	2,681,665	-
Mortgage backed securities	AAA	Five to Ten Years	5,765,419	-	5,765,419	-
U.S Government Treasury Securities	AAA	One to Five Years	2,020,835	2,020,835	-	-
Total Investments			<u>\$ 48,458,143</u>	<u>\$ 19,219,576</u>	<u>\$ 26,632,691</u>	<u>\$ -</u>

(1) Ratings are provided by Moody's where applicable to indicate associated credit risk.

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

N/A Indicates not applicable or available.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

The investments of the City are subject to the following risks:

- *Credit Risk.* Is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes limit the City's investments to the list on page 57 of the notes.
- *Custodial Credit Risk.* The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.
- *Concentration of Credit Risk.* Is the risk of loss attributed to the magnitude of a government's investment in a single issuer. As of December 31, 2021, the City had invested 5 percent or more of its total investment portfolio in the following issuers:
 - FHLB BEC \$7,147,361
 - Federal Home Loan Banks \$2,704,938
 - FHLMC MTN \$2,921,830
 - Federal Farm Credit Banks \$7,183,971
 - FNMA \$2,820,316
- *Interest Rate Risk.* Is the risk that changes in interest rates will adversely affect the fair value of an investment.

The City does not currently have a formal investment policy that addresses the above mentioned risks; however, follows all applicable Minnesota statutes.

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

Carrying Amount of Deposits	\$ 18,542,255
Investments	48,458,143
Cash on Hand	<u>11,299</u>
 Total	 <u><u>\$ 67,011,697</u></u>

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

B. Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not Being Depreciated				
Land	\$ 18,867,367	\$ 1,102,054	\$ -	\$ 19,969,421
Construction in progress	6,349,417	4,379,309	(7,251,985)	3,476,741
Total Capital Assets not Being Depreciated	<u>25,216,784</u>	<u>5,481,363</u>	<u>(7,251,985)</u>	<u>23,446,162</u>
Capital Assets Being Depreciated				
Buildings and structures	22,613,401	376,042	(148,671)	22,840,772
Infrastructure	71,662,367	6,582,618	-	78,244,985
Machinery and equipment	9,446,151	531,495	(395,299)	9,582,347
Total Capital Assets Being Depreciated	<u>103,721,919</u>	<u>7,490,155</u>	<u>(543,970)</u>	<u>110,668,104</u>
Less Accumulated Depreciation for				
Buildings and structures	(7,056,347)	(457,990)	87,220	(7,427,117)
Infrastructure	(46,798,470)	(2,088,790)	-	(48,887,260)
Machinery and equipment	(6,398,453)	(625,998)	395,299	(6,629,152)
Total Accumulated Depreciation	<u>(60,253,270)</u>	<u>(3,172,778)</u>	<u>482,519</u>	<u>(62,943,529)</u>
Total Capital Assets Being Depreciated, Net	<u>43,468,649</u>	<u>4,317,377</u>	<u>(61,451)</u>	<u>47,724,575</u>
Governmental Activities Capital Assets, Net	<u>\$ 68,685,433</u>	<u>\$ 9,798,740</u>	<u>\$ (7,313,436)</u>	<u>\$ 71,170,737</u>

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets not Being Depreciated				
Land	\$ 2,075,353	\$ -	\$ -	\$ 2,075,353
Construction in progress	44,455	151,675	-	196,130
Total Capital Assets not Being Depreciated	<u>2,119,808</u>	<u>151,675</u>	<u>-</u>	<u>2,271,483</u>
Capital Assets Being Depreciated				
Buildings and structures	6,223,777	-	-	6,223,777
Infrastructure	37,754,892	5,176,126	-	42,931,018
Machinery and equipment	1,312,074	19,056	(167,979)	1,163,151
Total Capital Assets Being Depreciated	<u>45,290,743</u>	<u>5,195,182</u>	<u>(167,979)</u>	<u>50,317,946</u>
Less Accumulated Depreciation for				
Buildings and structures	(4,776,687)	(170,330)	-	(4,947,017)
Infrastructure	(14,014,402)	(844,026)	-	(14,858,428)
Machinery and equipment	(1,051,063)	(61,726)	167,979	(944,810)
Total Accumulated Depreciation	<u>(19,842,152)</u>	<u>(1,076,082)</u>	<u>167,979</u>	<u>(20,750,255)</u>
Total Capital Assets Being Depreciated, Net	<u>25,448,591</u>	<u>4,119,100</u>	<u>-</u>	<u>29,567,691</u>
Business-type Activities Capital Assets, Net	<u>\$ 27,568,399</u>	<u>\$ 4,270,775</u>	<u>\$ -</u>	<u>\$ 31,839,174</u>

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

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

Function/Program	Amount
Governmental Activities	
General government	\$ 27,628
Public safety	535,118
Public works	2,170,416
Culture and recreation	429,914
Economic development	9,702
	<u>9,702</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 3,172,778</u>
Business-type Activities	
Water	\$ 523,914
Sewer	311,092
Storm sewer	204,322
Municipal liquor	36,754
	<u>36,754</u>
Total Depreciation Expense - Business-type Activities	<u>\$ 1,076,082</u>

C. Construction Commitments

As of December 31, 2021, the City has signed contracts in place for construction projects. The following summarizes those commitments:

Project	Spent to Date	Remaining Commitment
Hassan Trail	\$ 662,846	\$ 14,944
Laurel Creek Park	31,702	24,824
2021 Street Improvement Projects	2,476,153	148,001
Triangle Park/Splash Pad Building	532,484	664,431
NCP - Pickleball Courts	149,803	49,079

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2021 is as follows:

Receivable Fund	Payable Fund	Amount
Due from/to other Funds		
Governmental General	Business-type Municipal Liquor	\$ 314,270
Business-type Sewer	Governmental Capital Improvement Projects	277,796
Business-type Sewer	Governmental Nonmajor governmental	166,047
Total Due from/to other Funds		\$ 758,113
Advance from/to other Funds		
Business-type Sewer	Governmental Capital Improvement Projects	\$ 965,766
Business-type Sewer	Governmental Nonmajor governmental	733,320
Total Advances from/to other Funds		\$ 1,699,086

The balance between the General fund and the Municipal Liquor fund includes certain operating expenses paid through the City's general checking account.

The balance between the Sewer fund and the Capital Improvement Projects fund was issued to assist in financing 2020 - 2021 equipment purchases.

The balance between the nonmajor TIF funds and the Sewer fund was issued to finance the purchase of land for downtown redevelopment.

All of the above interfund loans have associated amortization schedules, of which current payments are being made.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

The composition of interfund transfers at December 31, 2021 is as follows:

Fund	Transfers in				Total
	General	Debt Service	Revolving Capital	Other Governmental Funds	
Transfers Out					
General	\$ -	\$ -	\$ 50,000	\$ 65,000	\$ 115,000
Rogers Activity Center	2,480	-	-	-	2,480
Revolving Capital	-	-	-	50,000	50,000
Other Governmental Funds	1,755	84,618	499,398	7,576	593,347
Water	-	-	70,935	5,800	76,735
Sewer	-	-	-	8,700	8,700
Storm Sewer	-	-	44,909	10,700	55,609
Municipal Liquor	225,000	-	-	9,773	234,773
Total	<u>\$ 229,235</u>	<u>\$ 84,618</u>	<u>\$ 665,242</u>	<u>\$ 157,549</u>	<u>\$ 1,136,644</u>

During the year, transfers are used to 1) move revenues from the fund with collection authorization to the Debt Service fund as debt service principal and interest payments become due, 2) transfer General fund resources to cover a fund's annual operations, 3) transfer funds as part of the capital improvement plans, 4) transfer pull tab rental resources and 5) transfer resources for lease payments. Further, during the year ended December 31, 2021, the City made the following one-time transfers:

- Budgeted debt service transfers to move revenue from the fund with collection authorization to the Debt Service fund for payment of obligations.
- Budgeted transfers of Liquor funds to the General fund.
- Transfers from the Rogers Activity Center funds to the General fund for the energy initiative program.
- Monthly pull tab rental transfers to the Fire Department Capital fund.
- Transfers between funds as part of capital improvement plans.
- Transfers of unspent MSA Maintenance funds.
- Transfers from WWTP sale funds to Sewer fund to soften rates.
- Transfer of Planning Budget Façade Improvements from the General fund to the EDA fund.
- Transfer of non-increment interest earning to the General Fund on escrow funds from the TIF #16 fund.
- Transfer of non-increment fund balance from the TIF #1 fund to the EDA fund.
- Transfer of unspent unpaved streets funds from the General fund to the unpaved streets capital reserve in the Revolving Capital fund.
- Transfer unspent ADA repairs and mitigation from the General fund to the Revolving Capital fund for future projects.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

E. Long-term Debt

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for general government activities. In addition, general obligation bonds have been issued to refund bond issues.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

General Obligation Improvement Bonds

The following bonds were used to finance improvements and buildings. They will be repaid with ad valorem taxes, special assessments levied against the properties and tax increments. The bonds are backed by the full faith and credit of the City.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Governmental Activities					
G.O. Improvement Bonds					
Series 2014	2,500,000	2.00 - 3.65 %	03/06/14	12/15/34	\$ 1,795,000
Series 2015	2,845,000	2.00 - 2.25	10/01/15	12/15/25	1,215,000
Series 2021	2,880,000	1.50 - 2.00	06/17/21	02/01/32	<u>2,880,000</u>
Total General Obligation Improvement Bonds					<u>\$ 5,890,000</u>

Annual debt service requirements to maturity for general obligation improvement bonds outstanding at December 31, 2021 are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2022	\$ 410,000	\$ 151,268	\$ 561,268
2023	675,000	131,128	806,128
2024	695,000	115,228	810,228
2025	715,000	99,315	814,315
2026	410,000	82,927	492,927
2027 - 2031	2,185,000	266,512	2,451,512
2032 - 2034	<u>800,000</u>	<u>39,102</u>	<u>839,102</u>
Total	<u>\$ 5,890,000</u>	<u>\$ 885,480</u>	<u>\$ 6,775,480</u>

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

Revenue Bonds

The following bonds were used to finance improvements. The Water Revenue Bond is funded with net revenue of the water fund and the Ice Arena Revenue Bond is funded with transfers from the Rogers Activity Center. The Liquor Store revenue refunding bond will be repaid with revenue from operations. The bonds are backed by the full faith and credit of the City.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Governmental Activities					
G.O. Tax Abatement Bonds					
Series 2015A	\$ 2,390,000	2.00 - 3.00 %	10/01/15	12/15/29	<u>\$ 1,465,000</u>
Business-type Activities					
Water Revenue Bonds					
Series 2012A	\$ 1,685,000	2.00 - 2.65 %	04/25/12	12/01/27	\$ 740,000
Series 2021A	3,920,000	1.50 - 2.00	06/17/21	02/01/37	<u>3,920,000</u>
Total business-type activities Revenue Bonds					<u>\$ 4,660,000</u>

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

Year Ending December 31,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 175,000	\$ 35,763	\$ 210,763	\$ 115,000	\$ 98,352	\$ 213,352
2023	180,000	32,262	212,262	350,000	84,778	434,778
2024	180,000	28,663	208,663	355,000	77,488	432,488
2025	185,000	24,613	209,613	360,000	69,848	429,848
2026	190,000	20,450	210,450	370,000	62,035	432,035
2027 - 2031	555,000	31,749	586,749	1,405,000	204,420	1,609,420
2032 - 2036	-	-	-	1,410,000	77,687	1,487,687
2037	-	-	-	295,000	2,359	297,359
Total	<u>\$ 1,465,000</u>	<u>\$ 173,500</u>	<u>\$ 1,638,500</u>	<u>\$ 4,660,000</u>	<u>\$ 676,967</u>	<u>\$ 5,336,967</u>

Annual revenues from charges for services, principal and interest payments, and percentage of revenue required to cover principal and interest payments are as follows:

	<u>Water</u>
Net Operating Revenues (Charges for Services)	\$ 1,862,731
Principal and Interest	135,896
Percentage of Revenues	7 %

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

Equipment Certificates

The City has issued the following certificates for the purchase of equipment. They will be repaid with ad valorem taxes or charges for service and are secured by the full faith and credit of the City.

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
Governmental Activities					
Equipment Certificates Series 2014	\$ 920,000	2.00 - 4.00 %	03/06/14	12/15/22	<u>\$ 50,000</u>

Annual debt service requirements to maturity for equipment certificates are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2022	<u>\$ 50,000</u>	<u>\$ 2,000</u>	<u>\$ 52,000</u>

Changes in Long-term Liabilities

During the year ended December 31, 2021, the following changes occurred in long-term liabilities.

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable					
General obligation bonds	\$ 3,410,000	\$ 2,880,000	\$ (400,000)	\$ 5,890,000	\$ 410,000
General obligation tax increment bonds	80,000	-	(80,000)	-	-
Revenue bonds	1,630,000	-	(165,000)	1,465,000	175,000
Equipment Certificates	100,000	-	(50,000)	50,000	50,000
Total Bonds Payable	<u>5,220,000</u>	<u>2,880,000</u>	<u>(695,000)</u>	<u>7,405,000</u>	<u>635,000</u>
Unamortized Bond Premium	-	175,228	(8,761)	166,467	-
Compensated Absences Payable	917,963	375,356	(292,497)	1,000,822	304,201
Severance Obligations Payable	99,454	13,894	(7,713)	105,635	-
Governmental Activities Long-term Liabilities	<u>\$ 6,237,417</u>	<u>\$ 3,444,478</u>	<u>\$ (1,003,971)</u>	<u>\$ 8,677,924</u>	<u>\$ 939,201</u>
Business-type Activities					
Bonds Payable					
Revenue bonds	\$ 855,000	\$ 3,920,000	\$ (115,000)	\$ 4,660,000	\$ 115,000
Unamortized Bond Premium	-	148,303	(4,944)	143,359	-
Compensated Absences Payable	243,963	83,990	(85,422)	242,531	73,717
Severance Obligations Payable	47,739	4,871	(16,079)	36,531	-
Business-type Activities Long-term Liabilities	<u>\$ 1,146,702</u>	<u>\$ 4,157,164</u>	<u>\$ (221,445)</u>	<u>\$ 5,082,421</u>	<u>\$ 188,717</u>

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

F. Components of Fund Balance

At December 31, 2021, portions of the City's fund balance are not available for appropriation due to not being in spendable form (Nonspendable), legal restrictions (Restricted), or City Council action (Committed). The following is a summary of the components of fund balance:

	General	Debt Service	Rogers Activity Center	Revolving Capital
Nonspendable				
Prepaid items	\$ 200,748	\$ -	\$ 2,449	\$ -
Inventory	25,747	-	-	-
Total Nonspendable	<u>\$ 226,495</u>	<u>\$ -</u>	<u>\$ 2,449</u>	<u>\$ -</u>
Restricted for				
Debt service	\$ -	\$ 810,135	\$ -	\$ -
Transportation infrastructure	-	-	-	3,536,542
Total Restricted	<u>\$ -</u>	<u>\$ 810,135</u>	<u>\$ -</u>	<u>\$ 3,536,542</u>
Committed to				
Rogers activity center	\$ -	\$ -	\$ 1,737,300	\$ -
Revolving capital	-	-	-	2,052,560
Total Committed	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,737,300</u>	<u>\$ 2,052,560</u>
Assigned to				
Energy Conservation	\$ 22,000	\$ -	\$ -	\$ -
Emergency Management Warning Sirens	76,100	-	-	-
Total Assigned	<u>\$ 98,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 3: Detailed Notes on All Funds (Continued)

	Street and Related Improvement Projects	Capital Improvement Projects	Other Governmental Funds	Total Governmental Funds
Nonspendable				
Prepaid items	\$ -	\$ -	\$ -	\$ 203,197
Inventory	-	-	-	25,747
Total Nonspendable	\$ -	\$ -	\$ -	\$ 228,944
Restricted for				
Debt service	\$ -	\$ -	\$ -	\$ 810,135
Tax increment financing	-	-	761,680	761,680
Revolving loans	-	-	453,076	453,076
Police expenditures	-	-	29,142	29,142
Capital improvement projects	387,840	-	-	387,840
Economic development	-	-	192,625	192,625
Park dedication fees	-	-	2,878,937	2,878,937
Transportation infrastructure	-	-	-	3,536,542
Local option sales tax	-	-	1,844,667	1,844,667
Trail dedication	-	-	423,516	423,516
Total Restricted	\$ 387,840	\$ -	\$ 6,583,643	\$ 11,318,160
Committed to				
Pavement management	\$ -	\$ -	\$ 2,404,104	\$ 2,404,104
Fire department capital projects	-	-	219,235	219,235
Park dedication	-	-	424,992	424,992
Revolving capital	-	-	-	2,052,560
Capital improvement projects	878,239	2,331,689	-	3,209,928
Rogers activity center	-	-	-	1,737,300
Tower and billboard leases	-	-	867,717	867,717
Total Committed	\$ 878,239	\$ 2,331,689	\$ 3,916,048	\$ 10,915,836
Assigned to				
Park dedication	\$ -	\$ -	\$ 289,747	\$ 289,747
Energy Conservation	-	-	-	22,000
Emergency Management Warning Sirens	-	-	-	76,100
Total Assigned	\$ -	\$ -	\$ 289,747	\$ 387,847

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 4: Postemployment Benefits Other Than Pensions

A. Plan Description

The City's defined benefit healthcare plan ("the Retiree Health Plan") provides healthcare insurance for eligible retirees and their spouses. The Retiree Health Plan is affiliated with the healthcare plan administered through LOGIS, an agent multiple-employer postemployment healthcare plan. LOGIS is a consortium of Minnesota local government units controlled by its members. LOGIS' Board of Directors is composed of one representative from each agency. LOGIS issues a publicly available financial report that includes financial statements and required supplementary information for the health plan. That report may be obtained by writing to LOGIS, 5750 Duluth Street, Golden Valley, MN 55422, or by calling (763) 543-2600.

At December 31, 2021, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	2
Active Plan Members	56
	58
Total Plan Members	58

B. Funding Policy

The contribution requirements of plan members and the City are established and may be amended by LOGIS' Board of Directors. The required contributions are based on projected pay-as-you-go financing requirements. The City contributed \$11,449 to the plan for the year ended December 31, 2021. As of January 1, 2020, there was one retiree that was receiving health benefits from the plan.

C. Actuarial Methods and Assumptions

The City's total OPEB liability of \$756,061 was measured as of December 31, 2021, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of January 1, 2020.

The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.12%
Expected Long-Term Investment Return	N/A
Salary Increases	3.25%
Medical Trend Rate	7.33% in 2021 grading to 5% over 10 years

The discount rate used to measure the total OPEB liability was 2.12 percent. Projected benefit payments discounted to reflect the expected effects of the time value (present value) of money and the probabilities of payment.

Mortality rates were set by the RP-2014 Employee Mortality Table, adjusted for white collar and mortality improvements using projection scale MP-2015, from a base year of 2014. Rates are set forward one year for males and set back one year for females.

The actuarial assumptions used in the December 31, 2021 valuation were based on input from a variety of published sources of historical and projected future financial data. Each assumption was reviewed for reasonableness with the source information as well as for consistency with the other economic assumptions.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 4: Postemployment Benefits Other Than Pensions (Continued)

D. Changes in the Total OPEB Liability

	<u>Total OPEB Liability (a)</u>
Balances at December 31, 2020	\$ 649,567
Changes for the Year:	
Service cost	66,664
Interest	19,378
Differences between expected and actual experience	6,191
Changes in assumptions	32,286
Benefit payments	<u>(18,025)</u>
Net Changes	<u>106,494</u>
Balances at December 31, 2021	<u>\$ 756,061</u>

E. Sensitivity of the Total OPEB Liability

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (1.12 percent) or 1-percentage-point higher (3.12 percent) than the current discount rate:

<u>1 Percent Decrease (1.12%)</u>	<u>Current (2.12%)</u>	<u>1 Percent Increase (3.12%)</u>
\$ 694,859	\$ 756,061	\$ 821,685

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a Healthcare Cost Trend Rates that is 1-percentage point lower or 1-percentage-point higher than the current rate:

<u>1 Percent Decrease (7.67% Decreasing to 6.67%)</u>	<u>Healthcare Cost Trend Rates</u>	<u>1 Percent Increase (7.67% Increasing to 8.67%)</u>
\$ 872,639	\$ 756,061	\$ 658,184

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 4: Postemployment Benefits Other Than Pensions (Continued)

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

For the year ended December 31, 2021, the City recognized OPEB expense of \$106,494. At December 31, 2021, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 5,573	\$ 206,392
Changes in Actuarial Assumptions	100,743	33,544
Total	\$ 106,316	\$ 239,936

Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

2022	\$ (29,451)
2023	(29,451)
2024	(29,451)
2025	(29,451)
2026	(29,451)
Thereafter	13,635

Note 5: Defined Benefit Pension Plans - Statewide

A. Plan Description

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

General Employees Retirement Plan

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

Public Employees Police and Fire Plan

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

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 5: Defined Benefit Pension Plans - Statewide (Continued)

B. Benefits Provided

PERA provides retirement, disability and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

General Employee Plan Benefits

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. For members retiring on January 1, 2024, or later, the increase will be delayed until normal retirement age (age 65 if hired prior to July 1, 1989, or age 66 for individuals hired on or after July 1, 1989). Members retiring under Rule of 90 are exempt from the delay to normal retirement.

Public Employees Police and Fire Plan Benefits

Benefits for the Public Employees Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50 percent after five years up to 100 percent after ten years of credited service. Benefits for Public Employees Police and Fire Plan members first hired after June 30, 2014 vest on a prorated basis from 50 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3.0 percent of average salary for each year of service. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

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

C. Contributions

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

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2021 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the years ending December 31, 2021, 2020 and 2019 were \$265,396, \$250,903 and \$235,782, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 5: Defined Benefit Pension Plans - Statewide (Continued)

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2021 and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the years ending December 31, 2021, 2020 and 2019 were \$395,072, \$363,092 and \$297,920, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

D. Pension Costs

General Employees Fund Pension Costs

At December 31, 2021, the City reported a liability of \$1,964,406 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$59,983. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021 relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0460 percent, which was an increase of 0.0011 percent from its proportion measured as of June 30, 2020.

City's Proportionate Share of the Net Pension Liability	\$ 1,964,406
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City	<u>59,983</u>
Total	<u><u>\$ 2,024,389</u></u>

For the year ended December 31, 2021, the City recognized pension expense of \$126,775 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional \$4,840 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

At December 31, 2021, the City reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources, related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Economic Experience	\$ 11,334	\$ 59,950
Changes in Actuarial Assumptions	1,199,426	41,904
Net Difference Between Projected and Actual Earnings on Plan Investments	-	1,702,032
Changes in Proportion	93,489	-
Contributions Paid to PERA Subsequent to the Measurement Date	<u>146,888</u>	<u>-</u>
Total	<u><u>\$ 1,451,137</u></u>	<u><u>\$ 1,803,886</u></u>

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 5: Defined Benefit Pension Plans - Statewide (Continued)

The \$146,888 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2022	\$ (30,671)
2023	11,951
2024	(16,895)
2025	(464,022)

Police and Fire Fund Pension Costs

At December 31, 2021, the City reported a liability of \$1,333,061 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021 relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.1727 percent which was an increase of 0.0030 percent from its proportionate share measured as of June 30, 2020.

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2021. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2020. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. Strong asset returns for the fiscal year ended 2021 will accelerate the phasing out of these state contributions, although we do not anticipate them to be phased out during the fiscal year ending 2022.

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2021, the City recognized pension expense of \$61,381 for its proportionate share of the Police and Fire Plan's pension expense. The City also recognized \$15,543 for the year ended December 31, 2021, as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$4.5 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The City recognized \$15,543 for the year ended December 31, 2021 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 5: Defined Benefit Pension Plans - Statewide (Continued)

At December 31, 2021, the City reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources, from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 250,929	\$ 23,149
Changes in Actuarial Assumptions	2,031,145	649,946
Net Difference Between Projected And Actual Earnings on Plan Investments	-	2,541,265
Changes in Proportion	363,046	11,707
Contributions Paid to PERA Subsequent to the Measurement Date	212,733	-
Total	\$ 2,857,853	\$ 3,226,067

The \$212,733 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2022	\$ (654,663)
2023	(60,228)
2024	(93,509)
2025	(201,465)
Thereafter	428,918

E. Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 6.5 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 6.5 percent was deemed to be within that range of reasonableness for financial reporting purposes.

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

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 29 years of service and 6.0 percent per year thereafter. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.0 percent after 24 years of service.

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

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 5: Defined Benefit Pension Plans - Statewide (Continued)

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

The following changes in actuarial assumptions and plan provisions occurred in 2021:

General Employees Fund

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

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

Police and Fire Fund

Changes in Actuarial Assumptions

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

Changes in Plan Provisions

- There have been no changes since the prior valuation.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 5: Defined Benefit Pension Plans - Statewide (Continued)

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity	33.50 %	5.10 %
Alternative Assets (Private Markets)	25.00	5.90
Bonds (Fixed Income)	25.00	0.75
International Equity	<u>16.50</u>	5.30
Total	<u><u>100.00 %</u></u>	

F. Discount Rate

The discount rate used to measure the total pension liability in 2021 was 6.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at the rate specified in statute. Based on these assumptions, the fiduciary net position of the General Employees Fund and Police and Fire Fund were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	<u>1 Percent Decrease (5.50%)</u>	<u>Current (6.50%)</u>	<u>1 Percent Increase (7.50%)</u>
General Employees Fund	\$ 4,006,386	\$ 1,964,406	\$ 288,837
Police and Fire Fund	4,232,243	1,333,061	(1,043,550)

H. Pension Plan Fiduciary Net Position

Detailed information about each defined benefit pension plan's fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 6: Defined Benefit Pension Plans - Fire Relief Association

A. Plan Description

All members of the Rogers Fire Department (the Department) are covered by a defined benefit plan administered by the Rogers Fire Department Relief Association (the Association). As of December 31, 2020, the plan covered 41 active firefighters and 2 vested terminated fire fighters whose pension benefits are deferred. The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

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

B. Benefits Provided

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

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

C. Contributions

Minnesota statutes, chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes and voluntary City contributions (if applicable). The State of Minnesota contributed \$131,671 in fire state aid to the plan on behalf of the City Fire Department for the year ended December 31, 2020, which was recorded as a revenue. Required employer contributions are calculated annually based on statutory provisions. The City made no voluntary contributions to the plan. Furthermore, the firefighter has no obligation to contribute to the plan.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 6: Defined Benefit Pension Plans - Fire Relief Association (Continued)

D. Pension Costs

At December 31, 2021, the City reported a net pension asset of (\$430,609) for the Volunteer Firefighter Fund. The net pension asset was measured as of December 31, 2020. The total pension liability used to calculate the net pension asset in accordance with GASB 68 was determined by PERA, applying an actuarial formula to specific census data certified by the Department. The following table presents the changes in net pension liability (asset) during the year:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning Balance January 1, 2020	\$ 1,291,465	\$ 1,599,721	\$ (308,256)
Changes for the Year			
Service cost	73,370	-	73,370
Interest on pension liability (asset)	66,443	-	66,443
Changes of assumptions	18,944	-	18,944
Change of benefit terms	45,405	-	45,405
Actuarial experience (gains)/losses	(54,289)	-	(54,289)
Nonemployer contributions	(198,490)	(198,490)	-
Contributions (state and local)	-	146,415	(146,415)
Net investment income	-	129,316	(129,316)
Administrative expenses	-	(3,505)	3,505
Total Net Changes	<u>(48,617)</u>	<u>73,736</u>	<u>(122,353)</u>
Ending Balance December 31, 2020	<u>\$ 1,242,848</u>	<u>\$ 1,673,457</u>	<u>\$ (430,609)</u>

For the year ended December 31, 2021, the City recognized pension expense of \$93,794.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources, and contributions subsequent to the measurement date, to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ -	\$ 101,745
Changes in Actuarial Assumptions	61,121	3,481
Net Difference between Projected and Actual Earnings on Plan Investments	-	75,652
Contributions to Plan Subsequent to the Measurement Date	<u>150,671</u>	<u>-</u>
Total	<u>\$ 211,792</u>	<u>\$ 180,878</u>

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 6: Defined Benefit Pension Plans - Fire Relief Association (Continued)

Deferred outflows of resources totaling \$150,671 related to pensions resulting from the City's contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022.

2021	\$ (30,023)
2022	(9,848)
2023	(38,614)
2024	(12,300)
2025	(6,459)
Thereafter	(22,513)

E. Actuarial Assumptions

The total pension liability at December 31, 2020 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Retirement Eligibility at 50 Percent of Age 50, 10 Percent at Age 51, and Increasing 10 Percent Each Year Until 100 percent at age 65	
Salary Increases	2.25% per year
Cost of living increases	2.25%
Investment rate of return	5.00%
20 year municipal bond yield	2.00%

There were no changes in actuarial assumptions in 2021.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity	32.00 %	4.95 %
International Equity	23.00	5.32
Fixed income	25.00	1.40
Real Estate and Alternatives	5.00	4.43
Cash and Equivalent	<u>15.00</u>	0.09
Total	<u>100.00 %</u>	

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 6: Defined Benefit Pension Plans - Fire Relief Association (Continued)

F. Discount Rate

The discount rate used to measure the total pension liability was 5.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. Pension Asset Sensitivity

The following presents the City's net pension asset for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's net pension asset would be if it were calculated using a discount rate 1 percent lower or 1 percent higher than the current discount rate:

	1 Percent Decrease (4.00%)	Current (5.00%)	1 Percent Increase (6.00%)
Defined Benefit Plan	\$ (382,723)	(\$430,609)	\$ (474,429)

H. Pension Plan Fiduciary Net Position

The Association issues a publicly available financial report. The report may be obtained by writing to the Rogers Fire Department Relief Association, 12913 Main St, Rogers, MN 55374.

Note 7: Other Information

A. Risk Management

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

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

B. Legal Debt Margin

In accordance with Minnesota statutes, the City may not incur or be subject to net debt in excess of 3 percent of the market value of taxable property within the City. Net debt is payable solely from ad valorem taxes and therefore, excludes debt financed partially or entirely by special assessments, enterprise fund revenues or tax increments. The current debt limit for the City is \$67,804,175. The City is under the debt limit as of December 31, 2021.

City of Rogers, Minnesota
Notes to the Financial Statements
December 31, 2021

Note 7: Other Information (Continued)

C. Tax Increment Financing Districts

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

The City has entered into "pay as you go" Tax Increment Financing notes within its TIF districts. These notes are payable only to the extent of the increment received. As a result they are a commitment within the district but they have not met the criteria to be reported as a liability on the statement of net position.

Note 8: COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus ("COVID-19") and the risks to the international community as virus spreads globally. On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. In response to the pandemic, the State of Minnesota has issued stay-at-home orders and other measures aimed at slowing the spread of the coronavirus.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. Due to the rapid development and fluidity of this situation, the City cannot determine the ultimate impact that the COVID-19 pandemic will have on its financial condition, liquidity, and future revenue collection, and therefore any prediction as to the ultimate impact on the City's financial condition, liquidity, and future results of its revenue collections is uncertain.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ROGERS
ROGERS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2021

City of Rogers, Minnesota
Required Supplementary Information
For the Year Ended December 31, 2021

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

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/21	0.0460 %	\$ 1,964,406	\$ 59,983	\$ 2,024,389	\$ 3,311,690	59.3 %	87.0 %
06/30/20	0.0449	2,691,960	83,038	2,774,998	3,201,983	84.1	79.0
06/30/19	0.0432	2,388,431	74,330	2,462,761	3,060,555	80.5	80.2
06/30/18	0.0427	2,368,821	77,700	2,446,521	2,857,192	85.6	79.5
06/30/17	0.0408	2,604,645	32,757	2,637,402	2,595,565	101.6	75.9
06/30/16	0.0381	3,093,531	40,405	3,133,936	2,368,108	132.3	68.9
06/30/15	0.0377	1,953,810	-	1,953,810	2,243,021	87.1	78.7

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

Schedule of Employer's PERA Contributions - General Employees Fund

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/21	\$ 265,396	\$ 265,396	\$ -	\$ 3,538,609	7.5 %
12/31/20	250,903	250,903	-	3,345,368	7.5
12/31/19	235,782	235,782	-	3,143,760	7.5
12/31/18	224,446	224,446	-	2,992,617	7.5
12/31/17	203,322	203,322	-	2,710,966	7.5
12/31/16	186,766	186,766	-	2,490,219	7.5
12/31/15	170,477	170,477	-	2,273,024	7.5

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

City of Rogers, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2021

Notes to the Required Supplementary Information - General Employees Fund

Changes in Actuarial Assumptions

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

2020 - The price inflation assumption was decreased from 2.50% to 2.25%. The payroll growth assumption was decreased from 3.25% to 3.00%. Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates. Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter. Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments. The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019. The assumed spouse age difference was changed from two years older for females to one year older. The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

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

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

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

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

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

City of Rogers, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2021

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

Changes in Plan Provisions

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

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

2019 - The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

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

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

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

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

City of Rogers, Minnesota
 Required Supplementary Information (Continued)
 For the Year Ended December 31, 2021

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

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/21	0.1727 %	\$ 1,333,061	\$ 59,909	\$ 1,392,970	\$ 2,123,986	62.8 %	93.7 %
06/30/20	0.1697	2,236,828	-	2,236,828	1,915,338	116.8	87.2
06/30/19	0.1501	1,597,966	-	1,597,966	1,619,601	98.7	89.3
06/30/18	0.1457	1,553,012	-	1,553,012	1,535,650	101.1	88.8
06/30/17	0.1330	1,795,658	-	1,795,658	1,350,783	132.9	85.4
06/30/16	0.1370	5,498,048	-	5,498,048	1,330,936	413.1	63.9
06/30/15	0.1360	1,545,278	-	1,545,278	1,243,722	124.2	86.6

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

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

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/21	\$ 395,072	\$ 395,072	\$ -	\$ 2,232,047	17.70 %
12/31/20	363,092	363,092	-	2,051,366	17.70
12/31/19	297,920	297,920	-	1,839,015	16.20
12/31/18	254,917	254,917	-	1,573,560	16.20
12/31/17	232,658	232,658	-	1,436,163	16.20
12/31/16	216,085	216,085	-	1,333,861	16.20
12/31/15	208,196	208,196	-	1,285,160	16.20

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

City of Rogers, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2021

Notes to the Required Supplementary Information - Public Employees Police and Fire Fund

Changes in Actuarial Assumptions

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

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

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

2018 - The mortality projection scale was changed from MP-2016 to MP-2017. As set by statute, the assumed post-retirement benefit increase was changed from 1.0 percent per year through 2064 and 2.5 percent per year, thereafter, to 1.0 percent for all years, with no trigger.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016.

The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

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

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

City of Rogers, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2021

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

Changes in Plan Provisions

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

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

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

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

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

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

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

City of Rogers, Minnesota
Required Supplementary Information (Continued)
For the Year Ended December 31, 2021

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

	2021 (Fire Relief Report Date 2020)	2020 (Fire Relief Report Date 2019)	2019 (Fire Relief Report Date 2018)	2018 (Fire Relief Report Date 2017)	2017 (Fire Relief Report Date 2016)	2016 (Fire Relief Report Date 2015)	2015 (Fire Relief Report Date 2014)
Total Pension Liability							
Service cost	\$ 73,370	\$ 68,681	\$ 65,457	\$ 59,119	\$ 59,501	\$ 52,737	\$ 51,326
Interest on pension liability (asset)	66,443	61,977	59,187	67,330	64,536	64,094	61,294
Differences between expected and actual experience	(54,289)	-	(36,441)	(44,469)	-	-	-
Changes of assumptions	18,944	-	16,407	14,712	(8,841)	55,634	-
Change of benefit terms	45,405	48,968	57,373	26,419	42,381	-	-
Benefit payments	(198,490)	-	(121,638)	(229,326)	(85,477)	(79,255)	(59,219)
Net Change in Total Pension Liability	(48,617)	179,626	40,345	(106,215)	72,100	93,210	53,401
Total Pension Liability - January 1	1,291,465	1,111,839	1,071,494	1,177,709	1,105,609	1,012,399	958,998
Total Pension Liability - December 31	\$ 1,242,848	\$ 1,291,465	\$ 1,111,839	\$ 1,071,494	\$ 1,177,709	\$ 1,105,609	\$ 1,012,399
Plan Fiduciary Net Position							
Nonemployer contributions	146,415	132,549	130,906	126,937	106,896	101,996	103,985
Projected investment return	129,316	195,463	(75,762)	171,584	91,540	(48,600)	36,762
Other additions	-	-	4,477	-	-	-	-
Benefit payments	(198,490)	-	(121,638)	(229,326)	(85,477)	(79,255)	(59,219)
Administrative expense	(3,505)	(3,553)	(3,049)	(2,650)	(2,464)	(2,250)	(2,200)
Net Change in Plan Fiduciary Net Position	73,736	324,459	(65,066)	66,545	110,495	(28,109)	79,328
Plan Fiduciary Net Position - January 1	1,599,721	1,275,262	1,340,328	1,273,783	1,163,288	1,191,397	1,112,069
Plan Fiduciary Net Position - December 31	\$ 1,673,457	\$ 1,599,721	\$ 1,275,262	\$ 1,340,328	\$ 1,273,783	\$ 1,163,288	\$ 1,191,397
Fire Relief's Net Pension Liability (Asset) - December 31	\$ (430,609)	\$ (308,256)	\$ (163,423)	\$ (268,834)	\$ (96,074)	\$ (57,679)	\$ (178,998)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b/a)	134.65%	123.87%	114.70%	125.09%	108.16%	105.22%	117.68%
Covered-employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Fire Relief's Net Pension Liability (Asset) as a Percentage of Covered-employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

Schedule of Employer's Fire Relief Association's Contributions

Year Ending	Actuarial Determined Contribution (a)	Actual Contributions Paid (b)	Contribution Deficiency (Excess) (a-b)
12/31/21	\$ 131,671	\$ 150,671	\$ (19,000)
12/31/20	123,415	132,594	(9,179)
12/31/19	113,500	113,500	-
12/31/18	110,405	110,405	-
12/31/17	107,937	107,937	-
12/31/16	106,896	106,896	-
12/31/15	101,996	101,996	-
12/31/14	103,985	103,985	-

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

City of Rogers, Minnesota
 Required Supplementary Information (Continued)
 For the Year Ended December 31, 2021

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability				
Service cost	\$ 66,664	\$ 54,836	\$ 83,399	\$ 76,579
Interest	19,378	33,050	26,986	25,099
Differences between expected and actual experience	6,191	(257,848)	-	-
Changes in assumptions	32,286	72,031	(47,066)	12,195
Benefit payments	<u>(18,025)</u>	<u>(11,449)</u>	<u>(10,928)</u>	<u>-</u>
Net Change in Total OPEB Liability	106,494	(109,380)	52,391	113,873
Total OPEB Liability - Beginning	<u>649,567</u>	<u>758,947</u>	<u>706,556</u>	<u>592,683</u>
Total OPEB Liability - Ending	<u>\$ 756,061</u>	<u>\$ 649,567</u>	<u>\$ 758,947</u>	<u>\$ 706,556</u>
Covered - employee payroll	\$ 4,300,000	\$ 4,100,000	\$ 4,300,000	\$ 4,200,000
City's total OPEB liability as a percentage of covered employee payroll	17.58 %	15.84 %	17.65 %	16.82 %

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

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COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

CITY OF ROGERS
ROGERS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2021

City of Rogers, Minnesota
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2021

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
Assets			
Cash and temporary investments	\$ 1,983,752	\$ 10,192,503	\$ 12,176,255
Receivables			
Accounts	-	343,426	343,426
Loans	267,868	-	267,868
Due from other governments	-	858,102	858,102
Prepaid items	19,400	-	19,400
	<u>19,400</u>	<u>-</u>	<u>19,400</u>
Total Assets	<u>\$ 2,271,020</u>	<u>\$ 11,394,031</u>	<u>\$ 13,665,051</u>
Liabilities			
Accounts payable	\$ 5,827	\$ 441,631	\$ 447,458
Escrows payable	136,445	-	136,445
Due to other governments	-	3,155	3,155
Due to other funds	-	166,047	166,047
Advances from other funds	-	733,320	733,320
Unearned revenue	586,188	203,000	789,188
Total Liabilities	<u>728,460</u>	<u>1,547,153</u>	<u>2,275,613</u>
Deferred Inflows of Resources			
Unavailable revenue -intergovernmental	-	600,000	600,000
	<u>-</u>	<u>600,000</u>	<u>600,000</u>
Fund Balances			
Restricted	674,843	5,908,800	6,583,643
Committed	867,717	3,048,331	3,916,048
Assigned	-	289,747	289,747
Total Fund Balances	<u>1,542,560</u>	<u>9,246,878</u>	<u>10,789,438</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,271,020</u>	<u>\$ 11,394,031</u>	<u>\$ 13,665,051</u>

City of Rogers, Minnesota
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures And
 Changes in Fund Balances
 For the Year Ended December 31, 2021

	Special Revenue	Capital Projects	Total Nonmajor Governmental Funds
Revenues			
Taxes			
Property taxes	\$ 116,000	\$ 225,000	\$ 341,000
Tax increments	-	663,781	663,781
Franchise taxes	-	2,656,516	2,656,516
Intergovernmental	177,078	-	177,078
Charges for services	395,071	2,311,003	2,706,074
Fines and forfeitures	17,479	-	17,479
Interest (loss) on investments	(1,120)	(23,195)	(24,315)
Miscellaneous	5,147	211,639	216,786
Total Revenues	<u>709,655</u>	<u>6,044,744</u>	<u>6,754,399</u>
Expenditures			
Current			
General government	159,477	-	159,477
Economic development	167,651	-	167,651
Capital outlay			
Public safety	-	380,822	380,822
Public works	-	73,718	73,718
Culture and recreation	-	2,516,778	2,516,778
Economic development	-	218,424	218,424
Housing	-	1,044,980	1,044,980
Total Expenditures	<u>327,128</u>	<u>4,234,722</u>	<u>4,561,850</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>382,527</u>	<u>1,810,022</u>	<u>2,192,549</u>
Other Financing Sources (Uses)			
Transfers in	22,576	134,973	157,549
Transfers out	-	(593,347)	(593,347)
Total Other Financing Sources (Uses)	<u>22,576</u>	<u>(458,374)</u>	<u>(435,798)</u>
Net Change in Fund Balances	405,103	1,351,648	1,756,751
Fund Balances, January 1	<u>1,137,457</u>	<u>7,895,230</u>	<u>9,032,687</u>
Fund Balances, December 31	<u>\$ 1,542,560</u>	<u>\$ 9,246,878</u>	<u>\$ 10,789,438</u>

City of Rogers, Minnesota
 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 December 31, 2021

	201	200	202	203	206	
	Tower & Billboard Leases	Revolving Loan	Police Forfeitures	Economic Development	ARPA	Total
Assets						
Cash and temporary investments	\$ 903,666	\$ 185,208	\$ 29,142	\$ 295,056	\$ 570,680	\$ 1,983,752
Receivables						
Notes	-	267,868	-	-	-	267,868
Prepaid items	-	-	-	-	19,400	19,400
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,400</u>	<u>19,400</u>
Total Assets	<u>\$ 903,666</u>	<u>\$ 453,076</u>	<u>\$ 29,142</u>	<u>\$ 295,056</u>	<u>\$ 590,080</u>	<u>\$ 2,271,020</u>
Liabilities						
Accounts payable	\$ 420	\$ -	\$ -	\$ 900	\$ 4,507	\$ 5,827
Escrows payable	34,914	-	-	101,531	-	136,445
Unearned revenue	615	-	-	-	585,573	586,188
Total Liabilities	<u>35,949</u>	<u>-</u>	<u>-</u>	<u>102,431</u>	<u>590,080</u>	<u>728,460</u>
Fund Balances						
Restricted	-	453,076	29,142	192,625	-	674,843
Committed	867,717	-	-	-	-	867,717
Total Fund Balances	<u>867,717</u>	<u>453,076</u>	<u>29,142</u>	<u>192,625</u>	<u>-</u>	<u>1,542,560</u>
	<u>\$ 903,666</u>	<u>\$ 453,076</u>	<u>\$ 29,142</u>	<u>\$ 295,056</u>	<u>\$ 590,080</u>	<u>\$ 2,271,020</u>
Total Liabilities and Fund Balances	<u>\$ 903,666</u>	<u>\$ 453,076</u>	<u>\$ 29,142</u>	<u>\$ 295,056</u>	<u>\$ 590,080</u>	<u>\$ 2,271,020</u>

City of Rogers, Minnesota
 Nonmajor Special Revenue Funds
 Combining Statement of Revenues, Expenditures and
 Changes in Fund Balances
 For the Year Ended December 31, 2021

	201	200	202	203	206	
	Tower & Billboard Leases	Revolving Loan	Police Forfeitures	Economic Development	ARPA	Totals
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ 116,000	\$ -	\$ 116,000
Intergovernmental	-	25,542	-	-	151,536	177,078
Charges for services						
Tower lease	265,685	-	-	-	-	265,685
Billboard lease	127,886	-	-	-	-	127,886
Other	1,500	-	-	-	-	1,500
Fines and forfeitures	-	-	17,479	-	-	17,479
Income (loss) on investments	(10,108)	6,485	144	2,359	-	(1,120)
Miscellaneous	5,101	-	-	46	-	5,147
Total Revenues	390,064	32,027	17,623	118,405	151,536	709,655
Expenditures						
Current						
General government	7,941	-	-	-	151,536	159,477
Economic development	-	68,161	-	99,490	-	167,651
Total Expenditures	7,941	68,161	-	99,490	151,536	327,128
Excess (Deficiency) of Revenues Over (Under) Expenditures	382,123	(36,134)	17,623	18,915	-	382,527
Other Financing Sources						
Transfers in	-	-	-	22,576	-	22,576
Net Change in Fund Balances	382,123	(36,134)	17,623	41,491	-	405,103
Fund Balances, January 1	485,594	489,210	11,519	151,134	-	1,137,457
Fund Balances, December 31	\$ 867,717	\$ 453,076	\$ 29,142	\$ 192,625	\$ -	\$ 1,542,560

City of Rogers, Minnesota
 Nonmajor Capital Projects Funds
 Combining Balance Sheet
 December 31, 2021

	401	403	404
		Fire Department	
	Pavement Management	Capital Outlay	Park Dedication
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and temporary investments	\$ 2,095,818	\$ 186,453	\$ 3,718,700
Accounts receivable	308,286	32,782	107
Due from other governments	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 2,404,104</u>	<u>\$ 219,235</u>	<u>\$ 3,718,807</u>
Liabilities			
Accounts payable	\$ -	\$ -	\$ 49,631
Due to other governments	-	-	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Unearned revenue	-	-	75,500
Total Liabilities	<u> </u>	<u> </u>	<u> </u>
	-	-	125,131
Deferred Inflows of Resources			
Unavailable revenue - intergovernmental	-	-	-
	<u> </u>	<u> </u>	<u> </u>
	-	-	-
Fund Balances			
Restricted	-	-	2,878,937
Committed	2,404,104	219,235	424,992
Assigned	-	-	289,747
Total Fund Balances	<u> </u>	<u> </u>	<u> </u>
	2,404,104	219,235	3,593,676
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,404,104</u>	<u>\$ 219,235</u>	<u>\$ 3,718,807</u>

410	427	450 - 462	
Local Option Sales Tax	Trail Dedication	TIF	Total
\$ 1,935,003	\$ 594,119	\$ 1,662,410	\$ 10,192,503
-	-	2,251	343,426
258,102	600,000	-	858,102
<u>\$ 2,193,105</u>	<u>\$ 1,194,119</u>	<u>\$ 1,664,661</u>	<u>\$ 11,394,031</u>
\$ 348,438	\$ 43,103	\$ 459	\$ 441,631
-	-	3,155	3,155
-	-	166,047	166,047
-	-	733,320	733,320
-	127,500	-	203,000
<u>348,438</u>	<u>170,603</u>	<u>902,981</u>	<u>1,547,153</u>
-	600,000	-	600,000
1,844,667	423,516	761,680	5,908,800
-	-	-	3,048,331
-	-	-	289,747
<u>1,844,667</u>	<u>423,516</u>	<u>761,680</u>	<u>9,246,878</u>
<u>\$ 2,193,105</u>	<u>\$ 1,194,119</u>	<u>\$ 1,664,661</u>	<u>\$ 11,394,031</u>

City of Rogers, Minnesota
 Nonmajor Capital Projects Funds
 Combining Statement of Revenues, Expenditures and
 Changes in Fund Balances
 For the Year Ended December 31, 2021

	401	403	404
	Pavement Management	Fire Department Capital Outlay	Park Dedication
Revenues			
Taxes			
Property taxes	\$ -	\$ -	\$ 100,000
Tax increments	-	-	-
Franchise taxes	1,226,145	-	-
Charges for services	-	-	2,025,100
Income (loss) on investments	(25,189)	2,797	(39,644)
Miscellaneous			
Contributions and donations	-	180,000	19,575
Refunds and reimbursements	-	-	8,223
Total Revenues	<u>1,200,956</u>	<u>182,797</u>	<u>2,113,254</u>
Expenditures			
Capital outlay			
Public safety	-	380,822	-
Public works	73,718	-	-
Culture and recreation	-	-	687,003
Economic development	-	-	-
Housing	-	-	-
Total Expenditures	<u>73,718</u>	<u>380,822</u>	<u>687,003</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,127,238</u>	<u>(198,025)</u>	<u>1,426,251</u>
Other Financing Sources (Uses)			
Transfers in	125,200	9,773	-
Transfers out	(499,398)	-	-
Total Other Financing Sources (Uses)	<u>(374,198)</u>	<u>9,773</u>	<u>-</u>
Net Change in Fund Balances	753,040	(188,252)	1,426,251
Fund Balances, January 1	<u>1,651,064</u>	<u>407,487</u>	<u>2,167,425</u>
Fund Balances, December 31	<u>\$ 2,404,104</u>	<u>\$ 219,235</u>	<u>\$ 3,593,676</u>

410	427	450 - 462	
Local Option Sales Tax	Trail Dedication	TIF	Total
\$ -	\$ 125,000	\$ -	\$ 225,000
-	-	663,781	663,781
1,430,371	-	-	2,656,516
-	266,403	19,500	2,311,003
16,256	8,969	13,616	(23,195)
-	-	-	199,575
-	6	3,835	12,064
<u>1,446,627</u>	<u>400,378</u>	<u>700,732</u>	<u>6,044,744</u>
-	-	-	380,822
-	-	-	73,718
1,085,351	744,424	-	2,516,778
-	-	218,424	218,424
-	-	1,044,980	1,044,980
<u>1,085,351</u>	<u>744,424</u>	<u>1,263,404</u>	<u>4,234,722</u>
<u>361,276</u>	<u>(344,046)</u>	<u>(562,672)</u>	<u>1,810,022</u>
-	-	-	134,973
-	-	(93,949)	(593,347)
-	-	(93,949)	(458,374)
361,276	(344,046)	(656,621)	1,351,648
<u>1,483,391</u>	<u>767,562</u>	<u>1,418,301</u>	<u>7,895,230</u>
<u>\$ 1,844,667</u>	<u>\$ 423,516</u>	<u>\$ 761,680</u>	<u>\$ 9,246,878</u>

City of Rogers, Minnesota
 General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Continued on the Following Pages)
 For the Year Ended December 31, 2021
 (With Comparative Actual Amounts for the Year Ended December 31, 2020)

	2021			Variance With Final Budget	2020
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues					
Taxes					
Property taxes	\$ 6,882,162	\$ 6,882,162	\$ 6,873,989	\$ (8,173)	\$ 6,601,096
Cable franchise fee	130,000	130,000	139,914	9,914	131,757
Total taxes	<u>7,012,162</u>	<u>7,012,162</u>	<u>7,013,903</u>	<u>1,741</u>	<u>6,732,853</u>
Licenses and permits					
Business	94,800	94,800	90,666	(4,134)	87,993
Nonbusiness	898,093	898,093	1,783,754	885,661	1,249,649
Total licenses and permits	<u>992,893</u>	<u>992,893</u>	<u>1,874,420</u>	<u>881,527</u>	<u>1,337,642</u>
Intergovernmental					
Federal					
Other	4,000	4,000	66,779	62,779	967,534
State					
Property tax credits	-	-	7,857	7,857	7,390
Street maintenance aid	212,000	212,000	202,579	(9,421)	221,920
Fire aid	123,400	123,400	134,671	11,271	123,415
Police aid	172,505	172,505	173,127	622	160,668
Other	30,500	30,500	39,177	8,677	22,959
County					
Recycling grant	24,000	24,000	22,130	(1,870)	21,750
Other	31,700	31,700	24,506	(7,194)	29,992
Total intergovernmental	<u>598,105</u>	<u>598,105</u>	<u>670,826</u>	<u>72,721</u>	<u>1,555,628</u>
Charges for services					
General government	212,480	212,480	646,838	434,358	263,599
Public safety	341,169	341,169	346,729	5,560	351,251
Public works	174,000	174,000	180,708	6,708	151,961
Culture and recreation	178,850	178,850	100,151	(78,699)	48,804
Total charges for services	<u>906,499</u>	<u>906,499</u>	<u>1,274,426</u>	<u>367,927</u>	<u>815,615</u>
Fines and forfeitures	80,400	80,400	68,823	(11,577)	52,630
Income (loss) on investments	70,000	70,000	(141,906)	(211,906)	179,082
Miscellaneous					
Contributions and donations	6,000	6,000	7,852	1,852	8,749
Refunds and reimbursements	138,200	138,200	504,620	366,420	465,856
Other	19,073	19,073	20,282	1,209	12,338
Total miscellaneous	<u>163,273</u>	<u>163,273</u>	<u>532,754</u>	<u>369,481</u>	<u>486,943</u>
Total Revenues	<u>9,823,332</u>	<u>9,823,332</u>	<u>11,293,246</u>	<u>1,469,914</u>	<u>11,160,393</u>

City of Rogers, Minnesota
 General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Continued)
 For the Year Ended December 31, 2021
 (With Comparative Actual Amounts for the Year Ended December 31, 2020)

	2021				2020
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Actual Amounts
	Original	Final			
Expenditures					
Current					
General government					
Mayor and city council					
Personal services	\$ 20,099	\$ 20,099	\$ 20,080	\$ 19	\$ 20,074
Supplies	450	450	638	(188)	483
Other services and charges	10,350	10,350	259	10,091	2,647
Total mayor and city council	<u>30,899</u>	<u>30,899</u>	<u>20,977</u>	<u>9,922</u>	<u>23,204</u>
Other administration					
Personal services	486,296	486,296	482,637	3,659	481,989
Supplies	7,200	7,200	4,833	2,367	5,605
Other services and charges	228,032	228,032	280,992	(52,960)	230,943
Total other administration	<u>721,528</u>	<u>721,528</u>	<u>768,462</u>	<u>(46,934)</u>	<u>718,537</u>
Information systems					
Personal services	205,184	205,184	205,527	(343)	194,650
Supplies	2,900	2,900	4,866	(1,966)	3,060
Other services and charges	77,968	77,968	70,555	7,413	171,274
Total information systems	<u>286,052</u>	<u>286,052</u>	<u>280,948</u>	<u>5,104</u>	<u>368,984</u>
Elections					
Personal services	-	-	-	-	18,595
Supplies	200	200	-	200	2,453
Other services and charges	2,500	2,500	1,601	899	4,982
Total elections	<u>2,700</u>	<u>2,700</u>	<u>1,601</u>	<u>1,099</u>	<u>26,030</u>
Finance					
Personal services	257,862	257,862	261,031	(3,169)	306,521
Supplies	4,250	4,250	9,050	(4,800)	7,020
Other services and charges	31,518	31,518	32,464	(946)	79,768
Total finance	<u>293,630</u>	<u>293,630</u>	<u>302,545</u>	<u>(8,915)</u>	<u>393,309</u>
Assessing					
Other services and charges	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>	<u>-</u>	<u>174,000</u>
Planning and zoning					
Personal services	222,888	222,888	207,501	15,387	195,620
Supplies	2,100	2,100	1,889	211	634
Other services and charges	64,938	64,938	26,835	38,103	40,925
Total planning and zoning	<u>289,926</u>	<u>289,926</u>	<u>236,225</u>	<u>53,701</u>	<u>237,179</u>
General government buildings					
Personal services	85,908	85,908	85,093	815	60,203
Supplies	3,000	3,000	11,709	(8,709)	3,675
Other services and charges	41,428	41,428	52,948	(11,520)	311,159
Total general government buildings	<u>130,336</u>	<u>130,336</u>	<u>149,750</u>	<u>(19,414)</u>	<u>375,037</u>

City of Rogers, Minnesota
 General Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 Budget and Actual (Continued)
 For the Year Ended December 31, 2021
 (With Comparative Actual Amounts for the Year Ended December 31, 2020)

	2021				2020
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
General government (continued)					
Community room					
Personal services	\$ 50,781	\$ 50,781	\$ 40,827	\$ 9,954	\$ 39,881
Supplies	7,325	7,325	9,923	(2,598)	8,439
Other services and charges	36,450	36,450	64,299	(27,849)	63,116
Total community room	<u>94,556</u>	<u>94,556</u>	<u>115,049</u>	<u>(20,493)</u>	<u>111,436</u>
General engineering					
Personal services	232,902	232,902	94,140	138,762	69,733
Supplies	7,950	7,950	7,428	522	2,490
Other services and charges	46,075	46,075	508,892	(462,817)	444,313
Total general engineering	<u>286,927</u>	<u>286,927</u>	<u>610,460</u>	<u>(323,533)</u>	<u>516,536</u>
Total general government	<u>2,316,554</u>	<u>2,316,554</u>	<u>2,666,017</u>	<u>(349,463)</u>	<u>2,944,252</u>
Public safety					
Police protection and administration					
Personal services	3,160,022	3,160,022	3,117,789	42,233	2,714,384
Supplies	185,500	193,144	168,765	24,379	153,959
Other services and charges	493,000	495,000	446,718	48,282	492,279
Total police protection and administration	<u>3,838,522</u>	<u>3,848,166</u>	<u>3,733,272</u>	<u>114,894</u>	<u>3,360,622</u>
Police reserves					
Personal services	-	-	142	(142)	107
Supplies	5,400	5,400	16	5,384	-
Other services and charges	1,500	1,500	-	1,500	-
Total police reserves	<u>6,900</u>	<u>6,900</u>	<u>158</u>	<u>6,742</u>	<u>107</u>
Fire fighting and administration					
Personal services	541,419	541,419	535,500	5,919	481,059
Supplies	97,100	97,100	72,049	25,051	99,321
Other services and charges	201,175	201,175	198,533	2,642	235,026
Total fire fighting and administration	<u>839,694</u>	<u>839,694</u>	<u>806,082</u>	<u>33,612</u>	<u>815,406</u>
Fire prevention					
Supplies	1,950	1,950	1,198	752	1,878
Other services and charges	1,500	1,500	1,676	(176)	1,628
Total fire prevention	<u>3,450</u>	<u>3,450</u>	<u>2,874</u>	<u>576</u>	<u>3,506</u>

City of Rogers, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Continued)
For the Year Ended December 31, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	2021			Variance With Final Budget	2020
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
Public safety (continued)					
Fire relief association					
Other services and charges	\$ 142,400	\$ 142,400	\$ 153,671	\$ (11,271)	\$ 143,415
Building inspection					
Other services and charges	241,897	241,897	518,736	(276,839)	374,329
Emergency management					
Supplies	10,000	10,000	3,331	6,669	2,507
Other services and charges	16,950	16,950	10,603	6,347	14,014
Total emergency management	26,950	26,950	13,934	13,016	16,521
Traffic signals					
Supplies	1,000	1,000	214	786	1,008
Other services and charges	20,300	20,300	18,441	1,859	20,869
Total traffic signals	21,300	21,300	18,655	2,645	21,877
Animal control					
Other services and charges	2,000	2,000	1,530	470	1,466
Total public safety	5,123,113	5,132,757	5,248,912	(116,155)	4,737,249
Public works					
General public works					
Personal services	551,263	551,263	563,004	(11,741)	511,756
Supplies	82,300	82,300	73,291	9,009	57,437
Other services and charges	88,000	88,000	103,209	(15,209)	131,385
Total general public works	721,563	721,563	739,504	(17,941)	700,578
Paved streets					
Personal services	7,638	7,638	2,142	5,496	8,977
Supplies	39,000	39,000	62,104	(23,104)	51,341
Other services and charges	154,250	154,250	107,137	47,113	96,082
Total paved streets	200,888	200,888	171,383	29,505	156,400
Unpaved streets					
Supplies	53,000	53,000	30,189	22,811	40,227
Other services and charges	61,500	61,500	39,524	21,976	49,730
Total unpaved streets	114,500	114,500	69,713	44,787	89,957
Sidewalks					
Other services and charges	57,500	99,500	45,289	54,211	57,643

City of Rogers, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Continued)
For the Year Ended December 31, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	2021				2020
	Budgeted Amounts		Actual Amounts	Variance With Final Budget	Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
Public works (continued)					
Ice and snow removal					
Personal services	\$ 2,738	\$ 2,738	\$ 127	\$ 2,611	\$ 152
Supplies	99,500	99,500	109,548	(10,048)	98,988
Other services and charges	2,250	2,250	7,757	(5,507)	516
Total ice and snow removal	<u>104,488</u>	<u>104,488</u>	<u>117,432</u>	<u>(12,944)</u>	<u>99,656</u>
Street lighting					
Supplies	-	-	-	-	475
Other services and charges	84,300	84,300	87,154	(2,854)	88,490
Total street lighting	<u>84,300</u>	<u>84,300</u>	<u>87,154</u>	<u>(2,854)</u>	<u>88,965</u>
Recycling					
Personal services	29,287	29,287	27,855	1,432	23,407
Supplies	6,000	6,000	521	5,479	955
Other services and charges	174,700	174,700	179,513	(4,813)	140,223
Total recycling	<u>209,987</u>	<u>209,987</u>	<u>207,889</u>	<u>2,098</u>	<u>164,585</u>
Weed/tree/grass control					
Supplies	500	500	3,335	(2,835)	-
Other services and charges	34,750	34,750	35,193	(443)	26,317
Total weed/tree/grass control	<u>35,250</u>	<u>35,250</u>	<u>38,528</u>	<u>(3,278)</u>	<u>26,317</u>
Total public works	<u>1,528,476</u>	<u>1,570,476</u>	<u>1,476,892</u>	<u>93,584</u>	<u>1,384,101</u>
Culture and recreation					
Community recreation					
Personal services	153,349	153,349	156,896	(3,547)	109,573
Supplies	16,700	16,700	10,421	6,279	3,112
Other services and charges	99,150	99,150	65,904	33,246	79,729
Total community recreation	<u>269,199</u>	<u>269,199</u>	<u>233,221</u>	<u>35,978</u>	<u>192,414</u>
Culture and recreation - continued					
Rockin' Rogers Days					
Supplies	250	250	-	250	-
Other services and charges	9,000	9,000	-	9,000	-
Total Rockin' Rogers Days	<u>9,250</u>	<u>9,250</u>	<u>-</u>	<u>9,250</u>	<u>-</u>

City of Rogers, Minnesota
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual (Continued)
For the Year Ended December 31, 2021
(With Comparative Actual Amounts for the Year Ended December 31, 2020)

	2021			Variance With Final Budget	2020
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
Senior recreation/transportation					
Personal services	\$ 41,095	\$ 41,095	\$ 40,707	\$ 388	\$ 35,444
Supplies	4,750	4,750	1,200	3,550	3,314
Other services and charges	42,288	42,288	17,106	25,182	9,849
Total senior recreation/transportation	<u>88,133</u>	<u>88,133</u>	<u>59,013</u>	<u>29,120</u>	<u>48,607</u>
Parks					
Personal services	481,137	481,137	473,085	8,052	432,202
Supplies	87,100	87,100	99,749	(12,649)	82,274
Other services and charges	107,850	107,850	103,638	4,212	96,341
Total parks	<u>676,087</u>	<u>676,087</u>	<u>676,472</u>	<u>(385)</u>	<u>610,817</u>
Total culture and recreation	<u>1,042,669</u>	<u>1,042,669</u>	<u>968,706</u>	<u>73,963</u>	<u>851,838</u>
Economic Development					
Other services and charges	-	-	-	-	204,113
Total current	<u>10,010,812</u>	<u>10,062,456</u>	<u>10,360,527</u>	<u>(298,071)</u>	<u>10,121,553</u>
Capital outlay					
Public safety	-	-	342,210	(342,210)	6,654
Public works	40,000	40,000	40,000	-	30,275
Total capital outlay	<u>40,000</u>	<u>40,000</u>	<u>382,210</u>	<u>(342,210)</u>	<u>36,929</u>
Total Expenditures	<u>10,050,812</u>	<u>10,102,456</u>	<u>10,742,737</u>	<u>(640,281)</u>	<u>10,158,482</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(227,480)</u>	<u>(279,124)</u>	<u>550,509</u>	<u>829,633</u>	<u>1,001,911</u>
Other Financing Sources (Uses)					
Transfers in	227,480	227,480	229,235	1,755	227,480
Sale of capital assets	-	-	55	55	-
Transfers out	-	-	(115,000)	(115,000)	(893,850)
Total Other Financing Sources (Uses)	<u>227,480</u>	<u>227,480</u>	<u>114,290</u>	<u>(113,190)</u>	<u>(666,370)</u>
Net Change in Fund Balances	-	(51,644)	664,799	716,443	335,541
Fund Balances, January 1	<u>6,634,867</u>	<u>6,634,867</u>	<u>6,634,867</u>	<u>-</u>	<u>6,299,326</u>
Fund Balances, December 31	<u>\$ 6,634,867</u>	<u>\$ 6,583,223</u>	<u>\$ 7,299,666</u>	<u>\$ 716,443</u>	<u>\$ 6,634,867</u>

City of Rogers, Minnesota
Debt Service Funds
Combining Balance Sheet
December 31, 2021

	328	330	336
	General Obligation Improvement Refunding Bonds of 2008	Rogers Activity Center Tax Abatement Bonds of 2015	General Obligation Tax Increment Refunding Bonds of 2011
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and temporary investments	\$ 507,924	\$ 60,979	\$ -
Special assessments receivable	<u>648,478</u>	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 1,156,402</u></u>	<u><u>\$ 60,979</u></u>	<u><u>\$ -</u></u>
Deferred Inflows of Resources			
Unavailable revenue - special assessments	\$ 648,478	\$ -	\$ -
Fund Balances			
Restricted	<u>507,924</u>	<u>60,979</u>	<u>-</u>
Total Deferred Inflows of Resources and Fund Balances	<u><u>\$ 1,156,402</u></u>	<u><u>\$ 60,979</u></u>	<u><u>\$ -</u></u>

340	341	362	
2014A G.O. Bonds	2015A G.O. Improvement Bonds	General Obligation Tax Increment Bonds of 2003	Total
\$ 102,740	\$ 138,492	\$ -	\$ 810,135
<u>-</u>	<u>1,344,808</u>	<u>-</u>	<u>1,993,286</u>
<u>\$ 102,740</u>	<u>\$ 1,483,300</u>	<u>\$ -</u>	<u>\$ 2,803,421</u>
\$ -	\$ 1,344,808	\$ -	\$ 1,993,286
<u>102,740</u>	<u>138,492</u>	<u>-</u>	<u>810,135</u>
<u>\$ 102,740</u>	<u>\$ 1,483,300</u>	<u>\$ -</u>	<u>\$ 2,803,421</u>

City of Rogers, Minnesota
Debt Service Funds
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2021

	328 General Obligation Improvement Refunding Bonds of 2008	330 Rogers Activity Center Tax Abatement Bonds of 2015	336 General Obligation Tax Increment Refunding Bonds of 2011
Revenues			
Property taxes	\$ -	\$ 214,266	\$ -
Special assessments	184,662	-	-
Income (loss) on investments	3,825	763	-
Total Revenues	<u>188,487</u>	<u>215,029</u>	<u>-</u>
Expenditures			
Debt service			
Principal	-	165,000	60,000
Interest and other	3	40,002	2,826
Total Expenditures	<u>3</u>	<u>205,002</u>	<u>62,826</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	188,484	10,027	(62,826)
Other Financing Sources			
Transfers in	-	-	62,588
Net Change in Fund Balances	188,484	10,027	(238)
Fund Balances, January 1	<u>319,440</u>	<u>50,952</u>	<u>238</u>
Fund Balances, December 31	<u>\$ 507,924</u>	<u>\$ 60,979</u>	<u>\$ -</u>

340	341	362	
2014A G.O. Bonds	2015A G.O. Improvement Bonds	General Obligation Tax Increment Bonds of 2003	Total
\$ 238,956	\$ -	\$ -	\$ 453,222
-	380,985	-	565,647
1,101	1,599	-	7,288
<u>240,057</u>	<u>382,584</u>	<u>-</u>	<u>1,026,157</u>
160,000	290,000	20,000	695,000
68,603	32,537	2,030	146,001
<u>228,603</u>	<u>322,537</u>	<u>22,030</u>	<u>841,001</u>
11,454	60,047	(22,030)	185,156
-	-	22,030	84,618
11,454	60,047	-	269,774
91,286	78,445	-	540,361
<u>\$ 102,740</u>	<u>\$ 138,492</u>	<u>\$ -</u>	<u>\$ 810,135</u>

City of Rogers, Minnesota
TIF Funds
Combining Balance Sheet
December 31, 2021

	450	458	459
	Tax Increment Financing District #1	Tax Increment Financing District #12	Tax Increment Financing District #13
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash and temporary investments	\$ 737,314	\$ 117,149	\$ 26,689
Receivables			
Accounts	-	113	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 737,314</u></u>	<u><u>\$ 117,262</u></u>	<u><u>\$ 26,689</u></u>
Liabilities			
Accounts payable	\$ 69	\$ 130	\$ -
Due to other funds	-	8,303	-
Advances from other funds	-	36,666	-
Due to other governments	-	587	-
Total Liabilities	<u>69</u>	<u>45,686</u>	<u>-</u>
Fund Balances			
Restricted	<u>737,245</u>	<u>71,576</u>	<u>26,689</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balance	<u><u>\$ 737,314</u></u>	<u><u>\$ 117,262</u></u>	<u><u>\$ 26,689</u></u>

460 Tax Increment Financing District #14	461 Tax Increment Financing District #15	462 Tax Increment Financing District #16	Total
\$ 513,810	\$ 248,779	\$ 18,669	\$ 1,662,410
675	1,463	-	2,251
<u>\$ 514,485</u>	<u>\$ 250,242</u>	<u>\$ 18,669</u>	<u>\$ 1,664,661</u>
\$ 130	\$ 130	\$ -	\$ 459
49,814	107,930	-	166,047
219,996	476,658	-	733,320
746	960	862	3,155
<u>270,686</u>	<u>585,678</u>	<u>862</u>	<u>902,981</u>
243,799	(335,436)	17,807	761,680
<u>\$ 514,485</u>	<u>\$ 250,242</u>	<u>\$ 18,669</u>	<u>\$ 1,664,661</u>

City of Rogers, Minnesota
TIF Funds
Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2021

	450 Tax Increment Financing District #1	458 Tax Increment Financing District #12	459 Tax Increment Financing District #13
Revenues			
Tax increments	\$ -	\$ 32,009	\$ -
Charges for services	-	975	-
Interest on investments	6,796	1,051	172
Miscellaneous	-	-	-
Total Revenues	<u>6,796</u>	<u>34,035</u>	<u>172</u>
Expenditures			
Capital outlay			
Economic development	26,049	-	(10,000)
Housing	-	52,457	-
Total Expenditures	<u>26,049</u>	<u>52,457</u>	<u>(10,000)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,253)	(18,422)	10,172
Other Financing Uses			
Transfers out	<u>(7,576)</u>	<u>(22,030)</u>	<u>-</u>
Net Change in Fund Balances	(26,829)	(40,452)	10,172
Fund Balances, January 1	<u>764,074</u>	<u>112,028</u>	<u>16,517</u>
Fund Balances, December 31	<u>\$ 737,245</u>	<u>\$ 71,576</u>	<u>\$ 26,689</u>

460 Tax Increment Financing District #14	461 Tax Increment Financing District #15	462 Tax Increment Financing District #16	Total
\$ 135,590	\$ 276,621	\$ 219,561	\$ 663,781
5,850	12,675	-	19,500
4,252	1,017	328	13,616
-	-	3,835	3,835
<u>145,692</u>	<u>290,313</u>	<u>223,724</u>	<u>700,732</u>
-	-	202,375	218,424
282,299	710,224	-	1,044,980
<u>282,299</u>	<u>710,224</u>	<u>202,375</u>	<u>1,263,404</u>
(136,607)	(419,911)	21,349	(562,672)
<u>(62,588)</u>	<u>-</u>	<u>(1,755)</u>	<u>(93,949)</u>
(199,195)	(419,911)	19,594	(656,621)
442,994	84,475	(1,787)	1,418,301
<u>\$ 243,799</u>	<u>\$ (335,436)</u>	<u>\$ 17,807</u>	<u>\$ 761,680</u>

City of Rogers, Minnesota
Street and Related Improvement Projects Funds
Combining Balance Sheet
December 31, 2021

	432	446	447	448	
	Rogers Drive Realignment	CSAH 81/13	Lennar Laurel Creek	2021 Street Improvements	Total
Assets					
Cash and temporary investments	<u>\$ 878,239</u>	<u>\$ 163,431</u>	<u>\$ 110,672</u>	<u>\$ 321,613</u>	<u>\$ 1,473,955</u>
Liabilities					
Accounts payable	\$ -	\$ -	\$ 4,048	\$ 131,356	\$ 135,404
Escrows payable	-	-	72,472	-	72,472
Total Liabilities	<u>-</u>	<u>-</u>	<u>76,520</u>	<u>131,356</u>	<u>207,876</u>
Fund Balances					
Restricted	-	163,431	34,152	190,257	387,840
Committed	878,239	-	-	-	878,239
Total Fund Balances	<u>878,239</u>	<u>163,431</u>	<u>34,152</u>	<u>190,257</u>	<u>1,266,079</u>
Total Liabilities and Fund Balances	<u>\$ 878,239</u>	<u>\$ 163,431</u>	<u>\$ 110,672</u>	<u>\$ 321,613</u>	<u>\$ 1,473,955</u>

City of Rogers, Minnesota
Street and Related Improvement Projects Funds
Combining Schedule of Revenues, Expenditures
and Changes in Fund Balances
For the Year Ended December 31, 2021

	432	446	447	448	
	Rogers Drive Realignment	CSAH 81/13	Lennar Laurel Creek	2021 Street Improvements	Total
Revenues					
Interest on investments	\$ 7,857	\$ 1,369	\$ 2,931	\$ 4,918	\$ 17,075
Miscellaneous	-	12,407	107,563	-	119,970
Total Revenues	<u>7,857</u>	<u>13,776</u>	<u>110,494</u>	<u>4,918</u>	<u>137,045</u>
Expenditures					
Capital outlay					
Public works	-	-	104,665	2,817,164	2,921,829
Debt service					
Cost of issuance	-	-	-	52,725	52,725
Total Expenditures	<u>-</u>	<u>-</u>	<u>104,665</u>	<u>2,869,889</u>	<u>2,974,554</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,857</u>	<u>13,776</u>	<u>5,829</u>	<u>(2,864,971)</u>	<u>(2,837,509)</u>
Other Financing Sources					
Bonds issued	-	-	-	2,880,000	2,880,000
Premium on bonds issued	-	-	-	175,228	175,228
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,055,228</u>	<u>3,055,228</u>
Net Change in Fund Balances	7,857	13,776	5,829	190,257	217,719
Fund Balances, January 1	<u>870,382</u>	<u>149,655</u>	<u>28,323</u>	<u>-</u>	<u>1,048,360</u>
Fund Balances, December 31	<u>\$ 878,239</u>	<u>\$ 163,431</u>	<u>\$ 34,152</u>	<u>\$ 190,257</u>	<u>\$ 1,266,079</u>

City of Rogers, Minnesota
Enterprise Funds
Water Fund
Combining Schedule of Net Position
December 31, 2021

	<u>601</u>	<u>405</u>	<u>407</u>	
	Water	Water Trunk	WAC	Total
Assets				
Current Assets				
Cash and temporary investments	\$ 5,505,185	\$ 1,390,026	\$ 9,446,787	\$ 16,341,998
Receivables				
Accounts	156,768	-	-	156,768
Due from other governments	26,601	-	-	26,601
Prepaid items	3,485	-	-	3,485
Total Current Assets	<u>5,692,039</u>	<u>1,390,026</u>	<u>9,446,787</u>	<u>16,528,852</u>
Noncurrent Assets				
Special assessments receivable	-	36,196	11,840	48,036
Capital assets				
Land	810,812	-	-	810,812
Buildings and improvements	3,991,348	-	-	3,991,348
Infrastructure	17,445,523	-	-	17,445,523
Machinery and equipment	224,746	-	-	224,746
Construction in progress	183,582	-	-	183,582
Less accumulated depreciation	(10,037,167)	-	-	(10,037,167)
Total Capital Assets (Net of Accumulated Depreciation)	<u>12,618,844</u>	<u>-</u>	<u>-</u>	<u>12,618,844</u>
Total Noncurrent Assets	<u>12,618,844</u>	<u>36,196</u>	<u>11,840</u>	<u>12,666,880</u>
Total Assets	<u>18,310,883</u>	<u>1,426,222</u>	<u>9,458,627</u>	<u>29,195,732</u>
Deferred Outflows of Resources				
Deferred other postemployment benefits resources	7,226	-	-	7,226
Deferred pension resources	121,166	-	-	121,166
Total Deferred Outflows of Resources	<u>128,392</u>	<u>-</u>	<u>-</u>	<u>128,392</u>
Liabilities				
Current Liabilities				
Accounts payable	29,660	-	-	29,660
Accrued salaries payable	7,756	-	-	7,756
Due to other governments	2,960	-	-	2,960
Accrued interest payable	40,457	-	-	40,457
Compensated absences payable - current	13,155	-	-	13,155
Bonds payable - current portion	115,000	-	-	115,000
Total Current Liabilities	<u>208,988</u>	<u>-</u>	<u>-</u>	<u>208,988</u>

City of Rogers, Minnesota
Enterprise Funds
Water Fund
Combining Schedule Net Position (Continued)
December 31, 2021

	<u>601</u>	<u>405</u>	<u>407</u>	
	Water	Water Trunk	WAC	Total
Noncurrent Liabilities				
Severance obligations payable	\$ 6,610	\$ -	\$ -	\$ 6,610
Compensated absences payable	30,126	-	-	30,126
Other postemployment benefits payable	51,389	-	-	51,389
Bonds payable	4,688,359	-	-	4,688,359
Net pension liability	164,022	-	-	164,022
Total Noncurrent Liabilities	<u>4,940,506</u>	<u>-</u>	<u>-</u>	<u>4,940,506</u>
 Total Liabilities	 <u>5,149,494</u>	 <u>-</u>	 <u>-</u>	 <u>5,149,494</u>
Deferred Inflows of Resources				
Deferred other postemployment benefits resources	16,308	-	-	16,308
Deferred pension resources	150,619	-	-	150,619
Total Deferred Inflows of Resources	<u>166,927</u>	<u>-</u>	<u>-</u>	<u>166,927</u>
Net Position				
Net investment in capital assets	11,815,485	-	-	11,815,485
Unrestricted	1,307,369	1,426,222	9,458,627	12,192,218
 Total Net Position	 <u>\$ 13,122,854</u>	 <u>\$ 1,426,222</u>	 <u>\$ 9,458,627</u>	 <u>\$ 24,007,703</u>

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City of Rogers, Minnesota
Enterprise Funds
Water Fund
Combining Schedule of Revenues, Expenses and
Changes in Net Position
For the Year Ended December 31, 2021

	<u>601</u>	<u>405</u>	<u>407</u>	
	Water	Water Trunk	WAC	Total
Operating Revenues				
Charges for services	\$ 1,862,731	\$ -	\$ -	\$ 1,862,731
Miscellaneous	11,773	-	-	11,773
Total Operating Revenues	<u>1,874,504</u>	<u>-</u>	<u>-</u>	<u>1,874,504</u>
Operating Expenses				
Personal services	399,508	-	-	399,508
Supplies	191,457	-	-	191,457
Other services and charges	646,872	175	16,833	663,880
Depreciation	523,914	-	-	523,914
Total Operating Expenses	<u>1,761,751</u>	<u>175</u>	<u>16,833</u>	<u>1,778,759</u>
Operating Income (Loss)	<u>112,753</u>	<u>(175)</u>	<u>(16,833)</u>	<u>95,745</u>
Nonoperating Revenues (Expenses)				
Income (loss) on investments	(66,340)	9,996	(87,409)	(143,753)
Interest expense	(54,707)	-	-	(54,707)
Bond issuance costs	(68,303)	-	-	(68,303)
Other income	405	-	-	405
Total Nonoperating Revenues (Expenses)	<u>(188,945)</u>	<u>9,996</u>	<u>(87,409)</u>	<u>(266,358)</u>
Income (Loss) Before				
Contributions and Transfers	(76,192)	9,821	(104,242)	(170,613)
Capital Contributions				
Connection fees and special assessments	-	402,010	1,721,679	2,123,689
Contributions from Other Funds	151,675	-	-	151,675
Contributions to Other Funds	-	(15,563)	(136,112)	(151,675)
Contributions from Developers	1,603,767	-	-	1,603,767
Transfers In	135,895	326,091	3,673,909	4,135,895
Transfers Out	<u>(4,005,800)</u>	<u>(70,935)</u>	<u>(135,895)</u>	<u>(4,212,630)</u>
Change in Net Position	(2,190,655)	651,424	5,019,339	3,480,108
Net Position, January 1	<u>15,313,509</u>	<u>774,798</u>	<u>4,439,288</u>	<u>20,527,595</u>
Net Position, December 31	<u>\$ 13,122,854</u>	<u>\$ 1,426,222</u>	<u>\$ 9,458,627</u>	<u>\$ 24,007,703</u>

City of Rogers, Minnesota
Enterprise Funds
Sewer Fund
Combining Schedule of Net Position
December 31, 2021

	<u>602</u>	<u>406</u>	<u>408</u>	
	Sewer	Sewer Trunk	RSAC	Total
Assets				
Current Assets				
Cash and temporary investments	\$ 2,288,957	\$ 2,078,080	\$ 7,815,636	\$ 12,182,673
Receivables				
Accounts	235,657	-	-	235,657
Due from other governments	31,355	-	-	31,355
Due from other funds	-	-	443,843	443,843
Prepaid items	80,767	-	-	80,767
Total Current Assets	<u>2,636,736</u>	<u>2,078,080</u>	<u>8,259,479</u>	<u>12,974,295</u>
Noncurrent Assets				
Special assessments receivable	-	22,848	10,714	33,562
Advances to other funds	-	-	1,699,086	1,699,086
Capital assets				
Land	123,541	-	-	123,541
Buildings and improvements	1,021,216	-	-	1,021,216
Infrastructure	13,951,824	-	-	13,951,824
Machinery and equipment	498,586	-	-	498,586
Less accumulated depreciation	(5,239,474)	-	-	(5,239,474)
Total Capital Assets (Net of Accumulated Depreciation)	<u>10,355,693</u>	<u>-</u>	<u>-</u>	<u>10,355,693</u>
Total Noncurrent Assets	<u>10,355,693</u>	<u>22,848</u>	<u>1,709,800</u>	<u>12,088,341</u>
Total Assets	<u>12,992,429</u>	<u>2,100,928</u>	<u>9,969,279</u>	<u>25,062,636</u>
Deferred Outflows of Resources				
Deferred other postemployment benefits resources	7,199	-	-	7,199
Deferred pension resources	120,650	-	-	120,650
Total Deferred Outflows of Resources	<u>127,849</u>	<u>-</u>	<u>-</u>	<u>127,849</u>
Liabilities				
Current Liabilities				
Accounts payable	6,483	-	-	6,483
Accrued salaries payable	7,731	-	-	7,731
Due to other governments	1,556	-	260,776	262,332
Compensated absences payable - current	13,064	-	-	13,064
Total Current Liabilities	<u>28,834</u>	<u>-</u>	<u>260,776</u>	<u>289,610</u>

City of Rogers, Minnesota
Enterprise Funds
Sewer Fund
Combining Schedule of Net Position (Continued)
December 31, 2021

	<u>602</u>	<u>406</u>	<u>408</u>	
	Sewer	Sewer Trunk	RSAC	Total
Noncurrent Liabilities				
Severance obligations payable	\$ 6,610	\$ -	\$ -	\$ 6,610
Compensated absences payable	29,917	-	-	29,917
Other postemployment benefits payable	51,194	-	-	51,194
Net pension liability	163,326	-	-	163,326
Total Noncurrent Liabilities	<u>251,047</u>	<u>-</u>	<u>-</u>	<u>251,047</u>
Total Liabilities	<u>279,881</u>	<u>-</u>	<u>260,776</u>	<u>540,657</u>
Deferred Inflows of Resources				
Deferred other postemployment benefits resources	16,246	-	-	16,246
Deferred pension resources	149,978	-	-	149,978
Total Deferred Inflows of Resources	<u>166,224</u>	<u>-</u>	<u>-</u>	<u>166,224</u>
Net Position				
Investment in capital assets	10,355,693	-	-	10,355,693
Unrestricted	2,318,480	2,100,928	9,708,503	14,127,911
Total Net Position	<u>\$ 12,674,173</u>	<u>\$ 2,100,928</u>	<u>\$ 9,708,503</u>	<u>\$ 24,483,604</u>

City of Rogers, Minnesota
Enterprise Funds
Sewer Fund
Combining Schedule of Revenues, Expenses and
Changes in Net Position
For the Year Ended December 31, 2021

	<u>602</u>	<u>406</u>	<u>408</u>	
	Sewer	Sewer Trunk	RSAC	Total
Operating Revenues				
Charges for services	\$ 1,395,880	\$ -	\$ -	\$ 1,395,880
Miscellaneous	2,599	-	-	2,599
Total Operating Revenues	<u>1,398,479</u>	<u>-</u>	<u>-</u>	<u>1,398,479</u>
Operating Expenses				
Personal services	403,362	-	-	403,362
Supplies	28,338	-	-	28,338
Other services and charges	1,076,075	1,484	20,926	1,098,485
Depreciation	311,092	-	-	311,092
Total Operating Expenses	<u>1,818,867</u>	<u>1,484</u>	<u>20,926</u>	<u>1,841,277</u>
Operating Loss	<u>(420,388)</u>	<u>(1,484)</u>	<u>(20,926)</u>	<u>(442,798)</u>
Nonoperating Revenues				
Income (loss) on investments	(28,097)	(23,218)	(109,333)	(160,648)
Other income	402	-	-	402
Total Nonoperating Revenues	<u>(27,695)</u>	<u>(23,218)</u>	<u>(109,333)</u>	<u>(160,246)</u>
Loss Before				
Contributions and Transfers	(448,083)	(24,702)	(130,259)	(603,044)
Capital Contributions				
Connection fees and special assessments	-	461,847	471,869	933,716
Contributions From Developers	1,742,178	-	-	1,742,178
Transfers In	250,000	-	-	250,000
Transfers Out	(8,700)	-	(250,000)	(258,700)
Change in Net Position	1,535,395	437,145	91,610	2,064,150
Net Position, January 1	<u>11,138,778</u>	<u>1,663,783</u>	<u>9,616,893</u>	<u>22,419,454</u>
Net Position, December 31	<u>\$ 12,674,173</u>	<u>\$ 2,100,928</u>	<u>\$ 9,708,503</u>	<u>\$ 24,483,604</u>

City of Rogers, Minnesota
Enterprise Funds
Storm Sewer Fund
Combining Schedule of Net Position
December 31, 2021

	<u>603</u>	<u>438</u>	
	Storm Sewer	Storm Sewer Trunk	Total
Assets			
Current Assets			
Cash and temporary investments	\$ 2,429,318	\$ 1,156,782	\$ 3,586,100
Accounts receivable	120,659	-	120,659
Due from other governments	66	-	66
Prepaid items	2,363	-	2,363
Total Current Assets	<u>2,552,406</u>	<u>1,156,782</u>	<u>3,709,188</u>
Noncurrent Assets			
Special assessments receivable	-	29,340	29,340
Capital assets			
Land	166,421	-	166,421
Infrastructure	11,533,671	-	11,533,671
Machinery and equipment	214,858	-	214,858
Construction in progress	12,548	-	12,548
Less accumulated depreciation	(4,629,804)	-	(4,629,804)
Total Capital Assets (Net of Accumulated Depreciation)	<u>7,297,694</u>	<u>-</u>	<u>7,297,694</u>
Total Noncurrent Assets	<u>7,297,694</u>	<u>29,340</u>	<u>7,327,034</u>
Total Assets	<u>9,850,100</u>	<u>1,186,122</u>	<u>11,036,222</u>
Deferred Outflows of Resources			
Deferred other postemployment benefits resources	4,156	-	4,156
Deferred pension resources	82,023	-	82,023
Total Deferred Outflows of Resources	<u>86,179</u>	<u>-</u>	<u>86,179</u>
Liabilities			
Current Liabilities			
Accounts payable	5,396	-	5,396
Accrued salaries payable	4,298	-	4,298
Compensated absences payable - current	9,319	-	9,319
Total Current Liabilities	<u>19,013</u>	<u>-</u>	<u>19,013</u>
Noncurrent Liabilities			
Severance obligations payable	5,149	-	5,149
Compensated absences payable	21,340	-	21,340
Other postemployment benefits payable	29,557	-	29,557
Net pension liability	111,035	-	111,035
Total Noncurrent Liabilities	<u>167,081</u>	<u>-</u>	<u>167,081</u>
Total Liabilities	<u>186,094</u>	<u>-</u>	<u>186,094</u>
Deferred Inflows of Resources			
Deferred other postemployment benefits resources	9,380	-	9,380
Deferred pension resources	101,962	-	101,962
Total Deferred Inflows of Resources	<u>111,342</u>	<u>-</u>	<u>111,342</u>
Net Position			
Investment in capital assets	7,297,694	-	7,297,694
Unrestricted	2,341,149	1,186,122	3,527,271
Total Net Position	<u>\$ 9,638,843</u>	<u>\$ 1,186,122</u>	<u>\$ 10,824,965</u>

City of Rogers, Minnesota
Enterprise Funds
Storm Sewer Fund
Combining Schedule of Revenues, Expenses and
Changes in Net Position
For the Year Ended December 31, 2021

	<u>603</u>	<u>438</u>	
	Storm Sewer	Storm Sewer Trunk	Total
Operating Revenues			
Charges for services	\$ 680,215	\$ -	\$ 680,215
Miscellaneous	21,628	-	21,628
Total Operating Revenues	<u>701,843</u>	<u>-</u>	<u>701,843</u>
Operating Expenses			
Personal services	270,825	-	270,825
Supplies	8,982	-	8,982
Other services and charges	110,135	-	110,135
Depreciation	204,322	-	204,322
Total Operating Expenses	<u>594,264</u>	<u>-</u>	<u>594,264</u>
Operating Income	<u>107,579</u>	<u>-</u>	<u>107,579</u>
Nonoperating Revenues			
Income (loss) on investments	(29,744)	9,714	(20,030)
Other income	599	-	599
Total Nonoperating Revenues	<u>(29,145)</u>	<u>9,714</u>	<u>(19,431)</u>
Income Before			
Contributions and Transfers	78,434	9,714	88,148
Capital Contributions			
Connection fees and special assessments	-	275,431	275,431
Contributions from Developers	1,830,182	-	1,830,182
Transfers Out	<u>(10,700)</u>	<u>(44,909)</u>	<u>(55,609)</u>
Change in Net Position	1,897,916	240,236	2,138,152
Net Position, January 1	<u>7,740,927</u>	<u>945,886</u>	<u>8,686,813</u>
Net Position, December 31	<u>\$ 9,638,843</u>	<u>\$ 1,186,122</u>	<u>\$ 10,824,965</u>

City of Rogers, Minnesota
Enterprise Funds
Municipal Liquor Store Fund
Combining Schedule of Operating Revenues and Expenses
For the Year Ended December 31, 2021

	Municipal Liquor On-Sale	Municipal Liquor Off-Sale	Total
Sales and Cost of Sales			
Sales	\$ 232,127	\$ 3,925,622	\$ 4,157,749
Cost of sales	(62,570)	(3,041,293)	(3,103,863)
Gross Profit	<u>169,557</u>	<u>884,329</u>	<u>1,053,886</u>
Operating Expenses			
Personal services	215,508	489,886	705,394
Supplies	10,594	15,296	25,890
Other services and charges	98,836	171,072	269,908
Depreciation	7,553	29,201	36,754
Total Operating Expenses	<u>332,491</u>	<u>705,455</u>	<u>1,037,946</u>
Operating Income (Loss)	<u>\$ (162,934)</u>	<u>\$ 178,874</u>	<u>\$ 15,940</u>

City of Rogers, Minnesota
 Summary Financial Report
 Revenues and Expenditures For General Operations
 Governmental Funds
 For the Years Ended December 31, 2021 and 2020

	Total		Percent Increase (Decrease)
	2021	2020	
Revenues			
Taxes			
Property taxes	\$ 8,845,637	\$ 8,667,483	2.06 %
Tax increments	663,781	474,161	39.99
Franchise taxes	2,656,516	2,490,460	6.67
Licenses and permits	1,874,420	1,337,642	40.13
Intergovernmental	2,321,698	3,008,211	(22.82)
Charges for services	5,205,705	2,369,388	119.71
Fines and forfeitures	86,302	63,273	36.40
Special assessments	813,281	524,650	55.01
Interest on investments	(191,551)	580,294	(133.01)
Miscellaneous	1,058,841	1,452,520	(27.10)
Total Revenues	<u>\$ 23,334,630</u>	<u>\$ 20,968,082</u>	11.29 %
Per Capita	<u>\$ 1,755</u>	<u>\$ 1,585</u>	10.76
Expenditures			
Current			
General government	\$ 2,825,494	\$ 2,951,656	(4.27) %
Public safety	5,248,912	4,737,959	10.78
Public works	1,476,892	1,384,101	6.70
Culture and recreation	1,513,215	1,492,737	1.37
Economic development	167,651	455,509	(63.19)
Capital outlay			
General government	31,661	47,089	(32.76)
Public safety	1,028,624	446,284	130.49
Public works	5,791,076	3,885,468	49.04
Culture and recreation	2,687,689	2,103,475	27.77
Economic development	218,424	364,619	(40.10)
Housing	1,044,980	280,151	273.01
Debt service			
Principal	695,000	2,860,000	(75.70)
Interest and service charges	146,661	240,672	(39.06)
Bond issuance costs	52,725	-	
Total Expenditures	<u>\$ 22,929,004</u>	<u>\$ 21,249,720</u>	7.90 %
Per Capita	<u>\$ 1,725</u>	<u>\$ 1,606</u>	7.39
Total Long-term Indebtedness	\$ 7,571,467	\$ 5,220,000	45.05 %
Per Capita	570	395	44.36
General Fund Balance - December 31	\$ 7,299,666	\$ 6,634,867	10.02 %
Per Capita	549	501	9.50

The purpose of this report is to provide a summary of financial information concerning the City to interested citizens. The complete financial statements may be examined at City Finance Department, 22350 South Diamond Lake Road, Rogers, Minnesota 55374. Questions about this report should be directed to Bridget Bruska, Finance Director at (763) 428-2253.

OTHER REQUIRED REPORTS

CITY OF ROGERS
ROGERS, MINNESOTA

FOR THE YEAR ENDED
DECEMBER 31, 2021

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

Honorable Mayor and City Council
City of Rogers, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Rogers, Minnesota (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements which collectively comprise the City's basic financial statement, and have issued our report thereon dated June 28, 2022.

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

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



Abdo
Minneapolis, Minnesota
June 28, 2022

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

Honorable Mayor and City Council
City of Rogers, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Rogers, Minnesota (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 28, 2022.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



Abdo
Minneapolis, Minnesota
June 28, 2022

