City of Stoughton

Financial Statements and
Supplementary Information

December 31, 2022

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Independent Auditors' Report

To the City Council of
City of Stoughton

Report on the Audit of the Financial Statements

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 City of Stoughton, Wisconsin (the City), as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Madison, Wisconsin
July 18, 2023

CITY OF STOUGHTON

MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited)

As of and For the Year Ended December 31, 2022

Management of the City of Stoughton offers readers of the City of Stoughton's ("City") financial statements this narrative overview and analysis of the financial activities of the City of Stoughton for the calendar year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the City's financial statements.

FINANCIAL HIGHLIGHTS

A successful city seeks out growth opportunities and prudently allocates its limited resources to provide the best goods and services to its residents. Prudent management of financial assets seeks to both maximize the value of current goods and services and future needs, wants and opportunities. Management presents this analysis with a view to the current period and the future.

- Net position increased by $8.1 million (8.0%) as compared to the prior year. Of this increase, $3.1 million (8.7%) was for governmental activities and $5.0 million (7.6%) was for business-type activities.
- Net investment in capital assets increased by $5.5 million, or 7.3% as compared to the prior year. Major 2022 capital projects include street reconstruction, storm water improvements, sidewalk improvements and utility infrastructure improvements.
- Long term debt, which is a component of the net investment in capital assets, increased by $1.6 million (3.5%) as compared to the prior year. Of this increase, $0.7 million (1.9%) was for governmental activities and $0.9 million (8.9%) was for business-type activities.
- The City's governmental funds reported combined fund balances of $16.1 million at year-end, which was a decrease of $0.3 million from the prior year. Of this total, $3.3 million of the fund balance was unassigned and able to fund future city expenditures. The remainder of the fund balance was nonspendable, restricted, committed or assigned for various purposes.
- The unassigned general fund balance at year-end was $4,419,784. This amount was 40.6% of the adopted budget for General Fund expenditures for budget year 2022. This exceeds the city's policy of 20% to 25% of general fund annual budgeted expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis document is intended to serve as an introduction to the City's basic financial statements. These financial statements consist of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the city's overall financial status.

- The majority of the remaining statements are fund financial statements that focus on individual parts of city government, reporting the city's operations in more detail than the government-wide statements.
- The City has three fiduciary funds for (a) property taxes collected on behalf of other taxing units within Dane County, (b) municipal court collections on behalf of the State of Wisconsin and surrounding towns and (c) license plate application fees on behalf of the State of Wisconsin.

These financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

The government-wide statements report information about the city as a whole using accounting methods similar to those used by private-sector companies. The *Statement of Net Position* includes all of the government's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. All of the current year's revenues and expenses are accounted for in the *Statement of Activities* regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net position – the City's assets plus deferred outflows of resources less liabilities and deferred inflows of resources – is one way to measure the City's financial health, or position. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating. To assess the overall health of the City you need to consider additional non-financial factors such as changes in the City's property tax base, changes in the local, state and national economies, and the condition of the City's roads and other infrastructure.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures and Changes in Fund Balance* provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 38 individual governmental funds. Information is presented separately in the *Balance Sheet* and *Statement of Revenues, Expenditures and Changes in Fund Balances* for the following major funds: General Fund, Debt Service Fund, and Construction Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

Proprietary Funds – The City maintains six different proprietary funds, five of which are enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary fund financial statements present the same type of information as the government-wide financial statements, only in more detail.

Internal Service Fund – The internal service fund, which is a type of proprietary fund, is used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the city, on a cost-reimbursement basis.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the city's own programs.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, required supplementary information presents a detailed budgetary comparison schedule for the General Fund to demonstrate compliance with the budget, followed by the City's pension and Other Post-Employment Benefits (OPEBs) related information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

An analysis of the City's financial position begins with a review of the *Statement of Net Position* and the *Statement of Activities*. These two statements report the City's net position and changes therein. It should be noted that the financial position could also be affected by non-financial factors, including economic conditions, population growth and new regulations.

CITY OF STOUGHTON

MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited)
As of and For the Year Ended December 31, 2022

Table One
Condensed Satement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	$ 33,877,797	$ 31,678,478	$ 18,344,567	$ 16,226,505	$ 52,222,364	$ 47,904,983
Restricted net pension asset	3,099,455	2,421,947	918,464	736,333	4,017,919	3,158,280
Capital assets	57,695,087	55,172,317	66,935,119	63,920,204	124,630,206	119,092,521
Total assets	94,672,339	89,272,742	86,198,150	80,883,042	180,870,489	170,155,784
Pension & OPEB related amounts	6,499,321	4,464,550	1,879,523	1,348,104	8,378,844	5,812,654
Total deferred outflows of resources	6,499,321	4,464,550	1,879,523	1,348,104	8,378,844	5,812,654
Other liabilities	3,418,886	2,402,779	1,576,720	2,443,413	4,995,606	4,846,192
Liabilities payable from restricted assets	-	-	1,611,250	1,509,534	1,611,250	1,509,534
Long term liabilities	36,229,192	35,561,262	11,310,893	10,386,274	47,540,085	45,947,536
Pension and OPEB liabilities	2,619,731	2,753,995	457,654	286,702	3,077,385	3,040,697
Total liabilities	42,267,809	40,718,036	14,956,517	14,625,923	57,224,326	55,343,959
Unearned revenues	12,755,960	12,015,966	-	-	12,755,960	12,015,966
Pension and OPEB related amounts	7,752,934	5,677,725	2,219,314	1,708,413	9,972,248	7,386,138
Total deferred inflows of resources	20,508,894	17,693,691	2,219,314	1,708,413	22,728,208	19,402,104
Net investment in capital assets	25,961,955	23,468,349	55,785,137	52,745,233	81,627,552	76,213,582
Restricted net position	7,580,747	5,986,289	4,198,369	3,815,868	11,779,116	9,802,157
Unrestricted net position	4,852,255	5,870,927	10,918,336	9,335,709	15,890,131	15,206,636
Total net position	$ 38,394,957	$ 35,325,565	$ 70,901,842	$ 65,896,810	$ 109,296,799	$ 101,222,375

Selected highlights of changes are listed below:

- Governmental Activities
  - Cash and investments – There was a modest increase of $0.36 million or 2.2% in cash and investments. The General Fund decreased by $0.5 million of which the continued cash subsidy of Tax Incremental Districts (TID) #5, #6, and #8. This was offset by the unspent bond proceeds in the Construction Fund increasing by $0.8 million as compared to the prior year.
  - Receivables – Combined receivables increased by about $1.7 million or 13.1%. The majority of the increase was $0.7 million for property taxes and $0.7 million for outstanding grant awards for TID #8 – Yahara Riverside Development.
  - Capital Assets – These assets increased by $2.5 million or 4.6%. Of this increase, $0.7 million was for non-depreciable assets and $1.8 million was for assets being depreciated.
  - Net Pension Asset – The increase in the Net Pension Asset of $2.1 million (49.8%) is due to the Wisconsin Retirement Fund going from 106.02% funded in the current year as opposed to 105.26% for the prior year.
  - Unearned revenues – The majority of the increase in unearned revenues ($697,453 or 87.8%) relates to unspent American Rescue Plan Act (ARPA) proceeds.

  - Restricted net position – The increase of $1.6 million (26.6%) can be attributed to (a) pension increases of $0.7 million (28.0%), (b) combined TID activities of $0.5 million (58.8%) and (c) impact fees from developers of $0.3 million (55.1%).
- Business-type Activities
  - Cash and investments – The increase in cash of $2.6 million (28.4%) is partially due to the decrease in total accounts receivable of $1.5 million (37.0%).
  - Inventories and prepaid items – The increase of $0.7 million (183.2%) can be attributed to timing of year end purchases and where the calendar falls.
  - Capital assets – The increase of $3.0 million (4.7%) is mainly contributed to increase in Construction in Progress ($0.9 million or 94.2%) for continuing improvements in the various utilities.
  - Net Pension Asset – The increase in the Net Pension Asset of $0.5 million (42.7%) is due to the Wisconsin Retirement Fund going from 106.02% funded in the current year as opposed to 105.26% for the prior year.
  - Accounts payable – The decrease of $1.0 million (47.1%) depends on the timing of when accounts payable checks are issued at year end.
  - Pension related liabilities – The increase of $0.5 million, or 28.4%, is for the same reason listed above for the Net Pension Asset.

The largest portion of the City's net position (74.7%) reflects its investment in capital assets (e.g., land, buildings and improvements, machinery and equipment, and infrastructure), less any debt used to acquire those assets that are still outstanding. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources as the capital assets themselves cannot generally be liquidated to pay these liabilities. The investment in capital assets increased by $3.3 million, or 7.3%, as compared to the prior year.

An additional portion of the City's net position (10.8%) represents resources that are subject to external restrictions on how they may be used. These restricted balances increased by $2.0 million, or 20.2%, in relation to the prior year. The largest factors for this increase were (a) pension activities at $0.9 million (27.2%), (b) combined TID activities of $0.5 million (58.8%) and (c) impact fees for developers at $0.3 million (55.1%).

The remaining balance of unrestricted net position (14.5%) may be used to meet the government's ongoing obligations. The unrestricted net position increased by $0.5 million or 3.3%.This was primarily due to the continuing investments in capital assets in the current year.

CITY OF STOUGHTON

MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited)
As of and For the Year Ended December 31, 2022

Table Two

Condensed Statement of Revenues, Expenses and Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for services	$ 3,808,065	$ 2,495,111	$ 22,840,578	$ 21,591,811	$ 26,648,643	$ 24,086,922
Operating grants and contributions	2,228,308	2,593,720	181,336	3,523,696	2,409,644	6,117,416
Capital grants and contributions	2,463,672	397,931	2,753,709	2,664,608	5,217,381	3,062,539
General Revenues						
Property taxes	11,037,716	11,140,643	-	-	11,037,716	11,140,643
Other taxes	250,829	171,065	-	-	250,829	171,065
Intergovernmental revenues	1,495,163	1,466,921	-	-	1,495,163	1,466,921
Other revenues	662,610	491,611	132,986	90,606	795,596	582,217
Total revenues	21,946,363	18,757,002	25,908,609	27,870,721	47,854,972	46,627,723
Expenses						
General government	2,165,576	2,775,516	-	-	2,165,576	2,775,516
Public safety	4,823,434	5,605,600	-	-	4,823,434	5,605,600
Public works	4,827,394	3,977,559	-	-	4,827,394	3,977,559
Culture, recreation and education	4,545,699	3,694,716	-	-	4,545,699	3,694,716
Conservation and development	1,522,098	1,150,303	-	-	1,522,098	1,150,303
Interest and fiscal charges	906,718	815,402	-	-	906,718	815,402
Water	-	-	1,961,593	5,131,321	1,961,593	5,131,321
Wastewater	-	-	2,089,682	1,899,994	2,089,682	1,899,994
Electric	-	-	15,471,713	14,498,571	15,471,713	14,498,571
Emergency Medical Services	-	-	744,112	689,774	744,112	689,774
Storm sewer	-	-	722,529	627,032	722,529	627,032
Total expenses	18,790,919	18,019,096	20,989,629	22,846,692	39,780,548	40,865,788
Income before transfers	3,155,444	737,906	4,918,980	5,024,029	8,074,424	5,761,935
Transfers	(86,052)	534,260	86,052	(534,260)	-	-
Changes in net position	3,069,392	1,272,166	5,005,032	4,489,769	8,074,424	5,761,935
Beginning net position	35,325,565	34,053,399	65,896,810	61,407,041	101,222,375	95,460,440
Ending net position	$ 38,394,957	$ 35,325,565	$ 70,901,842	$ 65,896,810	$ 109,296,799	$ 101,222,375

CITY OF STOUGHTON

MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited)
As of and For the Year Ended December 31, 2022

Revenues

Program revenues are those revenues that can be directly related to a particular activity.

- Charges for services are primarily made up of licenses, permits, public charges for services such as library, garbage, recycling, park, and recreation fees.
- Operating grants are mainly from state resources received for highway maintenance, taxi service and recycling programs.
- Capital grants fluctuate annually and are received to assist the city in capital asset purchases

General revenues represent revenues that are not directly related to one specific function.

- Property taxes are for operations, debt service, and Tax Incremental Districts increments.
- Other taxes are room taxes paid by hotels, bed & breakfast and other lodgings as Airbnb.
- Intergovernmental revenues include state shared revenues and payments in lieu of taxes.
- Other revenues include donations and investment income.

The information below provides more information on specific revenue sources.

- Government Activities
  - Charges for services increase by about $1.3 million or 52.6%. There were a number of factors causing this large increase.
    - Licenses and permits were up $0.1 million (24.0%) primary within the Planning & Development Department for new construction projects.
    - Public charges for services were up $0.1 million (3.4%) primarily due correcting the reporting for the Shared Ride Services revenues.
    - Charges to other governments were up $0.6 million (1823.1%) correct reporting of charges that were previous classified as donations.
    - Impact fees were up $0.3 million (531.9%) due to a large number of new lots were created.
  - Capital grants and contributions are up about $2.1 million (519.1%) compared to the prior year relating to state construction projects on US Highway 51.
  - Property tax revenue for both operations and debt combined increased by $0.4 million or 4.7%.
  - Property tax revenue for Tax Increment Financing districts was down $0.5 million (32.4%) based upon incremental tax calculations performed by the Wisconsin Department of Revenue.
  - Investment income increased by $0.25 million or 439.6% due to the raising of interest rates by the Federal Reserve.
- Business-type activities
  - Charges for services increased by $1.2 million or 5.8%. This can be attributed to both higher fee structure as well as the increased tax base of the city.
  - Operating grants and contributions were down $3.3 million (94.9%) compared to the prior year. Stoughton Utilities received grant funding in calendar year 2021 for the lead line service replacement project throughout the city.

Expenses

Governmental activities expenses are broken down into various functions.

- General Government includes administrative type costs including Council, Clerk, Human Resources, Finance, Legal and Assessment services.
- Public Safety includes the Police Department, Fire Department and Building Inspection.
- Public Works includes expenses for street and sidewalk maintenance, winter and forestry operations, refuse and recycling efforts along with the Shared Ride Service.

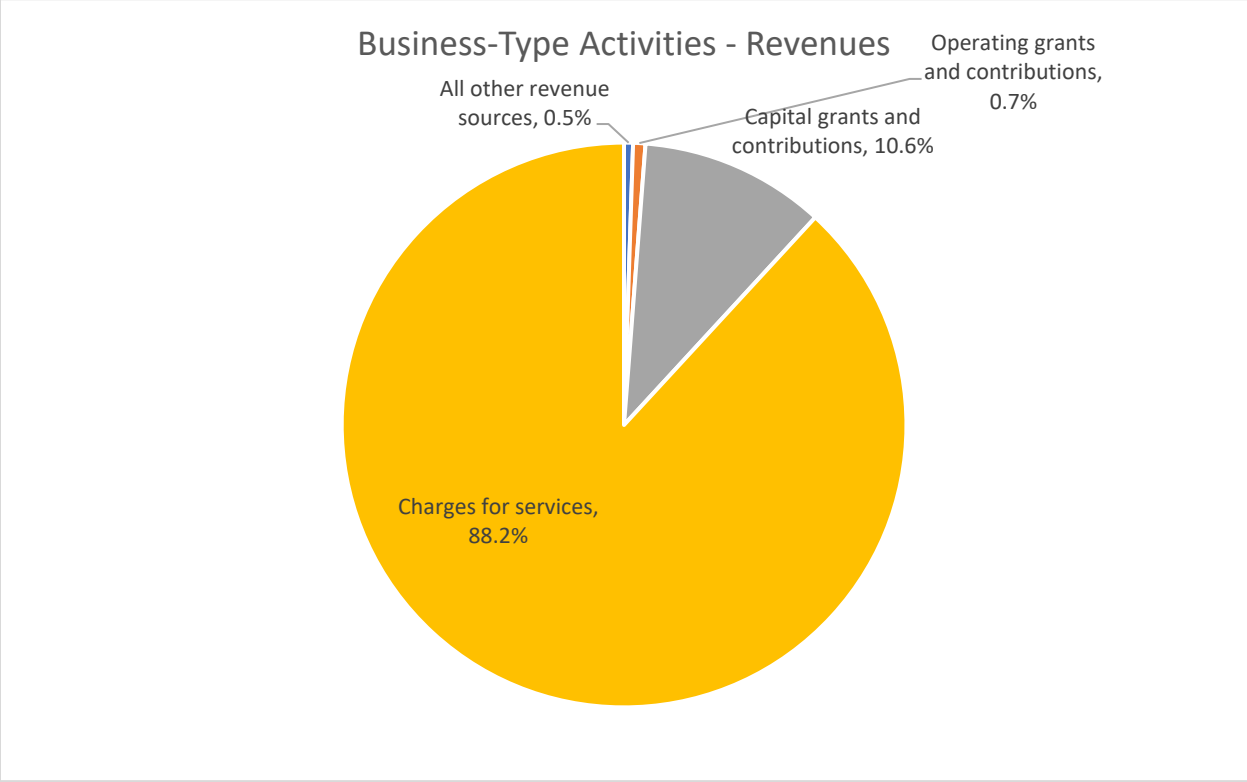
- Health and Human Services includes the Senior Center, Food Pantry, and two cemeteries.
- Culture, Recreation and Education includes Parks, Opera House, Library and WSTO-TV.
- Conservation and Development are the expenses of the Planning Department and Tax Incremental Financing funds.

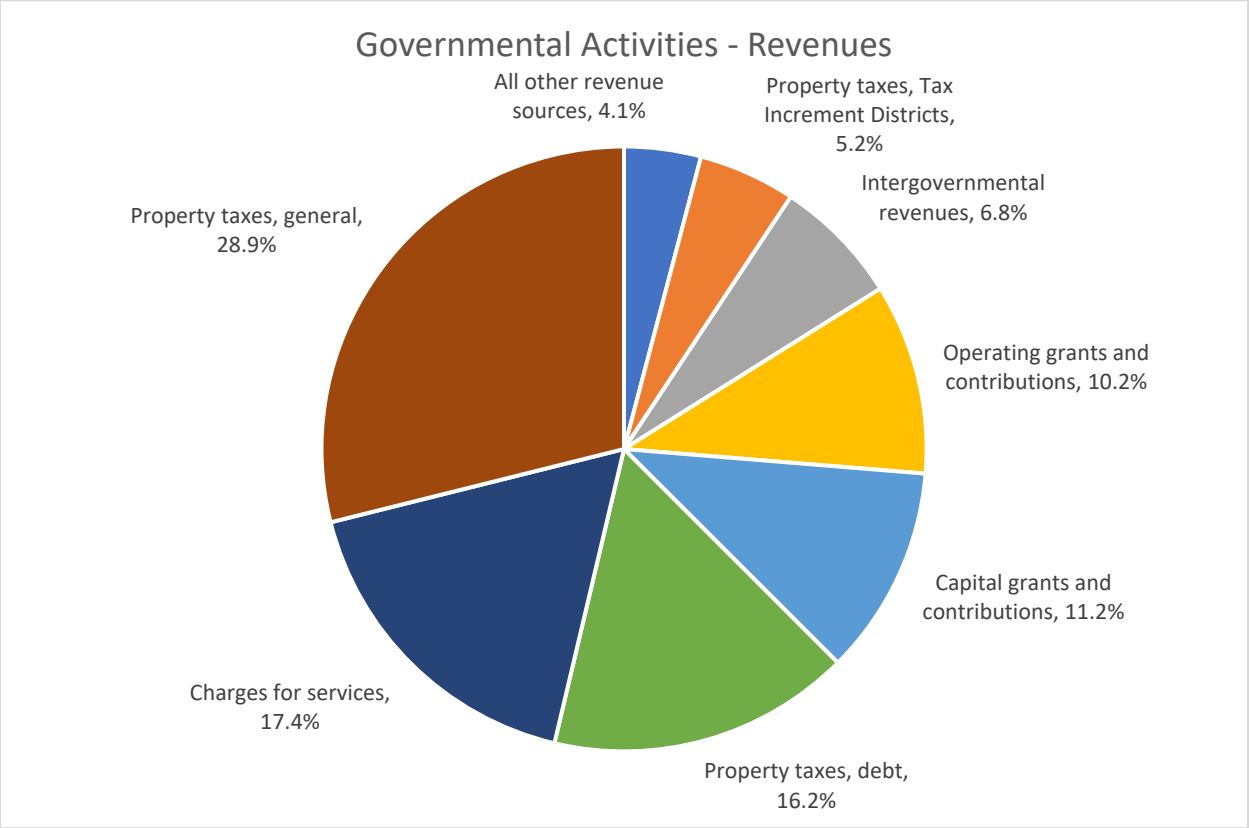
In total, governmental activities expenses increased by $0.8 million or 4.3%. However, when you look at the various categories, there were double digit percentage changes for each. General Government was down 22.0% and Public Safety down 14.0%. At the same time, Public Works (21.4%), Culture/Recreation/Education (23.0%), Conservation and Development (32.3%) were all up.

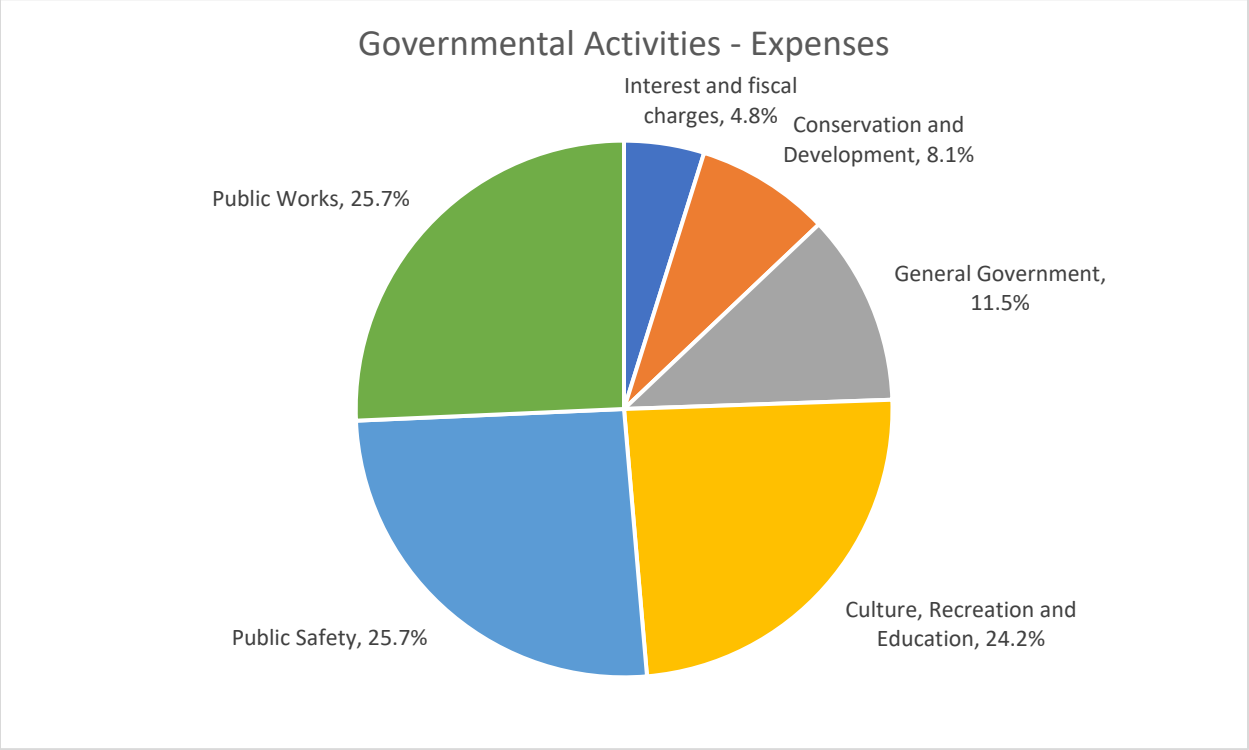
This can be attributed to (a) spending priorities can change each year with the adopted budget and (b) classification of some activities was corrected to align with instructions from the Wisconsin Department of Revenue for account classifications.

In total, business-type activities expenses were down in total by $1.9 million or 8.1%.

- The water utility expenses were down by $3.2 million or 61.8%. Much of this can be attributed to the lead line service replacement project being completed in the prior year.
- Wastewater utility expenses were up by $0.2 million or 10.0%. There were increased employee costs including approximately $124,000 for actuarial activities for GASB 68 pension and GASB 75 Other Post-Employment Benefits.
- The electric utility expenses were up $1.0 million or 6.7%. This was due to an increase in purchase power costs which are offset by the PCAC (Power Cost Adjustment Clause) revenues.




Governmental Activities - Revenues
All other revenue sources, 4.1%
Property taxes, Tax Increment Districts, 5.2%
Intergovernmental revenues, 6.8%
Operating grants and contributions, 10.2%
Capital grants and contributions, 11.2%
Property taxes, debt, 16.2%
Charges for services, 17.4%
Property taxes, general, 28.9%


Governmental Activities - Expenses
Interest and fiscal charges, 4.8%
Conservation and Development, 8.1%
General Government, 11.5%
Culture, Recreation and Education, 24.2%
Public Safety, 25.7%
Public Works, 25.7%

CITY OF STOUGHTON

MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited)
As of and For the Year Ended December 31, 2022

Business Type Activities

Table Three
Net Position by Enterprise Fund (Business Type Activities)
December 31, 2022

	Major Funds				Non-Major	
	Water	Wastewater	Electric	Storm Water	EMS	Total
Net Position, Beginning	$ 16,096,400	$ 18,670,526	$ 25,268,098	$ 4,390,259	$ 1,471,527	$ 65,896,810
Net Position, Ending	17,754,441	19,802,150	26,425,749	5,376,640	1,542,862	70,901,842
Change in Net Position	$ 1,658,041	$ 1,131,624	$ 1,157,651	$ 986,381	$ 71,335	$ 5,005,032

The Water Utility net position increased by $1.7 million or 10.3% due to an increase in unrestricted cash on hand due to a debt issuance as well as a rate increase. This corresponds with the decrease of $0.3 million in Net Investment in Capital Assets due to long-term debt increasing by $1.2 million.

The Wastewater Utility net position in total increased by $1.1 million or 6.1%. The Net Investment in Capital Assets was the largest component for this increase. Capital assets (net of depreciation) increased by $1.0 million while long-term debt decreased by $0.4 million.

The Electric Utility net position increased by $1.2 million or 4.6%, The Net Investment in Capital Assets was the largest component for this increase. Capital assets (net of depreciation) increased by $0.5 million while long-term debt decreased by $0.7 million.

The Storm Water Utility net position increased by $1.0 million or 22.5%. The Net Investment in Capital Assets was the largest component for this increase. Capital assets (net of depreciation) increased by $1.0 million while long-term debt increased by $0.2 million.

Emergency Medical Services (EMS) net position increased by $71,335 or 4.8%. This can be attributed to call volume increasing each year.

Governmental Funds

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

As of December 31, 2022, the city's governmental funds reported combined fund balances of $16.1 million which is a decrease of $0.3 million or 2.1%. The unassigned fund balance is approximately 20.7% of the total fund balance. This unassigned amount is available to meet the city's current and future needs.

CITY OF STOUGHTON

MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited)
As of and For the Year Ended December 31, 2022

Table Four
Governmental Funds - Fund Balances
December 31, 2022

Category	General Fund	Debt Service	Construction	Non-Major	Total
Non-spendable	$ 1,540,231	$ -	$ -	$ 266	$ 1,540,497
Restricted	203,318	621,554	852,464	3,786,312	5,463,648
Committed	-	-	-	2,059,013	2,059,013
Assigned	1,018,543	-	2,112,880	610,015	3,741,438
Unassigned	4,419,784	-		(1,086,957)	3,332,827
Total	$ 7,181,876	$ 621,554	$ 2,965,344	$ 5,368,649	$ 16,137,423
Beginning balance	$ 7,319,997	$ 682,468	$ 2,077,443	$ 6,405,012	$ 16,484,920
Ending fund balance	7,181,876	621,554	2,965,344	5,368,649	16,137,423
Increase (decrease)	$ (138,121)	$ (60,914)	$ 887,901	$ (1,036,363)	$ (347,497)

General Fund - The City's General Fund is the chief operating fund of the city. The increase is primarily due to operating expenditures being below budget. See the following General Fund Budgetary Highlights section for further details.

Debt Service Fund - The City's Debt Service Fund accounts for the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs. Although the adopted budget planned for a decrease in fund balance of about $118,000, the actual decrease was about 50% of that amount.

Construction Capital Projects Fund - The City's construction capital projects fund accounts for the funds accumulated for the purpose of obtaining capital assets or for capital projects and other expenditures that are unique and are not normal operating or maintenance type expenditures reportable within the General Fund or other governmental funds. The actual fund balance increase is primarily due to unspent note proceeds.

Nonmajor Governmental Funds - Fund balance of all other governmental funds increased by 15.1% from the prior year. There are 38 different non-major governmental funds, each with a different purpose.

Proprietary Funds

The City of Stoughton's proprietary fund financial statements provide the same type of information found in the government-wide financial statements but in more detail. Factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

Internal Service Fund

In December 2011, the City paid off its Wisconsin Retirement System Unfunded Actuarial Accrued Liability. The City borrowed money from the Electric Utility to pay off its portion of liability. This advance has been recorded in the Retirement Fund, which is an Internal Service Fund that the city created for this purpose. The internal service fund had a zero balance as of December 31, 2022 as the liability was paid in full during the year to Stoughton Utilities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund adopted budget had appropriations for $15.0 million and projected revenues of $14.9 million with a net planned usage of fund balance for $87,136 (i.e., planned deficit). The majority of this deficit was for $113,000 in sick leave payouts. In total, the fund balance decreased by $138,121.

A number of departments in the General Fund exceeded their appropriations during the year. The Common Council amended the 2022 budget to ensure that the departments no longer exceeded their budgetary appropriations.

The departments that required their 2022 budget to be amended for this purpose is listed below.

- City Attorney $8,885 deficit – Attorney fees not charged to developers or Tax Incremental Districts exceeded the budgeted amounts.
- City Clerk (surplus) – The Clerk purchased four (4) extra ballot machines for $27,830 in order to help elections flow smoother. This was offset by approximately $18,000 in additional revenues as well as other expenditures being about $18,000 below budgeted amounts.
- City Council $2,670 deficit – Computer equipment totaling $2,662 was ordered for alderpersons and/or meeting rooms but was not included in the Council's original budget.
- Community Commitment $8,631 deficit– The cost of the July 4th fireworks exceeded the budgeted amount.
- Finance $11,286 deficit – Audit fees exceeded the budgeted expenditures by $11,378.
- Fire $12,354 deficit – The Fire Department equipment maintenance expenditures were $30,533 over budget, which was partially offset by wages and benefits $24,345 below budgeted amounts.
- Human Resources / Risk Management (surplus) – Expenditures were $19,226 over budget which had two primary causes. The first was $15,970 in wages and benefits due to expanding hours for one position. The second was increased insurance policy premiums which was offset by a workers compensation dividend (revenue) of $30,459 more than budgeted.
- Mayor $226 deficit – The Mayor exceeded allowed expenditures for operating expenses.
- Municipal Court $3,201 deficit – The Municipal Court exceeded allowed expenditures due to a wage increase provided mid-year for employee retention and revenues about 1.4% below budgeted amounts.
- Planning (surplus) - The Planning Department had unbudgeted expenditures of $15,791 for Hill Street repairs that was offset by excess revenues of $113,938.
- Police $11,857 deficit – The Police Department's deficit was only 0.4% of the total allowed expenditures. Wages and benefits exceeded the budgeted amount which was offset by reduced expenditures for various operating expenditures.
- Public Works $13,129 deficit – There were excess expenditures in tree purchases, collision repairs, signs, and markings.
- Recreation Programs $22,538 deficit – Public charges for services were $40,201 less than budgeted which was offset by expenditures $17,784 under the budgeted amounts. *This department was missed in amending the budgets as part of the year end process related to deficits.*

In looking at revenues by category, the following gives a high-level overview of various categories:

- Other taxes – Other taxes had a surplus of $87,822 or 8.7% over budgeted amounts. This was primarily in (a) agricultural use conversion penalties, room taxes, and payments in lieu of taxes from Stoughton Utilities.

- Licenses and permits – This revenue category had a surplus of $116,974 or 48.9% over budgeted amounts. The largest area is for permits issued by the Planning & Development Department with a revenue surplus of $111,812.
- Public charges for services – This revenue category had a deficit of $49,475 or 11.8% under budgeted amounts. In addition to the $40,201 deficit for Recreation Programs listed previously, the cable franchise fee as $17,528 less than budgeted. This is due to fewer people using cable television services such Spectrum Communications or TDS Telecom.
- Interdepartmental charges $13,597 – The budgeted amount for rent charges to Stoughton Utilities was budgeted too high.
- Miscellaneous revenues – This revenue category had a surplus of $144,845 or 44.3%. Investment Income had a surplus of $105,004 due to the interest rate changes by the Federal Reserve. In addition, insurance recoveries had a surplus of $21,855 which is offset against repairs to city property.

Further details can be found in the budget to actual section of this report and the City's year-end budget to actual report.

CAPITAL ASSETS

At the end of 2022, the City had invested a total of $124.9 million in capital assets (net of depreciation), which was an increase of $5.8 million or 4.8% over the prior year. This investment in capital assets includes land, buildings and improvements, machinery and equipment, and infrastructure.

For the governmental activities, capital assets net of depreciation increased $2.5 million or 4.6%. The largest increase was in the Streets category, whether in new streets or resurfacing of existing streets.

For business-type activities, the capital assets net of depreciation increased by $3.2 million or 3.9%. Comments regarding each fund is below.

- Water Utility – Net capital assets increased by $0.9 million or 4.9% with the majority in Transmission and Distribution assets.
- Wastewater Utility – Net capital assets increased by $11.0 million or 5.0% with the majority in Collection Systems.
- Electric Utility – Net capital assets increased by $0.5 million or 2.5% with the majority in Distribution. Part of the net capital asset increase is a $180,000 capital lease asset recognized with the implementation of Governmental Accounting Standards Board Statement No. 87 – *Leases*. This is a 20-year prepaid lease agreement with TDS Metrocom for the right to use fiber optic assets.
- Stormwater Utility – Net capital assets increased by $1.0 million or 17.4% due to increased storm sewer infrastructure.
- Emergency Medical Services – No capital assets were added during the year. The only change in net capital assets was the result of current year depreciation of $68,328.

CITY OF STOUGHTON

MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited)
As of and For the Year Ended December 31, 2022

Table Five
Capital Assets

	2022	2021	Increase (Decrease)	Inc (Dec)
Governmental activities				
Land and other assets, not being depreciated	$ 11,679,880	$ 10,988,474	$ 691,406	6.3%
Buildings & improvements	26,947,661	26,840,705	106,956	0.4%
Machinery & equipment	11,536,664	11,234,639	302,025	2.7%
Streets	25,723,441	23,022,473	2,700,968	11.7%
Sidewalks	6,388,805	5,970,488	418,317	7.0%
Street lighting	227,551	227,551	-	0.0%
Bridges	845,989	845,989	-	0.0%
Storm sewers	4,900,225	4,903,133	(2,908)	-0.1%
Traffic signals	411,974	411,974	-	0.0%
Dams	592,997	592,997	-	0.0%
Total Capital Assets	89,255,187	85,038,423	4,216,764	5.0%
Less: Accumulated depreciation	(31,560,100)	(29,866,106)	(1,693,994)	5.7%
Governmental activities net capital assets	$ 57,695,087	$ 55,172,317	$ 2,522,770	4.6%
Business-type activities				
Land and other assets, not being depreciated	$ 2,133,388	$ 1,209,646	$ 923,742	76.4%
Administration and general assets	5,683,094	5,558,475	124,619	2.2%
Buildings and Improvements	1,240,308	1,240,308	-	0.0%
Collection system	15,708,646	14,609,016	1,099,630	7.5%
Collection system pumping	756,008	756,008	-	0.0%
Distribution	33,658,380	-	33,658,380	100.0%
Equipment	973,260	973,260	-	0.0%
General	1,010,091	1,007,359	2,732	0.3%
Lease assets	180,000	-	180,000	100.0%
Pumping	1,598,744	1,598,744	-	0.0%
Sources of supply	595,730	595,730	-	0.0%
Storm sewer	7,357,178	6,339,906	1,017,272	16.0%
Transmission and distribution	25,154,140	54,656,534	(29,502,394)	-54.0%
Treatment	90,795	90,795	-	0.0%
Treatment and disposal	15,702,551	15,684,336	18,215	0.1%
Completed construction not classified	-	1,667,296	(1,667,296)	100.0%
Total Capital Assets	111,842,313	105,987,413	5,854,900	5.5%
Less: Accumulated depreciation	(44,678,097)	(42,067,209)	(2,610,888)	6.2%
Business-type activities net capital assets	$ 67,164,216	$ 63,920,204	$ 3,244,012	5.1%
Total capital assets, net of depreciation	$ 124,859,303	$ 119,092,521	$ 5,766,782	4.8%

LONG-TERM DEBT

Table Five
Long Term Debt

	2022	2021	Increase (Decrease)	Increase (Decrease)
Governmental activities				
General obligation (GO) debt	$ 33,870,743	$ 32,850,386	$ 1,020,357	3.1%
GO debt, direct placement	681,910	719,192	(37,282)	-5.2%
Unamortized premiums on debt	664,920	746,920	(82,000)	-11.0%
Total governmental activities	35,217,573	34,316,498	901,075	2.6%
Business -type activities				
General obligation (GO) debt	2,114,257	1,964,614	149,643	7.6%
Revenue bonds	6,316,622	5,740,000	576,622	10.0%
Revenue debt, direct placement	3,033,250	3,414,751	(381,501)	-11.2%
Unamortized premiums on debt	81,930	103,029	(21,099)	-20.5%
Total business-type activities	11,546,059	11,222,394	323,665	2.9%
Total debt	$ 46,763,632	$ 45,538,892	$ 1,224,740	2.7%

Governmental - GO debt	$ 33,870,743	Total equalized value	$ 1,567,793,700
Governmental - Direct GO debt	681,910	GO Debt as a percentage	
Business-type - GO debt	2,114,257	of equalized value	2.34%
Total general obligation debt	$ 36,666,910		
		GO Debt limit	$ 78,389,685
		Current GO debt	36,666,910
		Amount available	$ 41,722,775

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the city's jurisdiction. The City's general obligation debt is $41.7 million below that statutory limit.

The City has a debt policy to maintain total outstanding general obligation debt at 4% or less of the equalized value. The City's outstanding general obligation debt is at 2.3%, which is well below the self-imposed limit.

CURRENTLY KNOWN FACTS / ECONOMIC CONDITIONS

The City has received $686,312 in American Rescue Plan Act (ARPA) funds in both calendar years 2021 and 2022. As of the drafting of this document, the Council still has not authorized the use of the remaining funds of $600,453.

REQUESTS FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the City of Stoughton Director of Finance/Comptroller at 207 S. Forrest St, Stoughton, WI 53589.

City of Stoughton

Statement of Net Position
December 31, 2022

	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	$ 17,061,673	$ 11,609,048	$ 28,670,721
Receivables (net)	13,803,054	2,632,717	16,435,771
Due from other governmental units	679,909	138	680,047
Internal balances	1,010,820	(1,010,820)	-
Inventories and prepaid items	163,312	1,047,141	1,210,453
Investment in mutual insurance company	257,805	-	257,805
Restricted cash and investments	-	3,322,316	3,322,316
Restricted net pension asset	3,099,455	918,464	4,017,919
Other assets	-	514,930	514,930
Land held for resale	901,224	-	901,224
Capital assets:			
Capital assets not being depreciated	11,679,880	2,133,388	13,813,268
Capital assets net of depreciation	46,015,207	65,030,828	111,046,035
Total assets	94,672,339	86,198,150	180,870,489
Deferred Outflows of Resources			
Pension related amounts	6,272,564	1,796,906	8,069,470
OPEB related amounts	226,757	82,617	309,374
Total deferred outflows of resources	6,499,321	1,879,523	8,378,844
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Accounts payable	1,132,948	1,162,620	2,295,568
Accrued liabilities and deposits	794,088	318,258	1,112,346
Other liabilities	-	38,207	38,207
Unearned revenues	1,491,850	57,635	1,549,485
Liabilities payable from restricted assets:			
Current portion of revenue bonds	-	1,568,843	1,568,843
Accrued interest	-	42,407	42,407
Noncurrent liabilities:			
Due within one year	3,915,183	353,404	4,268,587
Due in more than one year	32,314,009	10,957,489	43,271,498
Net fire pension liability	1,239,426	-	1,239,426
Other post-employment benefits	1,380,305	457,654	1,837,959
Total liabilities	42,267,809	14,956,517	57,224,326
Deferred Inflows of Resources			
Unearned revenue	12,755,960	-	12,755,960
Pension related amounts	7,581,333	2,163,220	9,744,553
OPEB related amounts	171,601	56,094	227,695
Total deferred inflows of resources	20,508,894	2,219,314	22,728,208

See notes to financial statements

City of Stoughton

Statement of Net Position
December 31, 2022

	Governmental Activities	Business-Type Activities	Total
Net Position			
Net investment in capital assets	$ 25,961,955	$ 55,785,137	$ 81,627,552
Restricted for:			
Debt service	267,168	2,104,104	2,371,272
Firemen pension	905,505	-	905,505
Pension	3,099,455	918,464	4,017,919
Equipment replacement	-	1,175,801	1,175,801
TID activities	1,462,543	-	1,462,543
Library	284,506	-	284,506
Impact fees	772,302	-	772,302
Affordable housing	263,839	-	263,839
Grants and donations	217,909	-	217,909
Revolving loan	307,520	-	307,520
Unrestricted	4,852,255	10,918,336	15,890,131
Total net position	$ 38,394,957	$ 70,901,842	$109,296,799

See notes to financial statements

City of Stoughton

Statement of Activities
Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Governmental Activities	Net (Expenses) Revenues and Changes in Net Position: Business-Type Activities	Net (Expenses) Revenues and Changes in Net Position: Total
Governmental activities:							
General government	$ 2,165,576	$ 162,402	$ 3,290	$ -	$ (1,999,884)	$ -	$ (1,999,884)
Public safety	4,823,434	1,047,982	152,298	44,600	(3,578,554)	-	(3,578,554)
Public works	4,827,394	1,308,436	1,463,919	2,334,582	279,543	-	279,543
Culture, recreation and education	4,545,699	1,099,027	530,606	-	(2,916,066)	-	(2,916,066)
Conservation and development	1,522,098	190,218	78,195	84,490	(1,169,195)	-	(1,169,195)
Interest and fiscal charges	906,718	-	-	-	(906,718)	-	(906,718)
Total governmental activities	18,790,919	3,808,065	2,228,308	2,463,672	(10,290,874)	-	(10,290,874)
Business-type activities:							
Water	1,961,593	2,526,615	140,702	1,307,986	-	2,013,710	2,013,710
Wastewater	2,089,682	2,133,620	-	1,057,127	-	1,101,065	1,101,065
Electric	15,471,713	16,558,584	-	388,596	-	1,475,467	1,475,467
EMS	744,112	748,431	40,634	-	-	44,953	44,953
Storm sewer	722,529	873,328	-	-	-	150,799	150,799
Total business-type activities	20,989,629	22,840,578	181,336	2,753,709	-	4,785,994	4,785,994
Total	$ 39,780,548	$ 26,648,643	$ 2,409,644	$ 5,217,381	(10,290,874)	4,785,994	(5,504,880)
General Revenues							
Taxes:							
Property taxes, levied for general purposes					6,337,585	-	6,337,585
Property taxes, levied for debt service					3,565,553	-	3,565,553
Property taxes, levied for TIF districts					1,134,578	-	1,134,578
Other taxes					250,829	-	250,829
Intergovernmental revenues not restricted to specific programs					1,495,163	-	1,495,163
Investment income					303,702	116,976	420,678
Gain on sale of assets					-	14,531	14,531
Miscellaneous					358,908	1,479	360,387
Total general revenues					13,446,318	132,986	13,579,304
Transfers					(86,052)	86,052	-
Change in net position					3,069,392	5,005,032	8,074,424
Net Position, Beginning					35,325,565	65,896,810	101,222,375
Net Position, Ending					$ 38,394,957	$ 70,901,842	$ 109,296,799

See notes to financial statements

City of Stoughton

Balance Sheet -
Governmental Funds
December 31, 2022

	General Fund	Debt Service Fund	Construction
Assets			
Cash and investments	$ 5,155,722	$ 346,229	$ 3,020,828
Receivables (net):			
Taxes	5,525,378	3,978,674	-
Delinquent personal property taxes	2,982	-	-
Accounts	224,553	-	27,316
Special assessments	-	-	-
Delinquent special assessments	12,778	-	-
Loans	-	-	-
Due from other governments	-	-	-
Due from other funds	831,016	-	107,794
Advances to other funds	1,103,620	275,325	-
Other investments	257,805	-	-
Inventories and prepayments	163,046	-	-
Total assets	$ 13,276,900	$ 4,600,228	$ 3,155,938
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	$ 161,105	$ -	$ 187,954
Accrued liabilities	326,059	-	2,640
Deposits	-	-	-
Due to other funds	6,564	-	-
Due to other governments	26,099	-	-
Unearned revenues	-	-	-
Advances from other funds	-	-	-
Total liabilities	519,827	-	190,594
Deferred Inflows of Resources			
Unearned revenues	5,524,514	3,978,674	-
Unavailable revenues	50,683	-	-
Total deferred inflows of resources	5,575,197	3,978,674	-
Fund Balances			
Nonspendable	1,540,231	-	-
Restricted	203,318	621,554	852,464
Committed	-	-	-
Assigned	1,018,543	-	2,112,880
Unassigned (deficit)	4,419,784	-	-
Total fund balances	7,181,876	621,554	2,965,344
Total liabilities and fund balance	$ 13,276,900	$ 4,600,228	$ 3,155,938

See notes to financial statements

Nonmajor Governmental Funds	Total
$ 8,538,894	$ 17,061,673
3,291,273	12,795,325
-	2,982
169,972	421,841
432,679	432,679
-	12,778
137,449	137,449
679,909	679,909
19,814	958,624
-	1,378,945
-	257,805
266	163,312
$ 13,270,256	$ 34,303,322
$ 783,889	$ 1,132,948
33,804	362,503
51,100	51,100
216,565	223,129
-	26,099
1,491,850	1,491,850
1,103,620	1,103,620
3,680,828	4,391,249
3,252,772	12,755,960
968,007	1,018,690
4,220,779	13,774,650
266	1,540,497
3,786,312	5,463,648
2,059,013	2,059,013
610,015	3,741,438
(1,086,957)	3,332,827
5,368,649	16,137,423
$ 13,270,256	$ 34,303,322

See notes to financial statements

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2022

Total Fund Balances, Governmental Funds	$ 16,137,423
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. See Note 2.	57,695,087
Land held for resale is considered an allowable expenditure per Tax Incremental District project plans and is not reported as an asset in the funds.	901,224
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.	1,018,690
The net pension asset and liability does not relate to current financial resources and is not reported in the governmental funds.	1,860,029
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	6,272,564
Deferred outflows of resources related to other post employment liabilities do not relate to current financial resources and are not reported in the governmental funds.	226,757
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(7,581,333)
Deferred inflows of resources related to other post employment liabilities do not relate to current financial resources and are not reported in the governmental funds.	(171,601)
The OPEB liabilities do not relate to current financial resources and are not reported in the governmental funds.	(1,380,305)
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. See Note 2.	(36,583,578)
Net Position of Governmental Activities	$ 38,394,957

See notes to financial statements

City of Stoughton

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
Year Ended December 31, 2022

	General Fund	Debt Service Fund	Construction
Revenues			
Taxes	$ 5,540,161	$ 3,565,553	$ -
Intergovernmental	2,321,101	-	58,832
Licenses and permits	356,231	-	-
Fines, forfeitures and penalties	111,946	-	-
Public charges for services	488,539	-	-
Intergovernmental charges for services	198,393	73,975	-
Special assessments	15,815	-	-
Investment income	121,464	4,767	68,273
Miscellaneous revenues	425,257	-	-
Total revenues	9,578,907	3,644,295	127,105
Expenditures			
Current:			
General government	2,211,054	-	-
Public safety	4,796,668	-	-
Public works	1,661,447	-	75,872
Culture, recreation and education	1,465,732	-	-
Conservation and development	121,036	-	82,407
Capital outlay	-	-	2,359,346
Debt service:			
Principal	-	3,901,925	-
Interest and fiscal charges	6,427	895,077	83,679
Total expenditures	10,262,364	4,797,002	2,601,304
Excess (deficiency) of revenues over expenditures	(683,457)	(1,152,707)	(2,474,199)
Other Financing Sources (Uses)			
Debt issued	-	-	3,105,000
Premium on debt	-	65,948	-
Sales of fixed assets	9,867	-	-
Transfers in	885,043	1,025,845	257,100
Transfers out	(349,574)	-	-
Total other financing sources (uses)	545,336	1,091,793	3,362,100
Net change in fund balances	(138,121)	(60,914)	887,901
Fund Balances, Beginning	7,319,997	682,468	2,077,443
Fund Balances, Ending	$ 7,181,876	$ 621,554	$ 2,965,344

See notes to financial statements

Nonmajor Governmental Funds	Total
$ 2,174,918	$ 11,280,632
1,067,540	3,447,473
-	356,231
-	111,946
2,002,779	2,491,318
32,053	304,421
128,463	144,278
109,198	303,702
709,905	1,135,162
6,224,856	19,575,163
374,739	2,585,793
151,437	4,948,105
945,190	2,682,509
2,741,799	4,207,531
1,236,979	1,440,422
2,503,637	4,862,983
-	3,901,925
48,090	1,033,273
8,001,871	25,662,541
(1,777,015)	(6,087,378)
1,780,000	4,885,000
26,228	92,176
14,495	24,362
712,360	2,880,348
(1,792,431)	(2,142,005)
740,652	5,739,881
(1,036,363)	(347,497)
6,405,012	16,484,920
$ 5,368,649	$ 16,137,423

See notes to financial statements

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2022

Net Change in Fund Balances, Total Governmental Funds	$	(347,497)
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		4,862,983
Some items reported as capital outlay were not capitalized		(444,297)
Depreciation is reported in the government-wide financial statements		(2,468,117)
Net book value of assets retired		(136,870)
Capital assets contributed to business-type activities are reported as capital outlay in the fund financial statements.		(824,395)
Capital assets contributed by developers		1,533,466
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.		
Special assessments		732,804
Revolving loan		(51,814)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Debt issued		(4,885,000)
Principal repaid		3,901,925
Governmental funds report debt premiums and discounts as other financing sources (uses) or financing sources or uses. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.		
Amortization		82,630
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		232,515
Accrued interest on debt		(48,251)
Net pension asset/liability		634,228
Net other post-employment benefits liability		177,544
Deferred outflows of resources related to pensions		2,085,015
Deferred inflows of resources related to pensions		(1,971,768)
Deferred outflows of resources related to other post-employment benefits		(50,244)
Deferred inflows of resources related to other post-employment benefits		(103,441)
Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities		157,976
Change in Net Position of Governmental Activities	$	3,069,392

See notes to financial statements

City of Stoughton

Statement of Net Position -
Proprietary Funds
December 31, 2022

	Business-Type Activities - Enterprise Funds		
	Water	Wastewater	Electric
Assets			
Current assets:			
Cash and investments	$ 1,666,666	$ 1,065,383	$ 6,285,193
Other receivables (net)	271,784	235,223	1,950,581
Due from other funds	123,425	85,177	9,721
Due from other governments	-	-	-
Inventories	58,750	-	987,391
Prepaid items	-	-	1,000
Restricted assets:			
Redemption account	400,256	295,370	566,170
Total current assets	2,520,881	1,681,153	9,800,056
Noncurrent assets:			
Restricted assets:			
Reserve account	340,710	-	460,722
Depreciation account	25,000	33,283	25,000
Equipment replacement	-	1,175,801	-
Construction account	4	-	-
Net pension asset	189,937	194,121	413,766
Capital assets:			
Land and land rights	24,841	100	344,364
Construction in progress	251,862	632,415	448,520
Plant in service	28,434,481	33,671,072	38,032,626
Property held for future use	-	-	229,097
Less Accumulated depreciation	(9,137,991)	(14,370,326)	(18,906,319)
Other assets:			
Other prepaid asset	-	17,826	-
Plant and maintenance reserve account	198,292	-	538,790
Sick leave reserve account	120,610	101,123	121,939
Investment in ATC	-	-	492,146
Nonutility property (net of amortization)	4,958	-	-
Total noncurrent assets	20,452,704	21,455,415	22,200,651
Total assets	22,973,585	23,136,568	32,000,707
Deferred Outflows of Resources			
Pension related amounts	368,319	376,587	815,776
OPEB related amounts	29,980	13,822	26,645
Total deferred outflows of resources	398,299	390,409	842,421

See notes to financial statements

Business-Type Activities - Enterprise Funds			
Storm Sewer	Nonmajor Enterprise Funds - EMS	Total	Governmental Activities - Internal Service Fund
$ 799,949	$ 711,103	$ 10,528,294	$ -
1,643	173,486	2,632,717	-
62,190	-	280,513	-
-	138	138	-
-	-	1,046,141	-
-	-	1,000	-
-	-	1,261,796	-
863,782	884,727	15,750,599	-
-	-	801,432	-
-	-	83,283	-
-	-	1,175,801	-
-	-	4	-
63,632	57,008	918,464	-
153,489	-	522,794	-
48,700	-	1,381,497	-
7,357,178	2,213,568	109,708,925	-
-	-	229,097	-
(1,126,515)	(1,136,946)	(44,678,097)	-
-	-	17,826	-
-	-	737,082	-
-	-	343,672	-
-	-	492,146	-
-	-	4,958	-
6,496,484	1,133,630	71,738,884	-
7,360,266	2,018,357	87,489,483	-
125,317	110,907	1,796,906	-
5,593	6,577	82,617	-
130,910	117,484	1,879,523	-

See notes to financial statements

City of Stoughton

Statement of Net Position -
Proprietary Funds
December 31, 2022

	Business-Type Activities - Enterprise Funds		
	Water	Wastewater	Electric
Liabilities			
Current liabilities:			
Accounts payable	$ 34,108	$ 54,806	$ 1,043,734
Accrued liabilities	23,431	23,696	107,724
Public benefits	-	-	38,207
Deposits	650	-	105,872
Due to other funds	442,385	80,146	493,477
Unearned revenues	-	-	-
Current portion of general obligation debt	54,000	36,000	-
Current portion of advance	-	-	-
Liabilities payable from restricted assets:			
Current portion of revenue bonds	519,717	359,126	690,000
Accrued interest	15,788	11,327	15,292
Total current liabilities	1,090,079	565,101	2,494,306
Noncurrent liabilities:			
Long-term debt:			
Revenue bonds payable	3,647,790	2,428,239	1,705,000
Unamortized debt premium	40,259	-	41,671
General obligation debt payable	111,000	74,000	-
Customer advances for construction	-	-	916,833
Compensated absences	120,610	101,123	121,939
Other post-employment benefits	143,217	88,134	145,311
Advances from other funds	-	-	-
Total noncurrent liabilities	4,062,876	2,691,496	2,930,754
Total liabilities	5,152,955	3,256,597	5,425,060
Deferred Inflows of Resources			
Pension related amounts	447,349	457,206	974,526
OPEB related amounts	17,139	11,024	17,793
Total deferred inflows of resources	464,488	468,230	992,319
Net Position			
Net investment in capital assets	15,200,431	17,035,896	17,711,617
Restricted for:			
Debt service	750,178	317,326	1,036,600
Equipment replacement	-	1,175,801	-
Pension	189,937	194,121	413,766
Unrestricted (deficit)	1,613,895	1,079,006	7,263,766
Total net position	$ 17,754,441	$ 19,802,150	$ 26,425,749

See notes to financial statements

Business-Type Activities - Enterprise Funds			
Storm Sewer	Nonmajor Enterprise Funds	Total	Governmental Activities - Internal Service Fund
$ 13,005	$ 16,967	$ 1,162,620	$ -
26,508	30,377	211,736	-
-	-	38,207	-
-	-	106,522	-
-	-	1,016,008	-
-	57,635	57,635	-
263,404	-	353,404	-
-	30,000	30,000	-
-	-	1,568,843	-
-	-	42,407	-
302,917	134,979	4,587,382	-
-	-	7,781,029	-
-	-	81,930	-
1,575,853	-	1,760,853	-
-	-	916,833	-
37,201	35,971	416,844	-
43,212	37,780	457,654	-
-	245,325	245,325	-
1,656,266	319,076	11,660,468	-
1,959,183	454,055	16,247,850	-
149,870	134,269	2,163,220	-
5,483	4,655	56,094	-
155,353	138,924	2,219,314	-
4,760,571	1,076,622	55,785,137	-
-	-	2,104,104	-
-	-	1,175,801	-
63,632	57,008	918,464	-
552,437	409,232	10,918,336	-
$ 5,376,640	$ 1,542,862	$ 70,901,842	$ -

See notes to financial statements

City of Stoughton

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds		
	Water	**Wastewater**	**Electric**
Operating Revenues	$ 2,526,615	$ 2,133,620	$ 16,558,584
Operating Expenses			
Operation and maintenance	1,224,074	1,238,224	14,104,414
Depreciation	505,315	772,166	1,309,313
Total operating expenses	1,729,389	2,010,390	15,413,727
Operating income	797,226	123,230	1,144,857
Nonoperating Revenues (Expenses)			
Investment income	13,918	22,756	62,436
Interest and fiscal charges	(82,125)	(79,292)	(65,207)
Miscellaneous expenses	-	-	(3,248)
Intergovernmental	-	-	-
Amortization of premium	10,629	-	10,469
Miscellaneous revenue	-	-	-
Lead service replacement grant proceeds	140,702	-	-
Lead service replacement expenses	(160,708)	-	-
Gain on sale of assets	6,728	7,803	-
Total nonoperating revenues (expenses)	(70,856)	(48,733)	4,450
Income before contributions and transfers	726,370	74,497	1,149,307
Contributions and Transfers			
Contributions in aid of construction	1,307,986	1,057,127	388,596
Capital contributions, City	-	-	-
Transfers in	-	-	-
Transfers out	(376,315)	-	(380,252)
Total contributions and transfers	931,671	1,057,127	8,344
Change in net position	1,658,041	1,131,624	1,157,651
Net Position (Deficit), Beginning	16,096,400	18,670,526	25,268,098
Net Position, Ending	$ 17,754,441	$ 19,802,150	$ 26,425,749

See notes to financial statements

Business-Type Activities - Enterprise Funds			
Storm Sewer	Nonmajor Enterprise Funds - EMS	Total	Governmental Activities - Internal Service Fund
$ 873,328	$ 748,431	$ 22,840,578	$ 157,976
416,579	675,784	17,659,075	-
255,287	68,328	2,910,409	-
671,866	744,112	20,569,484	-
201,462	4,319	2,271,094	157,976
11,187	6,679	116,976	-
(50,663)	-	(277,287)	-
-	-	(3,248)	-
-	40,634	40,634	-
-	-	21,098	-
-	1,479	1,479	-
-	-	140,702	-
-	-	(160,708)	-
-	-	14,531	-
(39,476)	48,792	(105,823)	-
161,986	53,111	2,165,271	157,976
-	-	2,753,709	-
824,395	-	824,395	-
-	18,224	18,224	-
-	-	(756,567)	-
824,395	18,224	2,839,761	-
986,381	71,335	5,005,032	157,976
4,390,259	1,471,527	65,896,810	(157,976)
$ 5,376,640	$ 1,542,862	$ 70,901,842	$ -

See notes to financial statements

City of Stoughton

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds		
	Water	Wastewater	Electric
Cash Flows From Operating Activities			
Received from customers	$ 2,505,902	$ 2,124,898	$ 16,434,961
Received from municipality for services	-	-	-
Received for street lighting	-	-	96,333
Paid to suppliers for goods and services	(737,891)	(721,936)	(13,956,273)
Paid to employees for services	(437,116)	(463,783)	(996,055)
Net cash flows from operating activities	1,330,895	939,179	1,578,966
Cash Flows From Investing Activities			
Investments sold and matured	-	355,053	364,840
Investment income	19,591	49,079	46,418
Investments purchased	(400,000)	(22,343)	(545,379)
Dividends from ATC	-	-	11,485
Net cash flows from investing activities	(380,409)	381,789	(122,636)
Cash Flows From Noncapital Financing Activities			
Paid to municipality for tax equivalent	(345,970)	-	(438,027)
Received from municipality principal on Wisconsin Retirement UAAL advance	-	-	157,976
Received from municipality interest on Wisconsin Retirement UAAL advance	-	-	4,739
Transfers to/from other funds	-	-	-
Paid to utilities principal on Wisconsin Retirement UAAL advance	-	-	-
Lead service replacement proceeds	140,702	-	-
Lead service replacement expenses	(160,708)	-	-
Payment on advance from other funds	(877,698)	-	877,698
Net cash flows from noncapital financing activities	(1,243,674)	-	602,386
Cash Flows From Capital and Related Financing Activities			
Debt issued	1,656,623	-	-
Debt retired	(480,572)	(385,930)	(685,000)
Interest paid	(80,551)	(83,305)	(69,034)
Special assessments received	29,026	19,905	-
Acquisition and construction of capital assets	(2,322,497)	(1,664,023)	(1,829,791)
Capital contributions received	2,673,751	1,057,127	388,596
Customer advances for construction received	-	-	687,768
Net cash flows from capital and related financing activities	1,475,780	(1,056,226)	(1,507,461)
Net change in cash and cash equivalents	1,182,592	264,742	551,255
Cash and Cash Equivalents, Beginning	1,168,814	2,207,932	6,328,227
Cash and Cash Equivalents, Ending	$ 2,351,406	$ 2,472,674	$ 6,879,482

See notes to financial statements

Business-Type Activities - Enterprise Funds			
Storm Sewer	Nonmajor Enterprise Funds - EMS	Total	Governmental Activities - Internal Service Fund
$ 927,842	$ 862,657	$ 22,856,260	$ -
-	-	-	157,976
-	-	96,333	-
(154,361)	(298,995)	(15,869,456)	-
(247,203)	(365,157)	(2,509,314)	-
526,278	198,505	4,573,823	157,976
-	-	719,893	-
11,187	6,679	132,954	-
-	-	(967,722)	-
-	-	11,485	-
11,187	6,679	(103,390)	-
-	-	(783,997)	-
-	-	157,976	-
-	-	4,739	-
-	18,224	18,224	-
-	-	-	(157,976)
-	-	140,702	-
-	-	(160,708)	-
-	(30,000)	(30,000)	-
-	(11,776)	(653,064)	(157,976)
515,000	-	2,171,623	-
(275,357)	-	(1,826,859)	-
(40,901)	-	(273,791)	-
-	-	48,931	-
(385,080)	-	(6,201,391)	-
-	-	4,119,474	-
-	-	687,768	-
(186,338)	-	(1,274,245)	-
351,127	193,408	2,543,124	-
448,822	517,695	10,671,490	-
$ 799,949	$ 711,103	$ 13,214,614	$ -

See notes to financial statements

	Business-Type Activities - Enterprise Funds		
	Water	Wastewater	Electric
Reconciliation of Operating Income to Net Cash Flows From Operating Activities			
Operating income	$ 797,226	$ 123,230	$ 1,144,857
Nonoperating revenue (expense)	-	-	(3,249)
Adjustments to reconcile operating income to net cash flows from operating activities:			
Depreciation	505,315	772,166	1,309,313
Depreciation charged to other funds	30,265	-	68,292
Changes in assets, deferred outflows of resources and liabilities and deferred inflows of resources:			
Customer accounts receivable	(24,218)	637	(58,874)
Other accounts receivable	(23,071)	(7,550)	15,697
Due from other funds	(4,092)	78,337	5,597
Due to other funds	417	-	(32,693)
Inventories	1,023	-	(694,094)
Prepaid items	3,141	3,926	8,637
Accounts payable	(36,227)	(148,316)	(71,170)
Compensated absences	9,211	16,504	(39,417)
Customer deposits	-	-	13,539
Other current liabilities	20,378	20,924	19,483
Commitment to community	-	-	16,775
Pension related deferrals and liabilities	(36,257)	(19,596)	(103,046)
Other prepaid asset	-	11,884	-
OPEB related deferrals and liabilities	87,784	87,033	(20,681)
Net cash flows from operating activities	$ 1,330,895	$ 939,179	$ 1,578,966
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds			
Cash and investments	$ 1,666,666	$ 1,065,383	$ 6,285,193
Restricted cash and investments:			
Redemption account	400,256	295,370	566,170
Reserve account	340,710	-	460,722
Depreciation account	25,000	33,283	25,000
Construction account	4	-	-
Replacement account	-	1,175,801	-
Plant and maintenance reserve account	198,292	-	538,790
Sick leave reserve account	120,610	101,123	121,939
Total cash and investments	2,751,538	2,670,960	7,997,814
Less noncash equivalents	(400,132)	(198,286)	(1,118,332)
Cash and cash equivalents	$ 2,351,406	$ 2,472,674	$ 6,879,482
Noncash Capital and Related Financing Activities			
Unrealized gain (loss) on investments	$ 132	$ (22,342)	$ (4,622)
ATC earnings allocated	$ -	$ -	$ 10,559
Municipality financed additions to utility plant	$ -	$ -	$ -

See notes to financial statements

Business-Type Activities - Enterprise Funds			
Storm Sewer	Nonmajor Enterprise Funds - EMS	Total	Governmental Activities - Internal Service Fund
$ 201,462	$ 4,319	$ 2,271,094	$ 157,976
-	42,113	38,864	-
255,287	68,328	2,910,409	-
-	-	98,557	-
(595)	-	(83,050)	-
58,410	11,042	54,528	-
(3,301)	-	76,541	-
-	-	(32,276)	-
-	-	(693,071)	-
-	-	15,704	-
(1,250)	7,423	(249,540)	-
37,201	(2,971)	20,528	-
-	57,635	71,174	-
1,253	11,078	73,116	-
-	-	16,775	-
(27,639)	(13,623)	(200,161)	-
-	-	11,884	-
5,450	13,161	172,747	-
$ 526,278	$ 198,505	$ 4,573,823	$ 157,976
$ 799,949	$ 711,103	$ 10,528,294	$ -
-			-
-	-	1,261,796	-
-	-	801,432	-
-	-	83,283	-
-	-	4	-
-	-	1,175,801	-
-	-	737,082	-
-	-	343,672	-
799,949	711,103	14,931,364	-
-	-	(1,716,750)	-
$ 799,949	$ 711,103	$ 13,214,614	$ -
$ -	$ -		$ -
$ -	$ -		$ -
$ 824,395	$ -		$ -

See notes to financial statements

City of Stoughton

Statement of Fiduciary Net Position -
Fiduciary Funds
December 31, 2022

	Custodial Funds
Assets	
Cash and investments	$ 11,377,768
Tax roll receivable	5,166,486
Total assets	16,544,254
Liabilities	
Due to other taxing units	16,544,254
Total liabilities	16,544,254
Net Position	
Total net position	$ -

See notes to financial statements

City of Stoughton

Statement of Changes in Fiduciary Net Position -
Fiduciary Funds
Year Ended December 31, 2022

	Custodial Funds
Additions	
Property taxes collected for other governments	$ 12,361,978
Registration fees	129,223
Court penalties and costs	45,160
Total additions	12,536,361
Deductions	
Property taxes distributed to other governments	12,361,978
Distributions of fines, forfeitures and penalties	45,160
Distribution of registration fees	129,223
Total deductions	12,536,361
Change in fiduciary net position	-
Net Position, Beginning	-
Net Position, Ending	$ -

See notes to financial statements

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1. Summary of Significant Accounting Policies

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

Reporting Entity

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

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

Blended Component Unit

The Stoughton Redevelopment Authority (RDA) serves all the citizens of the government and is governed by a board of seven Commissioners. The rates for user charges and bond issuance authorizations are approved by the government's council and the government is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from other remedies. The RDA is reported as a special revenue fund. The RDA does not issue separate financial statements.

Government-Wide and Fund Financial Statements

In June 2017, the GASB issued Statement No. 87, *Leases*. This Statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under the Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, which enhances the relevance and consistency of information about the City's leasing activities. This standard was implemented January 1, 2022.

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and

b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.

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

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

The City reports the following major governmental funds:

General Fund

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

Debt Service Fund

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, other than TID or enterprise debt.

Capital Projects Fund

Construction Capital Project Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Enterprise Funds

The City reports the following major enterprise funds:

Water utility accounts for operations of the water system

Wastewater utility accounts for operations of the wastewater system

Electric utility accounts for operations of the electric system

Storm Sewer Fund accounts for operations of the storm sewer system

The City reports the following nonmajor governmental and enterprise funds:

Special Revenue Funds

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

Library
Ambulance
Opera House
Opera House Repair
Township Outreach
Tourism
Seniors in Need
ARPA fund
Cemetery
Revolving loan fund
Firemen's Pension Fund
Shared Ride Services
Food Pantry
Landmark Commission
Fire Department
Senior Center Wood Shop
Senior Center Special
Affordable Housing Fund
Redevelopment Authority
Special Assessments
K9 Unit
Tree Commission
Refuse 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.

Fire Equipment
Park Acquisition
Equipment Replacement
Building Maintenance
Outlay
Technology
TIF District No. 4
TIF District No. 5
TIF District No. 6
TIF District No. 7
TIF District No. 8
TIF District No. 9

Enterprise Fund

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

EMS

In addition, the City reports the following fund types:

Internal Service Fund

Internal Service Fund is used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Retirement fund

Custodial Funds

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

Fiduciary Property Taxes	Municipal Courts
Registration Fee Trust	

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the general fund.

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, wastewater, storm sewer, electric utility funds and EMS fund are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

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

Deposits and Investments

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

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

a. Time deposits in any credit union, bank, savings bank or trust company.

b. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.

c. Bonds or securities issued or guaranteed by the federal government.

d. The local government investment pool.

e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.

f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.

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

The City has adopted an investment policy. That policy follows the state statute for allowable investments, and does not address the risks disclosed in Note 4.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 4. 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, 2022, the fair value of the City 's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

PMA Financial Network, Inc. is the administrator for the Wisconsin Investment Series Cooperative (WISC). The investment manager for WISC is PMA Financial Network, Inc. The WISC is not registered with the Securities and Exchange Commission, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in WISC are valued at WISC’s share price, the price for which the investments could be sold. At December 31, 2022 the City's share of the WISC's assets was substantially equal to the amount reported in these statements.

See Note 4 for further information.

Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the City, taxes are collected for and remitted to the county government 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 - 2022 tax roll:

Lien date and levy date	December 2022
Tax bills mailed	December 2022
Payment in full, or	January 31, 2023
First installment due	January 31, 2023
Second installment due	July 31, 2023
Personal property taxes in full	January 31, 2023
Tax sale - 2022 delinquent real estate taxes	October 2025

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, wastewater, stormwater and electric 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.

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 government-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.

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

Inventories and Prepaid Items

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

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

Restricted Assets

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

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment (including right-to-use lease assets), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than $5,000 general capital assets and $15,000 for infrastructure assetsand an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation 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	15-75	Years
Land Improvements	15-30	Years
Machinery and Equipment	3-15	Years
Utility System	5-100	Years
Infrastructure	30-75	Years

Lease assets are typically amortized over the lease term.

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.

Land Held for Resale

Land held for resale consists of land and improvements and is valued at cost of acquisition, demolition and site improvement.

Other Assets

These accounts include costs related to the Utility's investment in American Transmission Company (ATC) and nonutility property.

The electric utility is a member of ATC. ATC was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. The Utility owns less than 1/2 of 1% of ATC. The investment earns dividends quarterly, some of which is paid in cash and some of which is required to be reinvested. From time to time, the Utility has the option to contribute additional funds to maintain their proportionate share of ownership. The asset is valued at net asset value per share which is equal to original cost plus additional contributions and reinvested dividends and approximates fair value.

The water and electric utilities have plant and maintenance reserve accounts. Monthly deposits are made into this account and made available for routine capital projects and other large operating expenses.

The water, wastewater and electric utilities have sick leave reserve accounts. Upon retirement, these funds are used for insurance coverage for utility employees.

Nonutility Property

Water utility non-utility property consists of a park shelter with a balance of $107,000 at December 31, 2022. The cost is being amortized on a straight-line basis over its useful life. The unamortized balance as of December 31, 2022 was $4,958.

Deferred Outflows of Resources

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

Compensated Absences

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

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave balances at December 31, 2022 are determined on the basis of current salary rates and include salary related payments.

The City provides post-employment health insurance benefits for all eligible employees who chose to convert accumulated sick leave benefits to post-employment health insurance. The benefits are based on contractual agreements with employee groups, local ordinances, or employee benefit policies. Employees may convert 100% of accumulated sick leave to pay for health care premiums. The cost of those premiums is recognized as an expenditure as the premiums are paid. The entire cost is paid by the City. Funding for those costs is provided out of the general fund. Total expenditures for premiums during the year were $224,141. Four participants were eligible during 2022 to receive benefits. There is no amount outstanding at year-end to be paid in the future.

Long-Term Obligations

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

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

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

The City has a debt policy to maintain total outstanding general obligation debt of 4% or less of the equalized value of taxable property within the City's jurisdiction. The City's total outstanding general obligation debt was 2.34% of equalized value at year end.

Leases

The Utilities is a lessee because it leases capital assets from other entities. As a lessee, the Utilities reports an intangible right-to-use capital asset (known as the lease asset) in the financial statements. The lease was prepaid, therefore no related lease liability was recorded.

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:

	Governmental Activities	Business-Type Activities	Adjustment	Total
Net investment in capital assets	$ 25,961,955	$ 55,785,137	$ (119,540)	$ 81,627,552
Unrestricted	4,852,255	10,918,336	119,540	15,890,131

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

Fund Statements

Governmental fund balances are displayed as follows:

a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.

b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.

d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the finance director to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.

e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

The City has a formal minimum fund balance policy. That policy is to maintain an unassigned general fund balance within a range of 20% to 25% of general fund annual budgeted expenditures. The unassigned general fund balance at year-end was $4,419,784 or 40.56% of 2022 general fund budgeted expenditures and other financing uses.

See Note 4 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.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the City health insurance OPEB Plan has been determined on the same basis as they are reported by the City health insurance OPEB Plan. For this purpose, the City health insurance OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. 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

Current water rates were approved by the PSCW effective March 1, 2022.

Current electric rates were approved by the PSCW on July 1, 2020.

Current wastewater rates were approved by the utilities committee effective July 1, 2022.

2. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position

The governmental fund balance sheet includes a reconciliation between fund balance, total governmental funds and net position, governmental activities as reported in the government-wide statement of net position. The details of this reconciliation include the following items.

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.

Capital assets not being depreciated	$ 11,679,880
Capital assets, net of depreciation	46,015,207
Combined adjustment for capital assets	$ 57,695,087

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities-both current and long-term-are reported in the statement of net position.

Bonds and notes payable	$ 34,552,653
Compensated absences	1,012,249
Accrued interest	354,386
Unamortized premium on debt	664,290
Combined adjustment for long-term liabilities	$ 36,583,578

3. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the all funds except Shared ride services fund. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

Excess Expenditures and Other Financing Uses Over Budget

Funds	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Excess Expenditures and Other Financing Uses Over Budget
Food Pantry	$ 75,000	$ 87,030	$ 12,030
Landmark Commission	26,925	38,990	12,065
Fire Department	30,783	31,425	642
Senior Center Special Fund	6,000	9,319	3,319
K9 Unit	21,160	25,396	4,236
Refuse	872,341	875,910	3,569
TIF District No. 6	424,613	436,789	12,176
TIF District No. 8	1,294,009	1,327,846	33,837
TIF District No. 9	20,000	58,003	38,003
Equipment Replacement Fund	254,150	264,136	9,986
Building maintenance	133,038	161,496	28,458
Tourism	209,270	210,996	1,726

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

Deficit Balances

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

As of December 31, 2022, the following individual funds held a deficit balance:

Fund	Amount	Reason
Special revenue, Tourism	$ 24,030	Expenditures in excess of revenues
Capital projects, TIF District No. 9	23,514	Expenditures in excess of revenues
Capital projects, TIF District No. 5	586,122	Expenditures in excess of revenues
Capital projects, TIF District No. 4	16,036	Expenditures in excess of revenues
Capital projects, TIF District No. 8	298,381	Expenditures in excess of revenues
Capital projects, Outlay	138,874	Expenditures in excess of revenues

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

Limitations on the City's Tax Levy

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

4. Detailed Notes on All Funds

Deposits and Investments

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

	Carrying Value	Statement Balances	Associated Risks
Deposits	$ 10,746,607	$ 10,740,375	Custodial credit
U.S. agencies, implicitly guaranteed	47,960	47,960	Credit, custodial credit, concentration of credit, interest rate
LGIP	1,572,034	1,572,034	Credit
Certificates of deposit, nonnegotiable	520,372	520,372	Custodial credit
Wisconsin Investment Series Cooperative	26,718,648	24,648,558	Credit
Mutual funds, other than bonds	44,281	44,281	N/A
Certificates of deposit, negotiable	1,395,528	1,388,900	Credit, custodial credit, concentration of credit, interest rate
Cash on hand	2,325,375	-	
Total deposits and investments	$ 43,370,805	$ 38,962,480	

Reconciliation to financial statements

Per statement of net position:	
Unrestricted cash and investments	$ 28,670,721
Restricted cash and investments	3,322,316
Per statement of net position, fiduciary fund:	
Custodial fund	11,377,768
Total deposits and investments	$ 43,370,805

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.Deposits in the credit union are insured by the National Credit Union Administration in the amount of $250,000 for all share draft accounts and $250,000 for all share certificate and regular share accounts.

Bank accounts and credit unions 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.

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government).

SIPC membership provides account protection up to a maximum of $500,000 per customer, of which $100,000 may be in cash. $500,000 of the City's investments are covered by SIPC.

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

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

- Market approach

	December 31, 2022			
Investment Type	**Level 1**	**Level 2**	**Level 3**	**Total**
U.S. agencies	$ -	$ 47,960	$ -	$ 47,960
Certificates of deposit, negotiable	-	1,388,900	-	1,388,900
Mutual funds, other than bonds	-	44,281	-	44,281
Total	$ -	$ 1,481,141	$ -	$ 1,481,141

Custodial Credit Risk

Deposits

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

As of December 31, 2022, $46,945 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	$ 46,945
Total	$ 46,945

Investments

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

U.S. Agencies	
Neither insured nor registered and held by counterparty	$ 47,960
Total U.S. Agencies	$ 47,960
Certificates of Deposit - Negotiable	
Neither insured nor registered and held by counterparty	$ 1,146,000

Credit Risk

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

As of December 31, 2022, the City's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services
U.S. Agencies implicitly guaranteed	AAA	Aaa
Certificates of deposit, negotiable	AAA-A+	Aa1
Wisconsin Investment Series Cooperative	AAAm	

The City also held investments in the following external pool which is not rated:

Local Government Investment Pool

There are also negotiable certificates of deposit in the amount of $1,188,900 that are not rated.

Interest Rate Risk

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

As of December 31, 2022, the City's investments were as follows:

		Maturity (In Years)		
Investment Type	Fair Value	Less than 1	1-3	3 or more
U.S. agencies implicitly guaranteed	$ 47,960	$ -	$ -	$ 47,960
Certificates of deposit, negotiable	1,388,900	1,388,900	-	-
Total	$ 1,436,860	$ 1,388,900	$ -	$ 47,960

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

Receivables

All receivables, except $15,760 in general fund and $570,128 in nonmajor funds are expected to be collected within one year.

Revenues of the EMS fund are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are as follows:

Uncollectibles related to ambulance receivables (nonmajor enterprise fund, EMS)	$ 165,930
Total uncollectibles of the current fiscal year	$ 165,930

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

	Unearned	Unavailable
Property taxes receivable for subsequent year	$ 12,729,495	$ -
Special assessments not yet due	-	285,886
Guaranteed increment receivable	26,465	-
Miscellaneous revenues received after 60 days	-	52,895
Grants received prior to meeting all eligibility requirements	1,491,850	-
Capital grants accrued	-	679,909
Total unearned/unavailable revenue for governmental funds	$ 14,247,810	$ 1,018,690
Unearned revenue included in liabilities	$ 1,491,850	
Unearned revenue included in deferred inflows	12,755,960	
Total unearned revenue for governmental funds	$ 14,247,810	

Restricted Assets

The following represent the balances of the restricted assets:

Long-Term Debt Accounts

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

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

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

Construction - Used to report proceeds of revenue bond issuances that are restricted for use in construction.

Equipment Replacement Account

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

Net Pension Asset

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

Following is a list of restricted assets at December 31, 2022:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Position
Bond redemption account	$ 1,261,796	$ 42,407	$ 1,219,389
Bond reserve account	801,432	-	801,432
Bond depreciation account	83,283	-	83,283
Construction account	4	-	n/a
Equipment replacement account	1,175,801	-	1,175,801
Net pension asset, business-type activities	918,464	-	918,464
Net pension asset, governmental activities	3,099,455	-	3,099,455
Total	$ 7,340,235	$ 42,407	$ 7,297,824

Capital Assets

Capital asset activity for the year ended December 31, 2022, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	$ 8,905,575	$ 216,032	$ -	$ 9,121,607
Construction in progress	628,006	948,534	473,160	1,103,380
Inexhaustible portion of streets	1,454,893	-	-	1,454,893
Total capital assets not being depreciated	10,988,474	1,164,566	473,160	11,679,880
Capital assets being depreciated:				
Buildings and improvements	26,840,705	106,956	-	26,947,661
Machinery and equipment	11,234,639	620,724	318,699	11,536,664
Streets	23,022,473	3,232,895	531,927	25,723,441
Sidewalks	5,970,488	475,776	57,459	6,388,805
Street lighting	227,551	-	-	227,551
Bridges	845,989	-	-	845,989
Storm sewers	4,903,133	-	2,908	4,900,225
Traffic signals	411,974	-	-	411,974
Dams	592,997	-	-	592,997
Total capital assets being depreciated	74,049,949	4,436,351	910,993	77,575,307
Total capital assets	85,038,423	5,600,917	1,384,153	89,255,187

	Beginning Balance	Additions	Deletions	Ending Balance
Less accumulated depreciation for:				
Buildings and improvements	$ (8,397,933)	$ (470,301)	$ -	$ (8,868,234)
Machinery and equipment	(6,190,978)	(819,729)	181,829	(6,828,878)
Streets	(8,652,674)	(856,591)	531,927	(8,977,338)
Sidewalks	(3,193,894)	(127,776)	57,459	(3,264,211)
Street lighting	(59,363)	(3,034)	-	(62,397)
Bridges	(255,726)	(11,280)	-	(267,006)
Storm sewers	(2,818,075)	(163,177)	2,908	(2,978,344)
Traffic signals	(220,373)	(10,299)	-	(230,672)
Dams	(77,090)	(5,930)	-	(83,020)
Total accumulated depreciation	(29,866,106)	(2,468,117)	774,123	(31,560,100)
Net capital assets being depreciated	44,183,843	1,968,234	136,870	46,015,207
Total governmental activities capital assets, net of accumulated depreciation	$ 55,172,317	$ 3,132,800	$ 610,030	$ 57,695,087

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	$ 137,988
Public safety	470,791
Public works, which includes the depreciation of infrastructure	1,531,324
Culture, recreation and education	328,014
Total governmental activities depreciation expense	$ 2,468,117

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated:				
Land and land rights	$ 24,841	$ -	$ -	$ 24,841
Construction in progress	214,160	37,702	-	251,862
Total capital assets not being depreciated	239,001	37,702	-	276,703
Capital assets being depreciated:				
Source of supply	595,730	-	-	595,730
Pumping	1,598,744	-	-	1,598,744
Treatment	90,795	-	-	90,795
Transmission and distribution	22,138,562	3,066,805	66,246	25,139,121
General	1,007,359	20,861	18,129	1,010,091
Completed construction not classified	1,667,296	-	1,667,296	-
Total capital assets being completed construction not classified	27,098,486	3,087,666	1,751,671	28,434,481
Total capital assets	27,337,487	3,125,368	1,751,671	28,711,184
Less accumulated depreciation for:				
Source of supply	(456,093)	(17,276)	-	(473,369)
Pumping	(1,464,709)	(50,125)	-	(1,514,834)
Treatment	(90,795)	-	-	(90,795)
Transmission and distribution	(5,712,020)	(472,906)	-	(6,184,926)
General	(931,451)	(19,449)	76,833	(874,067)
Completed construction not classified	(24,176)	-	24,176	-
Total accumulated depreciation	(8,655,068)	(559,756)	76,833	(9,137,991)
Net capital assets being depreciated	18,443,418	2,527,910	1,674,838	19,296,490
Net water capital assets	$ 18,682,419	$ 2,565,612	$ 1,674,838	$ 19,573,193

	Beginning Balance	Additions	Deletions	Ending Balance
Wastewater				
Capital assets not being depreciated:				
Land and land rights	$ 100	$ -	$ -	$ 100
Construction in progress	19,115	613,300	-	632,415
Total capital assets not being depreciated	19,215	613,300	-	632,515
Capital assets being depreciated:				
Collection system	14,609,016	1,099,957	327	15,708,646
Collection system pumping	756,008	-	-	756,008
Treatment and disposal	15,684,336	39,081	20,866	15,702,551
Administrative and general assets	1,601,678	24,686	122,497	1,503,867
Total capital assets being depreciated	32,651,038	1,163,724	143,690	33,671,072
Total capital assets	32,670,253	1,777,024	143,690	34,303,587
Less accumulated depreciation for:				
Wastewater	(13,691,236)	(772,166)	93,076	(14,370,326)
Total accumulated depreciation	(13,691,236)	(772,166)	93,076	(14,370,326)
Net capital assets being depreciated	18,959,802	391,558	50,614	19,300,746
Net wastewater capital assets	$ 18,979,017	$ 1,004,858	$ 50,614	$ 19,933,261

	Beginning Balance	Additions	Deletions	Ending Balance
Electric				
Capital assets not being depreciated:				
Land and land rights	$ 344,364	$ -	$ -	$ 344,364
Construction in progress	367,983	80,537	-	448,520
Property held for future use	229,097	-	-	229,097
Total capital assets not being depreciated / amortized	941,444	80,537	-	1,021,981
Capital assets being depreciated:				
Transmission	15,019	-	-	15,019
Distribution	32,502,953	1,331,705	176,278	33,658,380
Administrative and general assets	3,956,797	269,978	47,548	4,179,227
Lease assets	-	180,000	-	180,000
Total capital assets being depreciated / amortized	36,474,769	1,781,683	223,826	38,032,626
Total capital assets	37,416,213	1,862,220	223,826	39,054,607
Less accumulated depreciation for:				
Transmission	(19,366)	-	-	(19,366)
Distribution	(15,008,358)	(1,194,820)	178,329	(16,024,849)
Administrative and general assets	(2,729,159)	(180,493)	47,548	(2,862,104)
Total accumulated depreciation / amortization	(17,756,883)	(1,375,313)	225,877	(18,906,319)
Net capital assets being depreciated / amortized	18,717,886	406,370	(2,051)	19,126,307
Net electric capital assets	$ 19,659,330	$ 486,907	$ (2,051)	$ 20,148,288

	Beginning Balance	Additions	Deletions	Ending Balance
Stormwater				
Capital assets not being depreciated:				
Land	$ 9,986	$ 143,503	$ -	$ 153,489
Construction in progress	-	48,700	-	48,700
Total capital assets not being depreciated	9,986	192,203	-	202,189
Capital assets being depreciated:				
Storm Sewer	6,339,906	1,017,272	-	7,357,178
Total capital assets being depreciated	6,339,906	1,017,272	-	7,357,178
Total capital assets	6,349,892	1,209,475	-	7,559,367
Less accumulated depreciation for:				
Storm Sewer	(871,228)	(255,287)	-	(1,126,515)
Total accumulated depreciation	(871,228)	(255,287)	-	(1,126,515)
Net capital assets being depreciated	5,468,678	761,985	-	6,230,663
Net stormwater capital assets	$ 5,478,664	$ 954,188	$ -	$ 6,432,852

	Beginning Balance	Additions	Deletions	Ending Balance
EMS				
Capital assets being depreciated:				
Buildings and improvements	$ 1,240,308	$ -	$ -	$ 1,240,308
Equipment	973,260	-	-	973,260
Total capital assets being depreciated	2,213,568	-	-	2,213,568
Less accumulated depreciation for:				
Buildings and improvements	(404,515)	(24,529)	-	(429,044)
Equipment	(664,103)	(43,799)	-	(707,902)
Total accumulated depreciation	(1,068,618)	(68,328)	-	(1,136,946)
Net capital assets being depreciated	1,144,950	(68,328)	-	1,076,622
Net other enterprise capital assets	$ 1,144,950	$ (68,328)	$ -	$ 1,076,622
Business-type capital assets, net of accumulated depreciation	$ 63,944,380	$ 4,943,237	$ 1,723,401	$ 67,164,216

Depreciation expense was charged to functions as follows:

Business-Type Activities	
Water	$ 505,315
Wastewater	772,166
Electric	1,309,313
Storm sewer	255,287
EMS	68,328
Total business-type activities depreciation expense	$ 2,910,409

Depreciation expense may be different from business-type activity capital asset additions because of joint metering, salvage, cost of removal, internal allocations, or cost associated with the disposal of assets.

Additional disclosures of the lease assets are included in the Lease Disclosure note.

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

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

Receivable Fund	Payable Fund	Amount
General	Water Utility	$ 396,616
General	Electric Utility	410,469
General	Wastewater Utility	19,125
General	Tourism	4,806
Construction	Electric Utility	1,864
Construction	Water Utility	45,339
Construction	Wastewater Utility	60,591
Park Acquisition	Water Utility	430
Park Acquisition	Wastewater Utility	430
Building Maintenance	Electric Utility	18,954
Water Utility	General	1,313
Water Utility	Special Assessments	122,112
Wastewater Utility	General	1,641
Wastewater Utility	Special Assessments	83,536
Electric Utility	General	3,610
Electric Utility	Special Assessments	6,111
Storm Sewer Utility	Electric Utility	62,190
Total, fund financial statements		1,239,137
Less fund eliminations		(66,996)
Less government-wide eliminations		(436,646)
Add interfund advances		275,325
Total internal balances, government-wide statement of net position		$ 1,010,820

Receivable Fund	Payable Fund	Amount
Governmental activities	Business-type activities	$ 1,229,143
Business-type activities	Governmental activities	(218,323)
Total government-wide financial statements		$ 1,010,820

All amounts are due within one year.

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

Advances

The general fund is advancing funds to the TIF District Nos. 4, 5, 6, 8, 9 and Outlay capital project funds. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. No interest is being charged and a repayment schedule has not been established.

The debt service fund is advancing funds to EMS enterprise fund for the purpose of funding deficiency of cash. No interest is being charged and a repayment schedule has not been established.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General Fund	TIF District No. 4	$ 13,005	$ 13,005
General Fund	TIF District No. 5	586,141	586,141
General Fund	TIF District No. 6	125,000	125,000
General Fund	TIF District No. 8	258,626	258,626
General Fund	TIF District No. 9	8,056	8,056
General Fund	Outlay	112,792	112,792
Debt Service Fund	EMS	275,325	245,325
Total, fund financial statements		1,378,945	
Less fund eliminations		(1,103,620)	
Total, interfund advances		$ 275,325	

For the statement of net position, interfund advances which are owed within the governmental activities or business-type activities are netted and eliminated.

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General	Water utility	$ 376,315	Payment in lieu of taxes and dividend
General	Electric utility	380,252	Payment in lieu of taxes and dividend
General	Technology	31,936	Fund closure
General	Fire equipment	16,613	Fund closure
General	Tourism	25,927	Room tax revenue
General	Building maintenance	45,000	Building maintenance
General	Redevelopment Authority	9,000	Fund operations
Debt service	TIF District No. 5	153,850	Debt service
Debt service	TIF District No. 6	419,613	Debt service
Debt service	TIF District No. 7	337,473	Debt service
Debt service	TIF District No. 8	114,909	Debt service
Construction	Special assessment	157,100	Fund capital projects
Construction	General	100,000	Fund capital projects
Opera House	General	121,680	Fund operations
Opera House	Opera House repair	6,778	Fund closure
Landmark Commission	General	2,470	Fund operations
Redevelopment Authority	General	25,424	Fund operations
Redevelopment Authority	Revolving Loan	272,656	Move loan activity
Redevelopment authority	TIF District No. 4	15,000	Fund loans
TIF District No. 5	TIF District No. 4	153,850	Donor contribution to TID
TIF District No. 8	TIF District No. 4	14,502	Donor contribution to TID
Outlay	General	100,000	Fund capital projects
EMS	Ambulance	18,224	Fund closure
Total, fund financial statements		2,898,572	
Less fund eliminations		(2,123,781)	
Less government-wide eliminations		(36,448)	
Capital assets contributions from governmental activities to business-type activities		(824,395)	
Total transfers, government-wide statement of activities		$ (86,052)	

Fund Transferred To	Fund Transferred From	Amount
Governmental activities	Business-type activities	$ 756,567
Business-type activities	Governmental activities	(842,619)
Total government-wide financial statements		$ (86,052)

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, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	$ 32,850,386	$ 4,885,000	$ 3,864,643	$ 33,870,743	$ 3,876,596
General obligation debt from direct borrowings and direct placements	719,192	-	37,282	681,910	38,587
Premiums	746,920	-	82,630	664,290	-
Total bonds and notes payable	34,316,498	4,885,000	3,984,555	35,216,943	3,915,183
Other liabilities:					
Compensated absences	1,244,764	566,761	799,276	1,012,249	-
Total other liabilities	1,244,764	566,761	799,276	1,012,249	-
Total governmental activities long-term liabilities	$ 35,561,262	$ 5,451,761	$ 4,783,831	$ 36,229,192	$ 3,915,183
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	$ 1,964,614	$ 515,000	$ 365,357	$ 2,114,257	$ 353,404
Revenue bonds	5,740,000	1,656,622	1,080,000	6,316,622	1,177,303
Revenue debt from direct borrowings and direct placements	3,414,751	-	381,501	3,033,250	391,540
Premiums	103,029	-	21,099	81,930	-
Total bonds and notes payable	11,222,394	2,171,622	1,847,957	11,546,059	1,922,247
Other liabilities:					
Vested compensated absences	396,316	167,341	146,813	416,844	-
Customer advances for construction	229,065	967,248	279,480	916,833	-
Total other liabilities	625,381	1,134,589	426,293	1,333,677	-
Total business-type activities long-term liabilities	$ 11,847,775	$ 3,306,211	$ 2,274,250	$ 12,879,736	$ 1,922,247

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2022, was $78,389,685. Total general obligation debt outstanding at year end was $36,666,910.

General Obligation Debt

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

Governmental Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2022
2014 General Obligation Notes	06/01/14	04/01/24	2.00-2.25%	$ 2,755,000	$ 430,000
2015 General Obligation Notes	07/09/15	04/01/25	2.00-2.25	1,545,000	540,000
2016 General Obligation Notes	05/26/16	04/01/26	3.25-3.75	5,830,000	2,990,000
2016 State Trust Fund Loan*	12/28/16	03/15/36	3.5	850,000	681,910
2017 General Obligation Notes	06/08/17	04/01/27	2.00-3.00	7,085,000	4,480,000
2018 General Obligation Bonds	04/26/18	04/01/38	2.00-4.00	12,585,000	10,720,000
2018 General Obligation Notes	04/26/18	04/01/28	3.20-4.00	775,000	675,000
2019 General Obligation Notes	04/24/19	04/01/29	2.13-4.00	6,980,000	5,610,743
2020 General Obligation Notes	06/18/20	04/01/30	2.00-3.00	2,005,000	1,750,000
2021 General Obligation Notes	06/23/21	05/01/31	1.10-2.00	2,175,000	1,790,000
2022 General Obligation Bonds	06/09/22	04/01/42	3.00-4.00	4,885,000	4,885,000
Total governmental activities, general obligation debt					$ 34,552,653

Business-Type Activities General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2022
2014 General Obligation Notes	06/01/14	04/01/24	2.00-2.25%	$ 280,000	$ 60,000
2015 General Obligation Notes	07/09/15	04/01/25	2.00-2.25	1,180,000	375,000
2017 General Obligation Notes	06/08/17	04/01/27	2.00-3.00	575,000	305,000
2019 General Obligation Notes	04/24/19	04/01/29	2.13-4.00	450,000	334,257
2020 General Obligation Notes	06/18/20	04/01/30	2.00-3.00	410,000	390,000
2021 General Obligation Notes	06/23/21	05/01/31	1.10-2.00	150,000	135,000
2022 General Obligation Bonds	06/09/22	04/01/31	3.00-4.00	515,000	515,000
Total business-type activities, general obligation debt					$ 2,114,257

* - Direct borrowing or direct placement

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt Principal	Governmental Activities General Obligation Debt Interest	Business-Type Activities General Obligation Debt Principal	Business-Type Activities General Obligation Debt Interest
2023	$ 3,876,596	$ 969,003	$ 353,404	$ 51,679
2024	3,760,100	840,846	364,900	37,915
2025	3,873,603	710,001	351,397	28,787
2026	3,902,106	606,419	232,894	21,382
2027	3,595,610	507,056	184,390	16,391
2028-2032	8,632,728	1,567,645	627,272	24,576
2033-2037	4,475,000	676,213	-	-
2038-2042	1,755,000	126,025	-	-
Total	$ 33,870,743	$ 6,003,208	$ 2,114,257	$ 180,730

Years	Governmental Activities Notes from Direct Borrowings and Direct Placements Principal	Governmental Activities Notes from Direct Borrowings and Direct Placements Interest
2023	$ 38,587	$ 23,867
2024	39,876	22,578
2025	41,333	21,121
2026	42,780	19,674
2027	44,277	18,177
2028-2032	245,664	102,298
2033-2036	229,393	20,421
Total	$ 681,910	$ 228,136

The City's outstanding debt from direct borrowing and placements related to governmental activities of $681,910 contain a provision that in an event of default, any delinquent payment amount is subject to a penalty of one percent per month.

Revenue Debt

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

The Utilities have pledged future electric, water and wastewater revenues to repay revenue bonds issued in between 2003-2022. Proceeds from the bonds provided financing for the Utility construction, improvements, and additions. The bonds are payable solely from Utility revenues and are payable through 2042. Annual principal and interest payments on the bonds are expected to require 1%, 14% and 11%, respectively, of electric, water and wastewater gross revenues. The total principal and interest remaining to be paid on the bonds is $10,816,334. Principal and interest paid for the current year and total customer gross revenues were $1,777,653 and $21,317,929, respectively.

Revenue debt payable at December 31, 2022, consists of the following:

Business-Type Activities Revenue Debt

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2022
Water Utility					
2010 Water Utility Revenue Bonds*	01/27/10	05/01/29	2.67%	$ 575,018	$ 245,885
2016 Water Utility Revenue Bonds	05/26/16	05/01/26	1.00-2.75	2,520,000	740,000
2019 Water Utility Revenue Bonds	11/14/19	05/01/34	2.00-3.00	1,825,000	1,525,000
2022 Water Utility Revenue Bonds	11/01/22	05/01/42	2.145	1,656,622	1,656,622
				Total water utility	4,167,507
Wastewater Utility					
2003 Wastewater Utility Clean Water Fund Loan*	09/10/03	05/01/23	2.766%	1,670,624	107,612
2007 Wastewater Utility Clean Water Fund Loan*	06/27/07	05/01/27	2.475	1,539,762	495,373
2014 Wastewater Utility Clean Water Fund Loan*	11/01/14	05/01/34	2.625	3,305,713	2,184,380
				Total wastewater utility	2,787,365
Electric Utility					
2013 Electric Utility Revenue Bonds	04/01/13	04/01/23	2.00-2.25%	3,170,000	325,000
2016 Electric Utility Revenue Bonds	05/26/16	04/01/36	2.00-3.00	4,005,000	2,070,000
				Total electric utility	2,395,000
Total business-type activities, revenue debt					$ 9,349,872

Debt service requirements to maturity are as follows:

	Business-Type Activities Revenue Debt	
Years	**Principal**	**Interest**
2023	$ 1,177,303	$ 139,509
2024	423,746	122,513
2025	435,221	112,366
2026	446,727	101,250
2027	318,266	91,751
2028-2032	1,715,586	335,563
2033-2037	1,319,313	119,068
2038-2042	480,460	26,337
Total	$ 6,316,622	$ 1,048,357

Years	Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	Principal	Interest
2023	$ 391,540	$ 73,986
2024	291,253	65,077
2025	298,768	57,466
2026	306,477	49,657
2027	314,385	41,648
2028-2032	1,018,023	119,365
2033-2034	412,804	10,906
Total	$ 3,033,250	$ 418,105

Other Debt Information

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

A statutory mortgage lien upon the City's system and any additions, improvements and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The City's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

The water and electric mortgage revenue bond ordinances require segregation of the proceeds of the bond issues and the creation and continual funding of several funds from operating revenues. The City was in compliance with funding requirements in all material respects at December 31, 2022.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2022, includes the following:

Governmental Activities

Net investment in capital assets:	
Land	$ 9,121,607
Construction in progress	1,103,380
Inexhaustible portion of streets	1,454,893
Other capital assets, net of accumulated depreciation	46,015,207
Less capital related long-term debt outstanding (excluding unspent capital related debt proceeds)	(31,068,842)
Less unamortized debt premium	(664,290)
Total net investment in capital assets	$ 25,961,955

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2022, include the following:

	General Fund	Debt Service	Construction	Nonmajor Funds	Total
Fund Balances					
Nonspendable:					
Prepaid items	$ 163,046	$ -	$ -	$ 266	$ 163,312
Delinquent items	15,760	-	-	-	15,760
Noncurrent interfunds	1,103,620	-	-	-	1,103,620
CVMIC equity	257,805	-	-	-	257,805
Subtotal	1,540,231	-	-	266	1,540,497
Restricted for:					
Library	-	-	-	284,506	284,506
ARPA	-	-	-	14,591	14,591
Redevelopment	-	-	-	307,407	307,407
Debt service	-	621,554	-	-	621,554
Capital projects	-	-	852,464	157,147	1,009,611
Firemen Pension	-	-	-	905,505	905,505
Affordable housing	-	-	-	263,839	263,839
Park acquisition	-	-	-	772,302	772,302
TID activities	-	-	-	1,081,015	1,081,015
Police donations	43,226	-	-	-	43,226
Recreation programs donations	11,214	-	-	-	11,214
Senior Center donation	148,878	-	-	-	148,878
Subtotal	203,318	621,554	852,464	3,786,312	5,463,648
Committed to:					
Seniors in need	-	-	-	65,291	65,291
Senior center wood shop	-	-	-	13,234	13,234
Food pantry	-	-	-	402,586	402,586
K9 unit	-	-	-	17,702	17,702
Tree commission	-	-	-	8,704	8,704
Cemetery	-	-	-	23,855	23,855
Refuse	-	-	-	43,041	43,041
Fire department special	-	-	-	56,279	56,279
Township outreach	-	-	-	14,977	14,977
Senior center special	-	-	-	804,257	804,257
Capital projects	-	-	-	609,087	609,087
Subtotal	-	-	-	2,059,013	2,059,013
Assigned to:					
Police	26,555	-	-	-	26,555
Retirement	540,926	-	-	-	540,926
Equipment replacement	-	-	-	212,808	212,808
Capital projects	-	-	2,112,880	397,207	2,510,087
Subsequent years budget	451,062	-	-	-	451,062
Subtotal	1,018,543	-	2,112,880	610,015	3,741,438
Unassigned (deficit):	4,419,784	-	-	(1,086,957)	3,332,827
Total fund balances (deficit)	$ 7,181,876	$ 621,554	$ 2,965,344	$ 5,368,649	$ 16,137,423

Business-Type Activities

Net investment in capital assets:	
Land	$ 522,794
Construction in progress	1,381,497
Property held for future use	229,097
Other capital assets, net of depreciation	65,030,828
Less capital related long-term debt outstanding (excluding unspent capital related debt proceeds)	(11,297,149)
Less unamortized debt premium	(81,930)
Total net investment in capital assets	$ 55,785,137

5. 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.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

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.

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:

Year	Core Fund Adjustment %	Variable Fund Adjustment %
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
2021	5.1	13.0

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, including Teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was 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 $572,456 in contributions from the City.

Contribution rates for the plan year reported as of December 31, 2022 are:

Employee Category	Employee	Employer
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 (Revenue), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the City reported an asset of $4,017,919 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the City's proportion was 0.04984898%, which was a decrease of 0.00073904% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized pension expense (revenue) of $(443,688).

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	$ 6,490,745	$ 468,052
Changes in assumptions	749,606	-
Net differences between projected and actual earnings on pension plan investments	-	8,988,420
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,530	6,760
Employer contributions subsequent to the measurement date	602,982	-
Total	$ 7,847,863	$ 9,463,232

$602,982 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2023	$ (189,037)
2024	(1,090,838)
2025	(479,636)
2026	(458,840)

Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net Pension Liability (Asset):	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-Retirement Adjustments*:	1.7%

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% 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 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The Total Pension Liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

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:

Asset Allocation Targets and Expected Returns* As of December 31, 2021

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Global Equities	52	6.8	4.2
Fixed Income	25	4.3	1.8
Inflation Sensitive	19	2.7	0.2
Real Estate	7	5.6	3
Private Equity/Debt	12	9.7	7
Total Core Fund***	115	6.6	4
Variable Fund Asset			
U.S. Equities	70	6.3	3.7
International Equities	30	7.2	4.6
Total Variable Fund	100	6.8	4.2

** Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations*

*** New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%*

**** The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used subject to an allowable range of up to 20%.*

Single Discount Rate

A single discount rate of 6.8% was used to measure the total pension liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 1.84% (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, 2021. 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 6.8% expected rate of return implies that a dividend of approximately 1.7% 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.

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

The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the City'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 (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
City's proportionate share of the net pension liability (asset)	$ 2,850,998	$ (4,017,919)	$ (8,962,262)

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, 2022, the City reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City participates in a public entity risk pool called CVMIC to provide coverage for losses from theft of, damage to, or destruction of assets and workers compensation. However, other risks, such as (torts; theft of, damage to, or destruction of assets; errors and omission; workers compensation; and health care of its employees) are accounted for and financed by the City in the general fund.

Public Entity Risk Pool

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

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

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

The CVMIC is self-insured up to a maximum of $2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The City's share of such losses is approximately 1%.

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

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

The initial investment in WMIC is refundable upon withdrawal from the commission and has been reported at the original amount of $257,805 in the general fund.

The City pays an annual premium to CVMIC for its general liability insurance, which provides coverage up to $5,000,000 per occurrence, less the City's retained liability. The City's retained liability is limited to $25,000 per occurrence and an annual aggregate limit of $100,000. An actuarially determined estimate has been recorded for this liability, as well as for claims incurred but not reported at December 31, 2022.

Commitments and Contingencies

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

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

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

The City has active construction projects as of December 31, 2022. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

Long-Term Contracts, WPPI Energy

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

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

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

WPPI Energy's outstanding debt service obligation to be paid by its members through their wholesale power charges through the remainder of the long-term contract was $274 million as of December 31, 2022.

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the City. RBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

RBP provides healthcare and life insurance benefits for retirees and their dependents. This results in an other post-employment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy. Retirees participating in the plan contribute 100% of the blended premium. The City, by paying the blended premium for active employees, contributes the difference between the blended premium and the age-adjusted premium towards retiree benefits.

Employees Covered by Benefit Terms

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	3
Active plan members	94
Total	97

Total OPEB Liability

The City's total OPEB liability of $1,032,210 was measured as of December 31, 2022, and was determined by an actuarial valuation as of December 31, 2021, rolled forward to December 31, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary increases	3.20%
Healthcare cost trend rates	5.00%
Retirees' share of benefit-related costs	100%

The discount rate was based on the Municipal Bond Rate based on the Bond Buyer 20-Bond GO Index.

Mortality rates were based on the rates from Wisconsin Retirement Experience Study Report dated November 19, 2021 with the MP-2021 generational improvement scale.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study dated November 19, 2021.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2021	$ 1,126,960
Changes for the year:	
Service cost	73,895
Interest	22,872
Changes in assumptions or other inputs	(158,191)
Benefit payments	(33,326)
Net changes	(94,750)
Balances at December 31, 2022	$ 1,032,210

Changes of assumptions and other inputs reflect a change in the discount rate from 2.06% to 3.72%.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.72%) or 1-percentage-point higher (4.72%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	$ 1,123,618	$ 1,032,210	$ 951,262

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower ((1.0)% decreasing to 4.0%) or 1-percentage-point higher (1.0% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	$ 923,292	$ 1,032,210	$ 1,159,628

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2022, the City recognized OPEB expense of $80,788. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	$ 4,918	$ 141,556
Total	$ 4,918	$ 141,556

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Amount
2023	$ (15,979)
2024	(15,979)
2025	(15,979)
2026	(15,979)
2027	(15,979)
Thereafter	(56,743)
Total	$ (136,638)

Local Retiree Life Insurance Fund (LRLIF)

Plan Description

The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

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.

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at the link above.

Benefits Provided

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contribution based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the member premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates for the plan year reported as of December 31, 2022 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of member contribution
25% Post Retirement Coverage	20% of member contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per $1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the plan year are as listed below:

Life Insurance Member Contribution Rates *For the Plan Year

Attained Age	Basic	Supplemental
Under 30	$0.05	$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

*Disabled members under age 70 receive a waiver-of-premium benefit

During the reporting period, the LRLIF recognized $2,790 in contributions from the employer.

OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2022, the City reported a liability of $805,749 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the City's proportion was 0.13632800%, which was an increase of 0.00587400% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized OPEB expense (revenue) of $105,643.

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 40,989
Net differences between projected and investment earnings on plan investments	10,483	-
Changes in actuarial assumptions	243,444	39,055
Changes in proportion and differences between employer contributions and proportionate share of contributions	36,965	6,095
Employer contributions subsequent to the measurement date	13,564	-
Total	$ 304,456	$ 86,139

$13,564 reported as deferred outflows of resources related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2023	$ 44,931
2024	43,715
2025	41,174
2026	49,557
2027	22,176
Thereafter	3,200

Actuarial Assumptions

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

Actuarial Valuation Date:	January 1, 2021
Measurement Date of Net OPEB Liability (Asset)	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020. Published November
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield	2.06%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.17%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.10% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from the prior year, including the price inflation, mortality and separation rates. The Total OPEB Liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the January 1, 2021 actuarial valuation.

Long-Term Expected Return on Plan Assets

The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A-Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

State OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2021

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Intermediate Credit Bonds	Bloomberg US Interm Credit	45.00%	1.68%
US Long Credit Bonds	Bloomberg US Long Credit	5.00%	1.82%
US Mortgages	Bloomberg US MBS	50.00%	1.94%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate increased from 2.20% as of December 31, 2020 to 2.30% as of December 31, 2021.

Single Discount Rate

A single discount rate of 2.17% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.25% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.12% as of December 31, 2020 to 2.06% as of December 31, 2021. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

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

The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.17%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.17%) or 1-percentage-point higher (3.17%) than the current rate:

	1% Decrease to Discount Rate (1.17%)	Current Discount Rate (2.17%)	1% Increase to Discount Rate (3.17%)
City's proportionate share of the net OPEB liability (asset)	$ 1,093,111	$ 805,749	$ 589,521

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 99, *Omnibus 2022*
- Statement No. 100, *Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*

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

Firemen's Pension Plan

Plan description. The City reports a single-employer defined benefit pension plan for fire department employees (the Plan). Management of the Plan is vested in the Firemen's Pension Board. No assets have been accumulated in a trust for payment of these benefits.

Benefits provided. The plan is administered by the Firemen's Pension Board and provides pension benefits to fire department employees and volunteers. The amount paid to retirees each year is based on the years of service at the time of retirement and the position the retiree held while a member of the department.

Plan membership. At December 31, 2020, the plan's membership consisted of:

Retirees and beneficiaries	26
Inactive, nonretired members	-
Active members	34
Total	60

The City paid $37,702 for pension benefits as they came due during the reporting period. The City has accumulated assets to pay for these benefits; however, the arrangement does not meet the definition of a trust under GASB Statement No. 73. The specific criteria that are not met include:

- Contributions from employers and nonemployer contributing entities to the pension plan and earnings on those contributions are irrevocable.
- Pension plan assets are legally protected from the creditors of employers, nonemployer contributing entities, the pension plan administrator and plan members

Changes in total pension liability. The City's change in total pension liability for the year ended December 31, 2022 was as follows:

	Total Pension Liability
Beginning of Year Balance	$ 1,196,146
Service cost	43,905
Interest on total pension liability	25,891
Changes of assumptions	11,186
Benefit payments	(37,702)
End of Year Balance	$ 1,239,426

Assumptions. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Measurement Date:	December 31, 2021
Actuarial Valuation Date:	December 31, 2020
Inflation:	2.3%
Salary Changes:	2.3%
Discount Rate:	2.06%
Source of Discount Rate:	Bond Buyer GO 20-Year Municipal Bond Index
Source of Mortality Assumptions:	Wisconsin 2020 Mortality table
Dates of Experience Studies:	Experience study conducted using WRS experience from 2018-2020

Sensitivity of the total pension liability to changes in the discount rate. The following is a sensitivity analysis of the total pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the current discount rate of 2.06% as well as what the total pension liability would be if it were to be calculated using a discount rate that is 1 percentage-point lower (1.06%) or 1 percentage-point higher (3.06%) that the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	$ 1,451,825	$ 1,239,426	$ 1,071,892

Pension expense, deferred outflows of resources and deferred inflows of resources related to pensions. For the year ended December 31, 2022, the City recognized pension expense of $35,336.

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 165,637
Changes in assumptions	221,607	115,684
Total	$ 221,607	$ 281,321

Amounts reported as deferred outflows and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows and Deferred Inflows of Resources (Net)
2023	$ (34,460)
2024	(30,045)
2025	(36,169)
2026	8,468
2027	25,327
Thereafter	7,165

REQUIRED SUPPLEMENTARY INFORMATION

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance With Final Budget
Revenues			
Taxes			
General property taxes	$ 5,464,725	$ 5,456,743	$ (7,982)
Payments in lieu of taxes	57,600	62,855	5,255
Hotel/Motel	8,000	20,563	12,563
Total taxes	5,530,325	5,540,161	9,836
Intergovernmental Revenues			
Federal grants	-	13,648	13,648
Federal aid, fire	-	62	62
Federal aid, human services	25,498	25,498	-
Other fed, operating	36,531	43,740	7,209
State shared revenues	805,225	812,138	6,913
Fire insurance tax (2% fire dues)	9,400	9,400	-
State grants	40,000	42,320	2,320
Exempt computer aid	61,156	61,156	-
State aid, other law enforcement	8,800	8,847	47
State aid, general transportation aids	1,156,000	1,156,188	188
State aid, connecting streets	81,000	52,041	(28,959)
State aid, other public safety	2,900	2,904	4
State aid, conservation and devel, operating	76,100	76,100	-
Other local government grants	9,000	10,878	1,878
Other local government grants, operating	-	6,181	6,181
Total intergovernmental revenues	2,311,610	2,321,101	9,491
Licenses and Permits			
Business and occupational licenses	45,372	52,274	6,902
Dog and cat licenses	3,400	2,361	(1,039)
Building permits	184,485	296,297	111,812
Other permits	6,000	5,299	(701)
Total licenses and permits	239,257	356,231	116,974
Fines, Forfeitures and Penalties			
Law and ordinance violations	113,000	111,946	(1,054)
Public Charges for Services			
Public safety	-	2,514	2,514
Law enforcement fees	18,400	11,213	(7,187)
Transportation	14,850	8,439	(6,411)
Other transportation	3,500	419	(3,081)
Public health services	110,502	121,726	11,224
Cemetery	13,500	11,070	(2,430)
Other health services	118,248	116,656	(1,592)
Culture, recreation and education	123,081	87,858	(35,223)
Parks	8,000	10,661	2,661
Stadium	65,000	57,360	(7,640)
Trees	21,904	37,200	15,296
Other public charges for services	-	3,963	3,963
Refuse and garbage collection	21,000	19,460	(1,540)
Total public charges for services	517,985	488,539	(29,446)

See notes to required supplementary information

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance With Final Budget
Intergovernmental Charges			
State	$ -	$ 1,859	$ 1,859
Local, general government	-	898	898
Local, fire services	184,000	184,593	593
Local, transportation	-	1,043	1,043
Local, other services	10,000	10,000	-
Total intergovernmental charges	194,000	198,393	4,393
Special Assessments			
Other	13,500	15,815	2,315
Investment Income			
Investment income	16,170	121,464	105,294
Miscellaneous			
Rent	41,960	29,530	(12,430)
Insurance recoveries	3,774	25,630	21,856
Donations	119,112	129,198	10,086
Other miscellaneous	217,560	197,850	(19,710)
Insurance dividends	44,226	43,049	(1,177)
Total miscellaneous	426,632	425,257	(1,375)
Total revenues	9,362,479	9,578,907	216,428
Expenditures			
General Government			
Council/Board	57,983	52,550	5,433
Legislative support	105,901	106,126	(225)
Judicial	62,462	64,556	(2,094)
Administrator	263,016	263,017	(1)
Information technology	512,960	470,525	42,435
Treasury	625,518	608,697	16,821
Legal	157,000	165,885	(8,885)
Personnel	232,043	231,167	876
General buildings/plant/hall	97,764	90,555	7,209
Other general government	157,976	157,976	-
Total general government	2,272,623	2,211,054	61,569
Public Safety			
Police	3,759,137	3,794,172	(35,035)
Fire protection	547,635	559,990	(12,355)
Inspection	424,876	442,506	(17,630)
Total public safety	4,731,648	4,796,668	(65,020)
Public Works			
Highway and street maintenance and construction	123,742	121,735	2,007
Highway and street maintenance for local	1,266,248	1,310,898	(44,650)
Snow and ice control	70,000	73,494	(3,494)
Buildings and grounds operations	164,705	155,320	9,385
Total public works	1,624,695	1,661,447	(36,752)

See notes to required supplementary information

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance With Final Budget
Culture, Recreation and Education			
Parks	$ 335,536	$ 324,742	$ 10,794
Senior center	608,460	605,867	2,593
Community center	183,964	201,925	(17,961)
Recreation	328,690	301,489	27,201
Cemetery	36,000	31,709	4,291
Total culture, recreation and education	1,492,650	1,465,732	26,918
Conservation and Development			
Economic development	125,350	121,036	4,314
Debt Service			
Interest and fiscal charges	6,427	6,427	-
Total debt service	6,427	6,427	-
Total expenditures	10,253,393	10,262,364	(8,971)
Excess of revenues over expenditures	(890,914)	(683,457)	207,457
Other Financing Sources (Uses)			
Transfers in	1,035,734	885,043	(150,691)
Transfers out	(642,793)	(349,574)	293,219
Sales of fixed assets	-	9,867	9,867
Total other financing sources (uses)	392,941	545,336	152,395
Net change in fund balance	(497,973)	(138,121)	359,852
Fund Balance, Beginning	7,319,997	7,319,997	-
Fund Balance, Ending	$ 6,822,024	$ 7,181,876	$ 359,852

See notes to required supplementary information

Schedule of Proportionate Share of the Net Pension Liability (Asset) -
Wisconsin Retirement System
Year Ended December 31, 2022

WRS Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.04486493 %	$ (1,102,005)	$ 5,696,627	19.34 %	102.74 %
12/31/15	0.04597674 %	747,113	6,169,077	12.11 %	98.20 %
12/31/16	0.04705035 %	387,807	6,266,372	6.23 %	99.12 %
12/31/17	0.04873732 %	(1,447,068)	6,542,867	22.12 %	102.93 %
12/31/18	0.04989755 %	1,775,198	6,864,771	25.86 %	96.45 %
12/31/19	0.05079366 %	(1,637,819)	7,034,407	23.28 %	102.96 %
12/31/20	0.05058802 %	(3,158,280)	7,015,787	45.02 %	105.26 %
12/31/21	0.04984898 %	(4,017,919)	7,128,846	56.36 %	106.02 %

Schedule of Employer Contributions - Wisconsin Retirement System
Year Ended December 31, 2022

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	$ 465,913	$ 465,913	$ -	$ 6,169,077	7.55 %
12/31/16	461,771	461,771	-	7,032,737	6.57 %
12/31/17	511,909	511,909	-	7,308,112	7.00 %
12/31/18	533,009	533,009	-	6,864,764	7.76 %
12/31/19	533,847	533,847	-	7,034,407	7.59 %
12/31/20	529,789	529,789	-	7,015,788	7.55 %
12/31/21	542,592	542,592	-	7,128,846	7.61 %
12/31/22	602,982	602,982	-	7,623,482	7.91 %

See notes to the required supplementary information

Schedule of Changes in the Total Pension Liability -
Firemen's Pension Plan
Year Ended December 31, 2022

Fiscal Year Ending	Beginning Balance	Service Cost	Interest on Total Pension Liability	Changes in Benefit Terms	Difference Between Expected and Actual Experience	Changes of Assumptions	Benefit Payments	Ending Balance
12/31/22	$ 1,196,146	$ 43,905	$ 25,891	$ -	$ -	$ 11,186	$ (37,702)	$ 1,239,426
12/31/21	1,067,144	31,013	29,603	-	-	104,167	(35,781)	1,196,146
12/31/20	868,177	20,856	35,715	-	-	178,613	(36,217)	1,067,144
12/31/19	1,392,161	47,261	48,829	-	-	(579,792)	(40,282)	868,177
12/31/18	1,268,731	41,400	48,805	-	-	71,580	(38,355)	1,392,161
12/31/17	1,259,717	42,477	45,829	-	-	(42,041)	(37,251)	1,268,731

Schedule of Covered Payroll -
Firemen's Pension Plan
Year Ended December 31, 2022

Fiscal Year Ending	Total Pension Liability	Covered Payroll	Total Pension Liability as a Percentage of Covered Payroll
12/31/22	$ 1,239,426	$ 97,353	1273 %
12/31/21	1,196,146	90,193	1326 %
12/31/20	1,067,144	87,401	1221 %
12/31/19	868,177	92,307	941 %
12/31/18	1,392,161	102,773	1355 %
12/31/17	1,268,731	93,830	1352 %

See notes to the required supplementary information

Schedule of Proportionate Share of the Net OPEB Liability -
Local Retiree Life Insurance Fund
Year Ended December 31, 2022

WRS Fiscal Year Ending	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/20	0.13045400 %	$ 717,591	$ 6,809,000	10.54 %	31.36 %
12/31/21	0.13632800 %	805,749	7,121,000	11.32 %	29.57 %

Schedule of Employer Contributions - Local Retiree Life Insurance Fund
Year Ended December 31, 2021

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/21	$ 16,403	$ 16,403	$ -	$ 7,566,973	0.22 %
12/31/22	13,564	13,564	-	7,968,849	0.17 %

See notes to the required supplementary information

City of Stoughton

Schedule of Changes in Employer's Total OPEB Liability and Related Ratios -
Health Insurance
Year Ended December 31, 2022

	2021	2022
Total OPEB Liability		
Service cost	$ 72,403	$ 73,895
Interest	22,101	22,872
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	6,230	(158,191)
Benefit payments	(32,513)	(33,326)
Net change in total OPEB liability	68,221	(94,750)
Total OPEB Liability, Beginning	1,058,739	1,126,960
Total OPEB Liability, Ending	$ 1,126,960	$ 1,032,210
Covered-Employee Payroll	$ 7,566,973	$ 7,968,850
Total OPEB Liability as a Percentage of Covered-Employee Payroll	14.89 %	12.95 %

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Changes in benefit terms: There were no changes in benefit terms.

Changes in assumptions: The discount rate changed in the current year to 3.72 %.

Other Information:

The City implemented GASB Statement No. 75 in 2021 and is required to present the last ten fiscal years data; however the standards allow the City to present as many years as are available until ten fiscal years are presented. Information prior to 2021 is not available.

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.

Department heads submit budget requests by mid-August. The mayor and finance director produce the executive budget, which is reviewed with the finance committee in mid-September. The City Council then reviews the budget and holds a public hearing. Council adoption of the budget follows the public hearing, usually in November. Department heads have the authority to make budget transfers within their own department, except for wage accounts and capital outlay items. Council action is required for adjustments to wage and outlay accounts, and to change a department's total budget.

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

Wisconsin Retirement System

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

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

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

Changes in assumptions. Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

Local Retiree Life Insurance Fund

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

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

Changes in benefit terms. There were no changes of benefit terms for any participating employer in LRLIF.

Changes in assumptions. In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table

SUPPLEMENTARY INFORMATION

City of Stoughton

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2022

	Special Revenue Funds				
	Library	Ambulance	Opera House	Opera House Repair	Township Outreach Fund
Assets					
Cash and investments	$ 312,809	$ -	$ 305,718	$ -	$ 15,295
Due from other funds	-	-	-	-	-
Receivables (net):					
Taxes	726,880	-	234,876	-	-
Accounts	4,726	-	1,250	-	-
Special assessments	-	-	-	-	-
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	$ 1,044,415	$ -	$ 541,844	$ -	$ 15,295
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ 8,625	$ -	$ 71,380	$ -	$ -
Accrued liabilities	24,404	-	8,229	-	318
Deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenues	-	-	227,359	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	33,029	-	306,968	-	318
Deferred Inflows of Resources					
Unearned revenues	726,880	-	234,876	-	-
Unavailable revenues	-	-	-	-	-
Total deferred inflows of resources	726,880	-	234,876	-	-
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	284,506	-	-	-	-
Committed	-	-	-	-	14,977
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	284,506	-	-	-	14,977
Total liabilities, deferred inflows of resources and fund balances	$ 1,044,415	$ -	$ 541,844	$ -	$ 15,295

Special Revenue Funds						
Tourism Fund	Seniors in Need	Food Pantry	Landmark Commission	Fire Department	Senior Center Wood Shop	Senior Center Special Fund
$ -	$ 66,063	$ 422,826	$ 8,347	$ 60,017	$ 13,266	$ 804,257
-	-	-	-	-	-	-
-	-	-	17,960	-	-	-
46,152	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
$ 46,152	$ 66,063	$ 422,826	$ 26,307	$ 60,017	$ 13,266	$ 804,257
$ 63,164	$ 772	$ 20,240	$ 8,347	$ 3,738	$ 32	$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,806	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
67,970	772	20,240	8,347	3,738	32	-
-	-	-	17,960	-	-	-
2,212	-	-	-	-	-	-
2,212	-	-	17,960	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	65,291	402,586	-	56,279	13,234	804,257
-	-	-	-	-	-	-
(24,030)	-	-	-	-	-	-
(24,030)	65,291	402,586	-	56,279	13,234	804,257
$ 46,152	$ 66,063	$ 422,826	$ 26,307	$ 60,017	$ 13,266	$ 804,257

City of Stoughton

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2022

	Special Revenue Funds				
	ARPA Fund	Redevelopment Authority	Special Assessments	K9 Unit	Tree Commission
Assets					
Cash and investments	$ 1,148,774	$ 128,453	$ 609,087	$ 17,702	$ 8,704
Due from other funds	-	-	-	-	-
Receivables (net):					
Taxes	-	20,500	126,888	-	-
Accounts	-	42,163	-	-	-
Special assessments	-	-	432,679	-	-
Loans	-	137,449	-	-	-
Due from other governments	-	-	-	-	-
Prepaid items	-	113	-	-	-
Total assets	$ 1,148,774	$ 328,678	$ 1,168,654	$ 17,702	$ 8,704
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ -	$ 658	$ -	$ -	$ -
Accrued liabilities	-	-	-	-	-
Deposits	-	-	-	-	-
Due to other funds	-	-	211,759	-	-
Unearned revenues	1,134,183	-	-	-	-
Advances from other funds	-	-	-	-	-
Total liabilities	1,134,183	658	211,759	-	-
Deferred Inflows of Resources					
Unearned revenues	-	20,500	61,922	-	-
Unavailable revenues	-	-	285,886	-	-
Total deferred inflows of resources	-	20,500	347,808	-	-
Fund Balances (Deficit)					
Nonspendable	-	113	-	-	-
Restricted	14,591	307,407	-	-	-
Committed	-	-	609,087	17,702	8,704
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	14,591	307,520	609,087	17,702	8,704
Total liabilities, deferred inflows of resources and fund balances	$ 1,148,774	$ 328,678	$ 1,168,654	$ 17,702	$ 8,704

Special Revenue Funds						Capital Projects Funds
Cemetery	Revolving Loan Fund	Firemen's Pension	Refuse Fund	Affordable Housing	Shared Ride Services	Fire Equipment
$ 23,855	$ -	$ 905,505	$ 116,647	$ 265,313	$ 151,469	$ -
-	-	-	-	-	-	-
-	-	-	923,245	-	7,886	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	153	-	-	-
$ 23,855	$ -	$ 905,505	$ 1,040,045	$ 265,313	$ 159,355	$ -
$ -	$ -	$ -	$ 72,775	$ 1,474	$ 21,161	$ -
-	-	-	831	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	130,308	-
-	-	-	-	-	-	-
-	-	-	73,606	1,474	151,469	-
-	-	-	923,245	-	7,886	-
-	-	-	-	-	-	-
-	-	-	923,245	-	7,886	-
-	-	-	153	-	-	-
-	-	905,505	-	263,839	-	-
23,855	-	-	43,041	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
23,855	-	905,505	43,194	263,839	-	-
$ 23,855	$ -	$ 905,505	$ 1,040,045	$ 265,313	$ 159,355	$ -

City of Stoughton

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2022

	Capital Projects Funds				
	Park Acquisition	TIF District No. 4	TIF District No. 5	TIF District No. 6	TIF District No. 7
Assets					
Cash and investments	$ 773,567	$ -	$ -	$ 359,437	$ 1,265,893
Due from other funds	860	-	-	-	-
Receivables (net):					
Taxes	-	175,711	59,705	75,532	900,076
Accounts	-	-	158	429	64,468
Special assessments	-	-	-	-	-
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Prepaid items	-	-	-	-	-
Total assets	$ 774,427	$ 175,711	$ 59,863	$ 435,398	$ 2,230,437
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	$ 2,125	$ 3,031	$ 139	$ 23,330	$ 408,317
Accrued liabilities	-	-	-	-	-
Deposits	-	-	-	25,440	660
Due to other funds	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Advances from other funds	-	13,005	586,141	125,000	-
Total liabilities	2,125	16,036	586,280	173,770	408,977
Deferred Inflows of Resources					
Unearned revenues	-	175,711	59,705	75,532	926,541
Unavailable revenues	-	-	-	-	-
Total deferred inflows of resources	-	175,711	59,705	75,532	926,541
Fund Balances (Deficit)					
Nonspendable	-	-	-	-	-
Restricted	772,302	-	-	186,096	894,919
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	-	(16,036)	(586,122)	-	-
Total fund balances (deficit)	772,302	(16,036)	(586,122)	186,096	894,919
Total liabilities, deferred inflows of resources and fund balances	$ 774,427	$ 175,711	$ 59,863	$ 435,398	$ 2,230,437

Capital Projects Funds						
TIF District No. 8	TIF District No. 9	Equipment Replacement	Building Maintenance	Outlay	Technology Fund	Total Nonmajor Governmental Funds
$ -	$ -	$ 377,615	$ 378,275	$ -	$ -	$ 8,538,894
-	-	-	18,954	-	-	19,814
22,014	-	-	-	-	-	3,291,273
-	10,626	-	-	-	-	169,972
-	-	-	-	-	-	432,679
-	-	-	-	-	-	137,449
679,909	-	-	-	-	-	679,909
-	-	-	-	-	-	266
$ 701,923	$ 10,626	$ 377,615	$ 397,229	$ -	$ -	$ 13,270,256
$ 39,755	$ 1,084	$ 7,660	$ -	$ 26,082	$ -	$ 783,889
-	-	-	22	-	-	33,804
-	25,000	-	-	-	-	51,100
-	-	-	-	-	-	216,565
-	-	-	-	-	-	1,491,850
258,626	8,056	-	-	112,792	-	1,103,620
298,381	34,140	7,660	22	138,874	-	3,680,828
22,014	-	-	-	-	-	3,252,772
679,909	-	-	-	-	-	968,007
701,923	-	-	-	-	-	4,220,779
-	-	-	-	-	-	266
-	-	157,147	-	-	-	3,786,312
-	-	-	-	-	-	2,059,013
-	-	212,808	397,207	-	-	610,015
(298,381)	(23,514)	-	-	(138,874)	-	(1,086,957)
(298,381)	(23,514)	369,955	397,207	(138,874)	-	5,368,649
$ 701,923	$ 10,626	$ 377,615	$ 397,229	$ -	$ -	$ 13,270,256

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2022

	Special Revenue Funds				
	Library	Ambulance	Opera House	Opera House Repair	Township Outreach Fund
Revenues					
Taxes	$ 646,350	$ -	$ 195,000	$ -	$ -
Intergovernmental	249,908	-	48	-	9,015
Public charges for services	7,288	-	654,088	-	-
Intergovernmental charges for services	15,952	-	-	-	-
Special assessments	-	-	-	-	-
Investment income	5,298	-	160	-	97
Miscellaneous revenues	69,442	-	12,896	-	-
Total revenues	994,238	-	862,192	-	9,112
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture, recreation and education	1,013,841	-	1,034,134	-	8,258
Conservation and development	-	-	-	-	-
Capital outlay	48,171	-	-	-	-
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	1,062,012	-	1,034,134	-	8,258
Excess (deficiency) of revenues over expenditures	(67,774)	-	(171,942)	-	854
Other Financing Sources (Uses)					
Debt issued	-	-	-	-	-
Premium on debt	-	-	-	-	-
Sales of fixed assets	-	-	-	-	-
Transfers in	-	-	128,458	-	-
Transfers out	-	(18,224)	-	(6,778)	-
Total other financing sources (uses)	-	(18,224)	128,458	(6,778)	-
Net change in fund balances	(67,774)	(18,224)	(43,484)	(6,778)	854
Fund Balances (Deficit), Beginning	352,280	18,224	43,484	6,778	14,123
Fund Balances (Deficit), Ending	$ 284,506	$ -	$ -	$ -	$ 14,977

Special Revenue Funds						
Tourism Fund	Seniors in Need	Food Pantry	Landmark Commission	Fire Department	Senior Center Wood Shop	Senior Center Special Fund
$ 161,039	$ -	$ -	$ 10,000	$ -	$ -	$ -
-	-	-	17,000	-	-	-
-	-	-	-	533	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	682	14,015	34	534	92	7,899
-	19,800	86,462	385	29,716	3,953	188,879
161,039	20,482	100,477	27,419	30,783	4,045	196,778
-	-	-	-	-	-	-
-	-	-	-	31,425	-	-
-	-	-	-	-	-	-
185,069	18,805	87,030	38,990	-	774	9,319
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
185,069	18,805	87,030	38,990	31,425	774	9,319
(24,030)	1,677	13,447	(11,571)	(642)	3,271	187,459
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,470	-	-	-
(25,927)	-	-	-	-	-	-
(25,927)	-	-	2,470	-	-	-
(49,957)	1,677	13,447	(9,101)	(642)	3,271	187,459
25,927	63,614	389,139	9,101	56,921	9,963	616,798
$ (24,030)	$ 65,291	$ 402,586	$ -	$ 56,279	$ 13,234	$ 804,257

City of Stoughton

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2022

	Special Revenue Funds				
	ARPA Fund	Redevelopment Authority	Special Assessments	K9 Unit	Tree Commission
Revenues					
Taxes	$ -	$ 11,000	$ -	$ -	$ -
Intergovernmental	238,440	-	-	-	2,072
Public charges for services	-	-	-	-	3,721
Intergovernmental charges for services	-	-	-	-	-
Special assessments	-	-	128,463	-	-
Investment income	14,591	4,121	8,438	24	61
Miscellaneous revenues	-	-	-	23,563	1,710
Total revenues	253,031	15,121	136,901	23,587	7,564
Expenditures					
Current:					
General government	235,000	-	-	-	-
Public safety	-	-	-	25,396	-
Public works	-	-	-	-	-
Culture, recreation and education	-	-	-	-	-
Conservation and development	-	16,696	-	-	1,872
Capital outlay	-	-	-	-	-
Debt service:					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	235,000	16,696	-	25,396	1,872
Excess (deficiency) of revenues over expenditures	18,031	(1,575)	136,901	(1,809)	5,692
Other Financing Sources (Uses)					
Debt issued	-	-	-	-	-
Premium on debt	-	-	-	-	-
Sales of fixed assets	-	6,977	-	-	-
Transfers in	-	313,080	-	-	-
Transfers out	-	(9,000)	(157,100)	-	-
Total other financing sources (uses)	-	311,057	(157,100)	-	-
Net change in fund balances	18,031	309,482	(20,199)	(1,809)	5,692
Fund Balances (Deficit), Beginning	(3,440)	(1,962)	629,286	19,511	3,012
Fund Balances (Deficit), Ending	$ 14,591	$ 307,520	$ 609,087	$ 17,702	$ 8,704

Special Revenue Funds						Capital Projects Funds
Cemetery	Revolving Loan Fund	Firemen's Pension	Refuse Fund	Affordable Housing	Shared Ride Services	Fire Equipment
$ -	$ -	$ -	$ -	$ -	$ 16,951	$ -
-	-	44,211	34,108	-	189,525	-
-	-	-	875,908	-	105,072	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
353	-	2,774	1,901	2,664	423	-
-	-	712	-	-	-	-
353	-	47,697	911,917	2,664	311,971	-
-	-	-	-	-	-	-
-	-	46,201	-	-	-	-
-	-	-	875,910	-	-	-
308	-	-	-	-	311,971	-
-	-	-	-	251,474	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
308	-	46,201	875,910	251,474	311,971	-
45	-	1,496	36,007	(248,810)	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(272,656)	-	-	-	-	(16,613)
-	(272,656)	-	-	-	-	(16,613)
45	(272,656)	1,496	36,007	(248,810)	-	(16,613)
23,810	272,656	904,009	7,187	512,649	-	16,613
$ 23,855	$ -	$ 905,505	$ 43,194	$ 263,839	$ -	$ -

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2022

	Capital Projects Funds				
	Park Acquisition	TIF District No. 4	TIF District No. 5	TIF District No. 6	TIF District No. 7
Revenues					
Taxes	$ -	$ 163,178	$ 66,352	$ 65,877	$ 832,281
Intergovernmental	-	6,982	39,592	-	-
Public charges for services	315,907	-	-	6,277	-
Intergovernmental charges for services	-	-	-	-	-
Special assessments	-	-	-	-	-
Investment income	8,372	676	-	4,304	16,732
Miscellaneous revenues	2,979	-	-	35,000	29,651
Total revenues	327,258	170,836	105,944	111,458	878,664
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	534	-
Culture, recreation and education	10,345	-	-	-	-
Conservation and development	-	9,701	1,802	16,642	892,771
Capital outlay	42,530	(1,175)	-	-	26,154
Debt service:					
Interest and fiscal charges	-	-	-	-	18,865
Total expenditures	52,875	8,526	1,802	17,176	937,790
Excess (deficiency) of revenues over expenditures	274,383	162,310	104,142	94,282	(59,126)
Other Financing Sources (Uses)					
Debt issued	-	-	-	-	700,000
Premium on debt	-	-	-	-	13,208
Sales of fixed assets	-	-	-	-	-
Transfers in	-	-	153,850	-	-
Transfers out	-	(183,352)	(153,850)	(419,613)	(337,473)
Total other financing sources (uses)	-	(183,352)	-	(419,613)	375,735
Net change in fund balances	274,383	(21,042)	104,142	(325,331)	316,609
Fund Balances (Deficit), Beginning	497,919	5,006	(690,264)	511,427	578,310
Fund Balances (Deficit), Ending	$ 772,302	$ (16,036)	$ (586,122)	$ 186,096	$ 894,919

Capital Projects Funds						
TIF District No. 8	TIF District No. 9	Equipment Replacement	Building Maintenance	Outlay	Technology Fund	Total Nonmajor Governmental Funds
$ 6,890	$ -	$ -	$ -	$ -	$ -	$ 2,174,918
84,490	-	-	-	152,149	-	1,067,540
-	33,985	-	-	-	-	2,002,779
-	-	16,101	-	-	-	32,053
-	-	-	-	-	-	128,463
-	504	7,252	5,884	1,313	-	109,198
-	-	30,600	149,213	24,944	-	709,905
91,380	34,489	53,953	155,097	178,406	-	6,224,856
-	23,243	-	116,496	-	-	374,739
-	-	40,221	-	8,194	-	151,437
-	-	-	-	68,746	-	945,190
-	-	-	-	22,955	-	2,741,799
25,924	20,097	-	-	-	-	1,236,979
1,168,299	14,663	214,347	-	990,648	-	2,503,637
18,714	-	9,568	-	943	-	48,090
1,212,937	58,003	264,136	116,496	1,091,486	-	8,001,871
(1,121,557)	(23,514)	(210,183)	38,601	(913,080)	-	(1,777,015)
690,000	-	390,000	-	-	-	1,780,000
13,020	-	-	-	-	-	26,228
-	-	7,518	-	-	-	14,495
14,502	-	-	-	100,000	-	712,360
(114,909)	-	-	(45,000)	-	(31,936)	(1,792,431)
602,613	-	397,518	(45,000)	100,000	(31,936)	740,652
(518,944)	(23,514)	187,335	(6,399)	(813,080)	(31,936)	(1,036,363)
220,563	-	182,620	403,606	674,206	31,936	6,405,012
$ (298,381)	$ (23,514)	$ 369,955	$ 397,207	$ (138,874)	$ -	$ 5,368,649

City of Stoughton

Combining Statement of Changes in Fiduciary Net Position -
Custodial Funds
Year Ended December 31, 2022

	Fiduciary Property Taxes	Municipal Courts	Registration Fee Trust	Total
Additions				
Property taxes collected for other governments	$ 12,361,978	$ -	$ -	$ 12,361,978
Registration fees	-	-	129,223	129,223
Fines, forfeitures and penalties	-	45,160	-	45,160
Total additions	12,361,978	45,160	129,223	12,536,361
Deductions				
Property taxes distributed to other governments	12,361,978	-	-	12,361,978
Distributions of fines, forfeitures and penalties	-	45,160	-	45,160
Distribution of registration fees	-	-	129,223	129,223
Total deductions	12,361,978	45,160	129,223	12,536,361
Change in net position	-	-	-	-
Net Position, Beginning	-	-	-	-
Net Position, Ending	$ -	$ -	$ -	$ -