

CITY OF NEW HOPE, MINNESOTA

Audit Report for Year Ended December 31, 2022

William J. Lauer, CPA

AUDITOR'S ROLE



OPINION ON FINANCIAL STATEMENTS

- Financial statements are fairly presented in accordance with accounting principles generally accepted in the United States of America

INTERNAL CONTROLS AND COMPLIANCE

- Financial Statement Audit
- MN Legal Compliance Audit

AUDIT RESULTS



FINANCIAL AUDIT

- Unmodified Opinion on Basic Financial Statements
- Implemented GASB Statement No. 87

INTERNAL CONTROL AND COMPLIANCE – FINANCIAL AUDIT

- No findings in internal control over financial reporting.

AUDIT RESULTS (CONTINUED)



MN LEGAL COMPLIANCE

- No instances of noncompliance with Minnesota laws and regulations reported in the current year.

GOVERNMENTAL FUNDS CHANGE IN FUND BALANCES



Governmental Funds Change in Fund Balance

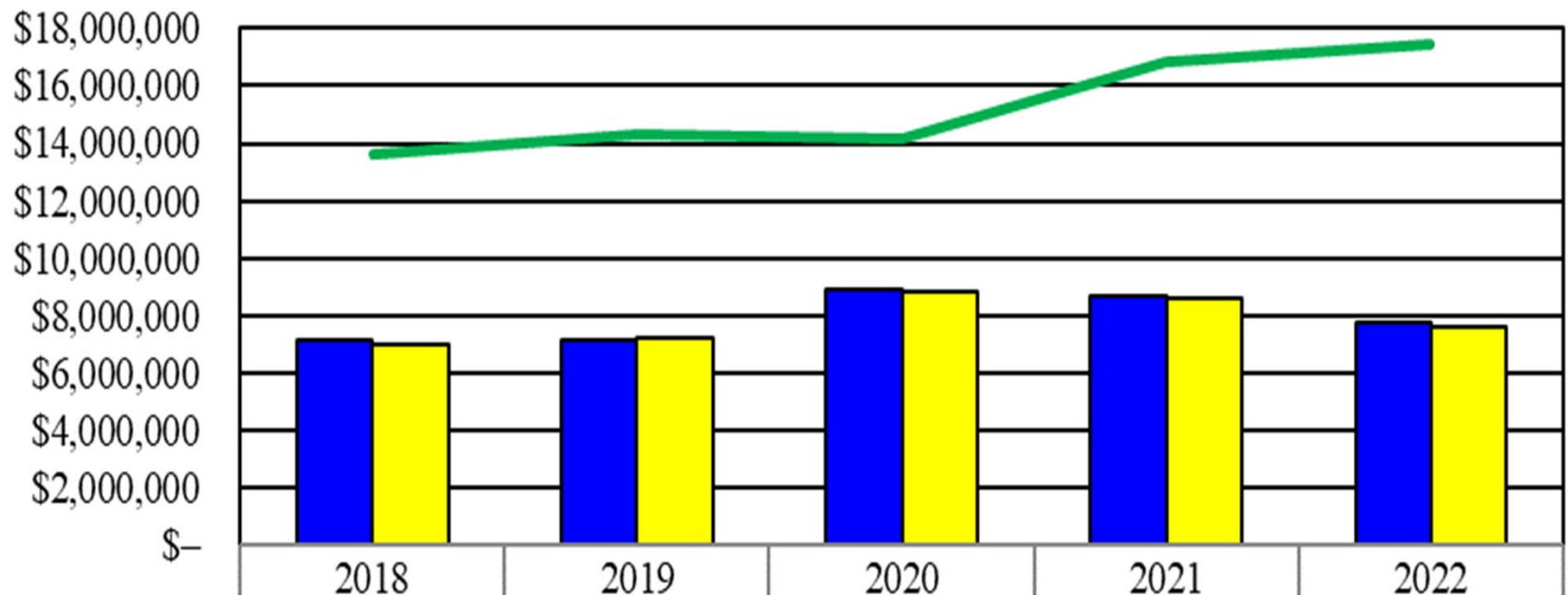
	Fund Balance as of December 31,		Change
	2022	2021	
Fund balances of governmental funds			
Total by classification			
Nonspendable	\$ 12,957	\$ 49,680	\$ (36,723)
Restricted	10,602,043	9,779,064	822,979
Committed	4,724,303	4,520,972	203,331
Assigned	10,314,362	9,059,040	1,255,322
Unassigned	5,750,212	6,646,030	(895,818)
Total governmental funds	<u>\$ 31,403,877</u>	<u>\$ 30,054,786</u>	<u>\$ 1,349,091</u>
Total by fund			
General	\$ 7,748,072	\$ 8,673,743	\$ (925,671)
Economic Development Authority Special Revenue	4,333,830	4,212,479	121,351
HRA Construction Capital Projects	6,628,845	5,955,136	673,709
Street Infrastructure Capital Projects	1,370,801	1,156,367	214,434
Park Infrastructure Capital Projects	1,604,089	1,512,440	91,649
HRA Bonds Debt Service	(1,905,269)	(1,978,033)	72,764
Nonmajor funds	11,623,509	10,522,654	1,100,855
Total governmental funds	<u>\$ 31,403,877</u>	<u>\$ 30,054,786</u>	<u>\$ 1,349,091</u>

GENERAL FUND

FINANCIAL POSITION – TREND ANALYSIS

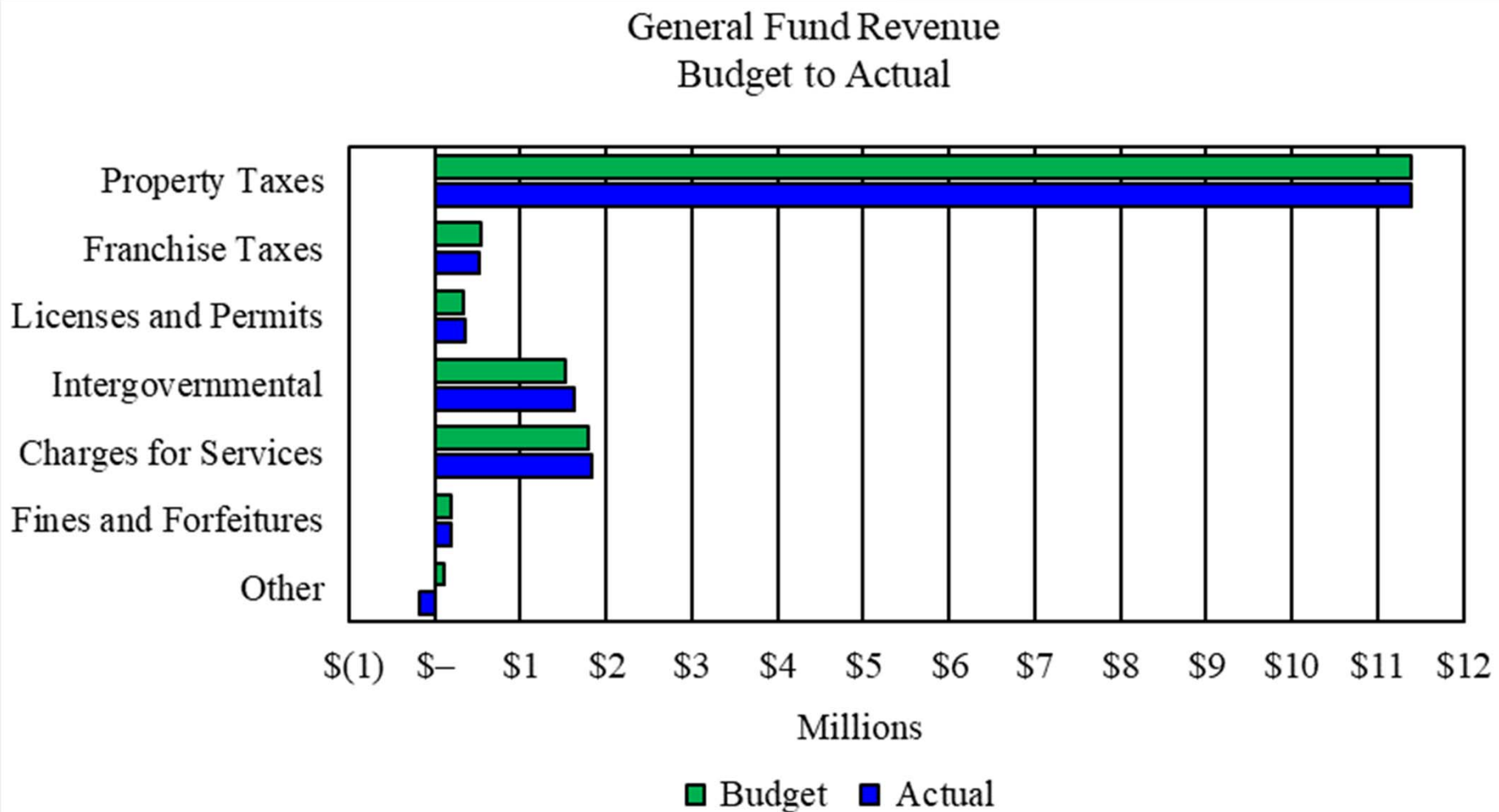


General Fund Financial Position
Year Ended December 31,



■ Fund Balance	\$7,180,951	\$7,139,703	\$8,926,086	\$8,673,743	\$7,748,072
■ Cash Balance (Net)	\$6,992,743	\$7,187,781	\$8,819,883	\$8,578,067	\$7,629,448
— Exp & Trans Out	\$13,652,053	\$14,337,748	\$14,130,989	\$16,845,891	\$17,475,784

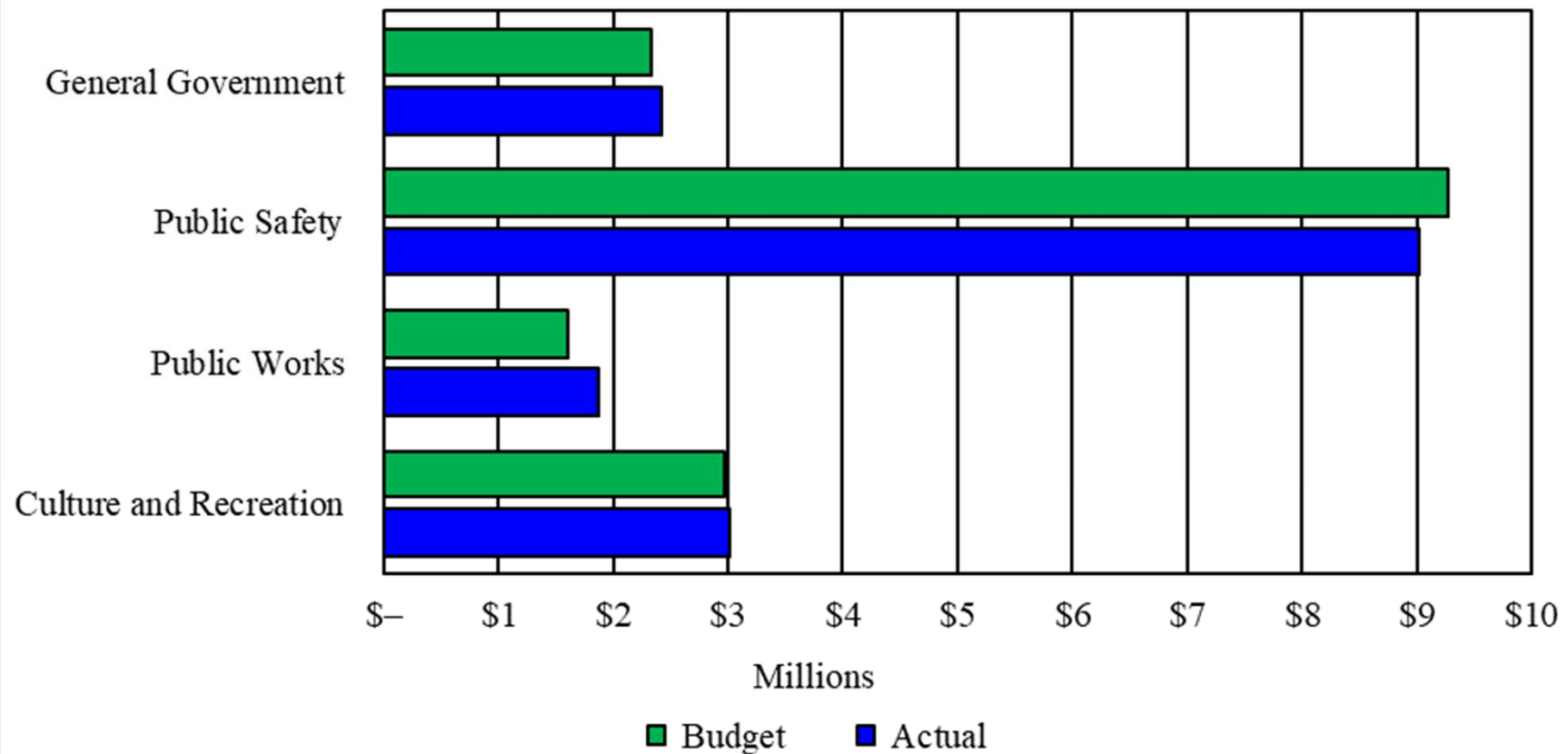
GENERAL FUND REVENUE



GENERAL FUND EXPENDITURES



General Fund Expenditures
Budget to Actual



ENTERPRISE FUNDS

SUMMARY CHANGES IN NET POSITION

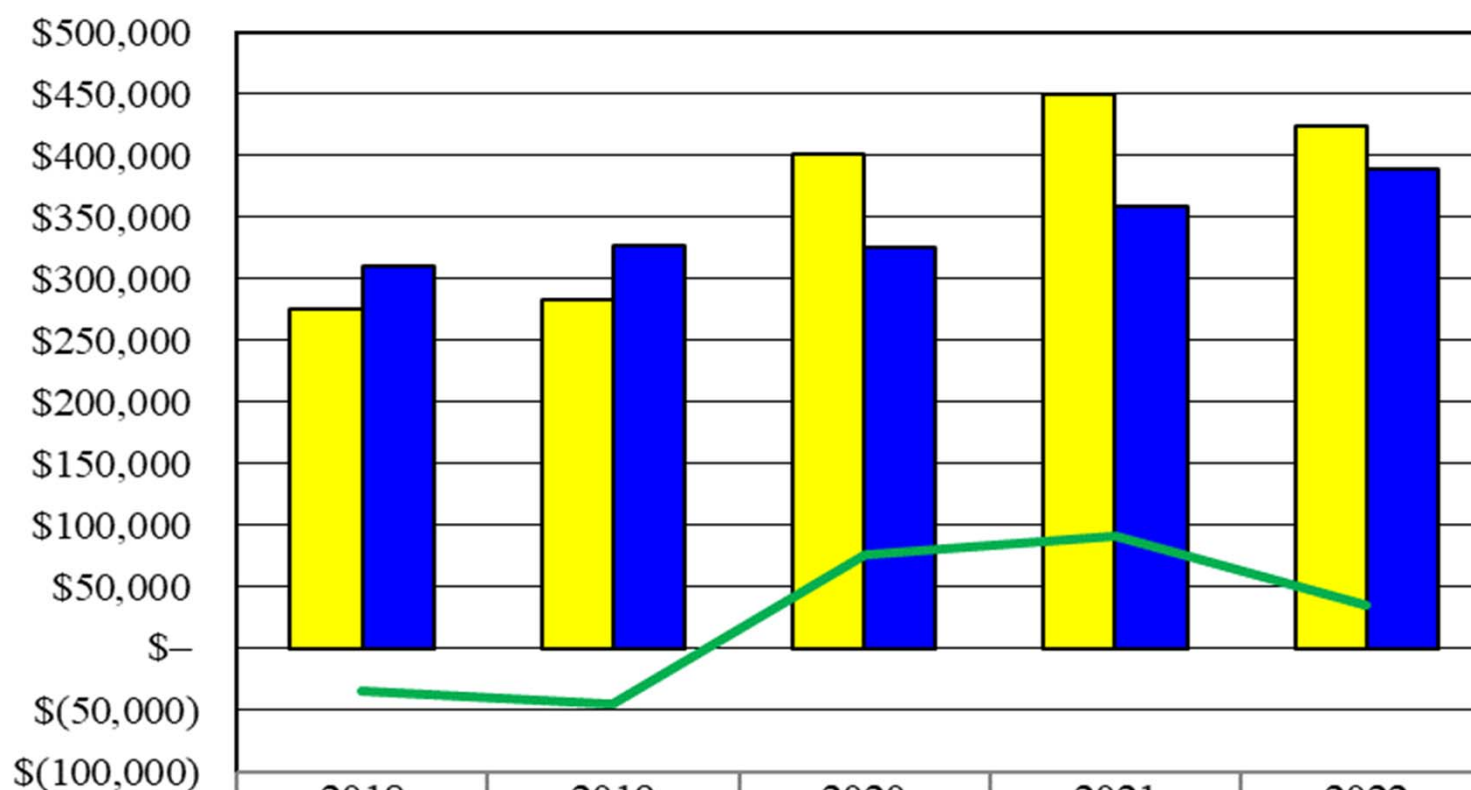
Enterprise Funds Change in Financial Position

	Net Position as of December 31,		Change
	2022	2021	
Net position of enterprise funds			
Total by classification			
Net investment in capital assets	\$ 24,036,351	\$ 22,607,046	\$ 1,429,305
Unrestricted	7,913,393	6,953,260	960,133
Total enterprise funds	<u>\$ 31,949,744</u>	<u>\$ 29,560,306</u>	<u>\$ 2,389,438</u>
Total by fund			
Sewer Utility	\$ 6,762,627	\$ 5,977,582	\$ 785,045
Water Utility	10,717,300	9,767,495	949,805
Golf Course	755,190	716,948	38,242
Ice Arena	4,316,750	4,087,498	229,252
Storm Water	8,908,669	8,536,338	372,331
Street Lighting	489,208	474,445	14,763
Total enterprise funds	<u>\$ 31,949,744</u>	<u>\$ 29,560,306</u>	<u>\$ 2,389,438</u>

GOLF COURSE FUND



Golf Course Fund
Year Ended December 31,

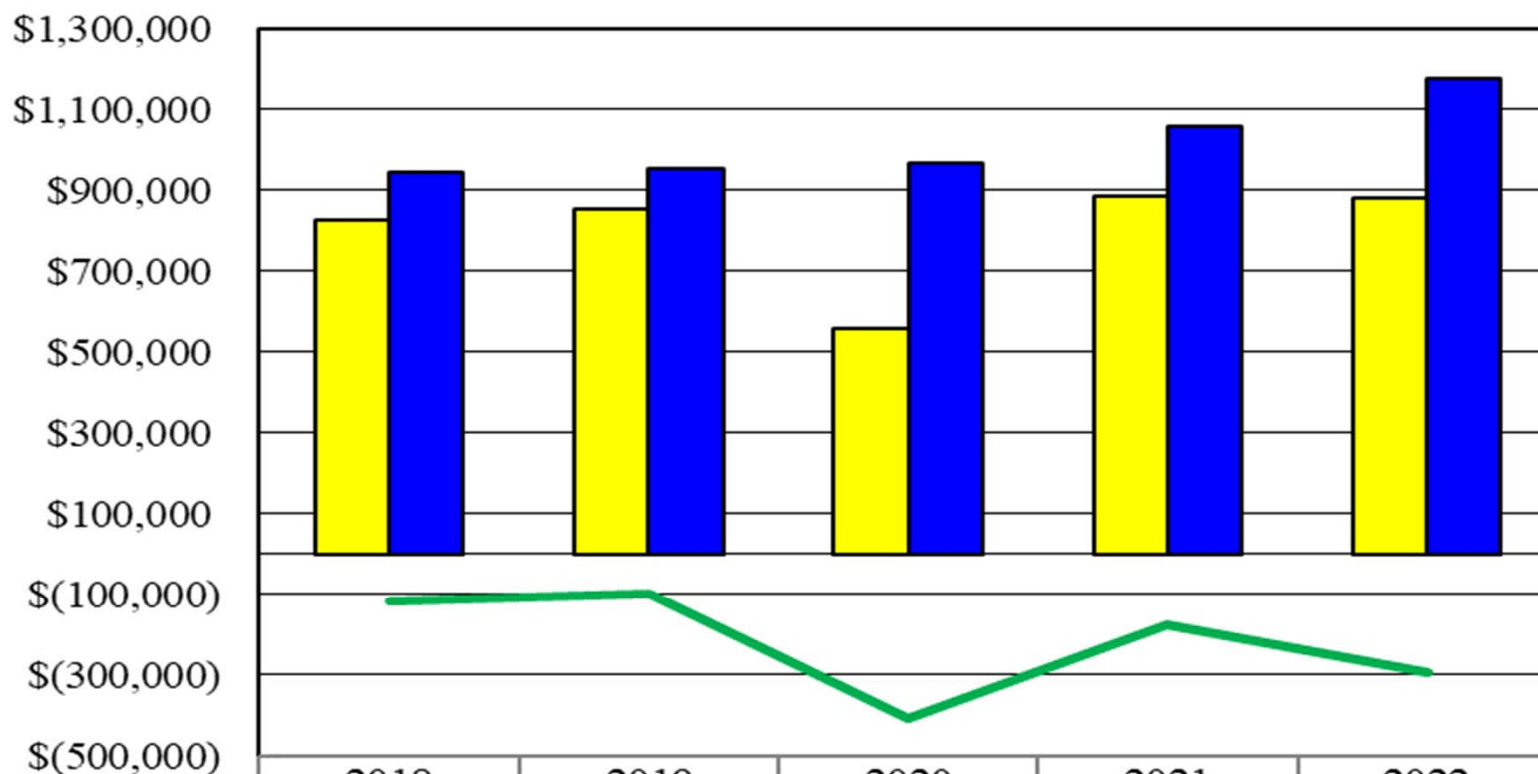


■ Oper Rev	2018	2019	2020	2021	2022
■ Oper Exp	\$274,735	\$282,323	\$401,666	\$450,307	\$424,160
— Oper Inc (Loss)	\$309,757	\$327,422	\$324,994	\$358,282	\$389,397
	\$(35,022)	\$(45,099)	\$76,672	\$92,025	\$34,763

ICE ARENA FUND



Ice Arena Fund
Year Ended December 31,



 Oper Rev	\$825,531	\$852,765	\$560,316	\$883,968	\$879,927
 Oper Exp	\$942,466	\$953,352	\$966,868	\$1,059,816	\$1,175,657
 Oper Inc (Loss)	\$(116,935)	\$(100,587)	\$(406,552)	\$(175,848)	\$(295,730)

SUMMARY OF NET POSITION

	As of December 31,		
	2022	2021	Change
Net position			
Governmental activities			
Net investment in capital assets	\$ 37,045,401	\$ 34,985,781	\$ 2,059,620
Restricted	9,539,926	8,598,311	941,615
Unrestricted	22,780,655	23,427,177	(646,522)
Total governmental activities	<u>69,365,982</u>	<u>67,011,269</u>	<u>2,354,713</u>
Business-type activities			
Net investment in capital assets	24,036,351	22,607,046	1,429,305
Unrestricted	7,525,398	6,455,200	1,070,198
Total business-type activities	<u>31,561,749</u>	<u>29,062,246</u>	<u>2,499,503</u>
Total net position	<u>\$ 100,927,731</u>	<u>\$ 96,073,515</u>	<u>\$ 4,854,216</u>