

# **Village of Kewaskum**

Financial Statements and  
Supplementary Information

December 31, 2021

# Village of Kewaskum

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December 31, 2021

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## **Independent Auditors' Report**

To the Village Board of  
Village of Kewaskum

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Kewaskum (the Village), as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village 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). 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 Village 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.

### **Other Matters**

#### ***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 Village'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 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, 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 Village'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 Village'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 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 Village'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.

*Baker Tilly US, LLP*

Milwaukee, Wisconsin  
July 21, 2022

# Village of Kewaskum

Statement of Net Position  
December 31, 2021

	<b>Governmental Activities</b>	<b>Business- Type Activities</b>	<b>Total</b>
<b>Assets and Deferred Outflows of Resources</b>			
<b>Assets</b>			
Cash and investments	\$ 842,951	\$ 1,801,077	\$ 2,644,028
Receivables (net):			
Taxes	2,793,346	26,501	2,819,847
Accounts	133,730	451,044	584,774
Special assessments	15,834	35,102	50,936
Internal balances	2,474,651	(2,474,651)	-
Inventories and prepaid items	-	18,368	18,368
Restricted:			
Cash and investments	402,800	778,090	1,180,890
Net pension asset	521,970	115,270	637,240
Capital assets:			
Land	1,236,599	42,298	1,278,897
Construction in progress	73,778	-	73,778
Other capital assets, net of depreciation	11,263,137	23,211,963	34,475,100
Total assets	<u>19,758,796</u>	<u>24,005,062</u>	<u>43,763,858</u>
<b>Deferred Outflows of Resources</b>			
Unamortized loss on refunding	394,584	89,155	483,739
Pension related amounts	771,542	293,446	1,064,988
Total deferred outflows of resources	<u>1,166,126</u>	<u>382,601</u>	<u>1,548,727</u>
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>			
<b>Liabilities</b>			
Accounts payable	105,671	1,227,709	1,333,380
Accrued liabilities and deposits	75,246	80,674	155,920
Unearned revenue	213,457	148,096	361,553
Noncurrent liabilities:			
Due within one year	957,739	946,133	1,903,872
Due in more than one year	5,720,744	5,175,050	10,895,794
Total liabilities	<u>7,072,857</u>	<u>7,577,662</u>	<u>14,650,519</u>
<b>Deferred Inflows of Resources</b>			
Property taxes receivable for subsequent year	2,784,991	-	2,784,991
Pension related amounts	1,047,469	348,430	1,395,899
Total deferred inflows of resources	<u>3,832,460</u>	<u>348,430</u>	<u>4,180,890</u>
<b>Net Position</b>			
Net investment in capital assets	8,078,194	17,416,536	23,858,377
Restricted for:			
Impact fees	-	50,729	50,729
Equipment replacement	-	437,295	437,295
Debt service	2,334,795	78,430	2,413,225
Permanent fund	6,309	-	6,309
Pension	521,970	115,270	637,240
Library operations and expansion	783,716	-	783,716
Unrestricted (deficit)	(1,705,380)	(1,636,689)	(1,705,716)
Total net position	<u>\$ 10,019,604</u>	<u>\$ 16,461,571</u>	<u>\$ 26,481,175</u>

See notes to financial statements

# Village of Kewaskum

## Statement of Activities

Year Ended December 31, 2021

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 498,973	\$ 90,960	\$ 991	\$ -	\$ (407,022)	\$ -	\$ (407,022)
Public safety	1,401,987	429,035	83,086	-	(889,866)	-	(889,866)
Public works	1,057,110	47,251	212,749	25,304	(771,806)	-	(771,806)
Health and human services	4,921	-	-	-	(4,921)	-	(4,921)
Culture, education and recreation	413,829	36,633	75,334	-	(301,862)	-	(301,862)
Conservation and development	23,228	1,188	-	-	(22,040)	-	(22,040)
Interest and fiscal charges	333,195	-	-	-	(333,195)	-	(333,195)
Total governmental activities	<u>3,733,243</u>	<u>605,067</u>	<u>372,160</u>	<u>25,304</u>	<u>(2,730,712)</u>	<u>-</u>	<u>(2,730,712)</u>
Business-type activities:							
Water utility	599,208	872,910	-	-	-	273,702	273,702
Sewer utility	1,166,464	1,420,468	-	33,847	-	287,851	287,851
Total business-type activities	<u>1,765,672</u>	<u>2,293,378</u>	<u>-</u>	<u>33,847</u>	<u>-</u>	<u>561,553</u>	<u>561,553</u>
Total	<u>\$ 5,498,915</u>	<u>\$ 2,898,445</u>	<u>\$ 372,160</u>	<u>\$ 59,151</u>	<u>(2,730,712)</u>	<u>561,553</u>	<u>(2,169,159)</u>
<b>General Revenues</b>							
Taxes							
Property taxes, levied for general purposes					1,543,796	-	1,543,796
Property taxes, levied for debt service					663,682	-	663,682
Property taxes, levied for TIF District					452,912	-	452,912
Property taxes, levied for the library					121,555	-	121,555
Intergovernmental revenues not restricted to specific programs					306,579	-	306,579
Public gifts and grants					17,500	-	17,500
Investment income					93,403	2,754	96,157
Gain on disposal of assets					325	-	325
Miscellaneous					40,496	-	40,496
Total general revenues					<u>3,240,248</u>	<u>2,754</u>	<u>3,243,002</u>
Transfers					<u>134,051</u>	<u>(134,051)</u>	<u>-</u>
Change in net position					643,587	430,256	1,073,843
<b>Net Position, Beginning</b>					<u>9,376,017</u>	<u>16,031,315</u>	<u>25,407,332</u>
<b>Net Position, Ending</b>					<u>\$ 10,019,604</u>	<u>\$ 16,461,571</u>	<u>\$ 26,481,175</u>

See notes to financial statements

# Village of Kewaskum

Balance Sheet  
 Governmental Funds  
 December 31, 2021

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>General Capital Projects Fund</u>	<u>TID #2 Capital Projects Fund</u>
<b>Assets</b>				
Cash and investments	\$ (969,637)	\$ 609,925	\$ 354,852	\$ -
Receivables:				
Taxes	1,552,990	636,931	-	476,122
Accounts	7,419	-	-	-
Special assessments	14,974	-	-	860
Restricted cash and investments	-	-	-	-
Advances to other funds	<u>3,444,174</u>	<u>1,758,540</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 4,049,920</u>	<u>\$ 3,005,396</u>	<u>\$ 354,852</u>	<u>\$ 476,982</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 98,802	\$ -	\$ -	\$ 3,570
Accrued liabilities	36,722	-	-	-
Unearned revenue	-	-	-	-
Advances from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,728,063</u>
Total liabilities	<u>135,524</u>	<u>-</u>	<u>-</u>	<u>2,731,633</u>
<b>Deferred Inflows of Resources</b>				
Property taxes receivable for subsequent year	1,545,080	636,931	-	475,720
Unavailable revenues	<u>14,975</u>	<u>-</u>	<u>-</u>	<u>3,309</u>
Total deferred inflows of resources	<u>1,560,055</u>	<u>636,931</u>	<u>-</u>	<u>479,029</u>
<b>Fund Balances (Deficit)</b>				
Nonspendable	3,449,104	-	-	-
Restricted	-	2,368,465	-	-
Committed	-	-	-	-
Assigned	-	-	354,852	-
Unassigned (deficit)	<u>(1,094,763)</u>	<u>-</u>	<u>-</u>	<u>(2,733,680)</u>
Total fund balances (deficit)	<u>2,354,341</u>	<u>2,368,465</u>	<u>354,852</u>	<u>(2,733,680)</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 4,049,920</u>	<u>\$ 3,005,396</u>	<u>\$ 354,852</u>	<u>\$ 476,982</u>

See notes to financial statements



<b>Nonmajor Governmental Funds</b>	<b>Total</b>
\$ 847,811	\$ 842,951
127,303	2,793,346
126,311	133,730
-	15,834
402,800	402,800
-	5,202,714
<u>\$ 1,504,225</u>	<u>\$ 9,391,375</u>

\$ 3,299	\$ 105,671
4,855	41,577
213,457	213,457
-	2,728,063
<u>221,611</u>	<u>3,088,768</u>

127,260	2,784,991
71,107	89,391
<u>198,367</u>	<u>2,874,382</u>

-	3,449,104
790,853	3,159,318
293,394	293,394
-	354,852
-	(3,828,443)
<u>1,084,247</u>	<u>3,428,225</u>

<u>\$ 1,504,225</u>	<u>\$ 9,391,375</u>
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## Village of Kewaskum

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

<b>Total Fund Balances, Governmental Funds</b>	<b>\$ 3,428,225</b>
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	1,236,599
Construction in progress	73,778
Other capital assets	20,968,940
Less accumulated depreciation	(9,705,803)
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.	89,391
The net pension asset does not relate to current financial resources and is not reported in the governmental funds.	521,970
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	771,542
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(1,047,469)
A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds.	394,584
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	(6,526,257)
Compensated absences	(152,226)
Accrued interest	<u>(33,670)</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ 10,019,604</u></b>

## Village of Kewaskum

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

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>General Capital Projects Fund</u>	<u>TID #2 Capital Projects Fund</u>
<b>Revenues</b>				
Taxes	\$ 1,543,796	\$ 663,682	\$ -	\$ 452,912
Special assessments	32,685	-	-	7
Intergovernmental	594,129	-	-	6,434
Licenses and permits	93,774	-	-	-
Fines, forfeitures and penalties	26,271	-	-	-
Public charges for services	209,958	-	-	-
Intergovernmental charges for services	11,402	-	-	-
Investment income	33,599	59,210	-	-
Miscellaneous revenues	33,428	-	-	12,800
Total revenues	<u>2,579,042</u>	<u>722,892</u>	<u>-</u>	<u>472,153</u>
<b>Expenditures</b>				
Current:				
General government	480,382	-	-	-
Public safety	1,175,887	-	-	-
Public works	678,288	-	-	-
Health and human services	4,921	-	-	-
Culture, recreation and education	190,497	-	-	-
Conservation and development	6,447	-	-	-
Capital outlay	68,232	-	40,566	27,598
Debt service:				
Principal	-	340,167	-	577,184
Interest and fiscal charges	-	14,876	-	198,566
Total expenditures	<u>2,604,654</u>	<u>355,043</u>	<u>40,566</u>	<u>803,348</u>
Excess (deficiency) of revenues over expenditures	<u>(25,612)</u>	<u>367,849</u>	<u>(40,566)</u>	<u>(331,195)</u>
<b>Other Financing Sources</b>				
Transfer Out	-	-	-	-
Sale of capital assets	325	-	-	-
Transfers in	143,747	-	-	-
Total other financing sources	<u>144,072</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	118,460	367,849	(40,566)	(331,195)
<b>Fund Balances (Deficit), Beginning</b>	<u>2,235,881</u>	<u>2,000,616</u>	<u>395,418</u>	<u>(2,402,485)</u>
<b>Fund Balances (deficit), Ending</b>	<u>\$ 2,354,341</u>	<u>\$ 2,368,465</u>	<u>\$ 354,852</u>	<u>\$ (2,733,680)</u>

See notes to financial statements

<b>Nonmajor Governmental Funds</b>		<b>Total</b>	
\$	121,555	\$	2,781,945
	-		32,692
	96,515		697,078
	-		93,774
	-		26,271
	211,608		421,566
	-		11,402
	594		93,403
	28,126		74,354
	<u>458,398</u>		<u>4,232,485</u>
	126		480,508
	155,168		1,331,055
	201		678,489
	-		4,921
	202,999		393,496
	16,610		23,057
	27,394		163,790
	-		917,351
	-		213,442
	<u>402,498</u>		<u>4,206,109</u>
	<u>55,900</u>		<u>26,376</u>
	(9,696)		(9,696)
	-		325
	-		143,747
	<u>(9,696)</u>		<u>134,376</u>
	46,204		160,752
	<u>1,038,043</u>		<u>3,267,473</u>
\$	<u>1,084,247</u>	\$	<u>3,428,225</u>

## Village of Kewaskum

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** \$ 160,752

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	163,790
Some items reported as capital outlay were not capitalized	(65,272)
Depreciation is reported in the government-wide financial statements	(576,330)

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.

9,969

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 adjustment	(86,690)
Principal repaid	917,351

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	(2,536)
Accrued interest on debt	39,147
Amortization of deferred charge on refunding	(72,211)
Net pension asset	259,251
Deferred outflows of resources related to pension	288,699
Deferred inflows of resources related to pension	(392,333)

**Change in Net Position of Governmental Activities** \$ 643,587

# Village of Kewaskum

Statement of Net Position  
Proprietary Funds  
December 31, 2021

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b><u>Water Utility</u></b>	<b><u>Sewer Utility</u></b>	<b><u>Total</u></b>
<b>Assets</b>			
Current assets:			
Cash and investments	\$ 1,801,077	\$ -	\$ 1,801,077
Receivables:			
Taxes	3,162	23,339	26,501
Accounts	136,427	314,617	451,044
Inventories	14,440	3,928	18,368
Restricted assets:			
Cash and investments	<u>68,209</u>	<u>27,554</u>	<u>95,763</u>
Total current assets	<u>2,023,315</u>	<u>369,438</u>	<u>2,392,753</u>
Noncurrent assets:			
Restricted assets:			
Cash and investments	124,564	557,763	682,327
Net pension asset	49,761	65,509	115,270
Capital assets:			
Land	38,294	4,004	42,298
Other capital assets	10,433,964	22,730,016	33,163,980
Less accumulated depreciation	(3,888,521)	(6,063,496)	(9,952,017)
Other assets:			
Special assessments receivable	<u>-</u>	<u>35,102</u>	<u>35,102</u>
Total noncurrent assets	<u>6,758,062</u>	<u>17,328,898</u>	<u>24,086,960</u>
Total assets	<u>8,781,377</u>	<u>17,698,336</u>	<u>26,479,713</u>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	3,648	85,507	89,155
Pension related amounts	<u>121,639</u>	<u>171,807</u>	<u>293,446</u>
Total deferred outflows of resources	<u>125,287</u>	<u>257,314</u>	<u>382,601</u>

See notes to financial statements

# Village of Kewaskum

Statement of Net Position  
 Proprietary Funds  
 December 31, 2021

	<b>Business-Type Activities - Enterprise Funds</b>		
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	\$ 613,895	\$ 613,814	\$ 1,227,709
Accrued interest	1,895	7,471	9,366
Accrued wages	6,343	7,772	14,115
Unearned revenues	148,096	-	148,096
Current portion of general obligation debt	59,500	192,846	252,346
Deposits	-	39,860	39,860
Liabilities payable from restricted assets			
Current portion of long-term debt	68,400	625,387	693,787
Accrued interest payable	984	16,349	17,333
	<u>899,113</u>	<u>1,503,499</u>	<u>2,402,612</u>
Total current liabilities			
Noncurrent liabilities:			
Long-term debt:			
Bonds and notes payable	537,149	4,637,901	5,175,050
Advances from other funds	-	2,474,651	2,474,651
	<u>537,149</u>	<u>7,112,552</u>	<u>7,649,701</u>
Total noncurrent liabilities			
	<u>537,149</u>	<u>7,112,552</u>	<u>7,649,701</u>
Total liabilities	<u>1,436,262</u>	<u>8,616,051</u>	<u>10,052,313</u>
<b>Deferred Inflows of Resources</b>			
Pension related amounts	144,886	203,544	348,430
	<u>144,886</u>	<u>203,544</u>	<u>348,430</u>
Total deferred inflows of resources			
<b>Net Position</b>			
Net investment in capital assets	5,996,171	11,420,365	17,416,536
Restricted for:			
Pensions	49,761	65,509	115,270
Impact fees	50,729	-	50,729
Equipment replacement	-	437,295	437,295
Debt service	67,225	11,205	78,430
Unrestricted (deficit)	1,161,630	(2,798,319)	(1,636,689)
	<u>1,161,630</u>	<u>(2,798,319)</u>	<u>(1,636,689)</u>
Total net position	<u>\$ 7,325,516</u>	<u>\$ 9,136,055</u>	<u>\$ 16,461,571</u>

See notes to financial statements

## Village of Kewaskum

Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds		
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>
<b>Operating Revenues</b>			
Charges for services	\$ 872,910	\$ 1,420,468	\$ 2,293,378
Total operating revenues	<u>872,910</u>	<u>1,420,468</u>	<u>2,293,378</u>
<b>Operating Expenses</b>			
Operation and maintenance	373,671	615,644	989,315
Depreciation	196,209	366,803	563,012
Taxes	<u>12,132</u>	<u>14,583</u>	<u>26,715</u>
Total operating expenses	<u>582,012</u>	<u>997,030</u>	<u>1,579,042</u>
Operating income	<u>290,898</u>	<u>423,438</u>	<u>714,336</u>
<b>Nonoperating Revenues (Expenses)</b>			
Investment income	90	2,664	2,754
Interest expense	(15,822)	(150,316)	(166,138)
Amortization	<u>(2,734)</u>	<u>(17,758)</u>	<u>(20,492)</u>
Total nonoperating revenues (expenses)	<u>(18,466)</u>	<u>(165,410)</u>	<u>(183,876)</u>
Income before contributions and transfers	<u>272,432</u>	<u>258,028</u>	<u>530,460</u>
<b>Contributions and Transfers</b>			
Capital contributions	-	33,847	33,847
Transfers in	9,696	-	9,696
Transfers out, tax equivalent	<u>(142,104)</u>	<u>(1,643)</u>	<u>(143,747)</u>
Total contributions and transfers	<u>(132,408)</u>	<u>32,204</u>	<u>(100,204)</u>
Change in net position	140,024	290,232	430,256
<b>Net Position, Beginning</b>	<u>7,185,492</u>	<u>8,845,823</u>	<u>16,031,315</u>
<b>Net Position, Ending</b>	<u>\$ 7,325,516</u>	<u>\$ 9,136,055</u>	<u>\$ 16,461,571</u>

See notes to financial statements



## Village of Kewaskum

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2021

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b><u>Water Utility</u></b>	<b><u>Sewer Utility</u></b>	<b><u>Total</u></b>
<b>Cash Flows From Operating Activities</b>			
Received from customers	\$ 889,037	\$ 1,462,170	\$ 2,351,207
Paid to suppliers for goods and services	(244,719)	(158,463)	(403,182)
Paid to employees for services	<u>(147,606)</u>	<u>(184,224)</u>	<u>(331,830)</u>
Net cash flows from operating activities	<u>496,712</u>	<u>1,119,483</u>	<u>1,616,195</u>
<b>Cash Flows From Investing Activities</b>			
Investment income	<u>90</u>	<u>2,664</u>	<u>2,754</u>
Net cash flows from investing activities	<u>90</u>	<u>2,664</u>	<u>2,754</u>
<b>Cash Flows From Noncapital Financing Activities</b>			
Transfers other funds	<u>(142,104)</u>	<u>(1,643)</u>	<u>(143,747)</u>
Net cash flows from noncapital financing activities	<u>(142,104)</u>	<u>(1,643)</u>	<u>(143,747)</u>
<b>Cash Flows From Capital and Related Financing Activities</b>			
Debt retired	(126,000)	(804,599)	(930,599)
Interest paid	(14,294)	(150,555)	(164,849)
Special assessments received	155	(18,245)	(18,090)
Acquisition and construction of capital assets	(104,219)	(19,015)	(123,234)
Contribution received for construction	<u>-</u>	<u>33,847</u>	<u>33,847</u>
Net cash flows from capital and related financing activities	<u>(244,358)</u>	<u>(958,567)</u>	<u>(1,202,925)</u>
Net change in cash and cash equivalents	110,340	161,937	272,277
<b>Cash and Cash Equivalents, Beginning</b>	<u>1,883,510</u>	<u>423,380</u>	<u>2,306,890</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 1,993,850</u>	<u>\$ 585,317</u>	<u>\$ 2,579,167</u>

See notes to financial statements

## Village of Kewaskum

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2021

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b><u>Water Utility</u></b>	<b><u>Sewer Utility</u></b>	<b><u>Total</u></b>
<b>Reconciliation of Operating Income to Net Cash Flows From Operating Activities</b>			
Operating income	\$ 290,898	\$ 423,438	\$ 714,336
Adjustments to reconcile operating income to net cash flows from operating activities:			
Depreciation	196,209	366,803	563,012
Depreciation charged to other funds	6,652	(6,652)	-
Changes in assets and liabilities:			
Accounts and taxes receivable	17,235	6,056	23,291
Due to other funds	-	308,069	308,069
Accrued wages	613	-	613
Pension related deferrals and liability	(14,895)	(19,200)	(34,095)
Other current liabilities	-	1,109	1,109
Customer deposits	-	39,860	39,860
	<u>\$ 496,712</u>	<u>\$ 1,119,483</u>	<u>\$ 1,616,195</u>
Net cash flows from operating activities			
	<u>\$ 496,712</u>	<u>\$ 1,119,483</u>	<u>\$ 1,616,195</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds</b>			
Cash and investments	\$ 1,801,077	\$ -	\$ 1,801,077
Restricted cash and investments	-	-	-
Redemption account	68,209	27,554	95,763
Reserve account	73,835	120,468	194,303
Water impact fees	50,729	-	50,729
Equipment replacement	-	437,295	437,295
	<u>\$ 1,993,850</u>	<u>\$ 585,317</u>	<u>\$ 2,579,167</u>
Cash and cash equivalents			
	<u>\$ 1,993,850</u>	<u>\$ 585,317</u>	<u>\$ 2,579,167</u>
<b>Noncash Capital and Related Financing Activities</b>			
Capital additions financed by accounts payable	<u>\$ 3,580</u>	<u>\$ 24,729</u>	

See notes to financial statements

# Village of Kewaskum

Statement of Fiduciary Net Position

Fiduciary Fund

December 31, 2021

	<b>Custodial Fund</b>
	<b><u>Tax Roll Fund</u></b>
<b>Assets</b>	
Cash and investments	\$ 2,448,671
Taxes receivable	<u>1,039,008</u>
Total assets	<u>3,487,679</u>
<b>Liabilities</b>	
Due to other governments	<u>3,487,679</u>
Total liabilities	<u>3,487,679</u>
<b>Net Position</b>	
Total net position	<u><u>\$ -</u></u>

See notes to financial statements

# Village of Kewaskum

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

Year Ended December 31, 2021

	<b>Custodial Fund</b>
	<b><u>Tax Roll Fund</u></b>
<b>Additions</b>	
Tax collections	\$ <u>2,775,520</u>
<b>Deductions</b>	
Payments to overlying districts	<u>2,775,520</u>
Change in net position	-
<b>Net Position, Beginning</b>	<u>-</u>
<b>Net Position, Ending</b>	<u><u>\$ -</u></u>

See notes to financial statements

# Village of Kewaskum

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# Village of Kewaskum

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Notes to Financial Statements  
December 31, 2021

## 1. Summary of Significant Accounting Policies

The accounting policies of the Village of Kewaskum, Wisconsin (the Village) 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 Village. The reporting entity for the Village 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 Village has not identified any organizations that meet this criteria.

### 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.

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 Village 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 Village 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 Village 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.

# Village of Kewaskum

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Notes to Financial Statements  
December 31, 2021

- c. In addition, any other governmental or enterprise fund that the Village 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 Village reports the following major governmental funds:

## **General Fund**

General Fund accounts for the Village'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**

Debt Service Fund 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.

## **Capital Projects Funds**

General Capital projects fund is accounts for resources legally restricted to supporting expenditures for the Village's capital project programs.

TID 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 Village reports the following major enterprise funds:

Water Utility accounts for operations of the water system

Sewer Utility accounts for operations of the sewer system

The Village reports the following nonmajor governmental 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).

Library Fund  
Rescue Squad Fund  
ARPA Fund

Stormwater Utility, District 1 Fund  
Stormwater Utility, District 2 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.

TID #3

# Village of Kewaskum

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Notes to Financial Statements  
December 31, 2021

## Permanent Funds

Permanent Funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry.

KKCP Nature Trail Fund  
Fickler Memorial Fund

In addition, the Village reports the following fund type:

## Custodial Funds

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

Tax Roll 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 Village's water and sewer 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 Village 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.



# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

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Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled the resources and the amounts are available. Amounts owed to the Village 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 sewer 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 Village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Investment of Village 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.

## Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

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

The Village 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. 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 Village'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 Village, 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 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.

# Village of Kewaskum

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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.

## **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 average cost 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 \$500 general capital assets and \$5,000 for infrastructure assets and an estimated useful life in excess of 1 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.

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.

# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

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	40-60 Years
Machinery and Equipment	5-20 Years
Utility System	7-77 Years
Infrastructure	40-60 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.

## 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.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

## 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.

# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

## 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 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*.

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by the debt of the governmental activities column. The amount is a reduction of *net investment in capital assets* and an increase in *unrestricted* net position, shown only in the total column. A reconciliation of this adjustment is as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Adjustment</u>	<u>Total</u>
Net investment in capital assets	\$ 8,078,194	\$ 17,416,536	\$ (1,636,353)	\$ 23,858,377
Unrestricted	(1,705,380)	(1,636,689)	1,636,353	(1,705,716)

When both restricted and unrestricted resources are available for use, it is the Village'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.

## Village of Kewaskum

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Notes to Financial Statements  
December 31, 2021

- 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 Village Board. 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 Village Board 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 Board 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 Village 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 Village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

See Note 3 for further information.

### 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

#### Water Utility

Rates for the water utility were approved by the Public Service Commission of Wisconsin on December 17, 2015.

#### Sewer Utility

Rates for the sewer utility were approved by the Village board by Resolution No. 2016-01 on January 11, 2016.

## Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

### 2. Stewardship, Compliance and Accountability

#### Excess Expenditures Over Budget

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Debt service	\$ -	\$ 355,043	\$ 355,043
Capital Projects Fund, TID #3	-	16,736	16,736

The Village controls expenditures at the function level. Some individual functions experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village'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>
Capital Projects Fund, TID Capital Projects Fund	\$ 2,733,680	Expenditures related to infrastructure capital outlay and debt service.

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. On September 10, 2012, the TIF District was approved as being distressed by the state, so they now have until 2035 to collect tax increments.

#### Limitations on the Village's Tax Levy

Wisconsin law limits the Village's future tax levies. Generally the Village is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the Village's equalized value due to new construction or 0%. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The Village 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.

# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

## 3. Detailed Notes on All Funds

### Deposits and Investments

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Demand deposits	\$ 1,927,979	\$ 1,768,469	Custodial credit risk
LGIP	4,345,460	4,345,460	Credit risk
Petty cash	150	-	N/A
Total deposits and investments	<u>\$ 6,273,589</u>	<u>\$ 6,113,929</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 2,644,028		
Restricted cash and investments	1,180,890		
Per statement of assets and liabilities - agency fund:			
Custodial Fund	<u>2,448,671</u>		
Total deposits and investments	<u>\$ 6,273,589</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 not been considered in computing custodial credit risk.

### Custodial Credit Risk

#### Deposits

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

As of December 31, 2021, \$1,268,469 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 1,268,469</u>
Total	<u>\$ 1,268,469</u>

### Credit Risk

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

The Village had investments in the external Wisconsin Local Government Investment Pool which is not rated.



# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

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

## Receivables

All of the receivables on the balance sheet are expected to be collected within one year except for \$4,930 of delinquent personal property taxes, and \$14,975 of special assessments.

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:

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 2,784,991	\$ -
ARPA funds	213,457	-
Special assessments not yet due	-	18,284
Ambulance receivables	-	<u>71,107</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 2,998,448</u>	<u>\$ 89,391</u>
Unearned revenue included in liabilities	\$ 213,457	
Unearned revenue included in deferred inflows	<u>2,784,991</u>	
Total unearned revenue for governmental funds	<u>\$ 2,998,448</u>	

At the end of the current fiscal year, the various components of unearned revenue in the proprietary funds were as follows:

	<u>Unearned</u>
Water tower lease revenue	<u>\$ 148,096</u>
Total unearned revenue for proprietary funds	<u>\$ 148,096</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.

### 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.

## Village of Kewaskum

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Notes to Financial Statements  
December 31, 2021

### Impact Fee Account

The Village 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 current property owner.

### 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.

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

	<b>Restricted Assets</b>
Bond redemption account	\$ 95,763
Bond reserve account	194,303
Equipment replacement account	437,295
Library capital improvements	402,800
Water impact fee account	50,729
Net pension asset	<u>637,240</u>
Total	<u><u>\$ 1,818,130</u></u>

# Village of Kewaskum

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>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 1,236,599	\$ -	\$ -	\$ 1,236,599
Construction in progress	36,889	36,889	-	73,778
Total capital assets not being depreciated	<u>1,273,488</u>	<u>36,889</u>	<u>-</u>	<u>1,310,377</u>
Capital assets being depreciated:				
Building	2,908,369	17,395	-	2,925,764
Machinery and equipment	5,828,629	4,387	-	5,833,016
Roads	7,614,575	21,393	-	7,635,968
Storm sewer	3,458,083	18,454	-	3,476,537
Sidewalks	477,040	-	-	477,040
Curb and gutter	620,615	-	-	620,615
Total capital assets being depreciated	<u>20,907,311</u>	<u>61,629</u>	<u>-</u>	<u>20,968,940</u>
Total capital assets	<u>22,180,799</u>	<u>98,518</u>	<u>-</u>	<u>22,279,317</u>
Less accumulated depreciation for:				
Building	(1,629,551)	(63,113)	-	(1,692,664)
Machinery and equipment	(3,747,423)	(247,239)	-	(3,994,662)
Roads	(2,277,471)	(151,624)	-	(2,429,095)
Storm sewer	(1,115,360)	(86,915)	-	(1,202,275)
Sidewalks	(163,312)	(11,926)	-	(175,238)
Curb and gutter	(196,356)	(15,513)	-	(211,869)
Total accumulated depreciation	<u>(9,129,473)</u>	<u>(576,330)</u>	<u>-</u>	<u>(9,705,803)</u>
Net capital assets being depreciated	<u>11,777,838</u>	<u>(514,701)</u>	<u>-</u>	<u>11,263,137</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 13,051,326</u>	<u>\$ (477,812)</u>	<u>\$ -</u>	<u>\$ 12,573,514</u>

Depreciation expense was charged to functions as follows:

<b>Governmental Activities</b>	
General government	\$ 29,984
Public safety	213,756
Public works, which includes the depreciation of infrastructure	299,793
Culture, recreation and education	<u>32,797</u>
Total governmental activities depreciation / amortization expense	<u>\$ 576,330</u>

# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

## Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Sewer</b>				
Capital assets not being depreciated:				
Land and land rights	\$ 4,004	\$ -	\$ -	\$ 4,004
Total capital assets not being depreciated	<u>4,004</u>	<u>-</u>	<u>-</u>	<u>4,004</u>
Capital assets being depreciated:				
Building and structures	6,561,450	-	-	6,561,450
Collection system	9,337,803	43,745	-	9,381,548
Equipment	6,787,018	-	-	6,787,018
Total capital assets being depreciated / amortized	<u>22,686,271</u>	<u>43,745</u>	<u>-</u>	<u>22,730,016</u>
Total capital assets	<u>22,690,275</u>	<u>43,745</u>	<u>-</u>	<u>22,734,020</u>
Less accumulated depreciation for:				
Building and structures	(1,350,400)	(104,065)	-	(1,454,465)
Collection system	(2,522,064)	(148,444)	-	(2,670,508)
Equipment	(1,830,881)	(107,642)	-	(1,938,523)
Total accumulated depreciation / amortization	<u>(5,703,345)</u>	<u>(360,151)</u>	<u>-</u>	<u>(6,063,496)</u>
Net capital assets being depreciated / amortized	<u>16,982,926</u>	<u>(316,406)</u>	<u>-</u>	<u>16,666,520</u>
Net sewer capital assets	<u>\$ 16,986,930</u>	<u>\$ (316,406)</u>	<u>\$ -</u>	<u>\$ 16,670,524</u>
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Water</b>				
Capital assets not being depreciated:				
Land and land rights	\$ 38,294	\$ -	\$ -	\$ 38,294
Total capital assets not being depreciated	<u>38,294</u>	<u>-</u>	<u>-</u>	<u>38,294</u>
Capital assets being depreciated:				
Source of supply	316,514	52,904	19,548	349,870
Pumping	1,262,467	-	-	1,262,467
Treatment	39,084	-	-	39,084
Transmission and distribution	8,495,282	54,895	2,500	8,547,677
Administrative and general assets	234,866	-	-	234,866
Total capital assets being depreciated	<u>10,348,213</u>	<u>107,799</u>	<u>22,048</u>	<u>10,433,964</u>
Total capital assets	<u>10,386,507</u>	<u>107,799</u>	<u>22,048</u>	<u>10,472,258</u>
Less accumulated depreciation for:				
Source of supply	(204,993)	(9,662)	19,548	(195,107)
Pumping	(984,496)	(44,544)	-	(1,029,040)
Treatment	(26,929)	(1,290)	-	(28,219)
Transmission and distribution	(2,256,423)	(147,365)	2,500	(2,401,288)
Administrative and general assets	(234,867)	-	-	(234,867)
Total accumulated depreciation	<u>(3,707,708)</u>	<u>(202,861)</u>	<u>22,048</u>	<u>(3,888,521)</u>
Net capital assets being depreciated	<u>6,640,505</u>	<u>(95,062)</u>	<u>-</u>	<u>6,545,443</u>
Net water capital assets	<u>\$ 6,678,799</u>	<u>\$ (95,062)</u>	<u>\$ -</u>	<u>\$ 6,583,737</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 23,665,729</u>	<u>\$ (411,468)</u>	<u>\$ -</u>	<u>\$ 23,254,261</u>

# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

Depreciation expense was charged to functions as follows:

## Business-Type Activities

Sewer	\$ 366,803
Water	<u>196,209</u>
Total business-type activities depreciation expense	<u>\$ 563,012</u>

Depreciation expense is different from additions because of joint metering, salvage, cost of removal, internal allocations, and cost associated with the disposal of assets.

## Interfund Advances and Transfers

### Advances

The general fund is advancing funds to the TID capital projects fund. The amount advanced is amount of cash the district needs for the current year. No repayment schedule has been established.

The general fund is advancing funds to the Sewer Utility. The amount advanced is determined by the amount of cash the utility needs for the current year. No repayment schedule has been established.

The debt service fund is advancing funds to the TID capital projects fund. The amount advanced is determined by the amount of cash the district needs for the current year to meet their debt service payments. No repayment schedule has been established.

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	Capital Projects Fund, TID		
General Fund	Capital Projects Fund	\$ 969,523	\$ 969,523
	Sewer Utility	2,474,651	2,474,651
Debt Service Fund	Capital Projects Fund, TID		
	Capital Projects Fund	<u>1,758,540</u>	1,758,540
Total, fund financial statements		5,202,714	
Less fund eliminations		<u>(2,728,063)</u>	
Total, interfund advances, government-wide statement of net position		<u>\$ 2,474,651</u>	

The principal purpose of this advance is to finance some costs the district had in the current and prior year.

# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

## 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	Sewer Utility	\$ 1,643	Payment in lieu of taxes
General Fund	Water Utility	142,104	Payment in lieu of taxes
Water Utility	Special Revenue Fund - ARPA	<u>9,696</u>	Cover costs
Total, fund financial statements		153,443	
Less government-wide eliminations		<u>(19,392)</u>	
Total transfers, government-wide statement of activities		<u>\$ 134,051</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.

## Long-Term Obligations

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

	<u>Beginning Balance</u>	<u>Adjustments</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities</b>						
Bonds and notes payable:						
General obligation debt	\$ 7,356,919	\$ 86,689	\$ -	\$ 917,351	\$ 6,526,257	\$ 946,570
Total bonds and notes payable	<u>7,356,919</u>	<u>86,689</u>	<u>-</u>	<u>917,351</u>	<u>6,526,257</u>	<u>946,570</u>
Other liabilities:						
Vested compensated absences	<u>149,690</u>	<u>-</u>	<u>2,612</u>	<u>76</u>	<u>152,226</u>	<u>11,169</u>
Total other liabilities	<u>149,690</u>	<u>-</u>	<u>2,612</u>	<u>76</u>	<u>152,226</u>	<u>11,169</u>
Total governmental activities long-term liabilities	<u>\$ 7,506,609</u>	<u>\$ 86,689</u>	<u>\$ 2,612</u>	<u>\$ 917,427</u>	<u>\$ 6,678,483</u>	<u>\$ 957,739</u>
<b>Business-Type Activities</b>						
Bonds and notes payable:						
General obligation debt	\$ 2,308,081	\$ -	\$ -	\$ 253,836	\$ 2,054,245	\$ 252,346
Revenue bonds	<u>4,743,701</u>	<u>-</u>	<u>-</u>	<u>676,763</u>	<u>4,066,938</u>	<u>693,787</u>
Total bonds and notes payable	<u>7,051,782</u>	<u>-</u>	<u>-</u>	<u>930,599</u>	<u>6,121,183</u>	<u>946,133</u>
Total business-type activities long-term liabilities	<u>\$ 7,051,782</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 930,599</u>	<u>\$ 6,121,183</u>	<u>\$ 946,133</u>

The adjustment to long-term debt is to correct the amount reported as paid in the prior year.

## Village of Kewaskum

Notes to Financial Statements  
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In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2021, was \$19,626,920. Total general obligation debt outstanding at year end was \$8,580,502.

### General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the Village. 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>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2021</u>
<b>General Obligation Debt</b>					
Refunding Bonds	03/28/12	06/01/23	0.50-2.25%	\$ 1,515,000	\$ 220,000
Refunding Bonds (TID)	05/14/15	04/01/28	0.60-3.00	5,752,300	4,261,335
State Trust Fund Loan	04/07/15	03/15/25	3.50	160,000	70,522
GO Refunding Bonds	08/27/20	03/01/40	1.40	2,227,951	1,974,400
Total governmental activities, general obligation debt					<u>\$ 6,526,257</u>

<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>
<b>General Obligation Debt</b>					
Refunding Bonds	05/14/15	04/01/28	0.60-3.00%	\$ 1,262,700	\$ 943,665
GO Refunding Bonds	08/27/20	03/01/40	1.40	1,207,049	1,110,580
Total business-type activities, general obligation debt					<u>\$ 2,054,245</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	\$ 946,570	\$ 124,287	\$ 260,182	\$ 33,448
2023	978,543	107,453	263,797	29,612
2024	873,733	90,212	269,209	25,439
2025	865,283	73,065	268,290	20,981
2026	854,919	54,693	270,103	16,249
2027-2031	1,687,209	71,560	542,637	28,336
2032-2036	172,800	22,349	97,215	12,574
2037-2040	147,200	6,264	82,812	3,525
Total	<u>\$ 6,526,257</u>	<u>\$ 549,883</u>	<u>\$ 2,054,245</u>	<u>\$ 170,164</u>

### Revenue Debt

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

## Village of Kewaskum

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The Village has pledged future water and sewer utility revenues, net of specified operating expenses, to repay revenue bonds issued in 2007 and 2008. Proceeds from the bonds provided financing for the Village's new water and sewerage system projects. The bonds are payable solely from water and sewer utility revenues and are payable through 2028. Annual principal and interest payments on the bonds are expected to require 54.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$4,388,530. Principal and interest paid for the current year and total customer net revenues were \$809,275 and \$1,280,102, respectively.

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>
<b>Sewer Utility</b>					
Revenue Bonds	04/01/07	05/01/23	4.00-4.20%	\$ 1,395,000	\$ 229,400
Revenue Bonds (CWFL)	05/23/07	05/01/27	2.475	2,630,599	929,948
Revenue Bonds (CWFL)	10/08/08	05/01/28	2.365	6,792,545	<u>2,766,990</u>
				Total Sewer Utility	<u>3,926,338</u>
<b>Water Utility</b>					
Revenue Bonds	04/01/07	05/01/23	4.00-4.20%	\$ 855,000	\$ <u>140,600</u>
				Total Water Utility	<u>140,600</u>
				Total business-type activities, revenue debt	<u>\$ 4,066,938</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-Type Activities Revenue Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 693,787	\$ 94,060
2023	716,098	73,831
2024	538,705	57,083
2025	551,613	44,020
2026	564,832	30,644
2027-2028	<u>1,001,903</u>	<u>21,954</u>
Total	<u>\$ 4,066,938</u>	<u>\$ 321,592</u>

### Other Debt Information

Estimated payments of vested 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.



# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

## 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	\$ 1,236,599
Construction in progress	73,778
Other capital assets, net of accumulated depreciation	11,263,137
Less long-term debt outstanding	(6,526,257)
Plus noncapital debt proceeds	1,636,353
Plus unamortized loss on refunding	<u>394,584</u>

Total net investment in capital assets \$ 8,078,194

### Governmental Funds

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

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>General Capital Projects Fund</u>	<u>TID #2 Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>	<u>Total</u>
<b>Fund Balances</b>						
<b>Nonspendable:</b>						
Delinquent personal property taxes	\$ 4,930	\$ -	\$ -	\$ -	\$ -	\$ 4,930
Noncurrent amounts due from other funds	<u>3,444,174</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,444,174</u>
Subtotal	<u>3,449,104</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,449,104</u>
<b>Restricted for:</b>						
Library	-	-	-	-	783,716	783,716
ARPA	-	-	-	-	63	63
Memorials	-	-	-	-	5,809	5,809
KKCP Nature Trail	-	-	-	-	500	500
Debt Service	-	2,368,465	-	-	-	2,368,465
TID #3	-	-	-	-	764	764
Subtotal	<u>-</u>	<u>2,368,465</u>	<u>-</u>	<u>-</u>	<u>790,852</u>	<u>3,159,317</u>
<b>Committed to:</b>						
Rescue Squad	-	-	-	-	158,135	158,135
Stormwater utility - District 1 fund	-	-	-	-	59,713	59,713
Stormwater utility - District 2 fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,546</u>	<u>75,546</u>
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>293,394</u>	<u>293,394</u>
<b>Assigned to:</b>						
Capital Projects	<u>-</u>	<u>-</u>	<u>354,852</u>	<u>-</u>	<u>-</u>	<u>354,852</u>
Subtotal	<u>-</u>	<u>-</u>	<u>354,852</u>	<u>-</u>	<u>-</u>	<u>354,852</u>
<b>Unassigned (deficit):</b>	<u>(1,094,763)</u>	<u>-</u>	<u>-</u>	<u>(2,733,680)</u>	<u>-</u>	<u>(3,828,443)</u>
Total fund balances (deficit)	<u><u>\$ 2,354,341</u></u>	<u><u>\$ 2,368,465</u></u>	<u><u>\$ 354,852</u></u>	<u><u>\$ (2,733,680)</u></u>	<u><u>\$ 1,084,246</u></u>	<u><u>\$ 3,428,224</u></u>

# Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

## Business-Type Activities

Net investment in capital assets:	
Land	\$ 42,298
Other capital assets, net of accumulated depreciation	23,211,963
Less long-term debt outstanding	(6,121,183)
Plus noncapital debt proceeds	194,303
Plus unamortized loss on refunding	<u>89,155</u>
Total net investment in capital assets	<u>\$ 17,416,536</u>

## 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.

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.

## Village of Kewaskum

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Notes to Financial Statements

December 31, 2021

### 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

## Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

### 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 \$118,817 in contributions from the Village.

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 %	11.75 %
Protective without Social Security	6.75 %	16.35 %

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

At December 31, 2021, the Village reported an asset of \$637,240 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 Village's proportion of the net pension asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the Village's proportion was 0.01020706%, which was an increase of 0.00022642% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Village recognized pension expense of (\$70,335).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 922,283	\$ 198,658
Changes in assumptions	14,453	-
Net differences between projected and actual earnings on pension plan investments	-	1,196,368
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,425	873
Employer contributions subsequent to the measurement date	<u>123,827</u>	<u>-</u>
Total	<u>\$ 1,064,988</u>	<u>\$ 1,395,899</u>

## Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

\$123,827 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:

<u>Years Ended December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2022	\$ (116,940)
2023	(30,973)
2024	(215,564)
2025	(91,261)

### 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.

## Village of Kewaskum

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:

<b>Core Fund Asset Class</b>	<b>Asset Allocation %</b>	<b>Long-Term Expected Nominal Rate of Return %</b>	<b>Long-Term Expected Real Rate of Return %</b>
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
<b>Variable Fund Asset Class</b>			
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.

## Village of Kewaskum

Notes to Financial Statements  
December 31, 2021

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

The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the Village's proportionate share of the net pension liability (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>
Village's proportionate share of the net pension liability (asset)	\$ (606,565)	\$ 637,240	\$ 1,550,807

### 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 Village reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

### Risk Management

The Village 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.

### 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 Village 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 Village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

The Village 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.

### Joint Ventures

#### Mid-Moraine Municipal Court

The fifteen municipalities from Washington and Ozaukee Counties jointly operate the local municipal court, which is called the Mid-Moraine Municipal Court and provides non-criminal citation processing.

## Village of Kewaskum

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Notes to Financial Statements  
December 31, 2021

The governing committee is made up of citizens from each community. Local representatives are appointed by the chief executive officer of each community. The committee recommends its own budget which is ratified by each community member. The committee also controls the financial affairs of the courts.

Financial information of the court as of December 31, 2021 is available directly from the municipal court in West Bend, Wisconsin.

The Village of Kewaskum does not have an equity interest in the Mid-Moraine Municipal Court.

### Subsequent Events

On February 9, 2022, the Village borrowed \$2,115,000 in general obligation promissory notes for various projects. The notes bear interest at an average rate of 2 percent and are due and payable March 1, 2023 through March 1, 2031.

In June of 2022 the Village adopted resolution No. 2022-02 authorizing an increase in sanitary sewer user charges and rates effective third quarter of 2022. The increase in rates is approximately 11 percent.

On the Village issued general obligation promissory notes in the amount of \$0 with an interest rate of percent. This amount will be used to refinance various outstanding Village general obligation debt issues.

### 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**

## Village of Kewaskum

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>
<b>Revenues</b>			
Taxes	\$ 1,481,406	\$ 1,543,796	\$ 62,390
Special assessments	-	32,685	32,685
Intergovernmental	547,756	594,129	46,373
Licenses and permits	70,341	93,774	23,433
Fines, forfeitures and penalties	28,500	26,271	(2,229)
Public charges for services	196,428	209,958	13,530
Intergovernmental charges for services	36,905	11,402	(25,503)
Investment income	28,330	33,599	5,269
Miscellaneous revenues	5,700	33,428	27,728
Total revenues	<u>2,395,366</u>	<u>2,579,042</u>	<u>183,676</u>
<b>Expenditures</b>			
Current:			
General government	455,409	480,382	(24,973)
Public safety	1,198,123	1,175,887	22,236
Public works	694,053	678,288	15,765
Health and human services	2,250	4,921	(2,671)
Culture, recreation and education	199,399	190,497	8,902
Conservation and development	4,000	6,447	(2,447)
Capital outlay	82,560	68,232	14,328
Total expenditures	<u>2,635,794</u>	<u>2,604,654</u>	<u>31,140</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(240,428)</u>	<u>(25,612)</u>	<u>214,816</u>
<b>Other Financing Sources</b>			
Sales of capital assets	8,750	325	(8,425)
Transfers in	143,500	143,747	247
Total other financing sources	<u>152,250</u>	<u>144,072</u>	<u>(8,178)</u>
Net change in fund balance	<u>\$ (88,178)</u>	118,460	<u>\$ 206,638</u>
<b>Fund Balance, Beginning</b>		<u>2,235,881</u>	
<b>Fund Balance, Ending</b>		<u>\$ 2,354,341</u>	

See notes to required supplementary information

## Village of Kewaskum

### Schedule of Proportionate Share of the Net Pension Liability (Asset) -

Wisconsin Retirement System

Year Ended December 31, 2021

<b>WRS Fiscal Year End</b>	<b>Proportion of the Net Pension Liability (Asset)</b>	<b>Proportionate Share of the Net Pension Liability (Asset)</b>	<b>Covered Payroll</b>	<b>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
12/31/14	0.01002089 %	\$ (246,073)	\$ 1,085,110	22.68 %	102.74 %
12/31/15	0.00955955 %	155,341	1,107,932	14.02 %	98.20 %
12/31/16	0.00930187 %	76,670	1,121,473	6.84 %	99.12 %
12/31/17	0.00952640 %	(282,850)	1,143,758	24.73 %	102.93 %
12/31/18	0.00971428 %	345,603	1,159,227	29.81 %	96.45 %
12/31/19	0.00998064 %	(321,821)	1,277,297	25.37 %	102.96 %
12/31/20	0.01020706 %	(637,240)	1,309,360	48.67 %	105.26 %

### Schedule of Employer Contributions - Wisconsin Retirement System

Year Ended December 31, 2021

<b>Village Fiscal Year End</b>	<b>Contractually Required Contributions</b>	<b>Contributions in Relation to the Contractually Required Contributions</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
12/31/15	\$ 87,028	\$ 87,028	\$ -	\$ 1,107,932	7.85 %
12/31/16	90,523	90,523	-	1,121,473	8.07 %
12/31/17	101,023	101,023	-	1,143,758	8.83 %
12/31/18	102,554	102,554	-	1,159,227	8.85 %
12/31/19	108,458	108,458	-	1,277,297	8.49 %
12/31/20	107,425	107,425	-	1,309,360	8.20 %
12/31/21	123,827	123,827	-	1,356,635	9.13 %

See notes to required supplementary information

## Village of Kewaskum

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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 include any amendments made. The Village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds action.

Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the function 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 Village 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.* There were no changes in assumptions.

**SUPPLEMENTARY INFORMATION**

# Village of Kewaskum

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2021

	<b>Special Revenue Funds</b>			
	<b>Library Fund</b>	<b>Rescue Squad Fund</b>	<b>Stormwater Utility - District 1 Fund</b>	<b>Stormwater Utility - District 2 Fund</b>
<b>Assets</b>				
Cash and investments	\$ 386,329	\$ 108,372	\$ 57,437	\$ 74,954
Receivables (net):				
Taxes	127,260	-	23	20
Accounts	-	123,486	2,253	572
Restricted cash and investments	402,800	-	-	-
Total assets	<u>\$ 916,389</u>	<u>\$ 231,858</u>	<u>\$ 59,713</u>	<u>\$ 75,546</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 1,974	\$ 1,199	\$ -	\$ -
Accrued liabilities	3,439	1,416	-	-
Unearned revenues	-	-	-	-
Total liabilities	<u>5,413</u>	<u>2,615</u>	<u>-</u>	<u>-</u>
<b>Deferred Inflows of Resources</b>				
Unearned revenues	127,260	-	-	-
Unavailable revenues	-	71,107	-	-
Total deferred inflows of resources	<u>127,260</u>	<u>71,107</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>				
Restricted	783,716	-	-	-
Committed	-	158,135	59,713	75,546
Total fund balances	<u>783,716</u>	<u>158,135</u>	<u>59,713</u>	<u>75,546</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 916,389</u>	<u>\$ 231,857</u>	<u>\$ 59,713</u>	<u>\$ 75,546</u>

<u>Special Revenue Funds</u>	<u>Permanent Funds</u>		<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
<u>ARPA</u>	<u>KKCP Nature Trail Fund</u>	<u>Fickler Memorial Fund</u>	<u>TID 3</u>	
\$ 213,520	\$ 500	\$ 5,809	\$ 890	\$ 847,811
-	-	-	-	127,303
-	-	-	-	126,311
-	-	-	-	402,800
<u>\$ 213,520</u>	<u>\$ 500</u>	<u>\$ 5,809</u>	<u>\$ 890</u>	<u>\$ 1,504,225</u>
\$ -	\$ -	\$ -	\$ 126	\$ 3,299
-	-	-	-	4,855
<u>213,457</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>213,457</u>
<u>213,457</u>	<u>-</u>	<u>-</u>	<u>126</u>	<u>221,611</u>
-	-	-	-	127,260
-	-	-	-	71,107
-	-	-	-	198,367
63	500	5,809	764	790,852
-	-	-	-	293,394
<u>63</u>	<u>500</u>	<u>5,809</u>	<u>764</u>	<u>1,084,246</u>
<u>\$ 213,520</u>	<u>\$ 500</u>	<u>\$ 5,809</u>	<u>\$ 890</u>	<u>\$ 1,504,224</u>

## Village of Kewaskum

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

	<b>Special Revenue Funds</b>			
	<b>Library Fund</b>	<b>Rescue Squad Fund</b>	<b>Stormwater Utility - District 1 Fund</b>	<b>Stormwater Utility - District 2 Fund</b>
<b>Revenues</b>				
Taxes	\$ 121,555	\$ -	\$ -	\$ -
Intergovernmental	86,819	-	-	-
Public charges for services	-	198,348	4,980	8,280
Investment income	531	-	-	-
Miscellaneous revenues	10,626	-	-	-
Total revenues	<u>219,531</u>	<u>198,348</u>	<u>4,980</u>	<u>8,280</u>
<b>Expenditures</b>				
Current:				
Public safety	-	155,168	-	-
Culture, recreation and education	202,999	-	-	-
Conservation and development	-	-	-	-
Public works	-	-	90	111
Capital outlay	-	27,394	-	-
Total expenditures	<u>202,999</u>	<u>182,562</u>	<u>90</u>	<u>111</u>
Excess (deficiency) of revenues over expenditures	<u>16,532</u>	<u>15,786</u>	<u>4,890</u>	<u>8,169</u>
<b>Other Financing Sources</b>				
Transfers out	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	16,532	15,786	4,890	8,169
<b>Fund Balances, Beginning</b>	<u>767,184</u>	<u>142,349</u>	<u>54,823</u>	<u>67,377</u>
<b>Fund Balances, Ending</b>	<u>\$ 783,716</u>	<u>\$ 158,135</u>	<u>\$ 59,713</u>	<u>\$ 75,546</u>



<b>Special Revenue Funds</b>	<b>Permanent Funds</b>		<b>Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ARPA</b>	<b>KKCP Nature Trail Fund</b>	<b>Fickler Memorial Fund</b>	<b>TID 3</b>	
\$ -	\$ -	\$ -	\$ -	\$ 121,555
9,696	-	-	-	96,515
-	-	-	-	211,608
63	-	-	-	594
-	-	-	17,500	28,126
<u>9,759</u>	<u>-</u>	<u>-</u>	<u>17,500</u>	<u>458,398</u>
-	-	-	-	155,168
-	-	-	-	202,999
-	-	-	16,736	16,736
-	-	-	-	201
-	-	-	-	27,394
<u>-</u>	<u>-</u>	<u>-</u>	<u>16,736</u>	<u>402,498</u>
<u>9,759</u>	<u>-</u>	<u>-</u>	<u>764</u>	<u>55,900</u>
<u>(9,696)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,696)</u>
<u>(9,696)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,696)</u>
63	-	-	764	46,204
<u>-</u>	<u>500</u>	<u>5,809</u>	<u>-</u>	<u>1,038,042</u>
<u>\$ 63</u>	<u>\$ 500</u>	<u>\$ 5,809</u>	<u>\$ 764</u>	<u>\$ 1,084,246</u>