

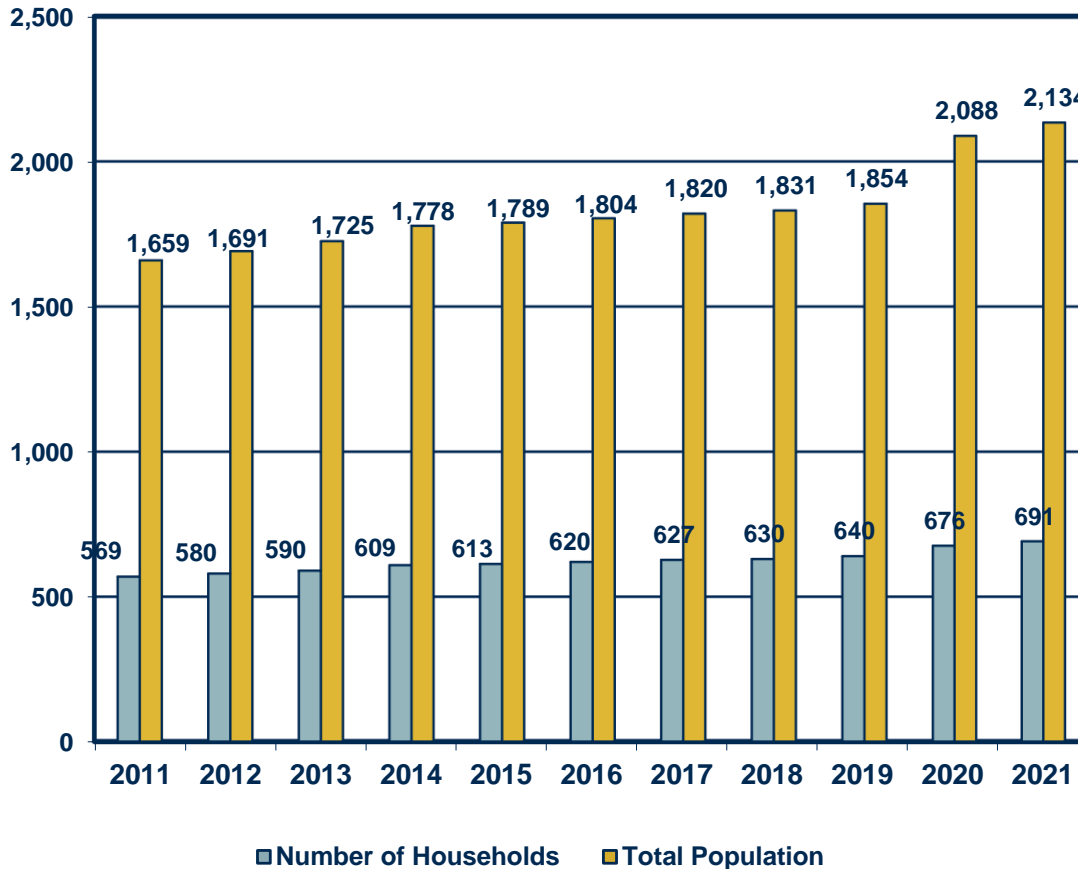


ROCHESTER TOWNSHIP *FINANCIAL SUMMARY - 2022*

AUDIT

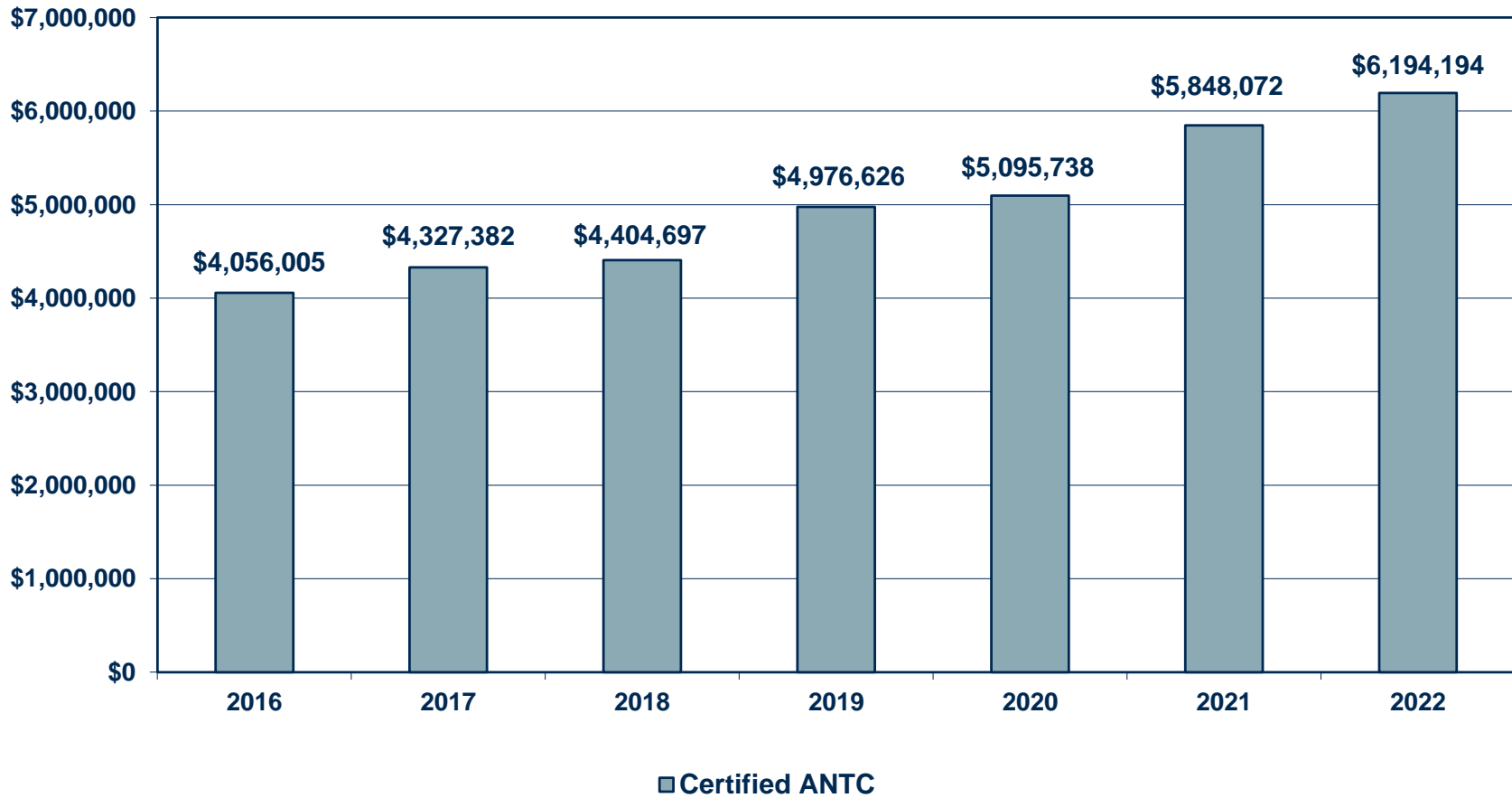
- Audit Opinion
 - Provides reasonable, but not absolute, assurance that financials are free of material misstatement
 - Unmodified “Clean” opinion in 2023
- Financial Statements
 - Smith Schafer reviewed the results of the audit and the financial statements with township officials on May 31, 2023
 - Management’s Discussion and Analysis (MD&A)
- Minnesota Legal Compliance
 - No Exceptions
- Single Audit
 - None required in 2022
- Management Letter
 - Limited personnel – Limits Township’s ability to segregate accounting duties

TOWNSHIP POPULATION AND HOUSEHOLD DATA



- ✓ Annexation is a significant factor affecting the future of the Township
- ✓ 2022 numbers have not been released

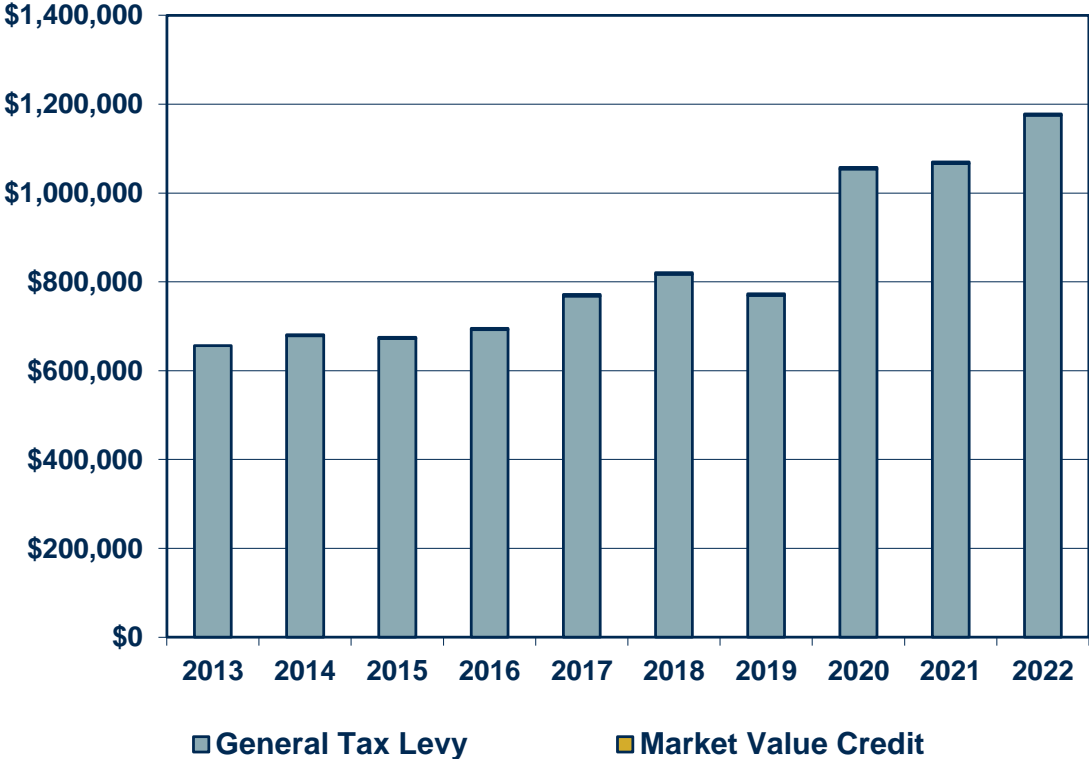
CERTIFIED ADJUSTED NET TAX CAPACITY



REVENUES

Governmental Funds

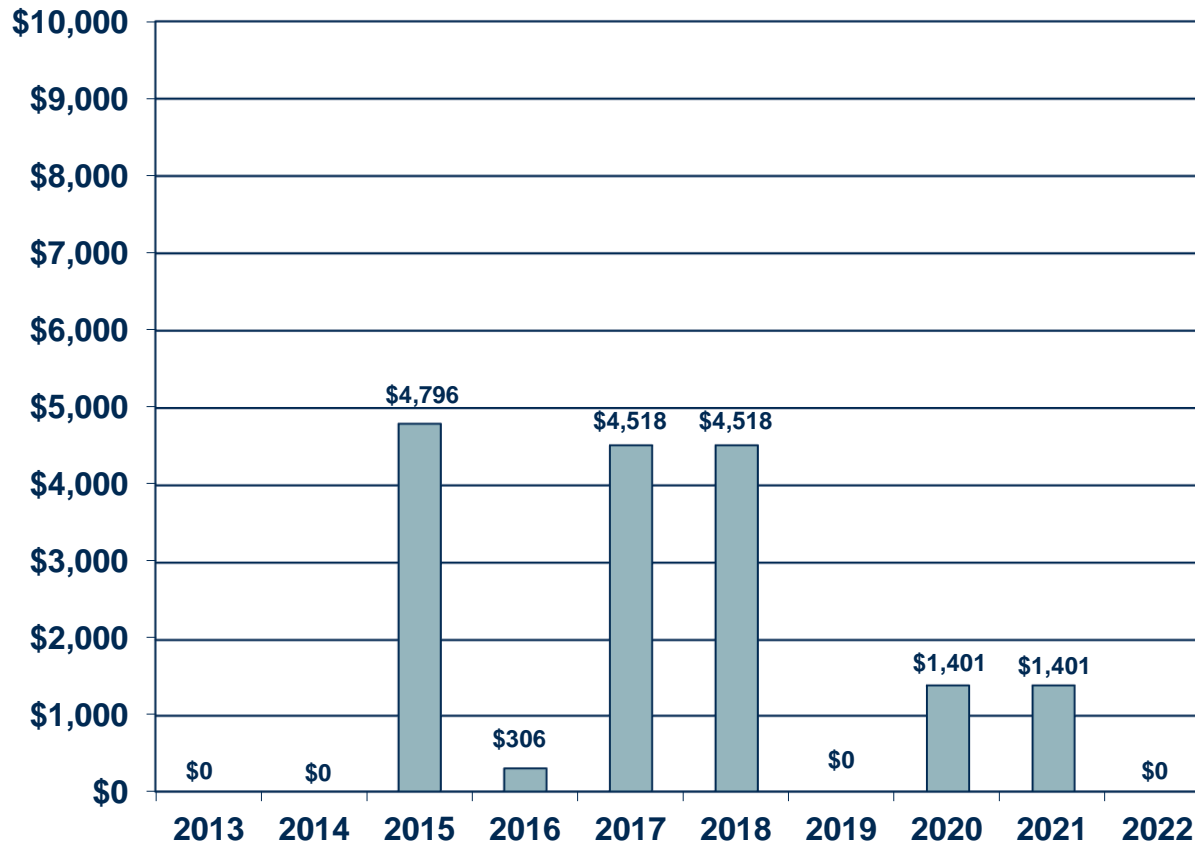
GENERAL PROPERTY TAX COLLECTIONS



✓ **General tax levy revenues represented 84% of total governmental revenues in 2022 (excluding developer reimbursement)**

✓ **Tax collections \$1,175,137**
Market Value Credit \$51
Total \$1,175,188

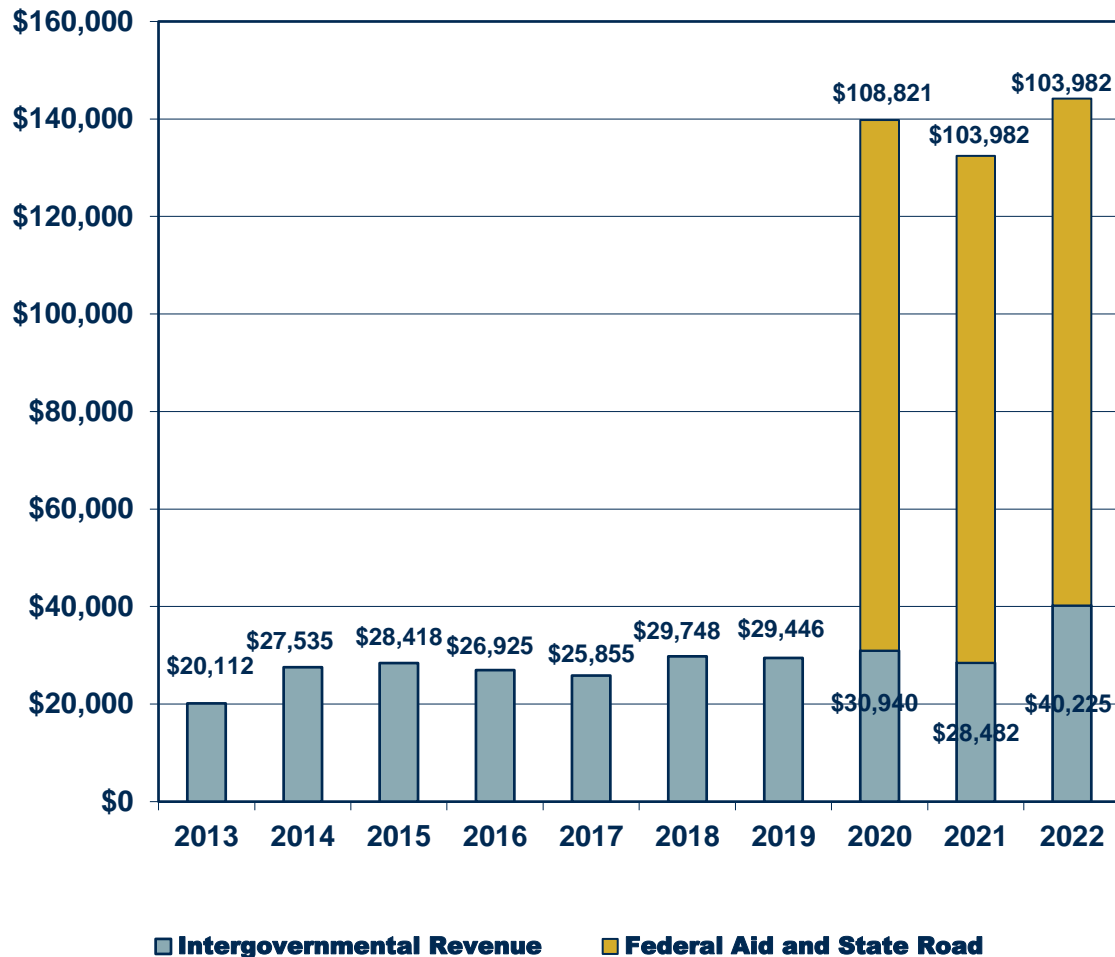
ANNEXATION REVENUE



✓ There was no annexation revenue in 2022, compared to \$1,401 in 2021

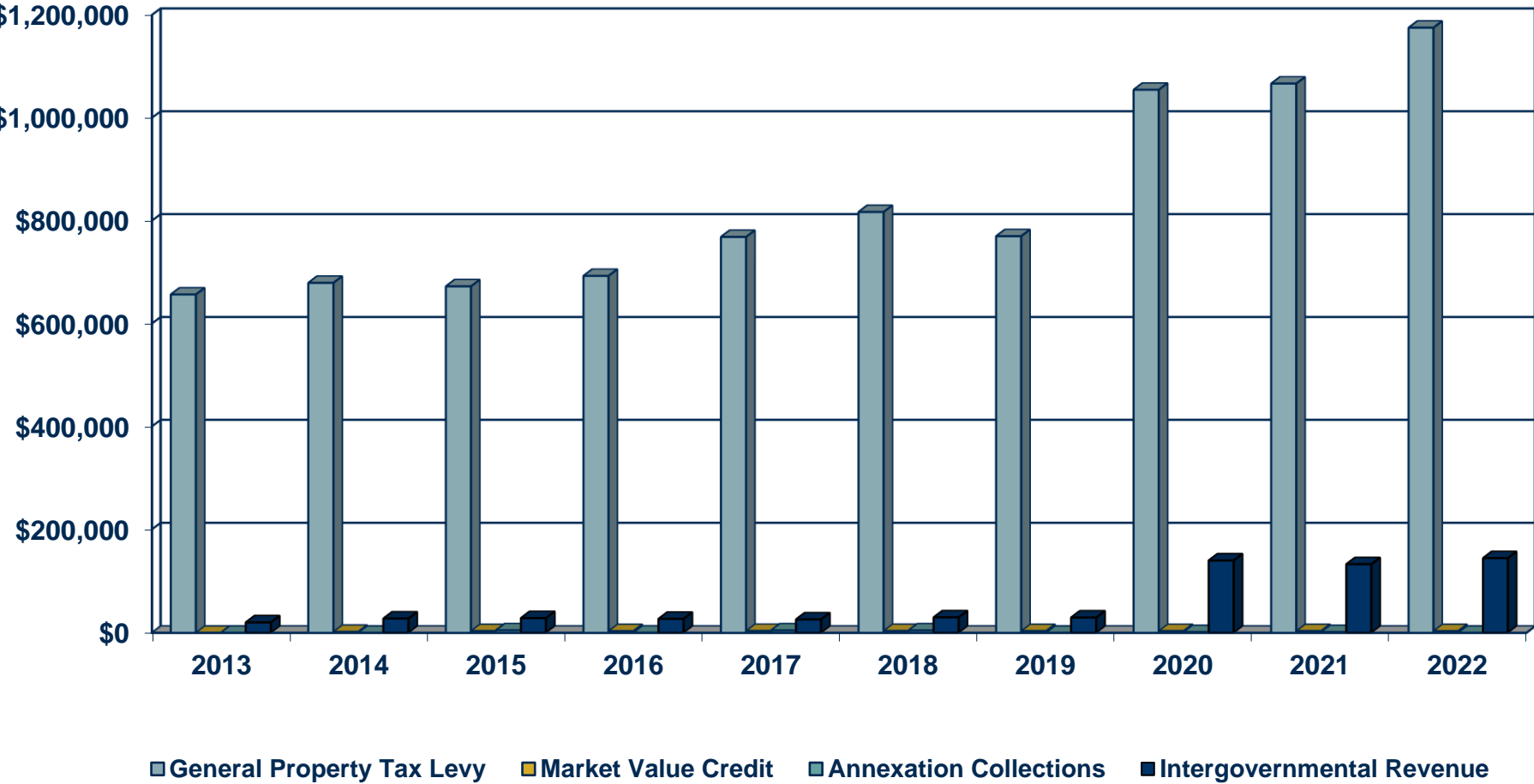
✓ Annexation revenue is impacted by County valuations

INTERGOVERNMENTAL REVENUES



- ✓ Intergovernmental revenue includes Gas Tax (Town Road Allotment), Aggregate Fee from Olmsted County, other Federal aids, etc.
- ✓ Intergovernmental revenue represented 10% of the Township's governmental revenues in 2022 (excluding developer reimbursement)
- ✓ Intergovernmental revenue increased by \$11,743 from 2021 to 2022 due to an increase in the gas tax
- ✓ 2022 includes \$103,982 ARPA funding

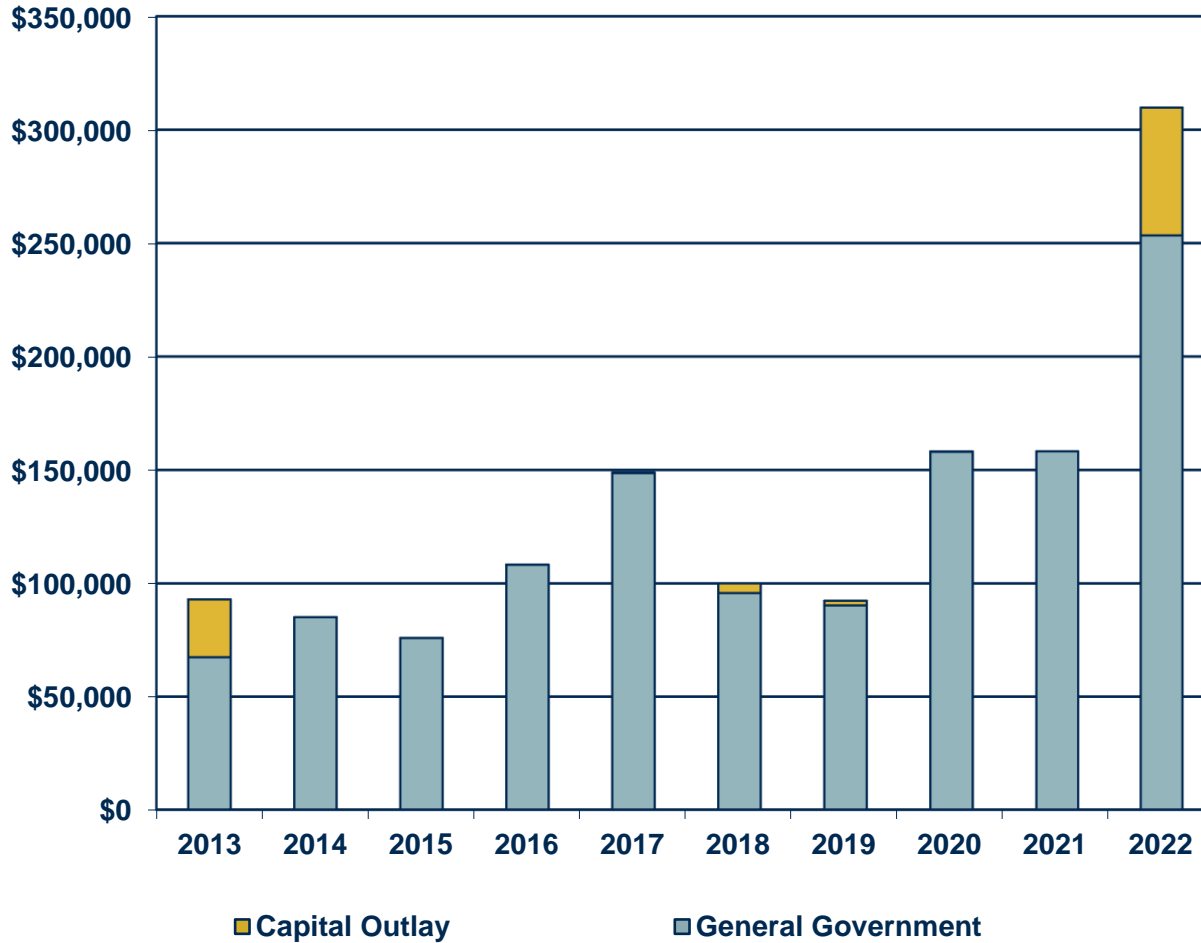
GOVERNMENTAL FUND REVENUES



EXPENDITURES

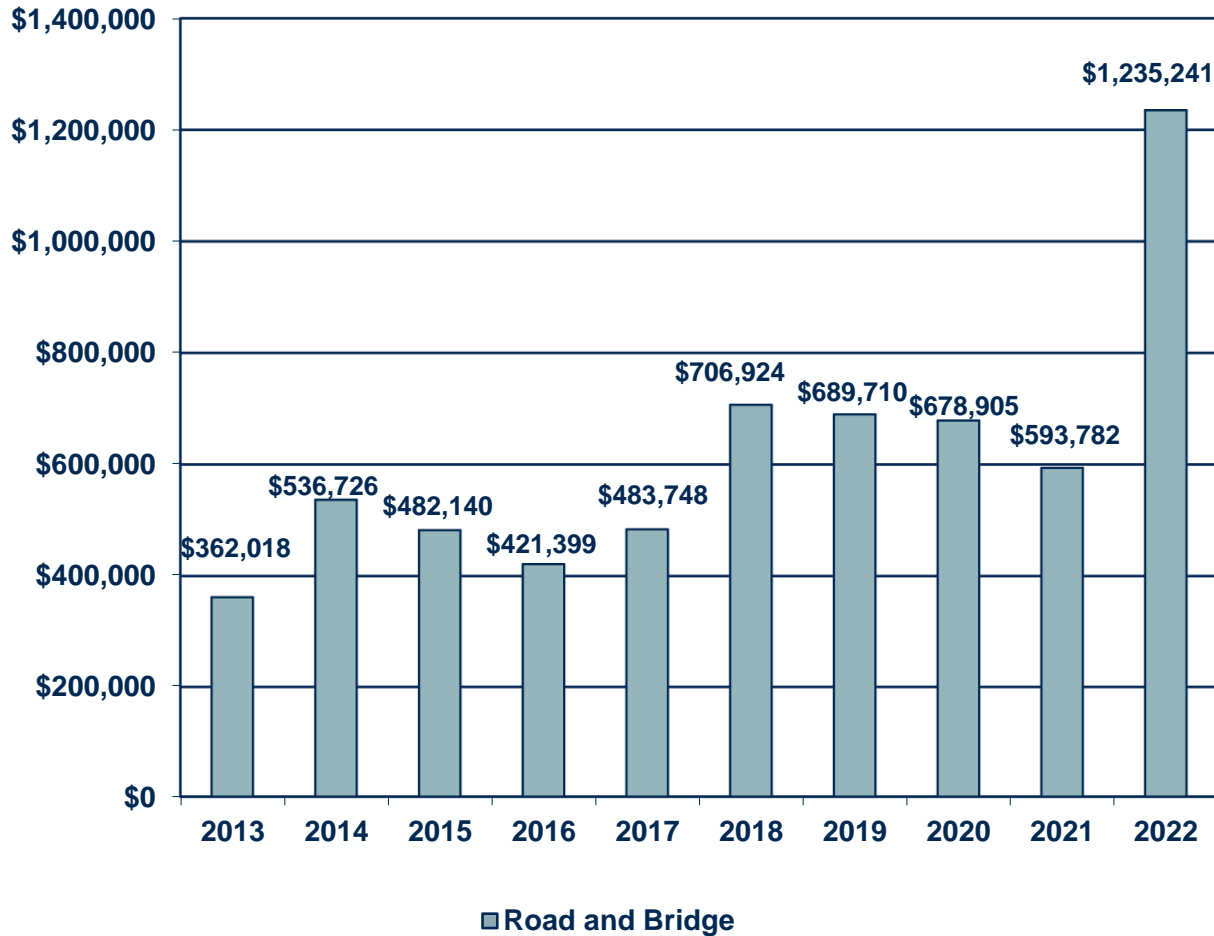
Governmental Funds

GENERAL GOVERNMENT EXPENDITURES



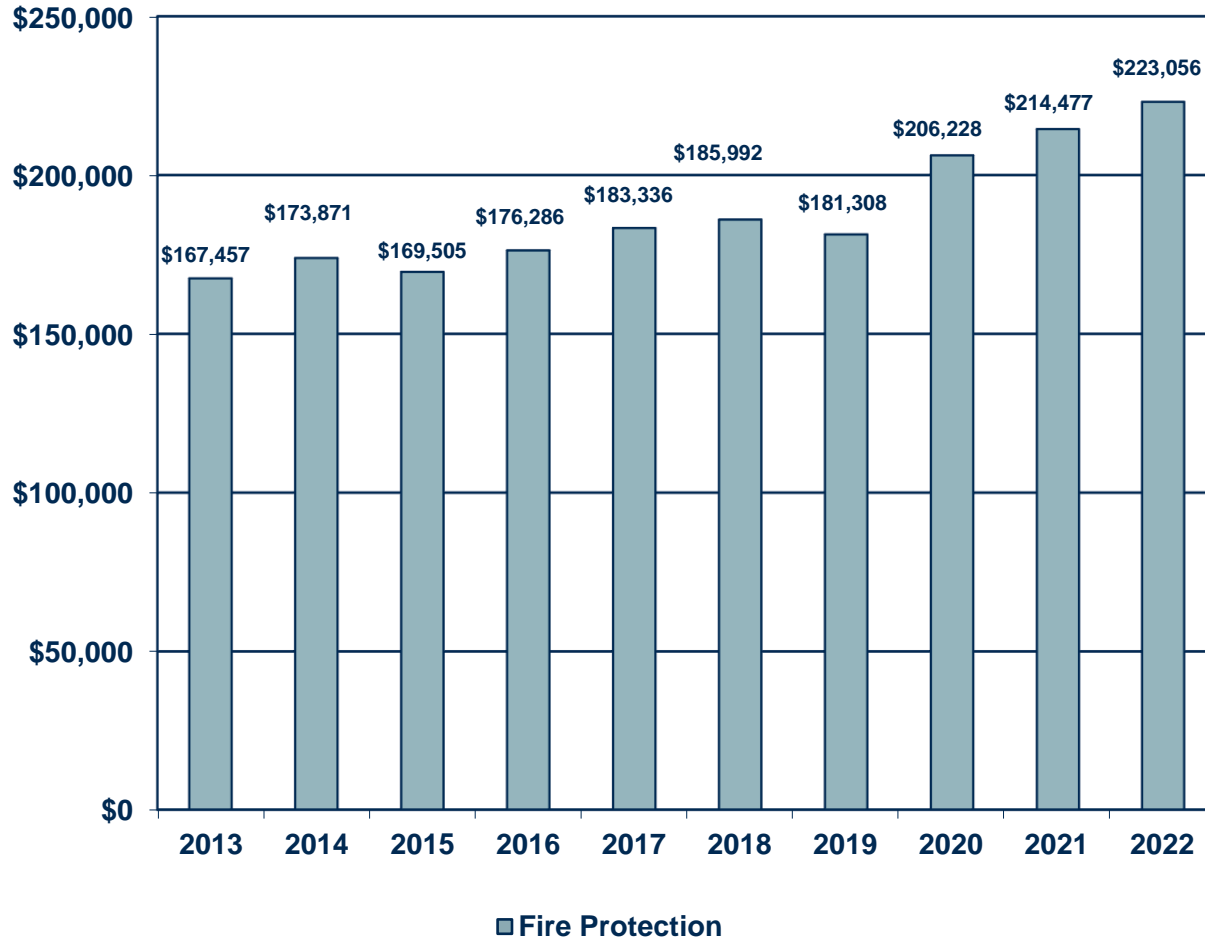
- ✓ Includes legislative, elections, administration, legal, and other miscellaneous expenses
- ✓ Amount for 2022 totaled \$309,743 an increase of \$151,532 due to legal fees, township and non-township engineering costs, and expenditures of ARPA funds
- ✓ Capital outlay in 2013 included construction of salt/sand shed and office remodel
- ✓ Capital outlay in 2022 included flooring and drain system repairs

ROAD AND BRIDGE EXPENDITURES



- ✓ Totaled **\$1,235,241** in 2022, an increase of **\$641,459** in 2022
- ✓ Expended **\$286,591** for Joint Powers Board
- ✓ Expenditures of **\$948,650** in 2022 for road improvements

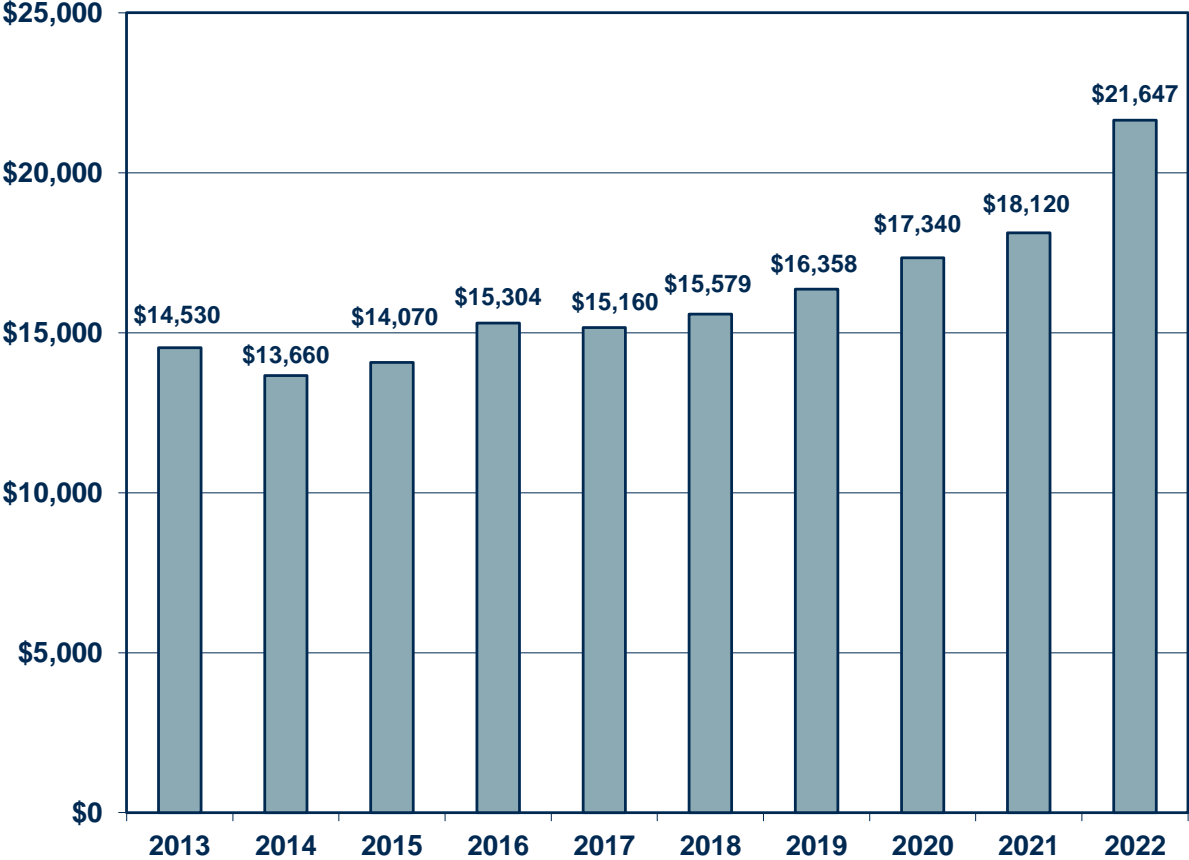
FIRE PROTECTION EXPENDITURES



✓ Township contracts with City of Rochester for fire protection services

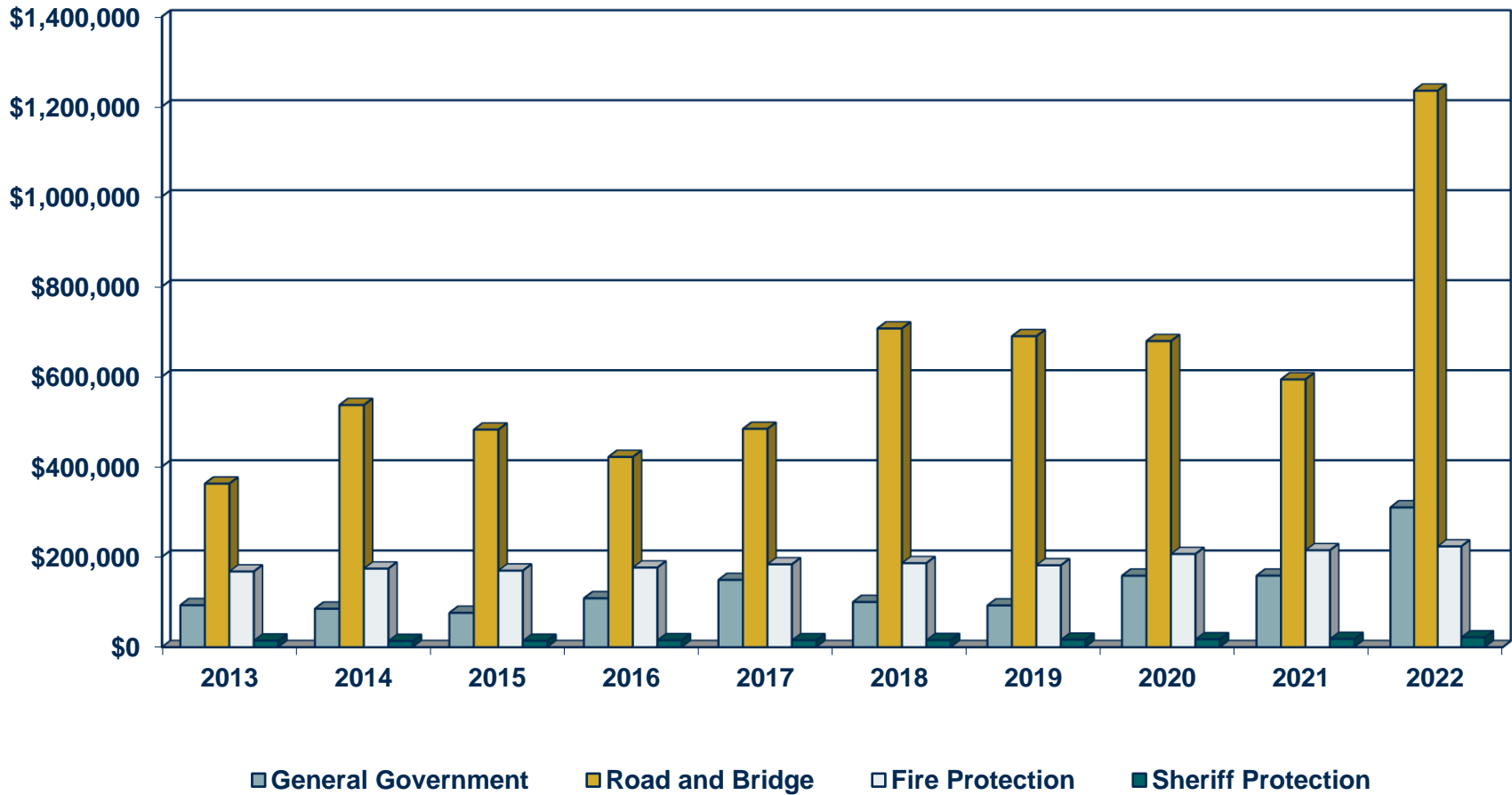
✓ Expenditures increased by \$8,579 in 2022

SHERIFF PROTECTION EXPENDITURES

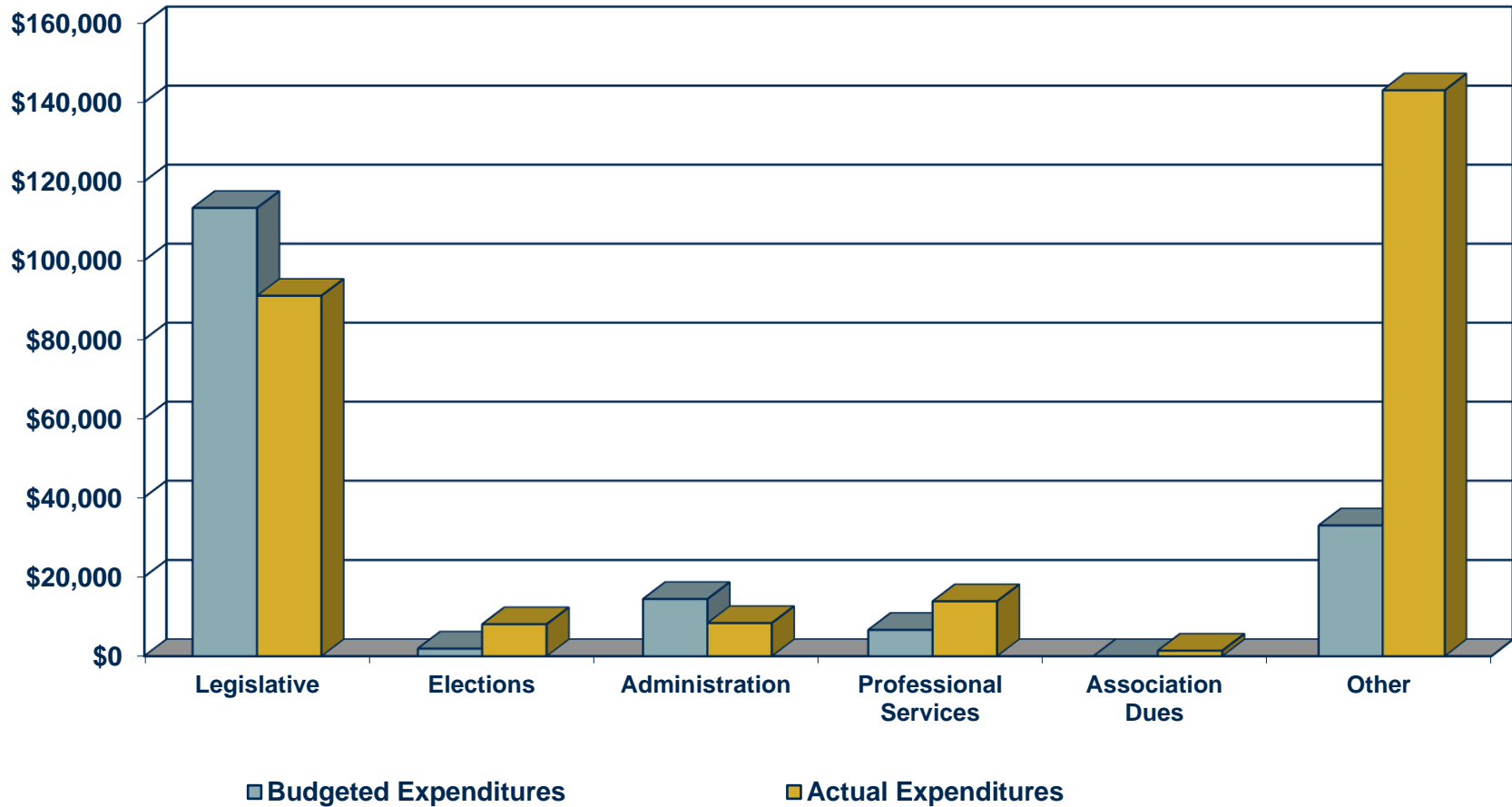


✓ Township contracts with Olmsted County Sheriff's Office for police protection services beginning in 2007

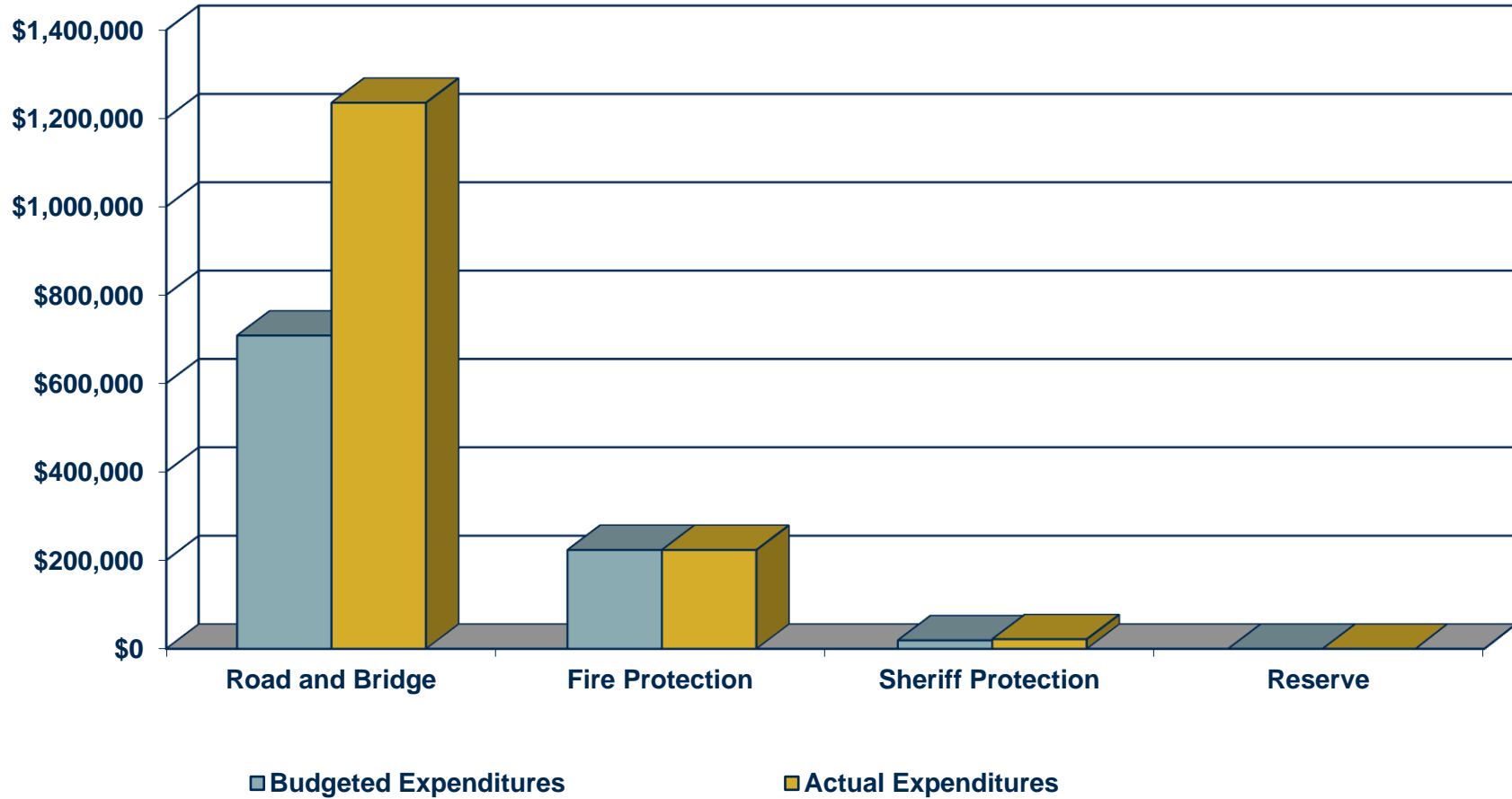
GOVERNMENTAL FUND EXPENDITURES



GENERAL FUND – BUDGET TO ACTUAL EXPENDITURES

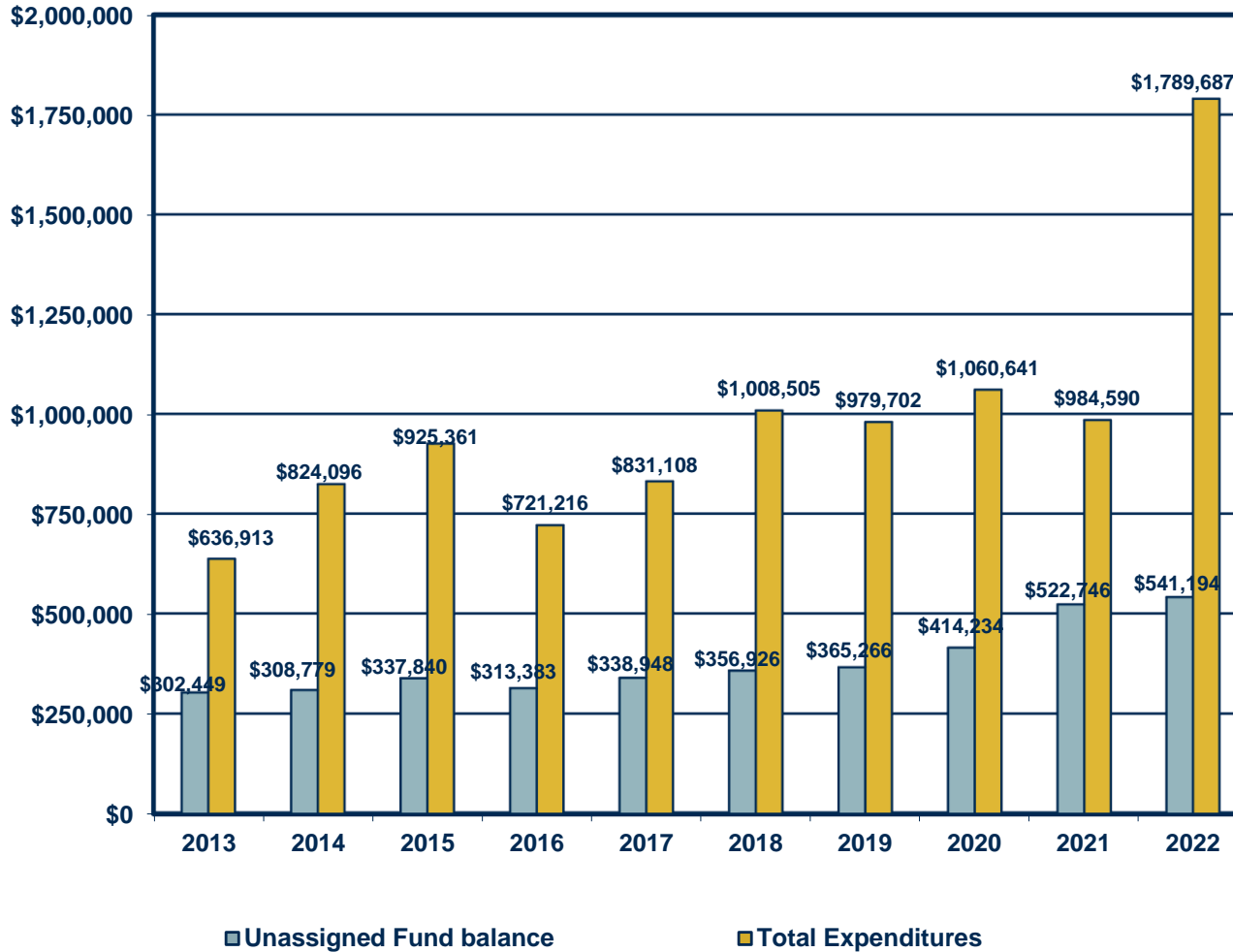


OTHER FUNDS – BUDGET TO ACTUAL EXPENDITURES



RESERVES

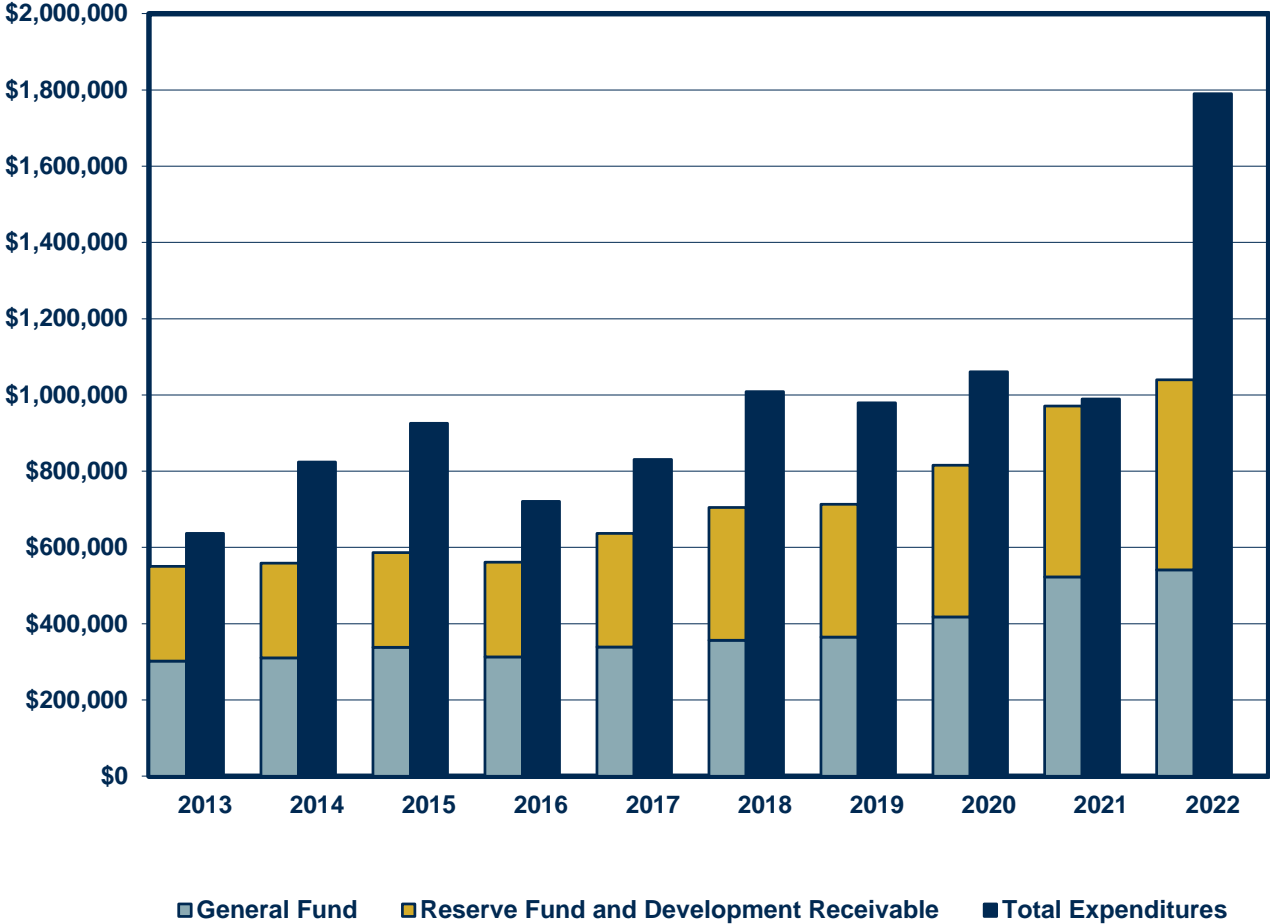
GENERAL FUND – FUND BALANCE



✓ Unassigned General Fund balance as a Percentage of Total Expenditures

- ✓ **2022** 30%
- ✓ 2021 53%
- ✓ 2020 39%
- ✓ 2019 37%
- ✓ 2018 35%
- ✓ 2017 41%
- ✓ 2016 43%
- ✓ 2015 37%
- ✓ 2014 37%
- ✓ 2013 47%

RESERVES

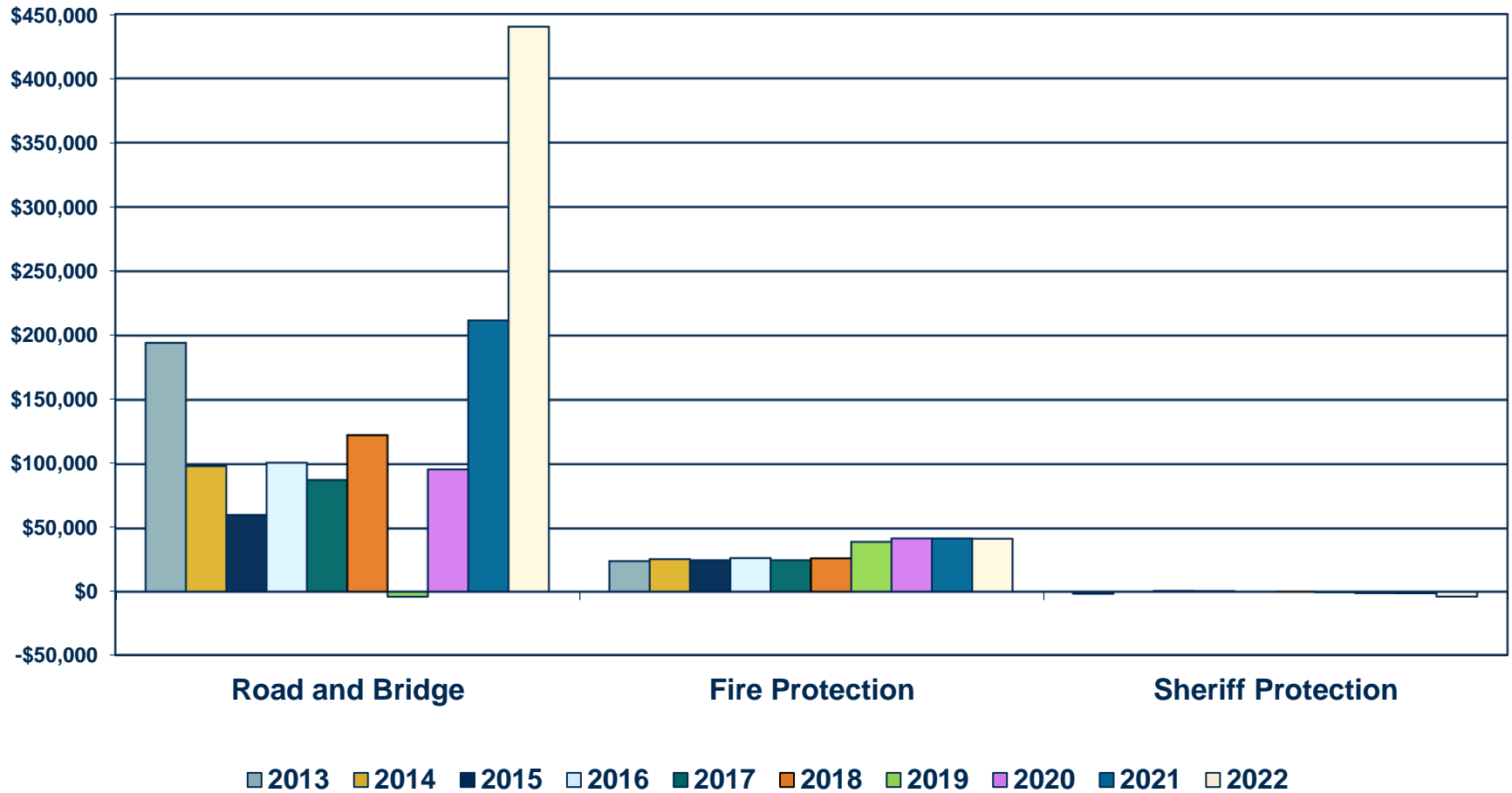


✓ **Unassigned General Fund balance and Assigned Reserve Fund balance as a Percentage of Total Expenditures**

- ✓ **2022** **58%**
- ✓ 2021 98%
- ✓ 2020 77%
- ✓ 2019 73%
- ✓ 2018 70%
- ✓ 2017 77%
- ✓ 2016 78%
- ✓ 2015 63%
- ✓ 2014 68%
- ✓ 2013 86%

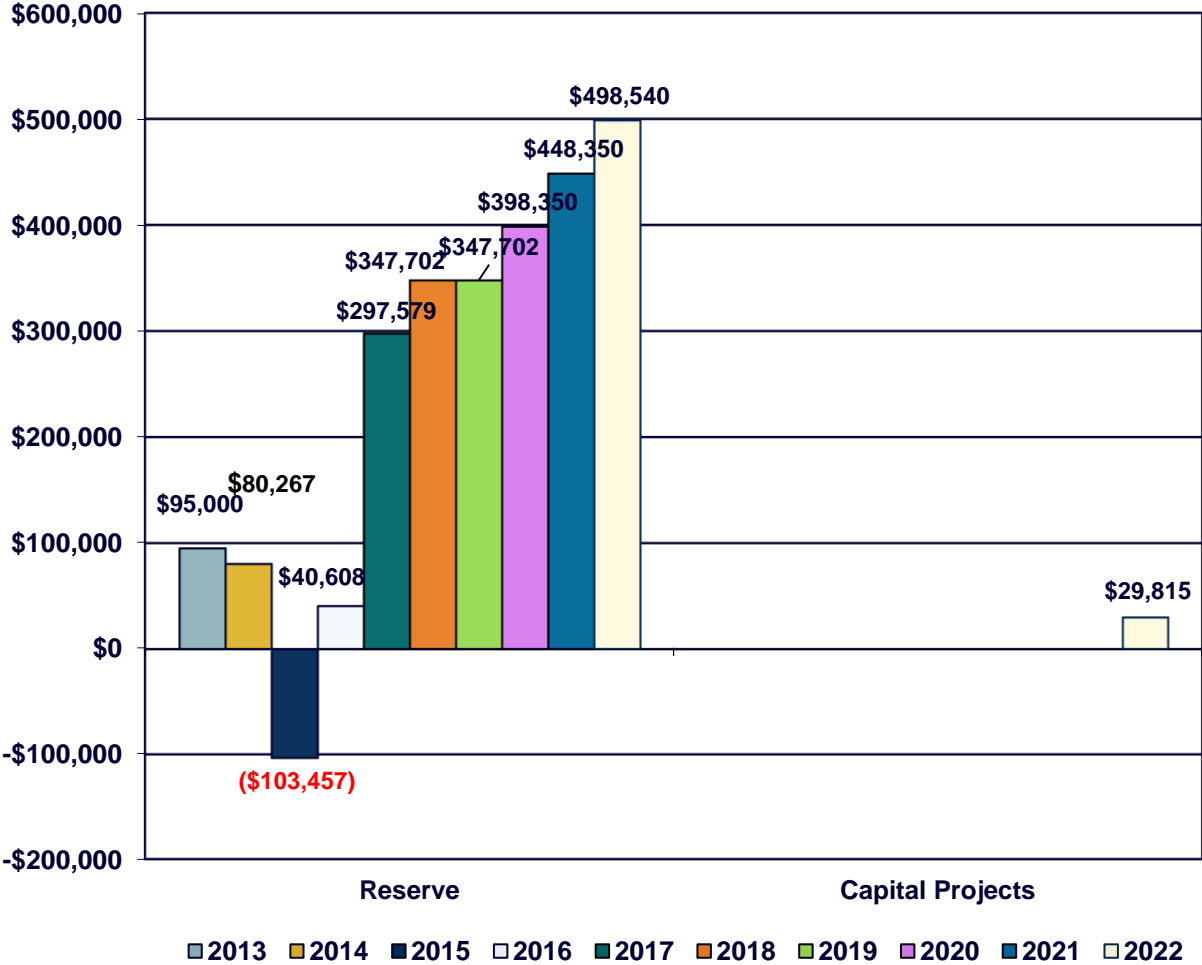
SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS – FUND BALANCE



CAPITAL PROJECT FUNDS

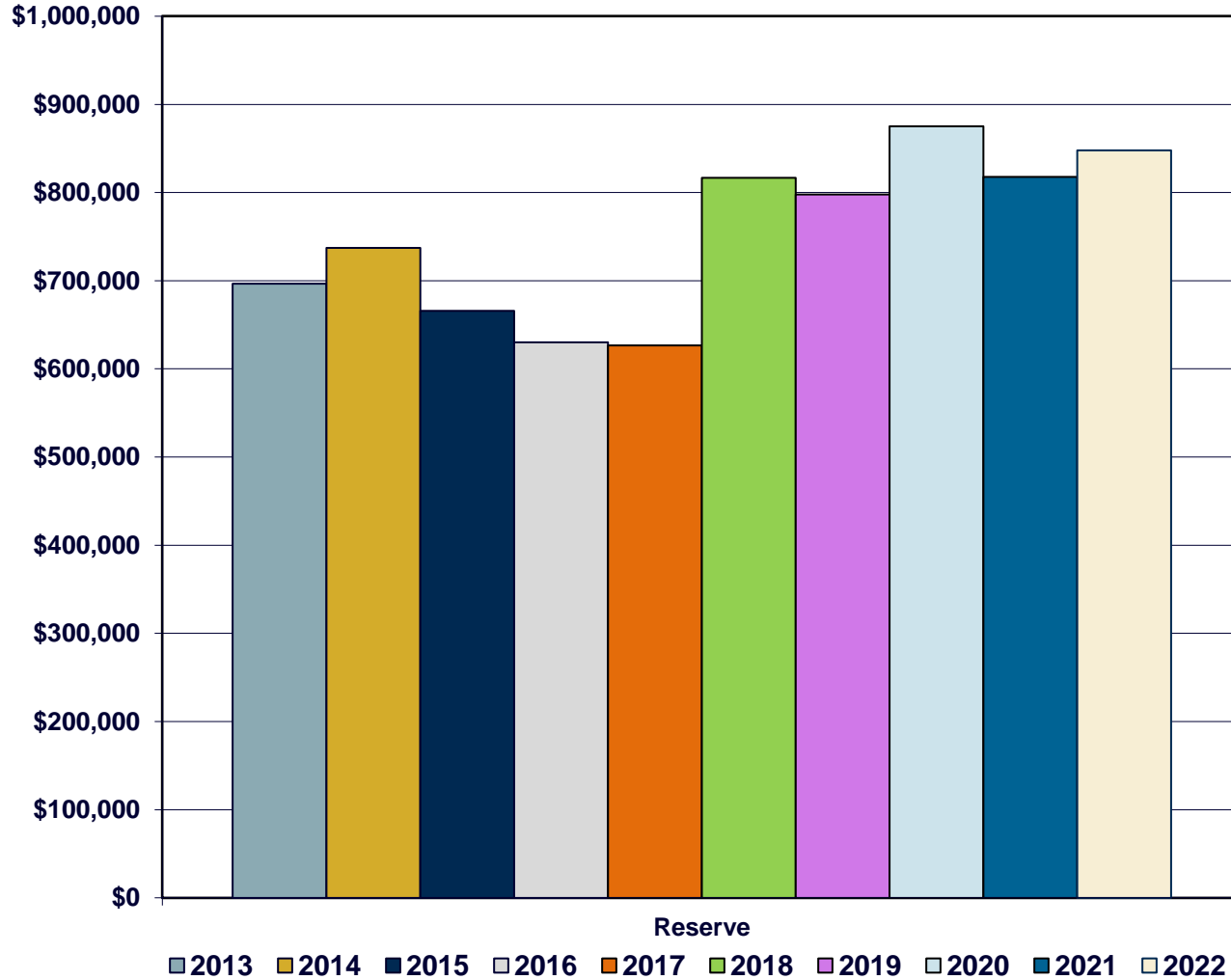
CAPITAL PROJECT FUNDS – RESERVE FUND BALANCE



- ✓ Provided funding for Meadow Crossing project of \$225,000 in 2009 and Mayo Woodland Road project of \$14,733 in 2014 and \$183,724 in 2015
- ✓ Township filed liens against Mayo Woodland properties as a result of developer defaulting
- ✓ As of December 31, 2017 developer receivable was paid in full. Developer receivable due to settlement of litigation relating to Mayo Woodland Road project
- ✓ Funding will be repaid as lots are sold through tax assessments and liens paid at closing
- ✓ Fund Balance at December 31, 2022 totaled \$498,540
- ✓ Capital Projects fund was new in 2022 and ended with a fund balance of \$29,815

JOINT POWERS BOARD

JOINT POWERS BOARD – NET POSITION



- ✓ Rochester Township has a 50% share in the net position of the Joint Powers Board
- ✓ Joint Powers Board has \$661,600 invested in capital assets and \$186,272 in unrestricted net position at 12/31/22

SUMMARY

- ✓ General Fund reserves equal 30% of annual total Township expenditures. Including the Reserve Fund, reserves are 58% of annual total Township expenditures. General Fund revenues exceeded expenditures by \$18,643 in 2022.
- ✓ Road and Bridge fund increased by \$228,323 to an ending balance of \$440,123 from \$211,800 in 2021
- ✓ No debt
- ✓ Rochester Township is a participant with Cascade Township in a joint-venture titled Cascade-Rochester Road Services and Maintenance Joint Powers Board.