



# SAINT ALBANS

*Vermont*

**City of St. Albans, Vermont**

**Annual Comprehensive Financial Report  
For the Fiscal Year Ended June 30, 2021**



# **CITY OF ST. ALBANS, VERMONT**

## **Annual Comprehensive Financial Report For the Year Ended June 30, 2021**



**Prepared by:  
The Finance Department**



*This page intentionally left blank*

CITY OF ST. ALBANS, VERMONT  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

	Page
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal .....	1
GFOA Certificate of Achievement.....	8
Organizational Chart.....	9
Principal Elected and Appointed Officials.....	10
 <b>FINANCIAL SECTION</b>	
Independent Auditors' Report .....	13
Management's Discussion and Analysis.....	16
 <b>Basic Financial Statements:</b>	
Government-wide Financial Statements:	
Statement of Net Position .....	30
Statement of Activities.....	31
Fund Financial Statements:	
Balance Sheet – Governmental Funds .....	32
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds .....	33
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statements of Activities – Governmental Funds.....	34
Proprietary Funds:	
Statement of Fund Net Position – Proprietary Funds .....	35
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds.....	36
Statement of Cash Flows – Proprietary Funds.....	37
Fiduciary Funds:	
Statement of Fiduciary Net Position – Fiduciary Funds.....	38
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	39
Notes to the Financial Statements.....	40
 <b>Required Supplementary Information:</b>	
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund.....	82
 <b>Pension:</b>	
Schedule of Changes in Net Pension Liability and Related Ratios – City of St. Albans Pension Plan.....	83
Schedule of Employer Contributions and Investment Returns – City of St. Albans Pension Plan.....	84
Schedule of Proportionate Share of the Net Pension Liability – VMERS Defined Benefit Plan .....	85
Schedule of Contributions – VMERS Defined Benefit Plan .....	86

<b>Combining and Individual Fund Financial Statements and Schedules:</b>	
Combining Balance Sheet – Nonmajor Governmental Funds .....	87
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	88
Combining Balance Sheet – Nonmajor Special Revenue Funds .....	89
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds .....	90
Combining Balance Sheet – Nonmajor Capital Projects Funds .....	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	92
Combining Statement of Fiduciary Net Position – Custodial Funds .....	93
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds .....	94

## STATISTICAL SECTION

Financial Trends:	
Net Position by Component .....	96
Changes in Net Position.....	97
Fund Balances of Governmental Funds.....	99
Changes in Fund Balances of Governmental Funds .....	100
Revenue Capacity:	
Assessed Value and Estimated Actual Value of Taxable Property .....	101
Property Tax Rates – Direct and Overlapping Governments.....	102
Principal Property Taxpayers .....	103
Property Tax Levies and Collections .....	104
Debt Capacity:	
Ratios of Outstanding Debt by Type.....	105
Ratios of General Bonded Debt Outstanding.....	106
Direct and Overlapping Governmental Activities Debt.....	107
Legal Debt Margin Information.....	108
Enterprise Bond Coverage .....	109
Demographic and Economic Information:	
Demographic and Economic Indicators.....	110
Principal Employers.....	111
Operating Information:	
Full-Time Equivalent Employees by Function/Program .....	112
Operating Indicators by Function/Program .....	113
Capital Asset Statistics by Function/Program.....	114

# INTRODUCTORY SECTION



SAINT ALBANS  
*Vermont*

*This page intentionally left blank*



---

January 25, 2022

To the Honorable Mayor, Members of the City Council,  
and Citizens of the City of St. Albans:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the City of St. Albans, Vermont, for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of the City of St. Albans, Vermont (the City). Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). The City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement as the costs of a framework providing absolute assurance would outweigh the benefits. 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's financial statements have been audited by Melanson, licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of St. Albans, Vermont, for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2021 are fairly presented in conformity with GAAP. The independent auditor's report is presented in the financial section of this report. In addition, the City is required to undergo an annual audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to the Single Audit, including the Schedule of Expenditures of Federal Awards, findings and recommendation, and auditors' reports on the internal control structure and compliance with applicable laws and regulations, is not including in this year's ACFR but is available in a separate report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the City**

St. Albans, Vermont was chartered on August 17, 1763 and the City of St. Albans was incorporated in 1896. The City, an area of approximately two square miles, is surrounded on all sides by the Town of St. Albans. The U.S. census estimates the City had a population of 6,823 in 2021, as compared to a population of 6,894 in 2012. The City is empowered by state statute to levy a property tax on all real property located within its borders as well as provide water and wastewater services to users of the City of St. Albans Water System as described in the City's Water Ordinance.

The City operates under the Council-Manager system of government. Policy making and legislative authority are vested in the City Council consisting of the mayor and six other members. The mayor is elected at large and each of the six members is elected from one of six wards. Council members serve three-year terms with two members elected every year. The Mayor is elected for a two-year term. The Mayor and Council hire a City Manager who is charged with overseeing the day-to-day operations of the City.

The City Manager, with input from the Director of Administration and department heads, presents an annual General Fund budget to the City Council for approval. Once the City Council approves the recommended budget, the budget is voted on by the registered voters of the City on the first Tuesday in March. The voters have the final level of approval of the budget and once approved it may not be amended without subsequent voter approval. Budgetary approval for the City's enterprise funds rests solely with the City Council.

The City provides a full range of services to its residents, including police and fire protection, snow removal, the construction and maintenance of streets and sidewalks, licenses and permits, vital statistics; recreational and cultural activities, and other general administrative services. Additionally the City offers an array of services to non-residents. Dispatch service is provided, via a fee, to most towns in Franklin and Grand Isle Counties, as well as the Town of Milton in Chittendon County. The City's recreation department serves the broader region and serves thousands of children and adults through its programs. Finally, the Franklin Grand Isle Restorative Justice Center is a city department that provides an array of services through two counties.

Since 2012 the City has had a tax increment financing (TIF) district encompassing its downtown core, and the TIF (described in detail below) has been the critical ingredient for the City's growth. For a decade prior to the TIF the City's grand list was entirely stagnant; since 2012 the grand list has grown by over \$50 million and the City has been able to complete a number of large public/private development projects and streetscape and infrastructure improvements throughout the downtown.

## **Factors Affecting Financial Condition**

### ***Local Economy***

The City of St. Albans is the county seat of Franklin County in the northwest corner of Vermont. The City's population has declined slowly in recent years, consistent with overall trends in the State of Vermont. However, the number of individuals working in the City has increased. The

assessed value of taxable real property in the City was stagnant for many years, but since the inception of the City's TIF district in 2012 values have increased by over \$50 million.

During the past ten years, charges for services in the governmental funds have increased dramatically, which has allowed the City to stabilize the tax rate and diversify its revenue sources. Charges for services are a significant part of the City's financial strategy and substantially reduce costs for City taxpayers, particularly for recreation programming, community policing, and dispatch services. An examination of City dispatch operations illustrates this point. Because it operates a police force, the City has no recourse but to provide dispatch services for its own officers. However, there are economies of scale associated with dispatching for neighboring communities, so the City has successfully marketed these services and become the regional provider.

### ***Long-term Financial Planning***

The City Finance & Administration Department presents regular financial reports to elected officials and management. In addition to these reports, the City maintains a long-term capital improvement program (CIP). The CIP is a proposed schedule of public projects and improvements to be constructed or purchased by the City. The CIP includes a detailed plan for financing each of the projects.

As part of the annual budget process, the City reviews all General Fund revenues to determine budgetary needs. Enterprise funds are reviewed for adequate support of operations. The enterprise funds are fully self-supporting and receive administrative overhead support from the General Fund. Rates are reviewed annually in conjunction with the budgeting process and adjusted appropriately. The City strives to limit both tax and rate increases to levels below the rate of inflation.

### ***Relevant Financial Policies and Procedures***

The City implemented a comprehensive set of financial policies in July 2011 and updated those policies in FY19. The policy manual includes policies covering financial reporting, cash management, credit cards, debt, investments, purchasing, and fund balance. The purpose of the financial policy manual is to establish and maintain high standards for the accounting practices of the City which guarantees that the City's financial statements have reliable, transparent data on which to base decisions. The Finance Department has also implemented a comprehensive procedures manual. The procedure manual is designed to ensure business continuity in the event of staff turnover or other disruptions to operations.

Throughout the year finance staff works to improve and update the policies and procedures, as needed. Finance staff have had a particular focus on providing additional security features to better protect the City in the event of a cyber intrusion. All staff are fully equipped to work remotely, which has been of great import during the pandemic.

### *City TIF District*

The City was approved for a Tax Increment Financing (TIF) district by the State of Vermont and local voters in 2012. The TIF district is the linchpin of the City's broader downtown redevelopment plan and overall revitalization. The TIF is funded through incremental taxes on new development, including taxes that would otherwise be used to fund education expenses. Without a TIF 100% of taxes on incremental development would go to the state education fund. During the 20-year lifespan of the TIF the City is able to retain 75% of these funds, which must be used for public improvements within the district.

These incremental taxes have been to service debt on TIF bonds. Of critical import is the TIF's 20-year lifespan. Because public improvements are typically necessary to spur private investment, the 20-year period is critical because deficits in the early years of the program can be eliminated in later years when incremental revenues exceed debt service.

The purpose of the TIF district was to implement a series of eight projects to stimulate development and redevelopment in the City. These projects include the implementation of the Taylor Park Master Plan, the construction of a 365-space parking garage, clean-up and redevelopment of multiple Brownfield sites, pedestrian improvements, and streetscape projects. Most of those goals have been realized.

Since the inception of TIF in 2012 the municipal grand list within the TIF district has grown by \$51.5 million. This impressive growth is a testament to the combination of private and public investment which has increased viability and accelerated revitalization of the City, and the City's approach is partnership with private sector developers. The City has been able to complete the following projects to date:

- A new 365 space parking garage was constructed and opened in late 2014. Following the opening of the garage and subsequent availability of downtown parking the following occurred:
  - The State of Vermont relocated its offices to a brand new 45,000 square foot office building on Federal Street and immediately adjacent to the garage.
  - The old building occupied by the State of Vermont was occupied by Mylan Technologies, thus converting a non-taxable property to taxable and adding over \$18 million to the City's grand list.
  - PeakCM constructed an 84-room nationally franchised hotel on Lake Street, in the heart of the City's downtown and adjacent to the garage. The hotel would not have been possible without the availability of parking, and was further spurred by a City investment.
- Not directly related to the parking garage a number of other major projects have been completed.

- The downtown portions of Main Street and Lake Streets have undergone a major streetscape transformation. The same renovations began on Kingman Street in FY21 and will be completed during FY22, thus finalizing streetscape work within the City's downtown core.
- A major redevelopment was completed in FY21 at the intersection of Congress and Main Streets. Several dilapidated buildings were removed and new residential and commercial space was built; the anchor tenant is the Community College of Vermont (CCV). CCV's old location, which is outside of the downtown core, will be occupied by the City's police department. This project added a further \$10 million to the City's grand list.
- While the above was being completed in the City's downtown core there was major upgrades to the City's water, wastewater and stormwater infrastructure.

The City's financial statements reflect both short and long-term TIF debt. However, the future revenue stream associated with incremental tax revenues, are not reported. City administration can be contacted for a long-term financial projection of all TIF revenues and expenses. Assuming both the grant list and tax rates do not increase between 2022 and 2033 the TIF district would receive \$22.5 million in future revenues. That amount would increase further as the City works to spur additional grand list growth.

Critics of the TIF program in Vermont have noted difficulties associated with measuring program outcomes, specifically that it is impossible to note if a development project were to occur regardless of the availability of TIF funds. We note that measuring the success of the program in St. Albans is easy: our grant list was stagnant for the decade before the TIF.

### *Hard'ack*

In fiscal year 2018, the City merged with Hard'ack, a 95-acre ski and recreation area. The City has long had a relationship with Hard'ack, and both parties championed the merger as it would allow for the City to leverage its resources and expand programming at Hard'ack. The Greg Brown Lodge is completed, and the City moved its recreational offices to Hard'ack given it is now our main recreational facility. Towards the end of FY21 construction on the new year-round pool at Hard'ack began, and that will be completed by the end of FY22. In future years children and families will be able to enjoy the various playing fields, a playground, the ski hill, and the pool – all at the same location. The combination of a ski hill and an indoor pool only exists in Vermont at a few major ski resorts. In short, Hard'ack is a municipal recreation facility that is unmatched.

### *City Pension Liability*

At the close of fiscal year 2021, the City has a net pension liability of \$2.6 million as compared to \$3.0 million at the end of FY20 associated with City-owned plan. The City-owned plan has been closed to new entrants for some years: at the end of FY21 there were three active employee participants in the plan, 6 former employees vested in the plan, and 5 existing employees that are not active in the plan. A total of 53 individuals were receiving a monthly benefit, with a median

age of 72.1 years. While the GASB 68 analysis does not credit the City for future contributions, we note the City has made a \$210,000 contribution into the plan for many years. We further note that, assuming this investment continues for the foreseeable future, the City's leadership team believes this pension plan will have sufficient assets to pay its beneficiaries until the plan expires.

The City is also a member of the Vermont Municipal Employees Retirement System (VMERS), and we acknowledge our respective portion of the plan deficit. VMERS has been steadily increasing both employee and employer contributions to the plan in recent years to address this deficit.

### ***Major Initiatives***

#### *Local Option Tax*

In fiscal year 2020, City voters approved a local option tax (LOT), which becomes effective in fiscal year 2021. The LOT is akin to a 1% retail sales tax, and the City conservatively estimates it will generate \$700,000 per year. Future uses of the LOT are not governed by city voters; the Council and Manager do not need voter approval to designate LOT revenues towards specific projects. However, the clear vision for the LOT is to fund future capital projects and reduce the impact of existing debt payments on taxpayers. A portion of the LOT will also be used to build the City's fund balances, improving our financial stability.

#### *Other Major Initiatives*

In March of 2016 voters authorized a \$5.0 million city-wide sidewalk and curb reconstruction project; in 2020 an additional \$1.5 million was approved through the LOT. The project will be completed during the 2021 construction season.

In 2020 the City completed a complete renovation and upgrade of its wastewater plant. The project addressed age-related issues at the facility, and allows for the City to meet more stringent environmental requirements related to the removal of phosphorous from the wastewater stream. The US Department of Agriculture and State of Vermont have provided the City with combination of low interest loans and grants to assist with the project.

After years of investment and planning the City will redevelop the Fonda site in 2022. The current site is a vacant industrial lot; we expect the final redevelopment to include three new commercial/industrial buildings and an access road.

Final engineering work has also been done on the water storage tank on Aldis Hill, which the City expects to construct during the summer of 2022. This will provide for greater redundancy within the system, and allow for additional system growth.

### **Awards and Acknowledgements**

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 of St. Albans for its annual comprehensive financial report for fiscal year 2014 through fiscal year 2020. To be awarded

a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance and Administration Department. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. The City invites you to visit our website at [www.stalbansvt.com](http://www.stalbansvt.com).

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "DCE".

Dominic Cloud  
City Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of St. Albans  
Vermont**

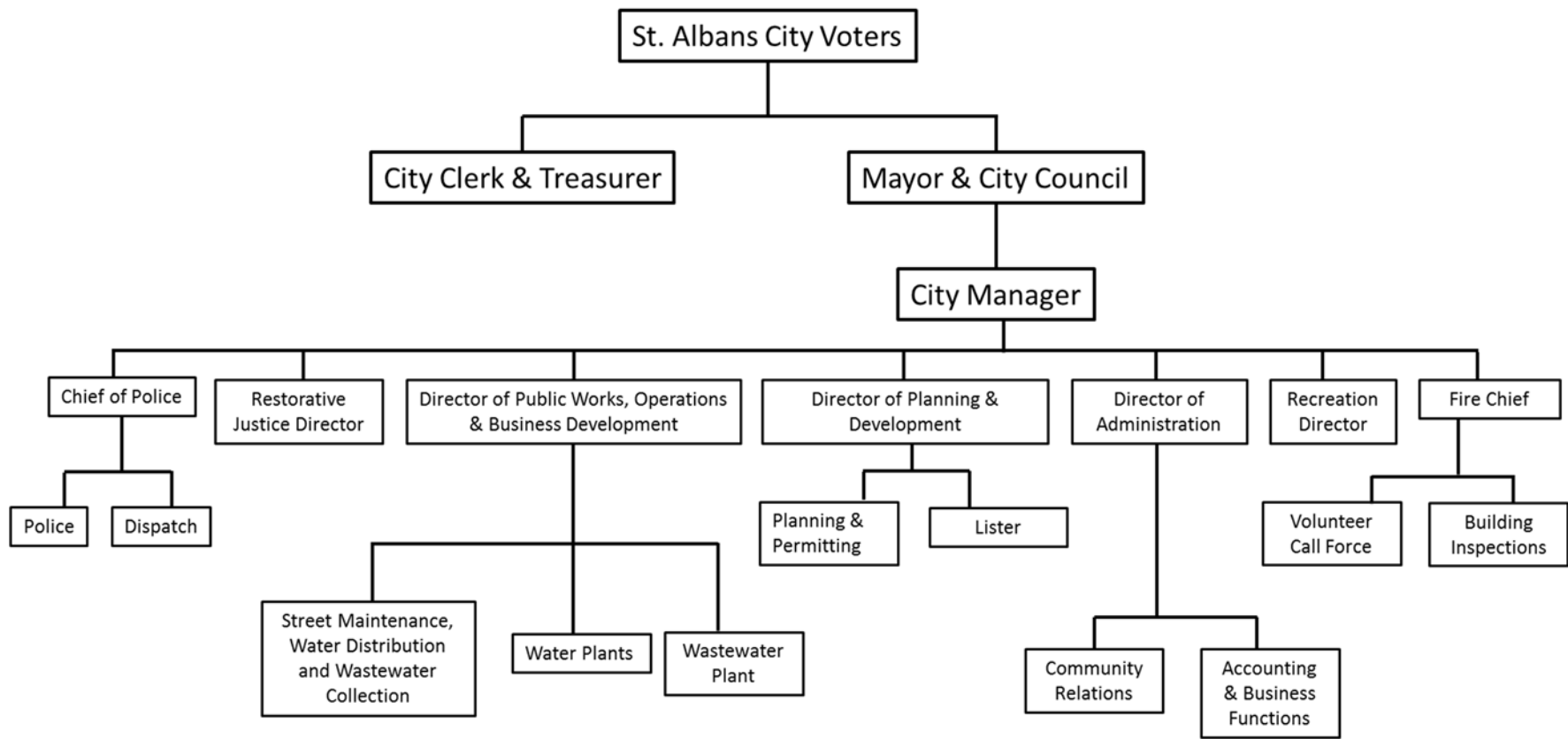
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO





CITY OF ST. ALBANS, VERMONT  
PRINCIPAL ELECTED AND APPOINTED OFFICIALS  
June 30, 2021

Elected Officials

Mayor

Timothy Smith

Council Member - Ward I

Timothy Hawkins

Council Member - Ward II

James Pelkey

Council Member - Ward III

Marie Bessette

Council Member - Ward IV

Michael McCarthy

Council Member - Ward V

Kate Laddison

Council Member - Ward VI

Chad Spooner

City Manager

Dominic Cloud

City Clerk/Treasurer

Curry Galloway



SAINT ALBANS  
*Vermont*

# FINANCIAL SECTION



SAINT ALBANS  
*Vermont*

*This page intentionally left blank*



## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council  
City of St. Albans, Vermont

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of St. Albans, Vermont (The City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

The City's 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.

#### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

---

Merrimack, New Hampshire  
Andover, Massachusetts  
Greenfield, Massachusetts  
Ellsworth, Maine



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

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 of St. Albans, Vermont, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note IV S to the financial statements, in fiscal year 2021 the City adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this matter.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the budgetary comparison for the general fund, and certain pension and OPEB schedules 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 evidence sufficient to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information appears on pages 87 through 95 is presented for purposes of additional analysis and is not a required part of the basic 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the



United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2022 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.

A handwritten signature in black ink that reads "Melanson". The signature is written in a cursive, flowing style.

Merrimack, New Hampshire  
January 25, 2022

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

Management of the City of St. Albans (the City) offers readers of the basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2021. Please note that this section of the Basic Financial Statements is unaudited.

**FINANCIAL HIGHLIGHTS**

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$27,947,823 (net position). Of this amount, \$3,463,775 is the unrestricted net position. The balance of net position is made up of \$24,454,858 net investment in capital assets and \$29,190 restricted for Taylor Park.
- The City's total net position increased by \$1,453,994. Of this amount, net position of the governmental activities increased by \$1,668,793, and net position attributable to business-type activities decreased by \$214,799.
- At the close of the current fiscal year, the City's governmental funds reported a combined ending fund deficit of \$1,535,288.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$981,389, as compared to unassigned fund deficit of \$169,462 in the previous year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements which are presented in three sections: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. In addition to the basic financial statements, this report also contains other and required supplementary information such as a general fund budget to actual comparison and combining financial statements.

It is important for the reader to understand that, although governmental accounting resembles private sector accounting, the two differ significantly. The government-wide financial statements will be the most familiar for readers versed in private sector financial reporting. Readers should know that the financial activities of the government unit are recorded in funds. A fund, generally, is a separate set of books for each major activity. For example, the City operates a wastewater treatment facility and two water treatment plants. These operations are referred to as business-type activities, they are supported by user fees, and are recorded in enterprise funds separately from the general governmental activities which are accounted for primarily in the general fund and supported in large part by property tax revenues.

**Government-Wide Financial Statements**

The government-wide financial statements provide a general overview of the City's operations presenting all data on a full accrual basis, similar to the way a private sector business would present its financial statements. There are two statements presented at the government-wide level: the Statement of Net Position and the Statement of Activities. Within each of these statements, governmental



**CITY OF ST. ALBANS, VERMONT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

activities are presented separately from business-type activities. The governmental activities reflect the City's basic services as authorized by its charter: general administrative services, public safety (police, dispatch, fire, and animal control), public works, community development, and parks and recreation. Property taxes finance the majority of these services supplemented by program fees, grant revenues, and other revenues. The business-type activities reflect private-sector-type operations for which user fees recover all costs. The business-type activities of the City include water, wastewater, and stormwater operations.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, 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 reports 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 leave time).

The government-wide financial statements include not only the City itself (referred to as the primary government), but also other legally separate entities for which the City is financially accountable (referred to as component units). During the current year, the City was not responsible for any entities that qualify as component units.

The government-wide financial statements can be found on pages 30 and 31 of this report.

### **Fund Financial Statements**

A fund is a group of related accounts 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 finance-related legal compliance. The funds of the City are segregated into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements however, 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. Consequently, the governmental fund financial statements provide a detailed short-term view that helps the reader determine the level of financial resources that are available to finance the City's programs in the near future. Because this information does not encompass the long-term focus of the government-wide statements, additional information is provided that reconciles the governmental fund financial statements to the government-wide statements explaining the relationship between the two.

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

The City maintains four major governmental funds; the General Fund, the TIF Debt Service Fund, the Congress and Main Street Fund, and the City Pool Fund. In addition to this, the City maintains five special revenue funds and six capital project funds, none of which qualify as major funds. These funds are consolidated into the column labeled Nonmajor Funds in the fund financial statements. Combining financial statements containing more detailed information on these funds may be found on pages 87 through 94.

The basic governmental fund financial statements can be found on pages 32 through 34 of this report. The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement is provided on page 82 for the purpose of demonstrating compliance with the duly appropriated budget.

**Proprietary funds** are used to account for a government's business-type activities at the fund level. There are two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains three enterprise funds: the Water Fund, Wastewater Fund, and the Stormwater Fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions. At this time, the City has no internal service funds.

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 the Water, Wastewater, and Stormwater Fund operations. The Water and Wastewater Funds are considered to be major funds.

The proprietary fund financial statements of the City may be found on pages 35 through 37 of this report.

**Fiduciary funds**, also known as trust and custodial funds, account for resources for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the programs of the City. The accounting used for fiduciary funds is much like that used for proprietary funds. The City has a Pension Trust Fund, detailed on pages 38 and 39 of this report. The City has three Custodial Funds with consolidated amounts detailed on pages 38 and 39 of this report, with additional information on these funds presented on pages 93 and 94.

**Notes to the financial statements** provide additional information that is necessary to obtain a full understanding of the data provided in the government-wide and fund financial statements. The notes serve to explain, clarify, and expand upon the financial data presented in the financial statements, and provide some additional information. The notes can be found immediately following the basic financial statements.

In addition to the basic financial statements and accompanying notes, certain **Required Supplementary Information** is provided, including a budgetary comparison statement for the general fund,

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

information on changes in the net pension liability, employer contributions to pensions, and investment returns. The supplementary information can be found immediately following the notes to the financial statements in this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on the budget and pension.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Summary Statement of Net Position**

	Governmental Activities		Business-type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
<b>Assets:</b>						
Current assets	\$ 6,320,793	\$ 207,373	\$ 4,610,360	\$ 5,899,829	\$ 10,931,153	\$ 6,107,202
Capital assets	39,765,661	37,990,648	36,173,516	36,634,196	75,939,177	74,624,844
Other assets	1,317,608	1,205,429	-	-	1,317,608	1,205,429
Total assets	47,404,062	39,403,450	40,783,876	42,534,025	88,187,938	81,937,475
Total deferred outflows of resources	1,417,514	947,649	398,946	298,697	1,816,460	1,246,346
Total assets and deferred inflows of resources	\$ 48,821,576	\$ 40,351,099	\$ 41,182,822	\$ 42,832,722	\$ 90,004,398	\$ 83,183,821
<b>Liabilities:</b>						
Other liabilities	\$ 9,495,511	\$ 4,321,464	\$ 1,347,883	\$ 2,187,889	\$ 10,843,394	\$ 6,509,353
Noncurrent liabilities	28,286,756	26,855,405	22,443,199	23,144,571	50,729,955	49,999,976
Total liabilities	37,782,267	31,176,869	23,791,082	25,332,460	61,573,349	56,509,329
Total deferred inflows of resources	339,992	143,706	143,234	36,957	483,226	180,663
<b>Net Position:</b>						
Net investment in capital assets	9,810,482	12,456,785	14,644,376	13,289,316	24,454,858	25,746,101
Restricted	29,190	26,146	-	-	29,190	26,146
Unrestricted/(deficit)	859,645	(3,452,407)	2,604,130	4,173,989	3,463,775	721,582
Total net position	10,699,317	9,030,524	17,248,506	17,463,305	27,947,823	26,493,829
Total liabilities, deferred inflows of resources and net position	\$ 48,821,576	\$ 40,351,099	\$ 41,182,822	\$ 42,832,722	\$ 90,004,398	\$ 83,183,821

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the end of the most recent fiscal year, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$27,947,823. The City's total net position is split between governmental activities net position of \$10,699,317 and business-type activities net position of \$17,248,506.

The largest portion of the City's total net position \$24,454,858 reflects its investment in capital assets (construction in progress, vehicles, equipment, machinery, land, infrastructure, and buildings and building improvements) net of any outstanding debt used to acquire or construct those assets. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in 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. On an ongoing

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

basis, the City strives to work reserves into the annual budget to provide for financial contingencies and reserves for a long-term capital plan.

The City's total net position includes \$29,190 of restricted net position. Restricted net position represents assets whose use is subject to external restrictions. The remaining balance of \$3,463,775 is the unrestricted net position, comprised of \$859,645 in our governmental activities and \$2,604,130 in our business-type activities (water, wastewater, and stormwater), representing amounts without constraints that can be used to finance ongoing operations.

**Summary of the Statement of Activities**

	Governmental Activities		Business-type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 3,061,836	\$ 3,329,737	\$ 6,238,948	\$ 6,071,886	\$ 9,300,784	\$ 9,401,623
Operating grants & contributions	1,745,416	1,856,506	-	-	1,745,416	1,856,506
Capital grants & contributions	2,404,936	1,464,184	-	-	2,404,936	1,464,184
General revenues:						
Property taxes	6,376,891	5,825,496	-	-	6,376,891	5,825,496
Other	488,944	478,647	78,097	2,924,516	567,041	3,403,163
Total revenues	14,078,023	12,954,570	6,317,045	8,996,402	20,395,068	21,950,972
Expenses:						
General government	1,656,343	1,725,983	-	-	1,656,343	1,725,983
Public safety	6,282,887	6,494,059	-	-	6,282,887	6,494,059
Public works	2,613,468	2,318,319	-	-	2,613,468	2,318,319
Culture and recreation	861,818	952,347	-	-	861,818	952,347
Community development	498,172	353,953	-	-	498,172	353,953
Interest on long-term debt	852,271	830,574	-	-	852,271	830,574
Water	-	-	2,516,252	2,516,672	2,516,252	2,516,672
Wastewater	-	-	3,539,595	3,838,658	3,539,595	3,838,658
Stormwater	-	-	120,268	136,224	120,268	136,224
Total expenses	12,764,959	12,675,235	6,176,115	6,491,554	18,941,074	19,166,789
Increase (decrease) in net position before transfers	1,313,064	279,335	140,930	2,504,848	1,453,994	2,784,183
Transfers	355,729	97,072	(355,729)	(97,072)	-	-
Increase (decrease) in net position	1,668,793	376,407	(214,799)	2,407,776	1,453,994	2,784,183
Beginning net position, as restated	9,030,524	8,654,117	17,463,305	15,055,529	26,493,829	23,709,646
Ending net position	\$ 10,699,317	\$ 9,030,524	\$ 17,248,506	\$ 17,463,305	\$ 27,947,823	\$ 26,493,829

**Governmental Activities**

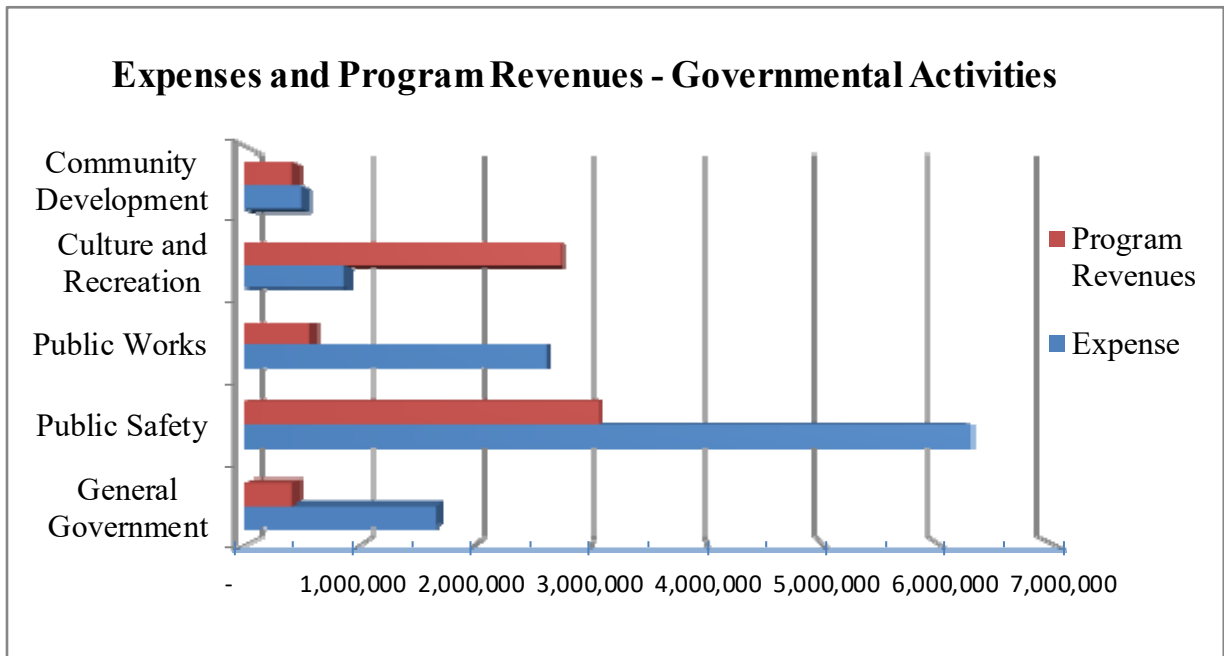
Governmental activities increased the City's net position by \$1,668,793 for the year ended June 30, 2021, primarily from the receipt of grants. Other factors include:

- Total governmental activities' revenues increased by 8.67% or \$1,123,453 from 2020 to 2021.
- Capital grants and contributions increased by 64.25% or \$940,752 driven by receipt of contributions for the Congress and Main project.
- Property tax revenues increased 9.47% or \$551,395 from the previous year due to growth in the grand list within the TIF district and the introduction of the local option tax.

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

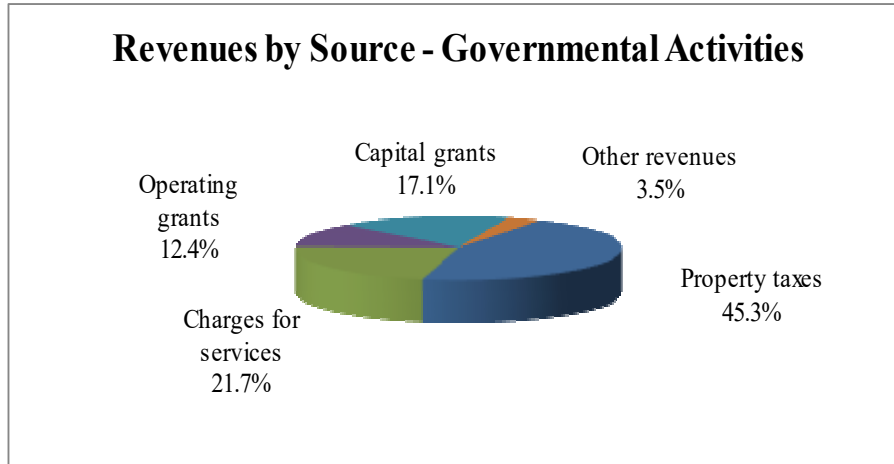
- Total governmental activities’ expenses increased by 0.71% or \$89,724 from 2020 to 2021. Public safety remains the largest category of expenses from year to year and decreased by 3.25% or \$211,172 from 2020 to 2021; while public works expenses increased by 12.73% or \$295,149.

The following graph entitled Expense and Program Revenues – Governmental Activities, gives the reader an idea of how each major program is funded. The revenues included in this graph are program specific revenues including user fees, operating grants, and capital grants. General revenues such as property tax revenues and interest earnings are excluded. The supporting data may be found on the Statement of Activities, which is presented on page 31 of this report. As noted previously, Public Safety is the largest category of expenses in the current year and historically.



The majority of revenue for governmental activities comes from property taxes; 44.18% of total revenue or \$6,376,891. The second largest category of revenue is charges for services coming in at 22.21% or \$3,061,836 of total revenue. The following graph shows the distribution of governmental activities revenues by source for the year ended June 30, 2021.

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**



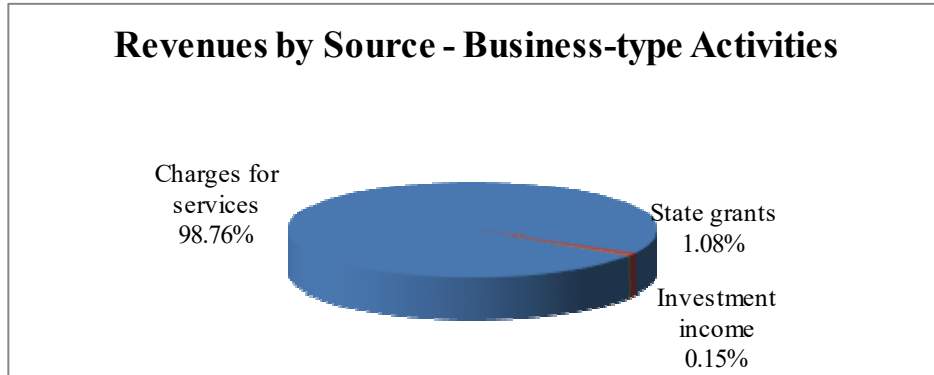
### **Business-type Activities**

Business-type activities decreased the City's net position by \$214,799 during the current fiscal year. The majority of the decrease results from revenues that were less than budgeted in the water fund. Other highlights are:

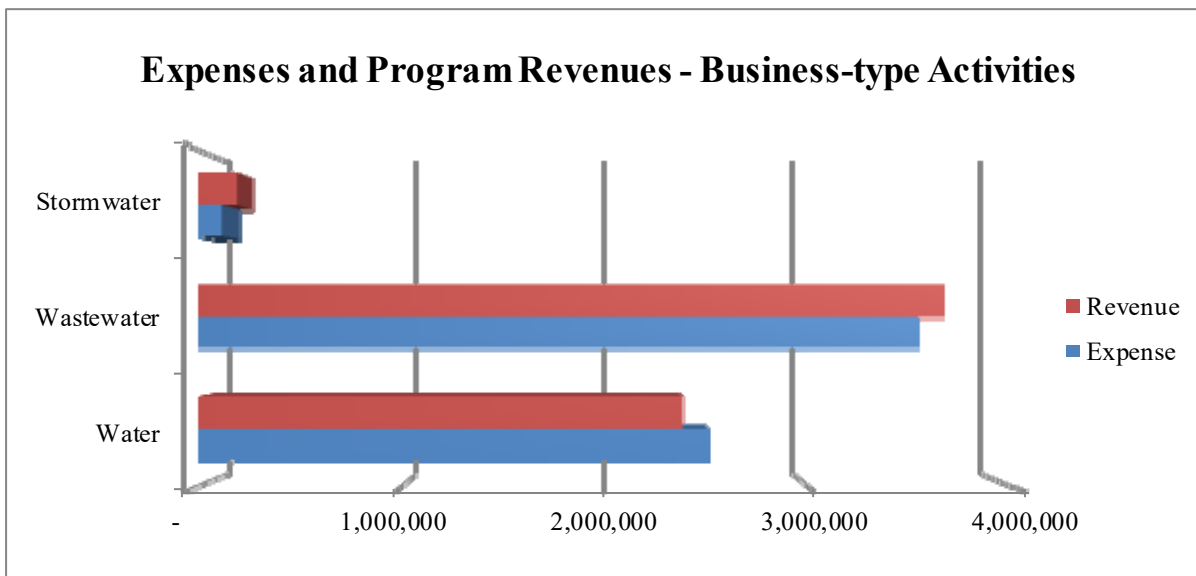
- Total revenues of \$6,317,045 were 2,679,357 or 29.78% lower than the previous year, primarily due to receipt of funds for the wastewater upgrade project in the prior year.
- Operating revenues increased by \$167,062 or 2.76%. On the government-wide financial statements charges for services in the business-type activities are made up primarily of user fees and allocation fees. Allocation fees are paid when a new water and/or wastewater connection is established and are therefore directly related to development activity in the water and wastewater district. This revenue source typically fluctuates from year to year, however, all revenue from allocation fees is designated as reserved for future capital needs and therefore the fluctuations do not have a negative impact on the City's ability to budget and set rates so that operating costs are covered. In fiscal year 2021, user fees for water and wastewater services were not increased by the City.
- Total expenses of \$6,176,115 decreased by \$315,439 or 4.86% from the previous year, largely driven by increased investment in personnel, utilities, and repairs and maintenance. The City has increased personnel expenses to address maintenance issues in water distribution and wastewater collection.

The City's business-type activities are supported by user fees and allocation fees, also referred to as charges for services (\$6,238,948) with assistance from noncapital grants of (\$68,431). The percentage breakdown of revenue sources is illustrated in the following graph titled Revenues by Source – Business-type Activities.

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**



As the name suggests, business-type activities are accounted for in the same manner that businesses would account for operations. Therefore, it is necessary that revenues meet or exceed expenses in order to continue operating. The graph titled Expenses and Program Revenues – Business-type Activities, demonstrates that during the current fiscal year, revenues exceeded expenses for the wastewater and stormwater funds. Operating expenses in the water and wastewater funds were both less than operating revenues. In the water fund, operating revenues were 0.74% or 17,577 greater than operating expenses. In the wastewater fund, operating revenues exceeded operating expenses by \$371,355 or 10.13% of total operating revenues. In the stormwater fund, operating revenues exceeded operating expenses by \$69,183 or 36.52% of total operating revenues. Each year the amount that revenues exceed expenses in these funds increases unrestricted net position. Included in unrestricted net position are amounts that management has designated for particular purposes, such as future capital projects and debt service.



**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

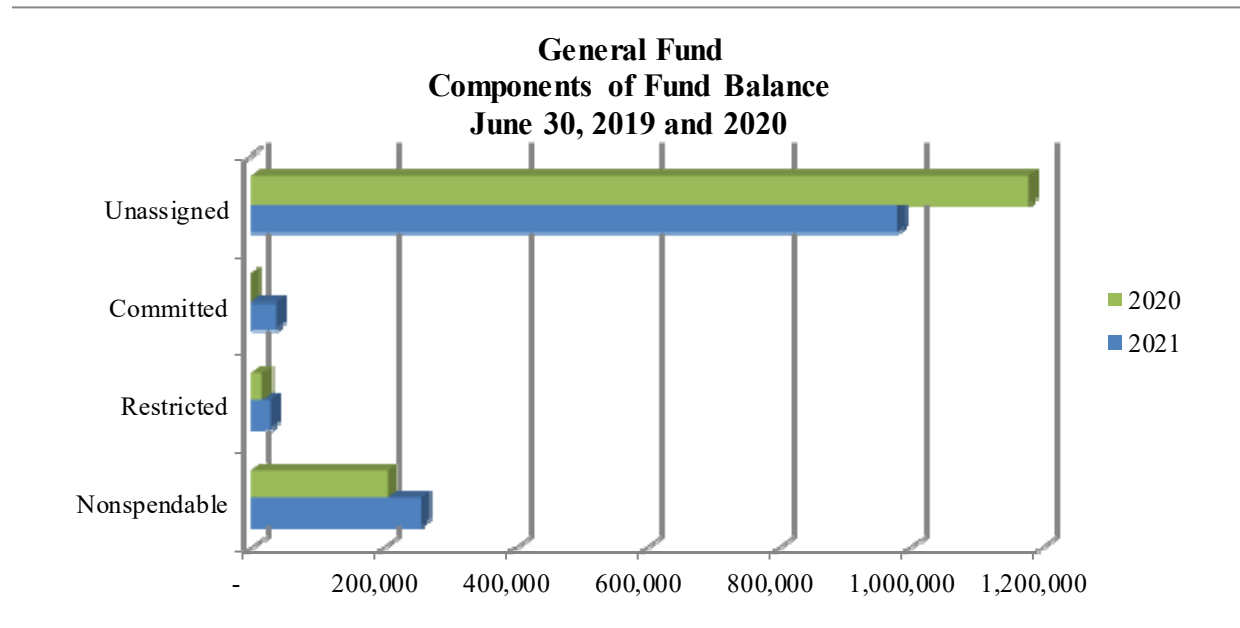
**FINANCIAL ANALYSIS OF THE CITY’S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Information presented and discussed in this section is specific to the fund financial statements.

**Governmental Funds**

The focus of the City’s governmental funds is to provide information on current year revenue, expenditures, 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.

At the end of the current fiscal year, the City’s governmental funds reported a combined ending fund balance of (\$1,535,288), an increase of \$1,289,025 over the prior year. The increase is largely due to the City’s issuance of long-term debt and the receipt of contributions in the Congress and Main St. Fund.



The general fund is the chief operating fund of the City. At the end of the year, total fund balance in the general fund was \$1,304,727, an increase of \$574,646 from the previous year. Of this amount, \$257,125 is non-spendable, \$28,543 is restricted, and \$37,670 is committed. As a measure of the general fund’s liquidity, it may be useful to compare total fund balance to total general fund expenditures. Total fund balance represents 14.39% of total general fund expenditures, however, this



**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

amount includes nonspendable balances which would not be available to finance general fund expenditures if necessary.

The City's unassigned general fund balance at June 30, 2021, was \$981,389, an increase of \$1,151,031 from the prior year. The increase is largely attributable to favorable turnback's on the budgetary vs. actual results.

In the governmental funds other than the general fund, the most noteworthy change is the addition of City Pool as a major fund. The negative fund balance will be resolved in future years as the project reaches completion and the debts are retired.

**General Fund Budgetary Highlights**

In accordance with state law, the City of St. Albans adopts an annual voter-approved budget for its general fund. The Schedule of Revenue, Expenditures and Changes in Fund Balance Required Supplementary Information presents budgeted amounts compared to actual amounts and the variance with final budget.

The City's budget for the year ended June 30, 2021 passed on the first vote in March 2020 and there were no amendments made to the budget during the year. Actual revenues exceeded budgeted revenues by \$81,852, and actual expenditures were less than budgeted amounts by \$757,514.

Expenditures were primarily under budget due to reduced costs in the police and dispatch departments, as renovation costs for the new police/dispatch building were moved to the Congress and Main St. Fund. These reduced costs were offset as the City did not receive the budgeted debt proceeds.

There was an overage in debt service for the general fund, but this was offset by a transfer to the general fund by the water, wastewater, and stormwater funds to pay for their respective shares of debt service costs for select projects and purchases.

Recreation programs also exceeded their budget, but this was offset by user fees and other revenues. This is a consistent trend with the recreation department which will be critical to monitor as the City moves forward with the year-round pool at Hard'ack.

For other departments, the net cost of their operations was similar to the budgeted amounts, and any surplus of loss did not have a substantial impact on the City's finances.

The primary driver of the City's FY21 surplus was the local option tax. The City collected \$502,260 in FY21, most of which will be used to service debt in future years.

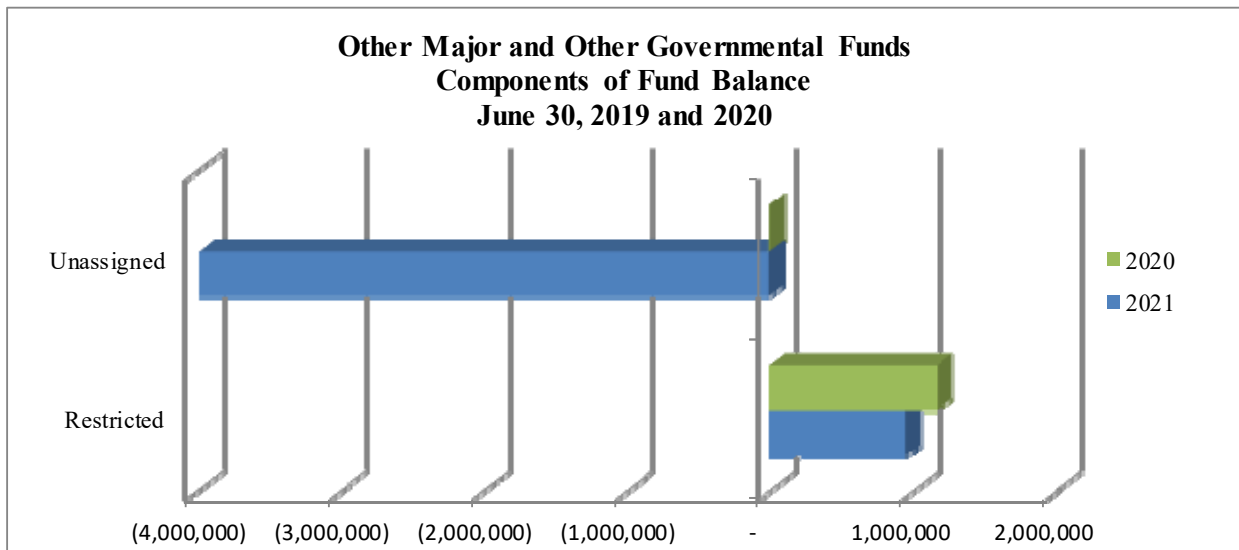
**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**Other Major Governmental Funds**

In addition to the general fund, the City reports three major funds – the TIF Debt Service Fund, the Congress and Main Street Fund, and the City Pool Fund. The TIF Debt Service Fund is used to account for TIF property tax revenues, the principal and interest cost on the related debt, as well as the general fund subsidy of the debt service. The Debt Service Fund made \$1,374,441 in debt principal and interest payments during the year. These were funded by incremental property tax revenues in the TIF district. The fund deficit at year end is \$362,926 which will be reduced in future years though increased TIF property tax revenues.

The Congress and Main Street Fund is used to record and track the multi-faceted capital project. The fund balance increased by \$1,772,619 during the year, which was expected as per the project’s financing plan. The increase is primarily attributed to the receipt of grants, contributions, and issuance of long-term debt. The deficit will be eliminated in future years as the City executes agreements related to the sale or lease of property and issues long-term financing for the police building.

The City Pool Fund is used to record and track the improvements to the City pool. The fund balance decreased by \$326,315. The overall fund balance is a deficit of \$487,378, which is expected to be eliminated in future years as the City issues long-term debt.



**Proprietary Funds**

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

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

Total net position in the water fund is \$2,558,499 a decrease of 9.52% from the previous year. A total of \$6,729,180 is invested in capital assets versus \$4,479,401 in related debt.

In the wastewater fund, total net position is \$14,473,349, a decrease of 0.04% from the previous year. The vast majority of net position in the wastewater fund is invested in capital assets. The wastewater fund has a total of \$16,984,501 in bonds and loans payable, \$12,647,043 is associated with the recent wastewater plant upgrade.

The City Council established an ordinance creating the stormwater fund effective July 1, 2018. The stormwater fund had minor activity and ending with net position of \$216,658. Other major factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The City's capital assets for governmental and business-type activities as of June 30, 2021 were \$106,943,581 (before depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure. The City's combined investment in capital assets (capital asset additions) increased by \$3,862,981 from June 30, 2020 to June 30, 2021, or 3.75%. Combined accumulated depreciation at the end of the year is \$31,004,404. Capital assets for governmental activities increased by \$1,775,013, net of accumulated depreciation. Capital assets for business-type activities decreased by \$460,680, net of accumulated depreciation.

**Summary of Capital Assets**

	Governmental Activities		Business-type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
Capital assets:						
Land	\$ 776,095	\$ 776,095	\$ 228,211	\$ 197,000	\$ 1,004,306	\$ 973,095
Construction in progress	6,607,699	4,748,908	18,234,848	17,731,292	24,842,547	22,480,200
Buildings and improvements	4,448,344	4,448,344	24,659,344	24,659,344	29,107,688	29,107,688
Machinery and equipment	5,684,063	5,464,427	14,216,069	14,216,069	19,900,132	19,680,496
Infrastructure	32,088,909	30,839,122	-	-	32,088,909	30,839,122
	49,605,110	46,276,896	57,338,472	56,803,705	106,943,582	103,080,601
Less: accumulated depreciation	(9,839,449)	(8,286,248)	(21,164,956)	(20,169,508)	(31,004,405)	(28,455,756)
Total assets, net	\$ 39,765,661	\$ 37,990,648	\$ 36,173,516	\$ 36,634,197	\$ 75,939,177	\$ 74,624,845

Major capital asset activity for the year ended June 30, 2021 included the following:

- Major additions to construction in progress (in addition to the amount noted above) in the governmental activities include \$731,794 for the Congress and Main project and \$504,989 for the police building renovations. Major additions to infrastructure in the governmental activities include \$939,522 for sidewalks and \$310,265 for roads.

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

- In business-type activities, major additions to construction in progress include \$348,151 for the wastewater treatment upgrade Phase II project.

Additional information on the City's capital assets can be found in Note IV E Capital Assets.

**Long-term Liabilities**

The City began the year with \$52,689,636 in long-term liabilities outstanding. As of June 30, 2021 this amount had increased by \$858,755 or 1.63% to end the current year with \$53,548,391 in long-term liabilities outstanding.

**Summary of Long-term Liabilities**

	<u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>
Governmental activities	\$ 28,496,436	\$ 3,172,160	\$ 1,642,417	\$ 30,026,179
Business-type activities	24,193,200	380,321	1,051,309	23,522,212
Total government	<u>\$ 52,689,636</u>	<u>\$ 3,552,481</u>	<u>\$ 2,693,726</u>	<u>\$ 53,548,391</u>

Factors contributing to the change include the following:

- The City's governmental activities debt increased overall. Principal payments on TIF Debt totaled \$828,235, while \$198,000 in principal payments were made on the neighborhood sidewalks project.
- New debt for the governmental activities includes the debt issuance for the TIF Fonda project.
- Fixed principal payments were made totaling approximately \$1.4 million for governmental activities and \$0.8 million for business type activities.

Additional information about long-term debt can be found in Note IV L Long-term Liabilities.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

**Economic Factors: Outlook and Future Development**

The City remains deeply committed to improving the local economy and building its grand list. As was noted previously, the TIF has been the bedrock upon which the downtown revitalization has been built. At the close of FY21, the City was in the process of redeveloping the Fonda site, with the assistance of a \$1 million TIF bond, and expects that site to be cleaned for development during FY22. The City also has a major TIF project planned for Federal Street and plans to seek voter approval on a project in the spring of 2022. The City has two more years in which TIF debt can be issued.

**CITY OF ST. ALBANS, VERMONT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

With the adoption of the local option tax, the City now has a major revenue stream to assist with future projects, build the City's fund balance, and continue its revitalization efforts once the TIF district reaches the debt issuance period.

Of critical importance is that FY21 featured the loss of the contract to police the neighboring Town of St. Albans. The FY21 budget was challenging as the City had to address the impact of the lost revenues. However, the lost contract turned out to be a major blessing in disguise, as the City was able to absorb police vacancies and remain within its overall payroll budget. In prior years, due to the minimum staffing requirement in the contract, the City would have incurred substantial overtime expenses to maintain services to the Town.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances to all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department at 100 North Main St., St. Albans, Vermont 05478. The report is available online at [www.stalbansvt.com](http://www.stalbansvt.com).

CITY OF ST. ALBANS, VERMONT  
STATEMENT OF NET POSITION  
JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 7,671,031	\$ -	\$ 7,671,031
Receivables (net of allowance for uncollectibles)	1,309,276	1,456,954	2,766,230
Prepaid items	152,960	2,275	155,235
Inventories	18,943	41,592	60,535
Internal balances	(3,109,539)	3,109,539	-
Assets held for resale	278,122	-	278,122
Loans receivable	1,317,608	-	1,317,608
Capital assets:			
Land	776,095	228,211	1,004,306
Construction in progress	6,607,699	18,234,848	24,842,547
Other capital assets, (net of accumulated depreciation)	32,381,867	17,710,457	50,092,324
Total assets	47,404,062	40,783,876	88,187,938
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to the City's pension plan and participation in VMERS	1,417,514	398,946	1,816,460
Total assets and deferred outflows of resources	\$ 48,821,576	\$ 41,182,822	\$ 90,004,398
<b>LIABILITIES</b>			
Accounts payable	\$ 460,548	\$ -	\$ 460,548
Accrued payroll and other expenses	111,306	30,928	142,234
Unearned revenue	456,968	9,297	466,265
Accrued interest payable	103,268	152,236	255,504
Lines of credit	1,623,998	-	1,623,998
Short term note payable	5,000,000	76,409	5,076,409
Noncurrent liabilities:			
Due within one year	1,739,423	1,079,013	2,818,436
Due in more than one year	28,286,756	22,443,199	50,729,955
Total liabilities	37,782,267	23,791,082	61,573,349
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Prepaid property taxes	88,358	-	88,358
Deferred inflows of resources related to the City's pension Plan and participation in VMERS	251,634	143,234	394,868
Total deferred inflows	339,992	143,234	483,226
<b>NET POSITION</b>			
Net investment in capital assets	9,810,482	14,644,376	24,454,858
Restricted for Taylor Park	29,190	-	29,190
Unrestricted (deficit)	859,645	2,604,130	3,463,775
Total net position	10,699,317	17,248,506	27,947,823
Total liabilities, deferred inflows of resources, and net position	\$ 48,821,576	\$ 41,182,822	\$ 90,004,398

The accompanying notes are an integral part of this financial statement.

CITY OF ST. ALBANS, VERMONT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>FUNCTIONS/PROGRAMS:</b>							
<b>GOVERNMENTAL ACTIVITIES:</b>							
General government	\$ 1,656,343	\$ 377,739	\$ 35,802	\$ -	\$ (1,242,802)	\$ -	\$ (1,242,802)
Public safety	6,282,887	1,978,406	1,091,105	-	(3,213,376)	-	(3,213,376)
Public works	2,613,468	139,433	117,723	313,660	(2,042,652)	-	(2,042,652)
Culture and recreation	861,818	566,258	87,268	2,091,276	1,882,984	-	1,882,984
Community development	498,172	-	413,518	-	(84,654)	-	(84,654)
Interest on long-term debt	852,271	-	-	-	(852,271)	-	(852,271)
Total governmental activities	12,764,959	3,061,836	1,745,416	2,404,936	(5,552,771)	-	(5,552,771)
<b>BUSINESS-TYPE ACTIVITIES:</b>							
Water	2,516,252	2,383,090	-	-	-	(133,162)	(133,162)
Wastewater	3,539,595	3,666,407	-	-	-	126,812	126,812
Stormwater	120,268	189,451	-	-	-	69,183	69,183
Total business-type activities	6,176,115	6,238,948	-	-	-	62,833	62,833
Total primary government	\$ 18,941,074	\$ 9,300,784	\$ 1,745,416	\$ 2,404,936	(5,552,771)	62,833	(5,489,938)
<b>GENERAL REVENUES:</b>							
Property taxes					6,376,891	-	6,376,891
Interest and penalties on delinquent taxes					114,743	-	114,743
Unrestricted investment earnings					1,703	9,666	11,369
General state grants					105,182	68,431	173,613
Other revenues					267,316	-	267,316
Transfers					355,729	(355,729)	-
Total general revenues and transfers					7,221,564	(277,632)	6,943,932
Change in net position					1,668,793	(214,799)	1,453,994
Net position - July 1, 2020, as restated					9,030,524	17,463,305	26,493,829
Net position - June 30, 2021					\$ 10,699,317	\$ 17,248,506	\$ 27,947,823

The accompanying notes are an integral part of this financial statement.

CITY OF ST. ALBANS, VERMONT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2021

	General Fund	TIF Debt Service Fund	Congress and Main St Fund	City Pool Fund	Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 6,702,958	\$ -	\$ -	\$ -	\$ 968,073	\$ 7,671,031
Receivables (net of allowance)	991,979	-	305,016	-	12,281	1,309,276
Due from other funds	41,984	-	295,243	4,512,622	69,358	4,919,207
Prepaid items	152,960	-	-	-	-	152,960
Inventories	18,943	-	-	-	-	18,943
Assets held for resale	85,222	-	192,900	-	-	278,122
Loans receivable	1,317,608	-	-	-	-	1,317,608
Total assets	<u>\$ 9,311,654</u>	<u>\$ -</u>	<u>\$ 793,159</u>	<u>\$ 4,512,622</u>	<u>\$ 1,049,712</u>	<u>\$ 15,667,147</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 440,649	\$ -	\$ -	\$ -	\$ 19,899	\$ 460,548
Accrued payroll and benefits payable	105,880	-	-	-	-	105,880
Due to other funds	5,477,135	362,926	-	-	2,188,685	8,028,746
Unearned revenue	456,968	-	-	-	-	456,968
Short term notes payable	-	-	-	5,000,000	-	5,000,000
Lines of credit	-	-	1,400,000	-	223,998	1,623,998
Other liabilities	5,429	-	-	-	-	5,429
Total liabilities	6,486,061	362,926	1,400,000	5,000,000	2,432,582	15,681,569
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Prepaid property taxes	88,358	-	-	-	-	88,358
Unavailable revenues	1,432,508	-	-	-	-	1,432,508
Total deferred inflows of resources	1,520,866	-	-	-	-	1,520,866
<b>FUND BALANCES (DEFICIT)</b>						
Nonspendable	257,125	-	192,900	-	-	450,025
Restricted	28,543	-	-	-	949,926	978,469
Committed	37,670	-	-	-	-	37,670
Unassigned	981,389	(362,926)	(799,741)	(487,378)	(2,332,796)	(3,001,452)
Total fund balances/(deficit)	<u>1,304,727</u>	<u>(362,926)</u>	<u>(606,841)</u>	<u>(487,378)</u>	<u>(1,382,870)</u>	<u>(1,535,288)</u>
Total liabilities, deferred inflows of Resources and fund balances	<u>\$ 9,311,654</u>	<u>\$ -</u>	<u>\$ 793,159</u>	<u>\$ 4,512,622</u>	<u>\$ 1,049,712</u>	<u>\$ 15,667,147</u>
Governmental Funds balance as reported above.						\$ (1,535,288)
Amounts reported for Governmental Activities in the Statement of Net Position are different because:						
Capital assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.						39,765,661
Other assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.						1,432,511
Deferred outflows of resources related to the City's participation in VMERS are applicable to future periods and, therefore, are not reported in the funds.						1,417,514
Long-term and accrued liabilities are not due or payable in the current period and, therefore, are not reported in the funds.						(30,129,447)
Deferred inflows of resources related to the City's Defined Benefit Pension Plan and its participation in VMERS are applicable to future periods and, therefore, are not reported in the funds.						(251,634)
Net Position of Governmental Activities						<u>\$ 10,699,317</u>

The accompanying notes are an integral part of this financial statement.



CITY OF ST. ALBANS, VERMONT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	General Fund	TIF Debt Service Fund	Congress and Main St Fund	City Pool Fund	Nonmajor Funds	Total Governmental Funds
<b>REVENUES</b>						
Property taxes	\$ 5,502,495	\$ 1,061,396	\$ -	\$ -	\$ -	\$ 6,563,891
Penalties and interest	114,743	-	-	-	-	114,743
Intergovernmental revenues	523,753	-	313,146	-	1,328,029	2,164,928
Charges for services	2,903,295	-	-	-	-	2,903,295
Contributions	-	-	1,866,276	-	225,000	2,091,276
Investment income (loss)	1,659	-	-	-	44	1,703
Licenses and permits	152,187	-	-	-	-	152,187
Other revenue	185,653	-	26,812	-	54,851	267,316
<b>Total revenues</b>	<b>9,383,785</b>	<b>1,061,396</b>	<b>2,206,234</b>	<b>-</b>	<b>1,607,924</b>	<b>14,259,339</b>
<b>EXPENDITURES</b>						
Current:						
General government	1,494,178	-	-	-	-	1,494,178
Public safety	4,488,015	-	-	-	970,691	5,458,706
Public works	824,473	-	-	-	62,561	887,034
Culture and recreation	778,196	-	-	-	22,663	800,859
Community development	-	-	-	-	498,173	498,173
Capital outlay:						
Public safety	92,332	-	-	-	-	92,332
Public works	545,140	-	1,387,813	326,315	1,597,161	3,856,429
Debt service:						
Principal	565,513	828,235	-	-	-	1,393,748
Interest	279,268	546,206	-	-	-	825,474
<b>Total expenditures</b>	<b>9,067,115</b>	<b>1,374,441</b>	<b>1,387,813</b>	<b>326,315</b>	<b>3,151,249</b>	<b>15,306,933</b>
Excess/(deficiency) of revenues over expenditures	316,670	(313,045)	818,421	(326,315)	(1,543,325)	(1,047,594)
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of long-term debt	372,241	-	608,649	-	1,000,000	1,980,890
Transfers in	103,052	124,445	345,549	-	-	573,046
Transfers out	(217,317)	-	-	-	-	(217,317)
<b>Total other financing sources/(uses)</b>	<b>257,976</b>	<b>124,445</b>	<b>954,198</b>	<b>-</b>	<b>1,000,000</b>	<b>2,336,619</b>
Net change in fund balances	574,646	(188,600)	1,772,619	(326,315)	(543,325)	1,289,025
Fund balances/(deficit)						
July 1, 2020, as reclassified and restated	730,081	(174,326)	(2,379,460)	(161,063)	(839,545)	(2,824,313)
Fund Balances - June 30, 2021	<u>\$ 1,304,727</u>	<u>\$ (362,926)</u>	<u>\$ (606,841)</u>	<u>\$ (487,378)</u>	<u>\$ (1,382,870)</u>	<u>\$ (1,535,288)</u>

The accompanying notes are an integral part of this financial statement.

CITY OF ST. ALBANS, VERMONT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balances - total government funds	\$ 1,289,025
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets (\$3,328,214) is allocated over their estimated useful lives and reported as depreciation expense (\$1,553,201). This is the amount by which capital outlays exceeded depreciation in the current period.	1,775,013
The issuance of long-term debt (\$1,980,889) (e.g., bonds, loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$1,393,748) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(587,141)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This amount reflects the decrease of unearned and unavailable revenue over last year.	(130,646)
Governmental funds report employer pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. This amount is the net effect of the differences in the treatment of pension expense.	(664,568)
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 governmental funds.	<u>(12,892)</u>
Change in net position of governmental activities	<u>\$ 1,668,791</u>

The accompanying notes are an integral part of this financial statement.

CITY OF ST. ALBANS, VERMONT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
JUNE 30, 2021

	Water Fund	Wastewater Fund	Nonmajor Stormwater Fund	Total
<b>ASSETS</b>				
Current assets:				
Receivables (net of allowance for uncollectibles)	\$ 526,834	\$ 900,215	\$ 29,905	\$ 1,456,954
Prepaid items	1,138	1,137	-	2,275
Inventories	27,103	14,489	-	41,592
Due from other funds	<u>686,988</u>	<u>2,267,009</u>	<u>155,542</u>	<u>3,109,539</u>
Total current assets	1,242,063	3,182,850	185,447	4,610,360
Noncurrent Assets:				
Capital assets:				
Land	155,000	42,000	31,211	228,211
Construction in progress	155,406	18,079,442	-	18,234,848
Buildings, distribution and collection system and improvements	84,733	24,574,611	-	24,659,344
Vehicles, machinery and equipment	12,331,618	1,884,451	-	14,216,069
Less accumulated depreciation	<u>(5,997,577)</u>	<u>(15,167,379)</u>	<u>-</u>	<u>(21,164,956)</u>
Total noncurrent assets	<u>6,729,180</u>	<u>29,413,125</u>	<u>31,211</u>	<u>36,173,516</u>
Total assets	7,971,243	32,595,975	216,658	40,783,876
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources related to the City's pension plan and participation in VMERS	<u>200,453</u>	<u>198,493</u>	<u>-</u>	<u>398,946</u>
Total assets and deferred outflows of resources	<u>\$ 8,171,696</u>	<u>\$ 32,794,468</u>	<u>\$ 216,658</u>	<u>\$ 41,182,822</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accrued payroll	\$ 14,443	\$ 16,485	\$ -	\$ 30,928
Unearned revenue	9,297	-	-	9,297
Accrued interest payable	24,585	127,651	-	152,236
Short term note payable	76,409	-	-	76,409
Compensated absences - current portion	4,591	6,579	-	11,170
Capital lease - current portion	20,702	34,027	-	54,729
Bonds payable - current portion	253,809	518,157	-	771,966
Loans payable - current portion	<u>15,941</u>	<u>225,207</u>	<u>-</u>	<u>241,148</u>
Total current liabilities	419,777	928,106	-	1,347,883
Noncurrent liabilities:				
Compensated absences - noncurrent portion	109,512	126,509	-	236,021
Bonds payable - noncurrent portion	4,159,133	8,984,316	-	13,143,449
Loans payable - noncurrent portion	29,816	7,256,821	-	7,286,637
Net pension liability	<u>834,375</u>	<u>942,717</u>	<u>-</u>	<u>1,777,092</u>
Total noncurrent liabilities	<u>5,132,836</u>	<u>17,310,363</u>	<u>-</u>	<u>22,443,199</u>
Total liabilities	5,552,613	18,238,469	-	23,791,082
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources related to the City's pension plan and participation in VMERS	60,584	82,650	-	143,234
<b>NET POSITION</b>				
Net investment in capital assets	2,249,779	12,394,597	-	14,644,376
Unrestricted	<u>308,720</u>	<u>2,078,752</u>	<u>216,658</u>	<u>2,604,130</u>
Total net position	<u>2,558,499</u>	<u>14,473,349</u>	<u>216,658</u>	<u>17,248,506</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 8,171,696</u>	<u>\$ 32,794,468</u>	<u>\$ 216,658</u>	<u>\$ 41,182,822</u>

The accompanying notes are an integral part of this financial statement.

CITY OF ST. ALBANS, VERMONT  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	Water Fund	Wastewater Fund	Nonmajor Stormwater Fund	Total
<b>OPERATING REVENUES</b>				
Charges for services	\$ 2,313,686	\$ 3,593,790	\$ 188,568	\$ 6,096,044
Penalties and interest	19,851	31,828	883	52,562
Allocation fees	31,757	40,680	-	72,437
Other income	<u>2,796</u>	<u>109</u>	<u>-</u>	<u>2,905</u>
Total operating revenues	2,368,090	3,666,407	189,451	6,223,948
<b>OPERATING EXPENSES</b>				
Salaries and benefits	1,093,641	1,228,774	-	2,322,415
Other purchased services	132,194	395,627	71,014	598,835
Chemicals	142,263	387,218	-	529,481
Repairs and maintenance	101,148	83,709	43,781	228,638
Insurances	93,067	93,101	-	186,168
Utilities	286,948	257,261	-	544,209
Supplies	32,190	44,253	-	76,443
Real estate and state water taxes	58,433	5,585	-	64,018
Other operating costs	109,222	105,484	5,473	220,179
Depreciation	<u>301,407</u>	<u>694,040</u>	<u>-</u>	<u>995,447</u>
Total operating expenses	<u>2,350,513</u>	<u>3,295,052</u>	<u>120,268</u>	<u>5,765,833</u>
Operating income	17,577	371,355	69,183	458,115
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Land lease	15,000	-	-	15,000
Intergovernmental revenue	-	68,431	-	68,431
Investment income	3,607	5,950	109	9,666
Interest expense	<u>(165,739)</u>	<u>(244,543)</u>	<u>-</u>	<u>(410,282)</u>
Total nonoperating revenues (expenses)	<u>(147,132)</u>	<u>(170,162)</u>	<u>109</u>	<u>(317,185)</u>
Net income before transfers	(129,555)	201,193	69,292	140,930
Transfers out	<u>(139,785)</u>	<u>(206,548)</u>	<u>(9,396)</u>	<u>(355,729)</u>
Change in net position	(269,340)	(5,355)	59,896	(214,799)
Net position - July 1, 2020	<u>2,827,839</u>	<u>14,478,704</u>	<u>156,762</u>	<u>17,463,305</u>
Net position - June 30, 2021	<u>\$ 2,558,499</u>	<u>\$ 14,473,349</u>	<u>\$ 216,658</u>	<u>\$ 17,248,506</u>

The accompanying notes are an integral part of this financial statement.

CITY OF ST. ALBANS, VERMONT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	Water Fund	Wastewater Fund	Nonmajor Stormwater Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 2,411,824	\$ 4,194,309	\$ 189,722	\$ 6,795,855
Other receipts	2,798	109	883	3,790
Payments to suppliers	(904,909)	(1,371,734)	(120,373)	(2,397,016)
Payment of taxes	(58,433)	(5,585)	-	(64,018)
Payments for wages and benefits	(978,000)	(1,131,498)	-	(2,109,498)
Receipts for interfund services provided	218,721	539,254	-	757,975
Payments for interfund services provided	-	-	(29,734)	(29,734)
Net cash provided by operating activities	<u>692,001</u>	<u>2,224,855</u>	<u>40,498</u>	<u>2,957,354</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers out	(139,785)	(206,548)	(9,396)	(355,729)
Proceeds from land lease	15,000	-	-	15,000
Proceeds from noncapital grant	-	68,431	-	68,431
Net cash used by noncapital financing activities	<u>(124,785)</u>	<u>(138,117)</u>	<u>(9,396)</u>	<u>(272,298)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets	(155,406)	(348,150)	(31,211)	(534,767)
Proceeds of:				
Short term state revolving loans	30,304	-	-	30,304
Principal paid on:				
General obligation bonds	(248,998)	(306,851)	-	(555,849)
Notes payable	(19,799)	(221,604)	-	(241,403)
Line of credit	-	(1,000,000)	-	(1,000,000)
Capital leases	(18,389)	(31,309)	-	(49,698)
Interest paid on debt:	<u>(158,535)</u>	<u>(184,774)</u>	<u>-</u>	<u>(343,309)</u>
Net cash used by capital and related financing activities	<u>(570,823)</u>	<u>(2,092,688)</u>	<u>(31,211)</u>	<u>(2,694,722)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Receipt of interest & dividends	<u>3,607</u>	<u>5,950</u>	<u>109</u>	<u>9,666</u>
Net cash provided by investing activities	<u>3,607</u>	<u>5,950</u>	<u>109</u>	<u>9,666</u>
Net change in cash	-	-	-	-
Cash - July 1, 2020	-	-	-	-
Cash - June 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating income	\$ 17,577	\$ 371,355	\$ 69,183	\$ 458,115
Depreciation	301,407	694,040	-	995,447
(Increase)/decrease in receivables	45,018	528,011	1,155	574,184
(Increase)/decrease in interfund receivable	218,721	539,254	(29,734)	728,241
(Increase)/decrease in inventory	(7,257)	(4,463)	-	(11,720)
(Increase)/decrease in prepaid items	(618)	(618)	-	(1,236)
Increase/(decrease) in accounts payable	-	-	(106)	(106)
Increase/(decrease) in accrued payroll	14,443	16,485	-	30,928
Increase/(decrease) in unearned revenue	1,512	-	-	1,512
Increase/(decrease) in compensated absences payable	19,746	12,185	-	31,931
Increase/(decrease) in net pension liability and related deferrals	<u>81,452</u>	<u>68,606</u>	<u>-</u>	<u>150,058</u>
Net cash provided by operating activities	<u>\$ 692,001</u>	<u>\$ 2,224,855</u>	<u>\$ 40,498</u>	<u>\$ 2,957,354</u>

The accompanying notes are an integral part of this financial statement.

CITY OF ST. ALBANS, VERMONT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2021

	Pension Trust Fund	Custodial Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ 39,581
Investments		
Annuity contract	1,379,630	-
Equity mutual funds	1,814,198	-
Fixed income mutual funds	945,932	-
Total Investments	4,139,760	-
Receivables	28,805	-
Total Assets	\$ 4,168,565	\$ 39,581
<b>NET POSITION</b>		
Restricted for pensions	4,168,565	-
Restricted for organizations	-	39,581
Total Net Position	\$ 4,168,565	\$ 39,581

The accompanying notes are an integral part of this financial statement.

CITY OF ST. ALBANS, VERMONT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021

	Pension Trust Fund	Custodial Fund
	<u>          </u>	<u>          </u>
<b>ADDITIONS</b>		
Contributions:		
Employer	\$ 210,000	\$ -
Plan members	38,739	-
Taxes collected for Maple Run School	-	7,124,825
Taxes collected for St. Albans Free Library	-	249,412
Contributions on behalf of nonprofits	-	36,800
	<u>          </u>	<u>          </u>
Total Contributions	248,739	7,411,037
Net Investment Earnings	<u>790,340</u>	<u>-</u>
Total Additions	1,039,079	7,411,037
<b>DEDUCTIONS</b>		
Benefits - pension	479,852	-
Administrative expenses	40,431	-
Payment of taxes to Maple Run School	-	7,124,825
Payment of taxes to St. Albans Free Library	-	249,412
Payments on behalf of nonprofits	-	27,961
	<u>          </u>	<u>          </u>
Total Deductions	<u>520,283</u>	<u>7,402,198</u>
Net Increase in Net Position	518,796	8,839
Net Position - July 1, 2020	<u>3,649,769</u>	<u>30,742</u>
Net Position - June 30, 2021	<u>\$ 4,168,565</u>	<u>\$ 39,581</u>

The accompanying notes are an integral part of this financial statement.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

The City of St. Albans, Vermont (herein the “City”) is a municipal corporation operating under a council-manager form of government. It is governed by seven elected officials – a mayor and six council members. The City is made up of six individual wards, each being represented by one of the six elected council members. The City Council appoints a City Manager to oversee the general operations of the City.

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies adopted by the City conform to Generally Accepted Accounting Principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles. The following is a summary of significant accounting policies employed in the preparation of these financial statements.

**A. The Financial Reporting Entity**

This report includes all of the activity of the City of St. Albans, Vermont. The financial reporting entity consists of the primary government; organizations for which the primary government is financially accountable; and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization’s governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. The primary government is financially accountable if an organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government regardless of whether the organization has a separately elected governing board; a governing board appointed by a higher level of government; or a jointly appointed board. Based on these criteria, there are no other entities that should be combined with the financial statements of the City.

**B. Basis of Presentation**

The accounts of the City are organized and operated on the basis of fund accounting. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts which comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled.

The basic financial statements of the City include both government-wide statements and fund financial statements. The focus of the government-wide statements is on reporting the operating



**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

results and financial position of the City as a whole and present a longer-term view of the City's finances. The focus of the fund financial statements is on reporting on the operating results and financial position of the most significant funds of the City and present a shorter-term view of how operations were financed and what remains available for future spending.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government, the City. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of activities between funds. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each segment of the City's business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function or program. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The City reports on the following major governmental funds:

General Fund – This is the City's main operating fund. It accounts for all financial resources of the general government except those accounted for in another fund.

TIF Debt Service Fund – This debt service fund is used to account for all property tax revenue generated by the TIF and all debt service related to the TIF district. The TIF district encompasses much of the City's downtown area.

Congress and Main Street Fund – This capital project fund accounts for all expenditures, revenues, and grants related to the Congress and Main project.

City Pool Fund – This capital project fund accounts for all expenditures, revenues, and grants related to the City pool project.

The City reports on the following major enterprise funds:

Water Fund – This fund accounts for the operations of the Water Department of the City.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Wastewater Fund – This fund accounts for the operations of the Wastewater Department of the City.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Additionally, the City reports the following fund types:

Pension Trust Fund – This fund accounts for monies contributed by the City and its employees and the income on investments expended for the pensions of retired City employees.

Custodial Funds – These funds account for monies maintained for local nonprofit groups, Saint Albans for the Future (SAFF) and the Explorer Program. Additionally, these funds account for the collection and disbursement of taxes collected on behalf of the Maple Run School and St. Albans Free Library.

**C. Measurement Focus**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Government-wide, proprietary fund, and fiduciary fund financial statements are reported using the economic resources measurement focus. This means that all assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds (whether current or noncurrent) are included on the balance sheet (or statement of net position). Equity (i.e., net position) is segregated into net investment in capital assets, restricted net position, and unrestricted net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Governmental fund financial statements are reported using the current financial resources measurement focus. This means that only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources are generally reported on their balance sheets. Their reported fund balances (net current position) are considered a measure of available spendable resources, and are segregated into nonspendable, restricted, committed, assigned, and unassigned amounts. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund equity. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

**D. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the economic resources measurement and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flow takes place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental funds are reported using the current financial resource measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. “Measurable” means the amount of the transaction can be determined, and “available” means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues reported in governmental funds to be available if the revenues are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, the net pension liability, certain compensated absences and other long-term liabilities which are recognized when the obligations are expected to be liquidated or are funded with expendable available financial resources.

Property taxes, licenses, ordinance violation fees, inspection fees, 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. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. It is the City’s policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and other grant requirements have been met.

**E. Use of Estimates**

The presentation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Equity**

**1. Cash**

Cash balances of most City funds are deposited with and invested by the City Treasurer. The City considers all short-term investments of one year or less to be cash equivalents.

**2. Investments**

The City invests in investments as allowed by state statute. Investments with readily determinable fair values are reported at their fair values on the balance sheet, except for annuity contracts which are reported at cash surrender value. Unrealized gains and losses are included in revenue.

**3. Receivables**

Receivables are shown net of an allowance for uncollectible accounts for the estimated losses that will be incurred in the collection of the receivables. The estimated losses are based on the judgment of management and a review of the current status of existing receivables.

**4. Internal Balances**

Activity between funds that is representative of lending or borrowing arrangements that are outstanding at the end of the fiscal year are referred to as 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”. Cash balances deposited and invested by the Treasurer in a combined cash account are reported as “due to/from other funds”.

Advances between funds, as reported in the fund financial statements, are offset by a reserve account (nonspendable fund balance) in the applicable funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**5. Inventories, Prepaid Items, and Assets Held for Resale**

Inventory quantities are determined by physical count and are valued at cost using the first in first out (FIFO) method. Inventories in the governmental funds consists of pool chemicals, salt and sand. The cost of governmental funds inventories is recorded using the purchases method. Inventories in the proprietary funds consists primarily of chemicals.

Inventory held for resale consists of three properties purchased by the City which are planned to be or are in process of being sold. Inventory held for resale is valued at the lower of cost or market.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Certain payments to vendors reflect costs that are applicable to future accounting periods and are recorded as prepaid expenses. Prepaid items are recognized using the consumption method.

Inventories and prepaid items of governmental funds in the fund financial statements are offset by a nonspendable fund balance as these are not in spendable form.

**6. Pensions**

For purposes of measuring the proportionate share of the net pension liability and the related deferred outflows and inflows of resources and pension expense, information about the fiduciary net position of the Vermont Municipal Employees' Retirement System (VMERS) pension plan and additions to or deductions from the VMERS' fiduciary net position have been determined on the same basis as they are reported by VMERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**7. Deferred Outflows and Inflows of Resources**

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one type of item which arises under the accrual basis of accounting that qualifies for reporting in this category. The governmental activities, the business-type activities and the proprietary funds report deferred outflows of resources related to the City's defined benefit pension plan and the City's participation in VMERS. These amounts are deferred and recognized as an outflow of resources in the future periods to which the outflows are related.

In addition to liabilities, the Statement of Financial Position 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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items which arise under the modified accrual basis of accounting and two types which arise under the accrual basis of accounting that qualify for reporting in this category. The governmental activities, the business-type activities and the proprietary funds report deferred inflows of resources from two sources: prepaid property taxes and deferred inflows of resources related to the City's defined benefit pension plan and the City's participation in VMERS. These amounts are deferred and recognized as an inflow of resources in the future periods to which the inflows of resources are related. The governmental funds report deferred inflows of resources from three sources: prepaid property taxes, unavailable property taxes, penalties and interest, and unavailable other revenue. These amounts are deferred and recognized as an inflow of resources in the future periods that the amounts become available or to which the inflows are related.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**8. Capital Assets**

Capital assets are reported at actual cost or estimated historical cost based on appraisals or deflated current replacement cost if purchased or constructed. Contributed assets are recorded at their acquisition value. Major outlays for capital assets and improvements are capitalized as constructed. Interest incurred during the construction phase for proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of any interest earned on the invested proceeds during the same period. Interest is not capitalized during the construction phase of capital assets used in governmental activities. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. The City has elected to not report major general infrastructure assets retroactively.

Capital assets reported in the government-wide and proprietary fund financial statements are depreciated in order that the cost of these assets will be charged to expenses over their estimated service lives, generally using the straight-line method of calculating depreciation.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets are as follows:

	<u>Capitalization Threshold</u>	<u>Estimated Service Life</u>
Land	\$ 5,000	Not Depreciated
Buildings and Building Improvements	\$ 5,000	40 Years
Vehicles	\$ 5,000	4-15 Years
Machinery, Equipment, and Furniture	\$ 5,000	8-20 Years
Roads, Bridges, and Sidewalks	\$ 5,000	30-50 Years
Water and Wastewater Distribution and and Collection Systems	\$ 5,000	60 - 100 Years

Capital assets are not reported in the governmental fund financial statements. Capital outlays in these funds are recorded as expenditures in the year they are acquired.

**9. Compensated Absences**

It is the policy of the City to permit employees to accumulate earned but unused vacation time up to 240 hours. Public safety employees may accumulate earned but unused comp time up to 240 hours and all other employees may accumulate earned but unused comp time up to 160 hours. The value of this leave time will be paid at the employee's current rate of pay upon retirement, termination, or death. In addition to this, employees hired before July 1, 2008 can accrue up to 640 hours of sick leave, and will be paid the value of this leave time at their current rate of pay upon retirement, termination, or death. Employees hired after July 1, 2008 can accrue up to 240 hours with 160 hours

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

vested for payment upon retirement, termination, or death. Compensated absences are reported in governmental funds only if they have matured.

**10. Long-term Liabilities**

Long-term liabilities include bonds, loans, and capital leases payable and other obligations such as compensated absences and the net pension liability. Long-term liabilities are reported in the government-wide and proprietary fund financial statements. Governmental fund financial statements do not include any long-term liabilities as those funds use the current financial resources measurement focus and only include current liabilities on their balance sheets.

**11. Fund Equity**

Fund balances and net position are classified based upon any restrictions that have been placed on those balances or any tentative plans management may have made for those balances. Restrictions of net position in the government-wide and proprietary fund type financial statements represent amounts that cannot be appropriated or are legally restricted for a specific purpose by a grant, contract, or other binding agreement. Fund balances of governmental funds are classified as non-spendable (not in spendable form or legally required to remain intact); restricted (constraints on the use of resources are either externally imposed by creditors, grantors, or donors, or imposed by law through enabling legislation); committed (constraints on the use of resources are imposed by formal action of the voters); assigned (reflecting the City Council's intended use of the resources); and unassigned. Positive unassigned fund balance can only be reported in the general fund.

**II. EXPLANATION OF DIFFERENCES BETWEEN GOVERNMENTAL FUND AND GOVERNMENT-WIDE STATEMENTS**

Governmental fund financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting, whereas government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. These differences in the measurement focus and basis of accounting lead to differences between the governmental fund financial statements and the government-wide financial statements as follows.

Long-term revenue differences arise because governmental funds report revenues only when they are considered available, whereas government-wide statements report revenues when they are earned. Long-term expense differences arise because governmental funds report operating expenses (including interest) using the modified accrual basis of accounting, whereas government-wide statements report expenses using the accrual basis of accounting.

Capital-related differences arise because governmental funds report capital outlays as current period expenditures, whereas government-wide statements report depreciation as an expense. Further, governmental funds report the proceeds from the sale of capital assets as another financing source,

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

whereas government-wide statements report the gain or loss from the sale of capital assets as revenue or expense.

Long-term debt transaction differences arise because governmental funds report long-term debt proceeds as other financing sources and principal payments as expenditures, whereas government-wide statements report those transactions as increases and decreases in liabilities, respectively.

Pension-related differences arise because governmental funds report the current year's required employer contributions as current period expenditures, whereas government-wide statements report those transactions as deferred outflows of resources. In addition, the accrual for the City's proportionate share of the net pension liability is recorded in the government-wide financial statements along with the related deferred inflows and outflows of resources.

### **III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

#### **A. Budgetary Information**

Budgets are approved at the annual City Meeting in March. Any budget changes require voter approval. There were no budget changes during the year. The legal level of budgetary control is at the department level.

Chapter 9 of the City's Revised Ordinances establishes budgetary control as follows:

241. Authorization of contract or debt by city council.

No contract shall be made whereby the city shall be beholden or bound for the payment of any sum of money, nor shall any debt be created against the city by any person or persons acting or pretending to act for the city, in any capacity whatever, unless the same shall have been previously authorized by the city council.

242. Power of city officer to bind city for payment of money.

No city officer shall have any authority or power to bind the city for the payment of any sum of money for any purpose, or to make any contract whereby the city may become bound for the payment of any sum of money, unless such officer shall have been previously authorized to such action by city council.

243. Expenditures for ordinary administration.

Nothing in this chapter shall be construed to prevent the expenditure by such officer of moneys in the ordinary administration of his department, which have been previously appropriated to such use by the city council and authorized by the city manager.



**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**B. Excess of Expenditures Over Appropriations**

The City reflected expenditures in excess of appropriations in the following departments for fiscal year 2021:

Debt Service - Principal and Interest	\$ (65,353)
Professional Services - Legal	(12,360)
Fire Department	(145,644)
Library	(36,534)
Parking Garage	(1,656)
Public Works Capital	(192,640)
Recreation Programs	(49,754)
Transfers Out	(194,558)

**C. Deficit Fund Balance**

The City also has a deficit fund balance in the following funds:

TIF Debt Service Fund	\$ (362,926)
Congress and Main Street Fund	(606,841)
City Pool Fund	(487,378)
Restorative Justice Center (Non-Major)	(27,157)
VCDP Grants Fund (Non-Major)	(88,419)
Lake Champlain Basin (Non-Major)	(55,549)
Municipal Planning Grants Fund (Non-Major)	(464)
Streetscape Fund (Non-Major)	(334,742)
Sidewalk Fund (Non-Major)	(1,485,733)
Hard'ack Improvement Fund (Non-Major)	(340,732)

The City intends to fund the over-expenditures in the above funds with a combination of capital contributions, grant funds, and issuance of debt.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Cash and Cash Equivalents**

The City's cash and cash equivalents as of June 30, 2021 consisted of cash on hand and deposits in financial institutions.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City does not have any policy to limit the exposure to custodial credit risk. The following table shows the custodial credit risk of the City's deposits as of June 30, 2021.

	Bank Balance
FDIC Insured	\$ 500,000
Collateralized	2,300,000
Total Deposits	\$ 2,800,000

The uninsured and uncollateralized balance is \$5,233,353 at June 30, 2021.

**B. Investments**

The Pension Trust Fund's (Plan) investments as of June 30, 2021 consisted of the following:

Annuity contract	\$ 1,379,630
US Stocks	1,660,943
Emerging Market Stocks	54,794
US Bonds	545,334
International Bonds	400,598
Real Estate Mutual Fund	98,461
Total Investments	\$ 4,139,760

The annuity contract is a group annuity product issued by Prudential Retirement Insurance and Annuity Company (PRIAC).

**Custodial Credit Risk**

The custodial credit risk for investments is the risk that, in the event of failure of the counter-party to a transaction (e.g., broker-dealer), a government will not be able to recover the value of its investments or collateral securities that are in possession of another party. The Plan does not have any policy to limit the exposure to custodial credit risk. The Plan does not invest in individual securities. The Plan's share of pooled investments in PRIAC and mutual funds are held by Prudential's trust department.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**Interest Rate and Credit Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The Plan does not have formal policies related to interest and credit risk. The Plan's debt related investments are comprised of \$545,334 in PGIM Corporate Bond Fund and \$400,598 in PIMCO International Bond Fund at June 30, 2021 with effective duration of 8.15 and 6.58 years, respectively. The PGIM holdings are rated by Moody's as follows: 3.64% AAA, 9.52% Aa, 29.72% A, 50.66% Baa, 3.16% Ba, and 3.23% not rated. The PIMCO holdings are not rated by Moody's.

**Concentration of Credit Risk**

Concentration of credit risk is the risk that a large percentage of the Plan's investments are held within one security. The Plan does not have any limitations on the amount that can be invested in any one issuer. Except for the Plan's investments in its share in PRIAC guaranteed deposit account and mutual funds, the City does not have investments in a single issuer which are greater than 5% of total investments.

**Fair Value**

The City categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board Statement No. 72 *Fair Value Measurement and Application* (GASB 72). 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. Annuity contracts are valued at cash surrender value, and therefore, are not included in this disclosure.

Debt securities classified in Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features, and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quote prices. Level 2 debt securities have non-proprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

The Pension Trust Fund (Plan) has the following fair value measurements as of June 30, 2021:

<u>Description</u>	Fair Value Measurements Using:		
	Quoted prices in active markets for identical assets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Equity mutual funds - Plan			
Equity securities			
US Stocks	\$ 1,660,943	\$ 1,660,943	\$ -
Emerging Market Stocks	54,794	54,794	-
Real Estate Mutual Fund	98,461	98,461	-
Debt securities			
US Bonds	545,334	-	545,334
International Bonds	400,598	-	400,598
<b>Total</b>	<b>\$ 2,760,130</b>	<b>\$ 1,814,198</b>	<b>\$ 945,932</b>

**C. Receivables**

Receivables at June 30, 2021, as reported in the Statement of Net Position, net of applicable allowances for uncollectible accounts, are as follows.

	Governmental Activities	Business-Type Activities	Total
Delinquent Taxes	\$ 347,161	\$ -	\$ 347,161
Penalties and Interest	55,576	-	55,576
Billed Services	-	1,076,830	1,076,830
Unbilled Services	-	327,628	327,628
Grants	575,877	-	575,877
Intergovernmental	305,016	-	305,016
Other	58,146	66,996	125,142
Allowance for Doubtful Accounts	(32,500)	(14,500)	(47,000)
<b>Net Receivable</b>	<b>\$ 1,309,276</b>	<b>\$ 1,456,954</b>	<b>\$ 2,766,230</b>

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**D. Loans Receivable**

Loans receivable at June 30, 2021 consist of the following loans for community development in governmental funds.

Loan receivable, local business Interest at 2%, monthly principal and interest payments; matures January 31, 2024	\$ 13,475
Loan receivable, local business Interest at 3%, interest only payments due every six months. principal payment due May 15, 2024; secured by a personal guaranty from borrowers	150,000
Loan receivable, local nonprofit Interest at 0%, balloon payment due October 30, 2044; secured by a mortgage deed on real property	350,000
Loan receivable, local nonprofit Interest at 0%, balloon payment due December 31, 2032; secured by a mortgage deed on real property	360,000
Loan receivable, local nonprofit Interest at 0%, balloon payment due January 14, 2035; secured by a mortgage deed on real property	480,001
Loan receivable, local nonprofit Interest at 0%, balloon payment due March 15, 2037; secured by a mortgage deed on real property	579,600
Loan receivable, local taxpayer Interest at 3%, balloon payment due April 30, 2025; secured by a mortgage deed on real property	50,000
Loan receivable, local taxpayer Interest at 3%, payment due October 31, 2021; secured by a mortgage deed on real property	50,000
Loan Receivable; PeakCM Lake Street Hotel LLP; Interest at 3%; 5-year repayment terms	<u>1,000,000</u>
Total	3,033,076
Less: Allowance for Doubtful Loans Receivable	<u>(1,715,468)</u>
Reported Balance at - June 30, 2021	<u>\$ 1,317,608</u>

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

An analysis of the change in loans receivable is as follows:

<u>Balance</u> <u>July 01, 2020</u>	<u>Additions</u>	<u>Payments</u>	<u>Amounts</u> <u>Written Off</u>	<u>Balance</u> <u>June 30, 2021</u>
\$ 2,920,897	\$ 112,179	\$ -	\$ -	\$ 3,033,076

**E. Capital Assets**

Capital asset activity for the year ended June 30, 2021 was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 776,095	\$ -	\$ -	\$ 776,095
Construction in Progress	4,748,908	1,858,791	-	6,607,699
Total Capital Assets, Not Being Depreciated	<u>5,525,003</u>	<u>1,858,791</u>	<u>-</u>	<u>7,383,794</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	4,448,344	-	-	4,448,344
Vehicles, Machinery and Equipment	5,464,427	219,636	-	5,684,063
Infrastructure	30,839,122	1,249,787	-	32,088,909
Subtotal	<u>40,751,893</u>	<u>1,469,423</u>	<u>-</u>	<u>42,221,316</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	1,255,796	103,818	-	1,359,614
Vehicles, Machinery and Equipment	3,301,404	405,223	-	3,706,627
Infrastructure	3,729,048	1,044,160	-	4,773,208
Totals	<u>8,286,248</u>	<u>1,553,201</u>	<u>-</u>	<u>9,839,449</u>
Total Capital Assets, Being Depreciated	<u>32,465,645</u>	<u>(83,778)</u>	<u>-</u>	<u>32,381,867</u>
Governmental Activities Capital Assets, Net	<u>\$ 37,990,648</u>	<u>\$ 1,775,013</u>	<u>\$ -</u>	<u>\$ 39,765,661</u>

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 197,000	\$ 31,211	\$ -	\$ 228,211
Construction in Progress	<u>17,731,292</u>	<u>503,556</u>	<u>-</u>	<u>18,234,848</u>
Total Capital Assets, Not Being Depreciated	17,928,292	534,767	-	18,463,059
Capital Assets, Being Depreciated:				
Buildings, Distribution and Collection Systems & Improvements	24,659,344	-	-	24,659,344
Vehicles, Machinery and Equipment	<u>14,216,069</u>	<u>-</u>	<u>-</u>	<u>14,216,069</u>
Subtotal	38,875,413	-	-	38,875,413
Less Accumulated Depreciation for:				
Buildings, Distribution and Collection Systems & Improvements	17,528,250	821,597	-	18,349,847
Vehicles, Machinery and Equipment	<u>2,641,258</u>	<u>173,851</u>	<u>-</u>	<u>2,815,109</u>
Totals	<u>20,169,508</u>	<u>995,448</u>	<u>-</u>	<u>21,164,956</u>
Total Capital Assets, Being Depreciated	<u>18,705,905</u>	<u>(995,448)</u>	<u>-</u>	<u>17,710,457</u>
Business-Type Activities Capital Assets, Net	<u>\$ 36,634,197</u>	<u>\$ (460,681)</u>	<u>\$ -</u>	<u>\$ 36,173,516</u>

Depreciation was charged as follows:

Governmental Activities:		Business-Type Activities:	
General Government	\$ 164,250	Water	\$ 301,407
Public Safety	264,273	Sewer	<u>694,040</u>
Public Works	1,071,333		
Culture and Recreation	<u>53,345</u>		
Total Depreciation Expense - Governmental Activities	<u>\$ 1,553,201</u>	Total Depreciation Expense - Business-Type Activities	<u>\$ 995,447</u>

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**F. Interfund Balances and Activity**

The composition of due from/to other funds at June 30, 2021 is as follows:

<u>Fund Name</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 41,984	\$ 5,477,135
TIF Debt Service Fund	-	362,926
Congress and Main St Fund	295,243	-
City Pool Fund	4,512,622	-
Non-Major:		
Restorative Justice Center	-	19,839
VCDP Grants Fund	-	88,419
Taylor Park Trust Fund	3,000	-
Lake Champlain Basin Fund	-	55,549
Federal Street Fund	30,198	-
Municipal Planning Grants Fund	-	464
Streetscape Fund	-	334,742
TIF Capital Project Fund	36,160	-
Fonda Fund	-	87,205
Sidewalk Fund	-	1,485,733
Hard'ack Improvement Fund	-	116,734
Water Fund	686,988	-
Wastewater Fund	2,267,009	-
Stormwater Fund (Non-Major)	155,542	-
Total	<u>\$ 8,028,746</u>	<u>\$ 8,028,746</u>



**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Interfund transfers during the year ended June 30, 2021 were as follows:

Transfer From	Transfer To	Amount	Purpose
General Fund	TIF Debt Service	\$ 124,445	Fund TIF bond debt service
General Fund	Congress and Main St. Fund	45,000	Reduce fund deficit
General Fund	Congress and Main St. Fund	47,872	Reduce fund deficit
Water Fund	Congress and Main St. Fund	93,427	Underground infrastructure
Wastewater Fund	Congress and Main St. Fund	159,250	Underground infrastructure
Wastewater Fund	General Fund	35,566	Fund City Hall debt service
Wastewater Fund	General Fund	3,132	Street Sweeper debt service
Wastewater Fund	General Fund	8,600	Public works equipment debt service
Stormwater Fund	General Fund	9,396	Street Sweeper debt service
Water Fund	General Fund	2,192	Share of Fire Truck and UTV debt
Water Fund	General Fund	8,600	Public works equipment debt service
Water Fund	General Fund	35,566	Fund City Hall debt service
	Total	<u>\$ 573,046</u>	

The City reports interfund transfers between various funds. Most transfers result from budgetary or statutory actions, whereby funds are moved to accomplish various expenditure purposes.

**G. Deferred Outflows of Resources**

Deferred outflows of resources represent the consumption of net position by the City that is applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources presented in the statement of net position, related to the City's net pension liability, are more fully discussed in Notes N-1 and N-2.

**H. Short Term Notes Payable**

The City has a bond anticipatory note with Union bank for \$5,000,000 for the City pool project. The note matures on May 13, 2022 and has an interest rate of 0.95%. The City anticipates to renew this bond anticipatory note in FY22.

The Water Fund has a no interest Vermont EPA Local Assistance State Revolving Fund loan for Aldis Hill Tank for \$166,500. The note is unsecured. Total balance outstanding at June 30, 2021 is \$76,409. Remaining balance available for the Water Fund to draw down is \$90,091.

**I. Lines of Credit**

The City also has an unsecured line of credit of \$2,000,000 with Peoples Trust Company. Interest is at 1.60% and matures October 16, 2021, at which time the City intends to renew the note. As of July 1, 2020 the note had an outstanding balance of \$1,250,000. During fiscal year 2021, the City

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

drew down \$250,000 and paid off \$500,000. The balance due on this line of credit at June 30, 2021 is \$1,000,000. This line of credit is associated with the Congress and Main Street Fund.

The City also has an unsecured line of credit of \$1,100,000 with Peoples Trust Company. Interest is at 1.60% and matures September 3, 2021, at which time the City intends to renew the note. During fiscal year 2021, drew down \$400,000. This line of credit is associated with the Congress and Main Street Fund for police renovations.

The City also has an unsecured line of credit of \$417,000 with Peoples Trust Company. Interest is at 1.60% and matures October 16, 2021, at which time the City intends to renew the note. During fiscal year 2021, the City drew down \$223,998. This line of credit is associated with the Hard'ack Lodge.

**J. Unearned Revenue**

Unearned revenue in the general fund consists of recreation fees and parking garage passes that were paid/purchased in advance. The revenue will be recognized when services are performed. Additionally, unearned revenues in the general fund consist of receipt of American Rescue Plan Act (ARPA) that will be recognized when the use of funds has occurred. Unearned revenue in the enterprise funds consists of water credits payable.

**K. Deferred Inflows of Resources**

Deferred inflows of resources are the acquisition of net position by the City that are applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities. Deferred inflows of resources related to pension will be recognized in pension expense in future years and are more fully described in Notes N-1 and N-2.

Deferred inflows of resources in the general fund consists of prepaid property taxes and unavailable revenues. *Unavailable revenues* are reported in the governmental funds balance sheet in connection with receivables for which revenues are not considered available to liquidate liabilities of the current year. Unavailable revenues include \$164,900 of delinquent property taxes, penalties and interest on those taxes and \$1,267,608 of net loans receivable that were not collected within 60 days after year-end as these would not be available to liquidate current liabilities. The revenue will be recognized as the loans are repaid and as receivables are collected.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**L. Long-term Liabilities**

General Obligation Bonds - The City issues general obligation bonds to provide resources for the acquisition and construction of major capital facilities and to refund prior issues. General obligation bonds have been issued for both general governmental and proprietary activities. Bonds are reported in governmental activities if the debt is expected to be repaid from general governmental revenues and in business-type activities if the debt is expected to be repaid from proprietary fund revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. New bonds generally are issued as 12 to 30 year bonds.

No-Interest Revolving Loans - The State of Vermont offers a number of no-interest revolving loan programs to utilize for predetermined purposes. The City has borrowed money from the Vermont Special Environmental Revolving Fund for wastewater projects.

Other Loans Payable - The City has other loans payable to finance various capital projects and purchases through local banks.

Capital Lease Obligations - The City enters into lease agreements as the lessee for the purpose of financing the acquisition of major pieces of equipment. These lease agreements qualify as capital lease obligations for accounting purposes (even though they may include clauses that allow for cancellation of the lease in the event the City does not appropriate funds in future years) and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception of the leases. Leases are reported in governmental activities if the debt is expected to be repaid from general governmental revenue and in the business-type activities if the debt is expected to be repaid from proprietary fund revenue.

Compensated Absences - It is the policy of the City to permit employees to accumulate vacation, comp-time and sick leave time, the value of which will be paid at their current rate of pay upon retirement, termination or death. The accrual for compensated absences, based on current rates, is recorded in the government-wide and proprietary fund financial statements.

Net Pension Liability – The net pension liability is the difference between the total pension liability (the present value of projected benefit payments to employees based on their past service) and the assets (mostly investments reported at fair value) set aside to pay current employees, retiree, and beneficiaries. The accrual for the City’s net pension liability related to the City’s single-employer defined benefit pension plan as well as the City’s share of the net pension liability associated with VMERS is recorded in the government-wide and proprietary fund financial statements.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Long-term liabilities outstanding as of June 30, 2021 were as follows.

Bonds, Notes, and Capital Leases Payable:

<u>Governmental Activities:</u>	<u>Series</u> <u>Maturities</u> <u>Through</u>	<u>Interest</u> <u>Rate(s) %</u>	<u>Amount</u> <u>Outstanding</u> <u>as of</u> <u>6/30/21</u>
<b>Bonds Payable - Direct Placement:</b>			
TIF District Bond	\$ 11/15/33	0.643-4.723%	\$ 10,375,000
City Hall Renovation	11/02/40	0.891-3.181%	1,840,000
TIF District Bond	11/01/33	0.891-3.181%	1,147,059
Fairfield Street	11/02/41	0.891-3.181%	252,000
Lake/Main Sidewalks	11/02/41	0.891-3.181%	1,029,000
Fire Truck	11/01/36	0.891-3.181%	380,000
Neighborhood Sidewalks	11/01/42	1.210-4.060%	880,000
Neighborhood Sidewalks	11/01/43	1.170-4.170%	1,840,000
Neighborhood Sidewalks	11/01/43	1.835-3.890%	1,794,000
TIF Project	11/01/38	1.835-3.890%	2,250,000
TIF Fonda	11/01/40	0.420-2.360%	1,000,000
Total Bonds Payable			22,787,059

(continued)

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

(continued)

	Series	Interest	Amount
<u>Governmental Activities:</u>	<u>Maturities</u>	<u>Rate(s) %</u>	<u>Outstanding</u>
	<u>Through</u>	<u>Rate(s) %</u>	<u>as of</u>
			<u>6/30/21</u>
<b>Loans Payable - Direct Borrowings:</b>			
Fonda/Solo Building Purchase	08/28/21	1.50%	261,113
Tennis Court (Barlow)	12/17/22	3.25%	17,642
Mini Excavator	05/23/23	3.20%	3,812
Skid Steer	11/25/21	2.89%	633
Tractor	08/01/21	2.70%	1,217
Barlow Elevator and Stairs	02/01/27	3.25%	26,858
Hard'ack Groomer	11/01/24	2.95%	18,385
Utility Truck	08/01/22	2.70%	3,824
Sidewalk Plow	07/14/20	3.75%	99,061
Street Sweeper	08/01/28	3.40%	81,160
Mini Excavator	08/01/25	3.00%	15,241
Payloader	05/01/23	2.60%	12,534
Utility Truck	05/01/24	2.70%	5,985
Utility Vehicle	05/01/23	2.60%	10,880
Fire Vehicle	05/01/24	2.70%	20,383
Recreation Pickup	05/01/25	2.45%	16,728
Public Works Equipment	05/01/24	2.45%	99,211
Sidewalk Plow	08/01/25	2.45%	42,109
Police Vehicle	05/01/25	2.35%	28,547
Dispatch Tower	05/01/31	2.90%	171,500
10 Maiden Land and 12 Congress Street	04/26/41	0.00%	296,758
Land & Building	12/17/39	2.00%	302,606
Total Loans Payable			1,536,187
<b>Capital Leases Payable:</b>			
Backhoe	12/01/21	4.25%	7,936
Total Capital Leases Payable			7,936
Total Governmental Activities			\$ 24,331,182

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

	Series	Interest	Amount
<u>Business-Type Activities:</u>	<u>Maturities</u>	<u>Rate(s) %</u>	<u>Outstanding</u>
	<u>Through</u>	<u>Rate(s) %</u>	<u>as of</u>
			<u>6/30/21</u>
<b>Water Fund</b>			
Bonds Payable - Direct Placement:			
USDA Refunding Bond	11/15/36	3.93%	\$ 2,645,535
Fairfax Water Plant	11/01/30	0.891-3.181%	466,667
Fairfield Street	11/02/41	0.891-3.181%	357,000
Streetscape Utilities	11/01/35	0.891-3.181%	168,947
Fairfax Dam	11/01/35	0.891-3.181%	774,793
Total Bonds Payable			4,412,942
Notes Payable - Direct Borrowings:			
Mini Excavator	05/23/23	3.20%	3,814
Skid Steer	11/25/21	2.89%	1,267
Utility Truck	08/01/22	2.70%	3,825
Mini Excavator	08/01/25	3.00%	15,244
Payloader	05/01/23	2.60%	14,623
Utility Truck	05/01/24	2.70%	6,983
Total Notes Payable			45,756
Capital Lease Payable:			
Vactor	09/01/21	3.13%	9,994
Backhoe	12/01/21	4.25%	10,708
Total Capital Leases Payable			20,702
Total Water Fund			4,479,400
<b>Wastewater Fund</b>			
Bonds Payable - Direct Placement:			
Wastewater Treatment Facility Improvements	09/01/31	0.00%	917,886
Wastewater Treatment Facility Improvements	09/01/31	0.00%	1,590,580
Wastewater Treatment Facility Improvements	09/01/31	0.00%	104,180
Fairfield Street	11/02/41	0.891-3.181%	1,491,000
Streetscape Utilities	11/01/33	0.891-3.181%	168,946
WWTF Upgrade	11/01/39	0.00%	5,229,881
Total Bonds Payable			9,502,473
Loans Payable - Direct Borrowings:			
Mini Excavator	05/23/23	3.20%	3,814
Skid Steer	11/25/21	2.89%	1,267
Utility Truck	08/01/22	2.70%	3,825
Street Sweeper	08/01/28	3.40%	19,110
Mini Excavator	08/01/25	3.00%	15,245
Payloader	05/01/23	2.60%	14,623
Utility Truck	05/01/24	2.70%	6,983
WWTF Upgrade	11/15/49	1.75%	7,417,162
Total Loans Payable			7,482,029
Capital Lease Payable:			
Vactor	06/01/21	3.13%	23,319
Backhoe	12/01/21	4.25%	10,708
Total Capital Leases Payable			34,027
Total Wastewater Fund			17,018,529
Total Business-Type Activities			\$ 21,497,929

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

The following is an analysis for the leased assets included in capital assets at June 30, 2021:

	Governmental Activities	Business-Type Activities
Vehicles, machinery, and equipment \$	55,641	\$ 480,470
Less: accumulated depreciation	(40,965)	(222,698)
Equipment under capital leases, net \$	14,676	\$ 257,772

Changes in all long-term liabilities during the year were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
Bonds Payable - Direct Placement	\$ 23,010,044	\$ 1,000,000	\$ 1,222,985	\$ 22,787,059	\$ 1,272,985
Notes Payable - Direct Borrowings	716,290	980,889	160,992	1,536,187	433,728
Capital Leases Payable	17,707	-	9,771	7,936	7,935
Compensated Absences	509,401	234,765	248,669	495,497	24,775
Environmental Liability	249,164	-	-	249,164	-
Net Pension Liability	3,993,830	956,506	-	4,950,336	-
Total Governmental Activities Long-Term Liabilities	\$ 28,496,436	\$ 3,172,160	\$ 1,642,417	\$ 30,026,179	\$ 1,739,423
<b>BUSINESS-TYPE ACTIVITIES</b>					
Bonds Payable - Direct Placement	\$ 14,471,264	\$ -	\$ 555,849	\$ 13,915,415	\$ 771,966
Notes Payable - Direct Borrowings	7,769,185	-	241,400	7,527,785	241,148
Capital Leases Payable	104,426	-	49,697	54,729	54,729
Compensated Absences	215,263	236,291	204,363	247,191	11,170
Net Pension Liability	1,633,062	144,030	-	1,777,092	-
Total Business-type Activities Long-Term Liabilities	\$ 24,193,200	\$ 380,321	\$ 1,051,309	\$ 23,522,212	\$ 1,079,013

Compensated absences are paid by the applicable fund where the employee is charged. The City applies a first-in, first-out flow assumption to estimate the amount of compensated absences payable that will become due within one year. The implication of this assumption is that the current ending balance in compensated absences payable will be used before any amounts are drawn from future accumulations of leave time. An estimate has been applied to determine the amount of compensated absences due within one year and is based on actual results from the previous year. For compensated absences in the governmental activities, the general fund liquidates 100 percent and or compensated absences in the business-type activities, the Water Fund normally liquidates 50 percent and the Wastewater Fund normally liquidates 50 percent.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

The general fund and enterprise funds have typically been used to liquidate pension liabilities.

Maturities of bonds, notes and capital leases payable based on the City's intentions are as follows for governmental activities:

Year Ending June 30	Governmental Activities				
	Bonds Payable - Direct Borrowings		Loans Payable - Direct Borrowings		Capital Leases
	Principal	Interest	Principal	Interest	
2022	\$ 1,272,985	\$ 783,740	\$ 433,728	\$ -	\$ 7,936
2023	1,292,985	753,786	167,959	-	-
2024	1,312,985	720,770	149,945	-	-
2025	1,337,985	685,067	106,875	-	-
2026	1,362,985	646,581	83,812	-	-
2027-2031	7,274,926	2,544,743	322,005	-	-
2032-2036	5,913,458	1,134,214	178,305	-	-
2037-2041	2,403,750	304,932	93,558	-	-
2042-2044	615,000	60,299	-	-	-
Total	22,787,059	7,634,132	1,536,187	-	7,936
Less: Interest	-	-	-	-	-
Total	\$ 22,787,059	\$ 7,634,132	\$ 1,536,187	\$ -	\$ 7,936

Maturities of bonds, notes and capital leases payable based on the City's intentions are as follows for business-type activities:

Year Ending June 30	Business-Type Activities				
	Bonds Payable - Direct Borrowings		Loans Payable - Direct Borrowings		Capital Leases
	Principal	Interest	Principal	Interest	
2022	\$ 771,965	\$ 348,341	\$ 241,148	\$ 132,131	\$ 54,729
2023	785,683	330,282	242,152	127,519	-
2024	799,771	311,591	234,737	122,811	-
2025	814,242	292,285	226,297	188,660	-
2026	829,107	272,336	225,088	114,660	-
2027-2031	4,383,136	1,039,412	1,154,240	512,925	-
2032-2036	3,622,211	421,034	1,250,899	408,261	-
2037-2041	1,821,300	113,079	1,364,765	294,395	-
2042-2046	88,000	1,400	1,488,995	170,165	-
2047-2050	-	-	1,099,464	39,183	-
Total	13,915,415	3,129,760	7,527,785	2,110,710	54,729
Less: Interest	-	-	-	-	-
Total	\$ 13,915,415	\$ 3,129,760	\$ 7,527,785	\$ 2,110,710	\$ 54,729

During fiscal year 2021, the City had three available lines of credit. Lines of credit are more fully described in Note I.



**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**M. Net Position and Fund Balances**

Fund balances are segregated to account for resources that are either not available for expenditure in the future or are legally set aside for a specific future use.

The City has set a goal of obtaining a minimum unassigned general fund balance of one month of general fund operating expenditures. Due to the City's focus on ambitious redevelopment, this goal has not yet been attained.

The City has implemented GASB Statement No. 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying existing governmental fund type definitions.

The following types of fund balances are reported at June 30, 2021:

Nonspendable - Represents amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. This fund balance classification includes general fund reserves for prepaid expenditures, inventories, assets held for resale, and advances to other funds.

Restricted - Represents amounts that are restricted to specific purposes by constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation. This fund balance classification includes amounts restricted for debt service, various special revenue funds, and permanent trust funds.

Committed - Represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the City's highest level of decision-making authority. This fund balance classification includes 7.5% of the cumulative Local Option Tax revenues that have been committed to reduce the cost and increase the access to recreation programming for the disadvantaged and the elderly.

Unassigned - Represents amounts that are available to be spent in future periods and deficit funds.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Following is a breakdown of the City's fund balances at June 30, 2021:

	General Fund	TIF Debt Service Fund	Congress and Main St Fund	City Pool Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable						
Prepaid items	\$ 152,960	\$ -	\$ -	\$ -	\$ -	\$ 152,960
Inventories	18,943	-	-	-	-	18,943
Assets held for resale	<u>85,222</u>	<u>-</u>	<u>192,900</u>	<u>-</u>	<u>-</u>	<u>278,122</u>
Total Nonspendable	257,125	-	192,900	-	-	450,025
Restricted						
Asset forfeiture	28,543	-	-	-	-	28,543
Expendable permanent funds	-	-	-	-	29,190	29,190
Federal Street Fund	-	-	-	-	30,198	30,198
TIF Capital Project Fund	-	-	-	-	36,160	36,160
Fonda Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>854,378</u>	<u>854,378</u>
Total Restricted	28,543	-	-	-	949,926	978,469
Committed						
Recreation LOT	<u>37,670</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,670</u>
Unassigned						
	<u>981,389</u>	<u>(362,926)</u>	<u>(799,741)</u>	<u>(487,378)</u>	<u>(2,332,796)</u>	<u>(3,001,452)</u>
Total Fund Balance	<u>\$ 1,304,727</u>	<u>\$ (362,926)</u>	<u>\$ (606,841)</u>	<u>\$ (487,378)</u>	<u>\$ (1,382,870)</u>	<u>\$ (1,535,288)</u>

**N. Retirement Plans**

**1. Vermont Municipal Employees' Retirement System – Defined Benefit Plan**

**Plan Description**

The Vermont Municipal Employees' Retirement System (VMERS) is a cost-sharing, multiple-employer defined benefit pension plan that is administered by the State Treasurer and its Board of Trustees. It is designed for municipal and school district employees that work on a regular basis, and also includes employees of museums and libraries if at least half of that institution's operating expenses are met by municipal funds. An employee of any employer that becomes affiliated with the system may join at that time or at any time thereafter. Any employee hired subsequent to the effective participation date of their employer who meets the minimum hourly requirements is required to join the system. During the year ended June 30, 2021 the retirement system consisted of 379 participating employers.

The plan was established effective July 1, 1975, and is governed by Title 24, V.S.A. Chapter 125. The general administration and responsibility for formulating administrative policy and procedures of the retirement system for its members and their beneficiaries is vested in the Board of Trustees consisting of five members. They are the State Treasurer, two employee representatives elected by the membership of the system, and two employer representatives – one elected by the governing bodies of participating employers of the system, and one selected by the Governor from a list of four nominees. The list of nominees is jointly submitted by the Vermont League of Cities and Towns and the Vermont School Boards Association.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

All assets are held in a single trust and are available to pay retirement benefits to all members. Benefits available to each group are based on average final compensation (AFC) and years of credible services.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources**

As of June 30, 2021, the City's proportionate share of the net pension liability of \$4,150,932. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. As of June 30, 2021, the City's proportion of 1.64085% was an increase of 0.12791% from its proportion measured as of June 30, 2020.

For the measurement date year ended June 30, 2020, the City recognized pension expense of \$999,246.

As of June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Changes in proportional share of contributions	\$ 144,825	\$ 48
Net difference between projected and actual earnings on pension plan investments	397,002	-
Difference between expected and actual experience	373,837	12,303
Changes in assumptions	556,508	-
City's required employer contributions made subsequent to the measurement date	<u>116,501</u>	<u>-</u>
Total	<u>\$ 1,588,673</u>	<u>\$ 12,351</u>

The deferred outflows of resources resulting from the City's required employer contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the subsequent fiscal period. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Year Ended June 30	Deferred Outflows (Inflows) of Resources
2022	\$ 405,423
2023	421,058
2024	365,113
2025	268,227
Total	\$ 1,459,821

**Summary of System Provisions**

**Membership:** Full time employees of participating municipalities. The City elected coverage under Group B and Group C provisions.

**Creditable Service:** Service as a member plus purchased service.

**Average Final Compensation (AFC):** Groups B and C – Average annual compensation during the highest three consecutive years.

**Service Retirement Allowance:**

**Eligibility:** Group B – The earlier of age 62 with 5 years of service or age 55 with 30 years or service. Group C – Age 55 with 5 years of service.

**Amount:** Group B – 1.7% of AFC times service as a Group B member plus percentage earned as a Group A member times AFC. Group C – 2.5% of AFC times service as a Group C member plus percentage earned as a Group A or B member times AFC.

**Maximum benefit** is 60% of AFC for Group B and 50% of AFC for Group C. The previous amounts include the portion of the allowance provided by member contributions.

**Early Retirement Allowance:**

**Eligibility:** Age 55 with 5 years of service for Group B. No eligibility requirements for Group C.

**Amount:** Normal allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes normal retirement age for Group B members.

**Vested Retirement Allowance:**

**Eligibility:** Five years of service.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Amount: Allowance beginning at normal retirement age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the Consumer Price Index, subject to the limits on “Post-Retirement Adjustments”.

Disability Retirement Allowance:

Eligibility: Five years of service and disability as determined by Retirement Board.

Amount: Immediate allowance based on AFC and service to date of disability.

Death Benefit:

Eligibility: Death after five years of service.

Amount: For Groups B and C, reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor(s) benefit under disability annuity computed as of date of death.

Optional Benefit and Death after Retirement: For Groups B and C, lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contribution guarantee.

Refund of Contribution: Upon termination, if the member so elects or if no other benefit is payable, the member’s accumulated contributions are refunded.

Post-Retirement Adjustments: Allowance in payment for at least one year increased on each January 1 by one-half of the percentage increase in the Consumer Price Index but not more than 3% for Groups B and C.

Member Contributions: Group B – 5.375% and Group C – 10.500% for fiscal year 2021.

Employer Contributions: Group B – 6.000% and Group C – 7.750% for fiscal year 2021.

Retirement Stipend: \$25 per month payable at the option of the Retirement Board.

**Significant Actuarial Assumptions and Methods**

These assumptions were selected on the basis of the experience study dated September 24, 2020.

Investment rate of return: 7.000% (Previously 7.50%), net of pension plan investment expenses, including inflation.

Salary Increases: Varying service-based rates from 0-10 years of service, then a single rate of 4.50% for all subsequent years.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Deaths:

Pre-retirement: 98% of RP-2006 blended 60% Blue Collar Employee, 40% Healthy Employee with generational projection using Scale SSA-2017.

Healthy post-retirement: 98% of RP-2006 blended 60% Blue Collar Annuitant, 40% Healthy Annuitant with generational projection using Scale SSA-2017.

Disabled post-retirement: RP-2006 Disabled Mortality Table with generational projection using Scale SSA-2017.

Spouse's Age: Husbands are assumed to be three years older than their wives.

Cost-of-Living Adjustments to Benefits of Terminated Vested and Retired Participants: Assumed to occur at the rate of 1.2% per annum for Group B and C members.

Actuarial Cost Method: Entry Age Normal Method. Entry Age is the age at employment or, if date is unknown, current age minus years of service. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by salary, with Normal Cost determined using the plan of benefits applicable to each participant.

Asset Valuation Method: Smoothing method is used, under which the value of assets for actuarial purposes equals fair value less a five-year phase-in of the differences between actual and assumed investment return. The value of assets for actuarial purposes may not differ from fair value of assets by more than 20%.

Inflation: 2.30% per year

Long-term Expected Rate of Return:

The long-term expected rate of return on pension plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target allocation percentage and by adding expected inflation.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global Equity	29.00%	7.07%
US Equity - Large Cap	4.00%	6.19%
US Equity - Small/Mid Cap	3.00%	6.93%
Non-US Equity - Large Cap	5.00%	7.01%
Non-US Equity - Small Cap	2.00%	7.66%
Emerging Markets Debt	4.00%	3.66%
Core Bonds	20.00%	0.39%
Private & Alternate Credit	10.00%	6.03%
US TIPS	3.00%	-0.20%
Core Real Estate	5.00%	4.06%
Non-Core Real Estate	3.00%	6.43%
Private Equity	10.00%	11.27%
Infrastructure/Farmland	2.00%	5.44%
	<u>100.00%</u>	

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

**Discount Rate:** The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions will continue to be made in accordance with the current funding policy. Based on these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments to current members. The assumed discount rate has been determined in accordance with the method prescribed by GASB 68.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:** The following presents the net pension liability, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Impact of a 1% Change in the Discount Rate

	<u>Discount Rate</u>	<u>Net Pension Liability</u>
Current Rate	7.00%	\$ 4,150,932
1% Decrease	6.00%	\$ 6,341,783
1% Increase	8.00%	\$ 2,348,325

**Additional Information**

Additional information regarding the State of Vermont Municipal Employees' Retirement System, including the details of the Fiduciary Net Position, is available upon request from the State of Vermont.

**2. City of St. Albans Pension Plan - Defined Benefit Plan**

**Plan Description**

The City of St. Albans Pension Plan is a single-employer, defined benefit pension plan administered by the City of St. Albans. The City of St. Albans Pension Plan provides retirement, disability and death benefits to plan members and beneficiaries. The City of St. Albans established and may amend benefit provisions of the plan. The plan does not issue stand-alone financial statements. The plan covers all employees of the City who work at least 1,000 hours on a 12-month consecutive period and who agree to make minimum contributions. Effective January 1, 2010, the City stopped allowing new participants to enter the plan.

**Funding Policy**

The Plan requires members to contribute either 2.5% or 7.5% of Annual Base Earnings, excluding overtime and any other additional compensation, depending on the benefit level elected. The total actuarially determined contribution to the system for fiscal year 2021 was \$210,000 which was computed through an actuarial valuation performed as of June 30, 2021.

There are 11 active members and 53 retirees and beneficiaries. Additionally, there are 9 former employees with vested rights.

**Benefits**

Normal Retirement Benefits: The yearly amount of pension a City employee will receive is equal to the sum of (a) and (b), but not greater than (c):

- (a) the sum of 0.75% of 1990 Annual Base Earnings multiplied by years of Participation Service completed prior to January 1, 1991;
- (b) for each Plan Year after January 1, 1991 and before July 1, 1995, the yearly amount of future service pension is equal to 0.75% of the rate of Annual Base Earnings. For each Plan Year



**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

after July 1, 1995 and before July 1, 1997, the yearly amount of future service pension is equal to 1.25% of the rate of Annual Base Earnings. After July 1, 1997, the yearly amount of future service pension is equal to 1.50% of the rate of Annual Base Earnings.

- i. Effective July 1, 2001, the yearly amount of future service pension is equal to 1.50% of the rate of Annual Base Earnings for those participants electing on July 1, 2001 to make required employee contributions of 2.50% of Annual Base Earnings.
- ii. Effective July 1, 2001, the yearly amount of future service pension is equal to 3.00% of the rate of Annual Base Earnings for those participants electing July 1, 2001 to make required employee contributions of 7.50% of Annual Base Earnings.

(c) Effective July 1, 2001, the maximum amount was removed for all participants.

**Form of Payment:** The normal form of pension is a life annuity with monthly payments commencing on the member's retirement date and guaranteed for a 10-year period and thereafter during the member's lifetime.

**Late Retirement:** A member may elect a late retirement date on the first day of any calendar month before age 70. The pension will be the greater of the accrued benefit earned on the Late Retirement Date of the benefit earned at the Normal Retirement Date actuarially increased to the Late Retirement Date.

**Termination Benefit:** Before having 10 years of Continuous Service and before age 55, a member receives a return of contributions (required and voluntary) with interest. After 10 years, a member is 100% vested in the accrued benefit.

**Death Benefit:** Before the member is vested, the beneficiary receives the contributions (required and voluntary) with interest. After the member is vested, the beneficiary is entitled to a monthly benefit or 50% of the amount the member would have received if retirement is assumed on the day before death with an election of the option to provide a 50% continuation to the beneficiary commencing at early retirement age or date of death, whichever is later. If the member's death occurs after actual retirement, the beneficiary receives whatever payable under the normal form or the option is elected.

**Disability Benefit:** If a member who has completed at least 10 years of Continuous Service becomes totally and permanently disable for a period of 26 weeks, they shall receive a monthly disability benefit equal to the accrued benefit.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Optional Forms of Payment: A member may elect, in writing, to have the normal form of pension converted to an actuarially equivalent optional form. These are (a) the contingent annuitant form in which the member receives a smaller amount monthly in return for the insurance company's continuing payments to the named beneficiary in the same amount, two thirds of the amount, or one half of the amount as designated as long as the beneficiary may live after the death of the member; (b) the life annuity form in which the member receives a larger amount monthly in return for forfeiting the guarantee of continuing payments for a full 10 years if he should die before then.

Investment Policy: The investment policy was approved by the City Council. The target allocation is as follows:

	<u>Target Allocation</u>
Domestic Equity	38.00%
Fixed Income	<u>62.00%</u>
Total	<u><u>100.00%</u></u>

**Net Pension Liability**

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as for June 30, 2021 using an annual actuarial valuation as of June 30, 2021. Because the measurement date is the same as the reporting date, no adjustments have been necessary to roll forward the data.

**Significant Actuarial Assumptions and Methods**

The total pension liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement.

Actuarial Cost Method	Entry Age Normal
Amortization Method	15 Year Level Dollar of the existing Net Pension Liability as of the valuation date
Remaining Amortization Term	15 Years; fresh start method with amortization of remaining unfunded amortized each year
Asset Valuation	Fair Value
Interest Rate of Return	6.07%
Salary Increases	5.00% annually
Inflation	2.50%
COLA	None
Mortality	RP-2000 Mortality Table

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Discount Rate: The discount rate was determined as follows:

	Long-term Expected Real Rate of Return
Domestic Equity	4.50%
International Equity	5.50%
Fixed Income	3.00%
Real Estate	4.00%
Cash	1.00%
Real Rate of Return	3.57%
Inflation Assumption	2.50%
Total Nominal Return (Discount Rate)	6.07%

The discount rate used to measure the total pension liability was 6.07%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will continue to be made at the current rate and that contributions will be made at rates at least equal to the actuarially determined contribution rates. Based on those assumptions, the net pension plan's fiduciary net position was 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.

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

Changes in Net Pension Liability: The change in net pension liability for the plan is as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at June 30, 2020	\$ 6,651,822	\$ 3,649,770	\$ 3,002,052
Changes for the year:			
Service cost	12,587	-	12,587
Interest	419,093	-	419,093
Differences between actual and expected experience	141,411	-	141,411
Contributions - employer	-	210,000	(210,000)
Contributions - member	-	38,739	(38,739)
Net investment income	-	790,339	(790,339)
Administrative expenses	-	(40,431)	40,431
Benefit payments, including refunds of member contributions	(479,852)	(479,852)	-
Net changes	93,239	518,795	(425,556)
Balances at June 30, 2021	\$ 6,745,061	\$ 4,168,565	\$ 2,576,496

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability, calculated using the discount rate of 6.07%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.07%) or one percentage point higher (7.07%) than the current rate.

Impact of a 1% Change in the Discount Rate		
	Discount Rate	Net Pension Liability
Current Rate	6.07%	\$ 2,576,496
1% Decrease	5.07%	\$ 3,205,206
1% Increase	7.07%	\$ 2,038,606

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**Pension Expense and Deferred Outflows and Deferred Inflows of Resources**

For the year ended June 30, 2021 the City recognized pension expense of \$142,763. At June 30, 2021 the City reported deferred outflows of resources and deferred inflows or resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 227,787	\$ 42,979
Net difference between projected and actual earnings on plan investments	<u>-</u>	<u>339,538</u>
Total	<u>\$ 227,787</u>	<u>\$ 382,517</u>

The amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plan will be recognized as pension expense as follows:

Year Ended June 30	Deferred Outflows (Inflows) of Resources
2022	\$ (30,339)
2023	8,832
2024	(37,362)
2025	<u>(95,861)</u>
Total	<u>\$ (154,730)</u>

**3. Consolidation of Net Pension Liabilities (NPL) and Related Items**

The following is a summary of all NPL-related items in the aggregate across both governmental and business-type activities. Details related to these items are presented separately for each plan in Notes N-1 and N-2.

	Net Pension Liability	Total Deferred Outflows of Resources	Total Deferred (Inflows) of Resources	Total Pension Expense
City of St. Albans Pension Plan	\$ 2,576,496	\$ 227,787	\$ 382,517	\$ 142,763
Vermont Municipal Employees' Retirement System - Defined Benefit Plan	<u>4,150,932</u>	<u>1,588,673</u>	<u>12,351</u>	<u>999,246</u>
Total	<u>\$ 6,727,428</u>	<u>\$ 1,816,460</u>	<u>\$ 394,868</u>	<u>\$ 1,142,009</u>

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**4. Deferred Compensation Plan**

The City also offers its employees a deferred compensation plan through the International City/County Management Association’s Retirement Corporation (ICMA-RC) in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The City has no liability for losses under this plan. All of the investments are self-directed by each employee. For each employee not currently participating in the City’s defined benefit plan or VMERS, the City will match the employee’s contribution to the plan up to 5%. The City also provides the City Manager a 2.1% contribution of base pay without a required employee contribution amount. Employees remaining in the City’s defined benefit plan or VMERS may open a 457 account without a City match. Total employer contributions to the 457 Plan for the year were \$7,581.

**O. Taxes Receivable and Excise Taxes**

The City is responsible for assessing and collecting its own property taxes, as well as education taxes for the State of Vermont. Property taxes are assessed based on property valuations as of April 1, the approved budgets and the State education property tax liability. Taxes are due and payable on August 24, November 21, February 22, and May 24, and become delinquent on June 1. The City assesses an 8% penalty on delinquent taxes and interest is assessed at 1% per month after each installment date for the first twelve months and 1.5% per month thereafter. Unpaid taxes become an enforceable lien on the property, and such properties are subject to tax sale.

The tax rates for 2021 are as follows:

	Residential	Non-Residential
Education	\$1.6423	\$ 1.8311
General City	0.9316	0.9316
Library	0.0494	0.0494
Veteran's Exemption	0.0032	0.0032
Total Tax Rate per \$100 of Assessed Value	\$2.6265	\$ 2.8153

**P. Pollution Remediation**

On August 11, 2016, a Feasibility Study was prepared for the Fonda/Solo Site to assess the feasibility for redevelopment of 19 Lower Newton Street to house municipal fire, police and public works functions for the community. The project parcel is the site of a former manufacturing facility, with known environmental contamination. This includes, but is not limited to, portions of the concrete slab remaining after the building was demolished, a known contaminant plume beneath the slab in the center of the site, and the possibility of “urban soils”. The estimate for mitigation of these

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

items is currently assessed at \$249,164. Actual costs may differ depending on what is uncovered during mitigation, as well as due to inflation, changes in technology, or changes in regulations.

**Q. Contingent Liabilities**

The City is a participating member in the Northwest Vermont Solid Waste Management District (NWSWD). The City could be subject to a portion of the NWSWD's debt if the NWSWD experiences financial problems. The district serves 19 member towns and the City Council appoints a board representative.

The City participates in a number of federally assisted and state grant programs that are subject to audits by the grantors or their representatives. Accordingly, compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

**R. Tax Increment Financing District**

The City Council approved the establishment of a Tax Increment Financing (TIF) District on April 30, 2012 which was later approved by the Vermont Economic Progress Council (VEPC) in August 2012. The TIF District will allow the City to undertake and pay for infrastructure improvements that will allow for increased economic and community development. The City cannot incur any new TIF District debt until the voters authorize an overall debt level. This level of \$43 million was approved on November 6, 2012. With a TIF District, the value of properties within the District is frozen at the time the District is created. All property taxes generated by the original base continue to go to the municipal General Fund and the State Education Fund. For 20 years, the municipal and education property taxes generated on the incremental assessed value above the frozen baseline are shared, with 75% going to finance TIF District infrastructure debt and 25% going to the municipal General Fund and State Education Fund.

In March 2013, voters authorized a \$3 million in general obligation bonds or notes to finance brown-field remediation, professional services, streetscape improvements, and parking garage design and site improvements. In September 2013, voters authorized an additional \$13 million in general obligation bonds for the purpose of financing the costs associated with constructing the parking garage, acquisition of land and interests for development, and public street, water and wastewater system improvements. To date, the City has issued bonds totaling \$14.5 million of the \$16 million authorized.

In March 2015, voters authorized the City to re-direct up to \$1.5 million of TIF funds previously approved for the parking garage for the purpose of making streetscape improvements on Lake and Main Streets and brownfield cleanup at the hotel development site on Lake Street.

In March 2019 voters authorized the City to borrow up to \$2.5 million for the Congress and Main Redevelopment project, issued and outstanding in fiscal year 2019, for the purpose of land acquisition,

**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

brownfield remediation, construction of public improvements and associated professional services and related costs.

In March of 2020 voters authorized the City to borrow up to \$1.0 million for the Fonda redevelopment project for the purposes of brownfields remediation.

**S. Change in Accounting Principle**

During fiscal year 2021, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. This required moving certain items previously recorded through a general fund liability account to the newly established custodial fund that reports additions and deductions for these activities. No restatement of beginning net position/fund balance was required in either fund.

**T. Commitments and Contingencies**

COVID19 – The COVID-19 outbreak prompted national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary business closures and wide-sweeping quarantines and stay-at-home orders. The duration and scope of the economic disruption remains uncertain. The extent of the impact on our operational and financial performance depends on impact on individuals served by the City, our employees and our vendors. Although the COVID-19 pandemic has had an impact on the City's operations, management does not believe there are other current or expected conditions or events that would result in our being unable to meet our obligations within a year of our financial statement issuance date and believe we have sufficient liquidity from operations and capacity within our credit facility and other liquidity options to repay our obligations for the foreseeable future.

Grants – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally by the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Legal – The City currently has pending claims that management believes will not have a material effect on the financial statements.

Other matters - During the year ended June 30, 2014, the City sold land that included deeded parking rights to 170 parking spaces in the St. Albans Parking Garage in perpetuity.



**CITY OF ST. ALBANS, VERMONT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**U. Subsequent Events**

Subsequent to year-end, the City issued the following direct borrowing debt:

	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Issue</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>
VMBB note for TIF District/Highway	\$ 2,500,000	3.33%	07/29/21	11/01/41
Vermont State Revolving Fund loan for Kingman Street project	\$ 290,000	0.00%	07/01/21	12/01/61
Vermont State Revolving Fund loan for Kingman Street project	\$ 265,000	0.00%	07/01/21	07/01/51

**V. Reclassification and Restatement**

The City restated the beginning fund balance for Congress and Main Street major fund and net position for governmental activities by \$192,900 to reclassify 12 Congress Street property owned by the City to asset held for resale, originally slated for demolition and therefore expensed. Additionally, the City's major governmental funds for fiscal year 2021, as defined by GASB Statement 34, have changed from the previous fiscal year. Accordingly, the following reconciliation is provided:

	Fund Equity 6/30/20 (as previously reported)	<u>Reclassification</u>	Fund Equity 7/1/20 (as reclassified)
City Pool Fund	\$ -	\$ (161,063)	\$ (161,063)
Nonmajor Governmental Funds	<u>(1,000,608)</u>	<u>161,063</u>	<u>(839,545)</u>
Total	<u>\$ (1,000,608)</u>	<u>\$ -</u>	<u>\$ (1,000,608)</u>

**W. New Pronouncements**

The Governmental Accounting Standards Board has issued Statement No. 87, *Leases*, effective for the City beginning with its fiscal year ending June 30, 2022. This statement establishes new reporting and disclosure requirements for leases in the financial statements. Management has not yet evaluated the effect of implementation of these or other GASB statements that will be applicable in the next few years.

CITY OF ST. ALBANS, VERMONT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL - GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2021

	Original/Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
<b>REVENUES AND OTHER FINANCING SOURCES</b>			
Property Taxes	\$ 4,658,732	\$ 5,502,495	\$ 843,763
Penalty on Taxes	26,500	24,688	(1,812)
Interest on Taxes	40,000	64,221	24,221
PHSO Violations Revenue	30,000	25,834	(4,166)
State Payments/RR Taxes	10,000	5,021	(4,979)
Interest on Savings	2,500	1,390	(1,110)
Public Works Garage Lease	54,400	54,400	-
City Hall Lease	60,862	60,862	-
PILOT	53,000	58,547	5,547
Insurance Reimbursements and Miscellaneous	90,000	81,215	(8,785)
City Clerk	104,900	136,264	31,364
Planning and Development	43,800	68,522	24,722
Assessing	20,500	22,087	1,587
Fire Department	68,500	75,843	7,343
Police, Dispatch and Animal Control	3,342,797	2,111,423	(1,231,374)
Parking Garage	207,833	112,751	(95,082)
Public Works and Parks	225,000	166,646	(58,354)
Recreation Programs	639,195	679,787	40,592
Affiliation fees	85,000	76,468	(8,532)
FEMA Grant COVID19	-	41,613	41,613
Transfers In	-	103,053	103,053
Issuance of debt	-	372,241	372,241
<b>Total Revenues and Other Financing Sources</b>	<b>9,763,519</b>	<b>9,845,371</b>	<b>81,852</b>
<b>EXPENDITURES AND OTHER FINANCING USES</b>			
Administration and Finance	396,076	370,272	25,804
HRA and Leave Buy Back	199,000	176,343	22,657
City Clerk	96,517	83,675	12,842
Planning and Development	246,569	232,966	13,603
County and District Functions	303,279	283,655	19,624
Audit and Audit Consultants	12,750	10,158	2,592
Assessing	47,611	35,022	12,589
Debt Service - Principal and Interest	773,488	838,841	(65,353)
Professional Services - Legal	40,000	52,360	(12,360)
Fire Department	362,143	507,787	(145,644)
Fire Department Capital	12,500	-	12,500
Police, Dispatch and Animal Control	4,368,357	3,980,228	388,129
Police Department Capital	1,015,000	92,332	922,668
Library	-	36,534	(36,534)
Parking Garage	206,833	208,489	(1,656)
Public Works, Highway, Parks	656,568	633,563	23,005
Public Works Capital	352,500	545,140	(192,640)
Recreation Programs	674,328	724,082	(49,754)
Transfers Out	-	194,558	(194,558)
<b>Total Expenditures and Other Financing Uses</b>	<b>9,763,519</b>	<b>9,006,005</b>	<b>757,514</b>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ -</u>	839,366	<u>\$ 839,366</u>
Fund Balance - July 1, 2020		730,081	
Non-budgeted items:			
Other redevelopment activity		<u>(264,720)</u>	
Fund Balance - June 30, 2021		<u>\$ 1,304,727</u>	

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
CITY OF ST. ALBANS PENSION PLAN  
FOR THE YEAR ENDING JUNE 30

	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability:</b>								
Service Cost	\$ 12,587	\$ 11,964	\$ 30,831	\$ 29,288	\$ 43,521	\$ 56,040	\$ 226,520	\$ 54,376
Interest	419,093	415,683	407,927	410,188	409,950	421,289	423,309	372,888
Changes in Assumptions	-	-	-	-	-	-	335,956	-
Differences Between Actual and Expected Experience	141,411	94,839	167,764	(12,752)	(6,635)	(294,671)	(188,267)	-
Benefit Payments, Including Refunds of Member Contributions	(479,852)	(471,239)	(463,668)	(464,892)	(440,755)	(384,878)	(449,104)	(432,133)
Net Change in Total Pension Liability	93,239	51,247	142,854	(38,168)	6,081	(202,220)	348,414	(4,869)
Total Pension Liability, beginning	6,651,822	6,600,575	6,457,721	6,495,889	6,489,808	6,692,028	6,343,614	6,348,483
Total Pension Liability, ending	6,745,061	6,651,822	6,600,575	6,457,721	6,495,889	6,489,808	6,692,028	6,343,614
<b>Plan Fiduciary Net Position:</b>								
Contributions - Employer	210,000	215,300	210,153	215,000	210,000	200,000	200,000	200,000
Contributions - Members	38,739	3,537	26,999	27,442	32,350	37,743	36,594	40,043
Net Investment Income	790,339	76,642	139,318	273,153	439,577	9,080	233,965	249,941
Benefit Payments, Including Refunds of Member Contributions	(479,852)	(471,239)	(463,668)	(464,892)	(440,755)	(384,878)	(449,104)	(432,133)
Administrative Expenses	(40,431)	(43,014)	(36,611)	(39,274)	(37,347)	(35,508)	(31,191)	(28,753)
Net Change in Fiduciary Net Position	518,795	(218,774)	(123,809)	11,429	203,825	(173,563)	(9,736)	29,098
Plan Fiduciary Net Position, beginning	3,649,770	3,868,544	3,992,353	3,980,924	3,777,099	3,950,662	3,960,398	3,931,300
Plan Fiduciary Net Position, ending	4,168,565	3,649,770	3,868,544	3,992,353	3,980,924	3,777,099	3,950,662	3,960,398
Net Pension Liability, ending	\$ 2,576,496	\$ 3,002,052	\$ 2,732,031	\$ 2,465,368	\$ 2,514,965	\$ 2,712,709	\$ 2,741,366	\$ 2,383,216
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	61.80%	54.87%	58.61%	61.82%	61.28%	58.20%	59.04%	62.43%
Covered Payroll	\$ 340,299	\$ 321,258	\$ 310,515	\$ 386,378	\$ 531,385	\$ 531,385	\$ 508,580	\$ 538,265
Net Pension Liability as a Percentage of Covered Payroll	757.13%	934.47%	879.84%	638.07%	473.28%	510.50%	539.02%	442.76%

**Notes to the Schedule:**

Benefit Changes: none

Changes in Assumptions: none

GASB No. 67 required supplementary information is not available for fiscal years prior to 2014.

Data for future years will be added prospectively.

See Accompanying Independent Auditors' Report.

CITY OF ST. ALBANS, VERMONT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS AND INVESTMENT RETURNS  
 CITY OF ST. ALBANS PENSION PLAN  
 FOR THE YEAR ENDING JUNE 30

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially Determined Contribution	\$ 263,834	\$ 304,709	\$ 297,245	\$ 269,698	\$ 288,768	\$ 322,117	\$ 494,618	\$ 312,844	\$ 224,258	\$ 187,482
Contributions in Relation to the Actuarially Determined Contribution	<u>210,000</u>	<u>215,300</u>	<u>210,153</u>	<u>215,000</u>	<u>210,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
Contribution Deficiency/(Excess)	<u>\$ 53,834</u>	<u>\$ 89,409</u>	<u>\$ 87,092</u>	<u>\$ 54,698</u>	<u>\$ 78,768</u>	<u>\$ 122,117</u>	<u>\$ 294,618</u>	<u>\$ 112,844</u>	<u>\$ 24,258</u>	<u>\$ (12,518)</u>
Covered Payroll	\$ 340,299	\$ 321,258	\$ 310,515	\$ 386,378	\$ 531,385	\$ 531,385	\$ 508,580	\$ 538,265	\$ 647,286	\$ 714,519
Contributions as a Percentage of Covered Payroll	61.71%	67.02%	67.68%	55.64%	39.52%	37.64%	39.33%	37.16%	30.90%	27.99%
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>		
Annual Money-Weighted Rate of Return, Net of Investment Expense	18.00%	1.63%	2.88%	6.12%	12.13%	0.38%	4.64%	4.98%		

**Notes to the Schedule:**

Valuation Date: June 30, 2020

Actuarially determined contribution rates are calculated as of January 1 of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	15 Year Level Dollar
Remaining Amortization Period	15 Years
Asset Valuation Method	Fair Value
Inflation	2.50%
Salary Increases	5.00%
Investment Rate of Return	6.07%
Retirement Age	55 or Normal Retirement Date, if later
Mortality	RP-2000 Mortality Table

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM (VMERS) DEFINED BENEFIT PLAN  
 AS OF AND FOR THE YEAR ENDING JUNE 30

	2020	2019	2018	2017	2016	2015	2014
Total Plan Net Pension Liability	\$ 252,974,064	\$ 173,491,807	\$ 140,675,892	\$ 121,155,552	\$ 128,696,167	\$ 77,095,810	\$ 9,126,613
City's Proportion of the Net Pension Liability	1.64085%	1.51295%	1.50298%	1.50012%	1.50050%	1.42843%	1.40650%
City's Proportionate Share of the Net Pension Liability	\$ 4,150,932	\$ 2,624,840	\$ 2,114,343	\$ 1,817,479	\$ 1,931,081	\$ 1,101,261	\$ 128,361
City's Covered Payroll	\$ 4,165,337	\$ 3,704,242	\$ 3,154,740	\$ 3,009,913	\$ 2,801,683	\$ 2,512,609	\$ 2,247,254
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	99.65%	70.86%	67.02%	60.38%	68.93%	43.83%	5.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.52%	80.35%	82.60%	83.64%	80.95%	87.42%	98.32%

**Notes to the Schedule:**

Benefit Changes: none

Changes in Assumptions: none

Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CONTRIBUTIONS  
 VMERS DEFINED BENEFIT PLAN  
 FOR THE YEAR ENDING JUNE 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contributions	\$ 340,074	\$ 339,191	\$ 290,690	\$ 263,259	\$ 244,983	\$ 228,052	\$ 199,673	\$ 181,424
Contributions in Relation to the Contractually Required Contributions	<u>340,074</u>	<u>339,191</u>	<u>290,690</u>	<u>263,259</u>	<u>244,983</u>	<u>228,052</u>	<u>199,673</u>	<u>181,424</u>
Contribution Excess/(Deficiency)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 4,976,083	\$ 4,165,337	\$ 3,704,242	\$ 3,154,740	\$ 3,009,913	\$ 2,801,683	\$ 2,512,609	\$ 2,247,254
Contributions as a Percentage of Covered Payroll	6.83%	8.14%	7.85%	8.34%	8.14%	8.14%	6.10%	5.99%

**Notes to the Schedule:**

Fiscal year 2015 was the first year of implementation, therefore, only eight years are shown.

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2021

	Special Revenue Funds	Capital Project Funds	Total
<b>ASSETS</b>			
Cash	\$ 26,490	\$ 941,583	\$ 968,073
Receivables	12,281	-	12,281
Due from other funds	3,000	66,358	69,358
Total Assets	\$ 41,771	\$ 1,007,941	\$ 1,049,712
 <b>LIABILITIES</b>			
Accounts payable	\$ 19,899	\$ -	\$ 19,899
Due to other funds	164,271	2,024,414	2,188,685
Line of credit	-	223,998	223,998
Total Liabilities	184,170	2,248,412	2,432,582
 <b>FUND BALANCES (DEFICIT)</b>			
Restricted	29,190	920,736	949,926
Unassigned	(171,589)	(2,161,207)	(2,332,796)
Total Fund Balances/(Deficit)	(142,399)	(1,240,471)	(1,382,870)
Total Liabilities and Fund Balances	\$ 41,771	\$ 1,007,941	\$ 1,049,712

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Special Revenue Funds	Capital Project Funds	Total
<b>REVENUES</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Intergovernmental revenues	\$ 1,326,844	\$ 1,185	\$ 1,328,029
Contributions	-	225,000	225,000
Investment income	44	-	44
Other revenue	<u>54,851</u>	<u>-</u>	<u>54,851</u>
 Total Revenues	 1,381,739	 226,185	 1,607,924
 <b>EXPENDITURES</b>			
Current:			
Public safety	970,691	-	970,691
Community development	498,173	-	498,173
Culture and recreation	22,663	-	22,663
Public works	-	62,561	62,561
Capital Outlay:			
Public works	<u>-</u>	<u>1,597,161</u>	<u>1,597,161</u>
 Total Expenditures	 <u>1,491,527</u>	 <u>1,659,722</u>	 <u>3,151,249</u>
 Excess/(Deficiency) of Revenue Over Expenditures	 (109,788)	 (1,433,537)	 (1,543,325)
 <b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of long-term debt	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>
 Total Other Financing Sources	 <u>-</u>	 <u>1,000,000</u>	 <u>1,000,000</u>
 Net Change in Fund Balances	 (109,788)	 (433,537)	 (543,325)
 Fund balances/(deficit) - July 1, 2020, as reclassified	 <u>(32,611)</u>	 <u>(806,934)</u>	 <u>(839,545)</u>
 Fund Balance/(Deficit) - June 30, 2021	 <u>\$ (142,399)</u>	 <u>\$ (1,240,471)</u>	 <u>\$ (1,382,870)</u>

See Accompanying Independent Auditor's Report.



CITY OF ST. ALBANS, VERMONT  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2021

	Restorative Justice Center Fund	VCDP Grants Fund	Taylor Park Trust Fund	Lake Champlain Basin Fund	Municipal Planning Grants Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>						
Cash	\$ 300	\$ -	\$ 26,190	\$ -	\$ -	\$ 26,490
Receivables	12,281	-	-	-	-	12,281
Due from other funds	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>
Total Assets	<u>\$ 12,581</u>	<u>\$ -</u>	<u>\$ 29,190</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,771</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 19,899	\$ -	\$ -	\$ -	\$ -	\$ 19,899
Due to other funds	<u>19,839</u>	<u>88,419</u>	<u>-</u>	<u>55,549</u>	<u>464</u>	<u>164,271</u>
Total Liabilities	39,738	88,419	-	55,549	464	184,170
<b>FUND BALANCES (DEFICIT)</b>						
Restricted	-	-	29,190	-	-	29,190
Unassigned	<u>(27,157)</u>	<u>(88,419)</u>	<u>-</u>	<u>(55,549)</u>	<u>(464)</u>	<u>(171,589)</u>
Total Fund Balances/(Deficit)	<u>(27,157)</u>	<u>(88,419)</u>	<u>29,190</u>	<u>(55,549)</u>	<u>(464)</u>	<u>(142,399)</u>
Total Liabilities and Fund Balances	<u>\$ 12,581</u>	<u>\$ -</u>	<u>\$ 29,190</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,771</u>

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Restorative Justice Center Fund	VCDP Grants Fund	Taylor Park Trust Fund	Lake Champlain Basin Fund	Municipal Planning Grants Fund	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>						
Intergovernmental revenues	\$ 904,526	\$ 413,518	\$ -	\$ -	\$ 8,800	\$ 1,326,844
Investment income	-	-	44	-	-	44
Other revenue	51,851	-	3,000	-	-	54,851
<b>Total Revenues</b>	<b>956,377</b>	<b>413,518</b>	<b>3,044</b>	<b>-</b>	<b>8,800</b>	<b>1,381,739</b>
<b>EXPENDITURES</b>						
Current:						
Public safety	961,427	-	-	-	9,264	970,691
Community development	-	498,173	-	-	-	498,173
Recreation	-	-	-	22,663	-	22,663
<b>Total Expenditures</b>	<b>961,427</b>	<b>498,173</b>	<b>-</b>	<b>22,663</b>	<b>9,264</b>	<b>1,491,527</b>
Excess/(Deficiency) of Revenue Over Expenditures	(5,050)	(84,655)	3,044	(22,663)	(464)	(109,788)
Net Change in Fund Balances	(5,050)	(84,655)	3,044	(22,663)	(464)	(109,788)
Fund Balances/(Deficit) - July 1, 2020	(22,107)	(3,764)	26,146	(32,886)	-	(32,611)
Fund Balances/(Deficit) - June 30, 2021	\$ (27,157)	\$ (88,419)	\$ 29,190	\$ (55,549)	\$ (464)	\$ (142,399)

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
 COMBINING BALANCE SHEET  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2021

	Federal Street Fund	Streetscape Fund	TIF Capital Project Fund	Fonda Fund	Sidewalk Fund	Hard'ack Improvements Fund	Total Nonmajor Capital Project Funds
<b>ASSETS</b>							
Cash	\$ -	\$ -	\$ -	\$ 941,583	\$ -	\$ -	\$ 941,583
Due from other funds	<u>30,198</u>	<u>-</u>	<u>36,160</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,358</u>
Total Assets	<u>\$ 30,198</u>	<u>\$ -</u>	<u>\$ 36,160</u>	<u>\$ 941,583</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,007,941</u>
<b>LIABILITIES</b>							
Due to other funds	\$ -	\$ 334,742	\$ -	\$ 87,205	\$ 1,485,733	\$ 116,734	\$ 2,024,414
Line of credit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>223,998</u>	<u>223,998</u>
Total Liabilities	-	334,742	-	87,205	1,485,733	340,732	2,248,412
<b>FUND BALANCES (DEFICIT)</b>							
Restricted	30,198	-	36,160	854,378	-	-	920,736
Unassigned	<u>-</u>	<u>(334,742)</u>	<u>-</u>	<u>-</u>	<u>(1,485,733)</u>	<u>(340,732)</u>	<u>(2,161,207)</u>
Total Fund Balances/(Deficit)	<u>30,198</u>	<u>(334,742)</u>	<u>36,160</u>	<u>854,378</u>	<u>(1,485,733)</u>	<u>(340,732)</u>	<u>(1,240,471)</u>
Total Liabilities and Fund Balances	<u>\$ 30,198</u>	<u>\$ -</u>	<u>\$ 36,160</u>	<u>\$ 941,583</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,007,941</u>

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR CAPITAL PROJECTS FUND  
 FOR THE YEAR ENDED JUNE 30, 2021

	Federal Street Fund	Streetscape Fund	TIF Capital Project Fund	Fonda Fund	Sidewalk Fund	Hard'ack Improvements Fund	Total Nonmajor Capital Project Funds
<b>REVENUES</b>							
Intergovernmental revenues	\$ 1,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,185
Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>225,000</u>	<u>225,000</u>
Total Revenues	1,185	-	-	-	-	225,000	226,185
<b>EXPENDITURES</b>							
Current:							
Public works	-	-	-	62,561	-	-	62,561
Capital outlay:							
Public works	<u>18,593</u>	<u>275,264</u>	<u>32,668</u>	<u>10,010</u>	<u>953,950</u>	<u>306,676</u>	<u>1,597,161</u>
Total Expenditures	<u>18,593</u>	<u>275,264</u>	<u>32,668</u>	<u>72,571</u>	<u>953,950</u>	<u>306,676</u>	<u>1,659,722</u>
Excess/(Deficiency) of Revenue Over Expenditures	(17,408)	(275,264)	(32,668)	(72,571)	(953,950)	(81,676)	(1,433,537)
<b>OTHER FINANCING SOURCES (USES)</b>							
Issuance of long-term debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net Change in Fund Balances	(17,408)	(275,264)	(32,668)	927,429	(953,950)	(81,676)	(433,537)
Fund balances/(deficit) - July 1, 2020, as reclassified	<u>47,606</u>	<u>(59,478)</u>	<u>68,828</u>	<u>(73,051)</u>	<u>(531,783)</u>	<u>(259,056)</u>	<u>(806,934)</u>
Fund Balance/(Deficit) - June 30, 2021	<u>\$ 30,198</u>	<u>\$ (334,742)</u>	<u>\$ 36,160</u>	<u>\$ 854,378</u>	<u>\$ (1,485,733)</u>	<u>\$ (340,732)</u>	<u>\$ (1,240,471)</u>

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 JUNE 30, 2021

	<u>Maple Run School</u>	<u>St. Albans Free Library</u>	<u>SAFF and Explorer Program</u>	<u>Total Custodial Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ -	\$ 39,581	\$ 39,581
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,581</u>	<u>\$ 39,581</u>
<b>NET POSITION</b>				
Restricted for organizations	-	-	39,581	39,581
Total Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,581</u>	<u>\$ 39,581</u>

See Accompanying Independent Auditor's Report.

CITY OF ST. ALBANS, VERMONT  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2021

	Maple Run School	St. Albans Free Library	SAFF and Explorer Program	Total Custodial Funds
<b>ADDITIONS</b>				
Taxes collected for Maple Run School	\$ 7,124,825	\$ -	\$ -	\$ 7,124,825
Taxes collected for St. Albans Free Library	-	249,412	-	249,412
Contributions on behalf of nonprofits	-	-	36,800	36,800
	<u>7,124,825</u>	<u>249,412</u>	<u>36,800</u>	<u>7,411,037</u>
<b>DEDUCTIONS</b>				
Payment of taxes to Maple Run School	7,124,825	-	-	7,124,825
Payment of taxes to St. Albans Free Library	-	249,412	-	249,412
Payments on behalf of nonprofits	-	-	27,961	27,961
	<u>7,124,825</u>	<u>249,412</u>	<u>27,961</u>	<u>7,402,198</u>
Change in net position	-	-	8,839	8,839
Fund balances - July 1, 2020	<u>-</u>	<u>-</u>	<u>30,742</u>	<u>30,742</u>
Fund Balance - June 30, 2021	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 39,581</u></u>	<u><u>\$ 39,581</u></u>

See Accompanying Independent Auditor's Report.

# STATISTICAL SECTION

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

<b>Contents</b>	<b>Page</b>
Financial Trends	96-100
<i>These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.</i>	
Revenue Capacity	101-104
<i>These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.</i>	
Debt Capacity	105-109
<i>These schedules contain information to help the reader assess the affordability of the City’s current level of outstanding debt and the City’s ability to issue additional debt in the future.</i>	
Demographic and Economic Information	110-111
<i>These schedules contain information to help the reader understand the environment within which the City’s financial activities take place.</i>	
Operating Information	112-114
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.</i>	



CITY OF ST. ALBANS, VERMONT  
NET POSITION BY COMPONENT  
LAST TEN YEARS  
(accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014 (1)	2013	2012
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 9,810,482	\$ 12,456,785	\$ 9,412,690	\$ 10,936,296	\$ 8,320,405	\$ 8,578,242	\$ 10,198,477	\$ 8,540,627	\$ 7,119,924	\$ 5,687,628
Restricted	29,190	26,146	14,002	10,758	10,747	440,834	169,832	207,167	215,538	214,623
Unrestricted	859,645	(3,452,407)	(772,575)	(1,975,334)	(20,920)	(493,699)	(2,963,868)	(2,144,164)	(1,742,334)	(334,422)
Total Governmental Activities Net Position	10,699,317	9,030,524	8,654,117	8,971,720	8,310,232	8,525,377	7,404,441	6,603,630	5,593,128	5,567,829
<b>Business-type Activities</b>										
Net Investment in Capital Assets	14,644,376	13,289,316	13,890,014	11,409,359	10,897,177	11,641,845	11,433,940	12,100,228	12,009,592	11,583,644
Unrestricted	2,604,130	4,173,989	1,165,515	1,689,325	3,617,374	3,436,619	3,773,956	2,763,469	2,450,449	2,252,046
Total Business-type Activities Net Position	17,248,506	17,463,305	15,055,529	13,098,684	14,514,551	15,078,464	15,207,896	14,863,697	14,460,041	13,835,690
<b>Primary Government</b>										
Net Investment in Capital Assets	24,454,858	25,746,101	23,302,704	22,345,655	19,217,582	20,220,087	21,632,417	20,640,855	19,129,516	17,271,272
Restricted	29,190	26,146	14,002	10,758	10,747	440,834	169,832	207,167	215,538	214,623
Unrestricted	3,463,775	721,582	392,940	(286,009)	3,596,454	2,942,920	810,088	619,305	708,115	1,917,624
Total Primary Government Net Position	<u>\$ 27,947,823</u>	<u>\$ 26,493,829</u>	<u>\$ 23,709,646</u>	<u>\$ 22,070,404</u>	<u>\$ 22,824,783</u>	<u>\$ 23,603,841</u>	<u>\$ 22,612,337</u>	<u>\$ 21,467,327</u>	<u>\$ 20,053,169</u>	<u>\$ 19,403,519</u>

(1) Unrestricted net position has been restated as a result of implementing GASB Statement No. 68



CITY OF ST. ALBANS, VERMONT  
CHANGES IN NET POSITION  
LAST TEN YEARS  
(accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 1,656,343	\$ 1,725,983	\$ 1,965,262	\$ 1,824,410	\$ 1,741,771	\$ 1,205,537	\$ 1,410,424	\$ 752,052	\$ 760,536	\$ 1,387,110
Public Safety	6,282,887	6,494,059	5,838,802	4,956,155	4,794,040	4,962,749	4,309,467	4,535,681	4,504,074	4,682,229
Public Works	2,613,468	2,318,319	1,721,684	3,405,016	2,230,889	1,125,780	1,044,000	815,624	610,692	581,886
Culture and Recreation	861,818	952,347	826,487	760,160	635,921	840,608	604,679	600,304	540,147	472,500
Community Development	498,172	353,953	100,117	150,808	461,450	755,341	554,978	762,129	2,005,440	498,887
Interest on Long-term Debt	852,271	830,574	760,380	556,262	694,137	574,680	517,014	337,282	74,998	50,438
<b>Total Governmental Activities</b>	<b>12,764,959</b>	<b>12,675,235</b>	<b>11,212,732</b>	<b>11,652,811</b>	<b>10,558,208</b>	<b>9,464,695</b>	<b>8,440,562</b>	<b>7,803,072</b>	<b>8,495,887</b>	<b>7,673,050</b>
<b>Business-type Activities:</b>										
Water	2,516,252	2,516,672	2,306,069	2,030,791	2,273,575	2,023,263	2,128,265	1,895,517	1,885,455	1,807,120
Sewer	3,539,595	3,838,658	3,405,475	2,901,567	2,952,711	2,935,021	2,830,952	2,623,091	2,842,362	2,505,130
Stormwater	120,268	136,224	71,154	-	-	-	-	-	-	-
<b>Total Business-Type Activities</b>	<b>6,176,115</b>	<b>6,491,554</b>	<b>5,782,698</b>	<b>4,932,358</b>	<b>5,226,286</b>	<b>4,958,284</b>	<b>4,959,217</b>	<b>4,518,608</b>	<b>4,727,817</b>	<b>4,312,250</b>
<b>Total Expenses</b>	<b>\$ 18,941,074</b>	<b>\$ 19,166,789</b>	<b>\$ 16,995,430</b>	<b>\$ 16,585,169</b>	<b>\$ 15,784,494</b>	<b>\$ 14,422,979</b>	<b>\$ 13,399,779</b>	<b>\$ 12,321,680</b>	<b>\$ 13,223,704</b>	<b>\$ 11,985,300</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services										
General Government	\$ 377,739	\$ 423,001	\$ 174,120	\$ 241,705	\$ 311,412	\$ 301,961	\$ 139,525	\$ 140,099	\$ 492,848	\$ 237,930
Public Safety	1,978,406	1,900,014	1,579,683	1,368,780	1,338,961	1,317,354	1,376,666	1,402,824	1,197,101	1,172,465
Public Works	139,433	211,158	257,878	241,634	207,884	174,649	107,293	54,405	86,756	42,756
Culture and Recreation	566,258	795,564	812,272	591,186	421,273	395,570	399,619	450,924	436,241	325,041
Community Development	-	-	-	-	-	-	39	7,892	1,000	579
Operating Grants and Contributions	1,745,416	1,856,506	1,796,332	1,176,466	1,173,226	1,333,954	1,060,125	861,861	1,106,294	2,377,447
Capital Grants and Contributions	2,404,936	1,464,184	47,075	560,543	553,071	1,324,321	1,414,679	885,807	1,264,603	933,940
<b>Total Governmental Activities</b>	<b>7,212,188</b>	<b>6,650,427</b>	<b>4,667,360</b>	<b>4,180,314</b>	<b>4,005,827</b>	<b>4,847,809</b>	<b>4,497,946</b>	<b>3,803,812</b>	<b>4,584,843</b>	<b>5,090,158</b>
<b>Business-type Activities:</b>										
Charges for Services										
Water	2,383,090	2,343,770	2,295,847	2,372,557	2,332,238	2,246,862	2,298,907	2,404,911	2,102,458	2,085,442
Sewer	3,666,407	3,544,650	3,532,084	3,351,615	3,156,794	2,930,614	2,913,086	3,113,773	2,745,270	2,680,843
Stormwater	189,451	183,466	173,369	-	-	-	-	-	-	-
Operating Grants and Contributions	-	-	-	-	-	109,666	12,287	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	251,537	452,696	79,587
<b>Total Business-type Activities</b>	<b>6,238,948</b>	<b>6,071,886</b>	<b>6,001,300</b>	<b>5,724,172</b>	<b>5,489,032</b>	<b>5,287,142</b>	<b>5,224,280</b>	<b>5,770,221</b>	<b>5,300,424</b>	<b>4,845,872</b>
<b>Total Program Revenues</b>	<b>\$ 13,451,136</b>	<b>\$ 12,722,313</b>	<b>\$ 10,668,660</b>	<b>\$ 9,904,486</b>	<b>\$ 9,494,859</b>	<b>\$ 10,134,951</b>	<b>\$ 9,722,226</b>	<b>\$ 9,574,033</b>	<b>\$ 9,885,267</b>	<b>\$ 9,936,030</b>
<b>Net (Expense)/Revenue</b>										
Governmental Activities	\$ (5,552,771)	\$ (6,024,808)	\$ (6,545,372)	\$ (7,472,497)	\$ (6,552,381)	\$ (4,616,886)	\$ (3,942,616)	\$ (3,999,260)	\$ (3,911,044)	\$ (2,582,892)
Business-type Activities	62,833	(419,668)	218,602	791,814	262,746	328,858	265,063	1,251,613	572,607	533,622
<b>Total Net Expense</b>	<b>\$ (5,489,938)</b>	<b>\$ (6,444,476)</b>	<b>\$ (6,326,770)</b>	<b>\$ (6,680,683)</b>	<b>\$ (6,289,635)</b>	<b>\$ (4,288,028)</b>	<b>\$ (3,677,553)</b>	<b>\$ (2,747,647)</b>	<b>\$ (3,338,437)</b>	<b>\$ (2,049,270)</b>

(continued)

CITY OF ST. ALBANS, VERMONT  
 CHANGES IN NET POSITION (continued)  
 LAST TEN YEARS  
 (accrual basis of accounting)

	2020	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General Revenues</b>										
<b>Governmental Activities:</b>										
Property Taxes	\$ 6,376,891	\$ 5,825,496	\$ 5,638,761	\$ 5,467,918	\$ 5,066,109	\$ 4,941,051	\$ 4,534,809	\$ 3,953,716	\$ 3,763,707	\$ 3,780,436
Interest and Penalties on Delinquent Taxes	114,743	106,391	119,784	57,239	68,784	63,231	65,645	65,714	55,706	96,792
Unrestricted Investment Earnings	1,703	(2,373)	2,337	4,110	12,046	17,493	3,907	4,540	2,994	4,884
General State Grants	105,182	104,119	55,587	50,616	99,434	95,199	84,441	86,703	95,416	89,834
Other Revenues	267,316	270,510	257,239	291,182	220,893	160,293	44,617	19,983	17,670	23,140
Gain/(Loss) on Capital Assets	-	-	-	-	-	(20,089)	3,341	2,251,711	850	23,261
Transfers	355,729	97,072	154,061	2,262,920	869,970	487,896	6,667	306,946	-	-
<b>Total Governmental Activities</b>	<b>7,221,564</b>	<b>6,401,215</b>	<b>6,227,769</b>	<b>8,133,985</b>	<b>6,337,236</b>	<b>5,745,074</b>	<b>4,743,427</b>	<b>6,689,313</b>	<b>3,936,343</b>	<b>4,018,347</b>
<b>Business-type Activities:</b>										
Unrestricted Investment Earnings	9,666	3,972	20,757	31,024	43,311	29,606	85,803	312,244	51,744	50,395
General state grants	68,431	2,920,544	1,871,547	24,215	-	-	-	-	-	-
Transfers	(355,729)	(97,072)	(154,061)	(2,262,920)	(869,970)	(487,896)	(6,667)	(306,946)	-	-
<b>Total Business-type Activities</b>	<b>(277,632)</b>	<b>2,827,444</b>	<b>1,738,243</b>	<b>(2,207,681)</b>	<b>(826,659)</b>	<b>(458,290)</b>	<b>79,136</b>	<b>5,298</b>	<b>51,744</b>	<b>50,395</b>
<b>Total Primary Government</b>	<b>\$ 6,943,932</b>	<b>\$ 9,228,659</b>	<b>\$ 7,966,012</b>	<b>\$ 5,926,304</b>	<b>\$ 5,510,577</b>	<b>\$ 5,286,784</b>	<b>\$ 4,822,563</b>	<b>\$ 6,694,611</b>	<b>\$ 3,988,087</b>	<b>\$ 4,068,742</b>
<b>Change in Net Position</b>										
Governmental Activities	\$ 1,668,793	\$ 376,407	\$ (317,603)	\$ 661,488	\$ (215,145)	\$ 1,128,188	\$ 800,811	\$ 25,299	\$ 107,303	\$ 1,408,579
Business-type Activities	(214,799)	2,407,776	1,956,845	(1,415,867)	(563,913)	(129,432)	344,199	624,351	623,002	578,025
<b>Total Change in Net Position</b>	<b>\$ 1,453,994</b>	<b>\$ 2,784,183</b>	<b>\$ 1,639,242</b>	<b>\$ (754,379)</b>	<b>\$ (779,058)</b>	<b>\$ 998,756</b>	<b>\$ 1,145,010</b>	<b>\$ 649,650</b>	<b>\$ 730,305</b>	<b>\$ 1,986,604</b>

CITY OF ST. ALBANS, VERMONT  
 FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
 (modified accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General Fund</b>										
Nonspendable	\$ 257,125	\$ 876,242	\$ 207,659	293,268	\$ 630,472	\$ 791,045	\$ 92,858	\$ 268,930	\$ 201,638	\$ 193,645
Restricted	28,543	23,301	17,094	17,088	12,298	8,435	-	26,324	20,000	20,000
Committed	37,670	-	-	-	988,453	2,302,184	-	-	-	-
Assigned	-	-	-	-	-	-	374,308	414,326	709,897	318,203
Unassigned	981,389	(169,462)	1,179,293	1,340,769	128,832	(188,336)	-	-	-	-
Total General Fund	<u>\$ 1,304,727</u>	<u>\$ 730,081</u>	<u>\$ 1,404,046</u>	<u>\$ 1,651,125</u>	<u>\$ 1,760,055</u>	<u>\$ 2,913,328</u>	<u>\$ 467,166</u>	<u>\$ 709,580</u>	<u>\$ 931,535</u>	<u>\$ 531,848</u>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ 192,900	\$ -	\$ -	-	\$ -	\$ 192,900	\$ 252,082	\$ 50,476	\$ 114,290	\$ 50,476
Restricted	949,926	142,580	1,170,750	33,585	701,883	440,834	976,318	4,578,771	993,607	63,568
Assigned	-	-	-	-	-	-	2,502,194	2,500,000	-	-
Unassigned	(3,982,841)	(3,889,874)	4,789	(3,338,946)	(1,428,766)	(1,373,683)	(630,389)	(513,305)	(750,224)	(269,158)
Total All Other Governmental Funds	<u>\$ (2,840,015)</u>	<u>\$ (3,747,294)</u>	<u>\$ 1,175,539</u>	<u>\$ (3,305,361)</u>	<u>\$ (726,883)</u>	<u>\$ (739,949)</u>	<u>\$ 3,100,205</u>	<u>\$ 6,615,942</u>	<u>\$ 357,673</u>	<u>\$ (155,114)</u>

CITY OF ST. ALBANS, VERMONT  
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
 (modified accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Revenues</b>										
Property Taxes	\$ 6,563,891	\$ 5,689,896	\$ 5,607,161	\$ 5,437,703	\$ 5,123,788	\$ 4,910,083	\$ 4,532,609	\$ 4,035,416	\$ 3,753,707	\$ 3,850,436
Penalties and Interest	114,743	106,391	119,784	57,239	68,784	63,231	65,645	65,713	55,706	96,791
Intergovernmental Revenues	2,164,928	2,397,350	1,948,584	1,949,059	2,079,052	2,375,111	2,427,415	2,176,164	2,074,187	2,931,608
Charges for Services	2,903,295	3,035,088	2,660,549	2,235,415	2,179,507	2,005,579	1,912,381	1,798,004	1,610,276	1,583,855
Contributions	2,091,276	1,027,457	-	-	-	-	-	-	-	-
Investment Income (loss)	1,703	(2,373)	2,336	4,110	12,046	17,474	3,907	4,540	2,994	4,884
Loan Repayments	-	-	-	-	-	-	966	-	-	98,887
Licenses and Permits	152,187	190,517	210,771	139,453	121,376	183,956	113,935	154,227	468,198	202,758
Donations	-	-	409	27,446	41,983	166,440	173,545	-	-	-
Other Revenue	267,316	270,510	257,240	291,187	220,583	160,293	160,716	142,114	97,463	95,333
Total Revenues	14,259,339	12,714,836	10,806,834	10,141,612	9,847,119	9,882,167	9,391,119	8,376,178	8,062,531	8,864,552
<b>Expenditures</b>										
<b>Current:</b>										
General Government	1,494,178	1,511,023	1,507,478	1,741,811	2,866,892	1,167,734	1,457,172	761,903	813,050	1,514,761
Public Safety	5,458,706	5,851,366	5,392,760	4,598,134	4,309,966	4,584,531	3,973,959	4,252,826	4,140,795	4,481,489
Public Works	887,034	854,571	877,515	780,759	742,532	682,714	715,622	637,760	546,484	513,179
Culture and Recreation	800,859	891,937	768,599	700,270	1,034,549	1,548,616	552,838	566,235	435,924	453,683
Community Development	498,173	353,953	340,185	150,808	-	-	422,141	762,129	2,005,440	598,887
Capital Outlay	3,948,761	6,736,201	2,603,450	6,779,368	3,862,584	5,525,948	5,082,998	9,228,485	1,978,708	1,357,999
<b>Debt Service:</b>										
Principal	1,393,748	1,367,008	1,039,205	1,007,712	962,910	867,704	879,981	318,553	308,671	291,468
Interest	825,474	863,382	760,889	651,831	609,513	546,480	518,080	280,245	69,451	54,006
Total Expenditures	15,306,933	18,429,441	13,290,081	16,410,693	14,388,946	14,923,727	13,602,791	16,808,136	10,298,523	9,265,472
Excess (Deficiency) of Revenues over Expenditures	(1,047,594)	(5,714,605)	(2,483,247)	(6,269,081)	(4,541,827)	(5,041,560)	(4,211,672)	(8,431,958)	(2,235,992)	(400,920)
<b>Other Financing Sources (Uses)</b>										
Proceeds of Long-Term Debt	1,980,890	20,735	6,538,547	1,318,753	2,724,550	2,974,024	444,479	11,656,626	3,148,466	123,480
Issuance of Capital Leases	-	-	24,460	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	2,375	2,504,700	-	23,261
Transfers In	573,046	218,125	328,307	2,827,856	1,838,661	3,881,181	798,077	838,398	3,500	132,672
Transfers Out	(217,317)	(121,053)	(174,246)	(564,936)	(968,691)	(3,393,285)	(791,410)	(531,452)	(3,500)	(132,672)
Total Other Financing Sources (Uses)	2,336,619	117,807	6,717,068	3,581,673	3,594,520	3,461,920	453,521	14,468,272	3,148,466	146,741
Net Change in Fund Balances	\$ 1,289,025	\$ (5,596,798)	\$ 4,233,821	\$ (2,687,408)	\$ (947,307)	\$ (1,579,640)	\$ (3,758,151)	\$ 6,036,314	\$ 912,474	\$ (254,179)
<b>Debt Service as a Percentage of Noncapital Expenditures</b>										
	18.53%	18.35%	16.80%	14.26%	13.71%	15.05%	16.41%	7.90%	4.54%	4.37%

CITY OF ST. ALBANS, VERMONT  
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS  
 (amounts expressed in hundreds)

Fiscal Year	Assessed Value	Estimated Actual Value	Total Direct Tax Rate	Education Grand List	
				Residential	Nonresidential
2021	\$ 5,564,409	\$ 6,236,029	\$ 0.9845	\$ 2,163,319	\$ 2,562,950
2020	\$ 5,514,834	\$ 6,202,715	\$ 0.9834	\$ 2,151,323	\$ 2,544,913
2019	\$ 5,550,951	\$ 6,095,257	\$ 0.9551	\$ 2,176,673	\$ 2,512,417
2018	\$ 5,511,418	\$ 6,003,723	\$ 0.9249	\$ 2,145,008	\$ 2,894,374
2017	\$ 5,424,404	\$ 5,710,500	\$ 0.8978	\$ 2,131,663	\$ 2,831,719
2016	\$ 5,403,024	\$ 5,525,129	\$ 0.8563	\$ 2,110,729	\$ 2,834,996
2015	\$ 5,185,853	\$ 5,303,050	\$ 0.8557	\$ 2,145,192	\$ 2,607,223
2014	\$ 4,876,797	\$ 4,987,010	\$ 0.8344	\$ 2,220,851	\$ 2,384,785
2013	\$ 4,721,660	\$ 4,752,073	\$ 0.8400	\$ 2,318,092	\$ 2,188,360
2012	\$ 4,730,704	\$ 4,808,603	\$ 0.8410	\$ 2,261,360	\$ 2,242,897

**Notes:**

Tax rates are per \$100 of assessed value.

Total Direct Tax Rate is for municipal taxes only and does not include education taxes collected on behalf of the Franklin County Supervisory Union.

A City-wide reappraisal was completed and effective for the year ended June 30, 2012. Actual values for 2016 are estimated.

CITY OF ST. ALBANS, VERMONT  
PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS

Fiscal Year	City of St. Albans	After Act 68			
		State-wide Education Taxes		Total Taxes	
		Residential	Nonresidential	Residential	Nonresidential
2021	\$0.9845	\$ 1.6423	\$ 1.8311	\$ 2.6268	\$ 2.8156
2020	\$0.9834	\$ 1.5698	\$ 1.7503	\$ 2.5532	\$ 2.7337
2019	\$0.9551	\$ 1.5587	\$ 1.7211	\$ 2.5138	\$ 2.6762
2018	\$0.9249	\$ 1.4496	\$ 1.6160	\$ 2.3745	\$ 2.5409
2017	\$0.8978	\$ 1.4771	\$ 1.5673	\$ 2.3749	\$ 2.4651
2016	\$0.8563	\$ 1.4828	\$ 1.5697	\$ 2.3391	\$ 2.4260
2015	\$0.8557	\$ 1.4413	\$ 1.5442	\$ 2.2970	\$ 2.3999
2014	\$0.8344	\$ 1.3234	\$ 1.4493	\$ 2.1578	\$ 2.2837
2013	\$0.8400	\$ 1.3173	\$ 1.4027	\$ 2.1573	\$ 2.2427
2012	\$0.8410	\$ 1.3330	\$ 1.4688	\$ 2.1740	\$ 2.3098

**Notes:**

Tax rates are per \$100 of assessed value.

A City-wide reappraisal was completed and effective for the year ended June 30, 2012.

CITY OF ST. ALBANS, VERMONT  
 PRINCIPAL PROPERTY TAXPAYERS  
 CURRENT YEAR AND NINE YEARS AGO  
 (amounts expressed in hundreds)

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed value
Mylan Technologies Inc.	\$ 576,757	1	10.37%	\$ 225,868	1	4.77%
St. Albans Cooperative Creamery	176,558	2	3.17%	55,115	5	1.17%
Elman Vermont Investors LLC	153,405	3	2.76%	153,118	2	3.24%
27 Federal Street LLC	106,466	4	1.91%			
Peak CM Lake Street Hotel LLP	95,124	5	1.71%			
Win Core Portfolio Owner, LLC	77,224	6	1.39%			
Green Mountain Power Corporation	73,312	7	1.32%			
St. Albans Shopping Center Inc.	61,209	8	1.10%	61,209	4	1.29%
Vermont Gas Systems Inc.	40,545	9	0.73%			
Housing Foundation Inc.	23,868	10	0.43%	23,868	6	0.50%
Central Vermont Public Service				65,620	3	1.39%
Willard Mill Housing				18,787	8	0.40%
Peoples Trust Company				23,023	7	0.49%
Rail City Housing, LP				17,375	9	0.37%
Holy Angels Commons Assoc				17,059	10	0.36%
	<u>\$ 1,384,468</u>		<u>24.89%</u>	<u>\$ 661,042</u>		<u>13.98%</u>

CITY OF ST. ALBANS, VERMONT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount Collected	Percentage of Levy		Amount Collected	Percentage of Levy
2021	\$ 14,419,624	\$ 14,168,164	98.26%	\$ -	\$ 14,168,164	98.26%
2020	\$ 13,889,474	\$ 13,555,284	97.59%	\$ 322,522	\$ 13,877,806	99.92%
2019	\$ 13,677,781	\$ 13,333,602	97.48%	\$ 309,233	\$ 13,642,835	99.74%
2018	\$ 12,886,990	\$ 12,593,801	97.72%	\$ 188,053	\$ 12,781,854	99.18%
2017	\$ 12,458,041	\$ 12,247,629	98.31%	\$ 172,557	\$ 12,420,186	99.70%
2016	\$ 12,207,881	\$ 12,012,102	98.40%	\$ 184,508	\$ 12,196,610	99.91%
2015	\$ 11,557,477	\$ 11,342,736	98.14%	\$ 211,400	\$ 11,554,136	99.97%
2014	\$ 10,461,499	\$ 10,288,042	98.34%	\$ 171,038	\$ 10,459,080	99.98%
2013	\$ 10,078,467	\$ 9,841,255	97.65%	\$ 236,994	\$ 10,078,249	100.00%
2012	\$ 10,288,103	\$ 9,983,848	97.04%	\$ 302,543	\$ 10,286,391	99.98%



CITY OF ST. ALBANS, VERMONT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Business-type Activities			Total Debt Outstanding	Estimated Population (1)	Debt per Capita	Percentage of Personal Income (2)
	Bonds	Loans	Capital Leases	Bonds	Loans	Capital Leases				
2021	\$ 22,787,059	\$ 1,536,187	\$ 7,936	\$ 13,915,415	\$ 7,527,785	\$ 54,729	\$ 45,829,111	6823	\$ 6,717	14.59%
2020	\$ 23,010,044	\$ 716,290	\$ 17,707	\$ 14,471,264	\$ 7,769,185	\$ 104,426	\$ 46,088,916	6859	\$ 6,719	14.67%
2019	\$ 24,223,029	\$ 837,557	\$ 29,727	\$ 14,988,875	\$ 194,501	\$ 154,013	\$ 40,427,702	6813	\$ 5,934	12.87%
2018	\$ 18,693,015	\$ 880,627	\$ 21,298	\$ 10,041,139	\$ 139,625	\$ 131,817	\$ 29,907,521	6795	\$ 4,401	9.47%
2017	\$ 18,563,000	\$ 684,293	\$ 36,603	\$ 10,542,594	\$ 535,070	\$ 161,267	\$ 30,522,827	6792	\$ 4,494	9.87%
2016	\$ 13,455,000	\$ 4,036,638	\$ 30,618	\$ 6,567,419	\$ 2,768,876	\$ 185,317	\$ 27,043,868	6816	\$ 3,968	9.09%
2015	\$ 14,050,000	\$ 1,327,560	\$ 38,388	\$ 6,844,811	\$ 2,092,922	\$ -	\$ 24,353,681	6860	\$ 3,550	8.36%
2014	\$ 14,775,000	\$ 1,030,609	\$ 45,841	\$ 7,114,923	\$ 1,737,489	\$ -	\$ 24,703,862	6875	\$ 3,593	8.75%
2013	\$ 430,000	\$ 4,057,612	\$ 25,765	\$ 7,377,971	\$ 1,372,097	\$ -	\$ 13,263,445	6876	\$ 1,929	4.86%
2012	\$ 585,000	\$ 1,085,322	\$ 3,260	\$ 7,634,159	\$ 494,388	\$ 13,042	\$ 9,815,171	6894	\$ 1,424	3.71%

**Sources:**

- (1) United States Census Bureau
- (2) Personal Income is disclosed in the Demographic and Economic Indicators table

**Notes:**

During 2014 the City issued \$14.5 million in bonds related to a Tax Increment Financing (TIF) district.

CITY OF ST. ALBANS, VERMONT  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Total Debt	Less: Debt Payable from Enterprise Fund Revenues	Less: Loans and capital leases	Net General Obligation Debt	Estimated Population (1)	Debt per Capita	Assessed Value	Ratio of Debt to Assessed Value
2021	\$ 45,829,111	\$ 21,497,929	\$ 1,544,123	\$ 22,787,059	6823	\$ 3,340	\$ 556,440,906	4.10%
2020	\$ 46,088,916	\$ 22,344,875	\$ 733,997	\$ 23,010,044	6859	\$ 3,355	\$ 551,483,426	4.17%
2019	\$ 40,427,702	\$ 15,337,389	\$ 867,284	\$ 24,223,029	6813	\$ 3,555	\$ 555,095,054	4.36%
2018	\$ 29,907,521	\$ 10,312,581	\$ 901,925	\$ 18,693,015	6795	\$ 2,680	\$ 551,141,800	3.39%
2017	\$ 30,522,827	\$ 11,238,931	\$ 1,417,233	\$ 17,866,663	6792	\$ 2,631	\$ 542,440,408	3.29%
2016	\$ 27,043,868	\$ 9,521,612	\$ 4,067,256	\$ 13,455,000	6816	\$ 2,232	\$ 540,302,440	2.49%
2015	\$ 24,353,681	\$ 8,937,733	\$ 1,365,948	\$ 14,050,000	6860	\$ 2,048	\$ 518,585,300	2.71%
2014	\$ 24,703,862	\$ 8,852,414	\$ 1,076,448	\$ 14,775,000	6875	\$ 2,306	\$ 487,679,700	3.25%
2013	\$ 13,263,445	\$ 8,750,068	\$ 4,083,377	\$ 430,000	6876	\$ 647	\$ 472,166,000	0.96%
2012	\$ 9,815,171	\$ 8,141,589	\$ 1,088,582	\$ 585,000	6894	\$ 243	\$ 473,070,400	0.35%

**Sources:**

(1) United States Census Bureau

**Notes:**

During 2014 the City issued \$14.5 million in bonds related to a Tax Increment Financing (TIF) district.

CITY OF ST. ALBANS, VERMONT  
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
 JUNE 30, 2021

<u>Jurisdiction</u>	<u>Net General Obligation and Other Debt Outstanding</u>	<u>Percentage Applicable to the City</u>	<u>Amount Applicable to the City of St. Albans</u>
Direct:			
City of St. Albans	\$ 24,331,182	100.00%	\$ 24,331,182
Overlapping:			
Maple Run Unified School District	<u>9,494,199</u>	45.91%	<u>4,358,787</u>
Subtotal Overlapping:	<u>9,494,199</u>		<u>4,358,787</u>
 Total	 <u>\$ 33,825,381</u>		 <u>\$ 28,689,969</u>

**Sources:**

(1) Franklin County Supervisory Union

The percentage of school district debt that is applicable to the City is based on equalized pupil count.

CITY OF ST. ALBANS  
LEGAL DEBT MARGIN INFORMATION  
JUNE 30, 2021

Grand List Valuation	\$ 5,514,834
Legal Debt Margin	
Debt Limitation - Ten Times Last Grant List	55,148,343
Debt Applicable to Limitation	23,744,041
Legal Debt Margin	\$ 31,404,302
Debt as Percentage of Debt Limit	43.05%

LEGAL DEBT MARGIN  
PRECEDING NINE YEARS

Fiscal Year	Debt Limit	Applicable Debt	Legal Debt Margin	Debt as Percentage of Debt Limit
2020	\$ 55,644,090	\$ 45,829,111	\$ 9,814,979	82.36%
2019	\$ 55,509,510	\$ 46,088,916	\$ 9,420,594	83.03%
2018	\$ 55,114,180	\$ 40,427,702	\$ 14,686,478	73.35%
2017	\$ 54,244,040	\$ 29,907,521	\$ 24,336,519	55.14%
2016	\$ 54,030,240	\$ 30,522,827	\$ 23,507,413	56.49%
2015	\$ 51,858,530	\$ 27,043,868	\$ 36,442,582	52.15%
2014	\$ 48,767,970	\$ 24,353,681	\$ 32,916,520	49.94%
2013	\$ 47,216,600	\$ 24,703,862	\$ 42,703,223	52.32%
2012	\$ 47,307,040	\$ 13,263,445	\$ 45,633,458	28.04%
2011	\$ 38,332,960	\$ 9,815,171	\$ 36,491,390	25.61%

**Notes:**

The City's outstanding general obligation debt may not exceed 10 times the value of the City's grand list as per the Vermont Statutes. The grand list is established at 1% of total assessed valuation.

A city-wide reappraisal was completed and effective with the year ended June 30, 2012.

During 2014 the City issued \$14.5 million in bonds related to a Tax Increment Financing district.

CITY OF ST. ALBANS, VERMONT  
ENTERPRISE BOND COVERAGE  
LAST TEN FISCAL YEARS

WATER FUND

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2021	\$ 2,368,090	\$ 2,350,513	\$ 17,577	\$ 287,184	\$ 158,539	\$ 445,723	3.94%
2020	\$ 2,328,770	\$ 2,036,512	\$ 292,258	\$ 244,369	\$ 162,270	\$ 406,639	71.87%
2019	\$ 2,280,847	\$ 2,149,415	\$ 131,432	\$ 239,915	\$ 150,059	\$ 389,974	33.70%
2018	\$ 2,357,557	\$ 1,961,364	\$ 396,193	\$ 235,629	\$ 157,540	\$ 393,169	100.77%
2017	\$ 2,317,238	\$ 1,935,239	\$ 381,999	\$ 214,506	\$ 127,942	\$ 342,448	111.55%
2016	\$ 2,231,862	\$ 1,843,764	\$ 388,098	\$ 168,959	\$ 179,499	\$ 348,458	111.38%
2015	\$ 2,283,907	\$ 1,945,616	\$ 338,291	\$ 161,956	\$ 182,649	\$ 344,605	98.17%
2014	\$ 2,389,911	\$ 1,750,845	\$ 639,066	\$ 154,061	\$ 144,672	\$ 404,060	158.16%
2013	\$ 2,102,458	\$ 1,743,027	\$ 359,431	\$ 230,739	\$ 142,428	\$ 373,167	96.32%
2012	\$ 2,085,442	\$ 1,644,221	\$ 441,221	\$ 104,181	\$ 162,899	\$ 267,080	165.20%

WASTEWATER FUND

Fiscal Year	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2021	\$ 3,666,407	\$ 3,295,052	\$ 371,355	\$ 599,764	\$ 182,695	\$ 782,459	47.46%
2020	\$ 3,544,650	\$ 3,375,057	\$ 169,593	\$ 273,241	\$ 102,704	\$ 375,945	45.11%
2019	\$ 3,532,084	\$ 3,214,144	\$ 317,940	\$ 769,497	\$ 107,641	\$ 877,138	36.25%
2018	\$ 3,351,615	\$ 2,838,549	\$ 513,066	\$ 265,825	\$ 112,433	\$ 378,258	135.64%
2017	\$ 3,156,794	\$ 2,757,805	\$ 398,989	\$ 193,901	\$ 107,028	\$ 300,929	132.59%
2016	\$ 2,930,614	\$ 2,852,189	\$ 78,425	\$ 201,032	\$ 82,832	\$ 283,864	27.63%
2015	\$ 2,913,086	\$ 2,739,917	\$ 173,169	\$ 195,942	\$ 78,748	\$ 274,690	63.04%
2014	\$ 3,113,773	\$ 2,537,896	\$ 575,877	\$ 292,105	\$ 85,195	\$ 590,614	97.50%
2013	\$ 2,730,270	\$ 2,690,840	\$ 39,430	\$ 395,008	\$ 151,522	\$ 546,530	7.21%
2012	\$ 2,680,843	\$ 2,490,705	\$ 190,138	\$ 302,732	\$ 14,425	\$ 317,157	59.95%

CITY OF ST. ALBANS, VERMONT  
 DEMOGRAPHIC AND ECONOMIC INDICATORS  
 LAST TEN YEARS

Year	Population (1, 2)	Per Capita Income (1, 2)	Personal Income	State-wide Per Capita Income (3)	State-wide Median Family Income (1)	Unemployment Rate		Enrollment Grades 9-12 (2)	High School Graduation Rate (2)
						St. Albans City (3)	State-wide (3)		
2021	6823	*	*	*	*	*	*	962	89%
2020	6859	\$ 52,181	\$ 357,909,479	\$ 59,187	\$ 61,973	3.50%	9.50%	862	79%
2019	6813	\$ 48,688	\$ 331,711,344	\$ 55,396	\$ 63,001	2.70%	2.40%	847	79%
2018	6795	\$ 46,493	\$ 315,919,935	\$ 53,516	\$ 60,782	2.70%	2.50%	846	88%
2017	6792	\$ 45,518	\$ 309,158,256	\$ 51,839	\$ 57,513	3.50%	3.10%	935	89%
2016	6816	\$ 43,628	\$ 297,368,448	\$ 50,572	\$ 55,176	3.00%	3.20%	935	89%
2015	6860	\$ 42,454	\$ 291,234,440	\$ 49,662	\$ 56,990	4.20%	3.60%	1030	93%
2014	6875	\$ 41,048	\$ 282,216,247	\$ 47,971	\$ 54,166	5.90%	4.10%	1047	93%
2013	6876	\$ 39,689	\$ 272,900,167	\$ 46,338	\$ 54,267	6.40%	4.40%	1069	88%
2012	6894	\$ 38,374	\$ 264,553,719	\$ 44,761	\$ 55,582	7.30%	5.00%	1069	90%

**Sources:**

- (1) Vermont Economic-Demographic Profile, data for Franklin County
- (2) US Bureau of Economic Analysis, data for Franklin County
- (3) Vermont Department of Labor, Economic & Labor Market Information; data for Franklin County

**Notes:**

\*Information was not available at date of the ACFR

CITY OF ST. ALBANS, VERMONT  
 PRINCIPAL EMPLOYERS  
 CURRENT YEAR AND NINE YEARS AGO

Employer	2021			2012*		
	Employees (1, 2)	Rank	Percentage of Total City Employment (3)	Employees (2)	Rank	Percentage of Total City Employment (3)
Department of Homeland Security, USCIS	650	1	8.04%	1,445	1	21.76%
Northwestern Medical Center	612	2	7.57%	495	3	7.45%
Maple Run Unified School District†	608	3	7.52%			
Mylan Technologies	425	4	5.26%	650	2	9.79%
Dairy Farmers of America	95	5				
Sticks & Stuff	92	6	1.14%	65	10	0.98%
City of St. Albans	91	7	1.13%	70	8	1.05%
A. N. Deringer, Inc.	80	8	0.99%	90	6	1.36%
Peoples Trust Company	47	9	0.58%	110	5	1.66%
SB Collins	40	10	0.50%	60	9	0.90%
Northwest Supervisory Union				446	4	6.72%
St. Albans Coop Creamery				70	7	1.05%
	<u>2,740</u>		<u>32.73%</u>	<u>3,501</u>		<u>52.72%</u>

**Sources:**

- (1) Franklin County Industrial Development Corp.
- (2) Vermont Business Magazine, Vermont Business Directory
- (3) Vermont Department of Labor

**Notes:**

\*Employment data was not compiled for 2012. Data above reflects information from 2013.

CITY OF ST. ALBANS, VERMONT  
 FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN YEARS

Full-time Equivalent Employees as of June 30

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government:										
Administration & Finance	4.50	4.50	4.50	4.50	4.50	4.50	4.50	5.00	5.00	5.00
Clerk	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Planning and Zoning	2.00	3.00	3.00	3.00	3.00	3.00	3.00	2.50	3.50	2.50
Assessing	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Restorative Justice Center	9.00	11.00	11.00	11.00	9.50	9.50	5.50	5.00	4.50	4.50
Public Safety:										
Police (incl. Parks Patrol)	23.50	26.00	27.00	27.00	27.00	25.00	25.00	25.50	23.00	23.00
Fire	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	4.00
Dispatch	9.50	9.00	10.00	8.00	8.00	8.50	9.50	9.00	10.00	9.50
Public Works:										
Highways	3.00	9.00	9.00	8.50	8.50	9.50	9.50	10.50	11.00	9.00
Public Works Administration	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Culture and Recreation, Admin.	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50	1.00
Water	6.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.50	2.50
Wastewater	8.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	4.50	4.50
<b>Total Employees</b>	<b><u>73.50</u></b>	<b><u>78.50</u></b>	<b><u>80.50</u></b>	<b><u>77.00</u></b>	<b><u>75.50</u></b>	<b><u>75.00</u></b>	<b><u>72.00</u></b>	<b><u>72.00</u></b>	<b><u>72.50</u></b>	<b><u>69.50</u></b>



CITY OF ST. ALBANS, VERMONT  
 OPERATING INDICATORS BY FUNCTION/PROGRAM  
 LAST TEN YEARS

Function/Program	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General Government:</b>										
Full-time equivalent positions filled	73.50	78.50	76.50	77.00	75.50	75.00	72.00	72.00	72.50	69.50
Tax bills mailed	2,479	2,483	2,476	2,479	2,484	2,481	2,488	2,484	2,474	2,475
Active Recreation Programs	459	686	587	535	471	565	485	545	551	564
Recreation Participants	5,064	4,846	5,748	5,246	4,664	3,969	3,969	3,641	3,498	3,578
Birth Certificates Recorded*	383	365	344	474	449	449	469	539	479	507
Marriage Licenses Recorded*	46	42	37	68	55	55	53	61	63	69
Death Certificates Recorded*	126	149	119	137	168	168	158	149	160	156
<b>Public Safety:</b>										
Total Cases	10,531	13,174	11,977	11,459	11,220	12,735	12,595	12,372	9,992	6,858
Number of Traffic Tickets	636	1,577	993	897	1,143	1,571	1,327	1,018	645	721
Number of Traffic Warnings	1,611	2,789	2,714	1,764	1,881	2,520	2,125	2,087	1,774	1,225
<b>Water System:</b>										
Average Daily Consumption (gallons)*	1,969,074	1,787,126	1,865,793	1,803,802	1,860,059	1,860,000	2,092,537	2,195,218	2,169,423	2,022,000
<b>Wastewater System:</b>										
Average Daily Treatment (gallons)*	2,200,000	2,650,000	2,900,000	2,448,000	2,390,000	2,390,000	2,458,500	2,520,000	2,739,000	2,273,973
Sludge Disposed (tons)*	1,549	1,497	1,697	1,536	956	956	1,586	1,489	1,150	2,346

**Notes:**

Categories marked "\*" are reported on a calendar year basis

CITY OF ST. ALBANS, VERMONT  
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
 LAST TEN YEARS

Function/Program	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government:										
Number of general government buildings	1	1	1	1	1	1	1	1	1	1
Public Safety:										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Number of police vehicles	15	15	15	15	14	13	14	14	13	12
Number of fire stations	1	1	1	1	1	1	1	1	1	1
Number of fire vehicles	5	5	5	5	5	4	4	4	4	4
Public Works:										
Number of public works buildings	3	3	3	3	3	3	3	3	3	3
Miles of streets	24.4	24.4	24.4	24	24.4	24.4	24.4	24.4	24.4	24.4
Miles of sidewalks	45	45	45	45	45	45	45	45	45	45
Culture and Recreation:										
Number of culture and recreation facilities	4	4	4	4	4	4	4	4	4	4
Acres of parks	12	12	12	12	12	12	12	12	12	12
Water:										
Number of water treatment facilities	2	2	2	2	2	2	2	2	2	2
Miles of water mains	50	50	50	50	50	50	50	50	50	50
Wastewater:										
Number of wastewater facilities	1	1	1	1	1	1	1	1	1	1
Miles of sanitary sewers	50	50	50	50	50	50	50	50	50	50