

City of Reedsburg

Financial Statements and
Supplementary Information

December 31, 2021

City of Reedsburg

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Independent Auditors' Report

To the City Council of
City of Reedsburg

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Reedsburg (the City), as of and for the year ended December 31, 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.

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, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary 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 supplementary information as listed in the table of contents 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 22, 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.

Baker Tilly US, LLP

Madison, Wisconsin
August 22, 2022

City of Reedsburg

Statement of Net Position
December 31, 2021

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	<u>Component Units</u>
Assets and Deferred Outflows of Resources				
Assets				
Cash and investments	\$ 8,248,019	\$ 21,277,682	\$ 29,525,701	\$ 4,003,562
Receivables (net):				
Taxes receivable	7,423,445	-	7,423,445	-
Accounts	196,003	3,112,687	3,308,690	-
Accrued interest	-	51,480	51,480	-
Other	-	385,499	385,499	-
Special assessments	4,000	4,000	8,000	-
Loans	898,722	-	898,722	70,000
Due from other governments	209,684	-	209,684	-
Internal balances	567,693	(567,693)	-	-
Due from component unit	26,909	-	26,909	-
Inventories and prepaid items	1,350,381	2,228,498	3,578,879	17,321
Other assets	-	3,282,186	3,282,186	-
Restricted assets:				
Cash and investments	-	4,605,752	4,605,752	-
Net pension asset	1,547,198	1,170,928	2,718,126	-
Investment in mutual insurance company	200,515	-	200,515	-
Capital assets:				
Land and other nondepreciable assets	14,721,581	383,905	15,105,486	-
Construction in progress	139,130	1,259,683	1,398,813	-
Other capital assets, net of depreciation	24,052,819	67,777,038	91,829,857	-
Total assets	<u>59,586,099</u>	<u>104,971,645</u>	<u>164,557,744</u>	<u>4,090,883</u>
Deferred Outflows of Resources				
Pension related amounts	<u>2,597,616</u>	<u>2,005,828</u>	<u>4,603,444</u>	<u>-</u>
Total deferred outflows of resources	<u>2,597,616</u>	<u>2,005,828</u>	<u>4,603,444</u>	<u>-</u>

See notes to financial statements

City of Reedsburg

Statement of Net Position
December 31, 2021

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>	<u>Component Units</u>
Liabilities, Deferred inflows of Resources and Net Position				
Liabilities				
Accounts Payable	\$ 182,053	\$ 2,565,028	\$ 2,747,081	\$ -
Accrued liabilities	331,690	743,301	1,074,991	-
Due to primary government	-	-	-	26,909
Unearned revenue	498,275	142,406	640,681	-
Noncurrent liabilities:				
Due within one year	1,022,631	2,316,509	3,339,140	-
Due in more than one year	11,449,532	20,225,398	31,674,930	-
Total liabilities	<u>13,484,181</u>	<u>25,992,642</u>	<u>39,476,823</u>	<u>26,909</u>
Deferred Inflows of Resources				
Unearned revenues	7,406,858	-	7,406,858	-
Pension related amounts	<u>3,338,180</u>	<u>2,612,249</u>	<u>5,950,429</u>	<u>-</u>
Total deferred inflows of resources	<u>10,745,038</u>	<u>2,612,249</u>	<u>13,357,287</u>	<u>-</u>
Net Position				
Net investment in capital assets	29,303,234	47,467,227	76,770,461	-
Restricted	5,300,675	5,633,271	10,933,946	3,926,857
Unrestricted	<u>3,350,587</u>	<u>25,272,084</u>	<u>28,622,671</u>	<u>137,117</u>
Total net position	<u>\$ 37,954,496</u>	<u>\$ 78,372,582</u>	<u>\$ 116,327,078</u>	<u>\$ 4,063,974</u>

See notes to financial statements

City of Reedsburg

Statement of Activities

Year Ended December 31, 2021

<u>Functions/Programs</u>	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government				
Governmental activities:				
General government	\$ 2,315,192	\$ 181,596	\$ -	\$ 100,905
Public safety	3,754,861	525,036	68,312	-
Public works	2,768,788	530,224	798,959	6,605
Health and human services	23,900	-	-	-
Culture, recreation and education	1,888,601	154,224	286,270	-
Conservation and development	856,219	2,555	888,797	-
Interest and fiscal charges	202,555	-	-	-
Total governmental activities	<u>11,810,116</u>	<u>1,393,635</u>	<u>2,042,338</u>	<u>107,510</u>
Business-type activities:				
Water	1,264,670	1,753,488	-	139,015
Electric	19,964,604	22,635,541	-	12,855
Communications	5,419,125	6,693,771	-	312,924
Sewer	2,889,340	4,790,449	-	-
Stormwater	462,270	540,391	-	-
Total business-type activities	<u>30,000,009</u>	<u>36,413,640</u>	<u>-</u>	<u>464,794</u>
Total primary government	<u>\$ 41,810,125</u>	<u>\$ 37,807,275</u>	<u>\$ 2,042,338</u>	<u>\$ 572,304</u>
Component Units				
Community Development Authority	\$ 13,008	\$ -	\$ -	\$ -
Herbert H Webb Trust	79,317	-	-	-
Total component units	<u>\$ 92,325</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues

Taxes:

Property taxes, levied for general purposes
 Property taxes, levied for debt service
 Property taxes, levied for TIF districts
 Other taxes

Intergovernmental revenues not restricted to specific programs

Investment income

Public gifts and grants

Gain on disposal of assets

Miscellaneous

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net Position, Beginning

Net Position, Ending

See notes to financial statements

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Component Units
\$ (2,032,691)	\$ -	\$ (2,032,691)	\$ -
(3,161,513)	-	(3,161,513)	-
(1,433,000)	-	(1,433,000)	-
(23,900)	-	(23,900)	-
(1,448,107)	-	(1,448,107)	-
35,133	-	35,133	-
<u>(202,555)</u>	<u>-</u>	<u>(202,555)</u>	<u>-</u>
<u>(8,266,633)</u>	<u>-</u>	<u>(8,266,633)</u>	<u>-</u>
-	627,833	627,833	-
-	2,683,792	2,683,792	-
-	1,587,570	1,587,570	-
-	1,901,109	1,901,109	-
-	78,121	78,121	-
-	<u>6,878,425</u>	<u>6,878,425</u>	<u>-</u>
<u>(8,266,633)</u>	<u>6,878,425</u>	<u>(1,388,208)</u>	<u>-</u>
-	-	-	(13,008)
-	-	-	<u>(79,317)</u>
-	-	-	<u>(92,325)</u>
5,210,241	-	5,210,241	-
763,055	-	763,055	-
1,160,232	-	1,160,232	-
334,202	-	334,202	-
1,039,346	-	1,039,346	-
72,209	320,176	392,385	494,729
2,624,025	-	2,624,025	-
14,915	(499,909)	(484,994)	-
199,097	174,488	373,585	-
<u>11,417,322</u>	<u>(5,245)</u>	<u>11,412,077</u>	<u>494,729</u>
<u>633,801</u>	<u>(633,801)</u>	<u>-</u>	<u>-</u>
<u>12,051,123</u>	<u>(639,046)</u>	<u>11,412,077</u>	<u>494,729</u>
3,784,490	6,239,379	10,023,869	402,404
<u>34,170,006</u>	<u>72,133,203</u>	<u>106,303,209</u>	<u>3,661,570</u>
<u>\$ 37,954,496</u>	<u>\$ 78,372,582</u>	<u>\$ 116,327,078</u>	<u>\$ 4,063,974</u>

See notes to financial statements

City of Reedsburg

Balance Sheet
 Governmental Funds
 December 31, 2021

	<u>General</u>	<u>General Debt Service</u>	<u>General Capital Projects Fund</u>	<u>TIF District No. 6</u>
Assets				
Cash and investments	\$ 4,199,918	\$ 94,537	\$ 833,377	\$ 6,167
Receivables:				
Taxes receivable	3,802,366	766,380	851,000	-
Accounts receivable	70,688	-	-	100,000
Special assessments	4,000	-	-	-
Loans	-	-	-	-
Due from other governments	171,792	-	-	-
Due from other funds	731,510	-	-	-
Prepaid items	99,986	-	-	-
Advances to other funds	901,555	-	-	-
Due from component unit	-	-	-	-
Land held for resale	497,976	-	507,834	-
Investment in mutual insurance company	200,515	-	-	-
	<u>\$ 10,680,306</u>	<u>\$ 860,917</u>	<u>\$ 2,192,211</u>	<u>\$ 106,167</u>
Total assets				
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 53,329	\$ -	\$ 14,874	\$ 140
Accrued liabilities	214,838	-	-	-
Due to other funds	161,454	-	-	-
Unearned revenue	-	-	-	-
Advances from other funds	-	-	-	188,574
	<u>429,621</u>	<u>-</u>	<u>14,874</u>	<u>188,714</u>
Total liabilities				
Deferred Inflows of Resources				
Unearned revenue	3,785,779	766,380	851,000	-
Unavailable revenues	161,987	-	-	100,000
	<u>3,947,766</u>	<u>766,380</u>	<u>851,000</u>	<u>100,000</u>
Total deferred inflows of resources				
Fund Balances (Deficit)				
Nonspendable	1,700,032	-	-	-
Restricted	-	94,537	1,326,337	-
Committed	-	-	-	-
Assigned	1,068,120	-	-	-
Unassigned (deficit)	3,534,767	-	-	(182,547)
	<u>6,302,919</u>	<u>94,537</u>	<u>1,326,337</u>	<u>(182,547)</u>
Total fund balances (deficit)				
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,680,306</u>	<u>\$ 860,917</u>	<u>\$ 2,192,211</u>	<u>\$ 106,167</u>

See notes to financial statements

<u>TIF District No. 9</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ -	\$ 3,114,020	\$ 8,248,019
466,846	1,536,853	7,423,445
24,595	720	196,003
-	-	4,000
-	898,722	898,722
-	37,892	209,684
-	-	731,510
-	-	99,986
-	-	901,555
-	26,909	26,909
244,585	-	1,250,395
<u>-</u>	<u>-</u>	<u>200,515</u>
<u>\$ 736,026</u>	<u>\$ 5,615,116</u>	<u>\$ 20,190,743</u>

\$ 12,300	\$ 101,410	\$ 182,053
-	23,422	238,260
-	2,363	163,817
-	498,275	498,275
<u>457,638</u>	<u>255,343</u>	<u>901,555</u>
<u>469,938</u>	<u>880,813</u>	<u>1,983,960</u>

466,846	1,536,853	7,406,858
<u>-</u>	<u>-</u>	<u>261,987</u>
<u>466,846</u>	<u>1,536,853</u>	<u>7,668,845</u>

-	-	1,700,032
-	2,426,033	3,846,907
-	734,141	734,141
-	272,157	1,340,277
<u>(200,758)</u>	<u>(234,881)</u>	<u>2,916,581</u>
<u>(200,758)</u>	<u>3,197,450</u>	<u>10,537,938</u>

<u>\$ 736,026</u>	<u>\$ 5,615,116</u>	<u>\$ 20,190,743</u>
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See notes to financial statements

City of Reedsburg

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2021

Total Fund Balances, Governmental Funds	\$ 10,537,938
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.	
Land and other nondepreciable items	14,721,581
Construction in progress	139,130
Other capital assets, net of depreciation	24,052,819
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	261,987
The net pension asset does not relate to current financial resources and is not reported in the governmental funds.	1,547,198
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	2,597,616
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(3,338,180)
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and notes payable	(11,350,000)
Compensated absences	(756,867)
Accrued interest	(93,430)
Unamortized debt premium	<u>(365,296)</u>
Net Position of Governmental Activities	<u>\$ 37,954,496</u>

City of Reedsburg

Statement of Revenues, Expenditures and Changes in Fund Balances -
 Governmental Funds
 Year Ended December 31, 2021

	<u>General</u>	<u>General Debt Service</u>	<u>General Capital Projects Fund</u>	<u>TIF District No. 6</u>
Revenues				
Taxes	\$ 4,060,233	\$ 763,055	\$ 469,750	\$ 145,193
Intergovernmental	2,149,357	-	181,450	8,703
Licenses and permits	192,868	-	-	-
Fines and forfeitures	13,791	-	-	-
Public charges for services	185,093	-	-	-
Intergovernmental charges for services	161,171	-	-	-
Special assessments	-	-	-	-
Investment income	303,322	-	2,077	5,779
Miscellaneous revenues	116,154	-	2,640,207	-
Total revenues	<u>7,181,989</u>	<u>763,055</u>	<u>3,293,484</u>	<u>159,675</u>
Expenditures				
Current:				
General government	1,146,770	322	160,673	1,145
Public safety	3,769,844	-	-	-
Health and human services	23,900	-	-	-
Public works	1,188,870	-	-	-
Culture, recreation and education	591,124	-	-	-
Conservation and development	1,187,944	-	-	51,011
Capital outlay	-	-	2,346,159	-
Debt service:				
Principal	-	740,000	-	470,396
Interest and fiscal charges	-	186,353	-	27,526
Total expenditures	<u>7,908,452</u>	<u>926,675</u>	<u>2,506,832</u>	<u>550,078</u>
Excess (deficiency) of revenues over expenditures	<u>(726,463)</u>	<u>(163,620)</u>	<u>786,652</u>	<u>(390,403)</u>
Other Financing Sources (Uses)				
Property sales	14,915	-	-	-
Transfers in	736,734	-	-	351,977
Transfers out	-	-	(5,000)	-
Debt issued	-	-	-	455,000
Premium on debt issued	-	3,981	-	7,522
Total other financing sources (uses)	<u>751,649</u>	<u>3,981</u>	<u>(5,000)</u>	<u>814,499</u>
Net change in fund balances	25,186	(159,639)	781,652	424,096
Fund Balances (Deficit), Beginning	<u>6,277,733</u>	<u>254,176</u>	<u>544,685</u>	<u>(606,643)</u>
Fund Balances (Deficit), Ending	<u>\$ 6,302,919</u>	<u>\$ 94,537</u>	<u>\$ 1,326,337</u>	<u>\$ (182,547)</u>

See notes to financial statements

TIF District No. 9	Nonmajor Governmental Funds	Total
\$ 426,283	\$ 1,603,216	\$ 7,467,730
-	532,098	2,871,608
-	-	192,868
-	256,755	270,546
-	575,051	760,144
-	-	161,171
-	16,011	16,011
-	44,034	355,212
<u>25,063</u>	<u>75,297</u>	<u>2,856,721</u>
<u>451,346</u>	<u>3,102,462</u>	<u>14,952,011</u>
48,361	290,510	1,647,781
-	2,491	3,772,335
-	-	23,900
-	843,676	2,032,546
-	796,069	1,387,193
145,775	270,833	1,655,563
223,672	369,486	2,939,317
1,728,452	-	2,938,848
<u>120,901</u>	<u>-</u>	<u>334,780</u>
<u>2,267,161</u>	<u>2,573,065</u>	<u>16,732,263</u>
<u>(1,815,815)</u>	<u>529,397</u>	<u>(1,780,252)</u>
-	-	14,915
-	177,897	1,266,608
-	(532,461)	(537,461)
2,625,000	-	3,080,000
<u>43,399</u>	<u>-</u>	<u>54,902</u>
<u>2,668,399</u>	<u>(354,564)</u>	<u>3,878,964</u>
852,584	174,833	2,098,712
<u>(1,053,342)</u>	<u>3,022,617</u>	<u>8,439,226</u>
<u>\$ (200,758)</u>	<u>\$ 3,197,450</u>	<u>\$ 10,537,938</u>

See notes to financial statements

City of Reedsburg

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2021

Net Change in Fund Balances, Total Governmental Funds \$ 2,098,712

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

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	2,939,317
Some items are reported as operating expenditures in the fund financial statements but are capitalized in the government-wide statements	309,232
Depreciation is reported in the government-wide financial statements	(1,612,398)
Net book value of assets retired	(85,490)

Capital assets contributed to business-type activities are reported as capital outlay in the fund financial statements.	(95,346)
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Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	(121,016)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Debt issued	(3,080,000)
Principal repaid	2,938,848

Governmental funds report debt premiums as other financing sources (uses) or financing sources or uses. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.	
Change in debt premium	22,837

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Compensated absences	(57,166)
Accrued interest	54,486
Net pension asset/liability	790,650
Deferred outflows of resources related to pensions	801,506
Deferred inflows of resources related to pensions	<u>(1,119,682)</u>

Change in Net Position of Governmental Activities \$ 3,784,490

City of Reedsburg

Statement of Net Position
 Proprietary Funds
 December 31, 2021

	Business-Type Activities - Enterprise Funds			Total
	Utility Commission	Sewer	Nonmajor Enterprise Fund - Stormwater Fund	
Assets				
Current assets:				
Cash and investments	\$ 15,370,772	\$ 5,597,804	\$ 309,106	\$ 21,277,682
Accounts receivable (net)	2,899,203	213,484	-	3,112,687
Other accounts receivable	385,499	-	-	385,499
Accrued interest	51,480	-	-	51,480
Due from other funds	161,454	181,125	69,550	412,129
Prepaid items	237,028	-	-	237,028
Inventories	1,991,470	-	-	1,991,470
Restricted assets:				
Cash and investments	210,694	827,655	-	1,038,349
Total current assets	21,307,600	6,820,068	378,656	28,506,324
Noncurrent assets:				
Restricted assets:				
Cash and investments	1,154,368	2,413,035	-	3,567,403
Net pension asset	952,159	159,377	59,392	1,170,928
Capital assets:				
Land	252,144	72,687	59,074	383,905
Construction work in progress	1,259,683	-	-	1,259,683
Property and equipment	85,115,605	33,510,568	7,337,473	125,963,646
Less accumulated depreciation	(39,680,275)	(15,304,880)	(3,201,453)	(58,186,608)
Other assets:				
Organization costs	167,867	-	-	167,867
Accumulated amortization of organization costs	(89,791)	-	-	(89,791)
Private parking lighting (net of accumulated depreciation)	10,673	-	-	10,673
Investment in ATC	3,193,437	-	-	3,193,437
Special assessments receivable	-	4,000	-	4,000
Total noncurrent assets	52,335,870	20,854,787	4,254,486	77,445,143
Total assets	73,643,470	27,674,855	4,633,142	105,951,467
Deferred Outflows of Resources				
Pension related amounts	1,621,071	270,859	113,898	2,005,828
Total deferred outflows of resources	1,621,071	270,859	113,898	2,005,828

See notes to financial statements

City of Reedsburg

Statement of Net Position
 Proprietary Funds
 December 31, 2021

	Business-Type Activities - Enterprise Funds			
	Utility Commission	Sewer	Nonmajor Enterprise Fund - Stormwater Fund	Total
Liabilities				
Current liabilities:				
Accounts payable	\$ 2,483,474	\$ 79,981	\$ 1,573	\$ 2,565,028
Accrued liabilities	682,656	20,162	6,719	709,537
Due to other funds	979,822	-	-	979,822
Current portion of general obligation debt	770,000	-	-	770,000
Compensated absences	170,377	11,619	-	181,996
Lease payable	-	-	66,564	66,564
Notes payable	16,123	-	-	16,123
Liabilities payable from restricted assets:				
Revenue bonds payable	86,421	1,195,405	-	1,281,826
Accrued interest payable	3,045	30,719	-	33,764
Total current liabilities	5,191,918	1,337,886	74,856	6,604,660
Noncurrent liabilities:				
Long-term debt:				
General obligation debt	12,235,000	-	-	12,235,000
Unamortized debt premium	205,680	-	-	205,680
Revenue bonds payable	666,836	6,810,267	-	7,477,103
Notes payable	10,748	-	-	10,748
Compensated absences	280,628	16,239	-	296,867
Unearned revenues	142,406	-	-	142,406
Total noncurrent liabilities	13,541,298	6,826,506	-	20,367,804
Total liabilities	18,733,216	8,164,392	74,856	26,972,464
Deferred Inflows of Resources				
Pension related amounts	2,078,594	385,644	148,011	2,612,249
Total deferred inflows of resources	2,078,594	385,644	148,011	2,612,249
Net Position				
Net investment in capital assets	33,065,994	10,272,703	4,128,530	47,467,227
Restricted for:				
Depreciation	981,023	-	-	981,023
Debt service	207,649	796,936	-	1,004,585
Equipment replacement	-	2,413,035	-	2,413,035
Impact fees	63,700	-	-	63,700
Pension	952,159	159,377	59,392	1,170,928
Unrestricted	19,182,206	5,753,627	336,251	25,272,084
Total net position	\$ 54,452,731	\$ 19,395,678	\$ 4,524,173	\$ 78,372,582

See notes to financial statements

City of Reedsburg

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds			Total
	Utility Commission	Sewer	Nonmajor Enterprise Fund - Stormwater Fund	
Operating Revenues				
Public charges for services	\$ 31,082,800	\$ 4,790,449	\$ 540,391	\$ 36,413,640
Total operating revenues	<u>31,082,800</u>	<u>4,790,449</u>	<u>540,391</u>	<u>36,413,640</u>
Operating Expenses				
Operation and maintenance	23,590,272	1,729,395	274,511	25,594,178
Depreciation	<u>2,697,822</u>	<u>966,144</u>	<u>184,990</u>	<u>3,848,956</u>
Total operating expenses	<u>26,288,094</u>	<u>2,695,539</u>	<u>459,501</u>	<u>29,443,134</u>
Operating income	<u>4,794,706</u>	<u>2,094,910</u>	<u>80,890</u>	<u>6,970,506</u>
Nonoperating Revenues (Expenses)				
Investment income	310,328	9,848	-	320,176
Interest and amortization expense	(360,305)	(193,801)	(2,769)	(556,875)
Loss on early retirement	(499,724)	-	(185)	(499,909)
Amortization of debt premium	28,450	-	-	28,450
Miscellaneous	<u>146,038</u>	<u>-</u>	<u>-</u>	<u>146,038</u>
Total nonoperating revenues (expenses)	<u>(375,213)</u>	<u>(183,953)</u>	<u>(2,954)</u>	<u>(562,120)</u>
Income before contributions and transfers	<u>4,419,493</u>	<u>1,910,957</u>	<u>77,936</u>	<u>6,408,386</u>
Contributions and Transfers				
Capital contributions	464,794	-	-	464,794
Capital contributions, muni	95,346	-	-	95,346
Transfers out	<u>(729,147)</u>	<u>-</u>	<u>-</u>	<u>(729,147)</u>
Total contributions and transfers	<u>(169,007)</u>	<u>-</u>	<u>-</u>	<u>(169,007)</u>
Change in net position	4,250,486	1,910,957	77,936	6,239,379
Net Position, Beginning	<u>50,202,245</u>	<u>17,484,721</u>	<u>4,446,237</u>	<u>72,133,203</u>
Net Position, Ending	<u>\$ 54,452,731</u>	<u>\$ 19,395,678</u>	<u>\$ 4,524,173</u>	<u>\$ 78,372,582</u>

See notes to financial statements

City of Reedsburg

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds			
	Utility Commission	Sewer	Nonmajor Enterprise Fund - Stormwater Fund	Total
Cash Flows From Operating Activities				
Received from customers	\$ 29,940,100	\$ 4,911,843	\$ 536,954	\$ 35,388,897
Received from other funds for services	492,289	-	-	492,289
Paid to suppliers for goods and services	(22,236,056)	(1,314,237)	(117,793)	(23,668,086)
Paid to employees for services	(1,950,660)	(413,942)	(186,643)	(2,551,245)
Net cash flows from operating activities	<u>6,245,673</u>	<u>3,183,664</u>	<u>232,518</u>	<u>9,661,855</u>
Cash Flows From Investing Activities				
Investment income	30,663	9,848	-	40,511
Investment in ATC	182,259	-	-	182,259
Net cash flows from investing activities	<u>212,922</u>	<u>9,848</u>	<u>-</u>	<u>222,770</u>
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	(752,171)	-	-	(752,171)
Net cash flows from noncapital financing activities	<u>(752,171)</u>	<u>-</u>	<u>-</u>	<u>(752,171)</u>
Cash Flows From Capital and Related Financing Activities				
Debt retired	(846,988)	(1,166,949)	(36,363)	(2,050,300)
Interest paid	(362,999)	(198,544)	(3,767)	(565,310)
Acquisition and construction of capital assets	(5,658,282)	(163,578)	(162,362)	(5,984,222)
Capital contributions received	870,465	-	-	870,465
Net cash flows from capital and related financing activities	<u>(5,997,804)</u>	<u>(1,529,071)</u>	<u>(202,492)</u>	<u>(7,729,367)</u>
Net change in cash and cash equivalents	(291,380)	1,664,441	30,026	1,403,087
Cash and Cash Equivalents, Beginning	<u>17,027,214</u>	<u>7,174,053</u>	<u>279,080</u>	<u>24,480,347</u>
Cash and Cash Equivalents, Ending	<u>\$ 16,735,834</u>	<u>\$ 8,838,494</u>	<u>\$ 309,106</u>	<u>\$ 25,883,434</u>

See notes to financial statements

City of Reedsburg

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds			
	Utility Commission	Sewer	Nonmajor Enterprise Fund - Stormwater Fund	Total
Reconciliation of Operating Income to Net Cash Flows From Operating Activities				
Operating income	\$ 4,794,706	\$ 2,094,910	\$ 80,890	\$ 6,970,506
Nonoperating revenue (expense)	88,282	-	-	88,282
Adjustments to reconcile operating income to net cash flows from operating activities:				
Depreciation	2,697,822	966,144	184,990	3,848,956
Depreciation charged to other funds	73,223	-	-	73,223
Depreciation on nonutility plant	12,734	-	-	12,734
Changes in assets and liabilities:				
Accounts receivable	(712,101)	148,646	-	(563,455)
Due from other funds	-	(27,252)	(3,437)	(30,689)
Prepaid items	(9,104)	-	-	(9,104)
Inventories	(1,000,307)	-	-	(1,000,307)
Accounts payable	331,147	38,684	(15,860)	353,971
Other accounts receivable	90,501	-	-	90,501
Due to other funds	(127,624)	-	-	(127,624)
Compensated absences	35,862	7,444	-	43,306
Other current liabilities	285,411	2,328	334	288,073
Unearned revenues	5,046	-	-	5,046
Pension related deferrals and liabilities	(321,095)	(47,240)	(14,399)	(382,734)
Commitment to community	1,170	-	-	1,170
Net cash flows from operating activities	<u>\$ 6,245,673</u>	<u>\$ 3,183,664</u>	<u>\$ 232,518</u>	<u>\$ 9,661,855</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds				
Cash and investments	\$ 15,370,772	\$ 5,597,804	\$ 309,106	\$ 21,277,682
Restricted cash and investments, current	210,694	827,655	-	1,038,349
Restricted cash and investments, noncurrent	1,154,368	2,413,035	-	3,567,403
Cash and cash equivalents	<u>\$ 16,735,834</u>	<u>\$ 8,838,494</u>	<u>\$ 309,106</u>	<u>\$ 25,883,434</u>
Noncash Capital and Related Financing Activities				
ATC dividends reinvested	<u>\$ (278,706)</u>	<u>\$ -</u>	<u>\$ -</u>	
Amortization of debt premium	<u>\$ 28,450</u>	<u>\$ -</u>	<u>\$ -</u>	

See notes to financial statements

City of Reedsburg

Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2021

	Custodial Fund	Private- Purpose Trust Fund
	Tax Collection Fund	Nishan Community Aid for the Poor
Assets		
Cash and investments	\$ 5,266,633	\$ 90
Property taxes receivable	3,047,984	-
Total assets	<u>8,314,617</u>	<u>90</u>
Liabilities		
Due to other taxing units	<u>8,314,617</u>	-
Total liabilities	<u>8,314,617</u>	-
Net Position		
Held in trust for private trust activities	<u>-</u>	<u>90</u>
Total net position	<u>\$ -</u>	<u>\$ 90</u>

See notes to financial statements

City of Reedsburg

Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended December 31, 2021

	<u>Custodial Fund</u>	<u>Private- Purpose Trust Fund</u>
	<u>Tax Collection Fund</u>	<u>Nishan Community Aid for the Poor</u>
Additions		
Property taxes collected for other governments	\$ 6,114,635	\$ -
Total additions	<u>6,114,635</u>	<u>-</u>
Deductions		
Property taxes distributed to other governments	<u>6,114,635</u>	<u>-</u>
Total deductions	<u>6,114,635</u>	<u>-</u>
Change in fiduciary net position	-	-
Net Position, Beginning	<u>-</u>	<u>90</u>
Net Position, Ending	<u><u>\$ -</u></u>	<u><u>\$ 90</u></u>

City of Reedsburg

Statement of Net Position
Component Units
December 31, 2021

	Community Development Authority	Herbert H Webb Trust	Total
Assets			
Cash and investments	\$ 49,796	\$ 3,953,766	\$ 4,003,562
Loans receivable	70,000	-	70,000
Property held for resale	17,321	-	17,321
	<u>137,117</u>	<u>3,953,766</u>	<u>4,090,883</u>
Total assets			
Liabilities			
Due to primary government	-	26,909	26,909
	<u>-</u>	<u>26,909</u>	<u>26,909</u>
Total liabilities			
Net Position			
Restricted for:			
Trust purposes	-	3,926,857	3,926,857
Unrestricted net position	137,117	-	137,117
	<u>137,117</u>	<u>-</u>	<u>137,117</u>
Total net position	<u>\$ 137,117</u>	<u>\$ 3,926,857</u>	<u>\$ 4,063,974</u>

See notes to financial statements

City of Reedsburg

Statement of Revenues, Expenses and Changes in Net Position
Component Units
Year Ended December 31, 2021

	Community Development Authority	Herbert H. Webb Trust	Total
Operating Expenses			
Operation and maintenance	<u>13,008</u>	<u>79,317</u>	<u>92,325</u>
Total operating expenses	<u>13,008</u>	<u>79,317</u>	<u>92,325</u>
Operating loss	<u>(13,008)</u>	<u>(79,317)</u>	<u>(92,325)</u>
Nonoperating Revenues			
Investment income	<u>8,542</u>	<u>486,187</u>	<u>494,729</u>
Total nonoperating revenues	<u>8,542</u>	<u>486,187</u>	<u>494,729</u>
Change in net position	(4,466)	406,870	402,404
Net Position, Beginning	<u>141,583</u>	<u>3,519,987</u>	<u>3,661,570</u>
Net Position, Ending	<u>\$ 137,117</u>	<u>\$ 3,926,857</u>	<u>\$ 4,063,974</u>

See notes to financial statements

City of Reedsburg

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December 31, 2021

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City of Reedsburg

Notes to Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies

The accounting policies of the City of Reedsburg, Wisconsin (the City) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Reporting Entity

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or 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. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the 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. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Discretely Presented Component Units

Community Development Authority of the City of Reedsburg

The government-wide financial statements include the Community Development Authority of the City of Reedsburg (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the mayor. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the CDA, and also create a potential financial benefit to or burden on the City. See Note 3. As a component unit, the CDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2021. The CDA does not issue separate financial statements.

Herbert H. Webb Trust

The government-wide financial statements include the Herbert H. Webb – Reedsburg Trust (trust) as a component unit. The trust is a legally separate tax exempt component unit of the City of Reedsburg. The trust was established to support the City of Reedsburg for public purposes. Although the city does not control the timing or amount of receipts from the trust, the resources of the trust can only be used by or for the benefit of the city. Therefore, the trust is considered to be a component unit of the city and is discretely presented in the financial statements. The information presented is for the fiscal year ended December 31, 2021. See Note 3. The trust does not issue separate financial statements.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Fund Financial Statements

Financial statements of the City are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund

General Fund accounts for the City's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Debt Service Funds

General Debt Service is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs, other than TID or enterprise debt.

Capital Projects Funds

General Capital Projects Fund - used to account for and report financial resources that are restricted, committed or assigned for capital outlay and capital equipment acquisitions.

Tax Incremental District (TID) No. 6 Capital Projects Fund - used to account for and report financial resources that are restricted, committed or assigned to expenditures outlined in the TID project plan.

Tax Incremental District (TID) No. 9 Capital Projects Fund - used to account for and report financial resources that are restricted, committed or assigned to expenditures outlined in the TID project plan.

Enterprise Funds

The City reports the following major enterprise funds:

Sewer Utility accounts for operations of the sewer system

Utility Commission Fund accounts for operations of the accounts for operations of the water, electric and communications systems

City of Reedsburg

Notes to Financial Statements
December 31, 2021

The City reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Taxi Grant Fund	Park Fund
Triathlon Fund	DARE Fund
Webb Endowment Fund	Nishan Park Concession Stand Fund
Room Tax Fund	CDBG Fund
Home Loan Fund	HCRI Fund
Solid Waste Fund	Sidewalk Repair Fund
Library, County Funding	Mannigal Endowment Fund
Popple Trail Donations	Library, Investment
CLOSE Fund	Fireworks Fund
Municipal Court	Airport
Affordable Housing Fund	American Rescue Plan Act Fund

Capital Projects Funds

Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Tax Incremental Financing (TIF) District No. 3	Tax Incremental Financing (TIF) District No. 4
Tax Incremental Financing (TIF) District No. 5	Tax Incremental Financing (TIF) District No. 7
Tax Incremental Financing (TIF) District No. 8	Tax Incremental Financing (TIF) District No. 10
Capital Equipment Fund	

Enterprise Funds

Enterprise Funds are used to account for and report any activity for which a fee is charged to external uses for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

Stormwater Fund

In addition, the City reports the following fund types:

Private-Purpose Trust Funds

Private-Purpose Trust Funds are used to account for and report any trust arrangement not properly reported in a pension trust fund or investment trust fund under which principal and income benefit individuals, private organizations or other governments.

Nishan Community Aid for the Poor

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Custodial Funds

Custodial Funds are used to account for and report assets controlled by the City and the assets are for the benefit of individuals, private organizations and/or other governmental units.

Tax Collection Fund

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and Fiduciary Funds

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and electric, sewer and communications utilities are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

For purposes of the statement of cash flows, the City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Investment of City funds is restricted by Wisconsin state statutes. Available investments are limited to:

- a. Time deposits in any credit union, bank, savings bank or trust company.
- b. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

- g. Repurchase agreements with public depositories, with certain conditions.

Investment of most trust funds including cemetery perpetual care funds, is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

The City has not adopted an investment policy.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 3. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2021, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of fiduciary net position.

Property tax calendar - 2021 tax roll:

Lien date and levy date	December 2021
Tax bills mailed	December 2021
Payment in full, or	January 31, 2022
First installment due	January 31, 2022
Second installment due	July 31, 2022
Personal property taxes in full	January 31, 2022
Tax sale - 2021 delinquent real estate taxes	October 2024

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the County, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the electric, water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll and other delinquent bills are generally not significant. Delinquent communications bills are not placed on the tax roll. An allowance for uncollectible accounts has been established to account for all delinquent communications billings over 120 days past due. The allowance is adjusted on an annual basis.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development and housing rehabilitation loans receivable has been reduced by an allowance for uncollectible accounts of \$422,130.

It is the City's policy to record revenue when the initial loan is made from the federal and state grant funds. The net amount of the loan receivable balance is included in restricted fund balance. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements with the exception of defederalized loans. Any unspent loan repayments for these loans are presented as committed.

Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average and charged to construction and/or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 general capital assets and \$25,000 for infrastructure assets and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead and an allowance for the cost of funds used during construction when significant. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	30 Years
Land Improvements	30 Years
Machinery and Equipment	3-15 Years
Intangibles	5-50 Years
Infrastructure	18-77 Years
Intangibles	20-50 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Other Assets

The electric utility is a member of American Transmission Company (ATC). ATC was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. The utility owns less than 1/2 of 1% of ATC.

As part of a settlement agreement with a vendor, the electric utility obtained customer rights from the prior service provider to serve additional customers. These costs are reported as organization costs and are being amortized over 33 years.

The electric utility has nonutility property consisting of private parking lighting which is depreciated over 20 years.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2021, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately \$136,844, made up of three issues.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation/amortization and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Council, Finance Committee or management may take official action to assign amounts. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has a formal minimum fund balance policy. That policy is to maintain the general fund unrestricted fund balance at 25% to 30% of the subsequent year's operating expenditure budget. The balance of unrestricted fund balance at year-end was \$4,602,887 or 64%.

See Note 3 for further information.

Fiduciary fund net position is classified as restricted for community aid on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income and the City believes it is in compliance with all significant restrictions.

Pension

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. 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.

Basis for Existing Rates - Proprietary Fund

Electric

Current electric rates were approved by the Public Service Commission of Wisconsin on April 27, 2015.

Water

Current water rates were approved by the Public Service Commission of Wisconsin on June 25, 2021.

Sewer

Current rates were approved and made effective by the city council on June 27, 2013.

Communications

Current communications were approved by the utility commission and may change periodically. The utility commission approved current residential and business internet rates March 12, 2021 which were effective as of March 20, 2021. Current video rates were approved by the utility commission on November 2, 2020, which were effective as of January 20, 2021. Current telephone rates were approved by the utility commission as of February 18, 2019 which were effective as of March 20, 2019.

Stormwater

Current rates were approved by the city council and made effective as of January 1, 2016.

Capital Contributions - Enterprise Funds

Capital contributions represent the amount received from customers, the city or external parties for construction and the value of property (plant) contributed to the utilities. These amounts are not subject to repayment.

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the general fund, certain special revenue funds, the general debt service fund and capital projects funds. A budget has not been formally adopted for other special revenue funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Excess Expenditures and Other Financing Uses Over Budget

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Taxi Grant Fund	\$ 190,700	\$ 193,793	\$ 3,093
Park Fund	-	36,053	36,053
Triathlon Fund	-	2,253	2,253
Room Tax Fund	61,843	98,620	36,777
CDBG Fund	-	79,686	79,686
HOME loan Fund	-	11,850	11,850
Close Fund	9,413	78,044	68,631
Sidewalk Repair Fund	-	4,439	4,439
Solid Waste Fund	413,106	450,171	37,065
Library - Investment	-	74	74
Firework Fund	-	17,535	17,535
Airport	143,455	195,273	51,818
TIF District No. 7	27,773	32,608	4,835
TIF District No. 8	5,000	6,220	1,220
TIF District No. 10	-	21,075	21,075

The City controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2021, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Municipal Court	\$ 122,748	Unfunded capital outlay
Taxi Grant Fund	5,538	Expenditures exceeding grant revenue
Tax Incremental District No. 6	182,547	Costs exceeding increment
Tax Incremental District No. 8	85,520	Costs exceeding increment
Tax Incremental District No. 9	200,758	Costs exceeding increment
Tax Incremental District No. 10	21,075	Costs exceeding increment

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. Other fund deficits are anticipated to be funded with future contributions, general tax revenues, long-term borrowing or transfers from the general fund.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Limitations on the City's Tax Levy

Wisconsin law limits the City's future tax levies. Generally the City is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the City's equalized value due to new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The City is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

3. Detailed Notes on All Funds

Deposits and Investments

The City's deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 21,337,674	\$ 20,863,916	Custodial credit
U.S. agencies, implicitly guaranteed	1,505,975	1,505,975	Credit, custodial credit, concentration of credit, interest rate
Certificates of deposit (negotiable)	3,135,698	3,135,698	Credit, custodial credit, concentration of credit, interest rate
LGIP	13,418,329	13,418,329	Credit
Petty cash	500	-	N/A
Total deposits and investments	<u>\$ 39,398,176</u>	<u>\$ 38,923,918</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 29,525,701		
Restricted cash and investments	4,605,752		
Per statement of net position, fiduciary funds:			
Custodial Fund	5,266,633		
Private-Purpose Trust Fund	90		
Total deposits and investments	<u>\$ 39,398,176</u>		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing custodial credit risk.

The City maintains collateral agreements with its banks. At December 31, 2021, the banks had pledged various government securities in the amount of \$19,445,222 to secure the City's deposits.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

The utility commission's investment in American Transmission Corporation (ATC) is measured at the net asset value (NAV) per share of ownership. As of December 31, 2021, the fair value of the investment was \$3,193,437. ATC was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. The utility elected to receive an investment in ATC at its inception rather than directly sell its transmission facilities. The utility owns less than 1/2 of 1% of ATC. The utility has no unfunded commitments at year-end. The investment in ATC can only be redeemed by ATC or another existing member.

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

The valuation methods for recurring fair value measurements are as follows:

- Certificates of deposit (negotiable) - uses a market based approach
- U.S. agency securities - uses a market based approach which considers yield, price of comparable securities, coupon rate, maturity, credit quality and dealer-provided prices

Investment Type	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Certificates of deposit (negotiable)	\$ 3,135,698	\$ -	\$ -	\$ 3,135,698
U.S. agencies, implicitly guaranteed	-	1,505,975	-	1,505,975
Total	<u>\$ 3,135,698</u>	<u>\$ 1,505,975</u>	<u>\$ -</u>	<u>\$ 4,641,673</u>

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

The City does not have any deposits exposed to custodial credit risk.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of December 31, 2021, the City's investments were exposed to custodial credit risk as follows:

Neither Insured nor Registered and Held by Counterparty's Trust Department or Agent not in the City's Name

U.S. agencies, implicitly guaranteed	\$ 1,505,975
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Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

As of December 31, 2021, the City's investments were rated as follows:

<u>Investment Type</u>	<u>Standard & Poors</u>
U.S. agencies, implicitly guaranteed	AA+

The City also held investments in the following investments which are not rated:

Local Government Investment Pool
Certificates of deposit (negotiable)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2021, the City's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (In Years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>6+</u>
U.S. agencies, implicitly guaranteed	\$ 1,505,975	\$ -	\$ -	\$ 1,505,975
Certificates of deposit (negotiable)	<u>3,135,698</u>	<u>2,962,013</u>	<u>173,685</u>	<u>-</u>
Total	<u>\$ 4,641,673</u>	<u>\$ 2,962,013</u>	<u>\$ 173,685</u>	<u>\$ 1,505,975</u>

See Note 1 for further information on deposit and investment policies.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Receivables

Receivables as of year end for the government's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Debt Service	General Capital Projects	TIF District No. 6	TIF District No. 9	Utility Commission	Sewer Utility	Nonmajor and Other Funds	Total
Receivables:									
Gross receivables	\$ 4,048,846	\$ 766,380	\$ 851,000	\$ 100,000	\$ 491,441	\$ 3,388,178	\$ 366,130	\$ 2,896,317	\$ 12,908,292
Less allowance for uncollectibles	-	-	-	-	-	(51,996)	-	(422,130)	(474,126)
Net total receivables	<u>\$ 4,048,846</u>	<u>\$ 766,380</u>	<u>\$ 851,000</u>	<u>\$ 100,000</u>	<u>\$ 491,441</u>	<u>\$ 3,336,182</u>	<u>\$ 366,130</u>	<u>\$ 2,474,187</u>	<u>\$ 12,434,166</u>
Amounts not expected to be collected within one year	\$ 4,000	-	-	-	-	-	-	\$ 1,320,852	\$ 1,324,852

Governmental funds report *unavailable* or *unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 7,406,858	\$ -
Loan receivable	-	100,000
Flood Grant Revenue	-	161,987
American Rescue Plan Act grant revenue	<u>498,275</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 7,905,133</u>	<u>\$ 261,987</u>
Unearned revenue included in liabilities	\$ 498,275	
Unearned revenue included in deferred inflows	<u>7,406,858</u>	
Total unearned revenue for governmental funds	<u>\$ 7,905,133</u>	

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.

Reserve - Used to report resources set aside to make up potential future deficiencies in the redemption account.

Depreciation - Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Equipment Replacement Account

The sewer utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

Impact Fee Account

The utility commission has received impact fees which must be spent in accordance with the local ordinance and state statutes. Any unspent funds must be refunded to the property owner.

Following is a list of restricted assets at December 31, 2021:

Restricted assets:	
Redemption account	\$ 1,038,349
Reserve account	109,645
Depreciation account	981,023
Replacement account	2,413,035
Impact fee account	63,700
Net pension assets	<u>1,170,928</u>
Total restricted assets	<u>5,776,680</u>
Less restricted assets not funded by revenues	
Reserve from borrowing	<u>(109,645)</u>
Current liabilities payable from restricted assets	<u>(33,764)</u>
Total restricted net position	<u>\$ 5,633,271</u>
Governmental Activities Net Pension Asset	<u>\$ 1,547,198</u>

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated / amortized:				
Land	\$ 6,718,094	\$ 611,929	\$ -	\$ 7,330,023
Land for right of way	942,232	90,985	-	1,033,217
Road infrastructure not being depreciated	6,236,529	169,563	47,751	6,358,341
Construction work in progress	<u>6,839,196</u>	<u>76,178</u>	<u>6,776,244</u>	<u>139,130</u>
Total capital assets not being depreciated / amortized	<u>20,736,051</u>	<u>948,655</u>	<u>6,823,995</u>	<u>14,860,711</u>
Capital assets being depreciated / amortized:				
Buildings	12,015,718	7,911,945	-	19,927,663
Intangibles	129,121	-	-	129,121
Equipment and furniture	10,232,092	560,160	239,377	10,552,875
Infrastructure	<u>21,483,791</u>	<u>508,687</u>	<u>143,049</u>	<u>21,849,429</u>
Total capital assets being depreciated / amortized	<u>43,860,722</u>	<u>8,980,792</u>	<u>382,426</u>	<u>52,459,088</u>
Total capital assets	<u>64,596,773</u>	<u>9,929,447</u>	<u>7,206,421</u>	<u>67,319,799</u>
Less accumulated depreciation / amortization for:				
Buildings	(7,897,763)	(387,794)	-	(8,285,557)
Intangibles	(61,511)	(16,798)	-	(78,309)
Equipment and furniture	(6,358,142)	(512,479)	201,638	(6,668,983)
Infrastructure	<u>(12,821,142)</u>	<u>(695,327)</u>	<u>143,049</u>	<u>(13,373,420)</u>
Total accumulated depreciation / amortization	<u>(27,138,558)</u>	<u>(1,612,398)</u>	<u>344,687</u>	<u>(28,406,269)</u>
Net capital assets being depreciated / amortized	<u>16,722,164</u>	<u>7,368,394</u>	<u>37,739</u>	<u>24,052,819</u>
Total governmental activities capital assets, net of accumulated depreciation / amortization	<u>\$ 37,458,215</u>	<u>\$ 8,317,049</u>	<u>\$ 6,861,734</u>	<u>\$ 38,913,530</u>

Depreciation / amortization expense was charged to functions as follows:

Governmental Activities	
General government	\$ 74,828
Public safety	316,759
Public works	963,772
Culture, recreation and education	<u>257,039</u>
Total governmental activities depreciation / amortization expense	<u>\$ 1,612,398</u>

City of Reedsburg

Notes to Financial Statements
December 31, 2021

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 383,905	\$ -	\$ -	\$ 383,905
Construction in progress	2,406,349	6,950,649	8,097,315	1,259,683
Total capital assets not being depreciated	2,790,254	6,950,649	8,097,315	1,643,588
Capital assets being depreciated:				
Electric system	30,126,896	2,873,837	1,910,639	31,090,094
Water system	16,381,484	781,351	37,655	17,125,180
Communications system	34,407,646	2,561,641	68,956	36,900,331
Sewer system	32,547,447	965,391	2,270	33,510,568
Stormwater system	7,033,079	318,404	14,010	7,337,473
Total capital assets being depreciated	120,496,552	7,500,624	2,033,530	125,963,646
Total capital assets	123,286,806	14,451,273	10,130,845	127,607,234
Less accumulated for:				
Electric system	(18,548,026)	(1,493,824)	1,910,638	(18,131,212)
Water system	(5,519,238)	(399,939)	37,655	(5,881,522)
Communications system	(14,327,696)	(1,409,218)	69,373	(15,667,541)
Sewer system	(14,341,006)	(966,144)	2,270	(15,304,880)
Stormwater system	(3,030,288)	(184,990)	13,825	(3,201,453)
Total accumulated	(55,766,254)	(4,454,115)	2,033,761	(58,186,608)
Net capital assets being depreciated	64,730,298	3,046,509	(231)	67,777,038
Business-type capital assets, net of accumulated	<u>\$ 67,520,552</u>	<u>\$ 9,997,158</u>	<u>\$ 8,097,084</u>	<u>\$ 69,420,626</u>

Depreciation / amortization expense was charged to functions as follows:

Business-Type Activities	
Electric	\$ 971,249
Water	336,774
Communications	1,389,799
Sewer	966,144
Storm	184,990
Total business-type activities depreciation / amortization expense	<u>\$ 3,848,956</u>

Depreciation expense does not agree to the increases in accumulated depreciation due to joint metering, salvage and cost of removal.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Utility commission	\$ 729,147
General fund	CDBG	2,363
Utility commission	General fund	161,454
Stormwater fund	Utility commission	69,550
Sewer	Utility commission	<u>181,125</u>
Total, fund financial statements		1,143,639
Less fund eliminations		<u>(575,946)</u>
Total internal balances, government-wide statement of net position		<u>\$ 567,693</u>

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 729,147
Business-type activities	Governmental activities	<u>(161,454)</u>
Total government-wide financial statements		<u>\$ 567,693</u>

All amounts are due within one year.

The principal purpose of these interfunds resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Advances

The general fund is advancing funds to TIF Districts No. 6, No. 8, No. 9, and No.10. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. No repayment schedules have been established.

The general fund is also advancing funds to the taxi and municipal court funds to cover operating deficits. No interest is being charged on these advances and no repayment schedules have been established.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General fund	Taxi Fund	\$ 43,430	\$ 43,430
General fund	TIF District No. 6	188,574	188,574
General fund	TIF District No. 8	85,520	85,520
General fund	TIF District No. 9	457,638	457,638
General fund	TIF District No. 10	15,151	15,151
General fund	Municipal Court Fund	<u>111,242</u>	111,242
Total, fund financial statements		901,555	
Less fund eliminations		<u>(901,555)</u>	
Total, interfund advances, government-wide statement of net position		<u>\$ -</u>	

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General fund	Utility commission	\$ 729,147	Tax equivalent
General fund	General capital projects	5,000	Annual art funds agreement
TIF District No. 6	Nonmajor governmental funds	351,977	Increment sharing
Nonmajor governmental funds	Nonmajor governmental funds	177,897	Establish Affordable Housing Fund
General fund	Nonmajor governmental funds	<u>2,587</u>	Surplus payment
Total, fund financial statements		1,266,608	
Less fund eliminations		(537,461)	
Less assets transferred from governmental activities to business-type activities		<u>(95,346)</u>	
Total transfers, government-wide statement of activities		<u>\$ 633,801</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 9,010,000	\$ 3,080,000	\$ 740,000	\$ 11,350,000	\$ 845,000
General obligation notes from direct borrowings and direct placements (Discounts)/Premiums	2,198,848 388,133	- -	2,198,848 22,837	- 365,296	- -
Total bonds and notes payable	<u>11,596,981</u>	<u>3,080,000</u>	<u>2,961,685</u>	<u>11,715,296</u>	<u>845,000</u>
Other liabilities:					
Vested compensated absences	699,701	226,736	169,570	756,867	177,631
Total other liabilities	<u>699,701</u>	<u>226,736</u>	<u>169,570</u>	<u>756,867</u>	<u>177,631</u>
Total governmental activities long-term liabilities	<u>\$ 12,296,682</u>	<u>\$ 3,306,736</u>	<u>\$ 3,131,255</u>	<u>\$ 12,472,163</u>	<u>\$ 1,022,631</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 13,755,000	\$ -	\$ 750,000	\$ 13,005,000	\$ 770,000
Revenue bonds	7,588,348	-	1,082,156	6,506,192	1,111,811
Revenue bonds from direct borrowings and direct placements	2,418,395	-	165,658	2,252,737	170,015
Notes payable	42,994	-	16,123	26,871	16,123
Premiums	234,130	-	28,450	205,680	-
Subtotal	<u>24,038,867</u>	<u>-</u>	<u>2,042,387</u>	<u>21,996,480</u>	<u>2,067,949</u>
Other liabilities:					
Vested compensated absences	435,557	369,240	325,934	478,863	181,996
Capital leases	102,927	-	36,363	66,564	66,564
Total other liabilities	<u>538,484</u>	<u>369,240</u>	<u>362,297</u>	<u>545,427</u>	<u>248,560</u>
Total business-type activities long-term liabilities	<u>\$ 24,577,351</u>	<u>\$ 369,240</u>	<u>\$ 2,404,684</u>	<u>\$ 22,541,907</u>	<u>\$ 2,316,509</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2021, was \$36,221,905. Total general obligation debt outstanding at year end was \$24,355,000.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the City. Debt in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

<u>Governmental Activities</u>					Balance
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>December 31, 2021</u>
General obligation refunding bonds	05/05/2013	03/01/2023	1.20-1.80%	\$ 3,225,000	\$ 1,025,000
General obligation Corporate Purpose	07/02/2020	03/01/2033	1.5-2.0	7,425,000	7,245,000
General obligation Corporate Purpose - TIF 6	02/17/2021	03/01/2036	1.00-2.00	455,000	455,000
General obligation Corporate Purpose - TIF 9	02/17/2021	03/01/2036	1.00-2.00	2,625,000	<u>2,625,000</u>
Total governmental activities, general obligation debt					<u>\$ 11,350,000</u>

<u>Business-Type Activities</u>					Balance
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>December 31, 2021</u>
General obligation refunding bonds	08/22/2016	03/01/2035	2.00-3.00%	\$ 7,480,000	\$ 6,680,000
General obligation refunding bonds	06/29/2017	03/01/2035	2.00-3.50	2,610,000	2,150,000
General obligation refunding bonds	09/18/2017	03/01/2029	1.55-3.00	6,000,000	<u>4,175,000</u>
Total business-type activities, general obligation debt					<u>\$ 13,005,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u> <u>General Obligation Debt</u>		<u>Business-Type Activities</u> <u>General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 845,000	\$ 222,706	\$ 770,000	\$ 316,038
2023	840,000	181,235	790,000	299,063
2024	865,000	164,700	805,000	283,670
2025	880,000	147,250	820,000	267,214
2026	890,000	131,200	835,000	249,675
2027-2031	4,690,000	421,625	4,625,000	942,455
2032-2036	<u>2,340,000</u>	<u>60,220</u>	<u>4,360,000</u>	<u>267,988</u>
Total	<u>\$ 11,350,000</u>	<u>\$ 1,328,936</u>	<u>\$ 13,005,000</u>	<u>\$ 2,626,103</u>

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the water, electric, communication and sewer utilities.

Revenue debt payable at December 31, 2021, consists of the following:

Business-Type Activities Revenue Debt

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
Sewer Utility					
Revenue bonds	05/01/2005	05/01/2025	2.565%	\$ 11,292,318	\$ 2,861,031
Revenue bonds	05/01/2006	05/01/2025	2.365	2,981,335	752,838
Revenue bonds	03/23/2011	05/01/2030	2.499	1,860,236	994,939
Revenue bonds*	05/01/2013	05/01/2033	2.625	3,096,378	2,064,480 (1)
Revenue bonds	04/11/2018	05/01/2037	1.060	1,500,470	<u>1,332,384</u>
				Total Sewer Utility	<u>8,005,672</u>

The sewer utility has pledged future revenues, net of specified operating expenses, to repay revenue bonds issued in 2005, 2006, 2011, 2013 and 2018. Proceeds from the bonds provided financing for the sewer systems. The bonds are solely from sewer revenues and are payable through 2037. Annual principal and interest payments on the bonds are expected to require 15% of sewer revenues. The total principal and interest remaining to be paid on the bonds is \$8,764,430. Principal and interest paid in the current year and total customer gross revenues were \$1,365,493 and \$4,800,297, respectively.

- (1) - During 2013 the utility was authorized to issue \$3,310,182 of sewer system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2021. The repayment schedule is for the amount issued.

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
Water Utility					
Safe Drinking Water Loan*	01/27/2010	05/01/2029	2.67%	\$ 385,163	\$ 188,257 (2)
Main Replacements and SCADA Improvements	07/07/2014	05/01/2029	1.70-3.75	895,000	<u>565,000</u>
				Total Water Utility	<u>753,257</u>

The water utility has pledged future revenues, net of specified operating expenses, to repay revenue bonds issued in 2010, 2011 and 2014. Proceeds from the bonds provided financing for the water systems. The bonds are solely from water revenues and are payable through 2029. Annual principal and interest payments on the bonds are expected to require 7% of water revenues. The total principal and interest remaining to be paid on the bonds is \$859,482. Principal and interest paid in the current year and total customer gross revenues were \$106,341 and \$1,754,805, respectively.

Total business-type activities, revenue debt \$ 8,758,929

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-Type Activities Revenue Debt	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,111,811	\$ 152,398
2023	1,137,071	111,629
2024	1,162,958	80,497
2025	1,194,483	51,418
2026	260,499	33,397
2027-2031	1,113,313	75,746
2032-2036	436,061	16,361
2037	89,996	475
Total	<u>\$ 6,506,192</u>	<u>\$ 521,921</u>

<u>Years</u>	Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 170,015	\$ 56,979
2023	174,488	52,449
2024	179,078	47,798
2025	183,788	43,026
2026	188,622	38,128
2027-2031	966,602	113,960
2032-2033	390,144	10,309
Total	<u>\$ 2,252,737</u>	<u>\$ 362,649</u>

Other Long-Term Obligations

<u>Business-Type Activities</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
Other Long-Term Obligations					
Notes payable, LED street lights*	08/12/2013	08/28/2023	0%	\$ 161,226	\$ 26,871
					<u>\$ 26,871</u>

Total business-type activities other long-term obligations
* The debt noted is considered a direct borrowing or direct placement.

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-Type Activities Other Long-Term Obligations	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 16,123	\$ -
2023	10,748	-
Total	<u>\$ 26,871</u>	<u>\$ -</u>

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Other Debt Information

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

Bond Covenant Disclosures

Insurance

The utilities are exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, workers compensation and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

Debt Coverage Sewer Utility

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.1 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2020 as follows:

Operating revenues	\$ 4,790,449
Investment income	9,848
Less operation and maintenance expenses	<u>(1,729,395)</u>
Net defined earnings	<u>\$ 3,070,902</u>
Minimum Required Earnings per Resolution:	
Highest annual debt service 2005 CWF bonds	\$ 753,099
Highest annual debt service 2006 CWF bonds	197,369
Highest annual debt service 2011 CWF bonds	123,598
Highest annual debt service 2013 CWF bonds	200,886
Highest annual debt service 2018 CWF bonds	<u>90,543</u>
Subtotal	1,365,495
Coverage factor	<u>1.10</u>
Minimum required earnings	<u>\$ 1,502,045</u>
Actual Debt Coverage	<u>2.25 %</u>

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Lease Disclosures

Lessee, Capital Leases

In 2017 the stormwater utility acquired capital assets through a lease/purchase agreement. The gross amount of these assets under capital leases is \$244,641, which are included in capital assets in the business-type activities. The future lease payments as of December 31, 2021, are as follows:

<u>Years</u>	<u>Business-Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 66,564	\$ 2,436	\$ 69,000
Total	<u>\$ 66,564</u>	<u>\$ 2,436</u>	<u>\$ 69,000</u>

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2021, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 14,721,581
Construction in progress	139,130
Capital assets, net of accumulated depreciation	24,052,819
Less long-term debt outstanding	(11,350,000)
Plus noncapital debt proceeds	2,105,000
Less unamortized debt premium	<u>(365,296)</u>
Total net investment in capital assets	<u>29,303,234</u>

Restricted:

Debt service	1,107
Trust purposes	224,252
Housing and economic development	1,473,094
Library	576,567
Pension	1,547,198
Capital projects	1,326,337
Park development	117,658
Room Tax	<u>34,462</u>
Total restricted	<u>5,300,675</u>

Unrestricted

3,350,587

Total governmental activities net position

\$ 37,954,496

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2021, include the following:

	<u>General Fund</u>	<u>General Debt Service</u>	<u>General Capital Projects</u>	<u>TIF District No. 6</u>	<u>TID District No. 9</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances							
Nonspendable:							
Prepaid items	\$ 99,986	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,986
Investment in mutual insurance company	200,515	-	-	-	-	-	200,515
Advances	901,555	-	-	-	-	-	901,555
Land held for resale	497,976	-	-	-	-	-	497,976
Subtotal	<u>1,700,032</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,700,032</u>
Restricted for:							
Capital projects	-	-	1,326,337	-	-	-	1,326,337
Public purpose General City expenditures	-	-	-	-	-	200,309	200,309
Recreational and playground purposes	-	-	-	-	-	34,462	34,462
Loans	-	-	-	-	-	23,943	23,943
Library	-	-	-	-	-	1,295,197	1,295,197
Park improvements	-	-	-	-	-	576,567	576,567
Debt service	-	94,537	-	-	-	117,658	117,658
Affordable housing	-	-	-	-	-	-	94,537
Subtotal	<u>-</u>	<u>94,537</u>	<u>1,326,337</u>	<u>-</u>	<u>-</u>	<u>2,426,033</u>	<u>3,846,907</u>
Committed to:							
Sidewalk repairs	-	-	-	-	-	30,494	30,494
Solid waste and recycling activities	-	-	-	-	-	172,746	172,746
Drug education	-	-	-	-	-	31,364	31,364
Recreation	-	-	-	-	-	89,774	89,774
Airport	-	-	-	-	-	1,970	1,970
Defederalized loans cash on hand	-	-	-	-	-	407,793	407,793
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>734,141</u>	<u>734,141</u>
Assigned to:							
Capital projects	238,973	-	-	-	-	272,157	511,130
CIVMIC self-insurance retention	100,000	-	-	-	-	-	100,000
PILOT	729,147	-	-	-	-	-	729,147
Subtotal	<u>1,068,120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>272,157</u>	<u>1,340,277</u>
Unassigned (deficit)	<u>3,534,767</u>	<u>-</u>	<u>-</u>	<u>(182,547)</u>	<u>(200,758)</u>	<u>(234,881)</u>	<u>2,916,581</u>
Total fund balances (deficit)	<u>\$ 6,302,919</u>	<u>\$ 94,537</u>	<u>\$ 1,326,337</u>	<u>\$ (182,547)</u>	<u>\$ (200,758)</u>	<u>\$ 3,197,450</u>	<u>\$ 10,537,938</u>

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Business-Type Activities

Net investment in capital assets:	
Land	\$ 383,905
Construction in progress	1,259,683
Capital assets, net of accumulated depreciation	67,777,038
Less Long-term debt outstanding	(21,857,364)
Plus noncapital debt proceeds	109,645
Less unamortized debt premium	<u>(205,680)</u>
 Total net investment in capital assets	 <u>47,467,227</u>
Restricted:	
Impact fees	63,700
Debt service	1,004,585
Equipment replacement	2,413,035
Pension	1,170,928
Depreciation	<u>981,023</u>
 Total restricted	 <u>5,633,271</u>
 Unrestricted	 <u>25,272,084</u>
 Total business-type activities net position	 <u><u>\$ 78,372,582</u></u>

Segment Information

The government issued revenue bonds to finance its water, electric and communications department, which operates the government's . The water, electric and communications department is accounted for in the utility commission fund, a nonmajor enterprise fund. Summary financial information for the water, electric and communications department is presented below.

Condensed Statement of Revenues, Expenses and Changes in Net Position

	<u>Water Utility</u>	<u>Electric Utility</u>	<u>Communications</u>	<u>Total</u>
Charges for services	\$ 1,634,324	\$ 22,567,112	\$ 6,656,751	\$ 30,858,187
Other operating revenues	119,164	68,429	37,020	224,613
Depreciation expense	(336,774)	(971,249)	(1,389,799)	(2,697,822)
Other operating expenses	<u>(902,700)</u>	<u>(18,993,125)</u>	<u>(3,694,447)</u>	<u>(23,590,272)</u>
 Operating income	 <u>514,014</u>	 <u>2,671,167</u>	 <u>1,609,525</u>	 <u>4,794,706</u>

City of Reedsburg

Notes to Financial Statements
December 31, 2021

	<u>Water Utility</u>	<u>Electric Utility</u>	<u>Communications</u>	<u>Total</u>
Nonoperating Revenues (Expenses)				
Investment earnings	\$ 1,193	\$ 307,047	\$ 2,088	\$ 310,328
Loss on retirement	(1,670)	(498,054)	-	(499,724)
Miscellaneous nonoperating income (expense)	116,662	124	29,252	146,038
Interest and amortization expense	(25,196)	(230)	(334,879)	(360,305)
Amortization of debt premium	-	-	28,450	28,450
Capital contributions	139,015	108,201	312,924	560,140
Payment in lieu of taxes	(245,008)	(484,139)	-	(729,147)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Change in net position	<u>\$ 499,010</u>	<u>\$ 2,104,116</u>	<u>\$ 1,647,360</u>	<u>\$ 4,250,486</u>

Component Units

Community Development Authority of the City of Reedsburg

This report contains the Community Development Authority of the City of Reedsburg (CDA), which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Masurement Focus

The CDA follows the full accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 49,796	\$ 49,796	Custodial credit

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the CDA's deposits may not be returned to the CDA.

The CDA does not have any deposits exposed to custodial credit risk.

See Note 1 for further information on deposit and investment policies.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

c. Cash and Cash Equivalents

For purposes of the statement of cash flows, the component unit considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

d. Property Held for Resale

Property held for resale represents properties purchased by the CDA with the intention to rehabilitate the property and resell it. Amounts are recorded at historical cost to the City.

Herbert H. Webb Trust

This report contains the Herbert H. Webb Trust (trust), which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus

The trust follows the full accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Mutual funds, other than bonds	<u>\$ 3,953,766</u>	<u>\$ 3,953,766</u>	Custodial credit
Total deposits and investments	<u>\$ 3,953,766</u>	<u>\$ 3,953,766</u>	

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

The valuation methods for recurring fair value measurements are as follows:

- Documented trade history in exact security

<u>Investment Type</u>	<u>December 31, 2021</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Mutual funds, other than bonds	<u>\$ 3,953,766</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,953,766</u>
Total	<u>\$ 3,953,766</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,953,766</u>

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the trust's deposits may not be returned to the trust.

The trust does not have any deposits exposed to custodial credit risk.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the trust will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The trust does not have any investments exposed to custodial credit risk.

See Note 1 for further information on deposit and investment policies.

c. **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the component unit considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

4. Other Information

Employees' Retirement System

Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Vesting

For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before 12/31/2016) are entitled to retirement benefit based on a formula factor, their average earnings and creditable service.

Final average earnings is the average of the participant's three highest annual earnings period. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Vested participants may retire at age 55 (50 for protective occupations) and receive an actuarially reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

Post-Retirement Adjustments

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the floor) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, including Teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$523,104 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2021 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (executives & elected officials)	6.75 %	6.75 %
Protective with Social Security	6.75 %	11.65 %
Protective without Social Security	6.75 %	16.25 %

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Pension Asset, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the City reported an asset of \$2,718,126 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the City's proportion was 0.04353782%, which was an increase of 0.00228065% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense of \$(332,105).

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,933,963	\$ 847,368
Changes in assumptions	61,652	-
Net differences between projected and actual earnings on pension plan investments	-	5,103,061
Changes in proportion and differences between employer contributions and proportionate share of contributions	35,364	-
Employer contributions subsequent to the measurement date	<u>572,465</u>	<u>-</u>
Total	<u>\$ 4,603,444</u>	<u>\$ 5,950,429</u>

\$572,465 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2022	\$ (491,027)
2023	(126,183)
2024	(915,373)
2025	(386,867)

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Actuarial Assumptions

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1%-5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-Retirement Adjustments*:	1.9%

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total Pension Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Long-Term Expected Return on Plan Assets

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. 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 asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.3
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	115	6.6	4.1
Variable Fund Asset Class			
U.S Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

Single Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00%. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the investment rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension asset calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension asset 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:

	<u>1% Decrease to Discount Rate (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase to Discount Rate (8.00%)</u>
City's proportionate share of the net pension liability (asset)	\$ 2,587,279	\$ (2,718,126)	\$ (6,614,907)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

At December 31, 2021, the City reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Public Entity Risk Pool

Wisconsin Municipal Insurance Commission (WMIC) Cities and Villages Mutual Insurance Company (CVMIC)

The WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August, 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC, and has numerous cities and villages as members.

The CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC.

The CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The City's share of such losses is approximately 0%.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The City does not exercise any control over the activities of the agencies beyond the election of the officers and board.

Financial statements of WMIC and CVMIC can be obtained directly from CVMIC's offices.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

The initial investment in WMIC is refundable upon withdrawal from the commission and has been reported at the original amount of \$0 in the general fund.

The City pays an annual premium to CVMIC for its general liability insurance, which provides coverage up to \$5,000,000 per occurrence, less the City's retained liability. The City's retained liability is limited to \$37,500 per occurrence and an annual aggregate limit of \$150,000. A total liability of approximately \$0 at December 31, 2021, was recorded as claims payable in the general fund.

Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

Long-Term Contracts, WPPI Energy

The electric utility is one of 51 WPPI Energy member municipalities located throughout the States of Wisconsin, Michigan and Iowa. On December 1, 1989, each initial WPPI Energy member commenced purchasing electric service from WPPI Energy under a long-term Power Supply Contract for Participating Members (long-term contract). Under the long-term contract, WPPI Energy is obligated to provide and sell, and each member is obligated to take and pay for, the electric power and energy required for the operation of each member's electric utility.

The long-term contract requires all WPPI Energy members to pay for power and energy requirements supplied or made available by WPPI Energy at rates sufficient to cover WPPI Energy's revenue requirement including power supply costs, administrative expenses and debt service. WPPI Energy's subsequent year's operating budget and rates are approved annually by its Board of Directors, consisting of representatives from each member. The members have agreed to charge rates to retail customers sufficient to meet their WPPI Energy obligations. The long-term contract provides that all payments to WPPI Energy constitute operating expenses of the utility payable from any operating and maintenance fund established for that system.

Fifty members, representing approximately 99.8% of WPPI Energy's existing load, have long-term contracts through December 31, 2055. The remaining member has a long-term contract through December 31, 2037.

WPPI Energy's outstanding debt service obligation to be paid by its members through their wholesale power charges through the remainder of the long-term contract was \$291 million as of December 31, 2021.

City of Reedsburg

Notes to Financial Statements
December 31, 2021

Joint Ventures

The City of Reedsburg and the Town of Winfield, Town of Washington, Town of Reedsburg, Town of Westfield, Town of Seven Mile Creek, Town of Dellona, Town of LaValle, Town of North Freedom, Town of Excelsior, Village of Lime Ridge, Village of LaValle and the Village of Loganville jointly operate the local ambulance service, which is called the Reedsburg Area Ambulance Service, Inc. The communities share in the annual operation of the district based on the ratio of populations.

The governing body is made up of citizens from each community. Local representatives are appointed by the mayor. The governing body has authority to adopt its own budget and control the financial affairs of the district. The City made a payment totaling \$116,136 to the district for 2021. The City believes that the district will continue to provide services in the future at similar rates. The City does not have an equity interest in the joint venture.

Financial information of the district is available directly from the district's office. The transactions of the district are not reflected in these financial statements.

Economic Dependency

Utility Commission

The electric utility has one significant customer who was responsible for 29% of operating revenues in 2021.

Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 87, *Leases*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

City of Reedsburg

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Taxes			
General property taxes	\$ 3,821,131	\$ 3,821,131	\$ -
Mobile home taxes	104,000	108,960	4,960
Room taxes	2,000	2,377	377
Payments in lieu of taxes	130,000	124,830	(5,170)
Interest on delinquent taxes	500	96	(404)
Other taxes	-	2,839	2,839
Total taxes	<u>4,057,631</u>	<u>4,060,233</u>	<u>2,602</u>
Intergovernmental Revenues			
State shared revenues	733,590	721,926	(11,664)
Fire insurance tax from state	25,000	31,664	6,664
State aid, exempt computers	17,899	17,899	-
State aid, law enforcement training	15,000	15,587	587
State aid, road allotment	458,294	520,256	61,962
State aid, connecting streets	49,637	49,853	216
Other state payments	-	7,218	7,218
State aid, aid to state facilities	4,500	-	(4,500)
State aid, personal property aid	62,837	58,144	(4,693)
Federal aid, flooding	-	726,810	726,810
Total intergovernmental revenues	<u>1,366,757</u>	<u>2,149,357</u>	<u>782,600</u>
Licenses and Permits			
Liquor and malt beverage	20,000	14,250	(5,750)
Operators' license	10,000	8,100	(1,900)
Cigarette licenses	1,600	1,200	(400)
Amusement device licenses	550	455	(95)
Mobile home park licenses	650	702	52
Cable television franchise fees	155,000	109,155	(45,845)
Recycling	25	-	(25)
Bicycle licenses	60	40	(20)
Dog and cat licenses	6,500	7,234	734
Transient licenses	100	-	(100)
Building permits	50,000	29,722	(20,278)
Electrical permits	10,000	9,721	(279)
Plumbing permits	7,500	5,489	(2,011)
Other permits	283	488	205
Zoning permits and fees	2,500	4,912	2,412
State permit seals	800	1,400	600
Total licenses and permits	<u>265,568</u>	<u>192,868</u>	<u>(72,700)</u>
Fines and Forfeitures			
Parking violations	-	13,631	13,631
Other law and ordinance violations	-	160	160
Total fines and forfeitures	<u>-</u>	<u>13,791</u>	<u>13,791</u>

See notes to required supplementary information

City of Reedsburg

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Public Charges for Services			
Special assessment search	\$ 6,000	\$ 9,125	\$ 3,125
Clerk and treasurer fees	1,300	732	(568)
License publication fees	1,000	875	(125)
Land use inquiries	5,500	6,504	1,004
Photocopies	2,000	445	(1,555)
Police fees	26,800	64,666	37,866
Adult volleyball fees	900	825	(75)
Weed and nuisance control	8,000	1,686	(6,314)
Swimming pools	38,000	47,648	9,648
Parks	17,500	17,448	(52)
Other recreation programs	30,700	25,938	(4,762)
Youth soccer program	1,500	1,650	150
Youth tennis program	200	65	(135)
Registration fees	7,500	1,455	(6,045)
Bid security deposits	175	30	(145)
Trees	600	2,525	1,925
Sale of materials	-	200	200
Weed and nuisance control	2,500	3,276	776
Total public charges for services	<u>150,175</u>	<u>185,093</u>	<u>34,918</u>
Intergovernmental Charges for Services			
Local government services	<u>146,050</u>	<u>161,171</u>	<u>15,121</u>
Total intergovernmental charges for services	<u>146,050</u>	<u>161,171</u>	<u>15,121</u>
Investment Income			
Investment income	56,000	303,069	247,069
Interest on City billings	1,000	253	(747)
Total investment income	<u>57,000</u>	<u>303,322</u>	<u>246,322</u>
Miscellaneous			
Donations	12,000	18,000	6,000
Workers compensation dividends	30,000	42,477	12,477
Rent	24,500	28,554	4,054
Other miscellaneous	3,891	27,123	23,232
Total miscellaneous	<u>70,391</u>	<u>116,154</u>	<u>45,763</u>
Other Financing Sources			
Property sales	15,000	14,915	(85)
Transfers in	910,000	736,734	(173,266)
Total other financing sources	<u>925,000</u>	<u>751,649</u>	<u>(173,351)</u>
Total revenues	<u>7,038,572</u>	<u>7,933,638</u>	<u>895,066</u>

See notes to required supplementary information

City of Reedsburg

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Expenditures			
General Government			
Council	\$ 31,070	\$ 30,305	\$ 765
Legal	53,000	48,232	4,768
Mayor	9,074	9,584	(510)
Administrator	138,436	148,563	(10,127)
Legislative support	85,739	100,773	(15,034)
Financial management	138,682	141,451	(2,769)
Assessment of property	47,500	46,131	1,369
GIS/mapping	21,512	22,037	(525)
Buildings and plant	86,850	146,426	(59,576)
Other general government	443,484	453,268	(9,784)
Total general government	<u>1,055,347</u>	<u>1,146,770</u>	<u>(91,423)</u>
Public Safety			
Police	2,401,753	2,436,187	(34,434)
Fire protection	255,939	249,001	6,938
Hydrant rental	306,749	321,030	(14,281)
Ambulance	116,136	116,136	-
Building inspection	59,313	57,456	1,857
Emergency government	8,500	8,307	193
Emergency communication (911)	619,266	581,727	37,539
Total public safety	<u>3,767,656</u>	<u>3,769,844</u>	<u>(2,188)</u>
Health and Human Services			
Regulation and inspection	-	3,900	(3,900)
Animal control	150	-	150
Cemetery	20,000	20,000	-
Total health and human services	<u>20,150</u>	<u>23,900</u>	<u>(3,750)</u>
Public Works			
General public works	5,000	69,066	(64,066)
Engineering	145,465	138,670	6,795
Machinery	221,399	246,098	(24,699)
Garages and sheds	43,936	31,904	12,032
Street maintenance	405,585	278,505	127,080
Sidewalks	10,984	8,955	2,029
Parking lot	2,000	1,837	163
Tree and brush removal	21,968	25,032	(3,064)
Traffic control	35,821	34,791	1,030
Snow and ice control	191,399	182,753	8,646
Street lighting	155,000	171,259	(16,259)
Total public works	<u>1,238,557</u>	<u>1,188,870</u>	<u>49,687</u>

See notes to required supplementary information

City of Reedsburg

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Culture, Recreation and Education			
Parks	\$ 408,134	\$ 308,037	\$ 100,097
Recreation	60,350	40,785	19,565
Recreation administration	58,284	68,496	(10,212)
Celebration and entertainment	5,500	4,086	1,414
Recreation facilities	36,500	42,502	(6,002)
Swimming areas	101,297	107,443	(6,146)
Art	-	19,775	(19,775)
	<u>670,065</u>	<u>591,124</u>	<u>78,941</u>
Total culture, recreation and education			
	<u>670,065</u>	<u>591,124</u>	<u>78,941</u>
Conservation and Development			
Tree planting	30,000	37,587	(7,587)
Nuisance control	2,000	1,068	932
Planning	51,798	50,711	1,087
Historic preservation	3,000	460	2,540
Economic development	38,000	25,019	12,981
Industrial development	25,000	53,273	(28,273)
Other conservation and development	10,000	1,019,826	(1,009,826)
	<u>159,798</u>	<u>1,187,944</u>	<u>(1,028,146)</u>
Total conservation and development			
	<u>159,798</u>	<u>1,187,944</u>	<u>(1,028,146)</u>
Total expenditures	<u>6,911,573</u>	<u>7,908,452</u>	<u>(996,879)</u>
Net change in fund balance	126,999	25,186	(101,813)
Fund Balance, Beginning	<u>6,277,733</u>	<u>6,277,733</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 6,404,732</u>	<u>\$ 6,302,919</u>	<u>\$ (101,813)</u>

See notes to required supplementary information

City of Reedsburg

Schedule of Proportionate Share of the Net Pension Liability/(Asset) -
 Wisconsin Retirement System
 Year Ended December 31, 2021

Fiscal Year Ending	Proportion of the Net Pension Liability/(Asset)	Proportionate Share of the Net Pension Liability/(Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/21	0.04353782%	\$ (2,718,126)	\$ 6,560,274	41.43%	105.26%
12/31/20	0.04125717%	(1,330,319)	5,953,510	22.35%	102.96%
12/31/19	0.03962762%	1,409,826	5,538,283	25.46%	96.45%
12/31/18	0.03855570%	(1,144,764)	5,211,314	21.97%	102.93%
12/31/17	0.03831581%	315,814	4,959,220	6.37%	99.12%
12/31/16	0.03880459%	630,567	4,957,808	12.72%	98.20%
12/31/15	0.03905310%	(958,988)	4,956,357	19.35%	102.74%

Schedule of Employer Contributions - Wisconsin Retirement System
 Year Ended December 31, 2021

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/21	\$ 572,465	\$ 572,465	\$ -	\$ 7,214,901	7.93%
12/31/20	523,103	523,103	-	6,560,275	7.97%
12/31/19	448,100	448,100	-	5,953,511	7.53%
12/31/18	424,504	424,504	-	5,538,283	7.66%
12/31/17	401,641	401,641	-	5,456,920	7.36%
12/31/16	361,343	361,343	-	4,952,868	7.30%
12/31/15	367,750	367,750	-	4,957,808	7.42%

See notes to the required supplementary information

City of Reedsburg

Notes to Required Supplementary Information
Year Ended December 31, 2021

Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.

The budgeted amounts presented are as presented in the original budget and no amendments were adopted during the year. The City may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds council action.

Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the department level of expenditure.

Wisconsin Retirement System

The amounts determined for each fiscal year were determined as of the calendar year-end and occurred within the fiscal year.

The City is required to present the last ten years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in assumptions. No significant change in assumptions were noted from the prior year.

SUPPLEMENTARY INFORMATION

City of Reedsburg

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2021

	Special Revenue Funds				
	<u>Taxi Grant Fund</u>	<u>Park Fund</u>	<u>Triathlon Fund</u>	<u>DARE Fund</u>	<u>Webb Endowment Fund</u>
Assets					
Cash and investments	\$ -	\$ 117,658	\$ 35,614	\$ 31,364	\$ 173,400
Receivables:					
Taxes receivable	-	-	-	-	-
Customer accounts receivable	-	-	-	-	-
Loans	-	-	-	-	-
Due from other governments	37,892	-	-	-	-
Due from component units	-	-	-	-	26,909
Total assets	<u>\$ 37,892</u>	<u>\$ 117,658</u>	<u>\$ 35,614</u>	<u>\$ 31,364</u>	<u>\$ 200,309</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 400	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Advances from other funds	43,430	-	-	-	-
Total liabilities	<u>43,430</u>	<u>-</u>	<u>400</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Unearned revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)					
Restricted	-	117,658	-	-	200,309
Committed	-	-	35,214	31,364	-
Assigned	-	-	-	-	-
Unassigned (deficit)	<u>(5,538)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>(5,538)</u>	<u>117,658</u>	<u>35,214</u>	<u>31,364</u>	<u>200,309</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 37,892</u>	<u>\$ 117,658</u>	<u>\$ 35,614</u>	<u>\$ 31,364</u>	<u>\$ 200,309</u>

Special Revenue Funds

Nishan Park Concession Stand Fund	Room Tax Fund	CDBG Fund	HCRI Fund	Home Loan Fund	CLOSE	Sidewalk Repair Fund
\$ 15,940	\$ 34,462	\$ 438,070	\$ 34,960	\$ 42,167	\$ 291,778	\$ 30,494
-	-	-	-	-	-	837
-	-	-	-	-	-	-
-	-	730,621	5,000	46,742	116,359	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 15,940</u>	<u>\$ 34,462</u>	<u>\$ 1,168,691</u>	<u>\$ 39,960</u>	<u>\$ 88,909</u>	<u>\$ 408,137</u>	<u>\$ 31,331</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	344	-
-	-	2,363	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	<u>2,363</u>	-	-	<u>344</u>	-
-	-	-	-	-	-	837
-	-	-	-	-	-	837
-	34,462	1,166,328	39,960	88,909	-	-
15,940	-	-	-	-	407,793	30,494
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>15,940</u>	<u>34,462</u>	<u>1,166,328</u>	<u>39,960</u>	<u>88,909</u>	<u>407,793</u>	<u>30,494</u>
<u>\$ 15,940</u>	<u>\$ 34,462</u>	<u>\$ 1,168,691</u>	<u>\$ 39,960</u>	<u>\$ 88,909</u>	<u>\$ 408,137</u>	<u>\$ 31,331</u>

City of Reedsburg

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2021

	Special Revenue Funds				
	Solid Waste Fund	Mannigal Endowment Fund	Library - County Funding	Library - Investment	Popple Trail Donations
Assets					
Cash and investments	\$ 172,746	\$ 23,943	\$ 238,770	\$ 360,361	\$ 6,000
Receivables:					
Taxes receivable	422,004	-	472,000	-	-
Customer accounts receivable	-	-	-	-	-
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from component units	-	-	-	-	-
Total assets	<u>\$ 594,750</u>	<u>\$ 23,943</u>	<u>\$ 710,770</u>	<u>\$ 360,361</u>	<u>\$ 6,000</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 4,516	\$ -	\$ -
Accrued liabilities	-	-	18,048	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>22,564</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Unearned revenue	<u>422,004</u>	<u>-</u>	<u>472,000</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>422,004</u>	<u>-</u>	<u>472,000</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)					
Restricted	-	23,943	216,206	360,361	-
Committed	172,746	-	-	-	6,000
Assigned	-	-	-	-	-
Unassigned (deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances (deficit)	<u>172,746</u>	<u>23,943</u>	<u>216,206</u>	<u>360,361</u>	<u>6,000</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 594,750</u>	<u>\$ 23,943</u>	<u>\$ 710,770</u>	<u>\$ 360,361</u>	<u>\$ 6,000</u>

Special Revenue Funds					Capital Projects Funds	
Fireworks Fund	Airport	Municipal Courts	American Rescue Plan Act	Affordable Housing Fund	TIF District No. 3	TIF District No. 4
\$ 32,620	\$ 2,029	\$ -	\$ 498,275	\$ 177,897	\$ -	\$ -
14,500	71,598	-	-	-	-	299,526
-	720	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 47,120</u>	<u>\$ 74,347</u>	<u>\$ -</u>	<u>\$ 498,275</u>	<u>\$ 177,897</u>	<u>\$ -</u>	<u>\$ 299,526</u>
\$ -	\$ 421	\$ 6,834	\$ -	\$ -	\$ -	\$ -
-	358	4,672	-	-	-	-
-	-	-	-	-	-	-
-	-	-	498,275	-	-	-
-	-	111,242	-	-	-	-
-	779	122,748	498,275	-	-	-
14,500	71,598	-	-	-	-	299,526
14,500	71,598	-	-	-	-	299,526
-	-	-	-	177,897	-	-
32,620	1,970	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(122,748)	-	-	-	-
32,620	1,970	(122,748)	-	177,897	-	-
<u>\$ 47,120</u>	<u>\$ 74,347</u>	<u>\$ -</u>	<u>\$ 498,275</u>	<u>\$ 177,897</u>	<u>\$ -</u>	<u>\$ 299,526</u>

City of Reedsburg

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2021

	Capital Projects Funds				
	TIF District No. 5	TIF District No. 7	TIF District No. 8	TIF District No. 10	Capital Equipment Fund
Assets					
Cash and investments	\$ -	\$ 3,693	\$ -	\$ -	\$ 351,779
Receivables:					
Taxes receivable	-	-	59,588	-	196,800
Customer accounts receivable	-	-	-	-	-
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from component units	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 3,693</u>	<u>\$ 59,588</u>	<u>\$ -</u>	<u>\$ 548,579</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 3,693	\$ -	\$ 5,924	\$ 79,622
Accrued liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Advances from other funds	-	-	85,520	15,151	-
Total liabilities	<u>-</u>	<u>3,693</u>	<u>85,520</u>	<u>21,075</u>	<u>79,622</u>
Deferred Inflows of Resources					
Unearned revenue	-	-	59,588	-	196,800
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>59,588</u>	<u>-</u>	<u>196,800</u>
Fund Balances (Deficit)					
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	272,157
Unassigned (deficit)	-	-	(85,520)	(21,075)	-
Total fund balances (deficit)	<u>-</u>	<u>-</u>	<u>(85,520)</u>	<u>(21,075)</u>	<u>272,157</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 3,693</u>	<u>\$ 59,588</u>	<u>\$ -</u>	<u>\$ 548,579</u>

**Total
Nonmajor
Governmental
Funds**

\$ 3,114,020
1,536,853
720
898,722
37,892
26,909
\$ 5,615,116

\$ 101,410
23,422
2,363
498,275
255,343
880,813

1,536,853

1,536,853

2,426,033
734,141
272,157
(234,881)

3,197,450

\$ 5,615,116

City of Reedsburg

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended December 31, 2021

	Special Revenue Funds				
	Taxi Grant Fund	Park Fund	Triathlon Fund	DARE Fund	Webb Endowment Fund
Revenues					
Taxes	\$ 18,500	\$ -	\$ -	\$ -	\$ -
Intergovernmental	184,210	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Public charges for services	-	45,128	3,000	-	-
Special assessments	-	-	-	-	-
Investment income	-	11	-	-	42,097
Miscellaneous revenues	3,590	-	-	21,061	4,427
Total revenues	<u>206,300</u>	<u>45,139</u>	<u>3,000</u>	<u>21,061</u>	<u>46,524</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	2,491	-
Public works	193,793	-	-	-	-
Culture, recreation and education	-	36,053	2,253	-	-
Conservation and development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>193,793</u>	<u>36,053</u>	<u>2,253</u>	<u>2,491</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>12,507</u>	<u>9,086</u>	<u>747</u>	<u>18,570</u>	<u>46,524</u>
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	12,507	9,086	747	18,570	46,524
Fund Balances (Deficit), Beginning	<u>(18,045)</u>	<u>108,572</u>	<u>34,467</u>	<u>12,794</u>	<u>153,785</u>
Fund Balances (Deficit), Ending	<u>\$ (5,538)</u>	<u>\$ 117,658</u>	<u>\$ 35,214</u>	<u>\$ 31,364</u>	<u>\$ 200,309</u>

Special Revenue Funds

Nishan Park Concession Stand Fund	Room Tax Fund	CDBG Fund	HCRI Fund	Home Loan Fund	CLOSE	Sidewalk Repair Fund
\$ -	\$ 95,100	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,295	-	-	-	-	-	-
-	-	-	-	-	-	6,605
-	-	284	316	42	-	-
-	-	-	-	-	-	-
<u>1,295</u>	<u>95,100</u>	<u>284</u>	<u>316</u>	<u>42</u>	<u>-</u>	<u>6,605</u>
-	-	-	-	-	428	-
-	-	-	-	-	-	-
-	-	-	-	-	-	4,439
-	22,550	-	-	-	-	-
-	76,070	79,686	-	11,850	77,616	-
-	-	-	-	-	-	-
-	<u>98,620</u>	<u>79,686</u>	<u>-</u>	<u>11,850</u>	<u>78,044</u>	<u>4,439</u>
<u>1,295</u>	<u>(3,520)</u>	<u>(79,402)</u>	<u>316</u>	<u>(11,808)</u>	<u>(78,044)</u>	<u>2,166</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,295	(3,520)	(79,402)	316	(11,808)	(78,044)	2,166
<u>14,645</u>	<u>37,982</u>	<u>1,245,730</u>	<u>39,644</u>	<u>100,717</u>	<u>485,837</u>	<u>28,328</u>
<u>\$ 15,940</u>	<u>\$ 34,462</u>	<u>\$ 1,166,328</u>	<u>\$ 39,960</u>	<u>\$ 88,909</u>	<u>\$ 407,793</u>	<u>\$ 30,494</u>

City of Reedsburg

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended December 31, 2021

	Special Revenue Funds				
	Solid Waste Fund	Mannigal Endowment Fund	Library - County Funding	Library - Investment	Popple Trail Donations
Revenues					
Taxes	\$ -	\$ -	\$ 468,000	\$ -	\$ -
Intergovernmental	10,540	-	278,531	-	-
Fines and forfeitures	-	-	-	-	-
Public charges for services	421,307	-	9,272	-	-
Special assessments	-	-	-	-	-
Investment income	-	15	-	1,269	-
Miscellaneous revenues	-	-	3,816	7,739	-
Total revenues	<u>431,847</u>	<u>15</u>	<u>759,619</u>	<u>9,008</u>	<u>-</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	450,171	-	-	-	-
Culture, recreation and education	-	-	717,604	74	-
Conservation and development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>450,171</u>	<u>-</u>	<u>717,604</u>	<u>74</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(18,324)</u>	<u>15</u>	<u>42,015</u>	<u>8,934</u>	<u>-</u>
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(18,324)</u>	<u>15</u>	<u>42,015</u>	<u>8,934</u>	<u>-</u>
Fund Balances (Deficit), Beginning	<u>191,070</u>	<u>23,928</u>	<u>174,191</u>	<u>351,427</u>	<u>6,000</u>
Fund Balances (Deficit), Ending	<u>\$ 172,746</u>	<u>\$ 23,943</u>	<u>\$ 216,206</u>	<u>\$ 360,361</u>	<u>\$ 6,000</u>

Special Revenue Funds					Capital Projects Funds	
Fireworks Fund	Airport	Municipal Courts	American Rescue Plan Act	Affordable Housing Fund	TIF District No. 3	TIF District No. 4
\$ 14,500	\$ 67,760	\$ -	\$ -	\$ -	\$ 87,464	\$ 327,715
-	34,100	-	-	-	3,579	17,157
-	-	256,755	-	-	-	-
500	94,549	-	-	-	-	-
-	-	-	-	-	-	9,406
-	-	-	-	-	-	-
-	10,608	-	-	-	-	-
<u>15,000</u>	<u>207,017</u>	<u>256,755</u>	<u>-</u>	<u>-</u>	<u>91,043</u>	<u>354,278</u>
-	-	267,902	-	-	6,025	525
-	-	-	-	-	-	-
-	195,273	-	-	-	-	-
17,535	-	-	-	-	-	-
-	-	-	-	-	-	1,776
-	-	10,000	-	-	-	-
<u>17,535</u>	<u>195,273</u>	<u>277,902</u>	<u>-</u>	<u>-</u>	<u>6,025</u>	<u>2,301</u>
<u>(2,535)</u>	<u>11,744</u>	<u>(21,147)</u>	<u>-</u>	<u>-</u>	<u>85,018</u>	<u>351,977</u>
-	-	-	-	177,897	-	-
-	-	-	-	-	(85,018)	(351,977)
-	-	-	-	177,897	(85,018)	(351,977)
(2,535)	11,744	(21,147)	-	177,897	-	-
<u>35,155</u>	<u>(9,774)</u>	<u>(101,601)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 32,620</u>	<u>\$ 1,970</u>	<u>\$ (122,748)</u>	<u>\$ -</u>	<u>\$ 177,897</u>	<u>\$ -</u>	<u>\$ -</u>

City of Reedsburg

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 Year Ended December 31, 2021

	Capital Projects Funds				
	TIF District No. 5	TIF District No. 7	TIF District No. 8	TIF District No. 10	Capital Equipment Fund
Revenues					
Taxes	\$ 77,412	\$ 18,302	\$ 77,863	\$ -	\$ 350,600
Intergovernmental	3,190	-	791	-	-
Fines and forfeitures	-	-	-	-	-
Public charges for services	-	-	-	-	-
Special assessments	-	-	-	-	-
Investment income	-	-	-	-	-
Miscellaneous revenues	-	-	24,056	-	-
Total revenues	<u>80,602</u>	<u>18,302</u>	<u>102,710</u>	<u>-</u>	<u>350,600</u>
Expenditures					
Current:					
General government	6,025	8,235	525	845	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture, recreation and education	-	-	-	-	-
Conservation and development	-	3,694	5,695	14,446	-
Capital outlay	-	-	-	5,784	353,702
Total expenditures	<u>6,025</u>	<u>11,929</u>	<u>6,220</u>	<u>21,075</u>	<u>353,702</u>
Excess (deficiency) of revenues over expenditures	<u>74,577</u>	<u>6,373</u>	<u>96,490</u>	<u>(21,075)</u>	<u>(3,102)</u>
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	<u>(74,577)</u>	<u>(20,889)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(74,577)</u>	<u>(20,889)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(14,516)	96,490	(21,075)	(3,102)
Fund Balances (Deficit), Beginning	<u>-</u>	<u>14,516</u>	<u>(182,010)</u>	<u>-</u>	<u>275,259</u>
Fund Balances (Deficit), Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (85,520)</u>	<u>\$ (21,075)</u>	<u>\$ 272,157</u>

**Total
Nonmajor
Governmental
Funds**

\$ 1,603,216
532,098
256,755
575,051
16,011
44,034
75,297

3,102,462

290,510
2,491
843,676

796,069

270,833
369,486

2,573,065

529,397

177,897
(532,461)

(354,564)

174,833

3,022,617

\$ 3,197,450

City of Reedsburg

Statement of Cash Flows

Component Units

Year Ended December 31, 2021

	Community Development Authority	Herbert H Webb Trust	Total
Cash Flows From Operating Activities			
Paid to primary government	\$ -	\$ (45,492)	\$ (45,492)
Paid to suppliers for goods and services	(12,317)	(37,220)	(49,537)
Net cash flows from operating activities	<u>(12,317)</u>	<u>(82,712)</u>	<u>(95,029)</u>
Cash Flows From Investing Activities			
Investments sold and matured	-	60,784	60,784
Investment income	8,542	112,794	121,336
Investments purchased	-	(73,862)	(73,862)
Net cash flows from investing activities	<u>8,542</u>	<u>99,716</u>	<u>108,258</u>
Net change in cash and cash equivalents	(3,775)	17,004	13,229
Cash and Cash Equivalents, Beginning	<u>53,571</u>	<u>80,632</u>	<u>134,203</u>
Cash and Cash Equivalents, Ending	<u>\$ 49,796</u>	<u>\$ 97,636</u>	<u>\$ 147,432</u>
Reconciliation of Operating Loss to Net Cash Flows From Operating Activities			
Operating loss	\$ (13,008)	\$ (79,317)	\$ (92,325)
Changes in assets and liabilities:			
Accounts receivable	691	-	691
Due to primary government	-	(3,395)	(3,395)
Net cash flows from operating activities	<u>\$ (12,317)</u>	<u>\$ (82,712)</u>	<u>\$ (95,029)</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position			
Cash and investments, statement of net position	\$ 49,796	\$ 3,953,766	\$ 4,003,562
Less noncash equivalents	-	(3,856,130)	(3,856,130)
Cash and cash equivalents	<u>\$ 49,796</u>	<u>\$ 97,636</u>	<u>\$ 147,432</u>
Noncash Investing Activities			
Unrealized gain on investments	<u>\$ -</u>	<u>\$ 373,393</u>	