

**Canby Housing and
Redevelopment Authority
Canby, Minnesota
Financial Report
December 31, 2023**

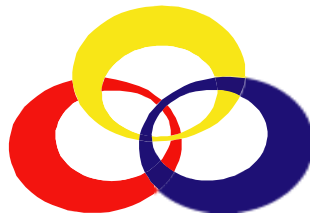
CANBY HOUSING AND REDEVELOPMENT AUTHORITY

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Kinner & Company Ltd

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Canby Housing and Redevelopment Authority
Canby, MN 56220

Unmodified Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Canby Housing and Redevelopment Authority (the Canby HRA) of Canby, Minnesota, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Canby HRA'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, each major fund of the Canby HRA as of December 31, 2023, and the respective changes in financial position and the respective budgetary comparison for the General, Apartment, Duplex and Townhomes Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Unmodified Opinion

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 Canby HRA and to meet our 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 unmodified audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Canby HRA'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.

212 3rd Street, Suite 1, Tracy, MN 56175
507-629-3662 , fax 507-629-3446
Visit our website at www.kinner.co

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 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 Canby HRA'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 Canby HRA'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Government 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 an opinion on the financial statements that collectively comprise the Canby HRA's basic financial statements. The accompanying combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relate 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 nonmajor fund financial statements are fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2024, on our consideration of the Canby HRA'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 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 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 Canby HRA's internal control over financial reporting and compliance.



Kinner & Company Ltd
Certified Public Accountants

June 30, 2024

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

Government-Wide Financial Statements

Fund Financial Statements:

Governmental Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

Canby HRA
Statement of Net Position
December 31, 2023

| | Primary Government | |
|--|------------------------------------|--------------------|
| | Governmental Activities | Total |
| ASSETS | | |
| <i>Current Assets</i> | | |
| Cash and Cash Equivalents | \$ 268,124 | \$ 268,124 |
| Notes Receivable - Due within One Year | 1,235 | 1,235 |
| Prepaid Insurance | 2,579 | 2,579 |
| Taxes Receivable | 840 | 840 |
| Total Current Assets | 272,778 | 272,778 |
| <i>Noncurrent Assets</i> | | |
| Non-Depreciable | 144,753 | 144,753 |
| Depreciable, net | 441,368 | 441,368 |
| Notes Receivable - Due After One Year | 17,422 | 17,422 |
| <i>Internal Balances*</i> | 586,515 | -- |
| Total Assets | 1,462,836 | 876,321 |
| LIABILITIES | | |
| <i>Current Liabilities</i> | | |
| Security Deposit Payable | 5,914 | 5,914 |
| Note Payable-Due Within One Year | 58,514 | 58,514 |
| Total Current Liabilities | 64,428 | 64,428 |
| <i>Noncurrent Liabilities</i> | | |
| Note Payable - Due after one year | 827,829 | 827,829 |
| <i>Internal Balances*</i> | 586,515 | -- |
| Total Liabilities | 1,478,772 | 892,257 |
| NET POSITION | | |
| Net Investment in Capital Assets | 586,121 | 586,119 |
| Unrestricted | (602,507) | (602,055) |
| Total Net Position | \$ (15,936) | \$ (15,936) |

* Amounts have been eliminated in total column

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

Canby HRA
Statement of Activities
For the Year Ended December 31, 2023

| | | Program Revenues | | | Net (Expense) Revenue | | | |
|---|----------------|----------------------|--------------------------|--------------------------|-------------------------|--------------------------|--------------------|--|
| Functions/Programs | Expenses | Charges for Services | Grants and Contributions | Grants and Contributions | Primary Government | | | |
| | | | | | Governmental Activities | Business-type Activities | Total | |
| Primary Government | | | | | | | | |
| Governmental Activities: | | | | | | | | |
| General and Administrative | \$ 73,978 | \$ 99,472 | \$ -- | \$ -- | \$ 25,494 | \$ -- | \$ 25,494 | |
| Insurance | 10,402 | -- | -- | -- | (10,402) | -- | (10,402) | |
| Professional Fees | 33,303 | -- | -- | -- | (33,303) | -- | (33,303) | |
| Demolition/Acquisition | 448 | -- | -- | -- | (448) | -- | (448) | |
| Redevelopment | 3,334 | -- | -- | -- | (3,334) | -- | (3,334) | |
| Taxes | 4,784 | -- | -- | -- | (4,784) | -- | (4,784) | |
| Depreciation | 58,065 | -- | -- | -- | (58,065) | -- | (58,065) | |
| Interest and Other Charges | 44,581 | -- | -- | -- | (44,581) | -- | (44,581) | |
| <i>Total Governmental Activities</i> | <u>228,895</u> | <u>99,472</u> | <u>--</u> | <u>--</u> | <u>(129,423)</u> | <u>--</u> | <u>(129,423)</u> | |
| | | | | | | | | |
| General Purpose Revenues and Transfers: | | | | | | | | |
| Revenues | | | | | | | | |
| Interest Income | | | | | 2,785 | -- | 2,785 | |
| Miscellaneous Income | | | | | 3,001 | -- | 3,001 | |
| Property Tax | | | | | 105,090 | -- | 105,090 | |
| Transfers | | | | | -- | -- | -- | |
| <i>Total General Revenues and Transfers</i> | | | | | <u>110,876</u> | <u>--</u> | <u>110,876</u> | |
| <i>Change in Net Position</i> | | | | | <u>(18,547)</u> | <u>--</u> | <u>(18,547)</u> | |
| <i>Net Position at Beginning of Period</i> | | | | | 2,611 | -- | 2,611 | |
| <i>Net Position at End of Period</i> | | | | | <u>\$ (15,936)</u> | <u>\$ --</u> | <u>\$ (15,936)</u> | |

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

**Canby HRA
Balance Sheet
Governmental Funds
December 31, 2023**

| | Special Revenue | | | | Debt Service | | | Other | Total |
|--|-------------------|-------------------|-----------------------|-------------------|------------------------|-------------------------|------------------|-----------------------|-----------------------|
| | General | Duplex | Apartment Projects | Townhomes | TIF 1-1 Parking Lot | TIF 1-4 Trailer Park | TIF 1-9 Custer | Governmental Funds | Governmental Funds |
| ASSETS | | | | | | | | | |
| Cash and Cash Equivalents | \$ 12,576 | \$ 82,088 | \$ 129,346 | \$ 43,612 | \$ -- | \$ 502 | \$ -- | \$ -- | \$ 268,124 |
| Notes Receivable - Due within One Year | 1,235 | -- | -- | -- | -- | -- | -- | -- | 1,235 |
| Prepaid Insurance | 113 | 28 | 1,378 | 1,060 | -- | -- | -- | -- | 2,579 |
| Taxes Receivable | 588 | -- | -- | -- | 23 | -- | -- | 229 | 840 |
| Notes Receivable - Due After One Year | 17,422 | -- | -- | -- | -- | -- | -- | -- | 17,422 |
| Advance to Other Funds | 97,028 | 26,500 | 187,026 | 71,700 | 63,000 | 133,798 | -- | 7,463 | 586,515 |
| Total Assets | 128,962 | 108,616 | 317,750 | 116,372 | 63,023 | 134,300 | -- | 7,692 | 876,715 |
| LIABILITIES | | | | | | | | | |
| Security Deposit Payable | \$ -- | \$ 601 | \$ 3,086 | \$ 2,227 | \$ -- | \$ -- | \$ -- | \$ -- | \$ 5,914 |
| Advance from Other Funds | 180,000 | -- | -- | -- | 173,062 | -- | 106,874 | 126,579 | 586,515 |
| Total Liabilities | 180,000 | 601 | 3,086 | 2,227 | 173,062 | -- | 106,874 | 126,579 | 592,429 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | |
| Unavailable Revenue- Notes Receivable | 18,657 | -- | -- | -- | -- | -- | -- | -- | 18,657 |
| Unavailable Revenue- Property Taxes | 309 | -- | -- | -- | 23 | -- | -- | 174 | 506 |
| Total Liabilities and Deferred Inflows of Resources | 198,966 | 601 | 3,086 | 2,227 | 173,085 | -- | 106,874 | 126,753 | 611,592 |
| FUND BALANCE | | | | | | | | | |
| Nonspendable | 113 | 28 | 1,378 | 1,060 | -- | -- | -- | -- | 2,579 |
| Restricted | -- | -- | -- | -- | -- | 134,300 | -- | -- | 134,300 |
| Assigned | -- | 107,987 | 313,286 | 113,085 | -- | -- | -- | -- | 534,358 |
| Unassigned | (70,117) | -- | -- | -- | (110,062) | - | (106,874) | (119,061) | (406,114) |
| Total Fund Balance | (70,004) | 108,015 | 314,664 | 114,145 | (110,062) | 134,300 | (106,874) | (119,061) | 265,123 |
| Total Liabilities, Deferred Inflows of Resources and Fund | \$ 128,962 | \$ 108,616 | \$ 317,750 | \$ 116,372 | \$ 63,023 | \$ 134,300 | \$ -- | \$ 7,692 | \$ 876,715 |

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

Canby HRA
Reconciliation of Governmental Funds Balance Sheet to the
to the Statement of Net Position
December 31, 2023

| | |
|--|---------------------------|
| Total Fund Balance - Governmental Funds | \$ 265,123 |
| Revenue deferred in governmental fund statements if not received within sixty days | 19,163 |
| Capital assets are capitalized in the Statement of Net Position and depreciated in the Statement of Activities. These are expensed when acquired in the Statement of Revenues, Expenditures, and Changes in Fund Balance | 586,121 |
| Long- term debt reflected on Statement of Net Position not in governmental funds balance sheet | (886,343) |
| Total Net Position-Governmental Funds | \$ <u>(15,936)</u> |

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

Canby HRA
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2023

| | Special Revenue | | | | Debt Service | | | Other | Total |
|---|--------------------|-------------------|-----------------------|-------------------|------------------------|-------------------------|---------------------|-----------------------|-----------------------|
| | General | Duplex | Apartment Projects | Townhomes | TIF 1-1 Parking Lot | TIF 1-4 Trailer Park | TIF 1-9 Custer | Governmental Funds | Governmental Funds |
| Revenues | | | | | | | | | |
| Program Income | \$ 1,649 | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | \$ 1,649 |
| Revenue Note Reimbursement | -- | -- | 12,000 | -- | -- | -- | -- | -- | 12,000 |
| Rent Income | -- | 10,561 | 60,524 | 28,387 | -- | -- | -- | -- | 99,472 |
| Property Tax | 14,796 | -- | -- | -- | 11,944 | 48,173 | 9,934 | 20,020 | 104,867 |
| Miscellaneous Income | -- | -- | 2,404 | 597 | -- | -- | -- | -- | 3,001 |
| Interest Income | 1,356 | 276 | 1,102 | 51 | -- | -- | -- | -- | 2,785 |
| Total Revenues | <u>17,801</u> | <u>10,837</u> | <u>76,030</u> | <u>29,035</u> | <u>11,944</u> | <u>48,173</u> | <u>9,934</u> | <u>20,020</u> | <u>223,774</u> |
| Expenditures | | | | | | | | | |
| General and Administrative | 4,137 | 8,032 | 45,341 | 16,321 | 18 | 18 | 18 | 90 | 73,975 |
| Insurance | 5 | 1,049 | 6,739 | 2,609 | -- | -- | -- | -- | 10,402 |
| Professional Fees | 12,086 | 1,806 | 2,458 | 1,834 | 1,283 | 2,428 | 592 | 10,816 | 33,303 |
| Demolition/Acquisition | -- | -- | -- | -- | -- | -- | -- | 448 | 448 |
| Redevelopment | 500 | -- | -- | -- | 400 | -- | -- | 2,434 | 3,334 |
| Capital Outlay | -- | -- | 18,447 | 6,282 | -- | -- | -- | -- | 24,729 |
| Taxes | -- | 528 | 2,839 | 1,417 | -- | -- | -- | -- | 4,784 |
| Principal | -- | -- | -- | -- | 15,000 | 22,761 | 3,299 | 17,452 | 58,512 |
| Interest and Other Charges | -- | -- | -- | -- | 9,438 | 19,278 | 1,752 | 14,113 | 44,581 |
| Total Expenditures | <u>16,728</u> | <u>11,415</u> | <u>75,824</u> | <u>28,463</u> | <u>26,139</u> | <u>44,485</u> | <u>5,661</u> | <u>45,353</u> | <u>254,068</u> |
| Excess of Revenues Over (Under) Expenditures | <u>1,073</u> | <u>(578)</u> | <u>206</u> | <u>572</u> | <u>(14,195)</u> | <u>3,688</u> | <u>4,273</u> | <u>(25,333)</u> | <u>(30,294)</u> |
| Other Financing Sources (Uses) | | | | | | | | | |
| Transfers from Other Funds | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Transfers to Other Funds | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Net Other Financing Sources (Uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Net Change in Fund Balance | <u>1,073</u> | <u>(578)</u> | <u>206</u> | <u>572</u> | <u>(14,195)</u> | <u>3,688</u> | <u>4,273</u> | <u>(25,333)</u> | <u>(30,294)</u> |
| Fund Balance at Beginning of Period | <u>(71,077)</u> | <u>108,593</u> | <u>314,458</u> | <u>113,573</u> | <u>(95,867)</u> | <u>130,612</u> | <u>(111,147)</u> | <u>(93,728)</u> | <u>295,417</u> |
| Fund Balance at End of Period | <u>\$ (70,004)</u> | <u>\$ 108,015</u> | <u>\$ 314,664</u> | <u>\$ 114,145</u> | <u>\$ (110,062)</u> | <u>\$ 134,300</u> | <u>\$ (106,874)</u> | <u>\$ (119,061)</u> | <u>\$ 265,123</u> |

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

Canby HRA
Reconciliation of Governmental Funds Statement of Revenues,
Changes in Fund Balance with Statement of Activities
For the Year Ended December 31, 2023

| | | |
|--|-----------|------------------------|
| Total Net Change in Fund Balances - Governmental Funds | \$ | (30,294) |
| Principal payments on long-term debt expensed in governmental fund statements, treated as reductions of outstanding debt in Entity wide statements | | 58,512 |
| Capital assets expensed as capital outlay in governmental fund statements, capitalized as capital assets in Statement of Net Position | | 24,729 |
| Revenues earned but not collected within sixty days deferred in governmental fund statements, recognized as revenue in Statement of Activities | | (13,426) |
| Depreciation expense reflected in entity wide statements, not reflected in governmental fund statements | | (58,065) |
| Changes in Net Position-Governmental Funds | \$ | <u>(18,544)</u> |

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

Canby HRA
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended December 31, 2023

| | Budgeted Amounts | | | Variance Favorable (Unfavorable) Final to Actual |
|---|-------------------------|--------------------|--------------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Grant Loan Income | \$ 1,000 | \$ 1,000 | \$ -- | \$ (1,000) |
| Program Income | -- | -- | 1,649 | 1,649 |
| Revenue Note Reimbursement | 1,620 | 1,620 | 1,080 | (540) |
| Property Tax | 15,000 | 15,000 | 14,796 | (204) |
| Interest Income | 650 | 650 | 276 | (374) |
| Total Revenues | 18,270 | 18,270 | 17,801 | (469) |
| Other Financing Sources | | | | |
| Total Revenues and Other Financing Sources | 18,270 | 18,270 | 17,801 | (469) |
| Expenditures | | | | |
| General and Administrative | 250 | 250 | 80 | 170 |
| Insurance | 10 | 10 | 5 | 5 |
| Professional Fees | 10,000 | 11,500 | 12,086 | (586) |
| Housing Initiatives | -- | 500 | 500 | -- |
| Supplies | 110 | 210 | 170 | 40 |
| Repairs and Miscellaneous | 3,500 | 3,500 | 3,887 | (387) |
| Total Expenditures | 13,870 | 15,970 | 16,728 | (758) |
| Other Financing Uses | | | | |
| Total Expenditures and Other Financing Uses | 13,870 | 15,970 | 16,728 | (758) |
| Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses | 4,400 | 2,300 | 1,073 | (1,227) |
| Net Change in Fund Balance | 4,400 | 2,300 | 1,073 | (1,227) |
| Fund Balance at Beginning of Period | (71,077) | (71,077) | (71,077) | -- |
| Fund Balance at End of Period | \$ (66,677) | \$ (68,777) | \$ (70,004) | \$ (1,227) |

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

Canby HRA
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Apartment Projects
For the Year Ended December 31, 2023

| | Budgeted Amounts | | | Variance Favorable (Unfavorable) |
|---|-------------------------|-------------------|-------------------|---|
| | Original | Final | Actual | Actual |
| Revenues | | | | |
| Revenue Note Reimbursement | \$ 2,000 | \$ 2,000 | \$ 12,000 | \$ 10,000 |
| Rent Income | 56,000 | 56,000 | 60,524 | 4,524 |
| Laundry Income | 1,500 | 1,500 | 1,979 | 479 |
| Miscellaneous Income | 1,000 | 1,000 | 425 | (575) |
| Interest Income | 300 | 300 | 1,102 | 802 |
| Total Revenues | 60,800 | 60,800 | 76,030 | 15,230 |
| Other Financing Sources | | | | |
| Total Revenues and Other Financing Sources | 60,800 | 60,800 | 76,030 | 15,230 |
| Expenditures | | | | |
| General and Administrative | 500 | 500 | 502 | (2) |
| Insurance | 5,500 | 5,500 | 6,739 | (1,239) |
| Professional Fees | 2,200 | 2,500 | 2,458 | 42 |
| Supplies | 850 | 850 | 329 | 521 |
| Utilities | 20,300 | 21,100 | 20,918 | 182 |
| Real Estate Taxes | 3,000 | 3,000 | 2,839 | 161 |
| Repairs and Miscellaneous | 23,000 | 23,200 | 23,592 | (392) |
| Capital Outlay | 3,000 | 18,648 | 18,447 | 201 |
| Total Expenditures | 58,350 | 75,298 | 75,824 | (526) |
| Other Financing Uses | | | | |
| Total Expenditures and Other Financing Uses | 58,350 | 75,298 | 75,824 | (526) |
| Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses | 2,450 | (14,498) | 206 | 14,704 |
| Net Change in Fund Balance | 2,450 | (14,498) | 206 | 14,704 |
| <i>Fund Balance at Beginning of Period</i> | 314,458 | 314,458 | 314,458 | -- |
| Fund Balance at End of Period | \$ 316,908 | \$ 299,960 | \$ 314,664 | \$ 14,704 |

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

Canby HRA
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Duplex
For the Year Ended December 31, 2023

| | Budgeted Amounts | | | Variance Favorable (Unfavorable) Final to Actual |
|---|-------------------------|--------------|---------------|---|
| | Original | Final | Actual | |
| Revenues | | | | |
| Rent Income | \$ 10,550 | \$ 10,550 | \$ 10,561 | \$ 11 |
| Interest Income | 100 | 100 | 276 | 176 |
| Total Revenues | 10,650 | 10,650 | 10,837 | 187 |
| Other Financing Sources | | | | |
| Total Revenues and Other Financing Sources | 10,650 | 10,650 | 10,837 | 187 |
| Expenditures | | | | |
| Insurance | 900 | 900 | 1,049 | (149) |
| Professional Fees | 1,800 | 1,806 | 1,806 | -- |
| Supplies | 400 | 400 | 137 | 263 |
| Utilities | -- | 194 | 194 | -- |
| Real Estate Taxes | 600 | 600 | 528 | 72 |
| Repairs and Miscellaneous | 2,450 | 7,950 | 7,701 | 249 |
| Capital Outlay | 2,000 | -- | -- | -- |
| Depreciation | 2,500 | 2,500 | -- | 2,500 |
| Total Expenditures | 10,650 | 14,350 | 11,415 | 2,935 |
| Other Financing Uses | | | | |
| Total Expenditures and Other Financing Uses | 10,650 | 14,350 | 11,415 | 2,935 |
| Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses | -- | (3,700) | (578) | 3,122 |
| Net Change in Fund Balance | -- | (3,700) | (578) | 3,122 |
| Fund Balance at Beginning of Period | 108,593 | 108,593 | 108,593 | -- |
| Fund Balance at End of Period | \$ 108,593 | \$ 104,893 | \$ 108,015 | \$ 3,122 |

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

Canby HRA
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Townhomes
For the Year Ended December 31, 2023

| | Budgeted Amounts | | | Variance Favorable (Unfavorable) |
|---|-------------------------|-------------------|-------------------|---|
| | Original | Final | Actual | Actual |
| Revenues | | | | |
| Rent Income | \$ 28,336 | \$ 28,336 | \$ 28,387 | \$ 51 |
| Miscellaneous Income | -- | -- | 597 | 597 |
| Interest Income | 100 | 100 | 51 | (49) |
| Total Revenues | <u>28,436</u> | <u>28,436</u> | <u>29,035</u> | <u>599</u> |
| Other Financing Sources | | | | |
| Total Revenues and Other Financing Sources | <u>28,436</u> | <u>28,436</u> | <u>29,035</u> | <u>599</u> |
| Expenditures | | | | |
| Insurance | 2,300 | 2,300 | 2,609 | (309) |
| Professional Fees | 2,000 | 2,000 | 1,834 | 166 |
| Supplies | 200 | 200 | 121 | 79 |
| Utilities | 2,350 | 2,676 | 2,444 | 232 |
| Real Estate Taxes | 1,600 | 1,600 | 1,417 | 183 |
| Repairs and Miscellaneous | 13,000 | 13,900 | 13,756 | 144 |
| Capital Outlay | 5,000 | 6,282 | 6,282 | -- |
| Total Expenditures | <u>26,450</u> | <u>28,958</u> | <u>28,463</u> | <u>495</u> |
| Other Financing Uses | | | | |
| Total Expenditures and Other Financing Uses | <u>26,450</u> | <u>28,958</u> | <u>28,463</u> | <u>495</u> |
| Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses | <u>1,986</u> | <u>(522)</u> | <u>572</u> | <u>1,094</u> |
| Net Change in Fund Balance | <u>1,986</u> | <u>(522)</u> | <u>572</u> | <u>1,094</u> |
| Fund Balance at Beginning of Period | <u>113,573</u> | <u>113,573</u> | <u>113,573</u> | <u>--</u> |
| Fund Balance at End of Period | <u>\$ 115,559</u> | <u>\$ 113,051</u> | <u>\$ 114,145</u> | <u>\$ 1,094</u> |

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

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Canby Housing and Redevelopment Authority's (the Authority) financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

A. REPORTING ENTITY

The Canby Housing and Redevelopment Authority is a quasi-governmental governing authority established by the City of Canby, under Minnesota Law, to promote and develop the business entities and low-income housing within the City of Canby. The Authority's governing board as of year end is listed as follows:

| | |
|---------------------|--------------------|
| Mark Whittier | Chairman |
| Pat Stanley | Member |
| Frank Maas | Member |
| Denise Hanson | Member |
| Michael Stutelberg | Member |
| Ex-Officio Members: | |
| Rebecca Schrupp | Executive Director |
| Bonnie Merritt | Secretary |

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government –wide financial statements (i.e., the statement of net position and statement of activities) report information on all activities of the Authority. For the most part, the effect of inter-fund activity has been removed from these statements. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for good and services. There are no fiduciary or business-type activities for the Authority.

The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. 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 identifiable activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)

Separate financial statements are provided for governmental 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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provided have been met.

Governmental fund financial statements (i.e., balance sheet and statement of revenues, expenditures and changes in fund balances) 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. Revenues subject to accrual are interest on investments, and intergovernmental revenues. Intergovernmental revenues that are reimbursements for specific expenditures are recognized when all eligibility requirements are met. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The emphasis in fund financial statements is on major funds in the governmental categories. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental combined) for the determination of major funds. The non-major funds are combined in a column on the fund financial statements.

The funds of the financial reporting entity are described below:

Governmental Funds:

General Fund - The General Fund is the primary operating fund of the Authority and is always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service and capital projects. Currently the authority maintains Apartment Project Fund, Duplex Fund, Townhome fund as special revenue funds.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

Debt Service Funds: - Debt Service Funds are used to account for all financial resources that are restricted, committed, or assigned to expenditures for principal and interest. The City maintains TIF Districts 1-1, 1-2, 1-3, 1-4, 1-5, 1-8, 1-9, 1-10, 1-11, 1-12 and 1-13 debt service funds.

Major Funds:

The funds are further classified as major and non-major as follows:

| <u>Fund</u> | <u>Brief Description</u> |
|-------------|--------------------------|
|-------------|--------------------------|

| | |
|--------------|--|
| <u>Major</u> | |
|--------------|--|

| | |
|---------------|--|
| Governmental: | |
|---------------|--|

| | |
|--------------|-----------------------|
| General Fund | See description above |
|--------------|-----------------------|

| | |
|------------------------|--|
| Special Revenue Funds: | |
|------------------------|--|

| | |
|------------------------|---|
| Apartment Project Fund | Accounts for authority's apartment operations |
|------------------------|---|

| | |
|--------|---|
| Duplex | Accounts for authority's housing operations |
|--------|---|

| | |
|-----------|---|
| Townhomes | Accounts for authority's housing operations |
|-----------|---|

| | |
|--------------|--|
| Debt Service | |
|--------------|--|

| | |
|-----------|--|
| TIF Funds | Accounts for authority's TIF 1-1, TIF 1-4 and TIF 1-9 operations. |
|-----------|--|

| | |
|------------------|--|
| <u>Non-Major</u> | |
|------------------|--|

| | |
|---|--|
| Debt Service Funds- TIF 1-2, TIF 1-3, TIF 1-5, TIF 1-6(Decertified), TIF 1-7(Decertified), TIF 1-8, TIF 1-10(decertified), TIF 1-11, and TIF 1-12. | |
|---|--|

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION (Continued)

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources of uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Fund Financial Statements:

Under this basis of accounting and measurement focus, the Authority applies (a) all GASB pronouncements and (b) FASB Statements and Interpretations, APB Opinions, and Accounts Research Bulletins issued on or before November 30, 1989 except those that conflict with a GASB pronouncement.

D. ASSETS, LIABILITIES, AND FUND BALANCE

Cash and Investments

For purposes of the Statement of Net Position, “cash and cash equivalents” includes all demand, savings accounts, and certificates of deposits for the Authority. For purposes of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased to be cash equivalents.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. No allowances for uncollectible accounts are deemed necessary at year end.

Due from Other Entity

Due from other entity consists of amounts due from the City of Canby related to debt expenditures in the TIF funds.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, AND FUND BALANCE (Continued)

Donated assets are valued at their fair market value on the date donated. Reported cost values include ancillary charges necessary to place the asset into its intended location and condition for use. The HRA has not set a capitalization policy.

Subsequent to initial capitalization, improvements or betterments that are significant and extend the useful life of a capital asset are also capitalized. Repairs and maintenance are recorded as expenses. Interest has not been capitalized during the construction period on property, plant and equipment. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations in the government-wide financial statements.

Depreciation of all exhaustible capital assets is charged as an allocated expense against operations in the government-wide financial statements, except for that portion related to common use assets for which allocation would be unduly complex, and which is reported as unallocated depreciation. Accumulated depreciation is reported on the government-wide financial Statement of Net Position and on each proprietary fund's Statement of Net Position. Depreciation has been provided over the estimated useful lives using the straight-line method. Estimated useful lives, in years, for depreciable assets are as follows:

| | |
|-------------------------|-----------------|
| Land | Not Depreciated |
| Buildings | 10-50 Years |
| Improvements | 15-50 Years |
| Machinery and Equipment | 3-25 Years |

Governmental activities capital assets and related depreciation expenses are only reported in the Governmental Activities columns on the government-wide financial statements. Because their measurement focus is on "current financial resources", capital assets and related depreciation expenses are not recorded in the governmental fund type fund financial statements, capital asset acquisitions are reported as capital outlay expenditures.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, AND FUND BALANCE (Continued)

Fund Balance Classifications

The Authority implemented GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance – consists of amounts that cannot be spent because it is not in spendable form, such as inventory; or are legally or contractually required to be maintained intact.
- Restricted fund balance – consists of amounts related to externally imposed constraints established by creditors, grantors or contributors, bondholders, laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- Committed fund balance - consists of amounts that are constrained for specific purposes that are internally imposed by formal action (resolution) of the Authority’s Board of Directors. To be reported as committed, amounts cannot be used for any other purpose unless the Board removes or changes that specified use by taking the same type of action it employed to previously commit those amounts.
- Assigned fund balance – consists of amounts intended to be used by the Authority for specific purposes but do not meet the criteria to be classified as restricted or committed. In the General Fund, assigned amounts represent intended uses established by the governing body itself or by an official to which the governing body delegates the authority.
- Unassigned fund balance – consists of amounts that are available for any purpose. Positive amounts are reported only in the general fund. It also reflects negative residual amounts in other funds.

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

The Authority has formally adopted a fund balance policy for the General Fund. Its policy is to maintain a minimum unassigned fund balance between the range of 35%-50% of budgeted operating expenditures for cash flow timing needs. At December 31, 2023, the unassigned fund balance of the General Fund was 0% of the subsequent year’s budgeted expenditures.

The Authority complies with all state and local laws and regulations requiring the use of separate funds.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. ASSETS, LIABILITIES, AND FUND BALANCE (Continued)

Net Position Classifications

In the government-wide financial statements, net assets represent the difference between assets and liabilities. Net assets are displayed in three components:

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

Deferred Outflows/Inflows of Resources

The Canby HRA implemented GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and GASB Statement No. 65 Items Previously Reported as Assets and Liabilities for the year ended December 31, 2012. 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 HRA currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period and so will not be recognized as an inflows of resources (revenue) until that time. The items that qualify for reporting in this category are unearned property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

By its nature as a local government unit, the Authority and its component units are subject to various federal, state, and local laws and contractual regulations. An analysis of the Authority’s compliance with significant laws and regulations and demonstration of its stewardship over Authority resources follows.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

D. DEFICIT FUND BALANCES

The following funds had deficit fund balances as of December 31, 2023:

| | |
|------------------------|----------|
| General | \$70,004 |
| TIF 1-1 | 110,062 |
| TIF 1-2 | 23,439 |
| TIF 1-3 | 8,880 |
| TIF 1-5 | 27,796 |
| TIF 1-9 | 106,874 |
| TIF 1-10 (Decertified) | 8,855 |
| TIF 1-11 | 41,632 |
| TIF 1-12(Decertified) | 10,939 |
| TIF 1-13 | 5,026 |

NOTE 3. DETAIL NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Minnesota Statutes require that all deposits with financial institutions be collateralized in an amount equal to 110% of deposits in excess of FDIC or FSLIC insurance (140% if collateralized with notes secured by first mortgages). The Authority complies with such laws.

The may also invest idle funds as authorized by Minnesota Statutes as follows: direct obligations guaranteed by the United States or its agencies; shares of investment companies registered under the Federal Investment Company Act of 1940 that received the highest credit rating, are rated in one of the two highest rating categories by a statistical rating agency, and all of the investments have a final maturity of 13 months or less; general obligations rated “A” or better; bankers’ acceptances of the United States banks eligible for purchase by the Federal Reserve System; commercial paper issued by United States corporations or their Canadian subsidiaries, rated of the highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less; Guaranteed Investment Contracts guaranteed by a United State commercial bank, domestic branch of a foreign bank, or a United States insurance company, and with a credit quality in one of the top two highest categories; repurchase or reverse purchase 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. The Authority does not have any investment policies that would further limit investment choices.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. DETAIL NOTES ON ALL FUNDS (Continued)

A. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS (Continued)

In accordance with Minnesota Statutes, the Canby HRA maintains deposits at those depository banks authorized by the HRA Board, all of which are members of the Federal Reserve System. Minnesota Statutes require that insurance, surety bond, or collateral protect all HRA deposits. The market value of the bonds or collateral pledged must equal 110% of the deposits not covered by insurance.

Authorized collateral includes investments, identified by Minnesota Statute §118.A.03.subd.2. Minnesota statutes require that securities pledged as collateral be held in safekeeping in a restricted account at the Federal Reserve Bank or in an account in a financial institution not owned or controlled by the depository.

According to Minnesota Statutes, government depositors receive \$250,000 FDIC coverage for their demand accounts and separate \$250,000 FDIC coverage for their time/savings accounts if the bank is located in the same state as the government entity. If the depository bank is located in a different state, there is just one \$250,000 coverage available for all demand and time/savings accounts combined.

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. Deposits in financial institutions, reported as components of cash and cash equivalents, had a bank balance of \$276,124 at December 31, 2023, that was fully insured by depository insurance or secured with collateral held by the Authority's agent in its name. The carrying amount of these deposits at December 31, 2023 was \$268,124.

Investment Interest Rate Risk – The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Authority has no investments.

Reconciliation to Statement of Net Position:

| | |
|---------------------------|-------------------------|
| Cash and Cash Equivalents | <u>\$268,124</u> |
| Total | <u><u>\$268,122</u></u> |

B. ACCOUNTS RECEIVABLE

The accounts receivable balance in the governmental activities as of December 31, 2023 is \$0. No allowance for uncollectible accounts is deemed necessary at year-end.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. DETAIL NOTES ON ALL FUNDS (Continued)

C. NOTES RECEIVABLE

| | Balance 12/31/22 | New Loans | Collections | Balance 12/31/23 | Int Rate |
|------------------------|---------------------|------------|-----------------|---------------------|-------------|
| General fund | \$20,306 | \$0 | \$1,650 | \$18,656 | 2% |
| Apartment Project fund | 12,000 | 0 | 12,000 | 0 | 6-9% |
| Totals | <u>\$32,306</u> | <u>\$0</u> | <u>\$13,650</u> | <u>\$18,656</u> | |

The notes receivable consists of home improvement and economic development loans. No allowance for uncollectible notes is deemed necessary at year-end.

D. CAPITAL ASSETS

A summary of changes in capital assets for the year ended December 31, 2023 is as follows:

| | Balance 12/31/22 | Additions | Deletions | Balance 12/31/23 |
|--|---------------------|---------------|-----------|---------------------|
| Governmental Activities | | | | |
| Capital Assets Not Being Depreciated: | | | | |
| Land | \$87,108 | - | - | \$87,108 |
| Land Held for Investment | <u>57,645</u> | <u>-</u> | <u>-</u> | <u>57,645</u> |
| Total Capital Assets Not Being Depreciated | <u>144,753</u> | <u>-</u> | <u>-</u> | <u>144,753</u> |
| Capital Assets Being Depreciated | | | | |
| Duplex Building | 119,889 | | | 119,889 |
| Townhomes | 382,886 | 6,282 | | 389,168 |
| Oak Court Apartments | 871,558 | 18,447 | | 890,005 |
| Furnishings | 15,093 | | | 15,093 |
| Equipment | 68,272 | | | 68,272 |
| Other | 5,001 | | | 5,001 |
| Infrastructure | <u>135,065</u> | <u>-</u> | <u>-</u> | <u>135,065</u> |
| Total Capital Assets Being Depreciated | <u>1,597,764</u> | <u>24,729</u> | <u>-</u> | <u>1,622,493</u> |
| Less Accumulated Depreciation for: | | | | |
| Duplex Building | 87,233 | 2,559 | | 89,792 |
| Townhomes | 286,982 | 14,534 | | 301,516 |
| Oak Court Apartments | 639,689 | 31,584 | | 671,273 |
| Furnishings | 15,200 | 2,642 | | 17,842 |
| Equipment | 60,158 | 1,994 | | 62,152 |
| Other | 2,493 | 250 | | 2,743 |

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

| | | | | |
|---|------------------|-------------------|----------|------------------|
| Infrastructure | 31,306 | 4,502 | | 35,808 |
| Total Capital Assets Being Depreciated | <u>1,123,061</u> | <u>58,065</u> | <u>-</u> | <u>1,181,126</u> |
| Total Capital Assets Being Depreciated (Net) | <u>\$619,456</u> | <u>(\$33,336)</u> | <u>-</u> | <u>\$586,120</u> |

NOTE 3. DETAIL NOTES ON ALL FUNDS (Continued)

D. CAPITAL ASSETS (Continued)

Depreciation Expense was charged to functions as follows:

| | |
|--|-----------------|
| Governmental Activities: | |
| Housing & Economic Development | <u>\$58,065</u> |
| Total Depreciation Expense- Governmental Activities | <u>\$58,065</u> |

E. PROPERTY TAX RECOGNITION

Property tax increment revenue is received in January, June and November.

F. ACCOUNTS PAYABLE

Payables in the general and major governmental funds are almost entirely of payables to vendors.

G. SECURITY DEPOSITS PAYABLE

This account consists of security deposits and accrued interest on the deposits.

H. UNEARNED REVENUE

Unearned revenue consists of the un-collected portion of notes receivable. Revenue is recognized as payments are collected.

Under the modified accrual basis of accounting, receivables may be measurable but not available. Available means collectible within the current period or soon enough thereafter (within sixty days) to be used to pay liabilities of the current period. Reported unearned revenues are those where asset recognition criteria have been met but for which revenue recognition criteria have not been met.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. DETAIL NOTES ON ALL FUNDS (Continued)

I. PROGRAM REVENUES

Program revenues are derived directly from the program itself or from parties other than the HRA's renters, as a whole. Program revenues are classified into three categories, as follows:

1. Charges for Services – These arise from charges to customers, applicants, or others who purchase, use, or directly benefit from the goods, services, or privileges provided, or are otherwise directly affected by the services.
2. Program-Specific Operating Grants and Contributions – These arise from mandatory and voluntary non-exchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program.
3. Program-Specific Capital Grants and Contributions – These arise from mandatory and voluntary non-exchange transactions with other governments, organization, or individuals that are restricted for the acquisition of capital assets for use in a particular program.

J. LONG-TERM DEBT-DUE TO PRIMARY GOVERNMENT

The Note Payable to the City of Canby is for the HRA's share of the debt of the City's GOIB 2012B at an interest rate of 5.75% as well as the GOIB 2014C at 3.25%, the GOIB 2015A at 2.5-5.25% and GOIB of 2020 at 3.0-3.25%. As payments are due on the bonds, the HRA will remit its share to the City and the City will issue one check to the bonding company. Payments are made from the TIF funds that received the proceeds.

The following is a summary of the changes in long-term debt obligations for the year ended December 31, 2023:

| | Balance 12/31/22 | New Loans | Payments | Balance 12/31/23 | Due In One Year |
|---------------|---------------------|--------------|----------|---------------------|--------------------|
| City of Canby | \$944,855 | \$0 | \$58,513 | \$886,342 | \$58,514 |
| Totals | \$944,855 | \$0 | \$58,513 | \$886,342 | \$58,514 |

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. DETAIL NOTES ON ALL FUNDS (Continued)

Annual Debt Service Requirements

The annual requirements to amortize long-term debt due to primary government obligations outstanding at December 31, 2023 are summarized as follows:

| Year | Principal | Interest | Total |
|-------------|-------------------|-------------------|---------------------|
| 2024 | \$ 58,514 | \$ 42,170 | \$ 100,684 |
| 2025 | 61,765 | 39,604 | 101,369 |
| 2026 | 61,765 | 36,969 | 98,734 |
| 2027 | 61,765 | 34,100 | 95,865 |
| 2028 | 61,765 | 31,133 | 92,898 |
| 2029-2033 | 342,338 | 107,913 | 450,251 |
| 2034-2038 | 232,570 | 25,113 | 257,683 |
| 2039-2043 | 5,860 | 381 | 6,241 |
| Totals | <u>\$ 886,342</u> | <u>\$ 317,383</u> | <u>\$ 1,203,725</u> |

K. INTER-FUND TRANSACTIONS

Inter-fund Transfers

There were no transfers between funds of the primary government for the year ended December 31, 2023.

At December 31, 2023, the following inter-fund balances were owed between funds:

| <u>Advance to</u> | <u>Advance from</u> | <u>Amount</u> | <u>Purpose</u> |
|-------------------|---------------------|------------------|----------------------------|
| General Fund | Apartment Fund | \$180,000 | To supplement general fund |
| TIF 1-1 | Apartment Fund | 2,000 | To cover TIF expenses |
| TIF 1-1 | General Fund | 86,089 | To cover TIF expenses |
| TIF 1-1 | Townhomes Fund | 54,500 | To cover TIF expenses |
| TIF 1-1 | TIF 1-4 | 23,010 | To cover TIF expenses |
| TIF 1-2 | TIF 1-4 | 23,494 | To cover TIF expenses |
| TIF 1-3 | TIF 1-4 | 8,880 | To cover TIF expenses |
| TIF 1-5 | TIF 1-4 | 11,253 | To cover TIF expenses |
| TIF 1-5 | Duplex | 16,500 | To cover TIF expenses |
| TIF 1-9 | TIF 1-1 | 63,000 | To cover TIF expenses |
| TIF 1-9 | TIF 1-4 | 25,174 | To cover TIF expenses |
| TIF 1-9 | Duplex Fund | 10,000 | To cover TIF expenses |
| TIF 1-9 | Townhomes | 8,700 | To cover TIF expenses |
| TIF 1-10 | TIF 1-4 | 355 | To cover TIF expenses |
| TIF 1-10 | Townhomes Fund | 8,500 | To cover TIF expenses |
| TIF 1-11 | TIF 1-4 | 41,632 | To cover TIF expenses |
| TIF 1-13 | Apartment | 5,026 | To cover TIF expenses |
| TIF 1-12 | General Fund | 10,939 | To cover TIF expenses |
| Totals | | <u>\$586,515</u> | |

These balances are not expected to be repaid within one year.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4. OTHER NOTES

A. RISK MANAGEMENT

The Authority 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. To manage these risks, the Authority purchases commercial insurance. The amounts of these deductibles are considered immaterial to the financial statements. There were no significant reductions in insurance from the previous year settlements in excess of insurance for any of the past two years.

B. COMMITMENTS AND CONTINGENCIES

Grant Program Involvement

In the normal course of operations, the Authority participates in various federal or state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning authority, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. Any liability for reimbursement, which may arise as the result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

C. FEDERAL AID – SINGLE AUDIT ACT

The Authority did not expend more than \$750,000 of federal financial assistance and is not subject to audit requirements of the Single Audit Act.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4. OTHER NOTES (Continued)

D. TAX INCREMENT FINANCING DISTRICTS

The Canby HRA is the administering authority for the following tax increment finance districts which were established in various years. During 2023, the Canby HRA received \$90,071 from these districts in tax revenue.

Tax Increment Financing District No. 1-30 County (TIF 1-1)

| | |
|---|---------|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2010 | |
| Duration – not to exceed twenty-five (25) years of increment-2037 | |
| Original tax capacity – | 200 |
| Current tax capacity – Estimated | 7,861 |
| Captured tax capacity – Estimated | 7,661 |
| Retained by authority – Estimated | 7,661 |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | -0- |
| Total loans incurred | 300,000 |

Tax Increment Financing District No. 1-31 County (TIF 1-2)

| | |
|---|---------|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2011 | |
| Duration – not to exceed twenty-five (25) years of increment-2038 | |
| Original tax capacity – | 540 |
| Current tax capacity – Estimated | 3,977 |
| Captured tax capacity – Estimated | 3,437 |
| Retained by authority – Estimated | 3,437 |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | -0- |
| Total loans incurred | 135,000 |

Tax Increment Financing District No. 1-35 County (TIF 1-3)

| | |
|---|---------|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2012 | |
| Duration – not to exceed twenty-five (25) years of increment-2038 | |
| Original tax capacity – | 198 |
| Current tax capacity – Estimated | 3,379 |
| Captured tax capacity – Estimated | 3,181 |
| Retained by authority – Estimated | 3,181 |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | -0- |
| Total loans incurred | 125,000 |

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4. OTHER NOTES (Continued)

D. TAX INCREMENT FINANCING DISTRICTS (Continued)

Tax Increment Financing District No. 1-36 County (TIF 1-4)

| | |
|---|---------|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2012 | |
| Duration – not to exceed twenty-five (25) years of increment-2038 | |
| Original tax capacity – | 1,886 |
| Current tax capacity – Estimated | 30,519 |
| Captured tax capacity – Estimated | 28,632 |
| Retained by authority – Estimated | 28,632 |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | 530,000 |
| Total loans incurred | -0- |

Tax Increment Financing District No. 1-39 County (TIF 1-5)

| | |
|---|--------|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2013 | |
| Duration – not to exceed twenty-five (25) years of increment-2039 | |
| Original tax capacity – | 1,143 |
| Current tax capacity – Estimated | 3,112 |
| Captured tax capacity – Estimated | 1,969 |
| Retained by authority – Estimated | 1,969 |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | 65,000 |
| Total loans incurred | -0- |

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4. OTHER NOTES (Continued)

D. TAX INCREMENT FINANCING DISTRICTS (Continued)

Tax Increment Financing District No. 1-42 County (TIF 1-8)

| | |
|---|--------|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2015 | |
| Duration – not to exceed twenty-five (25) years of increment-2041 | |
| Original tax capacity – | 118 |
| Current tax capacity – Estimated | 3,833 |
| Captured tax capacity – Estimated | 3,715 |
| Retained by authority – Estimated | 3,715 |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | 50,500 |
| Total loans incurred | -0- |

Tax Increment Financing District No. 1-44 County (TIF 1-9)

| | |
|---|--------|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2015 | |
| Duration – not to exceed twenty-five (25) years of increment-2041 | |
| Original tax capacity – | 289 |
| Current tax capacity – Estimated | 6,469 |
| Captured tax capacity – Estimated | 6,180 |
| Retained by authority – Estimated | 6,180 |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | 65,000 |
| Total loans incurred | -0- |

Tax Increment Financing District No. 1-45 County (TIF 1-10) Decertified

| | |
|---|-----|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2016 | |
| Duration – not to exceed twenty-five (25) years of increment-2042 | |
| Original tax capacity – | 336 |
| Current tax capacity – Estimated | 406 |
| Captured tax capacity – Estimated | 70 |
| Retained by authority – Estimated | 70 |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | -0- |
| Total loans incurred | -0- |

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4. OTHER NOTES (Continued)

D. TAX INCREMENT FINANCING DISTRICTS (Continued)

Tax Increment Financing District No. 1-48 County (TIF 1-11)

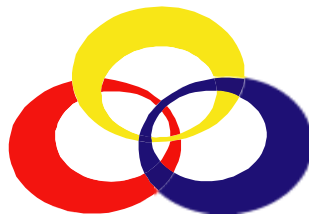
| | |
|---|-----|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2020 | |
| Duration – not to exceed twenty-five (25) years of increment-2043 | |
| Original tax capacity – | 527 |
| Current tax capacity – Estimated | 225 |
| Captured tax capacity – Estimated | -0- |
| Retained by authority – Estimated | -0- |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | -0- |
| Total loans incurred | -0- |

Tax Increment Financing District No. 1-12 Decertified

| | |
|---|-----|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2021 | |
| Duration – not to exceed twenty-five (25) years of increment-2047 | |
| Original tax capacity – | -0- |
| Current tax capacity – Estimated | -0- |
| Captured tax capacity – Estimated | -0- |
| Retained by authority – Estimated | -0- |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | -0- |
| Total loans incurred | -0- |

Tax Increment Financing District No. 1-13

| | |
|---|-----|
| Type of district – Redevelopment | |
| Authorizing law – Minnesota Statute #469.174 | |
| Year established – 2023 | |
| Duration – not to exceed twenty-five (25) years of increment-2047 | |
| Original tax capacity – | -0- |
| Current tax capacity – Estimated | -0- |
| Captured tax capacity – Estimated | -0- |
| Retained by authority – Estimated | -0- |
| Shared with other authorities – Estimated | -0- |
| Total bonds issued | -0- |
| Total loans incurred | -0- |



Kinner & Company Ltd

Certified Public Accountants

**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***

To The Board of Directors
Canby Housing and Redevelopment Authority
Canby, MN 56220

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund, and the remaining fund information of the Canby Housing and Redevelopment Authority (Canby HRA), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Canby HRA's basic financial statements and have issued our report thereon dated June 30, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Canby HRA's internal control over financial reporting 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 Canby HRA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Canby HRA's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Prior and Current Findings and Responses, we identified a deficiency in internal control that we consider to be a material weakness.

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. We consider the deficiency described in the accompanying Schedule of Prior and Current Findings and Responses, as item 2022-001 to be a material weakness.

212 3rd Street, Suite 1, Tracy, MN 56175
507-629-3662 , fax 507-629-3446
Visit our website at www.kinner.co

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Canby HRA's financial statements are free of 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 determination of financial statement amounts. 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*.

Canby HRA's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Canby HRA's response to the findings identified in our audit is described in the accompanying Schedule of Prior and Current Findings and Responses, Canby HRA's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Minnesota Legal Compliance

In connection with our audit, we noted that Canby HRA failed to comply with provisions of the tax increment financing 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 as described in the Schedule of Prior and Current Findings as item 2023-002. Also, in connection with our audit, nothing came to our attention that caused us to believe that Canby HRA failed to comply with the provisions of contracting-bid laws, depositories of public funds and public investments, conflicts of interest, public indebtedness, claims and disbursements and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Cities*, 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 Canby HRA's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

Purpose of 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Kinner & Company Ltd
Certified Public Accountants

June 30, 2024

**CANBY HOUSING AND REDEVELOPMENT AUTHORITY
SCHEDULE OF PRIOR AND CURRENT
FINDINGS AND RESPONSES
DECEMBER 31, 2023**

PRIOR YEAR FINANCIAL FINDINGS

Finding 2022-001: A material weakness was reported due to the lack of segregation of duties within the entity. The finding continues to exist and has been restated as Finding 2023-001.

Finding 2022-002: According to the Minnesota Legal Compliance Manual, the city is not compliant with Minnesota Statute 469.178, subd. 7. The finding continues to exist and has been restated as Finding 2023-002

CURRENT YEAR FINANCIAL FINDINGS

2023-001: The HRA does not maintain an adequate segregation of duties among its accounting personnel.

Condition: A lack of segregation of duties over revenues and expenditures exists which could result in errors not being found in a timely manner.

Criteria: Internal controls can help the Canby HRA achieve its performance targets and prevent loss of resources. It can help ensure reliable financial reporting and it can help ensure that the HRA complies with laws and regulations.

Cause: The HRA has a limited number of accounting personnel.

Effect: The Canby HRA has a limited number of employees who prepare all records for revenue and expenditures. This is undesirable from an internal control viewpoint and could result in a loss of control over accounting transactions and errors not being found in a timely manner.

Recommendation: We recommend the board take a more active role in their oversight over revenue and expenditures.

Corrective Action Plan and Council Response:

The following compensating controls are presently in place:

- The board reviews and approves all bills
- The board and/or other personnel periodically review various expenditure reports for amounts, classifications and comparison to budget.

Due to limited personnel, it is not practical to implement a complete segregation of duties. However, the HRA will continue to review its procedures to determine if any improvements can be made using the limited personnel available.

CANBY HOUSING AND REDEVELOPMENT AUTHORITY
SCHEDULE OF PRIOR AND CURRENT
FINDINGS AND RESPONSES
DECEMBER 31, 2023

2023-002: Minnesota Interfund Loan Compliance According to the Minnesota Legal Compliance Manual, the city is not compliant with Minnesota Statute 469.178, subd. 7.

Condition: The HRA does not have terms and conditions for repayment setup for its interfund loans.

Criteria: Without repayment terms and conditions, interfund loans can remain within funds indefinitely.

Cause: The HRA has a limited number of accounting personnel that are familiar with the TIF districts and the Minnesota Legal Compliance guide.

Effect: The HRA was not compliant with the Minnesota Legal Compliance guide and should review this guide for assistance each year.

Recommendation: We recommend the HRA setup resolutions and payment terms to comply with Minnesota statutes.

Management Response: The HRA will review the guide and statutes, and council will setup a resolution for each interfund loan and payment terms so the city is compliant. The board will review these and comply with the statutes in 2022.

Updated Progress from Prior Year: The HRA continues to improve their controls in this area.

**Canby HRA
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023**

| | Debt Service | | | | | | | | Total Nonmajor Governmental Funds |
|--|----------------------------|----------------------------|---------------------|------------------------|---------------------------------|-----------------------------|--|------------------------------------|--|
| | TIF 1-2 Schrunk | TIF 1-3 Svoboda | TIF 1-5 Fink | TIF 1-8 Merritt | TIF 1-10 Decertified | TIF 1-11 St Olaf | TIF 1-12 Maple Ave- Decertified | TIF 1-13 Maple Avenue 2 | |
| ASSETS | | | | | | | | | |
| Taxes Receivable | \$ 55 | \$ -- | \$ 174 | \$ -- | \$ -- | \$ -- | \$ -- | \$ -- | \$ 229 |
| Advance to Other Funds | -- | -- | -- | 7,463 | -- | -- | -- | -- | 7,463 |
| Total Assets | 55 | -- | 174 | 7,463 | -- | -- | -- | -- | 7,692 |
| LIABILITIES | | | | | | | | | |
| Advance from Other Funds | \$ 23,494 | \$ 8,880 | \$ 27,753 | \$ -- | \$ 8,855 | \$ 41,632 | \$ 10,939 | \$ 5,026 | \$ 126,579 |
| Total Liabilities | 23,494 | 8,880 | 27,753 | -- | 8,855 | 41,632 | 10,939 | 5,026 | 126,579 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | | | |
| Unavailable Revenue- Property Taxes | -- | -- | 174 | -- | -- | -- | -- | -- | 174 |
| Total Liabilities and Deferred Inflows of Resources | 23,494 | 8,880 | 27,927 | -- | 8,855 | 41,632 | 10,939 | 5,026 | 126,753 |
| FUND BALANCE | | | | | | | | | |
| Restricted | -- | -- | -- | 7463 | -- | -- | -- | -- | 7,463 |
| Unassigned | (23,439) | (8,880) | (27,753) | -- | (8,855) | (41,632) | (10,939) | (5,026) | (126,524) |
| Total Fund Balance | (23,439) | (8,880) | (27,753) | 7,463 | (8,855) | (41,632) | (10,939) | (5,026) | (119,061) |
| Total Liabilities, Deferred Inflows of Resources and Fund Balance | \$ 55 | \$ -- | \$ 174 | \$ 7,463 | \$ -- | \$ -- | \$ -- | \$ -- | \$ 7,692 |

Canby HRA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2023

| | Debt Service | | | | | | | | Total Nonmajor Governmental Funds |
|---|--------------------|--------------------|--------------|-----------------|-------------------------|---------------------|---------------------------------------|----------------------------|--|
| | TIF 1-2 Schrunk | TIF 1-3 Svoboda | TIF 1-5 Fink | TIF 1-8 Merritt | TIF 1-10 Decertified | TIF 1-11 St Olaf | TIF 1-12 Maple Ave- Decertified | TIF 1-13 Maple Avenue 2 | |
| Revenues | | | | | | | | | |
| Property Tax | \$ 5,413 | \$ 5,352 | \$ 3,250 | \$ 5,893 | \$ 112 | \$ -- | \$ -- | \$ -- | \$ 20,020 |
| Total Revenues | 5,413 | 5,352 | 3,250 | 5,893 | 112 | -- | -- | -- | 20,020 |
| Expenditures | | | | | | | | | |
| General and Administrative | 18 | 18 | 18 | 18 | -- | 18 | -- | -- | 90 |
| Professional Fees | 925 | 896 | 896 | 577 | -- | 526 | 1,970 | 5,026 | 10,816 |
| Demolition/Acquisition | 290 | -- | -- | -- | -- | 158 | -- | -- | 448 |
| Redevelopment | 840 | -- | -- | -- | -- | 1,594 | -- | -- | 2,434 |
| Principal | 6,045 | 5,595 | 3,249 | 2,563 | -- | -- | -- | -- | 17,452 |
| Interest and Other Charges | 5,561 | 5,147 | 2,044 | 1,361 | -- | -- | -- | -- | 14,113 |
| Total Expenditures | 13,679 | 11,656 | 6,207 | 4,519 | -- | 2,296 | 1,970 | 5,026 | 45,353 |
| Excess of Revenues Over (Under) Expenditures | (8,266) | (6,304) | (2,957) | 1,374 | 112 | (2,296) | (1,970) | (5,026) | (25,333) |
| Other Financing Sources (Uses) | | | | | | | | | |
| Transfers from Other Funds | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Transfers to Other Funds | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Net Other Financing Sources | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Net Change in Fund Balance | (8,266) | (6,304) | (2,957) | 1,374 | 112 | (2,296) | (1,970) | (5,026) | (25,333) |
| Fund Balance at Beginning of Period | (15,173) | (2,576) | (24,796) | 6,089 | (8,967) | (39,336) | (8,969) | -- | (93,728) |
| Fund Balance at End of Period | \$ (23,439) | \$ (8,880) | \$ (27,753) | \$ 7,463 | \$ (8,855) | \$ (41,632) | \$ (10,939) | \$ (5,026) | \$ (119,061) |