



**City of Eden Valley  
Meeker and Stearns Counties, Minnesota**

**Regulatory Financial Statements**

**December 31, 2023**

**City of Eden Valley  
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**City of Eden Valley  
Elected Officials and Administration  
December 31, 2023**

<u>Elected Officials</u>	<u>Position</u>	<u>Term Expires</u>
Brent Bengtson	Mayor	December 31, 2024
Pat Becker	Council Member	December 31, 2024
Troy Huschle	Council Member	December 31, 2024
Ann Fischhaber	Council Member	December 31, 2026
Michael Kleven	Council Member	December 31, 2026
 <u>Administration</u>		
Cindy Anderson	City Clerk/Treasurer	Appointed



## Independent Auditor's Report

Honorable Mayor and Members  
of the City Council  
City of Eden Valley  
Eden Valley, Minnesota

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the City of Eden Valley, Minnesota, as of and for the year ended December 31, 2023, and the related notes to financial statements, which collectively comprise the City's regulatory financial statements as listed in the Table of Contents. We have also audited the additional supplementary information as listed in the Table of Contents for the year ended December 31, 2023.

#### **Unmodified Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective cash balances of each major fund and the aggregate remaining fund information of the City of Eden Valley, Minnesota, as of December 31, 2023, and the respective changes in cash balances and cash flows, where applicable, thereof, for the year then ended in accordance with the regulatory basis of accounting discussed in Note 1. In addition, in our opinion, the additional supplementary information referred to in the first paragraph presents fairly, in all material respects, the accounts receivable and accounts payable balances of the City's funds as of December 31, 2023, in conformity with the regulatory basis of accounting discussed in Note 1.

#### **Adverse Opinion on Accounting Principles Generally Accepted in the United States of America**

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America section of our report, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City of Eden Valley, Minnesota, as of December 31, 2023, the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 of Eden Valley 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.

### **Basis for Adverse Opinions on U.S. Generally Accepted Accounting Principles**

As described in Note 1 of the financial statements, the financial statements are prepared by the City on the basis of the financial reporting provisions of the Minnesota Office of the State Auditor, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

### **Responsibilities of Management for the Financial Statements**

The City of Eden Valley's management is responsible for the preparation and fair presentation of these financial statements in accordance with regulatory basis of accounting discussed in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Eden Valley'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 GAAS 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 GAAS 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 City of Eden Valley'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 City of Eden Valley's ability to continue as a going concern for a reasonable period of time.

**Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

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.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Eden Valley's regulatory financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the regulatory financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the regulatory financial statements. The information has been subjected to the auditing procedures applied in the audit of the regulatory financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the regulatory financial statements or to the regulatory 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 regulatory financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2024, on our consideration of the City of Eden Valley'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 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 of Eden Valley's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads "Bergan KDV, Ltd." in a cursive, slightly stylized font.

St. Cloud, Minnesota  
March 27, 2024

## **REGULATORY BASIS FINANCIAL STATEMENTS**

City of Eden Valley  
Statement of Balances Arising from Cash Transactions -  
Governmental Funds  
December 31, 2023

	General Fund (100)	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Cash and investments	\$ 1,375,898	\$ 1,630,556	\$ 3,006,454
<b>Cash Fund Balances</b>			
Restricted	113,544	562,703	676,247
Committed	-	247,540	247,540
Assigned	-	820,313	820,313
Unassigned	1,262,354	-	1,262,354
Total cash fund balances	\$ 1,375,898	\$ 1,630,556	\$ 3,006,454

**City of Eden Valley**  
**Statement of Cash Receipts, Disbursements, and**  
**Changes in Cash Fund Balances -**  
**Governmental Funds**  
**Year Ended December 31, 2023**

	General Fund (100)	Other Governmental Funds	Total Governmental Funds
<b>Receipts</b>			
General property taxes	\$ 525,314	\$ 63,211	\$ 588,525
Tax increments	-	16,754	16,754
Special assessments	-	36,115	36,115
Licenses and permits	29,937	-	29,937
Intergovernmental	393,819	55,008	448,827
Charges for service	137,251	-	137,251
Fines and forfeitures	2,446	-	2,446
Investment earnings	40,221	69,391	109,612
Miscellaneous			
Refunds and reimbursements	35,997	33,043	69,040
Donations and contributions	55,400	86,000	141,400
Other	2,588	199	2,787
Total receipts	<u>1,222,973</u>	<u>359,721</u>	<u>1,582,694</u>
<b>Disbursements</b>			
Current			
General government	286,404	-	286,404
Public safety	422,237	-	422,237
Public works	168,921	5,408	174,329
Culture and recreation	58,562	14,959	73,521
Economic development	-	92,842	92,842
Debt service			
Principal	53,713	74,000	127,713
Interest and other charges	4,027	33,201	37,228
Capital outlay			
General government	7,319	-	7,319
Public safety	4,490	-	4,490
Public works	2,136	57,129	59,265
Culture and recreation	55,962	-	55,962
Total disbursements	<u>1,063,771</u>	<u>277,539</u>	<u>1,341,310</u>
Excess of receipts over disbursements	159,202	82,182	241,384
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	79,965	79,965
Transfers out	(79,965)	-	(79,965)
Total other financing sources (uses)	<u>(79,965)</u>	<u>79,965</u>	<u>-</u>
Net change in cash fund balances	79,237	162,147	241,384
<b>Cash Fund Balances</b>			
Beginning of year	<u>1,296,661</u>	<u>1,468,409</u>	<u>2,765,070</u>
End of year	<u>\$ 1,375,898</u>	<u>\$ 1,630,556</u>	<u>\$ 3,006,454</u>

See notes to regulatory financial statements.

City of Eden Valley  
Statement of Balances Arising from Cash Transactions -  
Proprietary Funds  
December 31, 2023

	Enterprise Funds		
	Water (510)	Sewer (520)	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 1,126,263	\$ 459,905	\$ 1,586,168
<b>Net Cash Position</b>			
Restricted	\$ 68,548	\$ -	\$ 68,548
Unrestricted	1,057,715	459,905	1,517,620
Total net assets	\$ 1,126,263	\$ 459,905	\$ 1,586,168

**City of Eden Valley**  
**Statement of Receipts, Disbursements, and**  
**Changes in Net Cash Position - Proprietary Funds**  
**December 31, 2023**

	Enterprise Funds		
	Water (510)	Sewer (520)	Total
<b>Operating Receipts</b>			
Charges for services	\$ 450,646	\$ 267,473	\$ 718,119
Connection fees	4,674	-	4,674
Miscellaneous operating revenues	1,569	2,129	3,698
Total operating receipts	<u>456,889</u>	<u>269,602</u>	<u>726,491</u>
<b>Operating Disbursements</b>			
Salaries and benefits	76,917	49,447	126,364
Operating supplies	16,550	10,045	26,595
Repairs and maintenance	57,599	7,009	64,608
Professional services	26,224	32,786	59,010
Utilities	25,460	12,124	37,584
Miscellaneous expenses	2,482	6,588	9,070
Total operating disbursements	<u>205,232</u>	<u>117,999</u>	<u>323,231</u>
Excess of operating receipts over operating disbursements	251,657	151,603	403,260
<b>Nonoperating Receipts</b> (disbursements)			
Investment income	44,130	15,531	59,661
Other	98,754	159,426	258,180
Interest expense	(15,031)	(31,921)	(46,952)
Capital outlay	<u>(11,063)</u>	<u>-</u>	<u>(11,063)</u>
Total nonoperating receipts (disbursements)	<u>116,790</u>	<u>143,036</u>	<u>259,826</u>
Net income (loss) before debt principal and bond issuance	368,447	294,639	663,086
Debt principal	(93,803)	(179,728)	(273,531)
PFA issuance	<u>3,449</u>	<u>5,317</u>	<u>8,766</u>
Change in net cash position	278,093	120,228	398,321
<b>Net Cash Position</b>			
Beginning of year	<u>848,170</u>	<u>339,677</u>	<u>1,187,847</u>
End of year	<u>\$ 1,126,263</u>	<u>\$ 459,905</u>	<u>\$ 1,586,168</u>

City of Eden Valley  
Statement of Cash Flows  
Proprietary Funds  
December 31, 2023

	Water (510)	Sewer (520)	Total
<b>Cash Flows - Operating Activities</b>			
Receipts from customers	\$ 456,889	\$ 269,602	\$ 726,491
Payments to suppliers	(128,315)	(68,552)	(196,867)
Payments to employees	(76,917)	(49,447)	(126,364)
Net cash flows - operating activities	<u>251,657</u>	<u>151,603</u>	<u>403,260</u>
<b>Cash Flows - Noncapital Financing Activities</b>			
Miscellaneous revenue	<u>98,754</u>	<u>159,426</u>	<u>258,180</u>
<b>Cash Flows - Capital and Related Financing Activities</b>			
Acquisition of capital assets	(11,063)	-	(11,063)
Proceeds from long-term debt	3,449	5,317	8,766
Principal paid on capital debt	(93,803)	(179,728)	(273,531)
Interest paid on capital debt	(15,031)	(31,921)	(46,952)
Net cash flows - capital and related financing activities	<u>(116,448)</u>	<u>(206,332)</u>	<u>(322,780)</u>
<b>Cash Flows - Investing Activities</b>			
Interest and dividends	<u>44,130</u>	<u>15,531</u>	<u>59,661</u>
Net change in cash and cash equivalents	278,093	120,228	398,321
<b>Cash and Cash Equivalents</b>			
Beginning of year	<u>848,170</u>	<u>339,677</u>	<u>1,187,847</u>
End of year	<u>\$ 1,126,263</u>	<u>\$ 459,905</u>	<u>\$ 1,586,168</u>

**City of Eden Valley  
Notes to Regulatory Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The City of Eden Valley is a statutory city governed by an elected mayor and four council members. The accompanying financial statements present the government entities for which the government is considered to be financially accountable.

The financial statements present the City and its component units. The City includes all funds, account groups, organizations, institutions, agencies, departments, and offices that are not legally separate from such. Component units are legally separate organizations for which the elected officials of the City are financially accountable and are included within the basic financial statements of the City because of the significance of their operational or financial relationships with the City.

The City is considered financially accountable for a component unit if it appoints a voting majority of the organization's governing body and it is able to impose its will on the organization by significantly influencing the programs, projects, activities, or level of services performed or provided by the organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on, the City.

As a result of applying the component unit definition criteria above, the following organization has been defined and is presented in this report as follows:

Blended Component Units - Reported as if they were part of the City.

For the above category, the specific entity is identified as follows:

**1. Blended Component Unit**

The Eden Valley Economic Development Authority (EDA) is a legal entity separate from the City. Although legally separate, the Eden Valley EDA is reported as if it were part of the primary government because it provides services exclusively for the City. Separate financial statements are not prepared for the Eden Valley EDA.

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

The accounts of the City are maintained, and the accompanying financial statements have been prepared, on a regulatory basis of accounting prescribed by the Minnesota Office of the State Auditor. The regulatory basis of accounting is defined in the *Reporting and Publishing Requirements for City Audited Financial Statements for Cities Under 2,500 in Population Reporting on the Cash or Regulatory Basis of Accounting* issued by the State of Minnesota Office of the State Auditor on December 17, 2004. The regulatory basis allows revenues to be recognized when received rather than when earned, and expenditures to be recognized when paid rather than when the obligations are incurred.

Major proprietary funds are reported on an accrual basis of accounting in a separate report.

**City of Eden Valley  
Notes to Regulatory Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**Description of Funds:**

**Major Governmental Funds:**

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

**Proprietary Funds:**

Water Fund - This fund accounts for the operations of the City's water utility.

Sewer Fund - This fund accounts for the operations of the City's sewer utility.

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 proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and repairs and maintenance of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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. Further, the City applies unrestricted funds in this order if various levels of unrestricted fund balances exist, committed, assigned, and unassigned.

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

**C. Cash, Cash Equivalents, and Investments**

Cash and investments include balances from all funds that are combined and invested to the extent available in various securities as authorized by state law. Earnings from the pooled investments are allocated to the individual funds based on the average of month-end cash and investment balances.

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.

*Minnesota Statutes* authorizes the City to invest in obligations of the U.S. Treasury, agencies and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, bankers' acceptances, future contracts, repurchase and reverse repurchase agreements, and commercial paper of the highest quality with a maturity of no longer than 270 days and in the Minnesota Municipal Investment Pool.

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Cash, Cash Equivalents, and Investments (Continued)**

Certain investments for the City are reported at fair value as disclosed in Note 3. 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.

In accordance with GASB Statement No. 79, the Minnesota Municipal Investment Pool securities are 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.

**D. Property Tax Collection Calendar**

The City levies its property tax for the subsequent year during the month of December. December 28 is the last day the City can certify a tax levy to the County Auditors for collection the following year. Such taxes become a lien on January 1 and are recorded as receivables by the City at that date. The property tax is recorded as revenue when it becomes measurable and available. Meeker County and Stearns County are the collecting agencies for the levy and remits the collections to the City three times a year. The tax levy notice is mailed in March with the first half of the payment due on May 15 and the second half due on October 15.

The County Auditors prepare the tax list for all taxable property in the City, applying the applicable tax rate to the tax capacity of individual properties, to arrive at the actual tax for each property. The County Auditors also collect all special assessments, except for certain prepayments paid directly to the City.

The County Auditors submit the list of taxes and special assessments to be collected on each parcel of property to the County Treasurers in January of each year.

**E. Vacation and Sick Leave**

The City compensates employees who either retire or terminate for 100% of their accumulated unused vacation pay, and 50% of sick leave for those who have been employed for more than 15 years. As of December 31, 2023, the total liability for unused vacation and sick pay was approximately \$40,470.

**F. Use of Estimates**

The preparation of financial statements in conformity with the regulatory basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and disbursements during the reporting period. Actual results could differ from those estimates.

**City of Eden Valley  
Notes to Regulatory Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**G. Cash Fund Balances**

**1. Classification**

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

- ◆ **Restricted Fund Balance** - These are amounts that are restricted to specific purposes either by a) constraints placed on the use of resources by creditors, grantors, contributors or laws or regulations of other governments or b) imposed by law through enabling legislation.
- ◆ **Committed Fund Balance** - These are amounts that can only be used for specific purposes pursuant to constraints imposed by the City Council (highest level of decision-making authority) through a majority vote.
- ◆ **Assigned Fund Balance** - These are amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by the City Council, or City's Clerk/Treasurer as delegated by the City Council.
- ◆ **Unassigned Fund Balance** - These are residual amounts in the General Fund not reported in any other classification. The General Fund is the only fund that can report a positive unassigned fund balance. Other funds would report a negative unassigned fund balance should the total of nonspendable, restricted and committed fund balances exceed the total net resources of that fund.

If resources from more than one fund balance classification could be spent, the City will strive to spend resources from fund balance classifications in the following order, first to last: restricted, committed, assigned, and unassigned.

**2. Minimum Fund Balance**

The City strives to maintain a General Fund unassigned fund balance of six months of operating expenses.

**H. Budgetary Information**

1. In September of each year, City staff submits to the City Council, a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed disbursements and the means of financing them for the upcoming year.
2. Public hearings are conducted to obtain taxpayer comments.
3. The budget is legally enacted through passage of a resolution after obtaining taxpayer comments.
4. Budgets are adopted on a basis consistent with the regulatory basis of accounting.
5. Disbursements may not legally exceed budgeted appropriations at the fund level. No fund's budget can be increased without City Council approval. The City Council may authorize the transfer of budgeted amounts between departments within any fund. Management may amend budgets within a fund level, so long as the total fund budget is not changed.
6. Annual appropriated budgets are adopted during the year for the General, Enterprise, and most Special Revenue Funds.

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H. Budgetary Information (Continued)**

7. Budgeted amounts are as originally adopted or as amended by the City Council. Amendments were not made to the budget in 2023. Budgeted disbursement appropriations lapse at year-end.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

**A. Deposits**

Custodial Credit Risk - Deposits: For deposits, this is the risk that in the event of bank failure the City's deposits may not be returned to it. The City has adopted a deposit policy to address custodial risk for deposits that matches *Minnesota Statutes* requirement that deposits are collateralized at 110% of excess over Federal Deposit Insurance Corporation (FDIC) insurance. As of December 31, 2023, the City's bank balance was not exposed to custodial credit risk because the balance was insured through the FDIC with collateral pledged by the depository for amounts exceeding FDIC coverage.

As of December 31, 2023, the City had deposits as follows:

Checking	\$ 399,466
Certificates of Deposits	<u>208,666</u>
Total Deposits	<u><u>\$ 608,132</u></u>

**B. Investments**

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

Investment Type	Fair Value	Investment Maturities			Ratings
		1 Year or Less	1-2 Years	3-5 Years	
Brokered certificate of deposits	\$ 1,178,698	\$ 107,632	\$ 165,122	\$ 905,944	N/A
Brokered money market	16,040	16,040	-	-	N/A
4M and 4M Plus Funds	<u>2,789,452</u>	<u>2,789,452</u>	<u>-</u>	<u>-</u>	N/A
Total investments	<u><u>\$ 3,984,190</u></u>	<u><u>\$ 2,913,124</u></u>	<u><u>\$ 165,122</u></u>	<u><u>\$ 905,944</u></u>	

The City has a formal deposit and investment policy to address the following risks:

**Interest Rate Risk:** This is the risk that correlates with managing exposure to fair value arising from increasing interest rates. The City's policy manages this by giving guidance on the safety of investing and managing the liquidity of the portfolio.

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**B. Investments (Continued)**

**Credit Risk:** This is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments based on investment type. The City's policy limits investments to shares of the 4M Fund, direct obligations of the Department of the Treasury of the U.S. Government and federal agency issues which are guaranteed by the U.S. Government or its agencies as to principal and interest and general obligations of the State of Minnesota and local governments with taxing powers, which is rated A or better by a nation bond rating service, provided no single issue exceeds \$200,000 with maturities not exceeding seven years.

**Concentration of Credit Risk:** This is the risk that limits the amount the City may invest in any one issuer. The City's investment policy states investments shall be diversified to minimize credit risk; specifically, no more than 5% of the investment portfolio will be invested in the securities of a single issuer.

**Custodial Credit Risk - Investments:** For an investment, this is the risk that in the event of the failure of the counter party, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires all investments to be insured.

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

- ◆ Investments of \$1,178,698 are valued using an IDC Market Closing Price 2 (Level 2 inputs) at RBC.

**C. Deposits and Investments**

Summary of cash deposits and investments as of December 31, 2023, were as follows:

Petty cash	\$ 300
Total deposits	608,132
Total investments	<u>3,984,190</u>
Total deposits and investments	<u><u>\$ 4,592,622</u></u>
Statement of Balances Arising from Cash Transactions - Governmental Funds	
Cash and investments	\$ 3,006,454
Statement of Balances Arising From Cash Transactions - Proprietary Funds	
Cash and investments	<u>1,586,168</u>
Total cash and investments	<u><u>\$ 4,592,622</u></u>

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 3 - INTERFUND BALANCES AND TRANSFERS**

**A. Interfund Transfers**

For the year ended December 31, 2023, interfund transfers were included in the following funds:

	Transfers In	
	Nonmajor Governmental Funds	Total
Transfers out		
General Fund	\$ 79,965	\$ 79,965
Total	<u>\$ 79,965</u>	<u>\$ 79,965</u>

The purpose of the transfers was for equipment and other purchases.

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 4 - LONG-TERM DEBT**

**A. Components of Long-Term Liabilities**

	Issue Year	Interest Rates	Original Issue	Final Maturity	Principal Outstanding	Due Within One Year
Long-term liabilities						
Governmental activities						
General Obligation (G.O.)						
Bonds, including Refunding Bonds and Notes						
G.O. Improvement Note of 2018A	2018	3.8%	\$ 145,000	2029	\$ 95,000	\$ 15,000
G.O. Improvement & Refunding Bonds 2021C	2021	2.00%-3.00%	1,225,000	2042	1,165,000	70,000
Total G.O. Bonds and Notes, including Refunding Bonds					1,260,000	85,000
USDA Rural Development Loan	2009	4.50%	400,000	2049	40,474	19,919
Lease liability	2020	3.96%	16,708	2025	6,314	5,197
Total Governmental Activities Liabilities					1,306,788	110,116
Enterprise Funds						
Notes from Direct Borrowing						
PFA G.O. Drinking Water Revenue Note	2009	1.00%	286,461	2029	92,000	15,000
PFA G.O. Clean Water Sewer Revenue Note	2009	1.74%	660,457	2029	220,000	35,000
PFA Drinking Water Forgivable Grant	2013	0.00%	697,316	2033	697,316	-
PFA G.O. Drinking Water Revenue Note	2013	1.00%	174,329	2033	92,000	9,000
PFA G.O. Clean Water Sewer Revenue Note	2013	1.46%	470,625	2033	255,000	24,000
PFA G.O. Drinking Water Revenue Note	2018	1.00%	172,923	2038	100,000	6,000
PFA G.O. Clean Water Sewer Revenue Note	2018	1.00%	799,239	2038	538,000	33,000
PFA G.O. Drinking Water Revenue Note	2021	1.00%	1,285,832	2042	1,070,000	52,000
PFA G.O. Clean Water Sewer Revenue Note	2021	1.00%	1,925,380	2042	1,632,000	78,000
G.O. Utility Revenue Notes						
G.O. Sewer Revenue Note, Series 2017A	2017	2.75%	90,000	2025	19,500	13,000
G.O. Water Revenue Note, Series 2017A	2017	2.75%	90,000	2025	19,500	13,000
Total Enterprise Fund Bonds					4,735,316	278,000
Total all long-term liabilities					\$ 6,042,104	\$ 388,116

The General Fund is responsible for the liquidation of the USDA Rural Development Loan, and the Debt Service Funds will pay for the outstanding principal and interest on the G.O. improvement bonds. The Water and Sewer Funds are responsible for payment of their respective Public Facilities Authority (PFA) loans and revenue notes.

**B. Lease Liability**

On March 19, 2020, the City entered into a lease agreement on with MN Department of Administration, Fleet & Surplus Services for a police car. The capital lease agreement includes monthly principal and interest payments of \$450. The lease agreement expires on March 19, 2025.

**C. Notes from Direct Borrowing**

On September 11, 2013, the City received a PFA Drinking Water Forgivable Grant that is required to be repaid by the City if conditions of the agreement are not met. At December 31, 2023, the City had expended the full grant. Since the City anticipates that this debt will be forgiven, it is not included in the amortization schedules.

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 4 - LONG-TERM DEBT (CONTINUED)**

**C. Notes from Direct Borrowing (Continued)**

On August 9, 2018, the City issued a \$172,923 G.O. Water Revenue Note through the Minnesota Public Facilities Authority (PFA). At December 31, 2023, the City had only expended \$131,924 of this PFA Drinking Water Revolving Loan. This was the final draw on this note and the amortization schedule included on page 20 represents the final note liability of \$131,924.

On August 9, 2018, the City issued a \$799,239 G.O. Sewer Revenue Note through the Minnesota PFA. At December 31, 2023, the City had only expended \$697,495 of this PFA Clean Water Revolving Loan. This was the final draw on this note and the amortization schedule included on page 20 represents the final note liability of \$697,495.

On September 16, 2021, the City issued a \$1,925,380 G.O. Clean Water Revenue Note through the Minnesota PFA. At December 31, 2023, the City had only expended \$1,748,608 of this PFA Clean Water Revolving Loan. This was the final draw on this note and the amortization schedule included on page 20 represents the final note liability of \$1,748,608.

On September 16, 2021, the City issued a \$1,285,832 G.O. Drinking Water Revenue Note through the Minnesota PFA. At December 31, 2023, the City had only expended \$1,150,135 of this PFA Drinking Water Revolving Loan. This was the final draw on this note and the amortization schedule included on page 20 represents the final note liability of \$1,150,135.

**D. Changes in Long-Term Liabilities**

The following is a summary of bonds payable transactions of the City for the year ended 2023:

	Beginning Balance as Restated	Increases	Decreases	Ending Balance
G.O. Improvement Bonds and Notes	\$ 1,334,000	\$ -	\$ (74,000)	\$ 1,260,000
USDA Rural Development Loan	94,187	-	(53,713)	40,474
Lease liability	11,511	-	(5,197)	6,314
PFA forgivable grant	697,316	-	-	697,316
PFA notes from direct borrowing	4,247,531	-	(248,531)	3,999,000
G.O. Utility Revenue Note	64,000	-	(25,000)	39,000
	<u>\$ 6,448,545</u>	<u>\$ -</u>	<u>\$ (406,441)</u>	<u>\$ 6,042,104</u>
Total long-term liabilities	<u>\$ 6,448,545</u>	<u>\$ -</u>	<u>\$ (406,441)</u>	<u>\$ 6,042,104</u>

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 4 - LONG-TERM DEBT (CONTINUED)**

**E. Minimum Debt Payments**

The annual requirements to amortize all long-term debt outstanding are as follows:

Year Ending December 31,	G.O. Improvement Bonds and Notes			USDA Rural Development Loan		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 85,000	\$ 30,225	\$ 115,225	\$ 19,919	\$ 1,821	\$ 21,740
2025	85,000	27,555	112,555	20,555	925	21,480
2026	85,000	24,885	109,885	-	-	-
2027	91,000	22,121	113,121	-	-	-
2028	92,000	19,244	111,244	-	-	-
2029-2033	442,000	61,523	503,523	-	-	-
2034-2038	260,000	22,406	282,406	-	-	-
2039-2042	120,000	5,100	125,100	-	-	-
Total	<u>\$ 1,260,000</u>	<u>\$ 213,059</u>	<u>\$ 1,473,059</u>	<u>\$ 40,474</u>	<u>\$ 2,746</u>	<u>\$ 43,220</u>

Year Ended December 31,	Lease liability		
	Principal	Interest	Total
2024	\$ 5,197	\$ 206	\$ 5,403
2025	1,117	44	1,161
Total	<u>\$ 6,314</u>	<u>\$ 250</u>	<u>\$ 6,564</u>

Year Ended December 31,	Notes from Direct Borrowing		
	Principal	Interest	Total
2024	\$ 252,000	\$ 43,229	\$ 295,229
2025	255,000	40,301	295,301
2026	258,000	37,341	295,341
2027	260,000	34,330	294,330
2028	265,000	31,309	296,309
2029-2033	1,141,000	114,890	1,255,890
2034-2038	956,000	59,880	1,015,880
2039-2042	612,000	15,600	627,600
Total	<u>\$ 3,999,000</u>	<u>\$ 376,880</u>	<u>\$ 4,375,880</u>

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 4 - LONG-TERM DEBT (CONTINUED)**

**E. Minimum Debt Payments (Continued)**

Year Ended December 31,	G.O. Utility Revenue Note		
	Principal	Interest	Total
2024	\$ 26,000	\$ 894	\$ 26,894
2025	13,000	179	13,179
Total	<u>\$ 39,000</u>	<u>\$ 1,073</u>	<u>\$ 40,073</u>

**NOTE 5 - RECEIVABLES**

**A. Loan Receivable**

Loans Receivable at December 31, 2023, are as follows:

Eden Valley Leased Housing

\$150,000 loan agreement, due in annual installments of \$15,000

from January 2027 through January 2037, interest at 0%.

\$ 150,000

**Lease Receivable**

The City leases one property for the use of one room located in the Fire Hall. The lease with Eden Lake Township commenced on January 1, 2023, for 5 years with annual rent of \$6,300. As of December 31, 2023, the city has a lease receivable of \$25,200.

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 6 - FUND BALANCE DETAIL**

Fund equity balances are classified as follows on the chart below to reflect the limitations and restrictions of the respective funds.

	General	Nonmajor Governmental Fund	Total
Restricted			
Henfling Trust	\$ -	\$ 3,179	\$ 3,179
Housing Rehabilitation	-	12,305	12,305
Tax Increment Financing	-	138,167	138,167
Park Development	-	141,211	141,211
Debt Service	-	267,841	267,841
American Rescue Plan	113,544	-	113,544
Committed			
Business Incentives	-	247,375	247,375
Hawks Athletic Field	-	165	165
Assigned for Capital Projects	-	820,313	820,313
Unassigned	1,262,354	-	1,262,354
	<u>1,262,354</u>	<u>-</u>	<u>1,262,354</u>
 Total	 <u>\$ 1,375,898</u>	 <u>\$ 1,630,556</u>	 <u>\$ 3,006,454</u>

The Water Fund has \$68,548 Restricted Net Cash Position related to MN PFA System Replacement Fund balances.

**NOTE 7 - RISK MANAGEMENT**

The City is exposed to various risk of loss related to torts: theft of, damage to and destruction of assets, errors, and omissions, injuries to employees and natural disasters. In order to protect against these risks of loss, the City purchases commercial insurance through the League of Minnesota Cities Insurance Trust (LMCIT), which is a public entity risk pool. This pool currently operates common risk management and insurance programs for municipal entities. The City pays an annual premium to the LMCIT for its insurance coverage. The LMCIT is self-sustaining through commercial companies for excess claims. The City is covered through the pool for any claims incurred but unreported, however, retains risk for the deductible portion of its insurance policies. The amounts of these deductibles are considered immaterial to the financial statements.

The City's workers' compensation insurance policy is retrospectively rated. With this type of policy, final premiums are determined after loss experience, workers' compensation rates and salaries are known for the year. The final premium adjustment was recorded in the year the adjustment was made.

During the year ended December 31, 2023, there were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded the City's commercial coverage in any of the past three years.

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 8 - PENSION PLANS**

**Public Employees' Retirement Association**

**A. Plan Description**

All full-time and certain part-time employees of the City of Eden Valley are covered by defined benefit plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Plan (accounted for in the General Employees Fund), and the Public Employees Police and Fire Plan (accounted for in the Police and Fire Fund), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with *Minnesota Statutes*, Chapters 353 and 356.

General Employees Plan members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security. All police officers, firefighters and peace officers who qualify for membership by statute are covered by the Police and Fire Plan.

PERA provides retirement benefits as well as disability benefits to members and survivor benefits upon death of eligible members. Benefits are established by state statute. Benefits for members of the General Employees Plan vest after 5 years of credited service. Benefits for the Police and Fire Plan vest on a prorated basis from 50% after 10 years up to 100% after 20 years. The defined retirement plan benefits are based on a member's highest average salary for any five 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 a Coordinated Plan member is 1.2 % for each of the first 10 years of service and 1.7% for each additional year. The rates are 2.2% and 2.7%, respectively, for Basic members. Under Method 2, the accrual rate is 1.7% for all years of service, and 2.7% for Basic members. The accrual rates for former MERF members is 2.0% for each of the first 10 years of service and 2.5% for each additional year. 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.

For all General Employee Plan members hired prior to July 1, 1989, whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equal 90. Method 2 provides for unreduced retirement benefits at age 65 for members first hired prior to July 1, 1989, or age 66 (the age for unreduced Social Security benefits), for those first hired on or after that date. Early retirement may begin at age 55 with an actuarial reduction (about six percent per year) for members retiring prior to full retirement age.

Normal retirement age is 55 for Police and Fire plan members and 65 for Basic and Coordinated members hired prior to July 1, 1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated members hired on or after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement with an actuarial reduction in the member's benefit.

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 8 - PENSION PLANS (CONTINUED)**

**Public Employees' Retirement Association (Continued)**

**A. Plan Description (Continued)**

A full unreduced pension is earned when Police and Fire plan members meet the following conditions: Age 55 and vested or age plus years of service total at least 90 if first hired prior to July 1, 1989.

There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree--no survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contributions in the fund upon termination of public service in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service, but before retirement benefits begin.

The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for the General Employees and Police and Fire Plans. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org).

**B. Funding Policy**

*Minnesota Statutes* Chapter 353 sets the rates for employer and employee contributions. These statutes are established and amended by the state legislature. The City makes annual contributions to the pension plans equal to the amount required by state statutes. General Employees Coordinated Plan members were required to contribute 6.5% of their annual covered salary in 2023. Police and Fire Plan members were required to contribute 11.8% of their annual covered salary in 2023. In 2023, the City was required to contribute the following percentages of annual covered payroll: 7.5% for Coordinated Plan members, and 17.7% for Police and Fire Plan members.

The City's contributions to the Public Employees Fund for the years ending December 31, 2023, 2022, and 2021 were \$17,560, \$17,189, and \$17,271, respectively. The City's contributions to the Police and Fire Fund for the years ending December 31, 2023, 2022, and 2021 were 20,280, \$12,777, and \$19,413, respectively.

**NOTE 9 - TAX INCREMENT FINANCING**

The City has entered into two Tax Increment Financing agreements which meet the criteria for disclosure under Governmental Accounting Standards Board Statement No. 77 Tax Abatement Disclosures. The City's authority to enter into these agreements comes from *Minnesota Statute* 469. The City entered into these agreements for the purpose of economic development.

Under each agreement, the City and developer agree on an amount of development costs to be reimbursed to the developer by the City through tax revenues from the additional taxable value of the property generated by the development (tax increment). A "pay-as-you-go" note is established for this amount, on which the City makes payments for a fixed period of time with available tax increment revenue after deducting for certain administrative costs.

**City of Eden Valley**  
**Notes to Regulatory Financial Statements**

**NOTE 9 - TAX INCREMENT FINANCING (CONTINUED)**

During the year ended December 31, 2023, the City generated \$16,754 in tax increment revenue and made no payments to developers. There were no payments due to developers at December 31, 2023.

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**COMBINING AND INDIVIDUAL FUND FINANCIAL  
STATEMENTS AND SCHEDULES**

**City of Eden Valley**  
**Schedule of Receipts, Disbursements, and Changes**  
**in Cash Fund Balances - Budget and Actual -**  
**General Fund**  
**Year Ended December 31, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
<b>Receipts</b>				
Taxes				
Property taxes	<u>\$ 538,348</u>	<u>\$ 538,348</u>	<u>\$ 525,314</u>	<u>\$ (13,034)</u>
Licenses and permits	<u>8,400</u>	<u>8,400</u>	<u>29,937</u>	<u>21,537</u>
Intergovernmental				
Grants and aids				
Local government aid	338,403	338,403	338,403	-
Market value credit	200	200	559	359
Police and fire relief aid	31,000	31,000	34,120	3,120
Other aids and grants	<u>2,000</u>	<u>2,000</u>	<u>20,737</u>	<u>18,737</u>
Total intergovernmental	<u>371,603</u>	<u>371,603</u>	<u>393,819</u>	<u>22,216</u>
Charges for services				
General government	16,100	16,100	35,347	19,247
Public safety fire protection	90,300	90,300	99,454	9,154
Parks and recreation	<u>1,600</u>	<u>1,600</u>	<u>2,450</u>	<u>850</u>
Total charges for services	<u>108,000</u>	<u>108,000</u>	<u>137,251</u>	<u>29,251</u>
Fines and forfeitures	<u>300</u>	<u>300</u>	<u>2,446</u>	<u>2,146</u>
Investment earnings	<u>4,000</u>	<u>4,000</u>	<u>40,221</u>	<u>36,221</u>
Miscellaneous revenue				
Refunds and reimbursements	34,670	34,670	35,997	1,327
Donations and contributions	6,800	6,800	55,400	48,600
Other	<u>-</u>	<u>-</u>	<u>2,588</u>	<u>2,588</u>
Total miscellaneous revenue	<u>41,470</u>	<u>41,470</u>	<u>93,985</u>	<u>52,515</u>
Total receipts	<u>1,072,121</u>	<u>1,072,121</u>	<u>1,222,973</u>	<u>150,852</u>
<b>Disbursements</b>				
General government				
Mayor and council				
Current	60,856	69,362	70,118	756
Clerk/treasurer				
Current	87,348	87,348	84,006	(3,342)
Capital outlay	<u>2,000</u>	<u>2,000</u>	<u>518</u>	<u>(1,482)</u>

**City of Eden Valley**  
**Schedule of Receipts, Disbursements, and Changes**  
**in Cash Fund Balances - Budget and Actual -**  
**General Fund**  
**Year Ended December 31, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
<b>Disbursements (Continued)</b>				
General government (continued)				
Elections				
Current	\$ 3,303	\$ 3,303	\$ 3,362	\$ 59
Planning and zoning				
Current	15,750	15,750	10,138	(5,612)
Other general government				
Current	111,291	111,291	118,780	7,489
Capital outlay	10,000	10,000	6,801	(3,199)
Total general government	<u>290,548</u>	<u>299,054</u>	<u>293,723</u>	<u>(5,331)</u>
Public safety				
Police protection				
Current	263,246	263,246	237,495	(25,751)
Capital outlay	2,500	2,500	1,990	(510)
Fire				
Current	164,994	164,994	173,209	8,215
Capital outlay	-	-	2,500	2,500
Building inspection				
Current	11,105	11,105	9,074	(2,031)
Civil defense				
Current	2,459	2,459	2,459	-
First response				
Capital outlay	1,000	1,000	-	(1,000)
Total public safety	<u>445,304</u>	<u>445,304</u>	<u>426,727</u>	<u>(18,577)</u>
Public works				
Streets and general maintenance				
Current	155,447	155,447	118,537	(36,910)
Capital outlay	9,000	9,000	2,136	(6,864)
Snow removal				
Current	29,546	50,378	49,789	(589)
Sanitation				
Current	-	-	595	595
Total public works	<u>193,993</u>	<u>214,825</u>	<u>171,057</u>	<u>(43,768)</u>

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City of Eden Valley  
Schedule of Receipts, Disbursements, and Changes  
in Cash Fund Balances - Budget and Actual -  
General Fund  
Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Over (Under)</u>
<b>Disbursements (Continued)</b>				
Culture and recreation				
Parks				
Current	\$ 67,258	\$ 67,258	\$ 58,562	\$ (8,696)
Capital outlay	-	17,257	55,962	38,705
Total culture and recreation	<u>67,258</u>	<u>84,515</u>	<u>114,524</u>	<u>30,009</u>
Debt service				
Principal	42,627	42,627	53,713	11,086
Interest	15,113	15,113	4,027	(11,086)
Total debt service	<u>57,740</u>	<u>57,740</u>	<u>57,740</u>	<u>-</u>
Total disbursements	<u>1,054,843</u>	<u>1,101,438</u>	<u>1,063,771</u>	<u>(37,667)</u>
Excess of receipts over (under) disbursements	17,278	(29,317)	159,202	188,519
<b>Other Financing Uses</b>				
Transfers out	<u>(55,000)</u>	<u>(70,000)</u>	<u>(79,965)</u>	<u>(9,965)</u>
Net change in cash fund balances	<u>\$ (37,722)</u>	<u>\$ (99,317)</u>	79,237	<u>\$ 178,554</u>
<b>Cash Fund Balances</b>				
Beginning of year			<u>1,296,661</u>	
End of year			<u>\$ 1,375,898</u>	

City of Eden Valley  
Combining Balance Sheet -  
Nonmajor Governmental Funds  
December 31, 2023

		Special Revenue			
		Housing Rehabilitation (225)	Art and Lorraine Henfling Trust (271)	TIF Districts (240, 245, 250 and 280)	Business Incentives (220)
<b>Assets</b>					
Cash and investments		<u>\$ 12,305</u>	<u>\$ 3,179</u>	<u>\$ 138,167</u>	<u>\$ 247,375</u>
<b>Cash Fund Balances</b>					
Restricted	12,305		3,179	138,167	-
Committed	-		-	-	247,375
Assigned	-		-	-	-
Total cash fund balances		<u>\$ 12,305</u>	<u>\$ 3,179</u>	<u>\$ 138,167</u>	<u>\$ 247,375</u>

Special Revenue		Debt Service		
Park Dedication (265)	Hawks Athletic Field (290)	2012 MN HWY 22 Improvement (320)	2018 Improvement Bonds (340)	2021C GO and Refunding (360/370)
<u>\$ 141,211</u>	<u>\$ 165</u>	<u>\$ 162,202</u>	<u>\$ 16,981</u>	<u>\$ 88,658</u>
141,211	-	162,202	16,981	88,658
-	165	-	-	-
-	-	-	-	-
<u>\$ 141,211</u>	<u>\$ 165</u>	<u>\$ 162,202</u>	<u>\$ 16,981</u>	<u>\$ 88,658</u>

City of Eden Valley  
Combining Balance Sheet -  
Nonmajor Governmental Funds  
December 31, 2022

		Capital Projects			
		Capital Improvement (410)	Fire and Rescue Equipment (470 and 475)	Police Equipment (421)	Streets and Parks Equipment (431)
<b>Assets</b>					
Cash and investments		<u>\$ 18,653</u>	<u>\$ 266,212</u>	<u>\$ 58,793</u>	<u>\$ 168,636</u>
<b>Cash Fund Balances</b>					
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	18,653	266,212	58,793	168,636	
		<u>18,653</u>	<u>266,212</u>	<u>58,793</u>	<u>168,636</u>
Total cash fund balances		<u>\$ 18,653</u>	<u>\$ 266,212</u>	<u>\$ 58,793</u>	<u>\$ 168,636</u>

Capital Projects			
2021 Improvement Project (412)	Stormwater Maintenance (432)	Friederichs Park Project Fund (451)	Total Governmental Funds
<u>\$ 223,204</u>	<u>\$ 50,294</u>	<u>\$ 34,521</u>	<u>\$ 1,630,556</u>
-	-	-	562,703
-	-	-	247,540
<u>223,204</u>	<u>50,294</u>	<u>34,521</u>	<u>820,313</u>
<u>\$ 223,204</u>	<u>\$ 50,294</u>	<u>\$ 34,521</u>	<u>\$ 1,630,556</u>

City of Eden Valley  
Combining Statement of Cash Receipts, Disbursements,  
and Changes in Cash Fund Balances -  
Nonmajor Governmental Funds  
Year Ended December 31, 2023

	Special Revenue			
	Housing Rehabilitation (225)	Art and Lorraine Henfling Trust (271)	TIF Districts (240, 245, 250 and 280)	Business Incentives (220)
<b>Receipts</b>				
General property taxes	\$ -	\$ -	\$ -	\$ -
Tax increments	-	-	16,754	-
Special assessments	-	-	-	-
Intergovernmental	25,076	-	-	-
Investment earnings	697	154	6,078	14,532
Miscellaneous				
Donations and contributions	-	-	-	-
Refunds and reimbursements	207	-	-	-
Other	-	-	-	-
Total receipts	<u>25,980</u>	<u>154</u>	<u>22,832</u>	<u>14,532</u>
<b>Disbursements</b>				
Current				
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	27,196	-	3,036	62,610
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Public works	-	-	-	-
Total disbursements	<u>27,196</u>	<u>-</u>	<u>3,036</u>	<u>62,610</u>
Excess of receipts over (under) disbursements	(1,216)	154	19,796	(48,078)
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in cash fund balances	(1,216)	154	19,796	(48,078)
<b>Cash Fund Balances</b>				
Beginning of year	<u>13,521</u>	<u>3,025</u>	<u>118,371</u>	<u>295,453</u>
End of year	<u>\$ 12,305</u>	<u>\$ 3,179</u>	<u>\$ 138,167</u>	<u>\$ 247,375</u>

Special Revenue			Debt Service		
Park Dedication (265)	Hawks Athletic Field (290)	Lions Park (295)	2012 MN HWY 22 Improvement (320)	2018 Improvement Bonds (340)	2021C GO and Refunding (360/370)
\$ -	\$ -	\$ -	\$ -	\$ 6,078	\$ 57,100
-	-	-	-	-	-
-	-	-	-	9,361	26,754
-	-	-	-	-	-
6,828	-	-	(24)	938	11,121
-	11,000	-	-	-	-
-	-	-	-	-	-
-	199	-	-	-	-
6,828	11,199	-	(24)	16,377	94,975
-	-	-	-	-	-
-	14,426	533	-	-	-
-	-	-	-	-	-
-	-	-	-	14,000	60,000
-	-	-	-	3,876	29,325
-	-	-	-	-	-
-	14,426	533	-	17,876	89,325
6,828	(3,227)	(533)	(24)	(1,499)	5,650
-	-	-	-	-	-
-	-	-	-	-	-
6,828	(3,227)	(533)	(24)	(1,499)	5,650
134,383	3,392	533	162,226	18,480	83,008
\$ 141,211	\$ 165	\$ -	\$ 162,202	\$ 16,981	\$ 88,658

**City of Eden Valley**  
**Combining Statement of Cash Receipts, Disbursements**  
**and Changes in Cash Fund Balances -**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2023**

	Capital Projects			
	Capital Improvement (410)	Fire and Rescue Equipment (470 and 475)	Police Equipment (421)	Streets and Parks Equipment (431)
<b>Receipts</b>				
General property taxes	\$ 33	\$ -	\$ -	\$ -
Tax increments	-	-	-	-
Special assessments	-	-	-	-
Intergovernmental	-	14,966	14,966	-
Investment earnings	900	7,716	1,396	6,756
Miscellaneous				
Donations and contributions	-	75,000	-	-
Refunds and reimbursements	-	-	-	-
Other	-	-	-	-
Total receipts	<u>933</u>	<u>97,682</u>	<u>16,362</u>	<u>6,756</u>
<b>Disbursements</b>				
Current				
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Capital outlay				
Public works	-	-	-	57,129
Total disbursements	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,129</u>
Excess of receipts over (under) disbursements	933	97,682	16,362	(50,373)
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	24,966	14,999	35,000
Total other financing sources (uses)	<u>-</u>	<u>24,966</u>	<u>14,999</u>	<u>35,000</u>
Net change in cash fund balances	933	122,648	31,361	(15,373)
<b>Cash Fund Balances</b>				
Beginning of year	<u>17,720</u>	<u>143,564</u>	<u>27,432</u>	<u>184,009</u>
End of year	<u>\$ 18,653</u>	<u>\$ 266,212</u>	<u>\$ 58,793</u>	<u>\$ 168,636</u>

Capital Projects			
2021 Improvement Project (412)	Stormwater Maintenance (432)	Friederichs Park Project Fund (451)	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 63,211
-	-	-	16,754
-	-	-	36,115
-	-	-	55,008
8,418	2,212	1,669	69,391
-	-	-	86,000
32,836	-	-	33,043
-	-	-	199
<u>41,254</u>	<u>2,212</u>	<u>1,669</u>	<u>359,721</u>
5,408	-	-	5,408
-	-	-	14,959
-	-	-	92,842
-	-	-	74,000
-	-	-	33,201
-	-	-	57,129
<u>5,408</u>	<u>-</u>	<u>-</u>	<u>277,539</u>
35,846	2,212	1,669	82,182
-	5,000	-	79,965
<u>-</u>	<u>5,000</u>	<u>-</u>	<u>79,965</u>
35,846	7,212	1,669	162,147
187,358	43,082	32,852	1,468,409
<u>\$ 223,204</u>	<u>\$ 50,294</u>	<u>\$ 34,521</u>	<u>\$ 1,630,556</u>

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## **ADDITIONAL SUPPLEMENTARY INFORMATION**

**City of Eden Valley**  
**Schedule of Accounts Receivable**  
**December 31, 2023**

<u>Fund</u>	<u>Source of Revenue</u>	<u>Purpose</u>	<u>Amount</u>
2018 Improvement Bonds	Meeker County	Taxes 2023	\$ 177
2018 Improvement Bonds	Stearns County	Taxes 2023	40
2021C GO and Refunding	Meeker County	Taxes 2023	368
2021C GO and Refunding	Stearns County	Taxes 2023	1,088
Capital Improvement	Stearns County	Taxes 2023	225
General	Meeker County	Taxes 2023	3,691
General	Stearns County	Taxes 2023	2,661
General	Stearns County Auditor/Treasurer	Court Fines - Dec 2023	333
General	Trial Court- Meeker	Court Fines - Dec 2023	213
Sewer	Various	Utility billing	21,439
Water	City of Watkins	Water sales	9,960
Water	Various	Utility billing	33,059
Total			<u><u>\$ 73,254</u></u>

City of Eden Valley  
Schedule of Accounts Payable  
December 31, 2023

Fund	Vendor Name	Item and Purpose	Amount
Hawks Athletic Field	James Rademacher	Services	\$ 68
Hawks Athletic Field	Xcel Energy	Services	54
Hawks Athletic Field	Center Point Energy	Services	137
Hawks Athletic Field	DG Minnesota (Nextera)	Services	25
General	Arvig	Services	819
General	Bolton & Menk	Services	2,106
General	Comdata	Services	522
General	Marco Technologies	Services	102
General	Jacks Of Eden Valley	Services	663
General	Jacks Oil Distributing	Services	71
General	Ruhland Commercial Consultants	Services	3,660
General	Safeguard Security	Services	105
General	Schlenner Wenner	Services	1,725
General	MN Dept of Administration	Services	617
General	Banyon Data Systems	Services	840
General	Xcel Energy	Services	1,949
General	Meeker County Sheriff	Services	2,288
General	Rinke Noonan	Services	2,099
General	Thielen Excavating	Services	125
General	Xcel Energy	Services	1,034
General	Bolton & Menk	Services	4,919
General	Center Point Energy	Services	1,055
General	DG Minnesota (Nextera)	Services	435
General	Ryan Rothstein	Services	400
General	Summit Companies	Services	129
General	Arnold & Kris Gruenes	Services	45,000
General	Meeker Cooperative	Services	100
General	Wex	Services	13
General	West Central Sanitation	Services	163
General	Leap (Wex System)	Services	1,059
Sewer	Gopher State One-Call	Services	1
Sewer	Marco Technologies	Services	51
Sewer	City of Watkins	Services	204
Sewer	Xcel Energy	Services	103
Sewer	DG Minnesota (Nextera)	Services	324
Sewer	PACE	Services	10
Sewer	Arvig	Services	134
Sewer	Comdata	Services	2
Water	Arvig	Services	176
Water	Gopher State One-Call	Services	1
Water	Marco Technologies	Services	51
Water	UC Laboratory	Services	132
Water	City of Watkins	Services	1,537
Water	MN DNR - Ecol & Water Resources	Services	386
Water	Xcel Energy	Services	963
Water	Center Point Energy	Services	228
Water	DG Minnesota (Nextera)	Services	357
Water	MN Revenue	Services	594
Water	PACE	Services	10
Water	Meeker Cooperative	Services	722
Total			<u>\$ 78,268</u>