

CITY OF AMERY, WISCONSIN
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022



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INDEPENDENT AUDITORS' REPORT

City Council
City of Amery
Amery, Wisconsin

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 Amery, Wisconsin (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 of Amery, Wisconsin 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). 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 the 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.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 1.D.14 to the financial statements, effective January 1, 2022, the City adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use lease asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 budgetary comparison information and pension plan schedules as referenced 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 generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Amery's basic financial statements. The combining and individual fund financial statements and schedules for the year ended December 31, 2022 are presented for purposes of additional analysis and are 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 for the year ended December 31, 2022 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 GAAS. In our opinion, the combining and individual fund financial statements and schedules, and schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Hudson, Wisconsin
November 8, 2023

**CITY OF AMERY, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 1,770,793	\$ 1,872,333	\$ 3,643,126
Taxes Receivable	2,198,104	2,110	2,200,214
Accounts Receivable	163,041	265,398	428,439
Lease Receivable	140,877	81,533	222,410
Prepayments	25,783	-	25,783
Inventories	-	28,845	28,845
Special Assessments Receivable	22,289	6,250	28,539
Long-Term Receivables	321,977	-	321,977
Land Held for Resale	250,780	-	250,780
Internal Balances	11,920	(11,920)	-
Restricted Assets:			
Cash and Investments	-	178,563	178,563
Wisconsin Retirement System Net Pension Asset	706,301	136,586	842,887
Capital Assets:			
Capital Assets Not Being Depreciated/Amortized	2,798,355	83,598	2,881,953
Capital Assets Being Depreciated/Amortized	21,638,191	11,761,109	33,399,300
Accumulated Depreciation/Amortization	<u>(6,328,346)</u>	<u>(6,496,849)</u>	<u>(12,825,195)</u>
Total Assets	<u>23,720,065</u>	<u>7,907,556</u>	<u>31,627,621</u>
DEFERRED OUTFLOWS OF RESOURCES			
Wisconsin Retirement System Pension Related	1,383,555	267,554	1,651,109
LIABILITIES			
Vouchers and Accounts Payable	456,677	112,565	569,242
Accrued Interest Payable	93,982	4,327	98,309
Payroll Taxes and Withholdings	40,103	-	40,103
Due to Other Governmental Units	32,269	-	32,269
Special Deposits	128,296	-	128,296
Noncurrent Liabilities:			
Amounts Due Within One Year	699,085	154,915	854,000
Amounts Due in More than One Year	<u>10,396,765</u>	<u>2,075,729</u>	<u>12,472,494</u>
Total Liabilities	<u>11,847,177</u>	<u>2,347,536</u>	<u>14,194,713</u>
DEFERRED INFLOWS OF RESOURCES			
Leases	90,986	81,667	172,653
Succeeding Year's Property Taxes	2,669,610	-	2,669,610
Wisconsin Retirement System Pension Related	<u>1,665,350</u>	<u>322,048</u>	<u>1,987,398</u>
Total Deferred Inflows of Resources	<u>4,425,946</u>	<u>403,715</u>	<u>4,829,661</u>
NET POSITION			
Net Investment in Capital Assets	9,891,498	3,149,997	13,041,495
Restricted For:			
Fire Department Retirement	7,833	-	7,833
Capital Projects and Plant Replacement	136,189	178,563	314,752
Housing and Business Loan Programs	316,264	-	316,264
Wisconsin Retirement System Net Pension Asset	706,301	136,586	842,887
Other Purposes	283,017	-	283,017
Unrestricted	<u>(2,510,605)</u>	<u>1,958,713</u>	<u>(551,892)</u>
Total Net Position	<u>\$ 8,830,497</u>	<u>\$ 5,423,859</u>	<u>\$ 14,254,356</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities:							
General Government	\$ 552,968	\$ 32,997	\$ -	\$ -	\$ (519,971)	\$ -	\$ (519,971)
Public Safety	1,330,833	246,460	32,763	10,000	(1,041,610)	-	(1,041,610)
Public Works	45,041	324,073	204,496	32,100	515,628	-	515,628
Health and Human Services	29,702	-	-	-	(29,702)	-	(29,702)
Culture, Recreation, and Education	757,202	19,655	277,496	-	(460,051)	-	(460,051)
Conservation and Development	176,298	-	815	-	(175,483)	-	(175,483)
Interest and Fiscal Charges	211,482	-	-	-	(211,482)	-	(211,482)
Total Governmental Activities	3,103,526	623,185	515,570	42,100	(1,922,671)	-	(1,922,671)
Business-Type Activities:							
Water	362,921	486,130	-	-	-	123,209	123,209
Sewer	685,198	649,854	-	-	-	(35,344)	(35,344)
Total Business-Type Activities	1,048,119	1,135,984	-	-	-	87,865	87,865
Total Primary Government	\$ 4,151,645	\$ 1,759,169	\$ 515,570	\$ 42,100	(1,922,671)	87,865	(1,834,806)
GENERAL REVENUES							
Taxes							
Property Taxes, Levied for General Purposes					2,003,170	-	2,003,170
Property Taxes, Levied for TIF Districts					487,640	-	487,640
Other Taxes					65,988	-	65,988
Grants and Contributions not Restricted for a Particular Purpose					748,677	-	748,677
Interest and Investment Earnings					21,259	8,627	29,886
Miscellaneous					100,481	-	100,481
TRANSFERS					79,061	(79,061)	-
Total General Revenues and Transfers					3,506,276	(70,434)	3,435,842
CHANGE IN NET POSITION					1,583,605	17,431	1,601,036
Net Position - Beginning of Year					7,246,892	5,406,428	12,653,320
NET POSITION - END OF YEAR					\$ 8,830,497	\$ 5,423,859	\$ 14,254,356

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General Fund	CDBG Housing Revolving Loan Fund	Library Fund	Debt Service Fund
ASSETS				
Treasurer's Cash and Investments	\$ 1,287,648	\$ 18,229	\$ 315,112	\$ -
Land Held for Resale	250,780	-	-	-
Taxes Receivable	1,548,741	-	185,000	-
Special Assessments Receivable	22,289	-	-	-
Accounts Receivable	163,041	-	-	-
Lease Receivable	140,877	-	-	-
Due from Other Funds	1,734,368	-	-	-
Restricted Assets:				
Advances to Other Funds	15,660	-	-	-
Long-Term Receivables	45,817	266,282	-	-
	<u>\$ 5,235,004</u>	<u>\$ 284,511</u>	<u>\$ 500,112</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Vouchers and Accounts Payable	\$ 168,393	\$ -	\$ 32,095	\$ -
Payroll Withholdings	40,103	-	-	-
Due to Other Governmental Units	32,269	-	-	-
Due to Other Funds	-	-	-	111,452
Advance from Other Funds	-	3,740	-	-
Fire Department Retirement Liability	89,324	-	-	-
Special Deposits	38,972	-	-	-
	<u>369,061</u>	<u>3,740</u>	<u>32,095</u>	<u>111,452</u>
DEFERRED INFLOWS OF RESOURCES				
Succeeding Year's Property Taxes	2,020,247	-	185,000	-
Unavailable Revenue - Special Assessments	23,355	-	-	-
Deferred Inflows Leases	90,986	-	-	-
Unavailable Revenue - Long-Term Receivables	-	266,282	-	-
	<u>2,134,588</u>	<u>266,282</u>	<u>185,000</u>	<u>-</u>
FUND BALANCES				
Nonspendable	372,569	-	-	-
Restricted	23,285	14,489	283,017	-
Unassigned	2,335,501	-	-	(111,452)
	<u>2,731,355</u>	<u>14,489</u>	<u>283,017</u>	<u>(111,452)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,235,004</u>	<u>\$ 284,511</u>	<u>\$ 500,112</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	Tax Incremental District #6 Fund	Capital Improvements Fund	Keller Avenue CDBG Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Treasurer's Cash and Investments	\$ -	\$ -	\$ -	\$ 161,804	\$ 1,770,793
Land Held for Resale	-	-	-	-	250,780
Taxes Receivable	232,723	-	-	231,640	2,198,104
Special Assessments Receivable	-	-	-	-	22,289
Accounts Receivable	-	-	-	-	163,041
Lease Receivable	-	-	-	-	140,877
Due from Other Funds	-	-	-	-	1,734,368
Restricted Assets:					
Advances to Other Funds	-	-	-	-	15,660
Long-Term Receivables	-	-	-	9,878	321,977
Total Assets	\$ 232,723	\$ -	\$ -	\$ 403,322	\$ 6,643,672
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Vouchers and Accounts Payable	\$ 107,436	\$ 148,753	\$ -	\$ -	\$ 456,677
Payroll Withholdings	-	-	-	-	40,103
Due to Other Governmental Units	-	-	-	-	32,269
Due to Other Funds	1,270,417	209,805	-	142,694	1,734,368
Advance from Other Funds	-	-	-	-	3,740
Fire Department Retirement Liability	-	-	-	-	89,324
Special Deposits	-	-	-	-	38,972
Total Liabilities	1,377,853	358,558	-	142,694	2,395,453
DEFERRED INFLOWS OF RESOURCES					
Succeeding Year's Property Taxes	232,723	-	-	231,640	2,669,610
Unavailable Revenue - Special Assessments	-	-	-	-	23,355
Deferred Inflows Leases	-	-	-	-	90,986
Unavailable Revenue - Long-Term Receivables	-	-	-	9,878	276,160
Total Deferred Inflows of Resources	232,723	-	-	241,518	3,060,111
FUND BALANCES					
Nonspendable	-	-	-	-	372,569
Restricted	-	-	-	161,804	470,595
Unassigned	(1,377,853)	(358,558)	-	(142,694)	344,944
Total Fund Balances	(1,377,853)	(358,558)	-	19,110	1,188,108
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 232,723	\$ -	\$ -	\$ 403,322	\$ 6,643,672

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2022**

TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS \$ 1,188,108

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$ 929,255	
Construction Work in Progress	1,869,100	
Land Improvements	1,783,152	
Buildings	8,316,955	
Equipment and Vehicles	6,204,232	
Infrastructure	5,295,879	
Right-to-Use Lease Asset - Equipment	37,973	
Accumulated Depreciation/Amortization	<u>(6,328,346)</u>	18,108,200

Some receivables, including special assessments, are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 299,515

Net Wisconsin Retirement System pension plan asset/liability and related deferred outflows and inflows are recorded only on the Statement of Net Position. Balances at year-end are:

Net Pension Asset	706,301	
Deferred Outflows of Resources	1,383,555	
Deferred Inflows of Resources	<u>(1,665,350)</u>	424,506

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:

General Obligation Bonds Payable	5,260,000	
General Obligation Notes Payable	4,909,209	
Lease Payable	29,500	
Accrued Interest on Long-Term Debt	93,982	
Compensated Absences Payable	140,635	
Estimated Landfill Postclosure Liability	<u>662,188</u>	(11,095,514)

The premium on debt issued is deferred in the statement of net position and amortized over the life of the related debt. In the governmental funds the premium is considered an other financing source when received. (94,318)

TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 8,830,497

**CITY OF AMERY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	General Fund	CDBG Housing Revolving Loan Fund	Library Fund	Debt Service Fund
REVENUES				
Taxes	\$ 1,869,158	\$ -	\$ 200,000	\$ -
Special Assessments	906	-	-	-
Intergovernmental	1,029,128	-	267,011	-
Licenses and Permits	66,422	-	-	-
Fines and Forfeits	43,510	-	-	-
Public Charges for Services	345,645	-	-	-
Intergovernmental Charges for Services	168,664	-	-	-
Miscellaneous:				
Interest	21,296	36	28	-
Rent	1,200	-	-	-
Sale of Property	300	-	-	-
Donations	34	-	10,485	-
Loan Repayments	-	813	-	-
Lease Revenue	77,633	-	-	-
Other	56,625	-	2,924	-
Total Revenues	3,680,521	849	480,448	-
EXPENDITURES				
General Government	2,032,931	-	-	-
Public Safety	1,286,737	-	-	-
Public Works	910,385	-	-	-
Health and Human Services	29,702	-	-	-
Culture, Recreation, and Education	252,605	-	512,930	-
Conservation and Development	29,874	39,873	-	-
Debt Service:				
Principal Retirement	11,683	-	-	326,204
Interest and Fiscal Charges	1,609	-	-	169,025
Debt Issuance Costs	-	-	-	-
Total Expenditures	4,555,526	39,873	512,930	495,229
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(875,005)	(39,024)	(32,482)	(495,229)
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	327,889	-	-	-
Sale of Capital Assets	14,488	-	-	-
Transfers In	79,061	-	60,000	677,496
Transfers Out	(668,029)	-	-	-
Payment on Refunding Bond	-	-	-	(160,000)
Total Other Financing Sources (Uses)	(246,591)	-	60,000	517,496
NET CHANGE IN FUND BALANCES	(1,121,596)	(39,024)	27,518	22,267
Fund Balances - Beginning of Year	3,852,951	53,513	255,499	(133,719)
FUND BALANCES - END OF YEAR	<u>\$ 2,731,355</u>	<u>\$ 14,489</u>	<u>\$ 283,017</u>	<u>\$ (111,452)</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

	Tax Incremental District #6 Fund	Capital Improvements Fund	Keller Avenue CDBG Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 249,697	\$ -	\$ -	\$ 237,943	\$ 2,556,798
Special Assessments	-	-	-	-	906
Intergovernmental	-	-	-	-	1,296,139
Licenses and Permits	-	-	-	-	66,422
Fines and Forfeits	-	-	-	-	43,510
Public Charges for Services	-	-	-	-	345,645
Intergovernmental Charges for Services	-	-	-	-	168,664
Miscellaneous:					
Interest	-	-	-	16	21,376
Rent	-	-	-	-	1,200
Sale of Property	-	-	-	-	300
Donations	-	-	-	-	10,519
Loan Repayments	-	-	-	-	813
Lease Revenue	-	-	-	-	77,633
Other	-	-	-	-	59,549
Total Revenues	249,697	-	-	237,959	4,649,474
EXPENDITURES					
General Government	-	-	-	-	2,032,931
Public Safety	-	100,450	-	-	1,387,187
Public Works	-	258,108	-	-	1,168,493
Health and Human Services	-	-	-	-	29,702
Culture, Recreation, and Education	-	-	-	-	765,535
Conservation and Development	1,761,030	-	-	21,000	1,863,777
Debt Service:					
Principal Retirement	-	-	-	-	337,887
Interest and Fiscal Charges	-	-	-	-	170,634
Debt Issuance Costs	28,324	-	-	-	28,324
Total Expenditures	1,789,354	358,558	-	21,000	7,784,470
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	(1,539,657)	(358,558)	-	216,959	(3,134,996)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	2,000,000	-	-	-	2,327,889
Sale of Capital Assets	-	-	-	-	14,488
Transfers In	191,486	-	2,242,535	-	3,250,578
Transfers Out	(2,312,002)	-	-	(191,486)	(3,171,517)
Principal Payments on Refinanced Debt	-	-	-	-	(160,000)
Total Other Financing Sources (Uses)	(120,516)	-	2,242,535	(191,486)	2,261,438
NET CHANGE IN FUND BALANCES					
	(1,660,173)	(358,558)	2,242,535	25,473	(873,558)
Fund Balances - Beginning of Year	282,320	-	(2,242,535)	(6,363)	2,061,666
FUND BALANCES - END OF YEAR	\$ (1,377,853)	\$ (358,558)	\$ -	\$ 19,110	\$ 1,188,108

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
RECONCILIATION OF 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 \$ (873,558)

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation/amortization expense. In the current period, these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 4,724,688	
Depreciation/Amortization Expense Reported in the Statement of Activities	<u>(629,731)</u>	4,094,957

Receivables not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements. (4,506)

Pension expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on the statement of activities are measured by the change in net pension asset, liability and related deferred outflows and inflows of resources. 185,137

Long-term debt incurred in governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the statement of net position and does not affect the statement of activities. Long-term debt incurred in the current year is:

General Obligation Notes	2,320,000	
Lease Liability	<u>7,889</u>	(2,327,889)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consist of:

General Obligation Bonds Principal Retirement	205,000	
General Obligation Notes Principal Retirement	284,414	
Lease Payable Principal Retirement	<u>8,473</u>	497,887

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Net Change in Accrued Interest Payable	(27,017)	
Amortization of Debt Premium	7,912	
Net Change in Compensated Absences Payable	24,101	
Net Change in Estimated Landfill Postclosure Liability	<u>6,581</u>	<u>11,577</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 1,583,605

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Totals
	Utility	Utility	
ASSETS			
Current Assets:			
Cash and Investments	\$ 1,129,253	\$ 743,080	\$ 1,872,333
Customer Accounts Receivable	109,730	155,668	265,398
Lease Receivable	81,533	-	81,533
Accounts Receivable on Tax Roll	880	1,230	2,110
Inventories	28,845	-	28,845
Total Current Assets	<u>1,350,241</u>	<u>899,978</u>	<u>2,250,219</u>
Restricted Assets:			
Equipment Replacement Fund Investments	-	178,563	178,563
Wisconsin Retirement System Pension Asset	53,655	82,931	136,586
Total Restricted Assets	<u>53,655</u>	<u>261,494</u>	<u>315,149</u>
Capital Assets:			
Utility Plant in Service	5,314,312	6,498,496	11,812,808
Less: Accumulated Depreciation	2,395,731	4,101,118	6,496,849
Net Capital Assets	<u>2,918,581</u>	<u>2,397,378</u>	<u>5,315,959</u>
Construction Work in Progress	-	31,899	31,899
Total Capital Assets	<u>2,918,581</u>	<u>2,429,277</u>	<u>5,347,858</u>
Other Assets:			
Special Assessments Receivable	-	6,250	6,250
Total Assets	<u>4,322,477</u>	<u>3,596,999</u>	<u>7,919,476</u>
DEFERRED OUTFLOWS OF RESOURCES			
Wisconsin Retirement System Pension Related	105,103	162,451	267,554
LIABILITIES			
Current Liabilities:			
Accounts Payable	94,616	17,949	112,565
Accrued Interest Payable	2,839	1,488	4,327
Current Portion of Long-Term Debt:			
Revenue Bonds	48,089	48,630	96,719
General Obligation Bonds	50,000	-	50,000
Accrued Compensated Absences	3,842	4,354	8,196
Total Current Liabilities	<u>199,386</u>	<u>72,421</u>	<u>271,807</u>
Long-Term Liabilities (Net of Current Portion):			
Advance from Other Funds	5,960	5,960	11,920
Revenue Bonds	942,712	953,303	1,896,015
General Obligation Bonds	150,000	-	150,000
Unamortized Bond Premium	5,127	-	5,127
Accrued Compensated Absences	11,526	13,061	24,587
Total Long-Term Liabilities	<u>1,115,325</u>	<u>972,324</u>	<u>2,087,649</u>
Total Liabilities	<u>1,314,711</u>	<u>1,044,745</u>	<u>2,359,456</u>
DEFERRED INFLOWS OF RESOURCES			
Leases	81,667	-	81,667
Wisconsin Retirement System Pension Related	126,510	195,538	322,048
Total Deferred Inflows of Resources	<u>208,177</u>	<u>195,538</u>	<u>403,715</u>
NET POSITION			
Net Investment in Capital Assets	1,722,653	1,427,344	3,149,997
Restricted for Pension Plan	53,655	82,931	136,586
Restricted for Equipment Replacement	-	178,563	178,563
Unrestricted	1,128,384	830,329	1,958,713
Total Net Position	<u>\$ 2,904,692</u>	<u>\$ 2,519,167</u>	<u>\$ 5,423,859</u>

See accompanying Notes to Basic Financial Statements.

CITY OF AMERY, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
OPERATING REVENUES			
Sales of Water/Sewerage Revenues:			
Residential	\$ 148,258	\$ 351,281	\$ 499,539
Commercial	57,685	137,638	195,323
Industrial	21,840	67,257	89,097
Public Authorities	21,807	42,704	64,511
Multifamily Residential	29,364	48,020	77,384
Private Fire Protection	7,656	-	7,656
Public Fire Protection	158,774	-	158,774
Total Sales of Water/Sewerage Revenues	445,384	646,900	1,092,284
Other Operating Revenues	40,746	2,954	43,700
Total Operating Revenues	486,130	649,854	1,135,984
OPERATING EXPENSES			
Operation and Maintenance	210,460	458,526	668,986
Depreciation	152,726	217,738	370,464
Total Operating Expenses	363,186	676,264	1,039,450
OPERATING INCOME (LOSS)	122,944	(26,410)	96,534
NONOPERATING REVENUES (EXPENSES)			
Interest Revenue	8,627	-	8,627
Interest Expense	(14,082)	(8,934)	(23,016)
Other	14,347	-	14,347
Total Nonoperating Revenues (Expenses)	8,892	(8,934)	(42)
INCOME (LOSS) BEFORE TRANSFERS	131,836	(35,344)	96,492
CONTRIBUTIONS AND TRANSFERS:			
Transfer to Governmental Funds - Property Tax Equivalent	(79,061)	-	(79,061)
Total Contributions and Transfers	(79,061)	-	(79,061)
CHANGE IN NET POSITION	52,775	(35,344)	17,431
Net Position - Beginning of Year	2,851,917	2,554,511	5,406,428
NET POSITION - END OF YEAR	<u>\$ 2,904,692</u>	<u>\$ 2,519,167</u>	<u>\$ 5,423,859</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Utility Customers	\$ 292,438	\$ 666,671	\$ 959,109
Cash Received for Public Fire Protection	158,774	-	158,774
Cash Received (Paid) for Meter Related Charges	19,347	(19,347)	-
Cash Paid to Suppliers for Goods and Services	(43,177)	(278,237)	(321,414)
Cash Paid for Employee Services	(87,591)	(182,465)	(270,056)
Net Cash Provided by Operating Activities	<u>339,791</u>	<u>186,622</u>	<u>526,413</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Repayment of Advance from the General Fund	(5,042)	(5,042)	(10,084)
Cash Payments to Governmental Funds	877,768	-	877,768
Cash Payments for Tax Equivalent	(79,061)	-	(79,061)
Net Cash Used by Noncapital Financing Activities	<u>793,665</u>	<u>(5,042)</u>	<u>788,623</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Cash Payments for Capital Assets	(156,837)	(187,440)	(344,277)
Cash Payments for Construction Work in Progress	-	(31,899)	(31,899)
Cash Received from Issuance of Debt	213,142	320,709	533,851
Principal Paid on Long-Term Debt	(87,411)	(32,772)	(120,183)
Interest Paid on Long-Term Debt	(1,368)	(8,506)	(9,874)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(32,474)</u>	<u>60,092</u>	<u>27,618</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	8,627	-	8,627
Lease Rental Payments Received	19,644	-	19,644
Net Cash Provided by (Used for) Investing Activities	<u>28,271</u>	<u>-</u>	<u>28,271</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,129,253	241,672	1,370,925
Cash and Cash Equivalents - Beginning of Year	-	679,971	679,971
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,129,253</u>	<u>\$ 921,643</u>	<u>\$ 2,050,896</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 122,944	\$ (26,410)	\$ 96,534
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	152,726	217,738	370,464
Lease Rental Income	(19,510)	-	(19,510)
Net Change in Wisconsin Pension Asset	2,030	(6,879)	(4,849)
Net Change in Wisconsin Pension Deferred Outflow	(12,400)	(35,832)	(48,232)
Net Change in Wisconsin Pension Deferred Inflow	4,030	28,250	32,280
(Increase) Decrease in Assets:			
Customer Accounts Receivable	(10,899)	(16,336)	(27,235)
Accounts Receivable on Tax Roll	14,838	33,153	47,991
Inventories	(1,985)	-	(1,985)
Decrease (Increase) in Liabilities:			
Accounts Payable	91,172	(2,018)	89,154
Accrued Compensated Absences	(3,155)	(5,044)	(8,199)
Net Cash Provided by Operating Activities	\$ 339,791	\$ 186,622	\$ 526,413
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS			
Cash and Investments per Statement of Net Position:			
Cash and Investments	\$ 1,129,253	\$ 743,080	\$ 1,872,333
Cash and Investments - Restricted	-	178,563	178,563
	\$ 1,129,253	\$ 921,643	\$ 2,050,896

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2022**

	Tax Collection Custodial Fund
ASSETS	
Cash and Investments	\$ 997,052
Taxes Receivable	23,181,001
Total Assets	24,178,053
 DEFERRED INFLOWS OF RESOURCES	
Succeeding Year's Property Taxes	24,178,053
 NET POSITION	
Restricted	\$ -

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUND
YEAR ENDED DECEMBER 31, 2022**

	Tax Collection Custodial Fund
ADDITIONS	
Tax Collections for Other Governments	\$ 3,830,554
DEDUCTIONS	
Payments of Taxes to Other Governments	<u>3,830,554</u>
CHANGE IN NET POSITION	-
Net Position - Beginning of Year	<u>-</u>
NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Amery (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

A. Reporting Entity

The City of Amery is governed by a mayor/council form of government. The council consists of four members elected from wards with two members elected at-large.

The financial reporting of the City is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the City consist of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the City.

B. Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds) as described below:

Government-Wide Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function or segment. Program revenues include (a) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements

Financial statements of the reporting entity 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 equity, revenues, and expenditures/expenses.

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 – The General Fund is the operating fund of the City. It is used to account for all financial resources of the City, except those required to be accounted for in another fund.

CDBG Housing Revolving Loan Fund – The CDBG Housing Revolving Loan Fund, a special revenue fund, is used to account for the initial CDBG funding and ongoing activities of the revolving loan fund that are restricted for the purpose of financing loans for housing rehabilitation.

Library Fund – The Library Fund is used to account for the accumulation of resources used to support the library operations.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs of governmental funds.

Tax Incremental District #6 Fund – The Tax Incremental District #6 Fund, a capital projects fund, is used to account for financial resources to be used for funding projects within the scope of the TID #6 project plan.

Capital Improvements Fund – The Capital Improvements fund, a capital projects fund, is used to account for financial resources to be used for funding ongoing capital improvements of the City within the scope of the City plans.

Keller Avenue CDBG Fund – The Keller Avenue CDBG fund, a capital projects fund, is used to account for financial resources to be used for the reconstruction of Keller Avenue within the scope of the project plans.

All remaining governmental funds are aggregated and reported as nonmajor funds. The City reports the following major enterprise funds:

Water Utility – This fund accounts for the operations of the water system. Utility operations are subject to regulation by the Wisconsin Public Service Commission.

Sewer Utility – This fund accounts for the operations of the sewer collection system and treatment facilities.

The City had no other enterprise funds to report as nonmajor funds.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

Additionally, the City reports the following fiduciary fund:

Tax Collection Custodial Fund – The tax collection custodial fund is primarily used to account for the collection of property taxes for other governmental units.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements, the proprietary funds and fiduciary trust fund financial statements, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. 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 of resources. 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, if material, 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 government's utility functions 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.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City generally considers revenues reported in the governmental funds to be available if they are collected within sixty days after the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Property taxes, miscellaneous taxes, public charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are generally considered to be measurable and available only when cash is received by the government.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in financial statements and accompanying notes. Actual results could differ from those estimates.

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

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

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

- a. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less
- b. Bonds or securities issued or guaranteed by the federal government
- c. 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, or by the University of Wisconsin Hospitals and Clinics Authority
- d. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency
- e. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options
- f. Bonds or securities issued under the authority of the municipality
- g. The local government investment pool
- h. Repurchase agreements with public depositories, with certain conditions

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

1. Deposits and Investments (Continued)

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

Investments of the City are stated at fair value.

2. Receivables and Payables

Property Taxes. Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. The resulting tax roll is recorded as receivable by the City at year-end with a corresponding deferred inflows of resources in the corresponding governmental fund (City portion) and the tax collection custodial fund (other taxing agency portion). Since City property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted.

Real property taxes are payable in full on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the Polk County Treasurer for collection in February. Polk County subsequently settles in full with the City in August of the same year, including settlement for uncollected delinquent special assessments and special charges. (The County has the option to settle in full for delinquent special assessments and special charges or to remit them to the City as collections are received.) Delinquent personal property taxes are retained by the City for collection. A portion of the general fund balance is classified as nonspendable for the City's investment in delinquent taxes.

Special Assessments. Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2022 tax roll are recognized as revenue in 2022.) Special assessments recorded in proprietary funds and in the government-wide financial statement are recorded as revenue at the time the assessments are subject to collection procedures.

Accounts Receivable. Accounts receivable in the community micro-loan fund totaled \$9,878. All accounts receivable are considered to be collectible in full.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

2. Receivables and Payables (Continued)

Lease Receivable The City is a lessor for noncancellable leases of the water tower and golf course. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and business-type fund financial statements.

Interfund Balances. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement as “internal balances”. Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds, if material, are recorded as expenditures when consumed rather than when purchased.

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.

4. 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.

5. Capital Assets

Government-Wide Statements. Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

5. Capital Assets (Continued)

Government-Wide Statements (Continued). Major outlays for capital assets and improvements are capitalized as projects are constructed. The City’s policy is to prospectively report infrastructure acquired after adoption of GASB Statement No. 34.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

Assets	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$ 5,000	N/A	N/A
Land Improvements	5,000	Straight-Line	10 to 50 Years
Buildings and Improvements	5,000	Straight-Line	20 to 50 Years
Machinery and Equipment	5,000	Straight-Line	4 to 15 Years
Infrastructure	5,000	Straight-Line	20 to 50 Years
Utility Systems	Various	Straight-Line	4 to 100 Years

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

6. Deferred Outflows of Resources

The City would report decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. A deferred outflow of resources is reported in these financial statements for pension related items.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

7. Deferred Inflows of Resources

The City's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The City will not recognize the related revenue until a future event occurs. The City has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the City's year) under the modified accrual basis of accounting. The City has deferred inflows relating to pension items and leases.

8. Compensated Absences

It is the City's policy to permit employees to accumulate vacation, sick leave and compensatory time off benefits. Liabilities for accumulated vacation, sick leave and compensatory time off are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The City's policies and estimated liabilities at year-end are further discussed in Note 4.C.

9. Wisconsin Retirement System Pension Plan Benefits

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 the 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.

10. Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

11. Defining Operating Revenue and Expense

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 utility and sewer utility are charges to customers for sales and services. 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.

12. Use of Restricted Resources

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.

13. Equity Classifications

Fund equity, representing the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources, is classified as follows in the City's financial statements:

Government-Wide, Proprietary Fund and Fiduciary Fund Financial Statements. Fund equity is classified as net position in the government-wide, proprietary fund and fiduciary fund financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement for those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is displayed as unrestricted.

Fund Financial Statements. In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that will never be converted to cash or will not be converted to cash soon enough to affect the current period. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the City Council. Per resolution of the City Council, the Clerk/Treasurer and Administrator have been authorized to establish or modify assigned fund balance.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity (Continued)

13. Equity Classifications (Continued)

Fund Financial Statements (Continued). Unassigned fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. It is the City's policy that at the end of each fiscal year, the City will maintain a minimum unassigned portion of fund balance between 20% and 30% of general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the City Council prior to each year-end.

14. Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It 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 this standard, 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.

The City adopted the requirements of the guidance effective January 1, 2022, and has elected to apply the provisions of this standard to the beginning of the period of adoption.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Generally accepted accounting principles require the disclosure of individual funds that have deficit balances at year-end. At December 31, 2022, certain funds had deficit balances as shown below:

Capital Improvement Fund	\$ (358,558)
Tax Incremental District #9	136,189
Tax Incremental District #8	(142,694)
Tax Incremental District #6	(1,377,853)
Debt Service Fund	(111,452)
Total	<u>\$ (1,854,368)</u>

The deficit in the Tax Incremental Districts #8 and #6 funds are financed by intergovernmental fund due to/from the general fund, see Note 3.D. The due to other funds will be repaid as funds become available from tax increment and loan repayment collections.

The deficit in the capital improvement fund will be financed by future budget allocations from the general fund.

The deficit in the debt service fund is financed by a due to the general fund, see Note 3.D. The amount due will be repaid as funds become available from tax increment and loan repayment collections.

Expenditures in excess of budget for fiscal year 2022 were as follows:

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
General Fund:				
General Government	\$ 696,185	\$ 696,185	\$ 2,032,931	\$ (1,336,746)
Public Works	842,018	842,018	910,385	(68,367)
Health and Human Services	28,919	28,919	29,702	(783)
Culture, Recreation, and Education	169,070	169,070	252,605	(83,535)
Conservation and Development	11,150	11,150	29,874	(18,724)

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City’s cash and investments balances at December 31, 2022 as shown in the financial statements as follows:

Governmental Funds	\$	1,770,793
Proprietary Funds		2,050,896
Fiduciary Funds		997,052
Total		\$ 4,818,741

The above cash and investments balances consisted of the following:

Deposits at Financial Institutions	\$	4,817,741
Petty Cash		1,000
Total		\$ 4,818,741

Deposits at Financial Institutions

The City’s balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage for governmental entities of up to \$250,000 for time and savings deposits and an additional \$250,000 for demand deposits. In addition, funds held for others (such as trust funds) are subject to coverage under the name of the party for whom the funds are held. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the City to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that, in the event of failure, the City’s deposits may not be returned. At December 31, 2022, the City’s did not have any balances that were uninsured and uncollateralized, therefore, the City was subject to custodial credit risk.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables/Deferred Inflows of Resources

Other Receivables

Housing Rehabilitation Loans Receivable. The City was awarded Community Development Block Grants for financing housing rehabilitation loans. At December 31, 2022, the City had seventeen (17) outstanding deferred loans totaling \$266,282. The deferred loans become due and payable in full in the event that the maker no longer continues to occupy the premises securing the loan as a full-time residence, or if the maker transfers any legal or equitable interest in the mortgage premises to anyone for any reason.

The deferred loans have been recorded as receivables in the revolving loan special revenue fund and are equally offset by deferred inflows of resources. Collections on these loans are recognized as revenue in the special revenue fund at the time of their receipt. Proceeds from the collection of the above loans are restricted for financing similar rehabilitation projects.

Lease Receivable

The City, acting as lessor, leases the Water Tower and golf course under long-term noncancelable lease agreements. The Water Tower leases expire on June 12, 2027, and will not renew. The Golf Course Lease expires on January 31, 2024, and will not renew. During the year ended, December 31, 2022, the City recognized \$114,478 and \$6,384 in lease revenue and interest revenue, respectively, pursuant to the contracts.

Total future minimum lease payments to be received under the lease agreements are follows:

	Principal	Interest	Total
2023	\$ 64,505	\$ 4,799	\$ 69,304
2024	125,881	972	126,853
2025	12,570	630	13,200
2026	12,888	312	13,200
2027	6,566	34	6,600
Total Minimum Lease Payments	\$ 222,410	\$ 6,747	\$ 229,157

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital assets activity for the year ended December 31, 2022 is as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated/Amortized				
Land	\$ 929,255	\$ -	\$ -	\$ 929,255
Construction Work in Progress	4,907,011	2,801,672	5,839,583	1,869,100
Total Capital Assets Not Being Depreciated/Amortized	5,836,266	2,801,672	5,839,583	2,798,355
Capital Assets Being Depreciated				
Land Improvements	1,756,677	26,475	-	1,783,152
Buildings	2,789,694	5,527,261	-	8,316,955
Equipment and Vehicles	4,179,802	2,024,430	-	6,204,232
Infrastructure	5,119,335	176,544	-	5,295,879
*Right-to-Use Lease Asset - Equipment	30,084	7,889	-	37,973
Total Capital Assets Being Depreciated/Amortized	13,875,592	7,762,599	-	21,638,191
Total Capital Assets	19,711,858	10,564,271	5,839,583	24,436,546
Accumulated Depreciation/Amortization:				
Land Improvements	1,196,029	46,735	-	1,242,764
Buildings	1,051,279	129,300	-	1,180,579
Equipment and Vehicles	2,777,630	319,741	-	3,097,371
Infrastructure	673,677	125,099	-	798,776
Right-to-Use Lease Asset - Equipment	-	8,856	-	8,856
Total Accumulated Depreciation/Amortization	5,698,615	629,731	-	6,328,346
Net Capital Assets - Governmental Activities	\$ 14,013,243	\$ 9,934,540	\$ 5,839,583	\$ 18,108,200

*This includes restated amounts due to the implementation of GASB Statement No. 87.

Depreciation/Amortization was charged to governmental functions as follows:

General Government	\$ 41,891
Public Safety	153,860
Public Works	355,327
Culture, Recreation, and Education	78,653
Total Depreciation/Amortization - Governmental Activities	\$ 629,731

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Joint Water and Sewer Utility:				
Water Department:				
Capital Assets Not Being Depreciated				
Land and Land Rights	\$ 15,359	\$ -	\$ -	\$ 15,359
Capital Assets Being Depreciated:				
Source of Supply	198,218	-	-	198,218
Pumping Plant	259,772	110,088	-	369,860
Water Treatment	13,455	-	-	13,455
Transmission and Distribution	4,276,921	-	-	4,276,921
General Plant	393,750	46,749	-	440,499
Total Capital Assets Being Depreciated	<u>5,142,116</u>	<u>156,837</u>	<u>-</u>	<u>5,298,953</u>
Total Capital Assets	5,157,475	156,837	-	5,314,312
Less Accumulated Depreciation	2,243,005	152,726	-	2,395,731
Net Capital Assets - Water Utility	<u>2,914,470</u>	<u>4,111</u>	<u>-</u>	<u>2,918,581</u>
Sewer Department:				
Capital Assets Not Being Depreciated				
Land and Land Rights	36,340	-	-	36,340
Construction Work in Progress	-	31,899	-	31,899
Total Capital Assets Not Being Depreciated	<u>36,340</u>	<u>31,899</u>	<u>-</u>	<u>68,239</u>
Capital Assets Being Depreciated:				
Collection System	1,744,402	-	-	1,744,402
Pumping System	1,000,857	88,020	56,437	1,032,440
Treatment and Disposal Plant	3,171,840	67,670	-	3,239,510
General Plant	414,054	31,750	-	445,804
Total Capital Assets Being Depreciated	<u>6,331,153</u>	<u>187,440</u>	<u>56,437</u>	<u>6,462,156</u>
Total Capital Assets	6,367,493	219,339	56,437	6,530,395
Less Accumulated Depreciation	3,939,817	217,738	56,437	4,101,118
Net Capital Assets - Sewer Utility	<u>2,427,676</u>	<u>1,601</u>	<u>-</u>	<u>2,429,277</u>
Net Capital Assets - Business-Type Activities	<u>\$ 5,342,146</u>	<u>\$ 5,712</u>	<u>\$ -</u>	<u>\$ 5,347,858</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 152,726
Sewer	217,738
Total Depreciation - Business-Type Activities	<u>\$ 370,464</u>

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2022 was as follows:

Due to/from Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purposes</u>
General Fund	TID #8 Fund	\$ 142,694	Finance Cash Deficit
General Fund	Debt Service Fund	111,452	Finance Cash Deficit
General Fund	Capital Improvement Fund	209,805	Finance Cash Deficit
Tax Incremental District #6 Fund	General Fund	1,270,417	Finance Cash Deficit
		<u>\$ 1,734,368</u>	

Advances from/to Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purposes</u>
General Fund	CDBG Revolving Loan Fund	\$ 3,740	Administrative Expense Reimbursement
General Fund	Water Utility Fund	5,960	Financing of Capital Asset Purchase
General Fund	Sewer Utility Fund	5,960	Financing of Capital Asset Purchase
		<u>\$ 15,660</u>	

Interfund Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purposes</u>
General Fund	Water Department Fund	\$ 79,061	Property Tax Equivalent
Debt Service Fund	General Fund	608,029	Finance Current Maturities
Library Fund	General Fund	60,000	Moving Costs
Debt Service Fund	TID #6 Fund	69,467	Finance Current Maturities
Capital Projects Fund	CDBG Keller Ave	2,242,535	Financing of Capital Asset Purchase
		<u>\$ 3,059,092</u>	

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in long-term obligations of the City for the year ended December 31, 2022 were as follows:

	Balance 1/1/22	Issued	Retired	Balance 12/31/22	Amounts Due Within One Year
Primary Government					
Governmental Activities					
General Obligation Bonds, dated 06/01/2016	\$ 1,240,000	\$ -	\$ 205,000	\$ 1,035,000	\$ 225,000
General Obligation Refunding Bonds, dated 09/08/2021	4,225,000	-	-	4,225,000	10,000
General Obligation Notes, dated 10/30/2019	60,194	-	14,536	45,658	14,766
General Obligation Notes, dated 12/02/2015	109,076	-	25,966	83,110	26,826
General Obligation Notes, dated 1/31/2014	162,947	-	30,381	132,566	28,722
General Obligation Notes, dated 12/15/2021	2,500,000	-	184,000	2,316,000	193,000
General Obligation Notes, dated 4/05/2018	35,001	-	23,126	11,875	11,875
General Obligation Notes, dated 4/01/2022	-	2,000,000	-	2,000,000	119,000
General Obligation Notes, dated 11/08/2022	-	320,000	-	320,000	25,242
Construction Note, dated 7/21/2021	6,405	-	6,405	-	-
Bond Premiums	102,230	-	7,912	94,318	-
*Lease Liability	30,084	7,889	8,473	29,500	9,495
Compensated Absences	164,736	-	24,101	140,635	35,159
Estimated Landfill Postclosure Liability	668,769	-	6,581	662,188	-
	<u>\$ 9,304,442</u>	<u>\$ 2,327,889</u>	<u>\$ 536,481</u>	<u>\$ 11,095,850</u>	<u>\$ 699,085</u>
Governmental Activities - Long-Term Liabilities					
Business-Type Activities					
General Obligation Bonds, dated 06/01/2016	\$ 250,000	\$ -	\$ 50,000	\$ 200,000	\$ 50,000
Revenue Bonds, dated 06/23/2021	815,070	213,142	37,411	990,801	48,089
Revenue Bonds, dated 06/23/2021	713,996	320,709	32,772	1,001,933	48,630
Bond Premiums	6,836	-	1,709	5,127	-
Compensated Absences	40,982	-	8,199	32,783	8,196
	<u>\$ 1,826,884</u>	<u>\$ 533,851</u>	<u>\$ 130,091</u>	<u>\$ 2,230,644</u>	<u>\$ 154,915</u>
Business-Type Activities - Long-Term Liabilities					

*This includes restated amounts due to the implementation of GASB Statement No. 87.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

Security and Default. The outstanding long-term debt obligations of the City contain the following provisions:

Water System Revenue Bonds: The bonds are payable from a pledge of revenues of the water utility system. The required principal and interest paid for the current year and total customer net revenues were \$50,261 and \$490,021, respectively.

Sewer System Revenue Bonds: The bonds payable only from and secured by a pledge of income and revenues to be derived from the operation of the sewerage system. The required principal and interest paid for the current year and total customer net revenues were \$40,123 and \$649,854, respectively.

General Obligation Debt – All general obligation bonds and notes payable are backed by the full faith and credit of the City. Bonds and notes payable will be retired by future property tax levies or tax increments accumulated by the debt service fund. Annual retirement requirements of long-term debt issued to finance expenditures of the tax incremental districts are anticipated to be financed from revenues of the TIDs.

The City's estimated liabilities for the City's unfunded WRS liability and employee leave are discussed in Note 4.A. and Note 4.C., respectively. The City's estimated liability for landfill post-closure costs is discussed in Note 4.E.

The City's liabilities for compensated absences are generally liquidated by the general fund and the joint water and sewer utility.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Long-Term Debt

Individual general obligation long-term debt issues outstanding at December 31, 2022 are as follows:

	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Amount Outstanding
Governmental Activities:					
General Obligation Bonds:					
Refunding Bonds, Series 2016A	04/23/08	4/1/28	2.00% - 2.05%	\$ 2,945,000	\$ 1,035,000
Refunding Bonds, Series 2021	09/08/21	10/01/41	2.125% - 4.00%	4,225,000	4,225,000
General Obligation Notes:					
Promissory Note	04/05/18	04/05/23	3.40%	110,000	11,875
Promissory Note	10/30/19	4/1/26	2.69%	95,454	45,658
Promissory Note	1/31/14	1/31/24	4.92%	404,106	132,566
Promissory Note	12/2/15	9/15/15	3.25%	250,000	83,110
Promissory Note	12/15/21	10/01/21	0.73%	2,500,000	2,316,000
Promissory Note	4/1/22	4/01/32	4.50%	320,000	320,000
Promissory Note	11/8/22	3/15/32	2.10%	2,000,000	2,000,000
Business-Type Activities:					
General Obligation Bonds:					
Refunding Bonds, Series 2016A	6/1/2016	4/1/28	2.00% - 2.05%	2,945,000	200,000
Total					<u>\$ 10,369,209</u>

On April 1st, 2022, the City issued a \$320,000 state trust fund loan for the purpose of financing the purchase of a fire truck. The note bears an interest rate of 4.50% and matures April 1, 2032.

On November 8th, 2022, the City issued a \$2,000,000 general obligation promissory note for the purpose of financing the South Industrial Park project. The note bears an interest rate of 2.10% and matures March 15, 2032.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Long-Term Debt (Continued)

General Obligation Debt Limit. Section 67.03 of the Wisconsin Statutes restricts general obligation debt to 5% of the equalized value of all property in the City. The City's legal debt limit and unused borrowing capacity at December 31, 2022 were computed as follows:

Equalized Valuation (Certified 12/31/2022)	\$ 285,410,100
Legal Debt Capacity (5% of Equalized Value)	\$ 14,270,505
Total General Obligation Debt Subject to Limitation	10,369,209
Unused Borrowing Capacity at 12/31/2022	<u><u>\$ 3,901,296</u></u>

Annual Requirements for Retirement. Individual general obligation long-term debt issued outstanding at December 31, 2022 and annual requirements for their retirement as of that date are shown below:

Year Ending December 31,	Annual Requirements					Funding Sources				
	Bonded Debt		Notes from Direct Borrowings			General Fund	TID #6 Fund	TID #7 Fund	Water Utility	Total
	Principal	Interest	Principal	Interest	Total					
2023	\$ 476,190	\$ 212,777	\$ 203,000	\$ 112,746	\$ 1,004,713	\$ 590,916	\$ 66,300	\$ 180,751	\$ 54,000	\$ 891,967
2024	528,965	192,176	216,000	110,727	1,047,868	704,131	-	180,010	53,000	937,141
2025	436,575	172,988	222,000	108,392	939,955	598,577	-	180,986	52,000	831,563
2026	391,991	159,634	269,000	105,047	925,672	588,737	-	180,889	51,000	820,626
2027	346,320	146,146	286,000	100,487	878,953	597,738	-	180,728	-	778,466
2028-2032	1,849,168	505,842	2,319,000	388,061	5,062,071	2,293,160	-	1,380,852	-	3,674,012
2033-2037	270,000	-	1,235,000	212,670	270,000	1,717,670	-	-	-	1,717,670
2038-2042	-	-	1,320,000	56,035	-	1,376,035	-	-	-	1,376,035
Total	<u><u>\$ 4,299,209</u></u>	<u><u>\$ 1,389,563</u></u>	<u><u>\$ 6,070,000</u></u>	<u><u>\$ 1,194,165</u></u>	<u><u>\$ 10,129,232</u></u>	<u><u>\$ 8,466,964</u></u>	<u><u>\$ 66,300</u></u>	<u><u>\$ 2,284,216</u></u>	<u><u>\$ 210,000</u></u>	<u><u>\$ 11,027,480</u></u>

Water General Obligation Debt

Repayment Requirements. Outstanding general obligation bonds portion related to the Water Utility totaled \$250,000 at December 31, 2022. The City's unlimited ad valorem tax pledge and the full faith and credit back the general obligation bond. Outstanding general obligation bonds related to the Water Utility at December 31, 2022 and annual requirements for their retirement at that date are shown below:

	Year Ending December 31,	Principal	Interest	Total
Water Utility				
Water Portion of	2023	\$ 50,000	\$ 5,000	\$ 55,000
\$2,945,000 Series 2016A, dated 06/01/2016,	2024	50,000	4,000	54,000
due 04/01/2028, interest 2.00 to 2.05%	2025	50,000	3,000	53,000
	2026	50,000	2,000	52,000
	2027	50,000	1,000	51,000
Total Water Utility Bonds		<u><u>\$ 250,000</u></u>	<u><u>\$ 15,000</u></u>	<u><u>\$ 265,000</u></u>

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Security and Default. The City's outstanding Safe Drinking Water Loan and Clean Water Fund Loan contain the following provisions in the event of default: 1) Wisconsin Department of Administration can deduct amounts due from any state payments due to the City or add the amounts due as a special charge to the property taxes apportioned; 2) may appoint a receiver for the Program's benefit; 3) may declare the principal amount immediately due and payable; 4) may enforce any right or obligation under the financing agreement including the right to seek specific performance or mandamus; and 5) may increase the interest rate set forth in the financing agreement to the market interest rate.

Individual debt issues outstanding at December 31, 2022, and annual requirements for principal and interest retirement are shown below:

Issue Date	Final Maturity Date	Interest Rate	Original Issue	Amount Outstanding
6/23/2021	5/1/2041	0.891%	\$ 990,801	\$ 990,801
6/23/2021	5/1/2041	0.891%	1,001,933	1,001,933
				<u>\$ 1,992,734</u>

Annual requirements for retirement of the above issues, together with the expected funding sources, are shown below:

Year Ending December 31,	Annual Requirements			Funding Sources		
	Principal	Interest	Total	Water Utility	Sewer Utility	Total
2023	\$ 96,719	\$ 17,324	\$ 114,043	\$ 56,703	\$ 57,340	\$ 114,043
2024	97,581	16,459	114,040	56,701	57,338	114,039
2025	98,450	15,585	114,035	56,699	57,336	114,035
2026	99,327	14,704	114,031	56,697	57,334	114,031
2027	100,212	13,815	114,027	56,695	57,332	114,027
2028-2032	409,858	55,463	465,321	283,445	286,630	570,075
2033-2037	533,202	32,020	565,222	283,392	286,577	569,969
2038-2042	557,385	8,028	565,413	226,683	229,230	455,913
Total	<u>\$ 1,992,734</u>	<u>\$ 173,398</u>	<u>\$ 2,166,132</u>	<u>\$ 1,077,015</u>	<u>\$ 1,089,117</u>	<u>\$ 2,166,132</u>

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2022 consisted of the following:

	<u>Total</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Unassigned</u>
Major Funds:				
General Fund				
Advances to Other Funds	\$ 15,660	\$ 15,660	\$ -	\$ -
Delinquent Taxes	34,529	34,529	-	-
Land Held for Resale	250,780	250,780	-	-
Long-Term Notes Receivable	45,817	45,817	-	-
Fire Department Retirement	23,285	-	23,285	-
Unassigned	2,335,501	-	-	2,335,501
Subtotal General Fund	<u>2,731,355</u>	<u>372,569</u>	<u>23,285</u>	<u>2,335,501</u>
CDBG Housing Revolving Loan Fund	14,489	-	14,489	-
Library Fund	283,017	-	283,017	-
Debt Service Fund	(111,452)	-	-	(111,452)
Tax Incremental District #6 Fund	(1,377,853)	-	-	(1,377,853)
Capital Improvements Fund	(358,558)	-	-	(358,558)
Nonmajor Funds:				
Special Revenue Funds:				
Community Micro - Loan Fund	25,615	-	25,615	-
Capital Projects Funds:				
Tax Incremental District #8 Fund	(142,694)	-	-	(142,694)
Tax Incremental District #9 Fund	136,189	-	136,189	-
 Total Governmental Fund Balances at December 31, 2022	 <u>\$ 1,188,108</u>	 <u>\$ 372,569</u>	 <u>\$ 470,595</u>	 <u>\$ 344,944</u>

G. Tax Incremental Districts

The City has created seven tax incremental financing districts (TIF districts or TIDs) in accordance with Section 66.1105 of the Wisconsin Statutes. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after creation of the district. The tax on the increased value is called a tax increment.

At the dates of the creation of the districts, the statutes provided that no project costs could be expended later than seven years after the creation date of the district. The statutes further allowed the municipality to collect tax increments for sixteen years after the last project expenditure was made or until the net project cost of the district had been recovered, whichever occurred first. The State enacted several changes relating to tax incremental districts in 2004 (with amending legislation in 2005). One of these changes extended the expenditure period for all current and future districts, effective October 1, 2004, to five years prior to the termination of the district's unextended maximum life. For those districts that had reached the end of its expenditure period prior to October 1, 2004, it allowed a municipality to expend additional project costs included in the project plan (subject to certain conditions). Project costs uncollected at the dissolution date are absorbed by the municipality.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Tax Incremental Districts (Continued)

The City had terminated TID #2 and TID #3 during 2001 with closeout of the funds at December 31, 2001, TID #4 was terminated in 2004 and TID #5 was terminated in 2020. TID #6, TID #7, TID #8, and TID #9 were still in existence at December 31, 2022. The resolution TID #6 was dated May 5, 2004. The resolution creating TID #7 was dated September 30, 2010. The resolution creating TID #8 was dated June 9, 2016. The resolution creating TID #9 was dated September 4, 2019. The project plans, on file in the office of the City Administrator, detail the proposed projects, the estimated years of construction or site acquisition and the estimated costs of the individual project components.

Transactions of TID #6, TID #7 TID #8, and TID #9 are accounted for in capital projects funds. Project expenditures through December 31, 2022 have been financed by a combination of long-term debt and long-term advances from the City's general fund. Accumulated project costs and revenues of the districts through December 31, 2022 are summarized as follows:

	<u>TID #6</u>	<u>TID # 7</u>	<u>TID #8</u>	<u>TID #9</u>
Accumulated Project Costs:				
Project Expenditures	\$ 4,481,028	\$ 374,765	\$ 250,244	\$ 25,077
Debt Expenditures:				
Interest Charges	314,508	10,927	-	-
Transfers Out	<u>2,312,002</u>	<u>191,486</u>	<u>-</u>	<u>-</u>
Total Project Costs	<u>7,135,862</u>	<u>577,178</u>	<u>250,244</u>	<u>25,077</u>
Accumulated Project Revenues:				
Tax Increments	2,438,797	575,113	107,550	161,266
Minimum Tax Agreements	69,845	-	-	-
Intergovernmental Grants and Aids	283,993	2,065	-	-
Sale of City Property	188,955	-	-	-
Other	24,615	-	-	-
Transfers In	<u>686,804</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Project Revenues	<u>3,693,009</u>	<u>577,178</u>	<u>107,550</u>	<u>161,266</u>
Future Project Revenues Necessary to Recover Project Costs to Date	<u>\$ 3,442,853</u>	<u>\$ -</u>	<u>\$ 142,694</u>	<u>\$ (136,189)</u>

The preceding summaries of transactions are reconciled to the fund balances in TID districts at December 31, 2022 as follows:

	<u>TID #6</u>	<u>TID # 7</u>	<u>TID #8</u>	<u>TID #9</u>
Outstanding Long-Term Debt Payable from TID Funds at December 31, 2022	\$ 2,065,000	\$ -	\$ -	\$ -
Excess (Unrecovered Costs) Above	<u>(3,442,853)</u>	<u>-</u>	<u>(142,694)</u>	<u>136,189</u>
Fund Balances (Deficits) at December 31, 2022	<u>\$ (1,377,853)</u>	<u>\$ -</u>	<u>\$ (142,694)</u>	<u>\$ 136,189</u>

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION

A. Wisconsin Retirement System Pension Plan Benefits

General Information about the Pension Plan

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 <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, the 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 occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. 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 or after 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.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

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, and Executives and Elected Officials. 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 fiscal reporting period January 1, 2022 through December 31, 2022, the WRS recognized \$130,220 in contributions from the employer.

Contribution rates as of December 31, 2022 are:

	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	6.50%	6.50%
Executives and Elected Officials	6.50%	6.50%
Protective with Social Security	6.75%	12.00%
Protective without Social Security	6.75%	16.40%

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

<u>Year Ended December 31,</u>	<u>Core Fund Adjustment (%)</u>	<u>Variable Fund Adjustment (%)</u>
2012	(7.00)	(7.00)
2013	(9.60)	9.00
2014	4.70	25.00
2015	2.90	2.00
2016	0.50	(5.00)
2017	2.00	4.00
2018	2.40	17.00
2019	0.0	(10.00)
2020	1.70	21.00
2021	5.10	13.00

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

At December 31, 2022, the City reported an asset of \$842,887 for its proportionate share of the net pension asset. 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. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. At December 31, 2021, the City's proportion was 0.01045742%, which was an increase of 0.00010617% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized pension expense (revenue) of (\$75,484). At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience Changes of Assumptions	\$ 1,361,639 157,252	\$ 98,188 -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,885,609
Difference Between Proportionate Share of Actual Employer Contributions	1,998	3,601
City Contributions Subsequent to the Measurement Date	130,220	-
Total	<u>\$ 1,651,109</u>	<u>\$ 1,987,398</u>

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$130,220 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31.</u>	<u>Pension Expense Amount</u>
2023	\$ (41,021)
2024	(228,982)
2025	(100,435)
2026	(96,071)

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

Actuarial Valuation Date:	December 31, 2021
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
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return	6.8%
Discount Rate	6.8%
Salary Increases:	
Inflation	3%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Postretirement Adjustments	1.70%

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.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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 arithmetic real rates of return for each major asset class are summarized in the following table:

Core Fund Asset Class	Asset Allocation	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	52.0%	6.8%	4.2%
Fixed Income	25.0%	4.3%	1.8%
Inflation Sensitive Assets	19.0%	2.7%	0.2%
Real Estate	7.0%	5.6%	3.0%
Private Equity/Debt	12.0%	9.7%	7.0%
Cash	-15.0%	0.9%	N/A
Total Core Fund	100.0%	6.6%	4.0%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0%	6.3%	3.7%
International Equities	30.0%	7.2%	4.6%
Total Core Fund	100.0%	6.8%	4.2%

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast:
2.5% Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

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%.

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 6.80% 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 6.80% 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.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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 (5.8%)	Current Discount Rate (6.8%)	1% Increase (7.8%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 598,088	\$ (842,887)	\$ (1,880,121)

B. Fire Department Retirement

The City established the Amery Fire Department Retirement Plan, a defined contribution retirement plan in 1985, for the benefit of members in good standing of the City of Amery Fire Department. This plan was established with the approval of a City Council resolution. The purpose of the Plan is to reward firefighters who have five years or more of service with the Department and particularly those firemen who put more time in firefighting. The plan is administered by three firefighters chosen by the Department and approved by the City Council. Plan members are not required to make contributions under the plan terms as all plan contributions are at the discretion of the City.

The Plan is a nonqualified plan as defined by the Internal Revenue Service and is funded by annual contributions from the City as determined annually by the City Council. The City contributed \$8,000 to the plan for the 2022 year. Transactions of the Plan are accounted for in the restricted funds of the general fund. The balance in the fund at December 31, 2022 was \$23,285.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Vacation, Sick Leave, and Compensatory Time Off Liabilities

It is the City's policy to permit employees to accumulate vacation, sick leave, and compensatory time off benefits. Vacation is granted to employees in varying amounts based on length of service and terms of employment. Employees earn thirteen (13) sick days per calendar year, with two sick days being credited each January and one day per month for the balance of the year with a maximum accumulation of 240 days. Upon retirement, if an employee has thirty or more days of sick leave accumulated, the employee shall receive a payout of 80% of the value; if an employee has less than thirty days of sick leave accumulated, the employee shall receive a payout of 50% of the value. To be eligible for the maximum benefit, an employee must retire at an age determined by the Wisconsin Retirement System, or is forced to retire pursuant to a duty related injury or illness. The City also allows the employee to carry over compensatory time off (time off in lieu of immediate overtime pay in cash, at rate of not less than one and one-half for each hour of overtime worked).

Liabilities for accumulated vacation, sick leave, and compensatory time are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The estimated liabilities for unused vacation, sick leave and compensatory time payable from the general fund on a pay-as-you-go basis at December 31, 2022 were \$140,635. The estimated liabilities in the proprietary funds at that date were \$32,783.

D. Participation in Biosolids Facility

The City is a participating member of the West Central Wisconsin Biosolids Facility (Facility), a facility jointly constructed by eleven Wisconsin communities to provide for the treatment, storage and disposal of biosolids (sludge). The communities have created a commission pursuant to Section 66.30 of the Wisconsin Statutes to administer the Facility with said commission to operate as a governmental body under Section 19.82(1) of the Statutes. Costs of operation of the Facility are to be recovered from users of the Facility (both members and nonmembers) based on usage.

Financial statements of the West Central Wisconsin Biosolids Facility can be obtained from its offices at 611 Bio Avenue, Ellsworth, Wisconsin 54011.

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Landfill Postclosure Care Costs

The City is responsible for postclosure care costs relating to a landfill site owned by the City. The landfill was closed in prior years and covers and monitoring wells were installed. The City also incurred costs to extend water service to nearby residents where tests of private wells revealed the presence of contaminants.

Costs associated with the landfill closure and postclosure care have been accounted for in the general fund and have been financed by a state grant, settlements with identified responsible parties and by an interest free loan through the State of Wisconsin.

Future costs to be paid by the City at December 31, 2022 have been estimated by an outside consultant at \$662,188. This amount is reflected as a liability in the City's government-wide financial statements.

F. Lease Liability

The City entered into a few lease agreements for the use of copiers and printers. A lease liability was recorded in the amount of \$29,500 during the current fiscal year for this lease. The City used the incremental borrowing rate for the lease since the interest rate was not provided in the lease agreement.

The future minimum lease payments under lease agreements are as follows:

	Principal	Interest	Total
2023	\$ 9,495	\$ 639	\$ 10,134
2024	9,252	399	9,651
2025	6,742	187	6,929
2026	3,040	60	3,100
2027	972	8	980
Total Minimum Lease Payments	<u>\$ 29,501</u>	<u>\$ 1,293</u>	<u>\$ 30,794</u>

**CITY OF AMERY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

H. Risk Management

The City is exposed to various risks of loss related to torts; theft of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the last three years.

I. Commitments and Contingencies

The City participates in various federal and state grant programs, which are subject to program compliance. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the government anticipates such amounts, if any, will be immaterial.

J. Subsequent Events

On March 22, 2023 the City issued \$5,000,000 in bond anticipation notes for the purpose of financing waste water treatment plant improvements. The bond anticipation notes accrue interest at 4.25% and matures in 2026.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF AMERY, WISCONSIN
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 1,508,141	\$ 1,508,141	\$ 1,869,158	\$ 361,017
Special Assessments	1,400	1,400	906	(494)
Intergovernmental	828,427	828,427	1,029,128	200,701
Licenses and Permits	55,725	55,725	66,422	10,697
Fines and Forfeits	59,000	59,000	43,510	(15,490)
Public Charges for Services	75,350	75,350	345,645	270,295
Intergovernmental Charges for Services	197,000	197,000	168,664	(28,336)
Miscellaneous:				
Interest	30,750	30,750	21,296	(9,454)
Rent	108,321	108,321	1,200	(107,121)
Sale of Property	-	-	300	300
Donations	250	250	34	(216)
Other	18,100	18,100	134,258	116,158
Total Revenues	2,882,464	2,882,464	3,680,521	798,057
EXPENDITURES				
General Government	696,185	696,185	2,032,931	(1,336,746)
Public Safety	1,212,443	1,212,443	1,286,737	(74,294)
Public Works	842,018	842,018	910,385	(68,367)
Health and Human Services	28,919	28,919	29,702	(783)
Culture, Recreation, and Education	169,070	169,070	252,605	(83,535)
Conservation and Development	11,150	11,150	29,874	(18,724)
Debt Service:				
Principal	439,126	439,126	11,683	427,443
Interest and Fiscal Charges	-	-	1,609	(1,609)
Total Expenditures	3,398,911	3,398,911	4,555,526	(1,156,615)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(516,447)	(516,447)	(875,005)	(358,558)
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	-	-	327,889	327,889
Sale of Capital Assets	-	-	14,488	14,488
Transfers In	92,500	92,500	79,061	(13,439)
Transfers Out	(312,418)	(312,418)	(668,029)	(355,611)
Total Other Financing Sources (Uses)	(219,918)	(219,918)	(246,591)	(26,673)
NET CHANGE IN FUND BALANCE	(736,365)	(736,365)	(1,121,596)	(385,231)
Fund Balance - Beginning of Year	3,852,951	3,852,951	3,852,951	-
FUND BALANCE - END OF YEAR	\$ 3,116,586	\$ 3,116,586	\$ 2,731,355	\$ (385,231)

See Notes to Required Supplementary Information.

**CITY OF AMERY, WISCONSIN
LIBRARY FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
Intergovernmental	274,786	274,786	267,011	(7,775)
Miscellaneous:				
Interest	-	-	28	28
Donations	-	-	10,485	10,485
Other	-	-	2,924	2,924
Total Revenues	474,786	474,786	480,448	5,662
EXPENDITURES				
Culture, Recreation, and Education	425,592	425,592	512,930	(87,338)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	49,194	49,194	(32,482)	(81,676)
OTHER FINANCING SOURCES (USES)				
Transfers In	20,324	20,324	60,000	39,676
NET CHANGE IN FUND BALANCES	69,518	69,518	27,518	(42,000)
Fund Balance - Beginning of Year	255,497	255,497	255,497	-
FUND BALANCE - END OF YEAR	<u>\$ 325,015</u>	<u>\$ 325,015</u>	<u>\$ 283,015</u>	<u>\$ (42,000)</u>

CITY OF AMERY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF
WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN (ASSET) LIABILITY
LAST TEN MEASUREMENT PERIODS
YEAR ENDED DECEMBER 31, 2022

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
12/31/2021	0.01045742 %	\$ (842,887)	\$ 1,484,254	(56.79)%	106.02 %
12/31/2020	0.01035125	(646,245)	1,380,368	(46.82)	105.26
12/31/2019	0.01064709	(343,310)	1,359,291	(25.26)	102.96
12/31/2018	0.01079782	384,152	1,339,347	28.68	96.45
12/31/2017	0.01056263	(313,618)	1,366,248	(22.95)	102.93
12/31/2016	0.00987264	83,343	1,369,399	6.09	99.12
12/31/2015	0.00987264	160,428	1,226,408	13.08	98.20
12/31/2014	0.01003162	(246,404)	1,182,104	(20.84)	102.74

The disclosures are being implemented prospectively beginning with fiscal year 2014.

**CITY OF AMERY, WISCONSIN
SCHEDULE OF CONTRIBUTIONS TO
WISCONSIN RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS
YEAR ENDED DECEMBER 31, 2022**

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2022	\$ 130,220	\$ (130,220)	\$ -	\$ 1,538,759	8.46 %
12/31/2021	125,954	(125,954)	-	1,484,254	8.49
12/31/2020	114,639	(114,639)	-	1,380,868	8.30
12/31/2019	109,665	(109,665)	-	1,359,291	8.07
12/31/2018	109,603	(109,603)	-	1,339,347	8.18
12/31/2017	111,258	(111,258)	-	1,366,248	8.14
12/31/2016	105,885	(105,885)	-	1,369,399	7.73
12/31/2015	95,001	(95,001)	-	1,226,408	7.75

Changes of Benefit Terms. There were no changes of benefit terms for any participating employer in WRS for any of the periods listed above.

Changes of 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 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.

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The City is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

**CITY OF AMERY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2022**

NOTE 1 BUDGETARY INFORMATION

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and each major special revenue fund. Budgetary information is derived from the City's annual operating budget. The City does not formally adopt a budget for its CDBG housing revolving loan fund.

The City's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The City's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. The City exercises budgetary expenditure control at the department level.

Budget amounts in the financial statements include both original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues and other sources for specified expenditures/uses. Appropriated budget amounts in the general fund lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

NOTE 2 EXCESS OF EXPENDITURES OVER BUDGET

Comparisons of actual revenues and expenditures to budgeted amounts for the City's general fund and each major special revenue fund are presented as required supplementary information following the notes to the basic financial statements. Expenditures in excess of budgeted amounts at the legally adopted levels for each of these funds are shown in those schedules.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

**CITY OF AMERY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2022**

	Special Revenue Fund	Capital Projects Funds			Total Capital Projects Funds	Total Nonmajor Governmental Funds
	Community Micro - Loan Fund	Tax Incremental District #7 Fund	Tax Incremental District #8 Fund	Tax Incremental District #9 Fund		
ASSETS						
Treasurer's Cash and Investments	\$ 25,615	\$ -	\$ -	\$ 136,189	\$ 136,189	\$ 161,804
Taxes Receivable	-	53,236	58,682	119,722	231,640	231,640
Long-Term Receivables	9,878	-	-	-	-	9,878
Total Assets	<u>\$ 35,493</u>	<u>\$ 53,236</u>	<u>\$ 58,682</u>	<u>\$ 255,911</u>	<u>\$ 367,829</u>	<u>\$ 403,322</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Due Other Funds	\$ -	\$ -	\$ 142,694	\$ -	\$ 142,694	\$ 142,694
DEFERRED INFLOWS OF RESOURCES						
Succeeding Year's Property Taxes	-	53,236	58,682	119,722	231,640	231,640
Unavailable Revenue - Long-Term Receivables	9,878	-	-	-	-	9,878
Total Inflows of Resources	9,878	53,236	58,682	119,722	231,640	241,518
FUND BALANCES						
Restricted	25,615	-	-	136,189	136,189	161,804
Unassigned	-	-	(142,694)	-	(142,694)	(142,694)
Total Fund Balances	<u>25,615</u>	<u>-</u>	<u>(142,694)</u>	<u>136,189</u>	<u>(6,505)</u>	<u>19,110</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 35,493</u>	<u>\$ 53,236</u>	<u>\$ 58,682</u>	<u>\$ 255,911</u>	<u>\$ 367,829</u>	<u>\$ 403,322</u>

**CITY OF AMERY, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2022**

	Special Revenue Fund	Capital Projects Funds			Total Capital Projects Funds	Total Nonmajor Governmental Funds
	Community Micro - Loan Fund	Tax Incremental District #7 Fund	Tax Incremental District #8 Fund	Tax Incremental District #9 Fund		
REVENUES						
Taxes	\$ -	\$ 52,244	\$ 55,889	\$ 129,810	\$ 237,943	\$ 237,943
Miscellaneous: Interest	16	-	-	-	-	16
Total Revenues	16	52,244	55,889	129,810	237,943	237,959
EXPENDITURES						
Conservation and Development	-	16,000	-	5,000	21,000	21,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	16	36,244	55,889	124,810	216,943	216,959
OTHER FINANCING SOURCES (USES)						
Transfers Out	-	(191,486)	-	-	(191,486)	(191,486)
NET CHANGE IN FUND BALANCES	16	(155,242)	55,889	124,810	25,457	25,473
Fund Balance - Beginning of Year	25,599	155,242	(198,583)	11,379	(31,962)	(6,363)
FUND BALANCE - END OF YEAR	<u>\$ 25,615</u>	<u>\$ -</u>	<u>\$ (142,694)</u>	<u>\$ 136,189</u>	<u>\$ (6,505)</u>	<u>\$ 19,110</u>

**CITY OF AMERY, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2022
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2021)**

	2022	2021
ASSETS		
Treasurer's Cash and Investments	\$ 1,287,648	\$ 441,799
Land Held for Resale	250,780	250,780
Taxes Receivable:		
Current Tax Roll	1,514,212	1,349,974
Delinquent Personal Property Taxes Held by Village	34,529	33,631
Special Assessments Receivable	22,289	24,286
Accounts Receivable	163,041	120,734
Lease Receivable	140,877	-
Due from Other Funds	1,734,368	2,069,686
Restricted Assets:		
Cash and Investments - Unspent Bond Proceeds	-	2,195,578
Prepayments	25,783	-
Advances to Other Funds	15,660	25,745
Long-Term Receivables	45,817	60,194
	<u>\$ 5,235,004</u>	<u>\$ 6,572,407</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Vouchers and Accounts Payable	\$ 168,393	\$ 742,436
Payroll Withholdings	40,103	2,607
Due to Other Governmental Units	32,269	9,736
Fire Department Retirement Liability	89,324	95,041
Special Deposits	38,972	40,889
Total Liabilities	369,061	890,709
DEFERRED INFLOWS OF RESOURCES		
Tax Roll Items:		
General Property Taxes	2,020,247	1,803,284
Unavailable Revenue - Special Assessments and Charges	1,066	1,177
Unavailable Revenue - Special Assessments	22,289	24,286
Deferred Inflows Leases	90,986	-
Total Deferred Inflows of Resources	2,134,588	1,828,747
FUND BALANCES		
Nonspendable	372,569	370,350
Restricted	23,285	2,211,030
Unassigned	2,335,501	1,271,571
Total Fund Balance	2,731,355	3,852,951
	<u>\$ 5,235,004</u>	<u>\$ 6,572,407</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,235,004</u>	<u>\$ 6,572,407</u>

**CITY OF AMERY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)**

	2022				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
REVENUES					
TAXES					
General Property Taxes	\$ 1,423,157	\$ 1,423,157	\$ 1,803,170	\$ 380,013	\$ 1,423,228
Mobile Home Fees	30,000	30,000	4,843	(25,157)	30,922
Managed Forest Land Taxes	114	114	114	-	114
Public Accommodation Taxes	10,000	10,000	2,417	(7,583)	16,500
Payment in Lieu of Taxes	44,870	44,870	58,614	13,744	55,033
Total Taxes	1,508,141	1,508,141	1,869,158	361,017	1,525,797
SPECIAL ASSESSMENTS					
Street Improvement Projects	1,400	1,400	906	(494)	2,951
INTERGOVERNMENTAL					
Federal Aid - Fire	-	-	10,000	10,000	-
Federal Aid	-	-	147,164	147,164	420,487
State Shared Taxes	587,821	587,821	585,599	(2,222)	734,283
Fire Insurance Taxes	-	-	10,873	10,873	10,192
Exempt Computer Aid	7,000	7,000	14,816	7,816	7,990
State General Transportation Aid	206,106	206,106	204,496	(1,610)	230,283
State Aid - Police Training	-	-	1,120	1,120	960
State Aid - Ambulance	26,000	26,000	20,739	(5,261)	-
State Aid - Tank Inspections	1,500	1,500	31	(1,469)	4,037
State Aid - Lake Protection Grant	-	-	-	-	3,075
State Aid in Lieu of Taxes - Conservation	-	-	292	292	705
State Aid - Other	-	-	808	808	3
Airport Improvement Aid	-	-	33,190	33,190	-
Total Intergovernmental	828,427	828,427	1,029,128	200,701	1,412,015
LICENSES AND PERMITS					
Licenses:					
Liquor and Malt Beverage	9,000	9,000	8,860	(140)	9,445
Operators	2,800	2,800	2,695	(105)	2,585
Cigarette	450	450	400	(50)	450
Trailer Park	1,600	1,600	1,644	44	684
Cable Television	12,600	12,600	9,885	(2,715)	12,700
Other	3,825	3,825	1,993	(1,832)	935
Permits:					
Building	20,500	20,500	34,285	13,785	24,384
Zoning	4,000	4,000	4,735	735	3,660
Park	550	550	1,445	895	1,285
Other	400	400	480	80	270
Total Licenses and Permits	55,725	55,725	66,422	10,697	56,398

**CITY OF AMERY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)**

	2022				2021 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
REVENUES (CONTINUED)					
FINES AND FORFEITS					
Law and Ordinance Violations	\$ 59,000	\$ 59,000	\$ 43,510	\$ (15,490)	\$ 48,466
PUBLIC CHARGES FOR SERVICES					
General Government:					
Clerk's Fees	7,825	7,825	3,362	(4,463)	10,130
Public Safety:					
Police Fees	13,750	13,750	-	(13,750)	1,620
Fire Protection Fees	1,200	1,200	-	(1,200)	50
Public Works:					
Transportation Facilities:					
Highway Maintenance and Construction	13,075	13,075	13,688	613	11,457
Airport	29,500	29,500	93,421	63,921	58,083
Sanitation:					
Refuse and Recycling	1,000	1,000	209,757	208,757	196,715
Landfill	3,500	3,500	6,891	3,391	6,186
Culture, Recreation and Education:					
Parks	5,500	5,500	18,210	12,710	12,116
Total Public Charges for Services	<u>75,350</u>	<u>75,350</u>	<u>345,645</u>	<u>270,295</u>	<u>296,357</u>
INTERGOVERNMENTAL CHARGES FOR SERVICES					
General Government:					
Utility Office Space Rental	18,000	18,000	-	(18,000)	-
Public Safety:					
Fire Protection	170,000	170,000	168,664	(1,336)	163,016
Dam	3,000	3,000	-	(3,000)	-
Public Works:					
Utility Equipment Rental	6,000	6,000	-	(6,000)	-
Total Intergovernmental Charges for Services	<u>197,000</u>	<u>197,000</u>	<u>168,664</u>	<u>(28,336)</u>	<u>163,016</u>
MISCELLANEOUS					
Interest:					
General Investments	30,050	30,050	16,999	(13,051)	11,805
Special Assessments	700	700	272	(428)	564
Leases	-	-	4,025	4,025	-
Rent	108,321	108,321	1,200	(107,121)	205,734
Sale of City Property	-	-	300	300	13,584
Donations	250	250	34	(216)	193
Other:					
Insurance Recoveries and Dividends	12,000	12,000	9,685	(2,315)	-
Lease Revenue	-	-	77,633	77,633	-
Other Miscellaneous	6,100	6,100	46,940	40,840	21,129
Total Miscellaneous	<u>157,421</u>	<u>157,421</u>	<u>157,088</u>	<u>(333)</u>	<u>253,009</u>
Total Revenues	2,882,464	2,882,464	3,680,521	798,057	3,758,009

**CITY OF AMERY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)**

	2022				
	Original Budget	Final Budget	Actual	Variance with Final Budget	2021 Actual
EXPENDITURES					
GENERAL GOVERNMENT					
Council	\$ 27,068	\$ 27,068	\$ 39,008	\$ (11,940)	\$ 33,527
Municipal Court	47,948	47,948	43,118	4,830	41,496
Legal Fees	23,000	23,000	23,473	(473)	18,342
Mayor	10,689	10,689	10,421	268	10,237
Clerk-Treasurer	375,000	375,000	389,134	(14,134)	331,465
Elections	17,180	17,180	23,203	(6,023)	9,112
Special Accounting and Auditing	18,000	18,000	27,080	(9,080)	18,946
Assessment of Property	22,000	22,000	38,491	(16,491)	22,505
City Hall	25,200	25,200	112,938	(87,738)	72,529
Property and Liability Insurance	126,000	126,000	163,873	(37,873)	139,287
Unemployment Expense	600	600	-	600	2,995
Other	3,500	3,500	11,249	(7,749)	7,022
Outlay:					
City Hall	-	-	1,150,943	(1,150,943)	4,099,428
Total General Government	696,185	696,185	2,032,931	(1,336,746)	4,806,891
PUBLIC SAFETY					
Police Department	911,140	911,140	993,752	(82,612)	870,999
Fire Department	221,203	221,203	216,515	4,688	178,649
Fire Department Retirement Payments	8,000	8,000	167	7,833	95,041
Ambulance Service	43,400	43,400	40,012	3,388	41,584
Building Inspection	28,000	28,000	27,828	172	19,357
Tank Inspections	-	-	-	-	3,872
Dams	500	500	-	500	2,000
Civil Defense	200	200	95	105	138
Outlay:					
Police Department:					
Capital Equipment	-	-	(1,067)	1,067	6,602
Civil Defense	-	-	9,435	(9,435)	-
Total Public Safety	1,212,443	1,212,443	1,286,737	(74,294)	1,218,242

**CITY OF AMERY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)**

	2022				2021 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
EXPENDITURES (CONTINUED)					
PUBLIC WORKS					
Transportation:					
Public Works Wages and Fringe Benefits	\$ 143,680	\$ 143,680	\$ 126,072	\$ 17,608	\$ 105,841
Safety	14,250	14,250	21,608	(7,358)	9,395
Machinery and Equipment	41,000	41,000	25,015	15,985	23,260
Buildings and Grounds	28,900	28,900	19,966	8,934	18,519
Street Maintenance	409,590	409,590	310,487	99,103	319,841
Snow and Ice Control	77,100	77,100	81,769	(4,669)	55,933
Traffic Control	2,350	2,350	3,748	(1,398)	4,370
Bridges	1,900	1,900	6,039	(4,139)	1,058
Street Lighting	56,000	56,000	55,333	667	61,408
Storm Sewers	25,592	25,592	24,757	835	18,614
Airport	23,656	23,656	61,293	(37,637)	65,938
Other	2,500	2,500	3,832	(1,332)	2,433
Outlay:					
Airport	-	-	-	-	442,618
Sanitation:					
Refuse and Garbage Collection	-	-	148,172	(148,172)	195,491
Landfill	15,500	15,500	22,294	(6,794)	19,673
Total Public Works	<u>842,018</u>	<u>842,018</u>	<u>910,385</u>	<u>(68,367)</u>	<u>1,344,392</u>
HEALTH AND HUMAN SERVICES					
Cemetery	28,919	28,919	29,702	(783)	30,699
CULTURE, RECREATION AND EDUCATION					
Community Center	25,000	25,000	26,911	(1,911)	25,000
Parks	118,390	118,390	113,941	4,449	123,063
Recreation Programs and Events	22,180	22,180	29,170	(6,990)	36,977
Skating Rink	-	-	26,900	(26,900)	25,471
Cable Television	-	-	600	(600)	500
Other	3,500	3,500	3,294	206	173
Total Culture, Recreation and Education	<u>169,070</u>	<u>169,070</u>	<u>252,605</u>	<u>(83,535)</u>	<u>211,184</u>
CONSERVATION AND DEVELOPMENT					
Economic Development	-	-	9,956	(9,956)	20,222
Advertising and Promotion	11,150	11,150	11,259	(109)	10,492
Community Planning	-	-	176	(176)	-
Planning Office	-	-	4,976	(4,976)	1,579
Other	-	-	3,507	(3,507)	-
Total Conservation and Development	<u>11,150</u>	<u>11,150</u>	<u>29,874</u>	<u>(18,724)</u>	<u>32,293</u>
Total Expenditures	<u>3,398,911</u>	<u>3,398,911</u>	<u>4,555,526</u>	<u>(1,156,615)</u>	<u>7,669,916</u>

**CITY OF AMERY, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)**

	2022				2021 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
EXPENDITURES (CONTINUED)					
DEBT SERVICE					
Principal	\$ 439,126	\$ 439,126	\$ 11,683	\$ 427,443	\$ -
Interest and Fiscal Charges	-	-	1,609	(1,609)	-
Debt Issuance Costs	-	-	-	-	26,215
Total Debt Service	<u>439,126</u>	<u>439,126</u>	<u>13,292</u>	<u>425,834</u>	<u>26,215</u>
 EXCESS (DEFICIENCY) OR REVENUES OVER EXPENDITURES	 \$ (516,447)	 \$ (516,447)	 \$ (875,005)	 \$ (358,558)	 \$ (3,911,907)
 OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	-	327,889	327,889	6,750,000
Sale of Capital Assets	-	-	14,488	14,488	29,701
Transfers In	92,500	92,500	79,061	(13,439)	72,082
Transfers Out	(312,418)	(312,418)	(668,029)	(355,611)	(307,844)
Total Other Financing Sources (Uses)	<u>(219,918)</u>	<u>(219,918)</u>	<u>(246,591)</u>	<u>(26,673)</u>	<u>6,543,939</u>
NET CHANGE IN FUND BALANCE	(736,365)	(736,365)	(1,121,596)	(385,231)	2,632,032
Fund Balance - Beginning of Year	<u>3,852,951</u>	<u>3,852,951</u>	<u>3,852,951</u>	<u>-</u>	<u>1,220,919</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,116,586</u>	<u>\$ 3,116,586</u>	<u>\$ 2,731,355</u>	<u>\$ (385,231)</u>	<u>\$ 3,852,951</u>

**CITY OF AMERY, WISCONSIN
DEBT SERVICE FUNDS
DETAILED BALANCE SHEET
DECEMBER 31, 2022**

	General Long-Term Debt Redemption Fund		Totals
	General City	TID #6 Debt	
ASSETS			
Treasurer's Cash and Investments	\$ -	\$ -	\$ -
LIABILITIES			
Due Other Funds	111,452	-	111,452
FUND BALANCES			
Unassigned	(111,452)	-	(111,452)
Total Fund Balance	(111,452)	-	(111,452)
Total Deferred Inflows of Resources and Fund balances	\$ -	\$ -	\$ -

**CITY OF AMERY, WISCONSIN
DEBT SERVICE FUNDS
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2022**

	General Long-Term Debt Redemption Fund		Totals
	General City	TID #6 Debt	
EXPENDITURES			
Debt Service:			
Principal Retirement	\$ 281,204	\$ 45,000	\$ 326,204
Interest and Fiscal Charges	166,825	2,200	169,025
	<u>448,029</u>	<u>47,200</u>	<u>495,229</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(448,029)	(47,200)	(495,229)
OTHER FINANCING SOURCES (USES)			
Transfers In	608,029	69,467	677,496
Payment to Refunding Bond Escrow	(160,000)	-	(160,000)
	<u>448,029</u>	<u>69,467</u>	<u>517,496</u>
NET CHANGE IN FUND BALANCES	-	22,267	22,267
Fund Balance - Beginning of Year	<u>(111,452)</u>	<u>(22,267)</u>	<u>(133,719)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ (111,452)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (111,452)</u></u>

**CITY OF AMERY, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2022
(WITH COMPARATIVE AMOUNTS as of DECEMBER 31, 2021)**

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets:		
Cash and Investments	\$ 1,129,253	\$ -
Customer Accounts Receivable	109,730	98,831
Lease Receivable	81,533	-
Accounts Receivable on Tax Roll	880	15,718
Due from Other Funds	-	877,768
Inventories	28,845	26,860
Total Current Assets	<u>1,350,241</u>	<u>1,019,177</u>
Restricted Assets:		
Wisconsin Retirement System Net Pension Asset	53,655	55,685
Capital Assets:		
Utility Plant in Service	5,314,312	5,157,475
Less Accumulated Depreciation	2,395,731	2,243,005
Net Capital Assets	<u>2,918,581</u>	<u>2,914,470</u>
Total Assets	<u>4,322,477</u>	<u>3,989,332</u>
DEFERRED OUTFLOWS OF RESOURCES		
Wisconsin Retirement System Pension Related	105,103	92,703
LIABILITIES		
Current Liabilities:		
Accounts Payable	94,616	3,444
Accrued Interest Payable	2,839	2,763
Current Portion of Long-Term Debt:		
Revenue Bonds	48,089	37,411
General Obligation Bonds	50,000	50,000
Accrued Compensated Absences	3,842	4,631
Total Current Liabilities	<u>199,386</u>	<u>98,249</u>
Long-Term Liabilities (Net of Current Portion):		
Advance from Other Funds	5,960	11,002
Revenue Bonds	942,712	777,659
General Obligation Bonds	150,000	200,000
Unamortized Debt Premium	5,127	6,836
Accrued Compensated Absences	11,526	13,892
Total Long-Term Liabilities	<u>1,115,325</u>	<u>1,009,389</u>
Total Liabilities	<u>1,314,711</u>	<u>1,107,638</u>
DEFERRED INFLOWS OF RESOURCES		
Leases	81,667	-
Wisconsin Retirement System Pension Related	126,510	122,480
Total Deferred Inflows of Resources	<u>208,177</u>	<u>122,480</u>
NET POSITION		
Net Investment in Capital Assets	1,722,653	1,842,564
Restricted for Net Pension Asset	53,655	55,685
Unrestricted	1,128,384	953,668
Total Net Position	<u>\$ 2,904,692</u>	<u>\$ 2,851,917</u>

CITY OF AMERY, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES		
Sales of Water:		
Residential	\$ 148,258	\$ 149,853
Commercial	57,685	56,486
Industrial	21,840	28,489
Public Authorities	21,807	16,511
Multifamily Residential	29,364	33,759
Private Fire Protection	7,656	8,184
Public Fire Protection	158,774	155,103
Total Sales of Water	<u>445,384</u>	<u>448,385</u>
Other Operating Revenues:		
Forfeited Discounts	627	621
Meter Use Charge to Sewer Utility	19,347	19,315
Miscellaneous Operating Revenues	20,772	3,838
Total Other Operating Revenues	<u>40,746</u>	<u>23,774</u>
Total Operating Revenues	486,130	472,159
OPERATING EXPENSES		
Operation and Maintenance	210,460	221,692
Depreciation	152,726	129,420
Total Operating Expenses	<u>363,186</u>	<u>351,112</u>
OPERATING INCOME	122,944	121,047
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	8,627	1,429
Interest Expense	(14,082)	(9,726)
Amortization of Debt Premium	14,347	1,709
Total Nonoperating Revenues (Expenses)	<u>8,892</u>	<u>(6,588)</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	131,836	114,459
CAPITAL CONTRIBUTIONS AND TRANSFERS:		
Capital Grant Revenue	-	120,000
Transfer to General Fund - Property Tax Equivalent	(79,061)	(72,083)
Total Contributions and Transfers	<u>(79,061)</u>	<u>47,917</u>
CHANGE IN NET POSITION	52,775	162,376
Net Position - Beginning of Year	<u>2,851,917</u>	<u>2,689,541</u>
NET POSITION - END OF YEAR	<u>\$ 2,904,692</u>	<u>\$ 2,851,917</u>

**CITY OF AMERY, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)**

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Utility Customers	\$ 292,438	\$ 296,942
Cash Received for Public Fire Protection	158,774	155,103
Cash Received for Sewer Share of Meter Related Expenses	19,347	19,315
Cash Payments to Suppliers for Goods and Services	(43,177)	(157,998)
Cash Payments for Employee Services	(87,591)	(84,136)
Net Cash Provided by Operating Activities	<u>339,791</u>	<u>229,226</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Repayment of Advance from the General Fund	(5,042)	(6,199)
Cash Payments to Governmental Activities	877,768	(877,768)
Transfers Out - Tax Equivalent	(79,061)	(72,083)
Net Cash Used by Noncapital Financing Activities	<u>793,665</u>	<u>(956,050)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	(156,837)	(707,532)
Cash Received from Grants	-	120,000
Cash Received from Issuance of Debt	213,142	815,070
Principal Paid on Long-Term Debt	(87,411)	(65,000)
Interest Paid on Long-Term Debt	(1,368)	(8,538)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(32,474)</u>	<u>154,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	8,627	1,429
Lease Rental Payments Received	19,644	-
Net Cash Provided by (Used for) Investing Activities	<u>28,271</u>	<u>1,429</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,129,253	(571,395)
Cash and Cash Equivalents - Beginning of Year	<u>-</u>	<u>571,395</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,129,253</u>	<u>\$ -</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 122,944	\$ 121,047
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	152,726	129,420
Lease Rental Income	(19,510)	-
Change in Net Pension Asset	2,030	(34,056)
Change in Pension Related Deferred Outflow	(12,400)	(43,390)
Change in Pension Related Deferred Inflow	4,030	57,280
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(10,899)	934
Accounts Receivable on Tax Roll	14,838	(1,733)
Inventories	(1,985)	(3,068)
Increase (Decrease) in Liabilities:		
Accounts Payable	91,172	(34)
Accrued Compensated Absences	(3,155)	2,826
Net Cash Provided by Operating Activities	<u>\$ 339,791</u>	<u>\$ 229,226</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS:		
Cash and Investments per Balance Sheet:		
Cash and Investments	<u>\$ 1,129,253</u>	<u>\$ -</u>

CITY OF AMERY, WISCONSIN
WATER UTILITY ENTERPRISE FUND
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)

	2022	2021
SOURCE OF SUPPLY		
Maintenance of Source Plant	\$ 5,271	\$ 9,886
PUMPING		
Fuel or Power Purchased for Pumping	18,018	22,217
Maintenance of Pumping Plant	-	26
Total Pumping	18,018	22,243
WATER TREATMENT		
Chemicals	14,832	17,911
Operation Supplies and Expenses	1,131	1,015
Maintenance of Water Treatment Plant	-	57
Total Water Treatment	15,963	18,983
TRANSMISSION AND DISTRIBUTION		
Operation Labor	46,997	42,804
Operation Supplies and Expenses	548	1,396
Maintenance of Mains	63,559	73,016
Maintenance of Services	5,596	4,518
Maintenance of Meter	7,925	11,469
Maintenance of Hydrants	1,384	627
Maintenance of Other Plant	1,173	377
Total Transmission and Distribution	127,182	134,207
ADMINISTRATIVE AND GENERAL		
Administrative and General Salaries	10,184	10,564
Office Supplies and Expenses	588	1,329
Outside Services Employed	4,634	5,972
Employee Pensions and Benefits	27,255	33,594
Net Wisconsin Retirement System Pension Expense (Revenue)	(6,340)	(20,166)
Miscellaneous General Expenses	7,705	5,080
Total Administrative and General	44,026	36,373
Total Operation and Maintenance Expenses	\$ 210,460	\$ 221,692

**CITY OF AMERY, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2022
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2021)**

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets:		
Cash and Investments	\$ 743,080	\$ 501,408
Customer Accounts Receivable	155,668	139,332
Accounts Receivable on Tax Roll	1,230	34,383
Total Current Assets	<u>899,978</u>	<u>675,123</u>
Restricted Assets:		
Equipment Replacement Fund Investments	178,563	178,563
Wisconsin Retirement System Net Pension Asset	82,931	76,052
Total Restricted Assets	<u>261,494</u>	<u>254,615</u>
Capital Assets:		
Utility Plant in Service	6,498,496	6,367,493
Less Accumulated Depreciation	4,101,118	3,939,817
Net Capital Assets	<u>2,397,378</u>	<u>2,427,676</u>
Construction Work in Progress	31,899	-
Total Capital Assets	<u>2,429,277</u>	<u>2,427,676</u>
Other Assets:		
Special Assessments Receivable	6,250	6,250
Total Assets	<u>3,596,999</u>	<u>3,363,664</u>
DEFERRED OUTFLOWS OF RESOURCES		
Wisconsin Retirement System Pension Related	162,451	126,619
LIABILITIES		
Current Liabilities:		
Accounts Payable	17,949	19,967
Accrued Interest Payable	1,488	1,060
Current Portion of Long-Term Debt:		
Revenue Bonds	48,630	32,772
Accrued Compensated Absences	4,354	5,615
Total Current Liabilities	<u>72,421</u>	<u>59,414</u>
Long-Term Liabilities (Net of Current Portion):		
Advance from Other Funds	5,960	11,002
Revenue Bonds	953,303	681,224
Accrued Compensated Absences	13,061	16,844
Total Long-Term Liabilities	<u>972,324</u>	<u>709,070</u>
Total Liabilities	<u>1,044,745</u>	<u>768,484</u>
DEFERRED INFLOWS OF RESOURCES		
Wisconsin Retirement System Pension Related	195,538	167,288
NET POSITION		
Net Investment in Capital Assets	1,427,344	1,713,680
Restricted for Equipment Replacement	178,563	178,563
Restricted for Net Pension Asset	82,931	76,052
Unrestricted	830,329	586,216
Total Net Position	<u>\$ 2,519,167</u>	<u>\$ 2,554,511</u>

CITY OF AMERY, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)

	<u>2022</u>	<u>2021</u>
OPERATING REVENUES		
Sewerage Revenues:		
Residential	\$ 351,281	\$ 353,647
Commercial	137,638	135,315
Industrial	67,257	73,883
Public Authorities	42,704	38,601
Multifamily Residential	48,020	56,274
Total Sewerage Revenues	<u>646,900</u>	<u>657,720</u>
Other Operating Revenues		
Forfeited Discounts	2,872	6,165
Miscellaneous Operating Revenues	82	9
Total Other Operating Revenues	<u>2,954</u>	<u>6,174</u>
 Total Operating Revenues	 649,854	 663,894
 OPERATING EXPENSES		
Operation and Maintenance	458,526	515,780
Depreciation	217,738	195,537
 Total Operating Expenses	 <u>676,264</u>	 <u>711,317</u>
 OPERATING LOSS	 (26,410)	 (47,423)
 NONOPERATING REVENUES (EXPENSES)		
Interest Expense	<u>(8,934)</u>	<u>(2,749)</u>
 LOSS BEFORE CONTRIBUTIONS AND TRANSFERS	 (35,344)	 (50,172)
CAPITAL CONTRIBUTIONS AND TRANSFERS:		
Capital Grant Revenue	<u>-</u>	<u>130,000</u>
 CHANGE IN NET POSITION	 (35,344)	 79,828
 Net Position - Beginning of Year	 <u>2,554,511</u>	 <u>2,474,683</u>
 NET POSITION - END OF YEAR	 <u><u>\$ 2,519,167</u></u>	 <u><u>\$ 2,554,511</u></u>

**CITY OF AMERY, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)**

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Utility Customers	\$ 666,671	\$ 657,472
Cash Paid for Sewer Share of Meter Related Expenses	(19,347)	(25,598)
Cash Payments to Suppliers for Goods and Services	(278,237)	(313,564)
Cash Payments for Employee Services	(182,465)	(198,645)
Net Cash Provided by Operating Activities	<u>186,622</u>	<u>119,665</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Advance from the General Fund	(5,042)	(6,199)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	(187,440)	(850,535)
Cash Payments for Construction Work in Progress	(31,899)	
Cash Received from Special Assessments	-	5,208
Cash Received from Grants	-	130,000
Cash Received from Issuance of Debt	320,709	713,996
Principal Paid on Long-Term Debt	(32,772)	-
Interest Paid on Long-Term Debt	(8,506)	(1,689)
Net Cash Used by Capital and Related Financing Activities	<u>60,092</u>	<u>(3,020)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	241,672	110,446
Cash and Cash Equivalents - Beginning of Year	<u>679,971</u>	<u>569,525</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 921,643</u>	<u>\$ 679,971</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Loss	\$ (26,410)	\$ (47,423)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation	217,738	195,537
Net Change in Wisconsin Net Pension Asset	(6,879)	(44,811)
Net Change in Wisconsin Pension Deferred Outflow	(35,832)	(55,313)
Net Change in Wisconsin Pension Deferred Inflow	28,250	73,110
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(16,336)	5,702
Accounts Receivable on Tax Roll	33,153	(12,124)
Increase (Decrease) in Liabilities:		
Accounts Payable	(2,018)	1,333
Accrued Compensated Absences	(5,044)	3,654
Net Cash Provided by Operating Activities	<u>\$ 186,622</u>	<u>\$ 119,665</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 743,080	\$ 501,408
Cash and Investments - Restricted	178,563	178,563
Cash and Cash Equivalents	<u>\$ 921,643</u>	<u>\$ 679,971</u>

CITY OF AMERY, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES
YEAR ENDED DECEMBER 31, 2022
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2021)

	<u>2022</u>	<u>2021</u>
OPERATION		
Supervision and Labor	\$ 133,678	\$ 150,114
Power and Fuel for Pumping	5,091	5,716
Power and Fuel for Aeration Equipment	41,243	44,631
Chemicals	15,759	15,371
Biosolids Facility Expenses	110,399	144,980
Supplies and Expenses	25,596	26,507
Transportation Expenses	14,998	4,576
Total Operation	<u>346,764</u>	<u>391,895</u>
MAINTENANCE		
Sewer Collection System	20,831	24,746
Collection System Pumping Equipment	1,881	757
Treatment and Disposal Plant Equipment	22,664	34,022
General Plant Structures and Equipment	661	212
Total Maintenance	<u>46,037</u>	<u>59,737</u>
CUSTOMER ACCOUNTING AND COLLECTION		
Billing, Accounting and Collection	10,172	10,564
Meter Expense Allocation	19,347	25,598
Total Customer Accounting and Collection	<u>29,519</u>	<u>36,162</u>
ADMINISTRATIVE AND GENERAL		
Office Supplies and Expenses	358	141
Outside Services Employed	2,797	4,843
Employee Pensions and Benefits	33,571	41,621
Net Wisconsin Retirement System Pension Expense (Revenue)	(14,461)	(27,014)
Miscellaneous General Expenses	13,941	8,395
Total Administrative and General	<u>36,206</u>	<u>27,986</u>
Total Operation and Maintenance Expense	<u>\$ 458,526</u>	<u>\$ 515,780</u>



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