



# Annual Comprehensive Financial Report

For the Year Ended December 31, 2023

City of Albertville, Minnesota

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**CITY OF ALBERTVILLE, MINNESOTA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2023

ADAM NAFSTAD - CITY ADMINISTRATOR  
TINA LANNES - FINANCE DIRECTOR

**PREPARED BY**  
**DEPARTMENT OF FINANCE**

Member of the Government Finance Officers' Association  
of the United States and Canada

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INTRODUCTORY SECTION

CITY OF ALBERTVILLE  
ALBERTVILLE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2023

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April 16, 2024

Honorable Mayor, Members of the City Council and Citizens  
City of Albertville, Minnesota

Minnesota statutes require the City to issue an annual report on its financial position and activity, prepared in accordance with generally accepted accounting principles (GAAP), and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants, or the Office of the State Auditor. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the City of Albertville for the fiscal year ended December 31, 2023.

This report consists of management's representations concerning the finances of the City of Albertville. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control standards that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Albertville's financial statements have been audited by the public accounting firm of Abdo. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Albertville for the fiscal year ended December 31, 2023, are free of any material misstatements. Included within this report, Abdo. has issued an unqualified opinion on the City of Albertville's financial statements for the year ended December 31, 2023.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

### **Profile of the City of Albertville**

The City of Albertville is located in the east central portion of Minnesota, approximately 35 miles northwest of the Twin Cities, and approximately halfway between the metropolitan areas of Minneapolis/St. Paul and St. Cloud. The City of Albertville is located in the northeastern portion of Wright County, along the Interstate 94 corridor.

The City covers approximately 4.5 square miles. The current population is approximately 8,220.

The City of Albertville operates under the council/administrator form of government. The governing body consists of the Mayor and four Council members, elected at large and on a non-partisan basis. The Mayor is elected to a two-year term and four Council Members are elected to a four-year term, with elections held in each even-numbered year. Not more than two Council member's terms expire in any one year.

The Mayor and Council appoint a full-time City Administrator, who is responsible for overall supervision of City operations. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, hiring the City Administrator, other staff and appointing consultants.

The City provides its residents and businesses with a full range of services, including fire protection, law enforcement, public works, building inspection, planning and code enforcement, parks/trail improvements and maintenance, curbside recycling and other general activities. The City contracts with the Wright County Sheriff's Department for law enforcement. In addition, the City offers the following services to residents: water, sewer, storm drainage, and recycling, which are operated as enterprises. The City also partners with neighboring communities to provide library and senior center services. In addition, the governing body is financially accountable for the Economic Development Authority and therefore, these activities are included in the reporting entity.

### **Relevant Financial Policies**

The annual budget serves as the foundation for the City's financial planning and control. Developing the budget begins annually in June when the Finance Director prepares projected revenues and expenses for the next year's draft budget. Upon review and revisions by the Finance Director and City Administrator, the draft budget is reviewed by the Department Heads. Department budget requests are compiled by the Finance Director and reviewed by both the Finance Director and City Administrator. Integral to the budget process are staff meetings to review the draft budget, which is then presented to the City Council. City Council and staff work on the budget over the course of two to three budget workshops. Following Council direction and public input, the preliminary budget is updated and brought back for City Council approval. City Council adopts the preliminary budget in September and the Final Budget is adopted in December of each year. General Fund and Capital Funds are appropriated annually based on the adopted budget.

If a need arises for a significant budget amendment during the year, it is brought to City Council for approval.

Also, available within, are notes pertaining to basic financial statements for information on the Joint Powers Water Board (the City's water operations, operated in conjunction with the cities of St. Michael and Hanover).

### **Economic Condition and Outlook**

Key factors affecting the City's economic condition and financial outlook include:

- Based on permit activity, the local economy is strong and continues to grow. A total of 593 building permits were issued in 2023 with a total valuation of \$27,145,418. The number of new housing units in 2023 was 3, with an average valuation of approximately \$425,000 per home.
- The State of Minnesota continues its expansion of Interstate 94 through the City of Albertville.
- The City recently implemented a gas utility franchise fee.
- The area school districts are highly desirable and driving new residential interest to the area.
- A multi-family housing project including apartments and townhomes is under construction.

### **Commercial, Industrial and Retail**

The City of Albertville's commercial activity remains steady and it is a priority of the City to stimulate new commercial and industrial development. Currently, there are a number of commercial and industrial projects underway, including:

- Medart Inc
- Long Haul Trucking
- Everbrook Daycare
-

## Major Initiatives

Maintenance and preservation of the City infrastructure and facilities is a priority for the City. In 2023, the City completed multiple infrastructure improvements related to streets, utilities, trails and parks. Other major initiatives include:

- The I-94 West Corridor Coalition
- 2023 Street Improvements
- WWTP Biosolids Dewatering Improvements

## Long-term Financial Planning

The City of Albertville recognizes the importance of maintaining an appropriate level of fund balance. Sound fiscal management of Albertville's general fund operation budget is made more secure by establishing City goals regarding the size and use of the annual general fund balances. This policy provides two goals and measures for determining the appropriate fund balance. The security factor must be met before the dependence factor can be applied. The City of Albertville will strive to meet these goals.

1. **Security.** Ensure that, at NO time during budget preparation, the amounts remaining in current year-end fund balance (defined as the prior year's known fund balance amount less the amount designated for application to the current year budget) be allowed to be less than 35% of the next year's planned budget for the General Fund as a minimum. As economic conditions warrant, an amount larger than this shall be maintained. This will be applied to cash flow, revenue reserves and insurance, and liability needs, or be available in the time of emergencies.

It is intended for the current fund balance to meet or exceed the 35% minimum and maintain a level of 50% of next year's expenditures. If the fund balance level falls below the 35% due to unexpected expenses, a replenishment plan will be developed.

2. **Dependence.** In building the next year's budget, the percentage of total annual budget financing that can come from fund balances will not exceed 5% of the planned budget.

## Property Taxes

To sustain or expand City services, while keeping property taxes stable, the Council has diligently strived to maintain a level tax rate. The property tax levy for the year divided by the city-wide total net tax capacity equals the tax rate.

## Independent Audit

The financial statements were audited by Abdo, Certified Public Accountants, and their opinion has been included in this report. The scope of the audit included the basic financial statements of the City for the year ended December 31, 2021. Their audit was made in accordance with auditing standards generally accepted in the United States of America. The scope of the audit was sufficient to satisfy state and federal requirements. The auditors' opinion on the City's financial statements indicates that the auditors' examination has disclosed no conditions which cause them to believe that the financial statements are not fairly stated, in all material respects.

## **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended December 31, 2022. This is the fourteenth consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR, whose contents conforms to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current ACFR continues to meet the Certificate of Achievement's requirements and we are again submitting it to the GFOA to determine its eligibility for another certificate.

## **Acknowledgments**

I would like to commend Finance Director Lannes and the entire city staff for their hard work and dedication. I would like to recognize the CPA firm Abdo for their professional assistance. Finally, thank you to the Mayor and members of the City Council for your continued interest and support in planning and conducting the financial operations of the City in a very responsible and professional manner.

Respectfully submitted,



Adam Nafstad  
City Administrator/PWD/CE



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Albertville  
Minnesota**

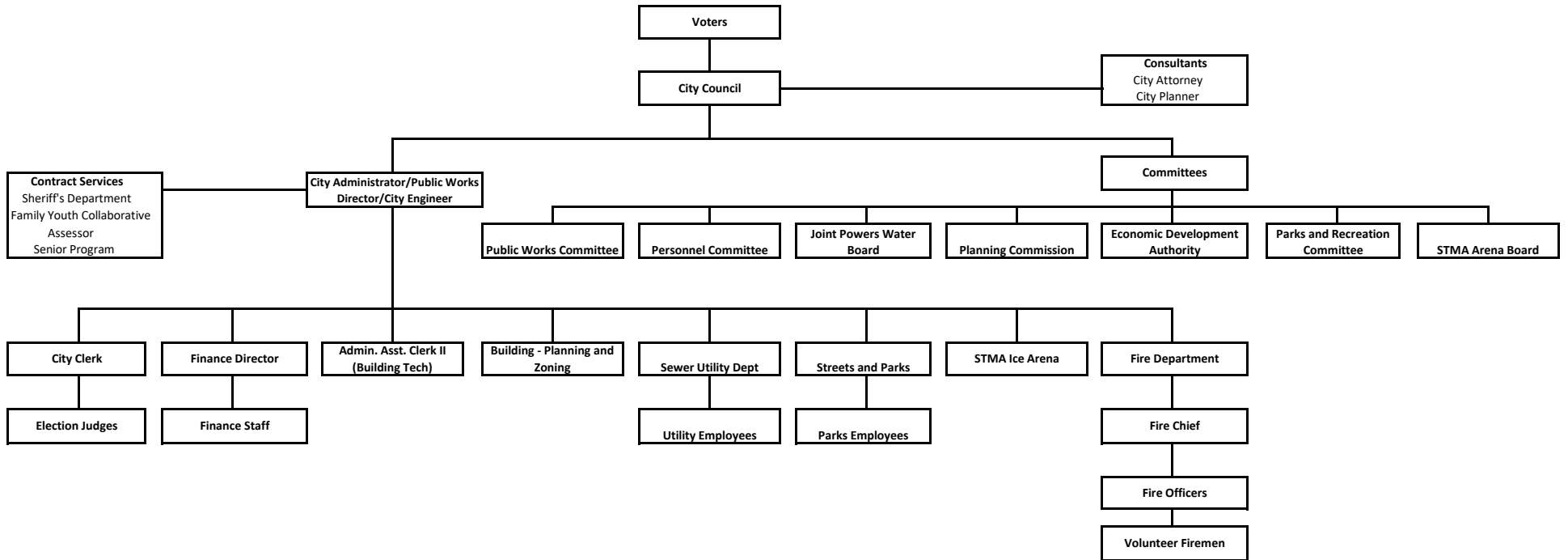
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

# City of Albertville Organizational Chart



City of Albertville, Minnesota  
Elected and Appointed Officials  
For the Year Ended December 31, 2023

**ELECTED**

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Jillian Hendrickson	Mayor	12/31/24
Rob Olson	Council Member	12/31/26
John Hayden	Council Member	12/31/24
Bob Zagorski	Council Member	12/31/26
Aaron Cocking	Council Member	12/31/24

**APPOINTED**

<u>Name</u>	<u>Title</u>
Adam Nafstad	City Administrator
Tina Lannes	Finance Director

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FINANCIAL SECTION  
CITY OF ALBERTVILLE  
ALBERTVILLE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council  
City of Albertville, Minnesota

### Report on the Financial Statements

#### Opinions

We have audited the accompanying financial statements of governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Albertville, Minnesota (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

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

#### Management's Responsibility for the Financial Statements

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

### Other Matters

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 23 and the Schedules of Employer's Share of the Net Pension Liability, the Schedules of Employer's Contributions, the related note disclosures, the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios starting on page 92 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



## **Supplementary Information**

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

## **Other Information**

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

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

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



**Abdo**  
Minneapolis, Minnesota  
April 16, 2024



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## **Management's Discussion and Analysis**

As management of the City of Albertville, Minnesota, (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2023.

### **Financial Highlights**

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year as shown in the summary of net position on the following pages. The unrestricted amount of net position may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased as shown in the summary of changes in net position table on the following pages. This increase is attributable to program revenues exceeding expenses during the year.
- For the current fiscal year, the City's governmental funds fund balances are shown in the Financial Analysis of the City's Funds section of the MD&A.
- Unassigned fund balance in the general fund as shown in the financial analysis of the City's funds section increased from the prior year due to revenues in excess of budget.
- The City's total debt increased during the current fiscal year. The increase was due to the issuance of series 2023A general obligation disposal system bonds to fund wastewater treatment facility as shown on the outstanding debt table.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules which further explain and support the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about non-major governmental funds, which are added together and presented in single columns in the basic financial statements.

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

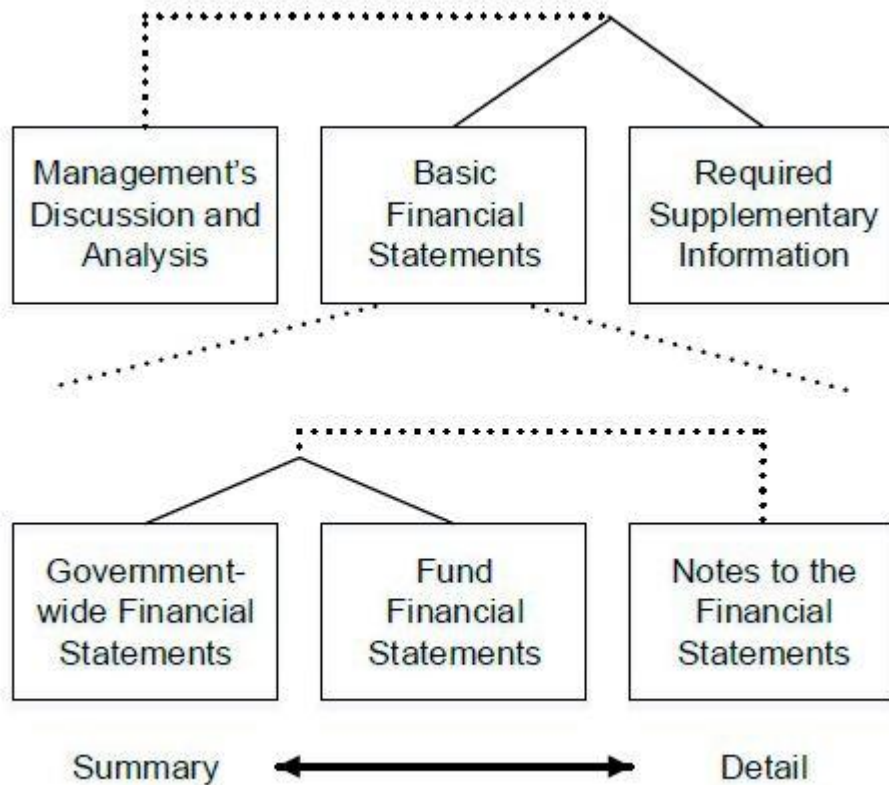




Figure 2 summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the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

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

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

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

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

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

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

The government-wide financial statements start on page 37 of this report.

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

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

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

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Debt Service, and Capital Outlay Reserve funds - all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General fund. A budgetary comparison statement has been provided for the General fund to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 42 of this report.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds.

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

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements are on page 54 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 57 of this report.

**Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found starting on page 90 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the notes to the financial statements. Combining and individual fund statements and schedules start on page 102 of this report.

### Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities the close of the most recent fiscal year.

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

### City of Albertville's Summary of Net Position

	Governmental Activities			Business-type Activities		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
Current and Other Assets	\$ 16,484,333	\$ 16,312,131	\$ 172,202	\$ 19,879,502	\$ 13,694,727	\$ 6,184,775
Capital Assets	22,766,923	23,058,393	(291,470)	23,756,332	17,295,499	6,460,833
Total Assets	<u>39,251,256</u>	<u>39,370,524</u>	<u>(119,268)</u>	<u>43,635,834</u>	<u>30,990,226</u>	<u>12,645,608</u>
Deferred Outflows of Resources	787,411	810,043	(22,632)	103,186	160,116	(56,930)
Long-term Liabilities Outstanding	3,499,110	4,812,529	(1,313,419)	15,716,544	6,694,167	9,022,377
Other Liabilities	794,789	1,347,833	(553,044)	829,188	282,747	546,441
Total Liabilities	<u>4,293,899</u>	<u>6,160,362</u>	<u>(1,866,463)</u>	<u>16,545,732</u>	<u>6,976,914</u>	<u>9,568,818</u>
Deferred Inflows of Resources	551,802	109,655	442,147	118,766	4,788	113,978
Net Position						
Net investment in capital assets	20,273,389	19,783,680	489,709	11,419,846	11,189,927	229,919
Restricted	5,714,233	5,667,950	46,283	-	-	-
Unrestricted	9,205,344	8,458,920	746,424	15,654,676	12,978,713	2,675,963
Total Net Position	<u>\$ 35,192,966</u>	<u>\$ 33,910,550</u>	<u>\$ 1,282,416</u>	<u>\$ 27,074,522</u>	<u>\$ 24,168,640</u>	<u>\$ 2,905,882</u>
Net Position as a Percent of Total						
Net investment in capital assets	57.6 %	58.4 %		42.2 %	46.3 %	
Restricted	16.2	16.7		-	-	
Unrestricted	26.2	24.9		57.8	53.7	
	<u>100.0 %</u>	<u>100.0 %</u>		<u>100.0 %</u>	<u>100.0 %</u>	

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* may be used to meet the City's ongoing obligations to citizens and creditors.

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

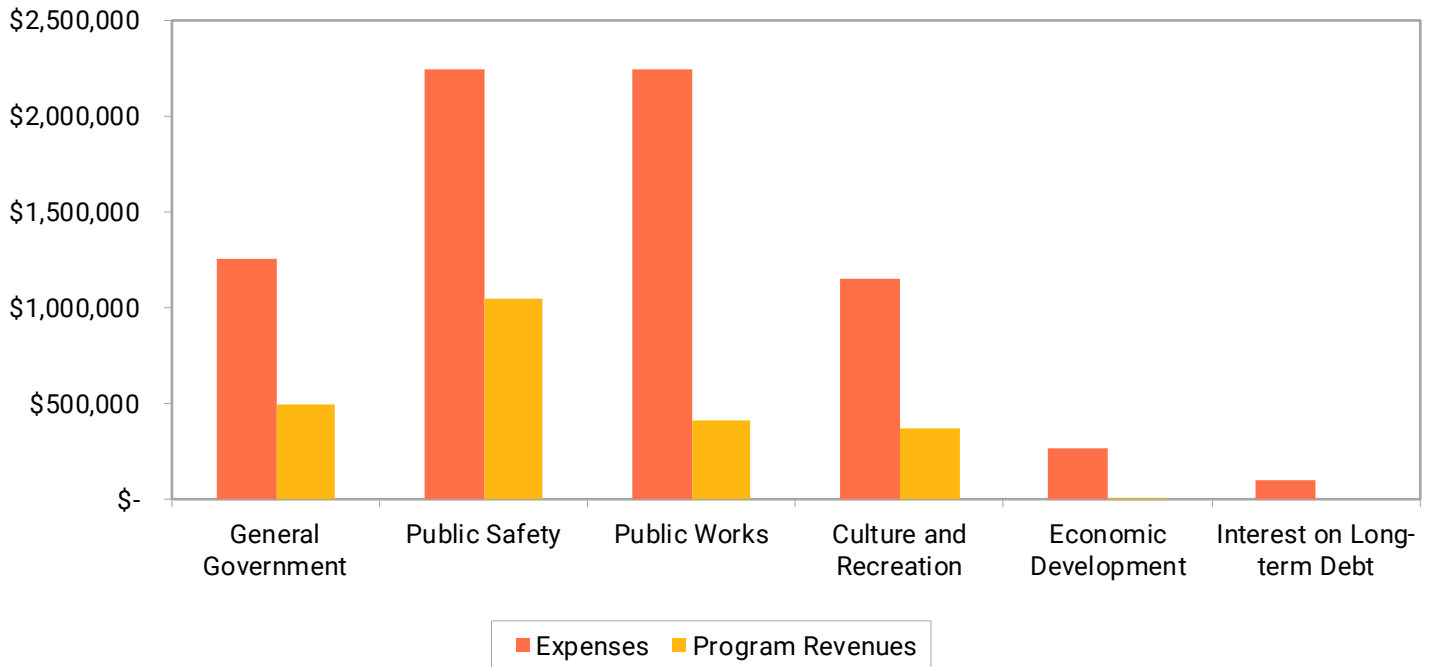
**Governmental Activities.** Governmental activities increased the City's net position. Significant changes from the prior year are noted below with a significant reason for the increase related to taxes and unrestricted investment earnings. Business-type activities increased the City's net position mainly due to capital grants and contributions for the waste water treatment facility.

### City of Albertville's Changes in Net Position

	Governmental Activities			Business-type Activities		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
Revenues						
Program Revenues						
Charges for services	\$ 1,258,084	\$ 1,979,509	\$ (721,425)	\$ 1,994,092	\$ 1,940,742	\$ 53,350
Operating grants and contributions	1,071,298	380,209	691,089	18,581	19,637	(1,056)
Capital grants and contributions	11,930	1,606,812	(1,594,882)	2,426,134	1,818,198	607,936
General Revenues						
Taxes						
Property taxes	4,507,776	4,326,785	180,991	220,624	222,934	(2,310)
Tax increments	462,983	197,675	265,308	-	-	-
Franchise fees	325,250	-	325,250	-	-	-
Grants and contributions not restricted to specific programs	305,373	115,422	189,951	111,961	58,468	53,493
Gain on sale of capital assets	30,000	-	30,000	-	-	-
Unrestricted investment earnings (loss)	564,901	(320,982)	885,883	808,086	(353,201)	1,161,287
Total Revenues	<u>8,537,595</u>	<u>8,285,430</u>	<u>252,165</u>	<u>5,579,478</u>	<u>3,706,778</u>	<u>1,872,700</u>
Expenses						
General government	1,257,890	1,273,530	(15,640)	-	-	-
Public safety	2,242,841	1,989,621	253,220	-	-	-
Public works	2,245,612	1,598,677	646,935	-	-	-
Culture and recreation	1,147,360	988,150	159,210	-	-	-
Economic development	265,896	1,354,800	(1,088,904)	-	-	-
Interest on long-term debt	95,580	112,596	(17,016)	-	-	-
Sewer	-	-	-	1,692,252	1,348,974	343,278
Water	-	-	-	526,850	465,093	61,757
Storm water	-	-	-	297,395	265,392	32,003
Recycling	-	-	-	157,099	145,939	11,160
Total Expenses	<u>7,255,179</u>	<u>7,317,374</u>	<u>(62,195)</u>	<u>2,673,596</u>	<u>2,225,398</u>	<u>448,198</u>
Change in Net Position	1,282,416	968,056	-	2,905,882	1,481,380	-
Net Position, January 1	<u>33,910,550</u>	<u>32,942,494</u>	<u>968,056</u>	<u>24,168,640</u>	<u>22,687,260</u>	<u>1,481,380</u>
Net Position, December 31	<u>\$ 35,192,966</u>	<u>\$ 33,910,550</u>	<u>\$ 1,282,416</u>	<u>\$ 27,074,522</u>	<u>\$ 24,168,640</u>	<u>\$ 2,905,882</u>

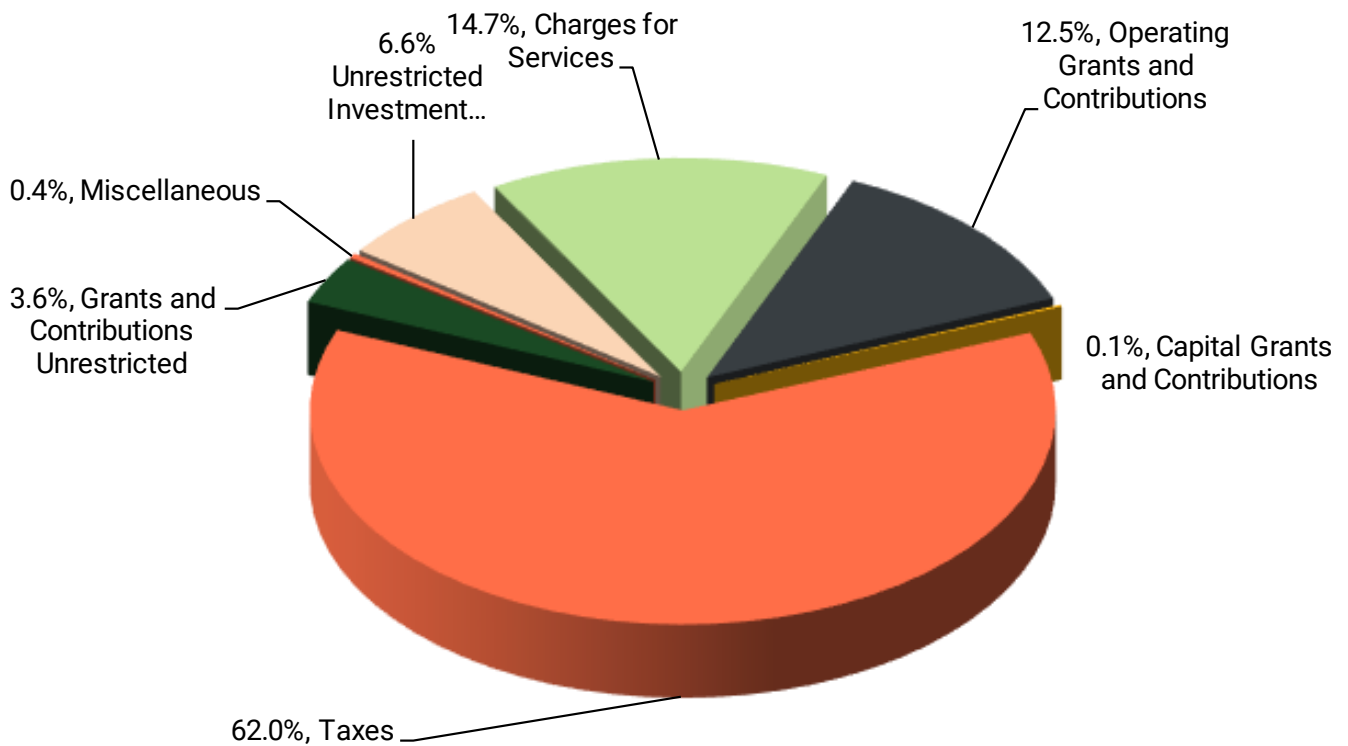
The following graph depicts various governmental activities and shows the revenue and expenses directly related to those activities.

### Expenses and Program Revenues - Governmental Activities



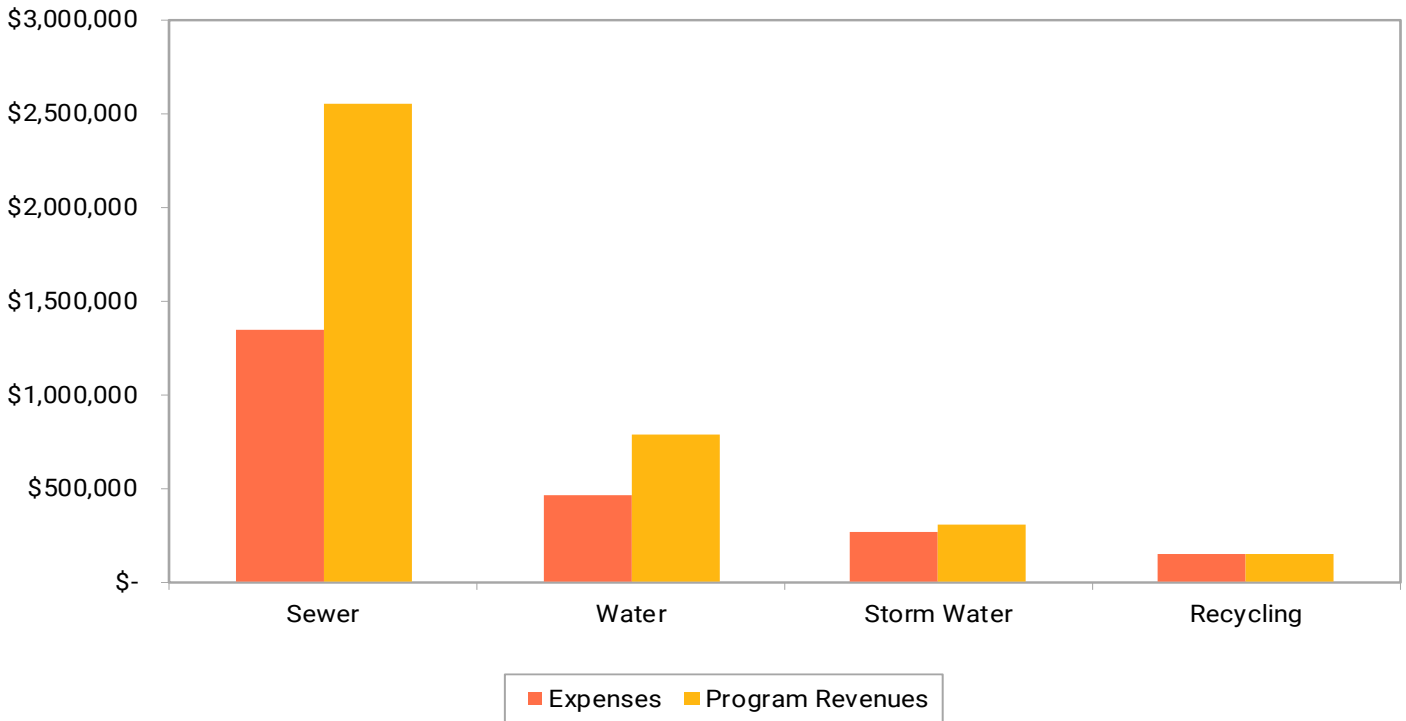
### Revenues by Source - Governmental Activities

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services.

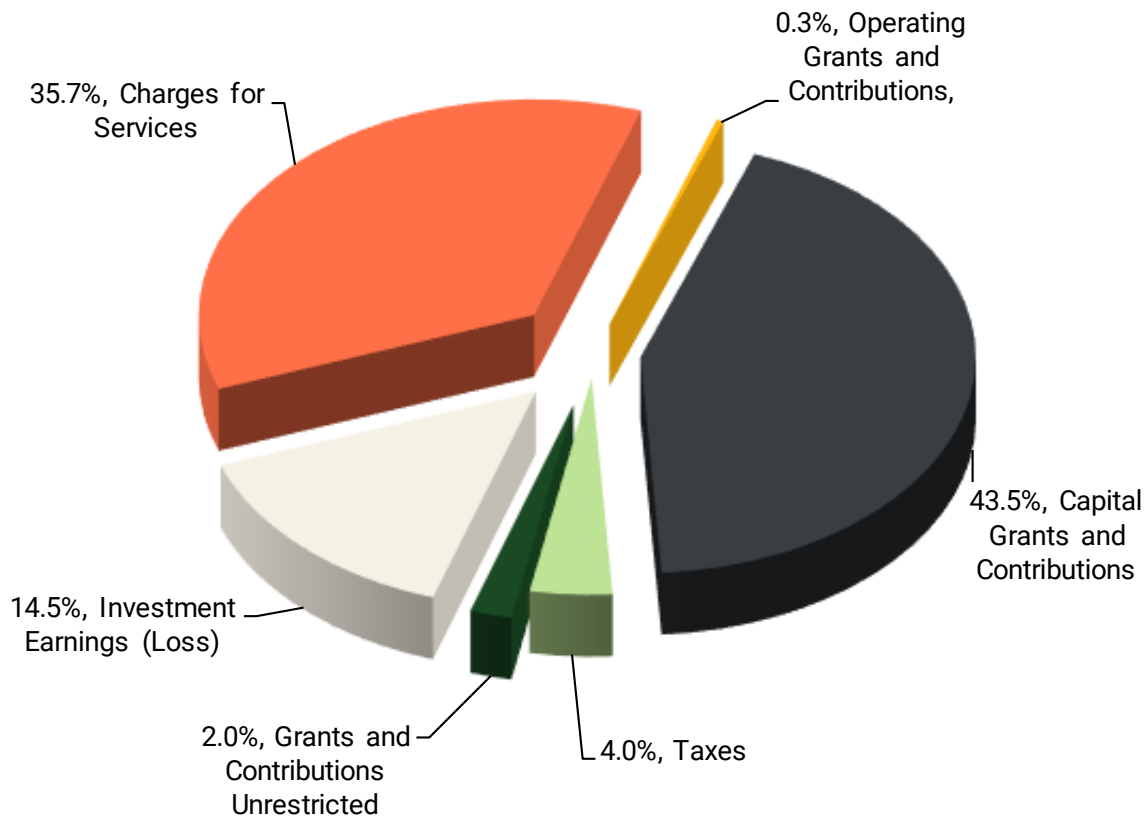


**Business-type Activities.** Business-type activities increased the City's net position mainly due to capital grants and contributions related to development activity.

### Expenses and Program Revenues - Business-type Activities



### Revenues by Source - Business-type Activities



## Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

	General	Debt Service	Capital Outlay Reserve	Other Governmental Funds	Total	Prior Year Total	Increase/ (Decrease)
Fund Balances							
Nonspendable	\$ 177,926	\$ -	\$ 10,000	\$ -	\$ 187,926	\$ 159,875	\$ 28,051
Restricted	-	2,783,933	349,995	1,262,815	4,396,743	4,074,312	322,431
Committed	-	-	-	159,322	159,322	151,451	7,871
Assigned	-	-	6,187,137	-	6,187,137	6,062,374	124,763
Unassigned	2,554,745	-	-	(999,190)	1,555,555	1,399,562	155,993
	<u>\$ 2,732,671</u>	<u>\$ 2,783,933</u>	<u>\$ 6,547,132</u>	<u>\$ 422,947</u>	<u>\$ 12,486,683</u>	<u>\$ 11,847,574</u>	<u>\$ 639,109</u>

The *General fund* is the chief operating fund of the City. At the end of the current year, the fund balance of the General fund is shown in the table above. As a measure of the General fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The total unassigned fund balance as a percent of total fund expenditures is shown in the chart below along with total fund balance as a percent of total expenditures.

	Current Year Ending Balance	Prior Year Ending Balance	Increase/ (Decrease)
General Fund Fund Balances			
Nonspendable	\$ 177,926	\$ 159,875	\$ 18,051
Unassigned	2,554,745	2,433,060	121,685
	<u>\$ 2,732,671</u>	<u>\$ 2,592,935</u>	<u>\$ 139,736</u>
General Fund expenditures	\$ 4,458,573	\$ 4,090,932	
Unassigned as a percent of expenditures	57.3%	59.5%	
Total Fund Balance as a percent of expenditures	61.3%	63.4%	

The fund balance of the City's General fund increased during the current fiscal year as shown in the table above. The increase is mainly due to interest earnings increasing related to the improvement in the market as well as increased franchise fees.

Other major governmental fund analysis is shown below:

	December 31, 2023	December 31, 2022	Increase (Decrease)
Debt Service Fund	\$ 2,783,933	\$ 3,047,697	\$ (263,764)
<i>The Debt Service fund decrease in fund balance during the year was due to scheduled principal and interest payments made on bonds during the year.</i>			
Capital Outlay Reserve	\$ 6,547,132	\$ 6,062,374	\$ 484,758
<i>The Capital Outlay Reserve fund increased mainly due to revenue allocations for future projects.</i>			

**Proprietary Funds:** The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

	Ending Net Position 2023	Ending Net Position 2022	Increase/ (Decrease)
Sewer	\$ 21,463,137	\$ 18,733,854	\$ 2,729,283
<i>The increase is primarily attributed to the capital contributions during the year.</i>			
Water	3,261,663	3,088,449	173,214
<i>The increase is primarily attributed to interest earnings, intergovernmental revenue and capital contributions.</i>			

**General Fund Budgetary Highlights**

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 3,893,184	\$ 4,598,309	\$ 705,125
Expenditures	4,013,430	4,458,573	(445,143)
Net Change in Fund Balances	(120,246)	139,736	259,982
Fund Balances, January 1	2,592,935	2,592,935	-
Fund Balances, December 31	<u>\$ 2,472,689</u>	<u>\$ 2,732,671</u>	<u>\$ 259,982</u>

Actual revenues were over the final budget and expenditures were also over the final budget amounts as shown above. Revenues came in above the final budget due to large favorable variances from budget related to charges for services and investment earnings. Expenditures also came in over the final budget due to unfavorable variances from budget related to general government, public safety, and culture and recreation expenditures.



## Capital Asset and Debt Administration

**Capital Assets:** The City's investment in capital assets for its governmental and business-type activities as of December 31, 2023, is shown below in capital asset table (net of accumulated depreciation). This investment in capital assets includes land, structures, improvements, machinery and equipment, vehicles, roads, highways and bridges. The total increase in the City's investment in capital assets for the current fiscal year for governmental and business-type activities is due to:

- 2022 Albertville Street Improvements
- 2023 Albertville Street Improvements
- 2023 Loader and Plow
- Barthel Industrial Drive Improvements

Additional information on the City's capital assets can be found in Note 3B starting on page 69 of this report.

### City of Albertville's Capital Assets (Net of Depreciation)

	Governmental Activities			Business-type Activities			Total		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
Land	\$ 3,983,292	\$ 3,983,292	\$ -	\$ 351,834	\$ 351,834	\$ -	\$ 4,335,126	\$ 4,335,126	\$ -
Construction in Progress	1,213,773	2,555,736	(1,341,963)	7,138,400	157,106	6,981,294	8,352,173	2,712,842	5,639,331
Buildings	2,577,840	3,765,143	(1,187,303)	2,606,210	2,724,202	(117,992)	5,184,050	6,489,345	(1,305,295)
Infrastructure	11,057,420	8,877,100	2,180,320	13,528,585	13,991,112	(462,527)	24,586,005	22,868,212	1,717,793
Land Improvements	1,736,569	1,736,569	-	-	-	-	1,736,569	1,736,569	-
Machinery and Equipment	877,258	677,354	199,904	45,829	32,551	13,278	923,087	709,905	213,182
Vehicles	1,320,771	1,463,199	(142,428)	85,474	38,694	46,780	1,406,245	1,501,893	(95,648)
<b>Total</b>	<b>\$ 22,766,923</b>	<b>\$ 23,058,393</b>	<b>\$ (291,470)</b>	<b>\$ 23,756,332</b>	<b>\$ 17,295,499</b>	<b>\$ 6,460,833</b>	<b>\$ 46,523,255</b>	<b>\$ 40,353,892</b>	<b>\$ 6,169,363</b>
Percent increase (decrease)			-1.3%			37.4%			15.3%

**Long-term Debt:** At the end of the current fiscal year, the City had total bonded debt outstanding indicated below. This amount consists of general obligation special assessment, general obligation revenue bonds and revenue bonds. While many of these bonds have their own revenue streams, they are backed by the full faith and credit of the City.

### City of Albertville's Outstanding Debt

	Governmental Activities			Business-type Activities		
	2023	2022	Increase (Decrease)	2023	2022	Increase (Decrease)
General Obligation						
Special Assessment Bonds	\$ 2,532,092	\$ 3,351,510	\$ (819,418)	\$ -	\$ 85,005	\$ (85,005)
G.O. Revenue Bonds	-	-	-	15,263,991	6,020,567	9,243,424
<b>Total</b>	<b>\$ 2,532,092</b>	<b>\$ 3,351,510</b>	<b>\$ (819,418)</b>	<b>\$ 15,263,991</b>	<b>\$ 6,105,572</b>	<b>\$ 9,158,419</b>
Percent increase (decrease)			-24.4%			150.0%

The City's total debt increased during the current fiscal year. This increase is attributable to issuance of series 2023A general obligation bond to fund the wastewater treatment facility.

Minnesota statutes limit the amount of net general obligation debt a City may issue to 3 percent of the market value of taxable property within the City. Net debt is debt payable solely from ad valorem taxes. The City's applicable debt does not exceed the limit set forth in statute.

Additional information on the City's long-term debt can be found in Note 3D starting on page 71 of this report.

### **Economic Factors and Next Year's Budgets and Rates**

Residential property values continue to show stable growth and home improvement activity remains strong. New housing starts will be limited as there is limited land zoned for new housing.

Commercial property values have increased and commercial interest is strong. The interstate highway, proximity to metropolitan areas, and strong residential markets in neighboring cities will continue to promote Albertville's commercial growth.

Budgeted capital projects are generally targeted towards maintenance and preservation of the City's infrastructure.

Budgeted contract services are reviewed and adjusted annually.

State and/or Federal funds received due to the COVID 19 pandemic are expected to be used for economic development and/or capital improvements.

### **Requests for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Albertville, 5959 Main Avenue, Albertville, Minnesota 55301.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF ALBERTVILLE  
ALBERTVILLE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2023

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City of Albertville, Minnesota  
Statement of Net Position  
December 31, 2023

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash and temporary investments	\$ 12,385,240	\$ 19,024,222	\$ 31,409,462
Receivables			
Interest	102,835	-	102,835
Taxes	45,729	-	45,729
Accounts	54,846	196,050	250,896
Notes - due within one year	73,148	-	73,148
Notes - due in more than one year	1,035,188	-	1,035,188
Less allowance for uncollectible	(450,000)	-	(450,000)
Special assessments	501,379	82,052	583,431
Internal balances	(73,000)	73,000	-
Due from other governments	1,543,708	469,738	2,013,446
Prepaid items	136,926	34,440	171,366
Equity interest in joint venture	250,447	-	250,447
Net pension asset	225,934	-	225,934
Land held for resale	651,953	-	651,953
Capital assets			
Land and construction in progress	5,197,065	7,490,234	12,687,299
Depreciable assets, net of accumulated depreciation	17,569,858	16,266,098	33,835,956
Total Assets	<u>39,251,256</u>	<u>43,635,834</u>	<u>82,887,090</u>
<b>Deferred Outflows of Resources</b>			
Loss on refunding bonds	38,558	-	38,558
Deferred pension resources	748,853	103,186	852,039
Total Deferred Outflows of Resources	<u>787,411</u>	<u>103,186</u>	<u>890,597</u>
<b>Liabilities</b>			
Accounts and contracts payable	277,135	490,267	767,402
Escrows payable	98,242	-	98,242
Due to other governments	16,411	49,030	65,441
Accrued interest payable	13,011	265,465	278,476
Accrued salaries payable	44,002	24,426	68,428
Unearned revenue	345,988	-	345,988
Noncurrent liabilities			
Due within one year			
Long-term liabilities	655,241	605,320	1,260,561
Due in more than one year			
Long-term liabilities	1,975,839	14,732,431	16,708,270
Net pension liability	868,030	378,793	1,246,823
Total Liabilities	<u>4,293,899</u>	<u>16,545,732</u>	<u>20,839,631</u>
<b>Deferred Inflows of Resources</b>			
Deferred pension resources	551,802	118,766	670,568
<b>Net Position</b>			
Net investment in capital assets	20,273,389	11,419,846	31,693,235
Restricted for			
Net pension asset	225,934	-	225,934
Debt service	3,875,489	-	3,875,489
Park dedication	969,612	-	969,612
Tax increment	293,203	-	293,203
Public safety aid	349,995	-	349,995
Unrestricted	9,205,344	15,654,676	24,860,020
Total Net Position	<u>\$ 35,192,966</u>	<u>\$ 27,074,522</u>	<u>\$ 62,267,488</u>

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

City of Albertville, Minnesota  
Statement of Activities  
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General government	\$ 1,257,890	\$ 380,077	\$ 104,279	\$ 9,480
Public safety	2,242,841	521,278	530,558	-
Public works	2,245,612	1,450	407,506	2,450
Culture and recreation	1,147,360	355,279	18,086	-
Economic development	265,896	-	10,869	-
Interest on long-term debt	95,580	-	-	-
Total Governmental Activities	<u>7,255,179</u>	<u>1,258,084</u>	<u>1,071,298</u>	<u>11,930</u>
<b>Business-type Activities</b>				
Sewer	1,692,252	1,106,098	9,869	2,389,744
Water	526,850	496,765	-	36,390
Storm water	297,395	249,451	-	-
Recycling	157,099	141,778	8,712	-
Total Business-type Activities	<u>2,673,596</u>	<u>1,994,092</u>	<u>18,581</u>	<u>2,426,134</u>
Total	<u>\$ 9,928,775</u>	<u>\$ 3,252,176</u>	<u>\$ 1,089,879</u>	<u>\$ 2,438,064</u>

General Revenues

Taxes

Property taxes levied for general purposes

Property taxes levied for debt service

Tax increments

Franchise fees

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Gain on sale of capital assets

Total General Revenues

Change in Net Position

Net Position, January 1

Net Position, December 31

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

Net (Expenses) Revenues  
and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (764,054)	\$ -	\$ (764,054)
(1,191,005)	-	(1,191,005)
(1,834,206)	-	(1,834,206)
(773,995)	-	(773,995)
(255,027)	-	(255,027)
(95,580)	-	(95,580)
<u>(4,913,867)</u>	<u>-</u>	<u>(4,913,867)</u>
-	1,813,459	1,813,459
-	6,305	6,305
-	(47,944)	(47,944)
<u>-</u>	<u>(6,609)</u>	<u>(6,609)</u>
<u>-</u>	<u>1,765,211</u>	<u>1,765,211</u>
<u>(4,913,867)</u>	<u>1,765,211</u>	<u>(3,148,656)</u>
4,143,704	220,624	4,364,328
364,072	-	364,072
462,983	-	462,983
325,250	-	325,250
305,373	111,961	417,334
564,901	808,086	1,372,987
30,000	-	30,000
<u>6,196,283</u>	<u>1,140,671</u>	<u>7,336,954</u>
1,282,416	2,905,882	4,188,298
<u>33,910,550</u>	<u>24,168,640</u>	<u>58,079,190</u>
<u>\$ 35,192,966</u>	<u>\$ 27,074,522</u>	<u>\$ 62,267,488</u>

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

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FUND FINANCIAL STATEMENTS

CITY OF ALBERTVILLE  
ALBERTVILLE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2023

City of Albertville, Minnesota

Balance Sheet  
Governmental Funds  
December 31, 2023

	General	Debt Service	Capital Outlay Reserve	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and temporary investments	\$ 2,571,022	\$ 1,296,675	\$ 6,748,106	\$ 1,769,437	\$ 12,385,240
Receivables					
Taxes	45,729	-	-	-	45,729
Accounts	54,846	-	-	-	54,846
Special assessments	39,190	446,231	15,958	-	501,379
Interest	99,324	3,511	-	-	102,835
Notes	-	658,336	-	450,000	1,108,336
Less allowance for uncollectible	-	-	-	(450,000)	(450,000)
Advances to other funds	25,000	882,794	19,588	-	927,382
Due from other governments	-	-	1,543,708	-	1,543,708
Prepaid items	126,926	-	10,000	-	136,926
Land held for resale	51,000	600,953	-	-	651,953
<b>Total Assets</b>	<b>\$ 3,013,037</b>	<b>\$ 3,888,500</b>	<b>\$ 8,337,360</b>	<b>\$ 1,769,437</b>	<b>\$ 17,008,334</b>
<b>Liabilities</b>					
Accounts and contracts payable	\$ 46,453	\$ -	\$ 230,562	\$ 120	\$ 277,135
Escrows payable	98,242	-	-	-	98,242
Advances from other funds	-	-	-	1,000,382	1,000,382
Due to other governments	16,411	-	-	-	16,411
Accrued salaries payable	44,002	-	-	-	44,002
Unearned revenue	-	-	-	345,988	345,988
<b>Total Liabilities</b>	<b>205,108</b>	<b>-</b>	<b>230,562</b>	<b>1,346,490</b>	<b>1,782,160</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue - property taxes	36,694	-	-	-	36,694
Unavailable revenue - special assessments	38,564	446,231	15,958	-	500,753
Unavailable revenue - notes/intergovernment:	-	658,336	1,543,708	-	2,202,044
<b>Total Deferred Inflows of Resources</b>	<b>75,258</b>	<b>1,104,567</b>	<b>1,559,666</b>	<b>-</b>	<b>2,739,491</b>
<b>Fund Balances</b>					
Nonspendable	177,926	-	10,000	-	187,926
Restricted	-	2,783,933	349,995	1,262,815	4,396,743
Committed	-	-	-	159,322	159,322
Assigned	-	-	6,187,137	-	6,187,137
Unassigned	2,554,745	-	-	(999,190)	1,555,555
<b>Total Fund Balances</b>	<b>2,732,671</b>	<b>2,783,933</b>	<b>6,547,132</b>	<b>422,947</b>	<b>12,486,683</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 3,013,037</b>	<b>\$ 3,888,500</b>	<b>\$ 8,337,360</b>	<b>\$ 1,769,437</b>	<b>\$ 17,008,334</b>

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

City of Albertville, Minnesota  
 Reconciliation of the Balance Sheet  
 to the Statement of Net Position  
 December 31, 2023

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

Total Fund Balances - Governmental	\$ 12,486,683
Governmental funds do not report an asset for equity interest in the joint venture	250,447
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	
Cost of capital assets	53,566,495
Less: accumulated depreciation	(30,799,572)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Long-term liabilities at year-end consist of	
Compensated absences payable	(98,988)
Bond principal payable	(2,532,092)
Net pension liability	(868,030)
Deferred outflows of resources, loss on refunding bond	38,558
Some receivables are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds.	
Special assessments	500,753
Taxes	36,694
Notes/intergovernmental	2,202,044
Governmental funds do not report long-term amounts related to pension.	
Deferred outflows of pension resources	748,853
Deferred inflows of pension resources	(551,802)
Net pension asset	225,934
Governmental funds do not report a liability for accrued interest until due and payable.	(13,011)
Total Net Position - Governmental Activities	<u><u>\$ 35,192,966</u></u>

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

City of Albertville, Minnesota  
Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2023

	General	Debt Service	Capital Outlay Reserve	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes	\$ 2,798,923	\$ 417,072	\$ 1,601,861	\$ 462,983	\$ 5,280,839
Licenses and permits	267,566	-	-	-	267,566
Intergovernmental	249,052	-	605,719	575	855,346
Charges for services	969,605	-	-	32,000	1,001,605
Fines and forfeitures	14,812	-	-	-	14,812
Special assessments	80,394	50,313	21,199	-	151,906
Investment earnings	151,130	68,576	287,716	57,479	564,901
Miscellaneous	66,827	77,440	4,810	-	149,077
Total Revenues	<u>4,598,309</u>	<u>613,401</u>	<u>2,521,305</u>	<u>553,037</u>	<u>8,286,052</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	1,021,530	-	-	-	1,021,530
Public safety	2,040,819	-	-	-	2,040,819
Public works	589,751	7,526	-	-	597,277
Culture and recreation	802,971	-	-	-	802,971
Economic development	3,502	-	-	262,394	265,896
<b>Capital outlay</b>					
General government	-	-	214,872	-	214,872
Public safety	-	-	87,388	-	87,388
Public works	-	-	1,529,614	-	1,529,614
Culture and recreation	-	-	204,673	-	204,673
<b>Debt service</b>					
Principal	-	813,000	-	-	813,000
Interest and other	-	56,639	-	12,264	68,903
Total Expenditures	<u>4,458,573</u>	<u>877,165</u>	<u>2,036,547</u>	<u>274,658</u>	<u>7,646,943</u>
Net Change in Fund Balances	139,736	(263,764)	484,758	278,379	639,109
Fund Balances, January 1	<u>2,592,935</u>	<u>3,047,697</u>	<u>6,062,374</u>	<u>144,568</u>	<u>11,847,574</u>
Fund Balances, December 31	<u>\$ 2,732,671</u>	<u>\$ 2,783,933</u>	<u>\$ 6,547,132</u>	<u>\$ 422,947</u>	<u>\$ 12,486,683</u>

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

City of Albertville, Minnesota  
 Reconciliation of the Statement of Revenues, Expenditures and  
 Changes in Fund Balances to the Statement of Activities  
 Governmental Funds  
 For the Year Ended December 31, 2023

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

Total Change In Fund Balances	\$ 639,109
Governmental funds do not report income or loss in a joint venture.	23,643
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.	
Capital outlays	1,482,945
Depreciation expense	(1,804,415)
Gain on trade in of capital assets	30,000
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.	
Principal repayments	813,000
Amortization of loss on refunding and premium	(31,821)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.	5,144
Long-term pension activity is not reported in governmental funds.	
Pension expense	(63,924)
Pension revenue	611
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	(9,165)
Certain revenues are recognized as soon as they are earned. Under the modified accrual basis of accounting certain revenues cannot be recognized until they are available to liquidate liabilities of the current period.	
Special assessments	(129,107)
Taxes	15,170
Intergovernmental	311,226
Change in Net Position - Governmental Activities	\$ 1,282,416

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

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City of Albertville, Minnesota  
Statement of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended December 31, 2023

	General			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 2,707,337	\$ 2,707,337	\$ 2,798,923	\$ 91,586
Licenses and permits	263,000	263,000	267,566	4,566
Intergovernmental	207,091	207,091	249,052	41,961
Charges for services	690,756	690,756	969,605	278,849
Fines and forfeitures	-	-	14,812	14,812
Special assessments	-	-	80,394	80,394
Investment earnings	10,000	10,000	151,130	141,130
Miscellaneous	15,000	15,000	66,827	51,827
Total Revenues	<u>3,893,184</u>	<u>3,893,184</u>	<u>4,598,309</u>	<u>705,125</u>
Expenditures				
Current				
General government	962,263	962,263	1,021,530	(59,267)
Public safety	1,977,031	1,977,031	2,040,819	(63,788)
Public works	524,899	524,899	589,751	(64,852)
Culture and recreation	524,237	524,237	802,971	(278,734)
Economic development	25,000	25,000	3,502	21,498
Total Expenditures	<u>4,013,430</u>	<u>4,013,430</u>	<u>4,458,573</u>	<u>(445,143)</u>
Net Change in Fund Balances	(120,246)	(120,246)	139,736	259,982
Fund Balances, January 1	<u>2,592,935</u>	<u>2,592,935</u>	<u>2,592,935</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 2,472,689</u>	<u>\$ 2,472,689</u>	<u>\$ 2,732,671</u>	<u>\$ 259,982</u>

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

City of Albertville, Minnesota

Statement of Net Position

Proprietary Funds

December 31, 2023

	Business-type Activities - Enterprise Funds			
	Sewer	Water	Nonmajor	Total
<b>Assets</b>				
<b>Current Assets</b>				
Cash and temporary investments	\$ 15,285,729	\$ 2,579,027	\$ 1,159,466	\$ 19,024,222
Receivables				
Accounts	88,154	83,731	24,165	196,050
Delinquent special assessments	1,635	2,273	666	4,574
Special assessments, current portion	8,298	7,395	2,880	18,573
Due from other governments	467,738	-	2,000	469,738
Prepaid items	24,630	7,538	2,272	34,440
<b>Total Current Assets</b>	<u>15,876,184</u>	<u>2,679,964</u>	<u>1,191,449</u>	<u>19,747,597</u>
<b>Noncurrent Assets</b>				
Special assessments, net of current portion	46,758	10,465	1,682	58,905
Advances to other funds	22,500	14,500	36,000	73,000
	<u>69,258</u>	<u>24,965</u>	<u>37,682</u>	<u>131,905</u>
<b>Capital Assets</b>				
Land	205,722	-	146,112	351,834
Buildings	4,706,359	13,330	-	4,719,689
Infrastructure	16,976,386	1,401,010	1,509,297	19,886,693
Machinery and equipment	218,515	174,081	-	392,596
Vehicles	237,686	216,921	69,177	523,784
Construction in progress	7,138,400	-	-	7,138,400
Less: Accumulated depreciation	(7,860,927)	(899,853)	(495,884)	(9,256,664)
<b>Net Capital Assets</b>	<u>21,622,141</u>	<u>905,489</u>	<u>1,228,702</u>	<u>23,756,332</u>
<b>Total Noncurrent Assets</b>	<u>21,691,399</u>	<u>930,454</u>	<u>1,266,384</u>	<u>23,888,237</u>
<b>Total Assets</b>	<u>37,567,583</u>	<u>3,610,418</u>	<u>2,457,833</u>	<u>43,635,834</u>
<b>Deferred Outflows of Resources</b>				
Deferred pension resources	<u>50,078</u>	<u>28,382</u>	<u>24,726</u>	<u>103,186</u>

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



City of Albertville, Minnesota  
Statement of Net Position (Continued)  
Proprietary Funds  
December 31, 2023

	Business-type Activities - Enterprise Funds			
	Sewer	Water	Nonmajor	Total
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts and contracts payable	\$ 445,089	\$ 44,738	\$ 440	\$ 490,267
Due to other governments	-	49,030	-	49,030
Accrued interest payable	264,984	481	-	265,465
Accrued salaries payable	7,305	10,981	6,140	24,426
Compensated absences payable, current portion	24,894	24,894	5,532	55,320
Bonds payable, current portion	539,600	10,400	-	550,000
<b>Total Current Liabilities</b>	<u>1,281,872</u>	<u>140,524</u>	<u>12,112</u>	<u>1,434,508</u>
<b>Noncurrent Liabilities</b>				
Compensated absences payable	8,298	8,298	1,844	18,440
Bonds payable	14,693,191	20,800	-	14,713,991
Net pension liability	104,383	183,405	91,005	378,793
<b>Total Noncurrent Liabilities</b>	<u>14,805,872</u>	<u>212,503</u>	<u>92,849</u>	<u>15,111,224</u>
<b>Total Liabilities</b>	<u>16,087,744</u>	<u>353,027</u>	<u>104,961</u>	<u>16,545,732</u>
<b>Deferred Inflows of Resources</b>				
Deferred pension resources	66,780	24,110	27,876	118,766
<b>Net Position</b>				
Net investment in capital assets	9,316,855	874,289	1,228,702	11,419,846
Unrestricted	12,146,282	2,387,374	1,121,020	15,654,676
<b>Total Net Position</b>	<u>\$ 21,463,137</u>	<u>\$ 3,261,663</u>	<u>\$ 2,349,722</u>	<u>\$ 27,074,522</u>

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

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City of Albertville, Minnesota  
Statement of Revenues, Expenses and  
Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds			
	Sewer	Water	Nonmajor	Total
Operating Revenues				
Charges for services	\$ 1,088,083	\$ 479,410	\$ 391,219	\$ 1,958,712
Operating Expenses				
Personal services	383,901	290,573	207,183	881,657
Supplies	37,065	36,753	-	73,818
Professional services	56,675	18,141	55,968	130,784
Utilities	121,822	507	-	122,329
Insurance	16,663	8,414	1,645	26,722
Repairs and maintenance	16,636	72,710	3,992	93,338
Depreciation	524,492	41,353	37,139	602,984
Other charges	49,565	57,215	148,430	255,210
Total Operating Expenses	<u>1,206,819</u>	<u>525,666</u>	<u>454,357</u>	<u>2,186,842</u>
Operating Income (Loss)	<u>(118,736)</u>	<u>(46,256)</u>	<u>(63,138)</u>	<u>(228,130)</u>
Nonoperating Revenues (Expenses)				
Property taxes	220,624	-	-	220,624
Interest income	634,572	115,576	57,938	808,086
Intergovernmental	60,628	51,333	8,712	120,673
Interest expense and other	(485,433)	(1,184)	(137)	(486,754)
Other income	27,884	17,355	10	45,249
Total Nonoperating Revenues (Expenses)	<u>458,275</u>	<u>183,080</u>	<u>66,523</u>	<u>707,878</u>
Income (Loss) Before Contributions	339,539	136,824	3,385	479,748
Contributions				
Capital contributions	<u>2,389,744</u>	<u>36,390</u>	<u>-</u>	<u>2,426,134</u>
Change in Net Position	2,729,283	173,214	3,385	2,905,882
Net Position, January 1	<u>18,733,854</u>	<u>3,088,449</u>	<u>2,346,337</u>	<u>24,168,640</u>
Net Position, December 31	<u>\$ 21,463,137</u>	<u>\$ 3,261,663</u>	<u>\$ 2,349,722</u>	<u>\$ 27,074,522</u>

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

City of Albertville, Minnesota  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds			
	Sewer	Water	Nonmajor	Totals
Cash Flows from Operating Activities				
Receipts from customers and users	\$ 1,094,603	\$ 488,196	\$ 393,343	\$ 1,976,142
Other receipts and payments, net	27,884	17,355	10	45,249
Payments to suppliers	(285,678)	(208,593)	(221,457)	(715,728)
Payments to employees	(372,421)	(273,175)	(198,859)	(844,455)
Net Cash Provided by Operating Activities	<u>464,388</u>	<u>23,783</u>	<u>(26,963)</u>	<u>461,208</u>
Cash Flows from Noncapital Financing Activities				
Intergovernmental receipts	60,628	51,333	8,712	120,673
Tax receipts	220,624	-	-	220,624
Net Cash Provided by Noncapital Financing Activities	<u>281,252</u>	<u>51,333</u>	<u>8,712</u>	<u>341,297</u>
Cash Flows from Capital and Related Financing Activities				
Acquisition of capital assets	(6,700,265)	(31,200)	-	(6,731,465)
Capital contributions	1,939,610	34,567	-	1,974,177
Debt issuance proceeds	9,798,446	-	-	9,798,446
Debt issuance costs	(155,540)	-	-	(155,540)
Interest paid on bonds	(131,013)	(1,331)	(850)	(133,194)
Principal paid on bonds	(529,600)	(10,400)	(85,000)	(625,000)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>4,221,638</u>	<u>(8,364)</u>	<u>(85,850)</u>	<u>4,127,424</u>
Cash Flows from Investing Activities				
Interest received on investments	634,572	115,576	57,938	808,086
Net Increase (Decrease) in Cash and Cash Equivalents	5,601,850	182,328	(46,163)	5,738,015
Cash and Cash Equivalents, January 1	<u>9,683,879</u>	<u>2,396,699</u>	<u>1,205,629</u>	<u>13,286,207</u>
Cash and Cash Equivalents, December 31	<u>\$ 15,285,729</u>	<u>\$ 2,579,027</u>	<u>\$ 1,159,466</u>	<u>\$ 19,024,222</u>

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

City of Albertville, Minnesota  
Statement of Cash Flows (Continued)  
Proprietary Funds  
For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds			
	Sewer	Water	Nonmajor	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating income (loss)	\$ (118,736)	\$ (46,256)	\$ (63,138)	\$ (228,130)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Other income related to operations	27,884	17,355	10	45,249
Depreciation	524,492	41,353	37,139	602,984
(Increase) decrease in assets/deferred outflows of resources				
Accounts receivable	7,097	9,608	3,884	20,589
Prepays	(3,290)	(885)	(298)	(4,473)
Due from other governments	(10,395)	-	2,635	(7,760)
Special assessments receivable	(577)	(822)	(1,760)	(3,159)
Deferred pension resources	20,153	24,558	12,219	56,930
Increase (decrease) in liabilities/deferred inflows of resources				
Accounts payable	26,433	25,792	(13,759)	38,466
Due to other governments	-	(39,760)	-	(39,760)
Accrued salaries payable	471	1,271	594	2,336
Compensated absences payable	3,944	3,944	877	8,765
Net pension liability	(48,111)	(62,235)	(34,461)	(144,807)
Deferred pension resources	35,023	49,860	29,095	113,978
 Net Cash Provided (Used) by Operating Activities	 <u>\$ 464,388</u>	 <u>\$ 23,783</u>	 <u>\$ (26,963)</u>	 <u>\$ 461,208</u>
 Schedule of Noncash Capital and Financing Activities				
Capital assets purchased on account	\$ 402,763	\$ -	\$ -	\$ 402,763
Amortization of bond premiums	15,022	-	5	15,027

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

City of Albertville, Minnesota  
Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2023

	Custodial Funds
<b>Assets</b>	
Cash and temporary investments	\$ 905,815
Accounts receivable	102,585
Inventory	3,181
Prepaid items	8,355
Total Assets	1,019,936
<b>Liabilities</b>	
Accounts payable	28,953
Accrued wages	11,006
Total Liabilities	39,959
<b>Net Position</b>	
Restricted for organizations and other governments	\$ 979,977

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

City of Albertville, Minnesota  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2023

	Custodial Funds
Additions	
Contributions	
Charges for services	\$ 833,075
Donations	135,000
Concessions	88,649
Total Contributions	1,056,724
Investment earnings	32,304
Miscellaneous	33,120
Total Additions	1,122,148
Deductions	
Professional services	319,130
Supplies	38,787
Utilities	244,703
Insurance	25,550
Repairs and maintenance	111,308
Capital outlay	21,759
Miscellaneous	26,795
Total Deductions	788,032
Net Increase (Decrease) in Fiduciary Net Position	334,116
Net Position, January 1	645,861
Net Position, December 31	\$ 979,977

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

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City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies**

**A. Reporting Entity**

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

***Blended Component Unit***

The Albertville Economic Development Authority (EDA) is a legal separate entity created to carry out economic development activities. The EDA is governed by five members, which consists of the City Council and the operational responsibility for the EDA rests with the management of the City. The criterion that results in the EDA being reported as a blended component unit include 1) the five board members are members of the City Council and 2) the operational responsibility of the EDA rests with the management of the City. The EDA does not issue separate financial statements and are included in the financial section of this report.

**B. Government-wide and Fund Financial Statements**

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. All fiduciary funds, including custodial funds, use the accrual, rather than modified 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies (Continued)**

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

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

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

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

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

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

The City reports the following major governmental funds:

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

The *Debt Service fund* accounts for the accumulation of resources and payment of bond principal and interest on long-term general obligation debt of governmental funds.

The *Capital Outlay Reserve fund* accounts for the accumulation of resources necessary to fund future capital improvements and equipment purchases.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies (Continued)**

The City reports the following major proprietary funds:

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

The *Water fund* accounts for the activities of the City's water utility.

Additionally, the City reports the following fund types:

**Fiduciary Funds**

Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. The City's Custodial fund accounts for activities of St. Michael-Albertville Ice Arena, Albertville Lions and Friendly City Days. The City manages the assets on behalf of these entities and administers the assets according to each entities guidance.

The *STMA Arena fund* accounts for the activities of the ice arena which is jointly owned by the City of St. Michael, the City of Albertville and the Independent School District No. 885.

The *Albertville Lions fund* accounts for the activities of the Albertville Lions Club.

The *Friendly City Days fund* accounts for the activities of the City's Friendly City Days celebration.

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

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

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

***Deposits and Investments***

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

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies (Continued)**

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

1. Direct obligations or obligations guaranteed by the United States or its agencies.
2. Shares of investment companies registered under the Federal Investment Company Act of 1940 and received the highest credit rating, rated in one of the two highest rating categories by a statistical rating agency, and have a final maturity of thirteen months or less.
3. General obligations of a state or local government with taxing powers rated "A" or better; revenue obligations rated "AA" or better.
4. General obligations of the Minnesota Housing Finance Agency rated "A" or better.
5. Obligation of a school district with an original maturity not exceeding 13 months and (i) rated in the highest category by a national bond rating service or (ii) enrolled in the credit enhancement program pursuant to statute section 126C.55.
6. Bankers' acceptances of United States banks eligible for purchase by the Federal Reserve System.
7. Commercial paper issued by United States banks corporations or their Canadian subsidiaries, of highest quality category by at least two nationally recognized rating agencies, and maturing in 270 days or less.
8. Repurchase or reverse repurchase agreements and securities lending agreements with financial institutions qualified as a "depository" by the government entity, with banks that are members of the Federal Reserve System with capitalization exceeding \$10,000,000, a primary reporting dealer in U.S. government securities to the Federal Reserve Bank of New York, or certain Minnesota securities broker-dealers.
9. Guaranteed Investment Contracts (GIC's) issued or guaranteed by a United States commercial bank, a domestic branch of a foreign bank, a United States insurance company, or its Canadian subsidiary, whose similar debt obligations were rated in one of the top two rating categories by a nationally recognized rating agency.

Broker money market funds operate in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the shares.

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

The City has the following recurring fair value measurements as of December 31, 2023:

- Brokered Certificates of Deposit are valued using quoted market prices (Level 2 inputs)
- Municipal Bonds are values using a matrix pricing model (Level 2 inputs)
- Governmental Securities are values using a matrix pricing model (Level 1 inputs)
- Mortgage Backed Securities are values using a matrix pricing model (Level 1 inputs)

See investments disclosure in note 3 for additional information.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies (Continued)**

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

***Investment Policy***

The City's investment policy incorporates Minnesota statutes as described above which reduces the City's exposure to credit, custodial credit and interest rate risks. Specific risk information for the City is as follows:

- *Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes and the City's investment policy limit the City's investments to the list above.
- *Custodial Credit Risk.* The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investments held by the broker-dealer were insured by SIPC or other supplemental insurance as of December 31, 2023. However, each investment brokerage firm may have a limit to their supplemental insurance and because of the size of the City's portfolio in relation to the brokerage firm's excess SIPC coverage limits the portion of the supplemental policy applicable to the City's portfolio is unknown. The City's investment policy does not address custodial credit risk. The City accepts the risk due to the controls in place at the broker-dealer.
- *Concentration of Credit Risk.* Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. In accordance with the City's investment policy, the City diversifies its investment portfolio to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities. The maturities selected shall provide for stability of income and reasonable liquidity.
- *Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than an average expected life of ten years from the date of the purchase.

***Property Taxes***

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

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

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies (Continued)**

***Accounts Receivable***

Accounts receivable include amounts billed for services provided before year end. To the extent considered necessary, the City annually certifies delinquent water, sewer and storm water accounts to the County for collection in the following year. Therefore, there has been no allowance for doubtful accounts established.

***Special Assessments***

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

***Interfund Receivables and Payables***

All outstanding balances between funds are reported as "due to/from other funds" or "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

***Land Held for Resale***

The City acquires properties for redevelopment purposes. These properties are reported at their net realizable value in the financial statements. Any costs incurred that are above a property's net realizable value are reported as expenditures of the current period. The balance of land held for resale is offset with nonspendable or restricted fund balance to indicate that it is not available for appropriation.

***Notes Receivable***

Notes receivable include amounts paid by or loaned by the City that will be paid back by other entities. A portion of the notes are forgivable base on if certain criteria is met. The forgivable portion of the notes are offset by an allowance for uncollectible account.

***Inventories***

Inventories held for resale are stated at the lower of cost or market on the first-in, first-out (FIFO) method and inventories of supplies are reported at cost. Inventories in governmental funds are recorded as expenditures when consumed rather than when purchased.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Capital Assets**

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

Category	Cost
Land/Land Improvements	\$ 10,000
Other Improvements	25,000
Infrastructure	100,000
Buildings	25,000
Building Improvements	25,000
Vehicles	5,000
Other Equipment	5,000
Intangible Assets	10,000

The City reports infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements regardless of their amount.

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

Property, plant and equipment will be depreciated using the straight-line method over the following estimated useful lives:

Assets	Useful Lives in Years
Land Improvements	5 to 30
Infrastructure	15 to 50
Buildings	15 to 40
Vehicles	3 to 15
Other Equipment	3 to 20

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies (Continued)**

***Deferred Outflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The City has two items that qualify for reporting in this category. The loss on refunding bonds reported in the government-wide statement of net position. A loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The item, deferred pension resources, is reported only in the statements of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

***Pensions***

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

The total pension expense for the GERP, PEPFP and the Albertville Fire Relief Association is as follows:

	GERF	PEPFF	FRA	Total
City's proportionate share	\$ 214,529	\$ 63,032	\$ 94,001	\$ 371,562
Proportionate share of State's contribution	131	(463)	-	(332)
	\$ 214,660	\$ 62,569	\$ 94,001	371,230

***Compensated Absences***

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The General fund is typically used to liquidate the governmental compensated absences liability.

***Long-term Obligations***

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



City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies (Continued)**

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

***Deferred Inflows of Resources***

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

The City has an additional item which qualifies for reporting in this category. The item, deferred pension resources, is reported only in the statements of net position and results from actuarial calculations.

***Fund Balance***

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

*Nonspendable* - Amounts that cannot be spent because they are not in spendable form, such as land held for resale.

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

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

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

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

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

The City has formally adopted a fund balance policy for the General fund. The City's policy is to maintain a minimum unassigned fund balance of 35 percent of next year's budgeted operating expenditures for cash-flow timing needs.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Net Position**

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

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

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

**Note 2: Stewardship, Compliance and Accountability**

**A. Budgetary Information**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General fund. All annual appropriations lapse at fiscal year-end. The City does not use encumbrance accounting.

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

The appropriated budget is prepared by fund, function and department. The City’s department heads, with the approval of the City Administrator, may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Council. The legal level of budgetary control is the department level. Budgeted amounts are as originally adopted by the City Council. There were no budget amendments made in 2023.

**B. Deficit Fund Equity**

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

Fund	Amount
Nonmajor	
TIF #12 Schultz & Schupp	\$ 214
TIF #17 Old Castle	279,602
TIF #19 Fehn	214
TIF #20 Scherer Brothers	719,160

The deficit fund balances will be eliminated with transfers from other funds and future tax increments.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 2: Stewardship, Compliance and Accountability**

**C. Excess of Expenditures over Appropriations**

For the year ended December 31, 2023 expenditures exceed appropriations in the following fund:

Fund	Final Budget	Actual	Excess of Expenditures Over Appropriations
General	\$ 4,013,430	\$ 4,458,573	\$ 445,143

The excess of expenditures over appropriations was funded by revenues in excess of budget.

**Note 3: Detailed Notes on All Funds**

**A. Deposits and Investments**

**Deposits**

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

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

Authorized collateral in lieu of a corporate surety bond includes:

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

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

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 3: Detailed Notes on All Funds (Continued)**

At year end, the City's carrying amount of deposits, bank balance, FDIC coverage and pledged collateral are shown in the chart below.

Carrying amount of deposits	\$ 2,449,840
Bank balance	2,650,184
Covered by FDIC	(750,000)
Collateralized with securities pledged in City's name	\$ 1,900,184

**Investments**

As of December 31, 2023, the City had the following investments:

Types of Investments	Credit Quality/ Ratings (1)	Segmented Time Distribution (2)	Amounts	Fair Value Measurement Using		
				Level 1	Level 2	Level 3
<b>Pooled Investments at Amortized Costs</b>						
4M Fund	N/A	Less than 1 year	\$ 3,274,361			
Broker Money Market Funds	N/A	Less than 1 year	8,843,801			
Bank	N/A	Less than 1 year	195,100			
<b>Non-pooled Investments at Fair Value</b>						
Brokered Certificates of Deposit	NA	Less than 1 year	2,353,387	\$ -	\$ 2,353,387	\$ -
Brokered Certificates of Deposit	NA	1 to 5 years	3,613,471	-	3,613,471	-
Municipal Bonds	AAA	Less than 1 year	96,207	-	96,207	-
Municipal Bonds	AAA	1 to 5 years	1,638,805	-	1,638,805	-
Municipal Bonds	AAA	More than 5 years	387,328	-	387,328	-
Municipal Bonds	AA+	1 to 5 years	998,182	-	998,182	-
Municipal Bonds	AA	Less than 1 year	243,313	-	243,313	-
Municipal Bonds	AA	1 to 5 years	3,277,827	-	3,277,827	-
Municipal Bonds	AA	More than 5 years	1,006,495	-	1,006,495	-
Municipal Bonds	AA-	1 to 5 years	326,238	-	326,238	-
Governmental Securities	NA	Less than 1 year	196,505	196,505	-	-
Governmental Securities	NA	1 to 5 years	1,460,475	1,460,475	-	-
Governmental Securities	NA	More than 5 years	728,633	728,633	-	-
Mortgage Backed Securities	NA	1 to 5 years	737,940	737,940	-	-
Mortgage Backed Securities	NA	More than 5 years	486,520	486,520	-	-
Total Investments			\$ 29,864,588	\$ 3,610,073	\$ 13,941,253	\$ -

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.

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

N/A Indicates not applicable or available.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 3: Detailed Notes on All Funds (Continued)**

**Cash and Investments Summary**

A reconciliation of cash and temporary investments as shown on the financial statements for the City follows:

Carrying Amount of Deposits	\$ 2,449,840
Investments	29,864,588
Cash on Hand	<u>849</u>
Total	<u><u>\$ 32,315,277</u></u>
Cash and Investments	
Statement of net position	
Cash and temporary investments	\$ 31,409,462
Statement of Fiduciary net position	<u>905,815</u>
Total	<u><u>\$ 32,315,277</u></u>

**B. Capital Assets**

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital Assets not Being Depreciated				
Land	\$ 3,983,292	\$ -	\$ -	\$ 3,983,292
Construction in progress	2,555,736	970,297	(2,312,260)	1,213,773
Total Capital Assets not Being Depreciated	<u>6,539,028</u>	<u>970,297</u>	<u>(2,312,260)</u>	<u>5,197,065</u>
Capital Assets Being Depreciated				
Buildings	6,543,862	-	-	6,543,862
Infrastructure	31,297,501	2,312,260	-	33,609,761
Land improvements	3,523,937	-	-	3,523,937
Machinery and equipment	1,394,266	286,591	(31,288)	1,649,569
Vehicles	2,786,244	256,057	-	3,042,301
Total Capital Assets Being Depreciated	<u>45,545,810</u>	<u>2,854,908</u>	<u>(31,288)</u>	<u>48,369,430</u>
Less Accumulated Depreciation for				
Buildings	(2,778,719)	(1,187,303)	-	(3,966,022)
Infrastructure	(22,420,401)	(131,940)	-	(22,552,341)
Land improvements	(1,787,368)	-	-	(1,787,368)
Machinery and equipment	(716,912)	(86,687)	31,288	(772,311)
Vehicles	(1,323,045)	(398,485)	-	(1,721,530)
Total Accumulated Depreciation	<u>(29,026,445)</u>	<u>(1,804,415)</u>	<u>31,288</u>	<u>(30,799,572)</u>
Total Capital Assets Being Depreciated, Net	<u>16,519,365</u>	<u>1,050,493</u>	<u>-</u>	<u>17,569,858</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 23,058,393</u></u>	<u><u>\$ 2,020,790</u></u>	<u><u>\$ (2,312,260)</u></u>	<u><u>\$ 22,766,923</u></u>

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 3: Detailed Notes on All Funds (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities</b>				
Capital Assets not Being Depreciated				
Land	\$ 351,834	\$ -	\$ -	\$ 351,834
Construction in progress	157,106	6,981,294	-	7,138,400
Total Capital Assets not Being Depreciated	<u>508,940</u>	<u>6,981,294</u>	<u>-</u>	<u>7,490,234</u>
Capital Assets Being Depreciated				
Buildings	4,719,693	-	-	4,719,693
Infrastructure	19,886,690	-	-	19,886,690
Machinery and equipment	361,395	31,200	-	392,595
Vehicles	472,461	51,323	-	523,784
Total Capital Assets Being Depreciated	<u>25,440,239</u>	<u>82,523</u>	<u>-</u>	<u>25,522,762</u>
Less Accumulated Depreciation for				
Buildings	(1,995,491)	(117,992)	-	(2,113,483)
Infrastructure	(5,895,578)	(462,527)	-	(6,358,105)
Machinery and equipment	(328,844)	(17,922)	-	(346,766)
Vehicles	(433,767)	(4,543)	-	(438,310)
Total Accumulated Depreciation	<u>(8,653,680)</u>	<u>(602,984)</u>	<u>-</u>	<u>(9,256,664)</u>
Total Capital Assets Being Depreciated, Net	<u>16,786,559</u>	<u>(520,461)</u>	<u>-</u>	<u>16,266,098</u>
Business-type Activities Capital Assets, Net	<u>\$ 17,295,499</u>	<u>\$ 6,460,833</u>	<u>\$ -</u>	<u>\$ 23,756,332</u>

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

<b>Governmental Activities</b>		
General government		\$ 140,409
Public safety		153,385
Public works		1,399,678
Culture and recreation		<u>110,943</u>
Total Depreciation Expense - Governmental Activities		<u>\$ 1,804,415</u>
<b>Business-type Activities</b>		
Sewer		\$ 524,492
Water		41,353
Storm water		<u>37,139</u>
Total Depreciation Expense - Business-type Activities		<u>\$ 602,984</u>

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 3: Detailed Notes on All Funds (Continued)**

**C. Advances to/from other Funds and Transfers**

The composition of interfund balances as of December 31, 2023 is as follows:

Receivable Fund	Payable Fund	Amount
Debt Service	Other Governmental Funds	\$ 280,794
Debt Service	Other Governmental Funds	602,000
Capital Outlay Reserve	Other Governmental Funds	19,588
General	Other Governmental Funds	25,000
Sewer	Other Governmental Funds	22,500
Water	Other Governmental Funds	14,500
Storm Water	Other Governmental Funds	36,000
Total Interfund Balances		<u><u>\$ 1,000,382</u></u>

The above interfund balances are to eliminate deficit cash balances and finance projects.

**D. Long-term Debt**

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental activities and business-type activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues.

General obligation bonds are direct obligations of the City and pledge the full faith and credit of the City.

General Obligation Special Assessment Bonds and Improvement Notes

The following bonds were issued to finance various improvement projects in the City and will be repaid with the collection of special assessment levies.

Description	Authorized	Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Improvement Refunding Bonds, Series 2011C	\$ 1,825,000	\$ 1,825,000	2.00 - 3.35 %	08/25/11	02/01/25	\$ 305,000
G.O. Improvement Refunding Bonds, Series 2012B	3,215,000	3,215,000	0.50 - 2.35	05/10/12	12/01/25	505,000
General Obligation Improvement Note, Series 2012	4,113,700	3,278,551	1.277	03/23/12	08/20/32	<u>1,710,000</u>
Total G.O. Special Assessment Bonds and Improvement Notes						<u><u>\$ 2,520,000</u></u>

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 3: Detailed Notes on All Funds (Continued)**

Annual debt service requirements to maturity for general obligation special assessment bonds are as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 581,000	\$ 41,047	\$ 622,047
2025	593,000	28,114	621,114
2026	185,000	17,188	202,188
2027	187,000	14,826	201,826
2028	190,000	12,438	202,438
2029 - 2032	784,000	25,195	809,195
<b>Total</b>	<b>\$ 2,520,000</b>	<b>\$ 138,808</b>	<b>\$ 2,658,808</b>

General Obligation Revenue Bonds

The following bonds were issued to finance capital improvements in the enterprise funds. They will be repaid from future net operating revenues and transfers in from the enterprise funds and are backed by the taxing power of the City. Annual net operating revenues and transfers in, principal and interest payments, and the percentage of revenue required to cover principal and interest payment are as follows:

	Sewer	Water	Storm Water
Net Operating Revenues	\$ 1,088,083	\$ 479,410	\$ 249,441
Principal and Interest	660,613	11,731	85,850
Percentage of Revenues	61%	2%	34%

The components of the general obligation revenues bonds are as follows:

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
G.O. Utility Revenue Bonds, Series 2011A	\$ 520,000	1.10 - 3.70 %	04/21/11	02/01/26	\$ 120,000
G.O. Sewer Revenue Refunding Bonds, Series 2013A	2,515,000	.70 - 2.10	01/24/13	12/01/25	535,000
G.O. Sewer Revenue Series 2019A	5,720,000	2.00 - 3.00	09/24/19	02/01/39	4,720,000
General Obligation Disposal System Bonds, Series 2023A	9,400,000	4.00 - 5.00	06/13/23	02/01/49	9,400,000
<b>Total G.O. Revenue Bonds</b>					<b>\$ 14,775,000</b>



City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 3: Detailed Notes on All Funds (Continued)**

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

Year Ending December 31,	Business-type Activities		
	Principal	Interest	Total
2024	\$ 550,000	\$ 568,496	\$ 1,118,496
2025	770,000	496,155	1,266,155
2026	520,000	470,605	990,605
2027	500,000	450,665	950,665
2028	520,000	431,990	951,990
2029 - 2033	2,870,000	1,874,376	4,744,376
2034 - 2038	3,375,000	1,365,600	4,740,600
2039 - 2043	2,480,000	862,000	3,342,000
2044 - 2048	2,600,000	386,000	2,986,000
2049	590,000	11,800	601,800
Total	<u>\$ 14,775,000</u>	<u>\$ 6,917,687</u>	<u>\$ 21,692,687</u>

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
Bonds Payable					
G.O. Special					
Assessment bonds	\$ 3,333,000	\$ -	\$ (813,000)	\$ 2,520,000	\$ 581,000
Unamortized premium	18,510	-	(6,418)	12,092	-
Total Bonds Payable	<u>3,351,510</u>	<u>-</u>	<u>(819,418)</u>	<u>2,532,092</u>	<u>581,000</u>
Compensated					
Absences Payable	<u>89,823</u>	<u>89,153</u>	<u>(79,988)</u>	<u>98,988</u>	<u>74,241</u>
Governmental Activity Long-term Liabilities	<u>\$ 3,441,333</u>	<u>\$ 89,153</u>	<u>\$ (899,406)</u>	<u>\$ 2,631,080</u>	<u>\$ 655,241</u>
<b>Business-type Activities</b>					
Bonds Payable					
G.O. Revenue bonds	\$ 5,915,000	\$ 9,400,000	\$ (540,000)	\$ 14,775,000	\$ 550,000
Unamortized premium	105,567	398,446	(15,022)	488,991	-
G.O. Special					
Assessment bonds	85,000	-	(85,000)	-	-
Unamortized premium	5	-	(5)	-	-
Total Bonds Payable	<u>6,105,572</u>	<u>9,798,446</u>	<u>(640,027)</u>	<u>15,263,991</u>	<u>550,000</u>
Compensated					
Absences Payable	<u>64,995</u>	<u>60,251</u>	<u>(51,486)</u>	<u>73,760</u>	<u>55,320</u>
Business-type Activity Long-term Liabilities	<u>\$ 6,170,567</u>	<u>\$ 9,858,697</u>	<u>\$ (691,513)</u>	<u>\$ 15,337,751</u>	<u>\$ 605,320</u>

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 3: Detailed Notes on All Funds (Continued)**

In the event an employee of the City would retire or resign, in good standing, a portion of the governmental compensated absences would mature. The portion applicable to that employee would be recorded as a liability and would be liquidated through the General fund.

**E. Components of Fund Balance**

At December 31, 2023, portions of the City's fund balance are not available for appropriation due to not being in spendable form (Nonspendable), legal restrictions (Restricted), City Council action (Committed), policy and/or intent (Assigned). The following is a summary of the components of fund balance:

Fund	Purpose	Amount
<b>Nonspendable</b>		
General	Land held for resale	\$ 51,000
General	Prepaid items	126,926
Capital Outlay Reserve	Prepaid items	10,000
Total Nonspendable		187,926
<b>Restricted</b>		
Debt Service	Debt Service	2,783,933
Capital Outlay Reserve	Public safety aid	349,995
Other governmental funds	Park improvements	969,612
Other governmental funds	Tax increment financing	293,203
Total Restricted		4,396,743
<b>Committed</b>		
Other governmental funds	Revolving loan	158,747
Other governmental funds	Election Resources	575
Total Committed		159,322
<b>Assigned</b>		
Capital Outlay Reserve	Future capital projects	6,187,137
<b>Unassigned</b>		
General		2,554,745
Other governmental funds		(999,190)
Total Unassigned		1,555,555
Total		\$ 12,486,683

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 4: Defined Benefit Pension Plans - Statewide**

**A. Plan Description**

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

General Employees Retirement Plan

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

Public Employees Police and Fire Plan

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

**B. Benefits Provided**

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

General Employee Plan Benefits

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

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a reduced prorated increase. In 2023, legislation repealed the statute delaying increases for members retiring before full retirement age.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

Police and Fire Plan Benefits

Benefits for Police and Fire Plan members first hired after June 30, 2010, but before July 1, 2014, vest on a prorated basis from 50 percent after five years up to 100 percent after ten years of credited service. Benefits for Police and Fire Plan members first hired after June 30, 2014 vest on a prorated basis from 50 percent after ten years up to 100 percent after twenty years of credited service. The annuity accrual rate is 3 percent of average salary for each year of service. For Police and Fire Plan members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equal at least 90.

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

**C. Contributions**

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

General Employees Fund Contributions

Coordinated Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2023 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the years ending December 31, 2023, 2022 and 2021 were \$122,281, \$106,351 and \$99,408, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2023 and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the years ending December 31, 2023, 2022 and 2021 were \$27,424, \$23,827 and \$21,738, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

**D. Pension Costs**

General Employees Fund Pension Costs

At December 31, 2023, the City reported a liability of \$1,056,867 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$29,103. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2022 through June 30, 2023 relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0189 percent at the end of the measurement period and 0.0181 percent for the beginning of the period.

City Proportionate Share of the Net Pension Liability	\$	1,056,867
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City		29,103
Total	\$	1,085,970

For the year ended December 31, 2023, the City recognized pension expense of \$214,529 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized \$131 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

At December 31, 2023, the City reported its proportionate share of the General Employees Plan's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 34,355	\$ 6,972
Changes in Actuarial Assumptions	163,850	289,678
Net Difference Between Projected and Actual Investment Earnings	-	42,746
Changes in Proportion	31,680	-
Contributions Paid to PERA Subsequent to the Measurement Date	63,459	-
Total	\$ 293,344	\$ 339,396

City of Albertville, Minnesota  
Notes to the Financial Statements  
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**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

The \$63,459 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be

2024		\$	35,009
2025			(140,539)
2026			18,945
2027			(22,927)

Police and Fire Fund Pension Costs

At December 31, 2023, the City reported a liability of \$189,956 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2022 through June 30, 2023, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.011 percent at the end of the measurement period and 0.0106 percent for the beginning of the period.

The State of Minnesota contributed \$18 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2023. The contribution consisted of \$9 million in direct state aid that does meet the definition of a special funding situation and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. The \$9 million direct state was paid on October 1, 2022. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later.

The State of Minnesota is included as a non-employer contributing entity in the Police and Fire Retirement Plan Schedule of Employer Allocations and Schedule of Pension Amounts by Employer, Current Reporting Period Only (pension allocation schedules) for the \$9 million in direct state aid. Police and Fire Plan employers need to recognize their proportionate share of the State of Minnesota's pension expense (and grant revenue) under GASB 68 special funding situation accounting and financial reporting requirements. For the year ended December 31, 2023, the City recognized pension expense of \$63,032 for its proportionate share of the Police and Fire Plan's pension expense. In addition, the City recognized an additional -\$463 as pension expense (grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$9 million in supplemental state aid. The City recognized \$990 for the year ended December 31, 2023 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

City of Albertville, Minnesota  
Notes to the Financial Statements  
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**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

At December 31, 2023, the City reported its proportionate share of the Police and Fire Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 51,202	\$ -
Changes in Actuarial Assumptions	209,689	266,922
Net Difference Between Projected and Actual Investment Earnings	-	6,756
Changes in Proportion	20,120	-
Contributions Paid to PERA Subsequent to the Measurement Date	13,859	-
<b>Total</b>	<b>\$ 294,870</b>	<b>\$ 273,678</b>

The \$13,859 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2024	\$ 13,426
2025	7,291
2026	44,982
2027	(11,238)
2028	(47,129)

**E. Long-term Expected Return on Investment**

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	33.5 %	5.10 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	25.0	5.90
<b>Total</b>	<b>100.0 %</b>	

City of Albertville, Minnesota  
Notes to the Financial Statements  
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**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

**F. Actuarial Assumptions**

The total pension liability in the June 30, 2023, actuarial valuation was determined using an individual entry-age normal actuarial cost method. The long-term rate of return on pension plan investments used in the determination of the total liability is 7.0 percent. This assumption is based on a review of inflation and investments return assumptions from a number of national investment consulting firms. The review provided a range of return investment return rates deemed to be reasonable by the actuary. An investment return of 7.0 percent was deemed to be within that range of reasonableness for financial reporting purposes.

Inflation is assumed to be 2.25 percent for the General Employees Plan and 2.25 percent for the Police and Fire Plan. Benefit increases after retirement are assumed to be 1.25 percent for the General Employees Plan and 1.00 percent for the the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25 percent after one year of service to 3.0 percent after 27 years of service. In the Police and Fire Plan, salary growth assumptions range from 11.75 percent after one year of service to 3.0 percent after 24 years of service.

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

Actuarial assumptions for the General Employees Plan are reviewed every four years. The most recent four-year experience study for the General Employees Plan was completed in 2022. The assumption changes were adopted by the Board and became effective with the July 1, 2023 actuarial valuation. The most recent four-year experience study for the Police and Fire Plan was adopted by the Board and became effective with the July 1, 2021 actuarial valuation.

The following changes in actuarial assumptions and plan provisions occurred in 2023:

General Employees Fund

Changes in Actuarial Assumptions

- The investment return assumption and single discount rate were changed from 6.5 percent to 7.0 percent.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023.
- The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service.
- The benefit increase delay for early retirements on or after January 1, 2024, was eliminated.
- A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.



City of Albertville, Minnesota  
Notes to the Financial Statements  
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**Note 4: Defined Benefit Pension Plans - Statewide (Continued)**

Police and Fire Fund

Changes in Actuarial Assumptions

- The investment return assumption was changed from 6.5 percent to 7.0 percent.
- The single discount rate changed from 5.4 percent to 7.0 percent.

Changes in Plan Provisions

- An additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023.
- The vesting requirement for new hires after June 30, 2014 was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years increasing incrementally to 100 percent after 10 years.
- A one-time, non-compounding benefit increase of 3.0 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024.
- Psychological treatment is required effective July 1, 2023 prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation.
- The total and permanent duty disability benefit was increased, effective July 1, 2023.

**G. Discount Rate**

The discount rate used to measure the total pension liability in 2023 was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota statutes. Based on these assumptions, the fiduciary net position of the General Employees and Police and Fire Funds were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**H. Pension Liability Sensitivity**

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

		1 Percent Decrease (6.0%)		Current (7.0%)	1 Percent Increase (8.0%)
General Employees Fund	\$	1,869,682	\$	1,056,867	\$ 388,295
Police and Fire Fund		376,895		189,956	36,267

**I. Pension Plan Fiduciary Net Position**

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

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 5: Defined Benefit Pension Plans - Fire Relief Association**

**A. Plan Description**

All members of the Albertville Fire Department (the Department) are covered by a defined benefit plan administered by the Albertville Fireman's Relief Association (the Association). As of December 31, 2023, the plan covered 25 active firefighters and 4 vested terminated fire fighters whose pension benefits are deferred. The plan is a single employer retirement plan and is established and administered in accordance with Minnesota statute, chapter 69.

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

**B. Benefits Provided**

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

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

**C. Contributions**

*Minnesota statutes*, chapters 424 and 424A authorize pension benefits for volunteer fire relief associations. The plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes and voluntary City contributions (if applicable). The State of Minnesota contributed in fire state aid to the plan on behalf of the Albertville Fire Department for the year ended December 31, 2022, which was recorded as a revenue. Required employer contributions are calculated annually based on statutory provisions. The City made no voluntary contributions to the plan. The firefighter has no obligation to contribute to the plan.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 5: Defined Benefit Pension Plans - Fire Relief Association (Continued)**

**D. Pension Costs**

At December 31, 2023, the City reported a net pension liability (asset) of (\$225,934) for the Volunteer Firefighter Fund. The net pension asset was measured as of December 31, 2023. The total pension asset used to calculate the net pension asset in accordance with GASB 68 was determined by PERA applying an actuarial formula to specific census data certified by the Department. The following table presents the changes in net pension liability (asset) during the year.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning Balance January 1, 2022	\$ 740,037	\$ 1,105,910	\$ (365,873)
Changes for the Year			
Service cost	50,134	-	50,134
Interest cost	37,634	-	37,634
Assumption changes	(13,630)	-	(13,630)
Plan changes	43,852	-	43,852
Projected investment earnings	-	56,172	(56,172)
Contributions (State)	-	111,566	(111,566)
Asset (gain)/loss	(19,589)	(207,778)	188,189
Benefit payouts	(75,000)	(75,000)	-
Administrative costs	-	(1,498)	1,498
Total Net Changes	23,401	(116,538)	139,939
Ending Balance December 31, 2022	\$ 763,438	\$ 989,372	\$ (225,934)

For the year ended December 31, 2023, the City recognized a pension expense of \$94,001.

At December 31, 2023, the City reported deferred inflows of resources and deferred outflows of resources, its contributions subsequent to the measurement date, related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 34,531
Changes in Actuarial Assumptions	6,907	22,963
Investment Losses	125,466	-
Contributions to Plan Subsequent to the Measurement Date	131,452	-
Total	\$ 263,825	\$ 57,494

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 5: Defined Benefit Pension Plans - Fire Relief Association (Continued)**

Deferred outflows of resources totaling \$131,452 related to pensions resulting from the City's contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources related to the plan will be recognized in pension expense as follows:

2024	1,042
2025	22,514
2026	29,069
2027	37,336
2028	(2,558)
Thereafter	(12,524)

**E. Actuarial Assumptions**

The total pension asset at December 31, 2023 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Retirement Eligibility 50% at age 50, 20% at ages 51-56, 100% thereafter	2.50% per year
Salary Increases	N/A
Cost of Living Increases	N/A
Investment Rate of Return	5.50%

The investment rate of return changed from 5.00% to 5.50%.

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

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Equities	54.00 %	8.00 %
Fixed Income	26.00	2.90
Other	1.00	6.00
Cash	19.00	2.00
Total	100.00 %	

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 5: Defined Benefit Pension Plans - Fire Relief Association (Continued)**

**F. Discount Rate**

The discount rate used to measure the total pension liability was 5.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**G. Pension Liability Sensitivity**

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

	1 Percent Decrease (4.50%)	Current (5.50%)	1 Percent Increase (6.50%)
Defined Benefit Plan	<u>\$ (331,279)</u>	<u>\$ (225,934)</u>	<u>\$ (398,684)</u>

**H. Pension Plan Fiduciary Net Position**

The Association issues a publicly available financial report. The report may be obtained by writing to the Albertville Firemen's Relief Association, 5959 Main Avenue NE Albertville, Minnesota, 55301.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 6: Joint Ventures**

**Joint Powers Water Board of Albertville, Hanover and St. Michael**

The Joint Powers Water Board of Albertville, Hanover and St. Michael (the "JPWB") was established under a joint powers agreement among the Cities of Albertville, Hanover and St. Michael to provide water service to the local area. The JPWB operates as an enterprise and provides water service to the general public, with the majority of its costs being paid by various fees and charges to users of the water system. The governing body consists of a six-member Board of Commissioners (the "Board"). Two individuals, the Mayor and another City Council Member from each City, are appointed by their respective City Council to serve on the Board. The JPWB does not have any component units.

The JPWB's agreement states that charges billed and collected for water supply remain with the JPWB, while the charges for distribution are billed by the JPWB but the collections are owned by each member City and will be remitted to them upon collection. The financial statements from 2022, the most recent available, is summarized below.

Separate financial statements can be obtained by writing to the Joint Powers Water Board, 11100 50<sup>th</sup> Street NE, Albertville, Minnesota 55301.

**Joint Powers Water Board**  
Statement of Net Position  
December 31, 2022

Assets and Deferred Outflow of Resources	<u>\$ 33,897,001</u>
Liabilities	\$ 2,844,265
Net Position	<u>31,052,736</u>
 Total Liabilities and Net Position	 <u>\$ 33,897,001</u>

**Joint Powers Water Board**  
Summary Statement of Activities  
For the Year Ended December 31, 2022

Operating Revenues	\$ 2,949,437
Operating Expenses	<u>2,182,928</u>
Operating Income	766,509
Net Nonoperating Revenues	<u>1,283,494</u>
Change in Net Position	2,050,003
Net Position, January 1	<u>29,002,733</u>
Net Position, December 31	<u>\$ 31,052,736</u>

**St. Michael - Albertville Ice Arena**

In 1996-97, the City entered into a Joint Powers Agreement with the City of St. Michael and the Independent School District No. 885. The agreement was for the construction and maintenance of a qualified ice arena. During 2006, the City was notified as being selected as Mighty Ducks Grant recipient to help fund the cost of the ice arena. The arena was constructed with the grant reward and contributions and donations from the City of Albertville, the City of St. Michael and the Independent School District No. 885. In 2019, a new ice sheet was opened by Independent School District No. 885 leading to an amended Joint Powers Agreement with the City of St. Michael and the Independent School District No. 885.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 6: Joint Ventures (Continued)**

The City has an ongoing one-sixth equity financial interest of \$250,447 as of December 31, 2023.

Separate financial statements can be obtained by contacting Tina Lannes, Finance Director at Albertville City Hall.

**St. Michael - Albertville Ice Arena**  
Statement of Net Position  
December 31, 2023

Assets	<u>\$ 1,792,642</u>
Liabilities	\$ 39,959
Net Position	<u>1,752,683</u>
 Total Liabilities and Net Position	 <u>\$ 1,792,642</u>

**St. Michael - Albertville Ice Arena**  
Summary Statement of Activities  
December 31, 2023

Program Revenues	\$ 954,844
Expenses	(838,952)
Interest Revenue	<u>25,966</u>
Change in Net Position	141,858
Net Position, January 1	<u>1,610,825</u>
Net Position, December 31	<u>\$ 1,752,683</u>

**Note 7: Other Information**

**A. Risk Management**

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

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims in excess of \$1,000,000. Liabilities, if any, include an amount for claims that have been incurred but not reported (IBNRs). The City's management is not aware of any incurred but not reported claims.

City of Albertville, Minnesota  
Notes to the Financial Statements  
December 31, 2023

**Note 7: Other Information (Continued)**

**B. Legal Debt Margin**

In accordance with Minnesota statutes, the City may not incur or be subject to net debt in excess of three percent of the market value of taxable property within the City. Net debt is payable solely from ad valorem taxes and, therefore, excludes debt financed partially or entirely by special assessments, enterprise fund revenues or tax increments. The City's applicable debt does not exceed the limit.

**C. Conduit Debt Obligations**

Conduit debt obligations are certain limited-obligation revenue bonds or similar debt instruments issued for the express purpose of providing capital financing for a specific third party. The City has issued revenue bonds to provide financial assistance to private-sector entities for projects deemed to be in the public interest. Although these bonds bear the name of the City, the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Description	Authorized and Issued	Balance at Year End
Multifamily Housing Revenue Refunding Bonds, Series 2007	\$ 3,540,000	\$ 2,650,000
Multifamily Housing Revenue Bonds, Series 2010	4,750,000	3,790,000
Total Conduit Debt	\$ 8,290,000	\$ 6,440,000

**D. Tax Increment Financing Districts**

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

**E. Commitment Cost Sharing Agreement**

The City has entered into a cost sharing agreement for the construction and maintenance of a library with the City of St. Michael, Minnesota. The library net cost is split based on the pro rata average of population and market value.



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ALBERTVILLE  
ALBERTVILLE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2023

City of Albertville, Minnesota  
Required Supplementary Information  
For the Year Ended December 31, 2023

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

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/23	0.0189 %	\$ 1,056,867	\$ 29,103	\$ 1,085,970	\$ 1,504,289	70.3 %	83.1 %
06/30/22	0.0181	1,433,526	41,958	1,475,484	1,354,549	105.8	76.7
06/30/21	0.0181	772,951	23,664	796,615	1,306,061	59.2	87.0
06/30/20	0.0174	1,043,210	32,283	1,075,493	1,244,313	83.8	79.0
06/30/19	0.0161	890,133	27,665	917,798	1,133,606	78.5	80.2
06/30/18	0.0147	815,496	26,781	842,277	986,845	82.6	79.5
06/30/17	0.0151	963,974	12,125	976,099	1,010,559	95.4	75.9
06/30/16	0.0155	1,258,523	16,464	1,274,987	921,545	136.6	68.9
06/30/15	0.0150	777,378	-	777,378	866,860	89.7	78.2

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

**Schedule of Employer's PERA Contributions - General Employees Fund**

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/23	\$ 122,281	\$ 122,281	\$ -	\$ 1,630,410	7.5 %
12/31/22	106,351	106,351	-	1,418,015	7.5
12/31/21	99,408	99,408	-	1,325,438	7.5
12/31/20	95,790	95,790	-	1,277,201	7.5
12/31/19	90,361	90,361	-	1,204,809	7.5
12/31/18	77,347	77,347	-	1,031,293	7.5
12/31/17	72,910	72,910	-	972,129	7.5
12/31/16	72,244	72,244	-	963,255	7.5
12/31/15	66,929	66,929	-	892,386	7.5

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

City of Albertville, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2023

**Notes to the Required Supplementary Information - General Employee Fund**

Changes in Actuarial Assumptions

2023 - The investment return assumption and single discount rate were changed from 6.5 percent to 7.00 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

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

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

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

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

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

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

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

City of Albertville, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2023

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

Changes in Plan Provisions

2023 - An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023. The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service. The benefit increase delay for early retirements on or after January 1, 2024, was eliminated. A one-time, non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 - There were no changes in plan provisions since the previous valuation.

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

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

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

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

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

2016 - No changes noted.

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

City of Albertville, Minnesota  
 Required Supplementary Information (Continued)  
 For the Year Ended December 31, 2023

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

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
06/30/23	0.0110 %	\$ 189,956	\$ 7,690	\$ 197,646	\$ 144,548	131.4 %	86.5 %
06/30/22	0.0106	461,270	20,036	481,306	128,217	359.8	70.5
06/30/21	0.0102	78,733	3,520	82,253	120,137	65.5	93.7
06/30/20	0.0099	130,493	87,099	217,592	116,132	112.4	87.2
06/30/19	0.0090	95,814	-	95,814	95,184	100.7	89.3
06/30/18	0.0088	93,799	-	93,799	96,188	97.5	88.8
06/30/17	0.0090	121,511	-	121,511	89,111	136.4	85.4
06/30/16	0.0090	361,186	-	361,186	84,960	425.1	63.9
06/30/15	0.0090	102,261	-	102,261	61,377	166.6	86.6

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

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

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/23	\$ 27,424	\$ 27,424	\$ -	\$ 154,936	17.70 %
12/31/22	23,827	23,827	-	134,618	17.70
12/31/21	21,738	21,738	-	122,814	17.70
12/31/20	20,812	20,812	-	122,785	17.70
12/31/19	17,055	17,055	-	105,275	16.95
12/31/18	15,197	15,197	-	93,809	16.20
12/31/17	14,820	14,820	-	91,482	16.20
12/31/16	14,111	14,111	-	87,106	16.20
12/31/15	9,943	9,943	-	61,378	16.20

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

City of Albertville, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2023

**Notes to the Required Supplementary Information - Police and Fire Fund**

Changes in Actuarial Assumptions

2023 - The investment return assumption was changed from 6.5 percent to 7.00 percent. The single discount rate changed from 5.4 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021. The single discount rate changed from 6.50 percent to 5.40 percent.

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

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

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

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

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.00 percent for all years to 1.00 percent per year through 2064 and 2.50 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

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

City of Albertville, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2023

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

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

Changes in Plan Provisions

2023 - Additional one-time direct state aid contribution of 19.4 million will be contributed to the Plan on October 1, 2023. Vesting requirement for new hires after June 30, 2014, was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years, increasing incrementally to 100% after 10 years. A one-time, non-compounding benefit increase of 3.0 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024. Psychological treatment is required effective July 1, 2023, prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation. The total and permanent duty disability benefit was increased, effective July 1, 2023.

2022 - There were no changes in plan provisions since the previous valuation.

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

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

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

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

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

2016 - No changes noted.

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

City of Albertville, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2023

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

	2023	2022	2021	2020	2019	2018	2017	2016
<b>Total Pension Liability</b>								
Service cost	\$ 50,134	\$ 42,301	\$ 33,673	\$ 32,852	\$ 32,747	\$ 29,490	\$ 15,570	\$ 16,177
Interest on pension liability (asset)	37,634	33,394	33,067	34,839	31,217	27,065	30,956	32,273
Changes of benefit terms	43,852	108,435	77,330	-	37,505	40,146	104,288	-
Gain or loss	(19,589)	-	(3,488)	-	(5,308)	-	(40,750)	-
Changes of assumptions	(13,630)	-	10,363	-	(9,656)	-	(21,365)	-
Benefit payments	(75,000)	(139,338)	(46,480)	(155,000)	-	(33,851)	(41,296)	(127,238)
<b>Net Change in Total Pension Liability</b>	<b>23,401</b>	<b>44,792</b>	<b>104,465</b>	<b>(87,309)</b>	<b>86,505</b>	<b>62,850</b>	<b>47,403</b>	<b>(78,788)</b>
<b>Total Pension Liability - January 1</b>	<b>740,037</b>	<b>695,245</b>	<b>590,780</b>	<b>678,089</b>	<b>591,584</b>	<b>528,734</b>	<b>481,331</b>	<b>560,119</b>
<b>Total Pension Liability - December 31 (a)</b>	<b>\$ 763,438</b>	<b>\$ 740,037</b>	<b>\$ 695,245</b>	<b>\$ 590,780</b>	<b>\$ 678,089</b>	<b>\$ 591,584</b>	<b>\$ 528,734</b>	<b>\$ 481,331</b>
<b>Plan Fiduciary Net Position</b>								
Employer contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonemployer contributions	111,566	95,777	88,875	79,430	67,699	65,732	69,454	65,940
Projected investment return	56,172	53,250	-	46,140	44,300	37,625	45,246	46,826
Gain (loss)	(207,778)	10,344	86,458	107,361	(85,101)	48,772	(15,836)	(53,155)
Benefit payments	(75,000)	(139,338)	(46,480)	(155,000)	-	(33,851)	(41,296)	(127,238)
Administrative expenses	(1,498)	(1,810)	(1,498)	(2,513)	(2,182)	(3,204)	(2,835)	-
Other	-	-	6,966	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<b>(116,538)</b>	<b>18,223</b>	<b>134,321</b>	<b>75,418</b>	<b>24,716</b>	<b>115,074</b>	<b>54,733</b>	<b>(67,627)</b>
<b>Plan Fiduciary Net Position - January 1</b>	<b>1,105,910</b>	<b>1,087,687</b>	<b>953,366</b>	<b>877,948</b>	<b>853,232</b>	<b>738,158</b>	<b>683,425</b>	<b>751,052</b>
<b>Plan Fiduciary Net Position - December 31 (b)</b>	<b>\$ 989,372</b>	<b>\$ 1,105,910</b>	<b>\$ 1,087,687</b>	<b>\$ 953,366</b>	<b>\$ 877,948</b>	<b>\$ 853,232</b>	<b>\$ 738,158</b>	<b>\$ 683,425</b>
<b>Fire Relief's Net Pension Liability (Asset) - December 31 (a-b)</b>	<b>\$ (225,934)</b>	<b>\$ (365,873)</b>	<b>\$ (392,442)</b>	<b>\$ (362,586)</b>	<b>\$ (199,859)</b>	<b>\$ (261,648)</b>	<b>\$ (209,424)</b>	<b>\$ (202,094)</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (b/a)</b>	129.59%	149.44%	156.45%	161.37%	129.47%	144.23%	139.61%	141.99%
<b>Covered-employee Payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fire Relief's Net Pension Liability (Asset) as a Percentage of Covered-employee Payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to the Schedule:**

*Benefit Changes.* In 2015, the benefit terms were modified to base public safety employee pensions on a final three-year average salary instead of a final five-year average salary. In 2023 the benefit level changed from \$3,700 to \$2,400.

*Changes of Assumptions.* In 2015, amounts reported as changes of assumptions resulted primarily from adjustments to expected retirement ages of general employees. In 2015, amounts reported as changes of assumptions resulted primarily from adjustments to expected retirement ages of public safety employees. In 2015, amounts reported as changes of assumptions resulted primarily from adjustments to assumed life expectancies as a result of adopting the RP-2000 Healthy Annuitant Mortality Table for purposes of developing mortality rates.

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



City of Albertville, Minnesota  
 Required Supplementary Information (Continued)  
 For the Year Ended December 31, 2023

**Schedule of Employer's Fire Relief Association Contributions**

Year Ending	Actuarial Determined Contribution (a)	Actual Contributions Paid (b)	Contribution Deficiency (Excess) (a-b)
12/31/23	\$ 110,566	\$ 110,566	\$ -
12/31/22	91,777	91,777	-
12/31/21	92,750	92,750	-
12/31/20	93,326	93,326	-
12/31/19	65,732	65,732	-
12/31/18	64,732	64,732	-
12/31/17	47,401	47,401	-
12/31/16	165,022	165,022	-
12/31/15	44,859	44,859	-
12/31/14	49,288	49,288	-

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

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COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES

CITY OF ALBERTVILLE  
ALBERTVILLE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2023

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NONMAJOR GOVERNMENTAL FUNDS

CITY OF ALBERTVILLE  
ALBERTVILLE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2023

City of Albertville, Minnesota  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 December 31, 2023

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Nonmajor Funds</u>
<b>Assets</b>			
Cash and temporary investments	\$ 505,310	\$ 1,264,127	\$ 1,769,437
Notes receivable	450,000	-	450,000
Less allowance for uncollectible	<u>(450,000)</u>	<u>-</u>	<u>(450,000)</u>
 Total Assets	 <u>\$ 505,310</u>	 <u>\$ 1,264,127</u>	 <u>\$ 1,769,437</u>
<b>Liabilities</b>			
Accounts and contracts payable	\$ -	\$ 120	\$ 120
Advances from other funds	-	1,000,382	1,000,382
Unearned revenue	345,988	-	345,988
Total Liabilities	<u>345,988</u>	<u>1,000,502</u>	<u>1,346,490</u>
<b>Fund Balances</b>			
Restricted	-	1,262,815	1,262,815
Committed	159,322	-	159,322
Unassigned	<u>-</u>	<u>(999,190)</u>	<u>(999,190)</u>
Total Fund Balances	<u>159,322</u>	<u>263,625</u>	<u>422,947</u>
 Total Liabilities and Fund Balances	 <u>\$ 505,310</u>	 <u>\$ 1,264,127</u>	 <u>\$ 1,769,437</u>

City of Albertville, Minnesota  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 For the Year Ended December 31, 2023

	Special Revenue	Capital Projects	Total Nonmajor Funds
Revenues			
Tax increments	\$ -	\$ 462,983	\$ 462,983
Intergovernmental	575	-	575
Charges for service	-	32,000	32,000
Investment earnings	8,051	49,428	57,479
Total Revenues	<u>8,626</u>	<u>544,411</u>	<u>553,037</u>
Expenditures			
Current			
Economic development	-	262,394	262,394
Debt service			
Interest	-	12,264	12,264
Total Expenditures	<u>-</u>	<u>274,658</u>	<u>274,658</u>
Net Change in Fund Balances	8,626	269,753	278,379
Fund Balances, January 1	<u>150,696</u>	<u>(6,128)</u>	<u>144,568</u>
Fund Balances, December 31	<u>\$ 159,322</u>	<u>\$ 263,625</u>	<u>\$ 422,947</u>

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## NONMAJOR SPECIAL REVENUE FUNDS

Special revenue funds are established to account for specific revenue or other sources that are designated for financing particular functions or activities as required by deferral regulations, Minnesota statute, City charter provisions, local ordinances, or specific grant agreements. Most of the special revenue funds are related to specific Federal and State housing programs or grants for specific activities.

**Economic Development Loan** - This fund accounts for the accumulation of resources and payments made for the Economic Development Loan activity.

**Election Resources** - This fund accounts for funding some of the voter operations for cities who manage their own absentee voting. Monies are received the state annually based on the number of voters the city serves for administration of absentee voting.

**ARPA** - This fund accounts for the accumulation of resources and payments made related to the American Rescue Plan Act.

**Revolving Loan** - This fund accounts for the accumulation of resources and payments made for loans made by the city.

City of Albertville, Minnesota  
 Nonmajor Special Revenue Funds  
 Combining Balance Sheet  
 December 31, 2023

	Special Revenue				Total
	104 Economic Development Loan Fund	203 Revolving Loan Fund	205 ARPA	207 Election Resources	
<b>Assets</b>					
Cash and temporary investments	\$ 158,747	\$ -	\$ 345,988	\$ 575	\$ 505,310
Notes receivable	-	450,000	-	-	450,000
Less allowance for uncollectible	-	(450,000)	-	-	(450,000)
<b>Total Assets</b>	<u>\$ 158,747</u>	<u>\$ -</u>	<u>\$ 345,988</u>	<u>\$ 575</u>	<u>\$ 505,310</u>
<b>Liabilities</b>					
Unearned revenue	\$ -	\$ -	\$ 345,988	\$ -	\$ 345,988
<b>Fund Balances</b>					
Committed	<u>158,747</u>	<u>-</u>	<u>-</u>	<u>575</u>	<u>159,322</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 158,747</u>	<u>\$ -</u>	<u>\$ 345,988</u>	<u>\$ 575</u>	<u>\$ 505,310</u>

City of Albertville, Minnesota  
 Nonmajor Special Revenue Funds  
 Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 For the Year Ended December 31, 2023

	Special Revenue				Total
	104 Economic Development Loan Fund	203 Revolving Loan Fund	205 ARPA	207 Election Resources	
Revenues					
Intergovernmental	\$ -	\$ -	\$ -	\$ 575	\$ 575
Investment earnings	7,296	-	755	-	8,051
Total Revenues	<u>7,296</u>	<u>-</u>	<u>755</u>	<u>575</u>	<u>8,626</u>
Fund Balances, January 1	<u>151,451</u>	<u>-</u>	<u>(755)</u>	<u>-</u>	<u>150,696</u>
Fund Balances, December 31	<u>\$ 158,747</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575</u>	<u>\$ 159,322</u>

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## NONMAJOR CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by enterprise funds.

**Park** - accounts for the accumulation of resources and payments made for the construction of park improvements. Park dedication fees, contributions and donations as well as interest are the main financing sources.

**TIF #7 Senior Housing** - This fund was created to facilitate the construction of the Senior Housing project within the City. This fund accounts for the financial activity related to that project.

**TIF #12 Schultz & Schupp** - This fund was created to facilitate the Schultz & Schupp project within the City. This fund accounts for the financial activity related to that project.

**TIF #15 Guardian Angels** - This fund was created to facilitate the Fraser Steel project within the City. This fund accounts for the financial activity related to that project.

**TIF #16 Mold Tech** - This fund was created to facilitate the Mold Tech project within the City. This fund accounts for the financial activity related to that project.

**TIF #17 Old Castle** - This fund accounts for the accumulation of resources and payments made for the Old Castle project.

**TIF #18 AVA** - This fund was created to facilitate the Advanced Volumetric Alliance project within the City. This fund accounts for the financial activity related to that project.

**TIF #19 Fehn** - This fund was created to facilitate the Fehn project within the City. This fund accounts for the financial activity related to that project.

**TIF #20 Scherer Brothers** - This fund accounts for the accumulation of resources and payments made for the TIF #20 project.

City of Albertville, Minnesota  
 Nonmajor Capital Projects Funds  
 Combining Balance Sheet  
 December 31, 2023

	<b>201</b>	<b>407</b>	<b>412</b>
	Park Fund	TIF #7 Senior Housing	TIF #12 Schultz & Schupp
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Assets</b>			
Cash and temporary investments	\$ 969,612	\$ 86,030	\$ -
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Liabilities</b>			
Accounts and contracts payable	\$ -	\$ -	\$ -
Advances from other funds	-	-	214
Total Liabilities	<u>          </u>	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Fund Balances</b>			
Restricted	969,612	86,030	-
Unassigned	-	-	(214)
Total Fund Balances	<u>969,612</u>	<u>86,030</u>	<u>(214)</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities and Fund Balances	<u>\$ 969,612</u>	<u>\$ 86,030</u>	<u>\$ -</u>
	<u>          </u>	<u>          </u>	<u>          </u>

<b>415</b> TIF #15 Guardian Angels	<b>416</b> TIF #16 Mold Tech	<b>417</b> TIF #17 Old Castle	<b>418</b> TIF #18 AVA	<b>419</b> TIF #19 Fehn	<b>420</b> TIF #20 Scherer Brothers	Total
<u>\$ 79,610</u>	<u>\$ 2,395</u>	<u>\$ 1,192</u>	<u>\$ 125,288</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,264,127</u>
\$ -	\$ -	\$ -	\$ 120	\$ -	\$ -	\$ 120
-	-	280,794	-	214	719,160	1,000,382
<u>-</u>	<u>-</u>	<u>280,794</u>	<u>120</u>	<u>214</u>	<u>719,160</u>	<u>1,000,502</u>
79,610	2,395	-	125,168	-	-	1,262,815
-	-	(279,602)	-	(214)	(719,160)	(999,190)
<u>79,610</u>	<u>2,395</u>	<u>(279,602)</u>	<u>125,168</u>	<u>(214)</u>	<u>(719,160)</u>	<u>263,625</u>
<u>\$ 79,610</u>	<u>\$ 2,395</u>	<u>\$ 1,192</u>	<u>\$ 125,288</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,264,127</u>

City of Albertville, Minnesota  
 Nonmajor Capital Projects Funds  
 Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 For the Year Ended December 31, 2023

	<b>201</b>	<b>407</b>	<b>412</b>
	Park Fund	TIF #7 Senior Housing	TIF #12 Schultz & Schupp
Revenues			
Tax increments	\$ -	\$ 72,709	\$ -
Charges for services	32,000	-	-
Investment earnings (loss)	44,085	2,229	-
Total Revenues	<u>76,085</u>	<u>74,938</u>	<u>-</u>
Expenditures			
Current			
Economic development	-	51,231	214
Debt service			
Interest	-	-	-
Total Expenditures	<u>-</u>	<u>51,231</u>	<u>214</u>
Net Change in Fund Balances	76,085	23,707	(214)
Fund Balances, January 1	<u>893,527</u>	<u>62,323</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 969,612</u>	<u>\$ 86,030</u>	<u>\$ (214)</u>



<b>415</b> TIF #15 Guardian Angels	<b>416</b> TIF #16 Mold Tech	<b>417</b> TIF #17 Old Castle	<b>418</b> TIF #18 AVA	<b>419</b> TIF #19 Fehn	<b>420</b> TIF #20 Scherer Brothers	Total
\$ 83,297	\$ 19,595	\$ 46,710	\$ 240,672	\$ -	\$ -	\$ 462,983
-	-	-	-	-	-	32,000
2,473	42	1,191	-	-	(592)	49,428
<u>85,770</u>	<u>19,637</u>	<u>47,901</u>	<u>240,672</u>	<u>-</u>	<u>(592)</u>	<u>544,411</u>
76,041	18,126	214	115,504	214	850	262,394
-	-	12,264	-	-	-	12,264
<u>76,041</u>	<u>18,126</u>	<u>12,478</u>	<u>115,504</u>	<u>214</u>	<u>850</u>	<u>274,658</u>
9,729	1,511	35,423	125,168	(214)	(1,442)	269,753
69,881	884	(315,025)	-	-	(717,718)	(6,128)
<u>\$ 79,610</u>	<u>\$ 2,395</u>	<u>\$ (279,602)</u>	<u>\$ 125,168</u>	<u>\$ (214)</u>	<u>\$ (719,160)</u>	<u>\$ 263,625</u>

City of Albertville, Minnesota  
Statement of Net Position  
Nonmajor Proprietary Funds  
December 31, 2023

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Storm Water</u>	<u>Recycling</u>	<u>Total Nonmajor Funds</u>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and temporary investments	\$ 1,101,615	\$ 57,851	\$ 1,159,466
Receivables			
Accounts	22,846	1,319	24,165
Delinquent special assessments	666	-	666
Special assessments, current portion	2,016	864	2,880
Due from other governments	-	2,000	2,000
Prepaid items	2,272	-	2,272
<b>Total Current Assets</b>	<u>1,129,415</u>	<u>62,034</u>	<u>1,191,449</u>
<b>Noncurrent Assets</b>			
Special assessments, net of current portion	1,103	579	1,682
Advances to other funds	36,000	-	36,000
<b>Total Noncurrent Assets</b>	<u>37,103</u>	<u>579</u>	<u>37,682</u>
<b>Capital Assets</b>			
Land	146,112	-	146,112
Infrastructure	1,509,297	-	1,509,297
Vehicles	69,177	-	69,177
Less: Accumulated depreciation	(495,884)	-	(495,884)
<b>Net Capital Assets</b>	<u>1,228,702</u>	<u>-</u>	<u>1,228,702</u>
<b>Total Noncurrent Assets</b>	<u>1,265,805</u>	<u>579</u>	<u>1,266,384</u>
<b>Total Assets</b>	<u>2,395,220</u>	<u>62,613</u>	<u>2,457,833</u>
<b>Deferred Outflows of Resources</b>			
Deferred pension resources	24,703	23	24,726

City of Albertville, Minnesota  
Statement of Net Position (Continued)  
Nonmajor Proprietary Funds  
December 31, 2023

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Storm Water</u>	<u>Recycling</u>	<u>Total Nonmajor Funds</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts and contracts payable	\$ 380	\$ 60	\$ 440
Accrued salaries payable	5,860	280	6,140
Compensated absences payable, current portion	<u>5,532</u>	<u>-</u>	<u>5,532</u>
Total Current Liabilities	<u>11,772</u>	<u>340</u>	<u>12,112</u>
<b>Noncurrent Liabilities</b>			
Compensated absences payable	1,844	-	1,844
Net pension liability	<u>89,797</u>	<u>1,208</u>	<u>91,005</u>
Total Noncurrent Liabilities	<u>91,641</u>	<u>1,208</u>	<u>92,849</u>
 Total Liabilities	 <u>103,413</u>	 <u>1,548</u>	 <u>104,961</u>
 <b>Deferred Inflows of Resources</b>			
Deferred pension resources	<u>27,841</u>	<u>35</u>	<u>27,876</u>
 <b>Net Position</b>			
Investment in capital assets	1,228,702	-	1,228,702
Unrestricted	<u>1,059,967</u>	<u>61,053</u>	<u>1,121,020</u>
 Total Net Position	 <u>\$ 2,288,669</u>	 <u>\$ 61,053</u>	 <u>\$ 2,349,722</u>

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City of Albertville, Minnesota  
Statement of Revenues, Expenses and  
Changes in Net Position  
Nonmajor Proprietary Funds  
For the Year Ended December 31, 2023

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Storm Water</u>	<u>Recycling</u>	<u>Total Nonmajor Funds</u>
Operating Revenues			
Charges for services	\$ 249,441	\$ 141,778	\$ 391,219
Operating Expenses			
Personal services	196,884	10,299	207,183
Professional services	51,809	4,159	55,968
Insurance	1,645	-	1,645
Repairs and maintenance	3,992	-	3,992
Depreciation	37,139	-	37,139
Other charges	5,789	142,641	148,430
Total Operating Expenses	<u>297,258</u>	<u>157,099</u>	<u>454,357</u>
Operating Income (Loss)	<u>(47,817)</u>	<u>(15,321)</u>	<u>(63,138)</u>
Nonoperating Revenues (Expenses)			
Interest income	54,778	3,160	57,938
Intergovernmental	-	8,712	8,712
Interest expense and other	(137)	-	(137)
Other income	10	-	10
Total Nonoperating Revenues (Expenses)	<u>54,651</u>	<u>11,872</u>	<u>66,523</u>
Change in Net Position	6,834	(3,449)	3,385
Net Position, January 1	<u>2,281,835</u>	<u>64,502</u>	<u>2,346,337</u>
Net Position, December 31	<u>\$ 2,288,669</u>	<u>\$ 61,053</u>	<u>\$ 2,349,722</u>

City of Albertville, Minnesota  
Statement of Cash Flows  
Nonmajor Proprietary Funds  
For the Year Ended December 31, 2023

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Storm Water</u>	<u>Recycling</u>	<u>Total Nonmajor Funds</u>
Cash Flows from Operating Activities			
Receipts from customers and users	\$ 250,425	\$ 142,918	\$ 393,343
Other receipts and payments, net	10	-	10
Payments to suppliers	(65,478)	(155,979)	(221,457)
Payments to employees	(189,103)	(9,756)	(198,859)
Net Cash Provided by Operating Activities	<u>(4,146)</u>	<u>(22,817)</u>	<u>(26,963)</u>
Cash Flows from Noncapital Financing Activities			
Intergovernmental receipts	-	8,712	8,712
Cash Flows from Capital and Related Financing Activities			
Interest paid on bonds	(850)	-	(850)
Principal paid on bonds	(85,000)	-	(85,000)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(85,850)</u>	<u>-</u>	<u>(85,850)</u>
Cash Flows from Investing Activities			
Interest received on investments (loss)	54,778	3,160	57,938
Net Increase (Decrease) in Cash and Cash Equivalents	(35,218)	(10,945)	(46,163)
Cash and Cash Equivalents, January 1	<u>1,136,833</u>	<u>68,796</u>	<u>1,205,629</u>
Cash and Cash Equivalents, December 31	<u>\$ 1,101,615</u>	<u>\$ 57,851</u>	<u>\$ 1,159,466</u>

City of Albertville, Minnesota  
Statement of Cash Flows (Continued)  
Proprietary Funds  
For the Year Ended December 31, 2023

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Storm Water</u>	<u>Recycling</u>	<u>Total Nonmajor Funds</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating income (loss)	\$ (47,817)	\$ (15,321)	\$ (63,138)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Other income related to operations	10	-	10
Depreciation	37,139	-	37,139
(Increase) decrease in assets/deferred outflows of resources			
Accounts receivable	2,326	1,558	3,884
Prepays	(298)	-	(298)
Due from other governments	-	2,635	2,635
Special assessments receivable	(1,342)	(418)	(1,760)
Deferred pension resources	12,901	(682)	12,219
Increase (decrease) in liabilities/deferred inflows of resources			
Accounts payable	(1,945)	(11,814)	(13,759)
Accrued salaries payable	576	18	594
Compensated absences payable	877	-	877
Net pension liability	(32,710)	(1,751)	(34,461)
Deferred pension resources	26,137	2,958	29,095
 Net Cash Provided (Used) by Operating Activities	 <u>\$ (4,146)</u>	 <u>\$ (22,817)</u>	 <u>\$ (26,963)</u>
 Schedule of Noncash Capital and Financing Activities			
Amortization of bond premiums	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ 5</u>

City of Albertville, Minnesota  
General Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget to Actual (Continued on the Following Pages)  
For the Year Ended December 31, 2023  
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	2023			Variance with Final Budget	2022
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Revenues					
Taxes					
General property taxes	\$ 2,519,337	\$ 2,519,337	\$ 2,473,673	\$ (45,664)	\$ 2,336,804
Franchise fees	188,000	188,000	325,250	137,250	192,470
Total	<u>2,707,337</u>	<u>2,707,337</u>	<u>2,798,923</u>	<u>91,586</u>	<u>2,529,274</u>
Licenses and permits					
Business	60,500	60,500	62,063	1,563	60,023
Non-business	202,500	202,500	205,503	3,003	592,383
Total licenses and permits	<u>263,000</u>	<u>263,000</u>	<u>267,566</u>	<u>4,566</u>	<u>652,406</u>
Intergovernmental					
Federal					
ARPA	-	-	-	-	3,812
State					
Local government aid	50,391	50,391	49,164	(1,227)	115,251
Property tax credits	-	-	153	153	171
Other	156,700	156,700	199,735	43,035	183,645
Total intergovernmental	<u>207,091</u>	<u>207,091</u>	<u>249,052</u>	<u>41,961</u>	<u>302,879</u>
Charges for services					
General government	155,154	155,154	131,281	(23,873)	368,195
Public safety	520,602	520,602	520,602	-	468,761
Culture and recreation	15,000	15,000	317,722	302,722	295,306
Total charges for services	<u>690,756</u>	<u>690,756</u>	<u>969,605</u>	<u>278,849</u>	<u>1,132,262</u>
Fines and forfeitures	-	-	14,812	14,812	7,590
Special assessments	-	-	80,394	80,394	41,904
Investment earnings	10,000	10,000	151,130	141,130	(100,342)
Miscellaneous					
Other	15,000	15,000	31,408	16,408	21,183
Refunds and reimbursements	-	-	35,419	35,419	54,064
Total miscellaneous	<u>15,000</u>	<u>15,000</u>	<u>66,827</u>	<u>51,827</u>	<u>75,247</u>
Total Revenues	<u>3,893,184</u>	<u>3,893,184</u>	<u>4,598,309</u>	<u>705,125</u>	<u>4,641,220</u>



City of Albertville, Minnesota  
General Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual (Continued)  
For the Year Ended December 31, 2023  
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	2023			Variance with Final Budget	2022
	Budgeted Amounts		Actual Amounts		Actual Amounts
	Original	Final			
Expenditures					
Current					
General government					
Legislative					
Personal services	\$ 27,128	\$ 27,128	\$ 26,697	\$ 431	\$ 20,669
Supplies	2,500	2,500	2,050	450	260
Other services and charges	27,800	27,800	28,710	(910)	28,382
Total legislative	<u>57,428</u>	<u>57,428</u>	<u>57,457</u>	<u>(29)</u>	<u>49,311</u>
Administration					
Personal services	170,054	170,054	166,169	3,885	148,486
Supplies	5,000	5,000	1,450	3,550	2,212
Other services and charges	15,500	15,500	13,538	1,962	17,501
Total administration	<u>190,554</u>	<u>190,554</u>	<u>181,157</u>	<u>9,397</u>	<u>168,199</u>
City clerk					
Personal services	92,161	92,161	93,423	(1,262)	85,762
Supplies	10,000	10,000	7,051	2,949	13,701
Other services and charges	50,900	50,900	48,189	2,711	36,792
Total city clerk	<u>153,061</u>	<u>153,061</u>	<u>148,663</u>	<u>4,398</u>	<u>136,255</u>
Elections and voter registration					
Personal services	-	-	-	-	894
Other services and charges	27,000	27,000	2,464	24,536	15,362
Total elections and voter registration	<u>27,000</u>	<u>27,000</u>	<u>2,464</u>	<u>24,536</u>	<u>16,256</u>
Treasurer					
Personal services	104,010	104,010	101,245	2,765	89,158
Supplies	8,600	8,600	4,630	3,970	4,220
Other services and charges	20,750	20,750	21,293	(543)	12,268
Total treasurer	<u>133,360</u>	<u>133,360</u>	<u>127,168</u>	<u>6,192</u>	<u>105,646</u>
Assessing					
Other services and charges	48,000	48,000	50,055	(2,055)	45,250
Legal					
Other services and charges	30,000	30,000	49,183	(19,183)	49,075

City of Albertville, Minnesota  
 General Fund  
 Schedule of Revenues, Expenditures and  
 Changes in Fund Balances - Budget and Actual (Continued)  
 For the Year Ended December 31, 2023  
 (With Comparative Actual Amounts for the Year Ended December 31, 2022)

	2023				2022
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
General government (continued)					
Engineering					
Other services and charges	\$ 35,000	\$ 35,000	\$ 76,854	\$ (41,854)	\$ 103,187
Miscellaneous					
Personal services	29,506	29,506	28,478	1,028	23,563
Supplies	1,500	1,500	-	1,500	-
Other services and charges	256,854	256,854	300,051	(43,197)	355,778
Total miscellaneous	<u>287,860</u>	<u>287,860</u>	<u>328,529</u>	<u>(40,669)</u>	<u>379,341</u>
Total general government	<u>962,263</u>	<u>962,263</u>	<u>1,021,530</u>	<u>(59,267)</u>	<u>1,052,520</u>
Public safety					
Police protection					
Other services and charges	949,913	949,913	949,913	-	860,524
Fire protection					
Personal services	570,739	570,739	620,092	(49,353)	515,016
Supplies	23,850	23,850	38,880	(15,030)	24,322
Other services and charges	125,935	125,935	147,694	(21,759)	125,598
Total fire protection	<u>720,524</u>	<u>720,524</u>	<u>806,666</u>	<u>(86,142)</u>	<u>664,936</u>
Protective inspection					
Personal services	132,648	132,648	166,793	(34,145)	111,029
Supplies	1,450	1,450	3,324	(1,874)	2,706
Other services and charges	160,496	160,496	107,139	53,357	153,168
Total protective inspection	<u>294,594</u>	<u>294,594</u>	<u>277,256</u>	<u>17,338</u>	<u>266,903</u>
Animal control					
Other services and charges	12,000	12,000	6,984	5,016	10,470
Total public safety	<u>1,977,031</u>	<u>1,977,031</u>	<u>2,040,819</u>	<u>(63,788)</u>	<u>1,802,833</u>

City of Albertville, Minnesota  
General Fund  
Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual (Continued)  
For the Year Ended December 31, 2023  
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	2023			2022	
	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Actual Amounts
	Original	Final			
Expenditures (Continued)					
Current (continued)					
Public works					
Streets					
Personal services	\$ 308,049	\$ 308,049	\$ 285,663	\$ 22,386	\$ 254,826
Supplies	36,000	36,000	47,771	(11,771)	38,355
Other services and charges	79,650	79,650	153,268	(73,618)	81,375
Total streets	<u>423,699</u>	<u>423,699</u>	<u>486,702</u>	<u>(63,003)</u>	<u>374,556</u>
Street lighting					
Other services and charges	<u>101,200</u>	<u>101,200</u>	<u>103,049</u>	<u>(1,849)</u>	<u>95,597</u>
Total public works	<u>524,899</u>	<u>524,899</u>	<u>589,751</u>	<u>(64,852)</u>	<u>470,153</u>
Culture and recreation					
Parks					
Personal services	348,980	348,980	319,135	29,845	305,978
Supplies	26,750	26,750	34,146	(7,396)	28,885
Other services and charges	148,507	148,507	150,054	(1,547)	144,978
Total parks	<u>524,237</u>	<u>524,237</u>	<u>503,335</u>	<u>20,902</u>	<u>479,841</u>
Arena					
Personal services	<u>-</u>	<u>-</u>	<u>299,636</u>	<u>(299,636)</u>	<u>281,093</u>
Total culture and recreation	<u>524,237</u>	<u>524,237</u>	<u>802,971</u>	<u>(278,734)</u>	<u>760,934</u>
Economic development					
Other services and charges	<u>25,000</u>	<u>25,000</u>	<u>3,502</u>	<u>21,498</u>	<u>4,492</u>
Total Expenditures	<u>4,013,430</u>	<u>4,013,430</u>	<u>4,458,573</u>	<u>(445,143)</u>	<u>4,090,932</u>
Excess of Revenues					
Over Expenditures	<u>(120,246)</u>	<u>(120,246)</u>	<u>139,736</u>	<u>259,982</u>	<u>550,288</u>
Other Financing Sources (Uses)					
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(271,670)</u>
Net Change in Fund Balances	(120,246)	(120,246)	139,736	259,982	278,618
Fund Balances, January 1	<u>2,592,935</u>	<u>2,592,935</u>	<u>2,592,935</u>	<u>-</u>	<u>2,314,317</u>
Fund Balances, December 31	<u>\$ 2,472,689</u>	<u>\$ 2,472,689</u>	<u>\$ 2,732,671</u>	<u>\$ 259,982</u>	<u>\$ 2,592,935</u>

City of Albertville, Minnesota

Debt Service Funds  
 Combining Balance Sheet  
 December 31, 2023

	<b>357</b>	<b>358</b>	<b>359</b>	<b>360</b>
	2003A	2011C	2012B	CSAH 19
	G.O.	G.O. CIP	G.O. CIP	2012A
	Improvement	Refunding	Refunding	G.O. Improv.
	<u>Improvement</u>	<u>Refunding</u>	<u>Refunding</u>	<u>Refunding</u>
<b>Assets</b>				
Cash and temporary investments	\$ 67,109	\$ 237,197	\$ 21,373	\$ 68,761
Receivables				
Special assessments	143,073	-	-	-
Interest	-	-	-	-
Notes	-	-	-	-
Advances to other funds	602,000	-	-	-
Land held for resale	180,434	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 992,616</u>	<u>\$ 237,197</u>	<u>\$ 21,373</u>	<u>\$ 68,761</u>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue - special assessments	\$ 143,073	\$ -	\$ -	\$ -
Unavailable revenue - notes/intergovernmental	-	-	-	-
Total Deferred Inflows of Resources	<u>143,073</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Restricted				
Debt service	<u>849,543</u>	<u>237,197</u>	<u>21,373</u>	<u>68,761</u>
Total Deferred Inflows of Resources and Fund Balances	<u>\$ 992,616</u>	<u>\$ 237,197</u>	<u>\$ 21,373</u>	<u>\$ 68,761</u>

<b>361</b> Lachman 2012A G.O. Improv. Refunding	<b>362</b> Industrial 2012A G.O. Improv. Refunding	<b>468</b> Interstate 94	Total
\$ 185,731	\$ 411,923	\$ 304,581	\$ 1,296,675
-	-	303,158	446,231
-	-	3,511	3,511
-	-	658,336	658,336
-	280,794	-	882,794
-	420,519	-	600,953
<u>\$ 185,731</u>	<u>\$ 1,113,236</u>	<u>\$ 1,269,586</u>	<u>\$ 3,888,500</u>
\$ -	\$ -	\$ 303,158	\$ 446,231
-	-	658,336	658,336
-	-	961,494	1,104,567
<u>185,731</u>	<u>1,113,236</u>	<u>308,092</u>	<u>2,783,933</u>
<u>\$ 185,731</u>	<u>\$ 1,113,236</u>	<u>\$ 1,269,586</u>	<u>\$ 3,888,500</u>

City of Albertville, Minnesota  
Debt Service Funds  
Combining Schedule of Revenues, Expenditures And  
Changes in Fund Balances  
For the Year Ended December 31, 2023

	<b>357</b>	<b>358</b>	<b>359</b>	<b>360</b>
	2003A	2011C	2012B	CSAH 19
	G.O.	G.O. CIP	G.O. CIP	2012A
	<u>Improvement</u>	<u>Refunding</u>	<u>Refunding</u>	<u>G.O. Improv.</u>
				<u>Refunding</u>
Revenues				
Property taxes	\$ -	\$ 102,092	\$ 261,980	\$ -
Special assessments	5,580	-	-	-
Investment earnings	1,711	8,686	6,996	10,662
Miscellaneous	-	-	-	-
Total Revenues	<u>7,291</u>	<u>110,778</u>	<u>268,976</u>	<u>10,662</u>
Expenditures				
Current				
Public works	-	-	-	-
Debt service				
Principal	-	145,000	245,000	165,000
Interest and other	-	12,699	17,380	1,650
Total Expenditures	<u>-</u>	<u>157,699</u>	<u>262,380</u>	<u>166,650</u>
Net Change in Fund Balances	7,291	(46,921)	6,596	(155,988)
Fund Balances, January 1	<u>842,252</u>	<u>284,118</u>	<u>14,777</u>	<u>224,749</u>
Fund Balances, December 31	<u>\$ 849,543</u>	<u>\$ 237,197</u>	<u>\$ 21,373</u>	<u>\$ 68,761</u>

<b>361</b> Lachman 2012A G.O. Improv. Refunding	<b>362</b> Industrial 2012A G.O. Improv. Refunding	<b>468</b> Interstate 94	Total
\$ -	\$ -	\$ 53,000	\$ 417,072
-	-	44,733	50,313
10,864	15,258	14,399	68,576
-	-	77,440	77,440
<u>10,864</u>	<u>15,258</u>	<u>189,572</u>	<u>613,401</u>
-	7,526	-	7,526
50,000	30,000	178,000	813,000
500	300	24,110	56,639
<u>50,500</u>	<u>37,826</u>	<u>202,110</u>	<u>877,165</u>
(39,636)	(22,568)	(12,538)	(263,764)
<u>225,367</u>	<u>1,135,804</u>	<u>320,630</u>	<u>3,047,697</u>
<u>\$ 185,731</u>	<u>\$ 1,113,236</u>	<u>\$ 308,092</u>	<u>\$ 2,783,933</u>

City of Albertville, Minnesota  
Combining Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2023

	Albertville Friendly City Days	Albertville Lions	STMA Ice Arena	Total Custodial Funds
<b>Assets</b>				
Cash and temporary investments	\$ 72,906	\$ 264,171	\$ 568,738	\$ 905,815
Accounts receivable	-	-	102,585	102,585
Inventory	-	-	3,181	3,181
Prepaid items	-	-	8,355	8,355
<b>Total Assets</b>	<b>72,906</b>	<b>264,171</b>	<b>682,859</b>	<b>1,019,936</b>
<b>Liabilities</b>				
Accounts payable	-	-	28,953	28,953
Accrued wages	-	-	11,006	11,006
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>39,959</b>	<b>39,959</b>
<b>Net Position</b>				
Restricted for organizations and other governments	<u>\$ 72,906</u>	<u>\$ 264,171</u>	<u>\$ 642,900</u>	<u>\$ 979,977</u>



City of Albertville, Minnesota  
Combining Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2023

	Albertville Friendly City Days	Albertville Lions	STMA Ice Arena	Total Custodial Funds
<b>Additions</b>				
<b>Contributions</b>				
Charges for services	\$ -	\$ -	\$ 833,075	\$ 833,075
Donations	-	135,000	-	135,000
Concessions	-	-	88,649	88,649
<b>Total Contributions</b>	<b>-</b>	<b>135,000</b>	<b>921,724</b>	<b>1,056,724</b>
Investment earnings	3,353	2,985	25,966	32,304
Miscellaneous	-	-	33,120	33,120
<b>Total Additions</b>	<b>3,353</b>	<b>137,985</b>	<b>980,810</b>	<b>1,122,148</b>
<b>Deductions</b>				
Professional services	-	558	318,572	319,130
Supplies	-	-	38,787	38,787
Utilities	-	-	244,703	244,703
Insurance	-	-	25,550	25,550
Repairs and maintenance	-	-	111,308	111,308
Capital outlay	-	-	21,759	21,759
Miscellaneous	-	-	26,795	26,795
<b>Total Deductions</b>	<b>-</b>	<b>558</b>	<b>787,474</b>	<b>788,032</b>
<b>Net Increase (Decrease) in Fiduciary Net Position</b>	<b>3,353</b>	<b>137,427</b>	<b>193,336</b>	<b>334,116</b>
<b>Net Position, January 1</b>	<b>69,553</b>	<b>126,744</b>	<b>449,564</b>	<b>645,861</b>
<b>Net Position, December 31</b>	<b>\$ 72,906</b>	<b>\$ 264,171</b>	<b>\$ 642,900</b>	<b>\$ 979,977</b>

City of Albertville, Minnesota  
Summary Financial Report  
Revenues and Expenditures For General Operations  
Governmental Funds  
For the Year Ended December 31, 2023

	Total		Percent Increase (Decrease)
	2023	2022	
Revenues			
Taxes	\$ 5,280,839	\$ 4,517,340	16.90 %
Special assessments	151,906	443,326	(65.73)
Licenses and permits	267,566	652,406	(58.99)
Intergovernmental	855,346	1,383,658	(38.18)
Charges for services	1,001,605	1,347,603	(25.68)
Fines and forfeitures	14,812	7,590	95.15
Investment earnings (losses)	564,901	(320,982)	N/A
Miscellaneous	149,077	236,605	(36.99)
	<u>\$ 8,286,052</u>	<u>\$ 8,267,546</u>	0.22 %
Total Revenues			
Per Capita	\$ 1,008	\$ 1,034	(2.48) %
Expenditures			
Current			
General government	\$ 1,021,530	\$ 1,102,691	(7.36) %
Public safety	2,040,819	1,802,833	13.20
Public works	597,277	495,607	20.51
Culture and recreation	802,971	760,934	5.52
Economic development	265,896	1,304,800	(79.62)
Capital outlay			
General government	214,872	5,817	3,593.86
Public safety	87,388	19,252	353.92
Public works	1,529,614	1,633,552	(6.36)
Culture and recreation	204,673	123,977	65.09
Economic development	-	50,000	(100.00)
Debt service			
Principal	813,000	876,000	(7.19)
Interest and other	68,903	86,344	(20.20)
	<u>\$ 7,646,943</u>	<u>\$ 8,261,807</u>	(7.44) %
Total Expenditures			
Per Capita	\$ 930	\$ 1,033	(9.94) %
Total Long-term Indebtedness	\$ 2,532,092	\$ 3,351,510	(24.45) %
Per Capita	308	419	(26.49)
General Fund Balance - December 31	\$ 2,732,671	\$ 2,592,935	5.39 %
Per Capita	332	324	2.54

The purpose of this report is to provide a summary of financial information concerning the City of Albertville to interested citizens. The complete financial statements may be examined at City Hall, 5959 Main Avenue, Albertville, MN 55301. Questions about this report should be directed to Tina Lannes, Finance Director at (763) 497-3384.

STATISTICAL SECTION (UNAUDITED)

CITY OF ALBERTVILLE  
ALBERTVILLE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2023

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## **STATISTICAL SECTION (Unaudited)**

This part of the City of Albertville's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

### **Financial Trends**

*These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.*

### **Revenue Capacity**

*These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.*

### **Debt Capacity**

*These schedules present information to help the reader assess the affordability of the government's current levels of out-standing debt and the government's ability to issue additional debt in the future.*

### **Demographic and Economic Information**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

### **Operating Information**

*These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

*Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.*

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Net Position by Component  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
<b>Governmental Activities</b>				
Net investment in capital assets	\$ 15,982,545	\$ 16,000,840	\$ 15,925,140	\$ 16,653,225
Restricted	4,359,358	6,603,871	3,240,957	3,543,926
Unrestricted	4,482,132	4,287,635	8,260,766	8,191,522
 Total Governmental Activities Net Position	 <u>\$ 24,824,035</u>	 <u>\$ 26,892,346</u>	 <u>\$ 27,426,863</u>	 <u>\$ 28,388,673</u>
 <b>Business-type Activities</b>				
Net investment in capital assets	\$ 8,198,571	\$ 8,423,132	\$ 8,632,306	\$ 8,717,564
Unrestricted	9,559,515	9,038,370	8,856,604	9,562,439
 Total Business-type Activities Net Position	 <u>\$ 17,758,086</u>	 <u>\$ 17,461,502</u>	 <u>\$ 17,488,910</u>	 <u>\$ 18,280,003</u>
 <b>Total Primary Government</b>				
Net investment in capital assets	\$ 24,181,116	\$ 24,423,972	\$ 24,557,446	\$ 25,370,789
Restricted	4,359,358	6,603,871	3,240,957	3,543,926
Unrestricted	14,041,647	13,326,005	17,117,370	17,753,961
 Total Primary Government	 <u>\$ 42,582,121</u>	 <u>\$ 44,353,848</u>	 <u>\$ 44,915,773</u>	 <u>\$ 46,668,676</u>

Note: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in 2015. Years prior to 2015 have not been restated.

**Table 1**

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 16,996,701	\$ 17,512,792	\$ 18,587,524	\$ 18,777,874	\$ 19,783,680	\$ 20,273,389
3,482,527	5,398,928	5,120,588	5,683,392	5,667,950	5,714,233
8,651,739	7,289,708	7,153,029	8,481,228	8,458,920	9,205,344
<u>\$ 29,130,967</u>	<u>\$ 30,201,428</u>	<u>\$ 30,861,141</u>	<u>\$ 32,942,494</u>	<u>\$ 33,910,550</u>	<u>\$ 35,192,966</u>
\$ 9,046,737	\$ 10,922,191	\$ 10,788,055	\$ 11,001,276	\$ 11,189,927	\$ 11,419,846
9,489,105	9,102,051	10,545,577	11,685,984	12,978,713	15,654,676
<u>\$ 18,535,842</u>	<u>\$ 20,024,242</u>	<u>\$ 21,333,632</u>	<u>\$ 22,687,260</u>	<u>\$ 24,168,640</u>	<u>\$ 27,074,522</u>
\$ 26,043,438	\$ 28,434,983	\$ 29,375,579	\$ 29,779,150	\$ 30,973,607	\$ 31,693,235
3,482,527	5,398,928	5,120,588	5,683,392	5,667,950	5,714,233
18,140,844	16,391,759	17,698,606	20,167,212	21,437,633	24,860,020
<u>\$ 47,666,809</u>	<u>\$ 50,225,670</u>	<u>\$ 52,194,773</u>	<u>\$ 55,629,754</u>	<u>\$ 58,079,190</u>	<u>\$ 62,267,488</u>

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Changes in Net Position (Continued on the Following Pages)  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
<b>Expenses</b>				
Governmental Activities				
General government	\$ 923,711	\$ 715,779	\$ 858,450	\$ 822,891
Public safety	1,103,431	1,222,679	1,602,075	1,548,674
Public works	1,461,319	1,636,968	1,631,343	1,385,420
Culture and recreation	558,881	569,429	617,041	788,338
Economic development	137,930	229,167	117,086	182,059
Interest on long-term debt	295,924	255,379	197,099	228,006
Total Governmental Activities Expenses	<u>4,481,196</u>	<u>4,629,401</u>	<u>5,023,094</u>	<u>4,955,388</u>
Business-type Activities				
Sewer utility	946,586	961,507	846,349	805,318
Water utility	1,108,449	399,813	418,260	369,100
Storm water utility	170,061	182,779	187,029	265,436
Recycling	81,024	81,689	94,580	95,850
Total Business-type Activities Expenses	<u>2,306,120</u>	<u>1,625,788</u>	<u>1,546,218</u>	<u>1,535,704</u>
Total Expenses	<u>\$ 6,787,316</u>	<u>\$ 6,255,189</u>	<u>\$ 6,569,312</u>	<u>\$ 6,491,092</u>
<b>Program Revenues</b>				
Governmental Activities				
Charges for services				
General government	\$ 574,438	\$ 489,742	\$ 437,398	\$ 630,143
Public safety	161,373	227,250	258,553	276,445
Public works	1,200	2,500	1,700	5,300
Culture and recreation	234,694	154,851	195,815	229,772
Operating grants and contributions	249,041	230,499	240,569	265,983
Capital grants and contributions	340,632	2,000,970	99,914	118,011
Total Governmental Activities Program Revenues	<u>1,561,378</u>	<u>3,105,812</u>	<u>1,233,949</u>	<u>1,525,654</u>
Business-type Activities				
Charges for services				
Sewer utility	728,308	752,094	786,153	848,544
Water utility	917,507	256,040	272,503	355,075
Storm water utility	228,659	251,960	222,630	213,666
Recycling	80,659	81,223	87,444	82,867
Operating grants and contributions	18,657	64,001	15,954	18,240
Capital grants and contributions	154,336	122,884	114,742	683,125
Total Business-Type Activities Program Revenues	<u>2,128,126</u>	<u>1,528,202</u>	<u>1,499,426</u>	<u>2,201,517</u>
Total Program Revenues	<u>\$ 3,689,504</u>	<u>\$ 4,634,014</u>	<u>\$ 2,733,375</u>	<u>\$ 3,727,171</u>

Note: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in 2015. Years prior to 2015 have not been restated.



Table 2

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 737,375	\$ 767,343	\$ 1,058,803	\$ 1,154,441	\$ 1,273,530	\$ 1,257,890
1,529,785	1,877,457	1,941,340	1,879,989	1,989,621	2,242,841
1,757,764	1,195,560	3,185,369	1,689,856	1,598,677	2,245,612
611,258	1,069,989	882,232	871,722	988,150	1,147,360
221,319	223,663	237,902	227,972	1,354,800	265,896
167,872	191,958	149,493	130,847	112,596	95,580
<u>5,025,373</u>	<u>5,325,970</u>	<u>7,455,139</u>	<u>5,954,827</u>	<u>7,317,374</u>	<u>7,255,179</u>
818,418	1,102,919	1,111,727	1,067,137	1,348,974	1,692,252
411,151	451,246	417,826	414,208	465,093	526,850
272,024	252,627	290,418	225,386	265,392	297,395
106,514	118,359	117,364	118,432	145,939	157,099
<u>1,608,107</u>	<u>1,925,151</u>	<u>1,937,335</u>	<u>1,825,163</u>	<u>2,225,398</u>	<u>2,673,596</u>
<u>\$ 6,633,480</u>	<u>\$ 7,251,121</u>	<u>\$ 9,392,474</u>	<u>\$ 7,779,990</u>	<u>\$ 9,542,772</u>	<u>\$ 9,928,775</u>
\$ 608,525	\$ 544,149	\$ 640,044	\$ 878,311	\$ 1,190,569	\$ 380,077
296,707	335,444	458,866	435,005	471,179	521,278
3,050	1,750	4,350	4,250	2,125	1,450
165,908	87,525	301,435	1,193,567	315,636	355,279
193,526	191,470	852,421	403,935	380,209	1,071,298
150,340	359,247	1,324,103	677,714	1,606,812	11,930
<u>1,418,056</u>	<u>1,519,585</u>	<u>3,581,219</u>	<u>3,592,782</u>	<u>3,966,530</u>	<u>2,341,312</u>
868,052	866,602	1,072,549	1,147,984	1,010,675	1,106,098
362,737	348,310	411,854	452,529	493,578	496,765
211,420	209,206	222,281	281,058	300,772	249,451
94,134	105,028	95,461	116,919	135,717	141,778
16,794	22,416	22,273	17,930	19,637	18,581
201,561	1,515,818	1,203,165	1,129,841	1,818,198	2,426,134
<u>1,754,698</u>	<u>3,067,380</u>	<u>3,027,583</u>	<u>3,146,261</u>	<u>3,778,577</u>	<u>4,438,807</u>
<u>\$ 3,172,754</u>	<u>\$ 4,586,965</u>	<u>\$ 6,608,802</u>	<u>\$ 6,739,043</u>	<u>\$ 7,745,107</u>	<u>\$ 6,780,119</u>

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Changes in Net Position (Continued)  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

	Fiscal Year			
	2014	2015	2016	2017
<b>Net Revenues (Expenses)</b>				
Governmental activities	\$ (2,919,818)	\$ (1,523,589)	\$ (3,789,145)	\$ (3,429,734)
Business-type activities	(177,994)	(97,586)	(46,792)	665,813
<b>Total Primary Government Revenues (Expenses)</b>	<u>\$ (3,097,812)</u>	<u>\$ (1,621,175)</u>	<u>\$ (3,835,937)</u>	<u>\$ (2,763,921)</u>
<b>General Revenues and Other Changes in Net Position</b>				
<b>General Revenues</b>				
Governmental Activities				
Taxes				
Property taxes, levied for general purpose	\$ 2,478,224	\$ 2,606,772	\$ 2,746,144	\$ 2,839,090
Property taxes, levied for debt service	805,791	885,270	921,796	916,050
Tax increments	28,648	109,132	169,651	230,131
Franchise fees	-	-	-	-
Grants and contributions not restricted to specific programs	90,269	98,932	102,311	93,140
Unrestricted investment earnings (losses)	182,322	86,644	103,541	138,248
Gain on sale of capital assets	-	3,450	-	49,020
Miscellaneous	-	132,569	280,219	172,681
Transfers	330,236	-	-	(46,816)
<b>Total Governmental Activities General Revenues</b>	<u>3,915,490</u>	<u>3,922,769</u>	<u>4,323,662</u>	<u>4,391,544</u>
Business-type Activities				
Property taxes levied for general purposes	-	-	-	-
Grants and contributions not restricted to specific programs	-	-	-	-
Unrestricted investment earnings (losses)	197,709	89,694	74,200	78,464
Transfers	(330,236)	-	-	46,816
<b>Total Business-type Activities General Revenues</b>	<u>(132,527)</u>	<u>89,694</u>	<u>74,200</u>	<u>125,280</u>
<b>Total Primary Government</b>	<u>\$ 3,782,963</u>	<u>\$ 4,012,463</u>	<u>\$ 4,397,862</u>	<u>\$ 4,516,824</u>
<b>Change in Net Position</b>				
Governmental activities	\$ 995,672	\$ 2,399,180	\$ 534,517	\$ 961,810
Business-type activities	(310,521)	(7,892)	27,408	791,093
<b>Total Primary Government</b>	<u>\$ 685,151</u>	<u>\$ 2,391,288</u>	<u>\$ 561,925</u>	<u>\$ 1,752,903</u>

Note: The City implemented GASB Statement No. 68 and GASB Statement No. 71 in 2015. Years prior to 2015 have not been restated.

Table 2

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ (3,607,317)	\$ (3,806,385)	\$ (3,873,920)	\$ (2,362,045)	\$ (3,350,844)	\$ (4,913,867)
146,591	1,142,229	1,090,248	1,321,098	1,553,179	1,765,211
<u>\$ (3,460,726)</u>	<u>\$ (2,664,156)</u>	<u>\$ (2,783,672)</u>	<u>\$ (1,040,947)</u>	<u>\$ (1,797,665)</u>	<u>\$ (3,148,656)</u>
\$ 3,054,845	\$ 3,497,033	\$ 3,469,449	\$ 3,614,097	\$ 3,852,811	\$ 4,143,704
831,410	508,855	506,868	472,425	473,974	364,072
231,247	232,684	240,457	220,464	197,675	462,983
-	-	-	-	-	325,250
111,979	113,056	126,418	115,426	115,422	305,373
120,130	384,339	190,441	11,191	(320,982)	564,901
-	140,879	-	-	-	30,000
-	-	-	9,795	-	-
-	-	-	-	-	-
<u>4,349,611</u>	<u>4,876,846</u>	<u>4,533,633</u>	<u>4,443,398</u>	<u>4,318,900</u>	<u>6,196,283</u>
-	-	-	-	222,934	220,624
-	-	-	-	58,468	111,961
109,248	346,171	219,142	32,530	(353,201)	808,086
-	-	-	-	-	-
<u>109,248</u>	<u>346,171</u>	<u>219,142</u>	<u>32,530</u>	<u>(71,799)</u>	<u>1,140,671</u>
<u>\$ 4,458,859</u>	<u>\$ 5,223,017</u>	<u>\$ 4,752,775</u>	<u>\$ 4,475,928</u>	<u>\$ 4,247,101</u>	<u>\$ 7,336,954</u>
\$ 742,294	\$ 1,070,461	\$ 659,713	\$ 1,070,461	\$ 968,056	\$ 1,282,416
255,839	1,488,400	1,309,390	1,488,400	1,481,380	2,905,882
<u>\$ 998,133</u>	<u>\$ 2,558,861</u>	<u>\$ 1,969,103</u>	<u>\$ 2,558,861</u>	<u>\$ 2,449,436</u>	<u>\$ 4,188,298</u>

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years

	Fiscal Year			
	2014	2015	2016	2017
General Fund				
Nonspendable	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000
Unassigned	<u>1,798,358</u>	<u>1,876,186</u>	<u>1,887,922</u>	<u>2,258,988</u>
Total General Fund	<u>\$ 1,849,358</u>	<u>\$ 1,927,186</u>	<u>\$ 1,938,922</u>	<u>\$ 2,309,988</u>
All Other Governmental Funds				
Nonspendable	\$ 13,184	\$ 2,695	\$ 1,614	\$ -
Restricted	5,276,492	3,263,871	3,272,492	3,670,865
Committed	-	-	-	-
Assigned	9,920,395	5,969,374	6,412,396	6,076,678
Unassigned	<u>(971,681)</u>	<u>(842,241)</u>	<u>(469,839)</u>	<u>(514,315)</u>
Total All Other Governmental Funds	<u>\$ 14,238,390</u>	<u>\$ 8,393,699</u>	<u>\$ 9,216,663</u>	<u>\$ 9,233,228</u>

**Table 3**

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 133,328	\$ 140,151	\$ 90,389	\$ 136,098	\$ 159,875	\$ 177,926
2,252,982	2,477,774	3,200,223	2,178,219	2,433,060	2,554,745
<u>\$ 2,386,310</u>	<u>\$ 2,617,925</u>	<u>\$ 3,290,612</u>	<u>\$ 2,314,317</u>	<u>\$ 2,592,935</u>	<u>\$ 2,732,671</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000
3,758,526	3,387,291	3,388,480	4,090,889	4,074,312	4,396,743
-	152,836	156,143	155,950	151,451	159,322
6,390,844	4,853,536	3,965,154	5,634,162	6,062,374	6,187,137
(432,912)	(425,086)	(389,806)	(353,483)	(1,033,498)	(999,190)
<u>\$ 9,716,458</u>	<u>\$ 7,968,577</u>	<u>\$ 7,119,971</u>	<u>\$ 9,527,518</u>	<u>\$ 9,254,639</u>	<u>\$ 9,754,012</u>

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years

	Fiscal Year			
	2014	2015	2016	2017
<b>Revenues</b>				
Taxes	\$ 3,302,350	\$ 3,596,744	\$ 3,840,259	\$ 4,018,573
Licenses and permits	167,584	197,878	174,928	239,833
Intergovernmental	209,667	1,958,201	282,508	268,493
Charges for services	857,837	648,359	662,313	888,979
Fines and forfeitures	-	1,000	-	200
Special assessments	384,727	434,682	246,350	196,021
Investment earnings (losses)	282,344	86,644	103,541	138,248
Miscellaneous	214,302	358,035	537,803	385,472
Total Revenues	<u>5,418,811</u>	<u>7,281,543</u>	<u>5,847,702</u>	<u>6,135,819</u>
<b>Expenditures</b>				
General government	748,364	606,158	738,974	735,742
Public safety	1,006,524	1,154,656	1,302,463	1,350,500
Public works	413,536	634,542	431,596	387,744
Culture and recreation	401,593	387,025	445,486	501,693
Economic development	96,866	203,626	76,875	141,632
Capital outlay	328,322	841,615	883,733	1,470,904
Debt service				
Principal	918,000	3,191,851	963,240	962,822
Interest	288,757	234,925	170,635	198,979
Bond issuance costs	7,458	-	-	-
Total Expenditures	<u>4,209,420</u>	<u>7,254,398</u>	<u>5,013,002</u>	<u>5,750,392</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,209,391</u>	<u>27,145</u>	<u>834,700</u>	<u>385,427</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	868,993	344,000	295,133	323,424
Bonds refunded	528,062	-	-	-
Bond issuance	-	235,000	-	-
Sale of capital assets	-	3,450	-	49,020
Transfers out	(1,062,688)	(344,000)	(295,133)	(370,240)
Total Other Financing Sources (Uses)	<u>334,367</u>	<u>238,450</u>	<u>-</u>	<u>2,204</u>
<b>Net Change in Fund Balances</b>	<u>\$ 1,543,758</u>	<u>\$ 265,595</u>	<u>\$ 834,700</u>	<u>\$ 387,631</u>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	29.6%	52.5%	25.2%	26.4%

**Table 4**

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 4,109,257	\$ 4,233,810	\$ 4,221,332	\$ 4,323,838	\$ 4,517,340	\$ 5,280,839
258,992	215,108	300,888	403,265	652,406	267,566
312,506	438,035	2,077,442	302,106	1,383,658	855,346
845,182	1,004,236	1,076,374	2,131,559	1,347,603	1,001,605
1,500	500	-	500	7,590	14,812
291,412	259,787	352,949	232,077	443,326	151,906
120,130	384,339	190,441	11,191	(320,982)	564,901
175,104	138,771	181,825	262,487	236,605	149,077
<u>6,114,083</u>	<u>6,674,586</u>	<u>8,401,251</u>	<u>7,667,023</u>	<u>8,267,546</u>	<u>8,286,052</u>
894,542	791,250	920,918	1,021,471	1,102,691	1,021,530
1,395,937	1,557,191	1,629,347	1,717,622	1,802,833	2,040,819
411,944	437,365	427,682	419,418	495,607	597,277
533,359	748,116	763,021	725,853	760,934	802,971
175,193	178,507	210,170	203,972	1,304,800	265,896
1,010,977	3,380,525	3,646,864	1,178,706	1,832,598	2,036,547
992,000	939,000	856,000	864,000	876,000	813,000
140,579	165,017	123,168	104,729	86,344	68,903
-	-	-	-	-	-
<u>5,554,531</u>	<u>8,196,971</u>	<u>8,577,170</u>	<u>6,235,771</u>	<u>8,261,807</u>	<u>7,646,943</u>
559,552	(1,522,385)	(175,919)	1,431,252	5,739	639,109
50,068	151,390	-	1,803,693	271,670	-
-	-	-	-	-	-
-	-	-	-	-	-
-	6,119	-	-	-	-
<u>(50,068)</u>	<u>(151,390)</u>	<u>-</u>	<u>(1,803,693)</u>	<u>(271,670)</u>	<u>-</u>
-	6,119	-	-	-	-
<u>\$ 559,552</u>	<u>\$ (1,516,266)</u>	<u>\$ (175,919)</u>	<u>\$ 1,431,252</u>	<u>\$ 5,739</u>	<u>\$ 639,109</u>
24.5%	20.6%	14.4%	18.3%	14.8%	14.3%

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Tax Capacity, Market Value and Estimated Actual Value of Taxable Property  
(Shown by Year of Tax Collectability)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Taxable Market Value				
Personal property	\$ 5,239,900	\$ 5,279,500	\$ 5,442,200	\$ 6,101,100
Real estate	<u>500,588,200</u>	<u>542,867,500</u>	<u>567,786,000</u>	<u>656,054,200</u>
Total Taxable Market Value	<u>\$ 505,828,100</u>	<u>\$ 548,147,000</u>	<u>\$ 573,228,200</u>	<u>\$ 662,155,300</u>
Estimated Actual Value of Taxable Property	<u>\$ 556,863,100</u>	<u>\$ 595,816,100</u>	<u>\$ 620,513,900</u>	<u>\$ 705,380,300</u>
Taxable Market Value as a Percentage of Estimated Actual Value	<u>90.84 %</u>	<u>92.00 %</u>	<u>92.38 %</u>	<u>93.87 %</u>
Tax Capacity				
Personal property	\$ 102,426	\$ 103,325	\$ 106,630	\$ 111,611
Real estate	<u>6,379,976</u>	<u>6,780,598</u>	<u>7,026,956</u>	<u>7,384,373</u>
Subtotal	6,482,402	6,883,923	7,133,586	7,495,984
Less: tax increment	<u>(23,265)</u>	<u>(79,615)</u>	<u>(123,377)</u>	<u>(169,948)</u>
Net Tax Capacity	<u>\$ 6,459,137</u>	<u>\$ 6,804,308</u>	<u>\$ 7,010,209</u>	<u>\$ 7,326,036</u>
Tax levies				
General	\$ 2,397,983	\$ 2,547,180	\$ 2,749,549	\$ 2,863,190
Debt service	<u>902,141</u>	<u>949,967</u>	<u>921,691</u>	<u>916,045</u>
Total	<u>\$ 3,300,124</u>	<u>\$ 3,497,147</u>	<u>\$ 3,671,240</u>	<u>\$ 3,779,235</u>
Tax capacity rate				
General	37.125 %	37.435 %	39.222 %	39.082
Debt service	<u>13.967</u>	<u>13.961</u>	<u>13.148</u>	<u>12.504</u>
Total	<u>51.092 %</u>	<u>51.396 %</u>	<u>52.370 %</u>	<u>51.586</u>

Source: Wright County Auditor/Treasurer Department



Table 5

2018	2019	2020	2021	2022	2023
\$ 6,101,100 <u>656,054,200</u>	\$ 6,389,500 <u>707,392,300</u>	\$ 7,128,500 <u>745,489,800</u>	\$ 5,738,000 <u>832,227,900</u>	\$ 6,110,500 <u>1,001,635,873</u>	\$ 6,154,000 <u>1,163,031,027</u>
<u>\$ 662,155,300</u>	<u>\$ 713,781,800</u>	<u>\$ 752,618,300</u>	<u>\$ 837,965,900</u>	<u>\$ 1,007,746,373</u>	<u>\$ 1,169,185,027</u>
<u>\$ 705,380,300</u>	<u>\$ 758,532,600</u>	<u>\$ 804,315,050</u>	<u>\$ 853,083,000</u>	<u>\$ 1,044,060,600</u>	<u>\$ 1,044,060,600</u>
<u>93.87 %</u>	<u>94.10 %</u>	<u>93.57 %</u>	<u>98.23 %</u>	<u>96.52 %</u>	<u>111.98 %</u>
\$ 119,863 <u>7,961,892</u>	\$ 125,822 <u>8,513,031</u>	\$ 140,544 <u>8,952,664</u>	\$ 155,457 <u>9,255,718</u>	\$ 120,132 <u>9,810,351</u>	\$ 122,330 <u>11,702,153</u>
8,081,755 <u>(171,863)</u>	8,638,853 <u>(171,188)</u>	9,093,208 <u>(179,241)</u>	9,411,175 <u>(186,700)</u>	9,930,483 <u>(152,298)</u>	11,824,483 <u>(421,581)</u>
<u>\$ 7,909,892</u>	<u>\$ 8,467,665</u>	<u>\$ 8,913,967</u>	<u>\$ 9,224,475</u>	<u>\$ 9,778,185</u>	<u>\$ 11,402,902</u>
\$ 3,056,908 <u>831,410</u>	\$ 3,442,876 <u>561,855</u>	\$ 3,414,096 <u>781,384</u>	\$ 3,572,049 <u>745,104</u>	\$ 3,782,812 <u>749,908</u>	\$ 4,121,198 <u>637,696</u>
<u>\$ 3,888,318</u>	<u>\$ 4,004,731</u>	<u>\$ 4,195,480</u>	<u>\$ 4,317,153</u>	<u>\$ 4,532,720</u>	<u>\$ 4,758,894</u>
38.647 % <u>10.511</u>	40.659 % <u>6.635</u>	38.301 % <u>8.766</u>	38.724 % <u>8.077</u>	38.686 % <u>7.669</u>	36.142 % <u>5.592</u>
<u>49.158 %</u>	<u>47.294 %</u>	<u>47.066 %</u>	<u>46.801 %</u>	<u>46.355 %</u>	<u>41.734 %</u>

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City of Albertville, Minnesota  
 Statistical Section (Unaudited)  
 Property Tax Capacity Rates - Direct and Overlapping Governments  
 (Per \$1,000 of Tax Capacity)

**Table 6**

Year Taxes Payable	Overlapping Rates			
	City	County	School District No. 885	School District No. 728
2014	51.092	43.450	51.553	51.279 %
2015	51.396	40.530	51.082	51.635
2016	52.370	39.970	49.102	39.266
2017	51.586	39.599	46.893	36.659
2018	49.158	39.946	47.950	36.137
2019	47.294	44.273	47.143	32.865
2020	47.066	44.421	45.280	34.371
2021	43.717	46.801	44.205	31.712
2022	43.749	46.355	42.428	30.884
2023	37.844	41.793	35.446	26.600

Source: Wright County Auditor/Treasurer Department

Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all City property owners (e.g. the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Principal Taxpayers  
Current Year and Ten Years Ago  
December 31, 2023

Taxpayer	2023		
	Tax Capacity	Rank	Percent of Total Tax Capacity
CPG Partners, LP	\$ 1,109,278	1	9.73 %
Advanced Volumetric Alliance	269,220	2	2.36
Albertville Station LLC	240,466	3	2.11
Preserve at Albertville	181,055	4	
Border States Industries, Inc.	125,520	5	1.10
Scherer LP	101,250	6	0.89
Centerpoint Energy	95,032	7	0.83
Evans Park Inc	94,485	8	0.83
Fraser Building LP	94,266	9	0.83
GMR Albertville LLC	93,596	10	0.82
EPK Family Fund LLC			
Carman's Bay Investments LLC	-		-
CWB Albertville Crossing, LLC			
US Bank NA	-		-
Albertville Medical Building, LLC	-		-
Mollie LLC	-		-
HGP Architectural Glass, Inc	-		-
Minnegasco, Inc	-		-
Albertville Plaza, LLC			
V Totals	<u>\$ 2,404,168</u>		<u>19.50 %</u>
Northern States Power			

Source: Wright County Auditor/Treasurer Department

**Table 7**

2014		
<u>Tax Capacity</u>	<u>Rank</u>	<u>Percent of Total Tax Capacity</u>
\$ 1,097,256	1	16.99 %
-		-
-		-
60,420	6	0.94
-		-
-		-
-		-
-		-
191,250	2	2.96
84,338	3	1.31
69,250	4	1.07
63,682	5	0.99
48,748	7	0.75
48,352	8	0.75
46,974	9	0.73
45,434	10	0.70
<u>\$ 1,755,704</u>		<u>27.18 %</u>

City of Albertville, Minnesota  
 Statistical Section (Unaudited)  
 Property Tax Levies and Collections  
 Last Ten Fiscal Years

**Table 8**

Fiscal Year	Total Levy	(1) Collection of Current Year's Levy	Percentage of Levy Collected	Collection in Subsequent Years	Total Collections	Percent of Total Collections to Levy
2014	\$ 3,300,124	\$ 3,263,343	98.89 %	\$ 36,781	\$ 3,300,124	100.00 %
2015	3,497,147	3,461,796	98.99	24,315	3,486,111	99.68
2016	3,671,240	3,641,148	99.18	11,191	3,652,339	99.49
2017	3,779,235	3,753,984	99.33	6,748	3,760,732	99.51
2018	3,888,318	3,864,947	99.40	4,101	3,869,048	99.50
2019	4,004,731	3,977,179	99.31	21,934	3,999,113	99.86
2020	4,195,480	4,177,746	99.58	12,514	4,190,260	99.88
2021	4,317,153	4,310,349	99.84	6,804	4,317,153	100.00
2022	4,532,720	4,515,278	99.62	3,519	4,518,797	99.69
2023	4,758,894	4,728,200	99.36	-	4,728,200	99.36

Source: Wright County Auditor/Treasurer Department

(1) Includes state paid property tax credits.

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

**Table 9**

Fiscal Year	Governmental Activities		Business-type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds	General Obligation Bonds	General Obligation Bonds			
2014	\$ 12,807,462	\$ 5,855,190	\$ 1,242,391	\$ 19,905,043	7.34 %	\$ 2,861	
2015	9,845,317	3,120,172	606,085	13,571,574	6.75	2,747	
2016	8,876,782	2,635,154	536,019	12,047,955	4.48	1,869	
2017	7,908,666	2,365,136	466,535	10,740,337	3.73	1,647	
2018	6,911,370	2,090,118	395,229	9,396,717	3.20	1,457	
2019	5,967,076	7,656,726	318,923	13,942,725	2.66	1,268	
2020	5,104,343	7,064,673	242,617	12,411,633	4.00	1,863	
2021	4,233,610	6,547,620	166,311	10,947,541	2.51	1,386	
2022	3,351,510	6,020,567	85,005	9,457,082	2.01	1,182	
2023	2,532,092	15,263,991	-	17,796,083	3.27	2,165	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. See the Schedule of Demographic and Economic Statistics for personal income and population data.

City of Albertville, Minnesota  
 Statistical Section (Unaudited)  
 Ratios of General Bonded Debt Outstanding  
 Last Ten Fiscal Years

**Table 10**

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Funds	Net Bonded Debt	Percentage of Estimated Actual Value of Taxable Property	Per Capita
2014	\$ 14,049,853	\$ 3,970,721	\$ 10,079,132	1.81 %	\$ 1,391
2015	10,451,402	6,189,942	4,261,460	0.72	587
2016	9,412,801	2,942,019	6,470,782	1.04	884
2017	8,375,201	3,216,178	5,159,023	0.73	700
2018	7,306,599	3,133,185	4,173,414	0.55	563
2019	6,285,999	5,268,736	1,017,263	0.13	136
2020	5,346,960	4,979,787	367,173	0.05	49
2021	4,399,921	4,665,741	(265,820)	(0.03)	(35)
2022	3,436,515	4,246,523	(810,008)	(0.08)	(103)
2023	2,532,092	3,875,489	(1,343,397)	(0.13)	(163)

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Demographic and Economic Statistics for population data.

See the Schedule of Tax Capacity, Market Value and Estimated Actual Value of Taxable Property for property value data.



City of Albertville, Minnesota  
 Statistical Section (Unaudited)  
 Computation of Direct and Overlapping Debt  
 December 31, 2023

**Table 11**

	Gross Bonded Debt Used For Net Debt Calculation	Percentage Applicable to District	Amount of Net Debt Applicable to District
Direct Debt			
City of Albertville	\$ 2,532,092	100.00 %	\$ 2,532,092
School District #885	126,585,000	22.26	28,177,821
School District #728	285,730,000	9.77	27,915,821
Wright County	133,535,000	4.77	6,369,620
Total Overlapping Debt	545,850,000	11.44	62,463,262
Total Direct and Overlapping Debt	\$ 548,382,092	11.85 %	\$ 64,995,354

Sources : Market value data used to estimate applicable percentages provided by the Wright County Auditor/Treasurer department. Debt outstanding data was provided from the same source.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognized that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

\* The percentage of overlapping debt applicable is estimated using taxable market property values. Applicable percentages were estimated by determining the portion of the county's taxable market value that is within the City's boundaries and dividing it by the county's total taxable market value.

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Legal Debt Margin Information  
Last Ten Fiscal Years

	Fiscal Year			
	2014	2015	2016	2017
Debt Limit (1)	\$ 15,174,843	\$ 16,444,410	\$ 17,196,846	\$ 19,864,659
Total Net Debt Applicable to Limit	-	-	-	-
Total	\$ 15,174,843	\$ 16,444,410	\$ 17,196,846	\$ 19,864,659
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	\$ -	\$ -	\$ -	\$ -

(1) The debt limit is 3 percent.

(2) All of the City's general obligation debt are paid from special assessments and not subject to the limit.

Note: Under state law, the City's outstanding general obligation debt should not exceed 3 percent of the market value of taxable property. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for the extinguishment of those obligations.

**Table 12**

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 19,864,659	\$ 21,413,454	\$ 22,578,549	\$ 25,138,977	\$ 30,232,391	35,075,551
-	-	-	-	-	-
<u>\$ 19,864,659</u>	<u>\$ 21,413,454</u>	<u>\$ 22,578,549</u>	<u>\$ 25,138,977</u>	<u>\$ 30,232,391</u>	<u>\$ 35,075,551</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Legal Debt Margin Calculation for Fiscal Year 2020

Taxable Market Value	<u>\$ 1,169,185,027</u>
Debt Limit (3% of Market Value)	\$ 35,075,551
Debt Applicable to Limit	
General Obligation Bonds (2)	-
Less: Amount Available in	
Debt Service Funds	<u>-</u>
Total Net Debt Applicable to Limit	<u>-</u>
Legal Debt Margin	<u>\$ 35,075,551</u>

City of Albertville, Minnesota  
Statistical Section (Unaudited)  
Pledged-Revenue Coverage  
Last Ten Fiscal Years

**Table 13**

Fiscal Year	General Obligation Revenue Bonds						Coverage
	(1) Gross Revenue	(2) Expenses	Net Revenue Available	Debt Service			
				Principal	Interest		
2014	\$ 771,239	\$ 439,487	\$ 331,752	\$ 394,373	\$ 171,371	0.59	
2015	915,048	473,470	441,578	2,727,200	159,973	0.15	
2016	836,374	464,576	371,798	477,200	49,281	0.71	
2017	904,445	425,770	478,675	262,200	43,730	1.56	
2018	948,167	439,181	508,986	265,900	41,124	1.66	
2019	1,109,813	565,587	544,226	270,900	37,421	1.77	
2020	1,016,245	627,732	388,513	575,900	148,695	0.54	
2021	1,373,515	937,245	436,270	510,000	159,795	0.65	
2022	1,197,329	1,109,902	87,427	520,000	147,975	0.13	
2023	2,362,880	1,166,640	1,196,240	540,000	132,344	1.78	

City of Albertville, Minnesota  
Demographic and Economic Statistics  
Last Ten Fiscal Years

**Table 14**

Fiscal Year	Population (1)	Number of Households (2)	Persons per Household (2)	Total Personal Income (3)	Per Capita Personal Income (4)	Median Age (5)	School Enrollment (6)	Unemployment Rate (7)
2014	7,247	2,434	2.98	\$ 308,178,675	\$ 42,525	34.6	5,725	3.9 %
2015	7,262	2,411	3.01	321,866,364	44,322	34.6	5,900	2.8
2016	7,317	2,476	2.96	331,057,665	45,245	34.6	6,083	3.7
2017	7,370	2,480	2.97	335,335,000	45,500	34.6	6,300	3.5
2018	7,412	2,491	2.98	352,640,724	47,577	34.6	6,300	3.5
2019	7,485	2,516	2.97	348,748,605	46,593	34.6	6,300	3.2
2020	7,519	2,527	2.98	388,048,071	51,609	36.6	6,300	3.7
2021	7,519	2,527	2.98	415,184,142	55,218	36.6	6,300	3.8
2022	7,896	2,654	2.98	436,001,328	58,756	36.6	6,500	2.8
2023	8,220	2,740	3.00	544,081,800	66,190	36.9	6,470	2.7

Data Sources

- (1) Minnesota Office of the State Demographer
- (2) Minnesota Office of the State Demographer (2008-2016); Estimated (2017-2019)
- (3) Calculated by the City.
- (4) US Department of Commerce - Bureau of Economic Analysis (2008-2016); Estimated (2017)
- (5) US Census Bureau
- (6) Independent School District 885
- (7) United States Department of Labor - Bureau of Labor Statistics

Note: Persons per household information was not available for 2018. The City estimated this year based on averages from data compiled for years 2009 - 2017.

Note: The unemployment rate is for Wright County, the County of which the City is located. Unemployment data was not available for the City.

Note: The per capital personal income is for Wright County, the County of which the City is located. Per capita personal income was not available for the City.

Note: School enrollment is for Independent School District 885. The School District also includes students from the City of St. Michael.

City of Albertville, Minnesota

Principal Employers

Current Year and Ten Years Ago

Employer	2023		
	Employees	Rank	Percentage of Total City Employment
ISD No. 885, St. Michael-Albertville	949	1	18.98 %
Outlets at Albertville	500	2	10.00
Coborn's	198	3	3.96
Advanced Volumetric Alliance, LLC	156	4	3.00
Oldcastle Building Envelopes	150	5	3.00
Fehn Gravel and Excavating, Inc.	80	6	1.60
Guardian Angels - Engel Haus	65	7	1.30
Mold-Tech, Inc.	61	8	1.22
Don's Bus Service	50	9	1.00
Sherer Brothers Truss	48	10	0.96
Fraser Steel Co.	-		-
D J's Total Home Care Center	-		-
Total	<u>5,000</u> *		<u>45.02</u> %

Source: Northland Securities

\* This is an estimation provided by the City.

**Table 15**

2014		
<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
699	2	13.98 %
2,000	1	40.00
140	4	2.80
-		-
142	3	2.84
55	7	1.10
43	9	-
-		-
59	6	1.18
40	10	0.80
80	5	1.60
48	8	0.96
<u>5,000</u> *		<u>65.26</u> %

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City of Albertville, Minnesota  
 Full-time Equivalent City Government Employees by Function  
 Last Ten Fiscal Years

**Table 16**

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	6.3	6.3	6.3	6.3	6.7	6.7	6.7	6.7	6.7	7.7
Public Safety										
Fire										
Full Time Fire Chief	-	-	1	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Civilians (1)	30.0	29.0	31.0	29.0	32.0	32.0	30.0	30.0	28.0	28.0
Public Works										
Engineering	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Maintenance	1.5	1.5	2.0	2.0	2.0	2.0	2.5	2.5	2.5	2.5
Culture and Recreation										
Parks	1.5	1.5	2.0	2.0	2.0	2.0	2.5	2.5	2.5	2.5
Water	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Sewer	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
<b>Total</b>	<b>42.5</b>	<b>41.6</b>	<b>45.6</b>	<b>43.6</b>	<b>47.0</b>	<b>47.0</b>	<b>46.0</b>	<b>46.0</b>	<b>44.0</b>	<b>45.0</b>

Source: City of Albertville

(1) The fire department is made up entirely of volunteer civilians. They are used on an on-call basis only.

City of Albertville, Minnesota  
 Operating Indicators By Function  
 Last Ten Fiscal Years

**Table 17**

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Fire										
Fire Calls	229	254	256	276	366	418	414	569	549	555
Inspections	212	211	10	6	195	40	20	20	80	60
Building/Engineering										
Permits Issued	412	453	542	477	468	494	696	837	863	642
Public Works										
Street Sweeping (Hours)	74	80	123	115	67	98	100	100	125	128
Snowplowing (Hours)	791	723	387	210	364	610	412	260	608	678
Equipment Repair (Hours)	750	600	692	663	829	925	900	803	1,100	634
Water										
New Connections	21	22	24	20	24	25	35	65	54	77
Water Mains Breaks	2	6	3	3	3	2	2	2	3	3
Sewer										
Average Daily Treatment Flow (Thousands of Gallons)	475,000	510,000	474,000	502,000	484,000	511,000	521,000	521,000	517,000	520,000

Sources: City of Albertville

Note: Indicators are not available for the general government function.

City of Albertville, Minnesota  
Capital Asset Statistics by Function  
Last Ten Fiscal Years

**Table 18**

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Fire stations										
Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Highways and streets										
Streets (miles)	36	36	38	38	38	39	39	39	39	39
Street lights	417	417	417	417	417	417	430	430	432	432
Traffic signals	6	7	7	7	7	7	7	7	7	8
Culture and Recreation										
Parks division										
Parks	11	11	11	11	11	11	12	12	12	12
Parks acreage	125	125	125	125	125	125	131	131	131	131
Arena/Civic Center	1	1	1	1	1	1	1	1	1	1
Baseball diamonds	4	4	4	4	4	4	4	4	4	4
Basketball courts	5	5	5	5	5	5	5	5	5	5
Bike trails (miles)	5	5	5	5	5	5	5	5	5	5
Hockey rinks/outdoor	2	2	2	2	2	2	2	2	2	2
Softball diamonds	2	2	2	2	2	2	2	2	2	2
Tennis courts	5	5	5	5	5	5	5	5	5	5
Skate Park									1	1
Volleyball courts	1	1	1	1	1	1	1	1	-	-
Utilities										
Water										
Miles of water main	52	52	52	52	52	52	55	55	55	55
Consumers										
Maximum daily capacity (gallons)										
Sewer										
Miles of sanitary sewer	37	37	37	37	37	37	39	39	39	39
Lift stations	10	10	10	10	10	10	10	10	10	10
Maximum daily treatment capacity (gallons)	929,000	929,000	929,000	929,000	929,000	929,000	929,000	929,000	929,000	929,000
Storm sewer										
Miles of storm sewer	35	35	35	35	35	35	36	36	36	36

Source: City of Albertville

Note: No capital asset indicators are available for the general government function.