

**CITY OF ISLE, MINNESOTA**

The purpose of this report is to provide a summary of the financial information concerning the City of Isle to interested citizens. The complete financial statements may be examined at the City Hall, 285 Second Avenue South. Questions about this report should be directed to Jamie Hubbell, Clerk/Treasurer, at 320-676-3641.

**RECEIPTS AND DISBURSEMENTS FOR GENERAL OPERATIONS  
(GOVERNMENTAL FUNDS)**

|   | Total 2021          | Total 2020          | Percent Increase<br>(Decrease) |
|---|---------------------|---------------------|--------------------------------|
| <b>RECEIPTS</b>                                     |                     |                     |                                |
| Taxes   | \$ 669,882          | \$ 666,855          | 0.45%                          |
| Tax Increment                                       | -                   | -                   | -                              |
| Franchise Taxes                                     | 5,725               | 5,901               | -2.98%                         |
| Special Assessments                                 | 868                 | 1,790               | -51.51%                        |
| Licenses, Permits, and Fees                         | 26,107              | 13,429              | 94.41%                         |
| Intergovernmental                                   | 238,056             | 205,619             | 15.78%                         |
| Charges for Services                                | 151,658             | 147,145             | 3.07%                          |
| Fines   | 15,780              | 8,997               | 75.39%                         |
| Interest Income:                                    |                     |                     |                                |
| Interest Income                                     | 9,436               | 6,603               | 42.90%                         |
| Miscellaneous                                       | 79,632              | 13,170              | 504.65%                        |
| <b>TOTAL RECEIPTS</b>                               | <b>\$ 1,197,144</b> | <b>\$ 1,069,509</b> | <b>11.93%</b>                  |
| <i>Per Capita</i>                                   | \$ 1,472.50         | \$ 1,362.43         | 8.08%                          |
| <b>DISBURSEMENTS</b>                                |                     |                     |                                |
| Current:  |                     |                     |                                |
| General Government                                  | \$ 221,176          | \$ 220,445          | 0.33%                          |
| Public Safety                                       | 646,190             | 653,606             | -1.13%                         |
| Public Works  | 137,764             | 108,693             | 26.75%                         |
| Sanitation  | -                   | -                   | -                              |
| Health  | 2,731               | 34,850              | -92.16%                        |
| Parks and Recreation                                | 1,987               | 1,547               | 28.44%                         |
| Library   | -                   | -                   | -                              |
| Economic Development                                | 35,581              | -                   | 100.00%                        |
| Conservation of Natural Resources                   | -                   | -                   | -                              |
| Airport   | -                   | -                   | -                              |
| Transit   | -                   | -                   | -                              |
| Cemetery  | 1,728               | -                   | 100.00%                        |
| Capital Outlay                                      | 100,889             | 22,596              | 346.49%                        |
| Debt Service:                                       |                     |                     |                                |
| Principal   | 22,183              | 21,725              | 2.11%                          |
| Interest and Other Charges                          | 18,103              | 18,562              | -2.47%                         |
| <b>TOTAL DISBURSEMENTS</b>                          | <b>\$ 1,188,332</b> | <b>\$ 1,082,024</b> | <b>9.82%</b>                   |
| <i>Per Capita</i>                                   | \$ 1,461.66         | \$ 1,378.37         | 6.04%                          |
| <b>Total Long-term Indebtedness</b>                 | <b>\$ 3,440,621</b> | <b>\$ 3,692,804</b> | <b>-6.83%</b>                  |
| <i>Per Capita</i>                                   | \$ 4,232.01         | \$ 4,704.21         | -10.04%                        |
| <b>General Fund Cash Fund Balance - December 31</b> | <b>\$ 198,144</b>   | <b>\$ 150,617</b>   | <b>31.55%</b>                  |
| <i>Per Capita</i>                                   | \$ 243.72           | \$ 191.87           | 27.02%                         |

**CITY OF ISLE, MINNESOTA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

|  | <u>Nonmajor</u>          |            |             |         |            |
|--|--------------------------|------------|-------------|---------|------------|
|  | Water/Sewer<br>Extension |            | Liquor Fund | Water   | Totals     |
|  | Fund                     | Sewer Fund |             | Fund    |            |
| <b>SALES AND COST OF SALES</b>                       |                          |            |             |         |            |
| Sales  | \$ -                     | \$ -       | \$ 892,687  | \$ -    | \$ 892,687 |
| Cost of Sales  | -                        | -          | (635,183)   | -       | (635,183)  |
| <b>GROSS PROFIT</b>                                  | -                        | -          | 257,504     | -       | 257,504    |
| <b>OPERATING REVENUES</b>                            |                          |            |             |         |            |
| Charges for Services                                 | -                        | 433,212    | 81          | 122,724 | 556,017    |
| <b>TOTAL GROSS PROFIT AND<br/>OPERATING REVENUES</b> | -                        | 433,212    | 257,585     | 122,724 | 813,521    |
| <b>OPERATING EXPENSES</b>                            |                          |            |             |         |            |
| Wages and Benefits                                   | -                        | 48,650     | 90,897      | 43,963  | 183,510    |
| Materials and Supplies                               | -                        | 27,058     | 3,076       | 8,258   | 38,392     |
| Repairs and Maintenance                              | 1                        | 17,845     | 6,800       | 19,838  | 44,484     |
| Professional Services                                | 2,390                    | 12,130     | 7,364       | 5,338   | 27,222     |
| Sewer Flow Charges                                   | -                        | -          | -           | -       | -          |
| Insurance  | -                        | 3,454      | 15,269      | 2,127   | 20,850     |
| Dues and Subscriptions                               | -                        | 1,473      | 2,124       | -       | 3,597      |
| Advertising  | -                        | -          | 3,539       | 44      | 3,583      |
| Utilities  | -                        | 14,173     | 15,318      | 9,061   | 38,552     |
| Rent   | -                        | -          | -           | -       | -          |
| Miscellaneous  | -                        | 209        | 20,727      | 5,590   | 26,526     |
| Depreciation   | -                        | 102,459    | 8,495       | 3,851   | 114,805    |
| <b>TOTAL OPERATING EXPENSES</b>                      | 2,391                    | 227,451    | 173,609     | 98,070  | 501,521    |
| <b>NET OPERATING INCOME (LOSS)</b>                   | (2,391)                  | 205,761    | 83,976      | 24,654  | 312,000    |
| <b>NONOPERATING INCOME (EXPENSE)</b>                 |                          |            |             |         |            |
| Taxes  | -                        | -          | -           | 19,744  | 19,744     |
| Special Assessments                                  | -                        | 27         | -           | 7,266   | 7,293      |
| Intergovernmental                                    | 151,911                  | 50         | 149         | 48      | 152,158    |
| Connection Fees                                      | -                        | -          | -           | 4,210   | 4,210      |
| Investment Income                                    | -                        | 173        | 17          | 92      | 282        |
| Change in Equity Interest                            | -                        | -          | -           | -       | -          |
| Gain (Loss) on Sale of Assets                        | -                        | -          | -           | -       | -          |
| Miscellaneous  | -                        | -          | (9,349)     | 1,388   | (7,961)    |
| Interest and Other Charges                           | -                        | (121,337)  | -           | (1,754) | (123,091)  |
| <b>TOTAL NONOPERATING INCOME (EXPENSE)</b>           | 151,911                  | (121,087)  | (9,183)     | 30,994  | 52,635     |
| <b>CHANGE IN NET POSITION PRIOR TO TRANSFERS</b>     | 149,520                  | 84,674     | 74,793      | 55,648  | 364,635    |

|  |                   |                          |                   |                   |                     |
|--|-------------------|--------------------------|-------------------|-------------------|---------------------|
| <b>TRANSFERS</b>   |                   |                          |                   |                   |                     |
| Interfund Capital Asset Transfers                                      | -                 | -                        | -                 | -                 | -                   |
| Operating Transfers In   | -                 | -                        | -                 | -                 | -                   |
| Operating Transfers Out  | -                 | (12,000)                 | (7,623)           | (12,000)          | (31,623)            |
| <b>NET TRANSFERS</b>   | -                 | (12,000)                 | (7,623)           | (12,000)          | (31,623)            |
| <b>CHANGE IN NET POSITION</b>  | 149,520           | 72,674                   | 67,170            | 43,648            | 333,012             |
| <b>NET POSITION - BEGINNING OF YEAR</b><br>(As Previously Reported)    | 360,856           | 367,998                  | 70,209            | 286,240           | 1,085,303           |
| <b>PRIOR PERIOD ADJUSTMENT</b><br>(See Note 6.C.)                      | -                 | -                        | -                 | -                 | -                   |
| <b>NET POSITION - BEGINNING OF YEAR</b><br>(As Restated)               | 360,856           | 367,998                  | 70,209            | 286,240           | 1,085,303           |
| <b>NET POSITION - END OF YEAR</b>                                      | <u>\$ 510,376</u> | <u>\$ 440,672</u>        | <u>\$ 137,379</u> | <u>\$ 329,888</u> | <u>\$ 1,418,315</u> |
| Pensions   | -                 | 21,878                   | 65,093            | 21,093            | 108,064             |
| Deferred Charge on Refunding   | -                 | -                        | -                 | -                 | -                   |
| Other  | -                 | -                        | -                 | -                 | -                   |
| Property Taxes Levied for<br>Subsequent Years                          | -                 | -                        | -                 | -                 | -                   |
| <b>TOTAL DEFERRED INFLOWS OF RESOUR</b>                                | -                 | 21,878                   | 65,093            | 21,093            | 108,064             |
| <b>NET POSITION</b>  |                   |                          |                   |                   |                     |
| Net Investment in Capital Assets                                       | 770,730           | (223,773)                | 78,079            | 57,633            | 682,669             |
| Restricted   | -                 | -                        | -                 | -                 | -                   |
| Unrestricted   | (770,730)         | 223,773                  | (78,079)          | (57,633)          | (682,669)           |
| <b>TOTAL NET POSITION</b>  | <u>\$ -</u>       | <u>\$ -</u>              | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ -</u>         |
|  |                   |                          |                   | <u>Nonmajor</u>   |                     |
|  |                   | Water/Sewer<br>Extension |                   | Water             |                     |
|  |                   | Fund                     | Sewer Fund        | Fund              | Totals              |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                            |                   |                          |                   |                   |                     |
| Cash Received from Customers   | \$ -              | \$ 429,816               | \$ 903,248        | \$ 123,096        | \$ 1,456,160        |
| Cash Paid to Suppliers   | 46,099            | (73,891)                 | (718,589)         | (50,544)          | (796,925)           |
| Cash Paid to Employees   | -                 | (45,296)                 | (132,859)         | (44,965)          | (223,120)           |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                       | 46,099            | 310,629                  | 51,800            | 27,587            | 436,115             |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING<br/>ACTIVITIES</b>             |                   |                          |                   |                   |                     |
| Taxes and Intergovernmental  | (56,011)          | 50                       | 149               | 19,792            | (36,020)            |
| Other Receipts from Customers  | -                 | -                        | (9,349)           | 5,598             | (3,751)             |
| Net Operating Subsidies and<br>Transfers from (to) Other               | 87,712            | (12,000)                 | (7,623)           | (99,712)          | (31,623)            |
| <b>NET CASH PROVIDED (USED) BY NONCAPITAL<br/>FINANCING ACTIVITIES</b> | 31,701            | (11,950)                 | (16,823)          | (74,322)          | (71,394)            |

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

|   |                 |                  |          |                |                  |
|---|-----------------|------------------|----------|----------------|------------------|
| Special Assessments   | -               | 27               | -        | 7,266          | 7,293            |
| Intergovernmental and Other   | 151,911         | -                | -        | -              | 151,911          |
| Purchases of Capital Assets   | (229,711)       | -                | -        | -              | (229,711)        |
| Proceeds from Sale of Assets  | -               | -                | -        | -              | -                |
| Payments on Interfund Advances  | -               | -                | -        | -              | -                |
| Payments on Bond Principal  | -               | (150,669)        | -        | (11,000)       | (161,669)        |
| Proceeds from Debt Issuance   | -               | -                | -        | -              | -                |
| Bond Issuance Costs   | -               | -                | -        | -              | -                |
| Payments on Advances from Other Fu  | -               | -                | -        | -              | -                |
| Cash Paid for Interest  | -               | (120,930)        | -        | (1,808)        | (122,738)        |
| <b>NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b> | <b>(77,800)</b> | <b>(271,572)</b> | <b>-</b> | <b>(5,542)</b> | <b>(354,914)</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES**

|  |          |            |           |           |            |
|--|----------|------------|-----------|-----------|------------|
| Proceeds from Sale of Investments                | -        | -          | -         | -         | -          |
| Purchase of Investments                          | -        | -          | -         | -         | -          |
| Investment Income                                | -        | 173        | 17        | 92        | 282        |
| <b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b> | <b>-</b> | <b>173</b> | <b>17</b> | <b>92</b> | <b>282</b> |

|   |             |                   |                  |                  |                   |
|---|-------------|-------------------|------------------|------------------|-------------------|
| Net Change in Cash, Cash Equivalents, and Time Deposits       | -           | 27,280            | 34,994           | (52,185)         | 10,089            |
| Cash, Cash Equivalents, and Time Deposits - Beginning of Year | -           | 623,780           | 23,548           | 136,930          | 784,258           |
| Cash, Cash Equivalents, and Time Deposits - End of Year       | <u>\$ -</u> | <u>\$ 651,060</u> | <u>\$ 58,542</u> | <u>\$ 84,745</u> | <u>\$ 794,347</u> |
| Investments   | -           | -                 | -                | -                | -                 |
| Total Cash, Cash Equivalents, and Investments                 | <u>\$ -</u> | <u>\$ 651,060</u> |                  | <u>\$ 84,745</u> | <u>\$ 794,347</u> |