

**CITY OF AMERY, WISCONSIN**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2021**



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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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Amery, Wisconsin as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 of Amery and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, 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 of Amery'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 of Amery'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 and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* for the year ended December 31, 2021 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, 2021 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  
December 14, 2022

**CITY OF AMERY, WISCONSIN  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 1,296,418	\$ 501,408	\$ 1,797,826
Taxes Receivable	2,071,245	50,101	2,121,346
Accounts Receivable	120,734	238,163	358,897
Due from Other Governmental Units	397,608	-	397,608
Inventories	-	26,860	26,860
Special Assessments Receivable	24,286	6,250	30,536
Long-Term Receivables	338,752	-	338,752
Land Held for Resale	250,780	-	250,780
Internal Balances	(855,764)	855,764	-
Restricted Assets:			
Cash and Investments	2,195,578	178,563	2,374,141
Wisconsin Retirement System Net Pension Asset	514,508	131,737	646,245
Capital Assets:			
Capital Assets Not Being Depreciated	5,836,266	51,699	5,887,965
Capital Assets Being Depreciated	13,845,508	11,473,269	25,318,777
Accumulated Depreciation	(5,698,615)	(6,182,822)	(11,881,437)
Total Assets	<u>20,337,304</u>	<u>7,330,992</u>	<u>27,668,296</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Related	856,600	219,322	1,075,922
<b>LIABILITIES</b>			
Vouchers and Accounts Payable	834,754	23,411	858,165
Accrued Interest Payable	66,965	3,823	70,788
Payroll Taxes and Withholdings	2,607	-	2,607
Due to Other Governmental Units	9,736	-	9,736
Special Deposits	135,930	-	135,930
Noncurrent Liabilities:			
Amounts Due Within One Year	533,385	130,429	663,814
Amounts Due in More than One Year	8,740,973	1,696,455	10,437,428
Total Liabilities	<u>10,324,350</u>	<u>1,854,118</u>	<u>12,178,468</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Succeeding Year's Property Taxes	2,490,924	-	2,490,924
Wisconsin Retirement System Pension Related	1,131,739	289,768	1,421,507
Total Deferred Inflows of Resources	<u>3,622,663</u>	<u>289,768</u>	<u>3,912,431</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	10,149,657	3,556,244	13,705,901
Restricted For:			
Fire Department Retirement	15,452	-	15,452
Capital Projects and Plant Replacement	448,941	178,563	627,504
Housing and Business Loan Programs	357,670	-	357,670
Wisconsin Retirement System Net Pension Asset	514,508	131,737	646,245
Other Purposes	255,499	-	255,499
Unrestricted	(4,494,836)	1,539,884	(2,954,952)
Total Net Position	<u>\$ 7,246,891</u>	<u>\$ 5,406,428</u>	<u>\$ 12,653,319</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2021**

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	\$ 750,409	\$ 34,749	\$ -	\$ -	\$ (715,660)	\$ -	\$ (715,660)
Public Safety	1,259,375	237,535	15,190	-	(1,006,650)	-	(1,006,650)
Public Works	836,593	272,440	230,283	749,727	415,857	-	415,857
Health and Human Services	30,699	-	-	-	(30,699)	-	(30,699)
Culture, Recreation, and Education	659,104	13,401	282,677	-	(363,026)	-	(363,026)
Conservation and Development	153,831	-	3,783	-	(150,048)	-	(150,048)
Interest and Fiscal Charges	296,037	-	-	-	(296,037)	-	(296,037)
Total Governmental Activities	3,986,048	558,125	531,933	749,727	(2,146,263)	-	(2,146,263)
Business-Type Activities:							
Water	359,129	472,159	-	120,000	-	233,030	233,030
Sewer	714,066	663,894	-	130,000	-	79,828	79,828
Total Business-Type Activities	1,073,195	1,136,053	-	250,000	-	312,858	312,858
Total Primary Government	\$ 5,059,243	\$ 1,694,178	\$ 531,933	\$ 999,727	(2,146,263)	312,858	(1,833,405)
<b>GENERAL REVENUES</b>							
Taxes							
Property Taxes, Levied for General Purposes					1,842,592	-	1,842,592
Property Taxes, Levied for TIF Districts					368,432	-	368,432
Other Taxes					102,570	-	102,570
Grants and Contributions not Restricted for a Particular Purpose					1,169,586	-	1,169,586
Interest and Investment Earnings					12,092	1,429	13,521
Miscellaneous					248,793	-	248,793
<b>TRANSFERS</b>					72,083	(72,083)	-
Total General Revenues and Transfers					3,816,148	(70,654)	3,745,494
<b>CHANGE IN NET POSITION</b>					1,669,885	242,204	1,912,089
Net Position - Beginning of Year					5,577,006	5,164,224	10,741,230
<b>NET POSITION - END OF YEAR</b>					\$ 7,246,891	\$ 5,406,428	\$ 12,653,319

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	General Fund	CDBG Housing Revolving Loan Fund	Library Fund	Debt Service Fund
<b>ASSETS</b>				
Treasurer's Cash and Investments	\$ 441,799	\$ 57,254	\$ 274,825	\$ -
Land Held for Resale	250,780	-	-	-
Taxes Receivable	1,383,605	-	200,000	-
Special Assessments Receivable	24,286	-	-	-
Accounts Receivable	120,734	-	-	-
Due from Other Governmental Units	-	-	-	-
Due from Other Funds	2,069,686	-	-	-
Restricted Assets:				
Cash and Investments - Unspent Bond Proceeds	2,195,578	-	-	-
Advances to Other Funds	25,745	-	-	-
Long-Term Receivables	60,194	268,680	-	-
<b>Total Assets</b>	<b>\$ 6,572,407</b>	<b>\$ 325,934</b>	<b>\$ 474,825</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Vouchers and Accounts Payable	\$ 742,436	\$ -	\$ 19,326	\$ -
Payroll Withholdings	2,607	-	-	-
Due to Other Governmental Units	9,736	-	-	-
Due to Other Funds	-	-	-	133,719
Advance from Other Funds	-	3,741	-	-
Fire Department Retirement Liability	95,041	-	-	-
Special Deposits	40,889	-	-	-
<b>Total Liabilities</b>	<b>890,709</b>	<b>3,741</b>	<b>19,326</b>	<b>133,719</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Succeeding Year's Property Taxes	1,803,284	-	200,000	-
Unavailable Revenue - Special Assessments	25,463	-	-	-
Unavailable Revenue - Long-Term Receivables	-	268,680	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,828,747</b>	<b>268,680</b>	<b>200,000</b>	<b>-</b>
<b>FUND BALANCES</b>				
Nonspendable	370,350	-	-	-
Restricted	2,211,030	53,513	255,499	-
Unassigned	1,271,571	-	-	(133,719)
<b>Total Fund Balances</b>	<b>3,852,951</b>	<b>53,513</b>	<b>255,499</b>	<b>(133,719)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 6,572,407</b>	<b>\$ 325,934</b>	<b>\$ 474,825</b>	<b>\$ -</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
BALANCE SHEET (CONTINUED)  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	Tax Incremental District #6 Fund	Capital Improvements Fund	Keller Avenue CDBG Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Treasurer's Cash and Investments	\$ 282,320	\$ 48,000	\$ -	\$ 192,220	\$ 1,296,418
Land Held for Resale	-	-	-	-	250,780
Taxes Receivable	249,697	-	-	237,943	2,071,245
Special Assessments Receivable	-	-	-	-	24,286
Accounts Receivable	-	-	-	-	120,734
Due from Other Governmental Units	-	-	397,608	-	397,608
Due from Other Funds	-	-	-	-	2,069,686
Restricted Assets:					
Cash and Investments - Unspent Bond Proceeds	-	-	-	-	2,195,578
Advances to Other Funds	-	-	-	-	25,745
Long-Term Receivables	-	-	-	9,878	338,752
<b>Total Assets</b>	<b>\$ 532,017</b>	<b>\$ 48,000</b>	<b>\$ 397,608</b>	<b>\$ 440,041</b>	<b>\$ 8,790,832</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Vouchers and Accounts Payable	\$ -	\$ 48,000	\$ 2,000	\$ 22,992	\$ 834,754
Payroll Withholdings	-	-	-	-	2,607
Due to Other Governmental Units	-	-	-	-	9,736
Due to Other Funds	-	-	2,638,143	175,592	2,947,454
Advance from Other Funds	-	-	-	-	3,741
Fire Department Retirement Liability	-	-	-	-	95,041
Special Deposits	-	-	-	-	40,889
<b>Total Liabilities</b>	<b>-</b>	<b>48,000</b>	<b>2,640,143</b>	<b>198,584</b>	<b>3,934,222</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Succeeding Year's Property Taxes	249,697	-	-	237,943	2,490,924
Unavailable Revenue - Special Assessments	-	-	-	-	25,463
Unavailable Revenue - Long-Term Receivables	-	-	-	9,878	278,558
<b>Total Deferred Inflows of Resources</b>	<b>249,697</b>	<b>-</b>	<b>-</b>	<b>247,821</b>	<b>2,794,945</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	370,350
Restricted	282,320	-	-	192,220	2,994,582
Unassigned	-	-	(2,242,535)	(198,584)	(1,303,267)
<b>Total Fund Balances</b>	<b>282,320</b>	<b>-</b>	<b>(2,242,535)</b>	<b>(6,364)</b>	<b>2,061,665</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 532,017</b>	<b>\$ 48,000</b>	<b>\$ 397,608</b>	<b>\$ 440,041</b>	<b>\$ 8,790,832</b>

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, 2021**

**TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS** \$ 2,061,665

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	4,907,011	
Land Improvements	1,756,677	
Buildings	2,789,694	
Equipment and Vehicles	4,179,802	
Infrastructure	5,119,335	
Accumulated Depreciation	<u>(5,698,615)</u>	13,983,159

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. 304,021

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	514,508	
Deferred Outflows of Resources	856,600	
Deferred Inflows of Resources	<u>(1,131,739)</u>	239,369

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	5,465,000	
General Obligation Notes Payable	2,873,623	
Accrued Interest on Long-Term Debt	66,965	
Compensated Absences Payable	164,736	
Estimated Landfill Postclosure Liability	<u>668,769</u>	(9,239,093)

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. (102,230)

**TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 7,246,891

**CITY OF AMERY, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	General Fund	CDBG Housing Revolving Loan Fund	Library Fund	Debt Service Fund
<b>REVENUES</b>				
Taxes	\$ 1,525,797	\$ -	\$ 206,000	\$ -
Special Assessments	2,951	-	-	-
Intergovernmental	1,412,015	-	273,008	-
Licenses and Permits	56,398	-	-	-
Fines and Forfeits	48,466	-	-	-
Public Charges for Services	296,357	-	-	-
Intergovernmental Charges for Services	163,016	-	-	-
Miscellaneous:				
Interest	12,369	9	3	-
Rent	205,734	-	-	-
Sale of Property	13,584	-	-	-
Donations	193	-	9,669	-
Other	21,128	-	2,044	-
<b>Total Revenues</b>	<b>3,758,008</b>	<b>9</b>	<b>490,724</b>	<b>-</b>
<b>EXPENDITURES</b>				
General Government	4,806,891	-	-	-
Public Safety	1,218,242	-	-	-
Public Works	1,344,392	-	-	-
Health and Human Services	30,699	-	-	-
Culture, Recreation, and Education	211,184	-	432,221	-
Conservation and Development	32,293	9,654	-	-
Debt Service:				
Principal Retirement	-	-	-	973,248
Interest and Fiscal Charges	-	-	-	223,513
Debt Issuance Costs	26,215	-	-	-
<b>Total Expenditures</b>	<b>7,669,916</b>	<b>9,654</b>	<b>432,221</b>	<b>1,196,761</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(3,911,908)</b>	<b>(9,645)</b>	<b>58,503</b>	<b>(1,196,761)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-Term Debt Issued	6,750,000	-	-	4,225,000
Premium on Debt Issued	-	-	-	82,432
Sale of Capital Assets	29,701	-	-	-
Transfers In	72,083	-	4,943	1,178,001
Transfers Out	(307,844)	-	-	(4,943)
Payment on Refunding Bond	-	-	-	(4,405,000)
<b>Total Other Financing Sources (Uses)</b>	<b>6,543,940</b>	<b>-</b>	<b>4,943</b>	<b>1,075,490</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>2,632,032</b>	<b>(9,645)</b>	<b>63,446</b>	<b>(121,271)</b>
Fund Balances - Beginning of Year	1,220,919	63,158	192,053	(12,448)
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 3,852,951</b>	<b>\$ 53,513</b>	<b>\$ 255,499</b>	<b>\$ (133,719)</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES (CONTINUED)  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	Tax Incremental District #6 Fund	Capital Improvements Fund	Keller Avenue CDBG Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 253,302	\$ 213,364	\$ -	\$ 115,131	\$ 2,313,594
Special Assessments	-	-	-	-	2,951
Intergovernmental	6,712	-	750,000	114	2,441,849
Licenses and Permits	-	-	-	-	56,398
Fines and Forfeits	-	-	-	-	48,466
Public Charges for Services	-	-	-	-	296,357
Intergovernmental Charges for Services	-	-	-	-	163,016
Miscellaneous:					
Interest	-	-	-	2	12,383
Rent	-	-	-	-	205,734
Sale of Property	-	-	-	-	13,584
Donations	-	-	-	-	9,862
Other	-	-	-	-	23,172
Total Revenues	260,014	213,364	750,000	115,247	5,587,366
<b>EXPENDITURES</b>					
General Government	-	-	-	-	4,806,891
Public Safety	-	55,030	-	-	1,273,272
Public Works	-	169,774	2,547,985	106,374	4,168,525
Health and Human Services	-	-	-	-	30,699
Culture, Recreation, and Education	-	-	-	-	643,405
Conservation and Development	110,549	-	-	15,864	168,360
Debt Service:					
Principal Retirement	-	-	-	-	973,248
Interest and Fiscal Charges	-	-	-	-	223,513
Debt Issuance Costs	-	-	-	-	26,215
Total Expenditures	110,549	224,804	2,547,985	122,238	12,314,128
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	149,465	(11,440)	(1,797,985)	(6,991)	(6,726,762)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	-	-	845,644	-	11,820,644
Premium on Debt Issued	-	-	-	-	82,432
Sale of Capital Assets	-	-	-	-	29,701
Transfers In	-	17,182	-	-	1,272,209
Transfers Out	(48,100)	-	(839,239)	-	(1,200,126)
Principal Payments on Refinanced Debt	-	-	-	-	(4,405,000)
Total Other Financing Sources (Uses)	(48,100)	17,182	6,405	-	7,599,860
<b>NET CHANGE IN FUND BALANCES</b>	101,365	5,742	(1,791,580)	(6,991)	873,098
Fund Balances - Beginning of Year	180,955	(5,742)	(450,955)	627	1,188,567
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 282,320</u>	<u>\$ -</u>	<u>\$ (2,242,535)</u>	<u>\$ (6,364)</u>	<u>\$ 2,061,665</u>

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, 2021**

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** \$ 873,098

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 expense. In the current period, these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 7,798,781	
Depreciation Expense Reported in the Statement of Activities	<u>(495,881)</u>	7,302,900

In the statement of activities, only the gain or loss on the disposal of capital assets is reported whereas in the governmental funds, the proceeds from sales increase, financial resources and trade-ins are not reflected in capital outlays. (121,849)

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. 11,013

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. 151,873

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 Bonds	4,225,000	
Bond Premium	82,432	
General Obligation Notes	<u>7,595,644</u>	(11,903,076)

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	200,000	
General Obligation Notes Principal Retirement	<u>5,178,248</u>	5,378,248

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	(54,643)	
Amortization of Debt Premium	8,334	
Net Change in Compensated Absences Payable	<u>23,987</u>	<u>(22,322)</u>

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 1,669,885

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2021**

	Business-Type Activities - Enterprise Funds		
	Water	Sewer	Totals
	Utility	Utility	
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ -	\$ 501,408	\$ 501,408
Customer Accounts Receivable	98,831	139,332	238,163
Accounts Receivable on Tax Roll	15,718	34,383	50,101
Due from Other Funds	877,768	-	877,768
Inventories	26,860	-	26,860
Total Current Assets	1,019,177	675,123	1,694,300
Restricted Assets:			
Equipment Replacement Fund Investments	-	178,563	178,563
Wisconsin Retirement System Pension Asset	55,685	76,052	131,737
Debt Redemption Fund Investments:			
Total Restricted Assets	55,685	254,615	310,300
Capital Assets:			
Utility Plant in Service	5,157,475	6,367,493	11,524,968
Less: Accumulated Depreciation	2,243,005	3,939,817	6,182,822
Net Capital Assets	2,914,470	2,427,676	5,342,146
Other Assets:			
Special Assessments Receivable	-	6,250	6,250
Total Assets	3,989,332	3,363,664	7,352,996
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Related	92,703	126,619	219,322
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	3,444	19,967	23,411
Accrued Interest Payable	2,763	1,060	3,823
Current Portion of Long-Term Debt:			
Revenue Bonds	-	32,772	32,772
General Obligation Bonds	50,000	-	50,000
General Obligation Notes	37,411	-	37,411
Accrued Compensated Absences	4,631	5,615	10,246
Total Current Liabilities	98,249	59,414	157,663
Long-Term Liabilities (Net of Current Portion):			
Advance from Other Funds	11,002	11,002	22,004
Revenue Bonds	-	681,224	681,224
General Obligation Bonds	200,000	-	200,000
General Obligation Notes	777,659	-	777,659
Unamortized Bond Premium	6,836	-	6,836
Accrued Compensated Absences	13,892	16,844	30,736
Total Long-Term Liabilities	1,009,389	709,070	1,718,459
Total Liabilities	1,107,638	768,484	1,876,122
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Related	122,480	167,288	289,768
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,842,564	1,713,680	3,556,244
Restricted for Pension Plan	55,685	76,052	131,737
Restricted for Equipment Replacement	-	178,563	178,563
Unrestricted	953,668	586,216	1,539,884
Total Net Position	\$ 2,851,917	\$ 2,554,511	\$ 5,406,428

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, 2021**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<b>OPERATING REVENUES</b>			
Sales of Water/Sewerage Revenues:			
Residential	\$ 149,853	\$ 353,647	\$ 503,500
Commercial	56,486	135,315	191,801
Industrial	28,489	73,883	102,372
Public Authorities	16,511	38,601	55,112
Multifamily Residential	33,759	56,274	90,033
Private Fire Protection	8,184	-	8,184
Public Fire Protection	155,103	-	155,103
Total Sales of Water/Sewerage Revenues	448,385	657,720	1,106,105
Other Operating Revenues	23,774	6,174	29,948
Total Operating Revenues	472,159	663,894	1,136,053
<b>OPERATING EXPENSES</b>			
Operation and Maintenance	221,692	515,780	737,472
Depreciation	129,420	195,537	324,957
Total Operating Expenses	351,112	711,317	1,062,429
<b>OPERATING INCOME (LOSS)</b>	121,047	(47,423)	73,624
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Revenue	1,429	-	1,429
Interest Expense	(9,726)	(2,749)	(12,475)
Other	1,709	-	1,709
Total Nonoperating Revenues (Expenses)	(6,588)	(2,749)	(9,337)
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	114,459	(50,172)	64,287
<b>CONTRIBUTIONS AND TRANSFERS:</b>			
Capital Grant Revenue	120,000	130,000	250,000
Transfer to Governmental Funds - Property Tax Equivalent	(72,083)	-	(72,083)
Total Contributions and Transfers	47,917	130,000	177,917
<b>CHANGE IN NET POSITION</b>	162,376	79,828	242,204
Net Position - Beginning of Year	2,689,541	2,474,683	5,164,224
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,851,917</u>	<u>\$ 2,554,511</u>	<u>\$ 5,406,428</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Utility Customers	\$ 296,942	\$ 657,472	\$ 954,414
Cash Received for Public Fire Protection	155,103	-	155,103
Cash Received (Paid) for Meter Related Charges	19,315	(25,598)	(6,283)
Cash Paid to Suppliers for Goods and Services	(157,998)	(313,564)	(471,562)
Cash Paid for Employee Services	(84,136)	(198,645)	(282,781)
Net Cash Provided by Operating Activities	<u>229,226</u>	<u>119,665</u>	<u>348,891</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Repayment of Advance from the General Fund	(6,199)	(6,199)	(12,398)
Cash Payments to Governmental Funds	(877,768)	-	(877,768)
Cash Payments for Tax Equivalent	(72,083)	-	(72,083)
Net Cash Used by Noncapital Financing Activities	<u>(956,050)</u>	<u>(6,199)</u>	<u>(962,249)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Cash Payments for Capital Assets	(707,532)	(850,535)	(1,558,067)
Cash Received from Special Assessments	-	5,208	5,208
Cash Received from Grants	120,000	130,000	250,000
Cash Received from Issuance of Debt	815,070	713,996	1,529,066
Principal Paid on Long-Term Debt	(65,000)	-	(65,000)
Interest Paid on Long-Term Debt	(8,538)	(1,689)	(10,227)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>154,000</u>	<u>(3,020)</u>	<u>150,980</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	<u>1,429</u>	<u>-</u>	<u>1,429</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>(571,395)</u>	<u>110,446</u>	<u>(460,949)</u>
Cash and Cash Equivalents - Beginning of Year	<u>571,395</u>	<u>569,525</u>	<u>1,140,920</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ 679,971</u></u>	<u><u>\$ 679,971</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

	Business-Type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 121,047	\$ (47,423)	\$ 73,624
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	129,420	195,537	324,957
Net Change in Wisconsin Pension Asset	(34,056)	(44,811)	(78,867)
Net Change in Wisconsin Pension Deferred Outflow	(43,390)	(55,313)	(98,703)
Net Change in Wisconsin Pension Deferred Inflow	57,280	73,110	130,390
(Increase) Decrease in Assets:			
Customer Accounts Receivable	934	5,702	6,636
Accounts Receivable on Tax Roll	(1,733)	(12,124)	(13,857)
Inventories	(3,068)	-	(3,068)
Decrease (Increase) in Liabilities:			
Accounts Payable	(34)	1,333	1,299
Accrued Compensated Absences	2,826	3,654	6,480
Net Cash Provided by Operating Activities	<u>\$ 229,226</u>	<u>\$ 119,665</u>	<u>\$ 348,891</u>
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>			
Cash and Investments per Statement of Net Position:			
Cash and Investments	\$ -	\$ 501,408	\$ 501,408
Cash and Investments - Restricted	-	178,563	178,563
	<u>\$ -</u>	<u>\$ 679,971</u>	<u>\$ 679,971</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2021**

	<u>Tax Collection Custodial Fund</u>
<b>ASSETS</b>	
Cash and Investments	\$ 920,226
Taxes Receivable	<u>2,910,328</u>
Total Assets	<u>3,830,554</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Succeeding Year's Property Taxes	<u>3,830,554</u>
 <b>NET POSITION</b>	
Restricted	<u><u>\$ -</u></u>

*See accompanying Notes to Basic Financial Statements.*

**CITY OF AMERY, WISCONSIN  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUND  
YEAR ENDED DECEMBER 31, 2021**

	Tax Collection Custodial Fund
<b>ADDITIONS</b>	
Tax Collections for Other Governments	\$ 2,801,651
<b>DEDUCTIONS</b>	
Payments of Taxes to Other Governments	2,801,651
<b>CHANGE IN NET POSITION</b>	-
Net Position - Beginning of Year	-
<b>NET POSITION - END OF YEAR</b>	\$ -

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**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, 2021**

**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, 2021**

**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, 2021**

**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, 2021**

**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 2021 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, 2021**

**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)**

**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, 2021**

**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 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, 2021**

**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 outflows relating to pension items.

**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 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, 2021**

**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, 2021**

**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.

**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, 2021, certain funds had deficit balances as shown below:

Capital Improvement Fund	\$	-
Tax Incremental District #8		(198,584)
Keller Avenue CDBG Fund		(2,242,535)
Debt Service Fund		(133,719)
Total	<u>\$</u>	<u>(2,563,459)</u>

The deficit in the Tax Incremental Districts #8 fund is 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 Keller Avenue CDBG fund is financed by CDBG grant revenues and further long-term debt issues yet to be finalized.

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 2021 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	\$ 572,740	\$ 572,740	\$ 4,806,891	\$ (4,234,151)
Public Works	750,406	750,406	1,344,392	(593,986)
Health and Human Services	29,950	29,950	30,699	(749)
Culture, Recreation, and Education	180,012	180,012	211,184	(31,172)
Conservation and Development	21,000	21,000	32,293	(11,293)
Debt Issuance Costs	-	-	26,215	(26,215)

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

The City's cash and investments balances at December 31, 2021 as shown in the financial statements as follows:

Governmental Funds	\$ 1,296,418
Proprietary Funds	679,971
Fiduciary Funds	920,226
Total	\$ 2,896,615

The above cash and investments balances consisted of the following:

Deposits at Financial Institutions	\$ 2,895,615
Petty Cash	1,000
Total	\$ 2,896,615

**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, 2021, 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, 2021**

**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, 2021, the City had seventeen (17) outstanding deferred loans totaling \$268,680. 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.

**C. Capital Assets**

Capital assets activity for the year ended December 31, 2021 is as follows:

**Governmental Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets Not Being Depreciated				
Land	\$ 929,255	\$ -	\$ -	\$ 929,255
Construction Work in Progress	1,076,851	6,875,750	3,045,590	4,907,011
Total Capital Assets Not Being Depreciated	2,006,106	6,875,750	3,045,590	5,836,266
Capital Assets Being Depreciated				
Land Improvements	1,756,677	-	-	1,756,677
Buildings	2,789,694	-	-	2,789,694
Equipment and Vehicles	3,604,162	923,031	347,391	4,179,802
Infrastructure	2,073,745	3,045,590	-	5,119,335
Total Capital Assets Being Depreciated	10,224,278	3,968,621	347,391	13,845,508
Total Capital Assets	12,230,384	10,844,371	3,392,981	19,681,774
Accumulated Depreciation:				
Land Improvements	1,149,956	46,073	-	1,196,029
Buildings	991,240	60,039	-	1,051,279
Equipment and Vehicles	2,737,155	266,017	225,542	2,777,630
Infrastructure	549,925	123,752	-	673,677
Total Accumulated Depreciation	5,428,276	495,881	225,542	5,698,615
Net Capital Assets - Governmental Activities	<u>\$ 6,802,108</u>	<u>\$ 10,348,490</u>	<u>\$ 3,167,439</u>	<u>\$ 13,983,159</u>

Depreciation was charged to governmental functions as follows:

General Government	\$ 2,977
Public Safety	132,270
Public Works	318,819
Culture, Recreation, and Education	41,815
Total Depreciation - Governmental Activities	<u>\$ 495,881</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

**Business-Type Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
<b>Joint Water and Sewer Utility:</b>				
<b>Water Department:</b>				
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	-	-	259,772
Water Treatment	13,455	-	-	13,455
Transmission and Distribution	3,838,331	495,290	56,700	4,276,921
General Plant	181,507	212,243	-	393,750
Total Capital Assets Being Depreciated	<u>4,491,283</u>	<u>707,533</u>	<u>56,700</u>	<u>5,142,116</u>
Total Capital Assets	4,506,642	707,533	56,700	5,157,475
Less Accumulated Depreciation	<u>2,170,284</u>	<u>129,421</u>	<u>56,700</u>	<u>2,243,005</u>
Net Capital Assets - Water Utility	<u>2,336,358</u>	<u>578,112</u>	<u>-</u>	<u>2,914,470</u>
<b>Sewer Department:</b>				
Capital Assets Not Being Depreciated				
Land and Land Rights	36,340	-	-	36,340
Capital Assets Being Depreciated:				
Collection System	1,507,761	266,489	29,848	1,744,402
Pumping System	750,767	276,563	26,473	1,000,857
Treatment and Disposal Plant	3,076,600	95,240	-	3,171,840
General Plant	201,811	212,243	-	414,054
Total Capital Assets Being Depreciated	<u>5,536,939</u>	<u>850,535</u>	<u>56,321</u>	<u>6,331,153</u>
Total Capital Assets	5,573,279	850,535	56,321	6,367,493
Less Accumulated Depreciation	<u>3,800,601</u>	<u>195,537</u>	<u>56,321</u>	<u>3,939,817</u>
Net Capital Assets - Sewer Utility	<u>1,772,678</u>	<u>654,998</u>	<u>-</u>	<u>2,427,676</u>
Net Capital Assets - Business-Type Activities	<u>\$ 4,109,036</u>	<u>\$ 1,233,110</u>	<u>\$ -</u>	<u>\$ 5,342,146</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 129,421
Sewer	195,537
Total Depreciation - Business-Type Activities	<u>\$ 324,958</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of December 31, 2021 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	\$ 175,592	Finance Cash Deficit
General Fund	Keller Ave CDBG Fund	1,760,375	Finance Cash Deficit
General Fund	Debt Service Fund	133,719	Finance Cash Deficit
Water Utility	Keller Ave CDBG Fund	877,768	Finance Cash Deficit
		<u>\$ 2,947,453</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	\$ 3,741	Administrative Expense Reimbursement
General Fund	Water Utility Fund	11,002	Financing of Capital Asset Purchase
General Fund	Sewer Utility Fund	11,002	Financing of Capital Asset Purchase
		<u>\$ 25,745</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	\$ 72,083	Property Tax Equivalent
Debt Service Fund	General Fund	290,662	Finance Current Maturities
Debt Service Fund	CDBG Keller Ave	839,239	Finance Current Maturities
Debt Service Fund	TID #6 Fund	48,100	Finance Current Maturities
Capital Projects Fund	General Fund	17,182	Finance Project Costs
		<u>\$ 1,267,266</u>	

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**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, 2021 were as follows:

	Balance 1/1/21	Issued	Retired	Balance 12/31/21	Amounts Due Within One Year
<b>Primary Government</b>					
<b>Governmental Activities</b>					
General Obligation Bonds, dated 06/01/2016	\$ 1,440,000	\$ -	\$ 200,000	\$ 1,240,000	\$ 205,000
General Obligation Refunding Bonds, dated 09/08/2021	-	4,225,000	-	4,225,000	-
General Obligation Notes, dated 10/30/2019	75,676	-	15,482	60,194	14,377
General Obligation Notes, dated 12/02/2015	134,207	-	25,131	109,076	25,964
General Obligation Notes, dated 1/31/2014	188,931	-	25,984	162,947	27,341
General Obligation Notes, dated 12/15/2021	-	2,500,000	-	2,500,000	184,000
General Obligation Notes, dated 4/05/2018	57,413	-	22,412	35,001	23,117
CDBG Anticipatory Notes, dated 6/01/2021	-	4,250,000	4,250,000	-	-
Construction Note, dated 7/21/2021	-	845,644	839,239	6,405	6,405
Bond Premiums	28,132	82,432	8,334	102,230	-
Compensated Absences	188,723	-	23,987	164,736	47,181
Estimated Landfill Postclosure Liability	668,769	-	-	668,769	-
	<u>\$ 2,781,851</u>	<u>\$ 11,903,076</u>	<u>\$ 5,410,569</u>	<u>\$ 9,274,358</u>	<u>\$ 533,385</u>
<b>Governmental Activities - Long-Term Liabilities</b>					
<b>Business-Type Activities</b>					
General Obligation Bonds, dated 04/23/2008	\$ 315,000	\$ -	\$ 65,000	\$ 250,000	\$ 50,000
Revenue Bonds, dated 06/23/2021	-	815,070	-	815,070	37,411
Revenue Bonds, dated 06/23/2021	-	713,996	-	713,996	32,772
Bond Premiums	8,545	-	1,709	6,836	-
Compensated Absences	34,502	6,480	-	40,982	10,246
	<u>\$ 358,047</u>	<u>\$ 1,535,546</u>	<u>\$ 66,709</u>	<u>\$ 1,826,884</u>	<u>\$ 130,429</u>
<b>Business-Type Activities - Long-Term Liabilities</b>					

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**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 \$-0- and \$472,159, 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 \$-0- and \$663,894, 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, 2021**

**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, 2021 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	\$ 1,240,000
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	35,001
Promissory Note	10/30/19	4/1/26	2.69%	95,454	60,194
Promissory Note	1/31/14	1/31/24	4.92%	404,106	162,947
Promissory Note	12/2/15	9/15/15	3.25%	250,000	109,076
Promissory Note	12/15/21	10/01/21	0.73%	2,500,000	2,500,000
Construction Note	7/21/21	7/21/22	3.10%	84,644	6,405
Business-Type Activities:					
General Obligation Bonds:					
Refunding Bonds, Series 2016A	6/1/2016	4/1/28	2.00% - 2.05%	2,945,000	250,000
Total					<u>\$ 8,588,623</u>

On July 21, 2021, the City issued \$845,644 of general obligation notes for the purposes of financing the street and utility upgrades of the Keller avenue project. The note bears an interest rate of 3.12% and matures on July 1, 2022.

On September 8, 2021, the City issued \$4,225,000 general refunding bonds to refund the \$4,250,000 bond anticipation note issued which were originally issued for the city center project. The bonds bear an interest rate from 2.125% to 4.00% and matures on October 1, 2041.

On December 15, 2021, the City issued \$2,500,000 general obligation promissory note for the purpose of financing the city center project. The note bears an interest rate of 0.73% and matures April 1, 2031.

**CITY OF AMERY, WISCONSIN  
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DECEMBER 31, 2021**

**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, 2021 were computed as follows:

Equalized Valuation (Certified 12/31/2021)	\$ 259,120,200
Legal Debt Capacity (5% of Equalized Value)	\$ 12,956,010
Total General Obligation Debt Subject to Limitation	<u>8,588,623</u>
Unused Borrowing Capacity at 12/31/2021	<u><u>\$ 4,367,387</u></u>

**Annual Requirements for Retirement.** Individual general obligation long-term debt issued outstanding at December 31, 2021 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		Total	General Fund	TID #6 Fund	Water Utility	Total
	Principal	Interest	Principal	Interest					
2022	\$ 255,000	\$ 132,885	\$ 281,204	\$ 30,693	\$ 699,782	\$ 597,582	\$ 47,200	\$ 55,000	\$ 699,782
2023	285,000	121,404	275,199	29,643	711,246	590,945	66,300	54,000	711,245
2024	235,000	115,304	345,762	19,413	715,479	662,479	-	53,000	715,479
2025	240,000	110,104	241,150	14,632	605,886	553,886	-	52,000	605,886
2026	280,000	103,904	199,308	11,992	595,204	544,204	-	51,000	595,204
2027-2031	1,310,000	400,967	1,531,000	35,586	3,277,553	3,277,553	-	-	3,277,553
2032-2036	1,475,000	242,469	-	-	1,717,469	1,717,469	-	-	1,717,469
2037-2041	1,635,000	86,428	-	-	1,721,428	1,721,429	-	-	1,721,429
Total	<u>\$ 5,715,000</u>	<u>\$ 1,313,465</u>	<u>\$ 2,873,623</u>	<u>\$ 141,959</u>	<u>\$ 10,044,047</u>	<u>\$ 9,665,547</u>	<u>\$ 113,500</u>	<u>\$ 265,000</u>	<u>\$ 10,044,047</u>

**Water General Obligation Debt**

**Repayment Requirements.** Outstanding general obligation bonds portion related to the Water Utility totaled \$250,000 at December 31, 2021. 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, 2021 and annual requirements for their retirement at that date are shown below:

	<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Water Utility				
Water Portion of	2022	\$ 50,000	\$ 5,000	\$ 55,000
\$2,945,000 Series 2016A, dated 06/01/2016,	2023	50,000	4,000	54,000
due 04/01/2028, interest 2.00 to 2.05%	2024	50,000	3,000	53,000
	2025	50,000	2,000	52,000
	2026	50,000	1,000	51,000
Total Water Utility Bonds		<u>\$ 250,000</u>	<u>\$ 15,000</u>	<u>\$ 265,000</u>

**CITY OF AMERY, WISCONSIN  
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**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Long-Term Debt (Continued)**

**Annual Requirements for Retirement (Continued).** Individual general obligation long-term debt issued outstanding at December 31, 2021 and annual requirements for their retirement as of that date are shown below:

	Outstanding 12/31/2021	Scheduled Future Payments								
		2022	2023	2024	2025	2026	2027-2031	2032-2036	2037-2041	
<b>Bond Issues:</b>										
\$2,945,000 Series 2016A, dated 06/01/2016, due 04/01/2028, interest 2.00 to 2.05%	Principal (10/1) Interest (4/1, 10/1)	\$ 1,490,000 108,200	\$ 255,000 29,960	\$ 275,000 24,860	\$ 215,000 19,360	\$ 165,000 15,060	\$ 160,000 9,760	\$ 420,000 9,200	- -	- -
\$4,225,000 Series 2021A, dated 09/08/2021, due 10/01/2041, interest 2.15 to 4.00%	Principal (10/1) Interest (4/1, 10/1)	4,225,000 1,205,267	- 102,925	10,000 96,544	20,000 95,944	25,000 95,044	70,000 93,144	990,000 392,769	1,475,000.00 242,469.00	1,635,000.00 86,428.00
<b>Promissory Note Issues:</b>										
\$110,000 Promissory Note, dated 04/05/2018, due 04/05/2023, interest 3.40%	Principal (4/05, 10/05) Interest (04/05, 10/05)	35,001 1,195	23,117 994	11,884 201	- -	- -	- -	- -	- -	- -
\$95,454 Promissory Note, dated 10/30/2019 due 04/01/2026, interest 2.69%	Principal (4/1, 11/1) Interest (4/1, 11/1)	60,194 4,553	14,377 1,711	14,766 1,321	15,166 922	15,577 511	308 88	- -	- -	- -
\$404,106 Promissory Note, dated 01/31/2014 due 01/31/2024, interest 4.92%	Principal (5/1, 11/1) Interest (5/1, 11/1)	162,947 22,253	27,341 10,779	28,722 9,399	106,884 2,075	- -	- -	- -	- -	- -
\$250,000 Promissory Note, dated 12/02/2015 due 09/15/2015, interest 3.25%	Principal (3/15, 9/15) Interest (3/15, 9/15)	109,076 11,751	25,964 4,216	26,826 3,382	27,713 2,520	28,573 1,633	- -	- -	- -	- -
\$845,644 Promissory Note, dated 07/21/2021 due 07/21/2022, interest 7.3%	Principal (4/22) Interest (4/22)	6,405 -	- -	- -	- -	- -	- -	- -	- -	- -
\$2,500,000 Promissory Note, dated 12/15/2021 due 10/01/2031, interest .73%	Principal (3/15, 9/15) Interest (3/15, 9/15)	2,500,000 105,646	184,000 13,827	193,000 16,202	196,000 14,783	197,000 13,348	199,000 11,903	1,531,000 35,583	- -	- -
<b>Total Future Requirements</b>										
	Principal	8,588,623	529,799	560,198	580,763	431,150	429,308	2,941,000	1,475,000	1,635,000
	Interest	1,458,865	164,412	151,909	135,604	125,596	114,895	437,552	242,469	86,428
<b>Totals</b>		<b>\$ 10,047,488</b>	<b>\$ 694,211</b>	<b>\$ 712,107</b>	<b>\$ 716,367</b>	<b>\$ 556,746</b>	<b>\$ 544,203</b>	<b>\$ 3,378,552</b>	<b>\$ 1,717,469</b>	<b>\$ 1,721,428</b>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Mortgage Revenue Bonds**

On June 23, 2021, the City issued \$815,070 of Taxable Water System Mortgage Revenue Bonds and \$713,996.19 of Taxable Sewerage System Mortgage Revenue Bonds which are amortized over 20 years at an interest rate of 0.891%.

**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, 2021, and annual requirements for principal and interest retirement are shown below:

	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Amount Outstanding
Business-Type Activities:					
Revenue Bonds:					
Taxable Sewerage System Mortgage Bonds	6/23/2021	5/1/2041	0.891%	\$ 713,996	\$ 713,996
Safe Drinking Water Loan	6/23/2021	5/1/2041	0.891%	815,070	815,070
					<u>\$ 1,529,066</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
2022	\$ 70,183	\$ 13,311	\$ 83,494	\$ 44,507	\$ 38,987	\$ 83,494
2023	70,808	12,683	83,491	44,505	38,986	83,491
2024	71,439	12,049	83,488	44,504	38,985	83,489
2025	72,075	11,410	83,485	44,502	38,984	83,486
2026	72,718	10,765	83,483	44,501	38,982	83,483
2027-2031	373,423	43,947	417,370	222,479	194,891	417,370
2032-2036	390,358	26,936	417,294	222,439	194,855	417,294
2037-2041	408,062	9,154	417,216	222,395	194,819	417,214
Total	<u>\$ 1,529,066</u>	<u>\$ 140,255</u>	<u>\$ 1,669,321</u>	<u>\$ 889,832</u>	<u>\$ 779,489</u>	<u>\$ 1,669,321</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**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, 2021 consisted of the following:

	Total	Nonspendable	Restricted	Unassigned
<b>Major Funds:</b>				
General Fund				
Advances to Other Funds	\$ 25,745	\$ 25,745	\$ -	\$ -
Delinquent Taxes	33,631	33,631	-	-
Land Held for Resale	250,780	250,780	-	-
Long-Term Notes Receivable	60,194	60,194	-	-
Fire Department Retirement	2,211,030	-	2,211,030	-
Unassigned	1,271,571	-	-	1,271,571
Subtotal General Fund	3,852,951	370,350	2,211,030	1,271,571
CDBG Housing Revolving Loan Fund	53,513	-	53,513	-
Library Fund	255,499	-	255,499	-
Debt Service Fund	(133,719)	-	-	(133,719)
Tax Incremental District #6 Fund	282,320	-	282,320	-
Capital Improvements Fund	-	-	-	-
<b>Nonmajor Funds:</b>				
Special Revenue Funds:				
Community Micro - Loan Fund	25,599	-	25,599	-
Capital Projects Funds:				
CDBG	(2,242,535)	-	-	(2,242,535)
Tax Incremental District #7 Fund	155,242	-	155,242	-
Tax Incremental District #8 Fund	(198,584)	-	-	(198,584)
Tax Incremental District #9 Fund	11,379	-	11,379	-
Total Governmental Fund Balances at December 31, 2021	\$ 2,061,665	\$ 370,350	\$ 2,994,582	\$ (1,303,267)

**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  
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**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, 2021. 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 #5, TID #6, TID #7 TID #8, and TID #9 are accounted for in capital projects funds. Project expenditures through December 31, 2021 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, 2021 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	\$ 2,789,465	\$ 339,764	\$ 250,245	\$ 20,077
Debt Expenditures:				
Interest Charges	290,041	10,928	-	-
Transfers Out	-	19,000	-	-
Total Project Costs	<u>3,079,506</u>	<u>369,692</u>	<u>250,245</u>	<u>20,077</u>
Accumulated Project Revenues:				
Tax Increments	2,189,100	522,869	51,661	31,456
Minimum Tax Agreements	69,845	-	-	-
Intergovernmental Grants and Aids	283,993	2,065	-	-
Sale of City Property	188,955	-	-	-
Other	24,615	-	-	-
Transfers In	495,318	-	-	-
Total Project Revenues	<u>3,251,826</u>	<u>524,934</u>	<u>51,661</u>	<u>31,456</u>
Future Project Revenues Necessary to Recover Project Costs to Date	<u>\$ (172,320)</u>	<u>\$ (155,242)</u>	<u>\$ 198,584</u>	<u>\$ (11,379)</u>

The preceding summaries of transactions are reconciled to the fund balances in TID districts at December 31, 2021 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, 2021	\$ 110,000	\$ -	\$ -	\$ -
Excess (Unrecovered Costs) Above Fund Balances (Deficits) at December 31, 2021	<u>172,320</u>	<u>155,242</u>	<u>(198,584)</u>	<u>11,379</u>
	<u>\$ 282,320</u>	<u>\$ 155,242</u>	<u>\$ (198,584)</u>	<u>\$ 11,379</u>

**CITY OF AMERY, WISCONSIN  
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**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/publications/cafr.htm>

*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  
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**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, 2021 through December 31, 2021, the WRS recognized \$125,954 in contributions from the employer.

Contribution rates as of December 31, 2021 are:

	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	6.75%	6.75%
Executives and Elected Officials	6.75%	6.75%
Protective with Social Security	6.75%	11.65%
Protective without Social Security	6.75%	16.25%

*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>
2011	(1.20)	11.00
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

**CITY OF AMERY, WISCONSIN  
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**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, 2021, the City reported an asset of \$646,245 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, 2019 rolled forward to December 31, 2020. 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, 2020, the City's proportion was 0.01035125%, which was a decrease of 0.00029584% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense (revenue) of (\$199,053). At December 31, 2021, 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	\$ 935,310 14,658	\$ 201,464 -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,213,267
Difference Between Proportionate Share of Actual Employer Contributions	-	6,776
City Contributions Subsequent to the Measurement Date	125,954	-
Total	<u>\$ 1,075,922</u>	<u>\$ 1,421,507</u>

**CITY OF AMERY, WISCONSIN  
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**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)**

\$125,954 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, 2022. 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>
2022	\$ (122,668)
2023	(34,679)
2024	(220,721)
2025	(93,471)
2026	-
Thereafter	-

*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, 2020
Measurement Date of Net Pension Liability (Asset):	December 31, 2019
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return	7.0%
Discount Rate	7.0%
Salary Increases:	
Inflation	3%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2019 Mortality Table
Postretirement Adjustments	1.90%

**CITY OF AMERY, WISCONSIN  
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**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)**

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

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:

<u>Core Fund Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	51.0%	7.2%	4.7%
Fixed Income	25.0%	3.2%	0.8%
Inflation Sensitive Assets	16.0%	2.0%	-0.4%
Real Estate	8.0%	5.6%	3.1%
Private Equity/Debt	11.0%	10.2%	7.6%
Multi-Asset	4.0%	5.8%	3.3%
Total Core Fund	115.0%	6.6%	4.1%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0%	6.6%	4.1%
International Equities	30.0%	7.4%	4.9%
Total Core Fund	100.0%	7.1%	4.6%

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

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

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**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 7.00%, 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 615,133	\$ (646,245)	\$ (1,572,714)

**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 2021 year. Transactions of the Plan are accounted for in the restricted funds of the general fund. The balance in the fund at December 31, 2021 was \$110,493.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**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, 2021 were \$164,736. The estimated liabilities in the proprietary funds at that date were \$40,982.

**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, 2021**

**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, 2021 have been estimated by an outside consultant at \$668,769. This amount is reflected as a liability in the City's government-wide financial statements.

**F. Golf Club**

**Golf Club Lease Agreement.** On January 1, 2014, the City renewed a lease agreement with the Amery Golf Club, Inc. for the lease of land presently owned by the City and used exclusively by the Amery Golf Club. The term of the new lease is for twenty years effective January 1, 2014 with annual rental computed as follows:

1. The annual debt service requirements of the debt held by the City. During 2014, the City refinanced the debt in order to obtain a more favorable interest rate, in the amount of \$414,106.
2. The sum of \$10 per year to be paid by April 1<sup>st</sup> of each year, to begin after the retirement of the Golf Course debt.

At December 31, 2021, the City's outstanding debt subject to collection from the Golf Club was \$162,947 with the final payment due on January 31, 2024.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**G. Conduit Debt**

The City was a party to a "joint powers and parity agreement" in 2011 among the City of Amery, the Village of Luck, the Town of Black Brook and the Town of Lincoln (collectively referred to as the Municipalities), Amery Regional Medical Center, Inc. (the Obligor) and Bremer Bank, a national banking association (the Lender) for the purpose of the issuance of \$37.8 million of health care facilities revenue bonds by the Municipalities to the Lender in March 2011 with the proceeds therefrom to be used by the Obligor for capital improvements and debt refinancing. Bonds issued by the City totaled \$8.5 million. The bonds are subject to repayment solely from payments received by the Lender from the Obligor in accordance with underlying mortgage assignments and related agreements. The bonds are special limited obligations of the Municipalities and do not constitute a moral or general obligation of the Municipalities. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The outstanding balance of the collective debt was \$20,862,000 at December 31, 2021 per audited financial statements of the Obligor.

**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. Subsequent Events**

On April 1, 2022 the City issued a \$2,000,000 general obligation note for the purpose of financing the capital expenditures project within the boundaries of tax increment district #6. The note accrues interest at 2.1% and matures in 2032.

On November 30, 2022 the City issued a \$320,000 state trust fund loan for the purpose of financing the purchase of a new fire truck. The note accrues interest at 4.5% and matures in 2032.

**J. 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.

At December 31, 2021, the City was committed under construction contracts related to the improvement and remodel of the City Center. The City entered into contract totaling \$3,902,930 which will be financed with the issuance of long-term debt. As of December 31, 2021 \$536,848 remains to be completed and paid.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,508,141	\$ 1,508,141	\$ 1,525,797	\$ 17,656
Special Assessments	1,400	1,400	2,951	1,551
Intergovernmental	828,427	828,427	1,412,015	583,588
Licenses and Permits	55,725	55,725	56,398	673
Fines and Forfeits	59,000	59,000	48,466	(10,534)
Public Charges for Services	75,350	75,350	296,357	221,007
Intergovernmental Charges for Services	197,000	197,000	163,016	(33,984)
Miscellaneous:				
Interest	30,750	30,750	12,369	(18,381)
Rent	108,321	108,321	205,734	97,413
Sale of Property	-	-	13,584	13,584
Donations	250	250	193	(57)
Other	18,100	18,100	21,128	3,028
	2,882,464	2,882,464	3,758,008	875,544
<b>EXPENDITURES</b>				
General Government	572,740	572,740	4,806,891	(4,234,151)
Public Safety	1,139,694	1,139,694	1,218,242	(78,548)
Public Works	750,406	750,406	1,344,392	(593,986)
Health and Human Services	29,950	29,950	30,699	(749)
Culture, Recreation, and Education	180,012	180,012	211,184	(31,172)
Conservation and Development	21,000	21,000	32,293	(11,293)
Debt Issuance Costs	-	-	26,215	(26,215)
	2,693,802	2,693,802	7,669,916	(4,976,114)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	188,662	188,662	(3,911,908)	(4,100,570)
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-Term Debt Issued	-	-	6,750,000	6,750,000
Sale of Capital Assets	-	-	29,701	29,701
Transfers In	92,500	92,500	72,083	(20,417)
Transfers Out	(312,418)	(312,418)	(307,844)	4,574
	(219,918)	(219,918)	6,543,940	6,763,858
<b>NET CHANGE IN FUND BALANCE</b>	(31,256)	(31,256)	2,632,032	2,663,288
Fund Balance - Beginning of Year	1,220,919	1,220,919	1,220,919	-
<b>FUND BALANCE - END OF YEAR</b>	\$ 1,189,663	\$ 1,189,663	\$ 3,852,951	\$ 2,663,288

See Notes to Required Supplementary Information.

**CITY OF AMERY, WISCONSIN  
LIBRARY FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 200,000	\$ 200,000	\$ 206,000	\$ 6,000
Intergovernmental	274,786	274,786	273,008	(1,778)
Miscellaneous:				
Interest	-	-	3	3
Donations	-	-	9,669	9,669
Other	-	-	2,044	2,044
Total Revenues	474,786	474,786	490,724	15,938
<b>EXPENDITURES</b>				
Culture, Recreation, and Education	493,320	493,320	432,221	61,099
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(18,534)	(18,534)	58,503	77,037
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	20,324	20,324	4,943	(15,381)
<b>NET CHANGE IN FUND BALANCES</b>	1,790	1,790	63,446	61,656
Fund Balance - Beginning of Year	192,053	192,053	192,053	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 193,843</u>	<u>\$ 193,843</u>	<u>\$ 255,499</u>	<u>\$ 61,656</u>

See Notes to Required Supplementary Information.

**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, 2021**

Measurement Date: December 31,	2014	2015	2016	2017	2018	2019	2020
City's Proportion of the Net Pension Liability (Asset)	0.01003162%	0.00987264%	0.00987264%	0.01056263%	0.01079782%	0.01064709%	0.01035125%
City's Proportionate Share of the Net Pension Liability (Asset)	\$ (246,404)	\$ 160,428	\$ 83,343	\$ (313,618)	\$ 384,152	\$ (343,310)	\$ (646,245)
City's Covered Employee Payroll	\$ 1,182,104	\$ 1,226,408	\$ 1,369,399	\$ 1,366,248	\$ 1,339,347	\$ 1,359,291	\$ 1,380,368
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	-20.84%	13.08%	6.09%	-22.95%	28.68%	-25.26%	-46.82%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	102.74%	98.20%	99.12%	102.93%	96.45%	102.96%	105.26%

The disclosures are being implemented prospectively beginning with fiscal year 2015.

**CITY OF AMERY, WISCONSIN  
SCHEDULE OF CONTRIBUTIONS TO  
WISCONSIN RETIREMENT SYSTEM PENSION PLAN  
LAST TEN FISCAL YEARS  
YEAR ENDED DECEMBER 31, 2021**

Fiscal Year-End: December 31,	2015	2016	2017	2018	2019	2020	2021
Contractually Required Contribution	\$ 95,001	\$ 105,885	\$ 111,258	\$ 109,603	\$ 109,665	\$ 114,639	\$ 125,954
Contributions in Relation to the Contractually Required Contributions	(95,001)	(105,885)	(111,258)	(109,603)	(109,665)	(114,639)	(125,954)
Contribution Deficiency (Excess)	<u>\$ -</u>						
City's Covered Employee Payroll	\$ 1,226,408	\$ 1,369,399	\$ 1,366,248	\$ 1,339,347	\$ 1,359,291	\$ 1,380,868	\$ 1,484,254
Contributions as a Percentage of Covered Payroll	7.75%	7.73%	8.14%	8.18%	8.07%	8.30%	8.49%

*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.* There were no significant changes in assumptions for any of the periods above except for as follows:

- Discount rate changed from 7.2% in 2017 to 7.0% in 2018.
- Postretirement adjustment changed from 2.1% in 2017 to 1.9% in 2018.
- Wage inflation rate changed from 3.2% in 2017 to 3.0% in 2018.

The disclosures are being implemented prospectively beginning with fiscal year 2015.

**CITY OF AMERY, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2021**

**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, 2021**

	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	Keller Avenue CDBG Fund		
<b>ASSETS</b>							
Treasurer's Cash and Investments	\$ 25,599	\$ 155,242	\$ -	\$ 11,379	\$ -	\$ 166,621	\$ 192,220
Taxes Receivable	-	52,244	55,889	129,810	-	237,943	237,943
Long-Term Receivables	9,878	-	-	-	-	-	9,878
<b>Total Assets</b>	<b>\$ 35,477</b>	<b>\$ 207,486</b>	<b>\$ 55,889</b>	<b>\$ 141,189</b>	<b>\$ 397,608</b>	<b>\$ 404,564</b>	<b>\$ 440,041</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Vouchers and Accounts Payable	\$ -	\$ -	\$ 22,992	\$ -	\$ 2,000	\$ 22,992	\$ 22,992
Due Other Funds	-	-	175,592	-	2,638,143	175,592	175,592
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>198,584</b>	<b>-</b>	<b>2,640,143</b>	<b>198,584</b>	<b>198,584</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Succeeding Year's Property Taxes	-	52,244	55,889	129,810	-	237,943	237,943
Unavailable Revenue - Long-Term Receivables	9,878	-	-	-	-	-	9,878
<b>Total Inflows of Resources</b>	<b>9,878</b>	<b>52,244</b>	<b>55,889</b>	<b>129,810</b>	<b>-</b>	<b>237,943</b>	<b>247,821</b>
<b>FUND BALANCES</b>							
Restricted	25,599	155,242	-	11,379	-	166,621	192,220
Unassigned	-	-	(198,584)	-	(2,242,535)	(198,584)	(198,584)
<b>Total Fund Balances</b>	<b>25,599</b>	<b>155,242</b>	<b>(198,584)</b>	<b>11,379</b>	<b>(2,242,535)</b>	<b>(31,963)</b>	<b>(6,364)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 35,477</b>	<b>\$ 207,486</b>	<b>\$ 55,889</b>	<b>\$ 141,189</b>	<b>\$ 397,608</b>	<b>\$ 404,564</b>	<b>\$ 440,041</b>

**CITY OF AMERY, WISCONSIN  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2021**

	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		
<b>REVENUES</b>						
Taxes	\$ -	\$ 51,652	\$ 32,023	\$ 31,456	\$ 115,131	\$ 115,131
Intergovernmental	-	114	-	-	114	114
Miscellaneous: Interest	2	-	-	-	-	2
Total Revenues	2	51,766	32,023	31,456	115,245	115,247
<b>EXPENDITURES</b>						
Public Works	-	-	106,374	-	106,374	106,374
Conservation and Development	-	15,085	-	779	15,864	15,864
Total Expenditures	-	15,085	106,374	779	122,238	122,238
<b>NET CHANGE IN FUND BALANCES</b>	2	36,681	(74,351)	30,677	(6,993)	(6,991)
Fund Balance - Beginning of Year	25,597	118,561	(124,233)	(19,298)	(24,970)	627
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 25,599</u>	<u>\$ 155,242</u>	<u>\$ (198,584)</u>	<u>\$ 11,379</u>	<u>\$ (31,963)</u>	<u>\$ (6,364)</u>

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED BALANCE SHEET  
DECEMBER 31, 2021  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2020)**

	2021	2020
<b>ASSETS</b>		
Treasurer's Cash and Investments	\$ 441,799	\$ 563,380
Land Held for Resale	250,780	250,780
Taxes Receivable:		
Current Tax Roll	1,349,974	1,250,906
Delinquent Personal Property Taxes Held by Village	33,631	36,465
Special Assessments Receivable	24,286	27,162
Accounts Receivable	120,734	121,322
Due from Other Funds	2,069,686	606,963
Restricted Assets:		
Cash and Investments - Unspent Bond Proceeds	2,195,578	-
Advances to Other Funds	25,745	38,142
Long-Term Receivables	60,194	75,676
	<u>\$ 6,572,407</u>	<u>\$ 2,970,796</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Vouchers and Accounts Payable	\$ 742,436	\$ 211,625
Payroll Withholdings	2,607	36,921
Due to Other Governmental Units	9,736	12,982
Fire Department Retirement Liability	95,041	-
Special Deposits	40,889	36,028
Total Liabilities	<u>890,709</u>	<u>297,556</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Tax Roll Items:		
General Property Taxes	1,803,284	1,423,342
Unavailable Revenue - Special Assessments and Charges	1,177	1,817
Unavailable Revenue - Special Assessments	24,286	27,162
Total Deferred Inflows of Resources	<u>1,828,747</u>	<u>1,452,321</u>
<b>FUND BALANCES</b>		
Nonspendable	370,350	401,063
Restricted	2,211,030	102,493
Unassigned	1,271,571	717,363
Total Fund Balance	<u>3,852,951</u>	<u>1,220,919</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,572,407</u>	<u>\$ 2,970,796</u>

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)**

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>REVENUES</b>					
<b>TAXES</b>					
General Property Taxes	\$ 1,423,157	\$ 1,423,157	\$ 1,423,228	\$ 71	\$ 1,415,600
Mobile Home Fees	30,000	30,000	30,922	922	24,781
Managed Forest Land Taxes	114	114	114	-	114
Public Accommodation Taxes	10,000	10,000	16,500	6,500	13,896
Payment in Lieu of Taxes	44,870	44,870	55,033	10,163	42,835
Total Taxes	<u>1,508,141</u>	<u>1,508,141</u>	<u>1,525,797</u>	<u>17,656</u>	<u>1,497,226</u>
<b>SPECIAL ASSESSMENTS</b>					
Street Improvement Projects	1,400	1,400	2,951	1,551	1,715
<b>INTERGOVERNMENTAL</b>					
Federal Aid	-	-	420,487	420,487	-
State Shared Taxes	587,821	587,821	734,283	146,462	576,901
Fire Insurance Taxes	-	-	10,192	10,192	9,644
Exempt Computer Aid	7000	7,000	7,990	990	7,990
State General Transportation Aid	206,106	206,106	230,283	24,177	239,246
State Aid - Police Training	-	-	960	960	-
State Aid - Ambulance	26,000	26,000	-	(26,000)	1,280
State Aid - Tank Inspections	1,500	1,500	4,037	2,537	1,761
State Aid in Lieu of Taxes - Conservation	-	-	705	705	628
State Aid - Other	-	-	3	3	38,862
County - Police Reimbursement	-	-	-	-	26,309
Total Intergovernmental	<u>828,427</u>	<u>828,427</u>	<u>1,412,015</u>	<u>583,588</u>	<u>902,621</u>
<b>LICENSES AND PERMITS</b>					
Licenses:					
Liquor and Malt Beverage	9,000	9,000	9,445	445	9,160
Operators	2,800	2,800	2,585	(215)	2,225
Cigarette	450	450	450	-	450
Trailer Park	1,600	1,600	684	(916)	1,512
Cable Television	12,600	12,600	12,700	100	12,702
Other	3,825	3,825	935	(2,890)	1,494
Permits:					
Building	20,500	20,500	24,384	3,884	33,152
Zoning	4,000	4,000	3,660	(340)	4,935
Park	550	550	1,285	735	540
Other	400	400	270	(130)	260
Total Licenses and Permits	<u>55,725</u>	<u>55,725</u>	<u>56,398</u>	<u>673</u>	<u>66,430</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, 2021  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)**

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>REVENUES (CONTINUED)</b>					
<b>FINES AND FORFEITS</b>					
Law and Ordinance Violations	\$ 59,000	\$ 59,000	\$ 48,466	\$ (10,534)	\$ 44,699
<b>PUBLIC CHARGES FOR SERVICES</b>					
General Government:					
Clerk's Fees	7,825	7,825	10,130	2,305	4,754
Public Safety:					
Police Fees	13,750	13,750	1,620	(12,130)	1,445
Fire Protection Fees	1,200	1,200	50	(1,150)	2,219
Public Works:					
Transportation Facilities:					
Highway Maintenance and Construction	13,075	13,075	11,457	(1,618)	11,166
Airport	29,500	29,500	58,083	28,583	28,505
Sanitation:					
Refuse and Recycling	1,000	1,000	196,715	195,715	192,278
Landfill	3,500	3,500	6,186	2,686	6,398
Culture, Recreation and Education:					
Parks	5,500	5,500	12,116	6,616	10,477
Total Public Charges for Services	<u>75,350</u>	<u>75,350</u>	<u>296,357</u>	<u>221,007</u>	<u>257,242</u>
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>					
General Government:					
Utility Office Space Rental	18,000	18,000	-	(18,000)	18,000
Public Safety:					
Fire Protection	170,000	170,000	163,016	(6,984)	170,687
Dam	3,000	3,000	-	(3,000)	-
Public Works:					
Utility Equipment Rental	6,000	6,000	-	(6,000)	6,000
Total Intergovernmental Charges for Services	<u>197,000</u>	<u>197,000</u>	<u>163,016</u>	<u>(33,984)</u>	<u>194,687</u>
<b>MISCELLANEOUS</b>					
Interest:					
General Investments	30,050	30,050	11,805	(18,245)	28,853
Special Assessments	700	700	564	(136)	564
Rent	108,321	108,321	205,734	97,413	109,203
Sale of City Property	-	-	13,584	13,584	-
Donations	250	250	193	(57)	30,390
Other:					
Insurance Recoveries and Dividends	12,000	12,000	-	(12,000)	35,890
Other Miscellaneous	6,100	6,100	21,128	15,028	31,951
Total Miscellaneous	<u>157,421</u>	<u>157,421</u>	<u>253,008</u>	<u>95,587</u>	<u>236,851</u>
Total Revenues	2,882,464	2,882,464	3,758,008	875,544	3,201,471

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)**

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>EXPENDITURES</b>					
<b>GENERAL GOVERNMENT</b>					
Council	\$ 27,269	\$ 27,269	\$ 33,527	\$ (6,258)	\$ 39,020
Municipal Court	45,571	45,571	41,496	4,075	40,541
Legal Fees	18,000	18,000	18,342	(342)	21,402
Municipal Code	-	-	-	-	3,640
Mayor	10,689	10,689	10,237	452	10,934
Clerk-Treasurer	268,590	268,590	331,465	(62,875)	304,025
Elections	12,321	12,321	9,112	3,209	42,868
Special Accounting and Auditing	12,000	12,000	18,946	(6,946)	17,399
Assessment of Property	22,000	22,000	22,505	(505)	20,102
City Hall	26,200	26,200	72,529	(46,329)	72,533
Property and Liability Insurance	126,000	126,000	139,287	(13,287)	117,920
Unemployment Expense	600	600	2,995	(2,395)	2,839
Other	3,500	3,500	7,022	(3,522)	5,675
Outlay:					
City Hall	-	-	4,099,428	(4,099,428)	454,994
Total General Government	<u>572,740</u>	<u>572,740</u>	<u>4,806,891</u>	<u>(4,234,151)</u>	<u>1,153,892</u>
<b>PUBLIC SAFETY</b>					
Police Department	871,503	871,503	870,999	504	767,785
Fire Department	194,041	194,041	178,649	15,392	157,730
Fire Department Retirement Payments	8,000	8,000	95,041	(87,041)	14,941
Ambulance Service	43,000	43,000	41,584	1,416	41,816
Building Inspection	10,000	10,000	19,357	(9,357)	28,325
Tank Inspections	-	-	3,872	(3,872)	1,739
Dams	500	500	2,000	(1,500)	7,320
Civil Defense	150	150	138	12	138
Outlay:					
Police Department:					
Capital Equipment	7,500	7,500	6,602	898	10,489
Fire Department	5,000	5,000	-	5,000	-
Total Public Safety	<u>1,139,694</u>	<u>1,139,694</u>	<u>1,218,242</u>	<u>(78,548)</u>	<u>1,030,283</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, 2021  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)**

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>EXPENDITURES (CONTINUED)</b>					
<b>PUBLIC WORKS</b>					
Transportation:					
Public Works Wages and Fringe Benefits	\$ 126,760	\$ 126,760	\$ 105,841	\$ 20,919	\$ 188,153
Safety	11,000	11,000	9,395	1,605	8,581
Machinery and Equipment	38,000	38,000	23,260	14,740	23,500
Buildings and Grounds	23,400	23,400	18,519	4,881	20,425
Street Maintenance	361,101	361,101	319,841	41,260	321,132
Snow and Ice Control	73,191	73,191	55,933	17,258	61,677
Traffic Control	2,350	2,350	4,370	(2,020)	3,291
Bridges	2,350	2,350	1,058	1,292	592
Street Lighting	55,000	55,000	61,408	(6,408)	63,053
Storm Sewers	24,121	24,121	18,614	5,507	24,532
Airport	15,133	15,133	65,938	(50,805)	16,479
Other	1,500	1,500	2,433	(933)	-
Outlay:					
Airport	-	-	442,618	(442,618)	53,424
Sanitation:					
Refuse and Garbage Collection	-	-	195,491	(195,491)	190,617
Landfill	16,500	16,500	19,673	(3,173)	50,319
Total Public Works	<u>750,406</u>	<u>750,406</u>	<u>1,344,392</u>	<u>(593,986)</u>	<u>1,025,775</u>
<b>HEALTH AND HUMAN SERVICES</b>					
Cemetery	29,950	29,950	30,699	(749)	17,318
<b>CULTURE, RECREATION AND EDUCATION</b>					
Community Center	25,000	25,000	25,000	-	43,100
Parks	96,831	96,831	123,063	(26,232)	121,446
Recreation Programs and Events	39,681	39,681	36,977	2,704	38,868
Skating Rink	13,500	13,500	25,471	(11,971)	21,827
Cable Television	2,000	2,000	500	1,500	1,710
Other	3,000	3,000	173	2,827	724
Total Culture, Recreation and Education	<u>180,012</u>	<u>180,012</u>	<u>211,184</u>	<u>(31,172)</u>	<u>227,675</u>
<b>CONSERVATION AND DEVELOPMENT</b>					
Economic Development	-	-	20,222	(20,222)	17,250
Advertising and Promotion	10,650	10,650	10,492	158	22,937
Community Planning	350	350	-	350	115
Planning Office	10,000	10,000	1,579	8,421	462
Other	-	-	-	-	650
Total Conservation and Development	<u>21,000</u>	<u>21,000</u>	<u>32,293</u>	<u>(11,293)</u>	<u>41,414</u>
Total Expenditures	2,693,802	2,693,802	7,669,916	(4,976,114)	3,496,357

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)**

	2021				2020 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>EXPENDITURES (CONTINUED)</b>					
<b>DEBT SERVICE</b>					
Debt Issuance Costs	-	-	26,215	(26,215)	-
<b>EXCESS (DEFICIENCY) OR REVENUES OVER EXPENDITURES</b>	\$ 188,662	\$ 188,662	\$ (3,911,908)	\$ (4,100,570)	\$ (294,886)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	-	-	6,750,000	6,750,000	-
Sale of Capital Assets	-	-	29,701	29,701	394,017
Transfers In	92,500	92,500	72,083	(20,417)	700,343
Transfers Out	(312,418)	(312,418)	(307,844)	4,574	(394,390)
Total Other Financing Sources (Uses)	(219,918)	(219,918)	6,543,940	6,763,858	699,970
<b>NET CHANGE IN FUND BALANCE</b>	(31,256)	(31,256)	2,632,032	2,663,288	405,084
Fund Balance - Beginning of Year	1,220,919	1,220,919	1,220,919	-	815,835
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,189,663</u>	<u>\$ 1,189,663</u>	<u>\$ 3,852,951</u>	<u>\$ 2,663,288</u>	<u>\$ 1,220,919</u>

**CITY OF AMERY, WISCONSIN  
DEBT SERVICE FUNDS  
DETAILED BALANCE SHEET  
DECEMBER 31, 2021**

	General Long-Term Debt Redemption Fund		Library	Totals
	General City	TID #6 Debt	\$440,000 G.O. Promissory Notes	
<b>ASSETS</b>				
Treasurer's Cash and Investments	\$ -	\$ -	\$ -	\$ -
<b>LIABILITIES</b>				
Due Other Funds	111,452	22,267	-	133,719
<b>FUND BALANCES</b>				
Unassigned	(111,452)	(22,267)	-	(133,719)
Total Fund Balance	(111,452)	(22,267)	-	(133,719)
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, 2021**

	General Long-Term Debt Redemption Fund		Library \$440,000	Totals
	General City	TID #6 Debt	G.O. Promissory Notes	
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	\$ 928,248	\$ 45,000	\$ -	\$ 973,248
Interest and Fiscal Charges	220,413	3,100	-	223,513
 Total Expenditures	<u>1,148,661</u>	<u>48,100</u>	<u>-</u>	<u>1,196,761</u>
 <b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	 (1,148,661)	 (48,100)	 -	 (1,196,761)
 <b>OTHER FINANCING SOURCES (USES)</b>				
Long-Term Debt Issued	4,225,000	-	-	4,225,000
Premium on Debt Issued	82,432	-	-	82,432
Transfers In	1,129,901	48,100	-	1,178,001
Transfers Out	-	-	(4,943)	(4,943)
Payment to Refunding Bond Escrow	(4,405,000)	-	-	(4,405,000)
 Total Other Financing Sources (Uses)	<u>1,032,333</u>	<u>48,100</u>	<u>(4,943)</u>	<u>1,075,490</u>
 <b>NET CHANGE IN FUND BALANCES</b>	 (116,328)	 -	 (4,943)	 (121,271)
 Fund Balance - Beginning of Year	<u>4,876</u>	<u>(22,267)</u>	<u>4,943</u>	<u>(12,448)</u>
 <b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ (111,452)</u></u>	<u><u>\$ (22,267)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (133,719)</u></u>

**CITY OF AMERY, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021  
(WITH COMPARATIVE AMOUNTS as of DECEMBER 31, 2020)**

	2021	2020
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ -	\$ 571,395
Customer Accounts Receivable	98,831	99,765
Accounts Receivable on Tax Roll	15,718	13,985
Due from Other Funds	877,768	-
Prepayments	-	-
Inventories	26,860	23,792
Total Current Assets	1,019,177	708,937
Restricted Assets:		
Wisconsin Retirement System Net Pension Asset	55,685	21,629
Capital Assets:		
Utility Plant in Service	5,157,475	4,506,643
Less Accumulated Depreciation	2,243,005	2,170,285
Net Capital Assets	2,914,470	2,336,358
Total Assets	3,989,332	3,066,924
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	92,703	49,313
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	3,444	3,478
Accrued Interest Payable	2,763	1,575
Current Portion of Long-Term Debt:		
General Obligation Bonds	50,000	65,000
General Obligation Notes	37,411	-
Accrued Compensated Absences	4,631	3,924
Total Current Liabilities	98,249	73,977
Long-Term Liabilities (Net of Current Portion):		
Advance from Other Funds	11,002	17,201
General Obligation Bonds	200,000	250,000
General Obligation Notes	777,659	-
Unamortized Debt Premium	6,836	8,545
Accrued Compensated Absences	13,892	11,773
Total Long-Term Liabilities	1,009,389	287,519
Total Liabilities	1,107,638	361,496
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	122,480	65,200
<b>NET POSITION</b>		
Net Investment in Capital Assets	1,842,564	2,012,813
Restricted for Net Pension Asset	55,685	21,629
Unrestricted	953,668	655,099
Total Net Position	\$ 2,851,917	\$ 2,689,541

**CITY OF AMERY, WISCONSIN**  
**WATER UTILITY ENTERPRISE FUND**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED DECEMBER 31, 2021**  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)

	2021	2020
<b>OPERATING REVENUES</b>		
Sales of Water:		
Residential	\$ 149,853	\$ 146,530
Commercial	56,486	55,420
Industrial	28,489	24,183
Public Authorities	16,511	18,624
Multifamily Residential	33,759	32,521
Private Fire Protection	8,184	7,824
Public Fire Protection	155,103	154,289
Total Sales of Water	448,385	439,391
Other Operating Revenues:		
Forfeited Discounts	621	654
Meter Use Charge to Sewer Utility	19,315	18,981
Miscellaneous Operating Revenues	3,838	1,351
Total Other Operating Revenues	23,774	20,986
Total Operating Revenues	472,159	460,377
<b>OPERATING EXPENSES</b>		
Operation and Maintenance	221,692	229,558
Depreciation	129,420	111,088
Total Operating Expenses	351,112	340,646
<b>OPERATING INCOME</b>	121,047	119,731
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest Revenue	1,429	1,277
Interest Expense	(9,726)	(9,000)
Amortization of Debt Premium	1,709	1,709
Total Nonoperating Revenues (Expenses)	(6,588)	(6,014)
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	114,459	113,717
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>		
Capital Grant Revenue	120,000	-
Transfer to General Fund - Property Tax Equivalent	(72,083)	(74,510)
Total Contributions and Transfers	47,917	(74,510)
<b>CHANGE IN NET POSITION</b>	162,376	39,207
Net Position - Beginning of Year	2,689,541	2,650,334
<b>NET POSITION - END OF YEAR</b>	\$ 2,851,917	\$ 2,689,541

**CITY OF AMERY, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Utility Customers	\$ 296,942	\$ 276,469
Cash Received for Public Fire Protection	155,103	154,289
Cash Received for Sewer Share of Meter Related Expenses	19,315	18,981
Cash Payments to Suppliers for Goods and Services	(157,998)	(119,689)
Cash Payments for Employee Services	(84,136)	(102,164)
Net Cash Provided by Operating Activities	<u>229,226</u>	<u>227,886</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Repayment of Advance from the General Fund	(6,199)	(5,298)
Cash Payments to Governmental Activities	(877,768)	-
Transfers Out - Tax Equivalent	(72,083)	(74,510)
Net Cash Used by Noncapital Financing Activities	<u>(956,050)</u>	<u>(79,808)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Cash Payments for Capital Assets	(707,532)	(22,594)
Cash Received from Grants	120,000	-
Cash Received from Issuance of Debt	815,070	-
Principal Paid on Long-Term Debt	(65,000)	(90,000)
Interest Paid on Long-Term Debt	(8,538)	(9,000)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>154,000</u>	<u>(121,594)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	<u>1,429</u>	<u>1,277</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(571,395)	27,761
Cash and Cash Equivalents - Beginning of Year	<u>571,395</u>	<u>543,634</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 571,395</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income	\$ 121,047	\$ 119,731
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	129,420	111,088
Change in Net Pension Asset	(34,056)	(21,629)
Change in Pension Related Deferred Outflow	(43,390)	44,705
Change in Net Pension Liability	-	(35,111)
Change in Pension Related Deferred Inflow	57,280	16,176
(Increase) Decrease in Assets:		
Customer Accounts Receivable	934	3,347
Accounts Receivable on Tax Roll	(1,733)	(13,985)
Inventories	(3,068)	859
Increase (Decrease) in Liabilities:		
Accounts Payable	(34)	751
Accrued Compensated Absences	2,826	1,954
Net Cash Provided by Operating Activities	<u>\$ 229,226</u>	<u>\$ 227,886</u>
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS:</b>		
Cash and Investments per Balance Sheet:		
Cash and Investments	<u>\$ -</u>	<u>\$ 571,395</u>

**CITY OF AMERY, WISCONSIN**  
**WATER UTILITY ENTERPRISE FUND**  
**SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES**  
**YEAR ENDED DECEMBER 31, 2021**  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)

	2021	2020
<b>SOURCE OF SUPPLY</b>		
Maintenance of Source Plant	\$ 9,886	\$ 2,721
<b>PUMPING</b>		
Fuel or Power Purchased for Pumping	22,217	20,835
Maintenance of Pumping Plant	26	-
Total Pumping	22,243	20,835
<b>WATER TREATMENT</b>		
Chemicals	17,911	17,247
Operation Supplies and Expenses	1,015	2,099
Maintenance of Water Treatment Plant	57	13
Total Water Treatment	18,983	19,359
<b>TRANSMISSION AND DISTRIBUTION</b>		
Operation Labor	42,804	61,826
Operation Supplies and Expenses	1,396	3,557
Maintenance of Mains	73,016	32,433
Maintenance of Services	4,518	6,844
Maintenance of Meter	11,469	12,631
Maintenance of Hydrants	627	2,271
Maintenance of Other Plant	377	362
Total Transmission and Distribution	134,207	119,924
<b>ADMINISTRATIVE AND GENERAL</b>		
Administrative and General Salaries	10,564	9,070
Office Supplies and Expenses	1,329	1,125
Outside Services Employed	5,972	5,030
Employee Pensions and Benefits	33,594	33,221
Net Wisconsin Retirement System Pension Expense (Revenue)	(20,166)	4,142
Miscellaneous General Expenses	5,080	13,965
Maintenance of General Plant	-	166
Total Administrative and General	36,373	66,719
Total Operation and Maintenance Expenses	\$ 221,692	\$ 229,558

**CITY OF AMERY, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF NET POSITION  
DECEMBER 31, 2021  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2020)**

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ 501,408	\$ 390,962
Customer Accounts Receivable	139,332	145,034
Accounts Receivable on Tax Roll	34,383	22,259
Total Current Assets	<u>675,123</u>	<u>558,255</u>
Restricted Assets:		
Equipment Replacement Fund Investments	178,563	178,563
Wisconsin Retirement System Net Pension Asset	76,052	31,241
Total Restricted Assets	<u>254,615</u>	<u>209,804</u>
Capital Assets:		
Utility Plant in Service	6,367,493	5,573,279
Less Accumulated Depreciation	3,939,817	3,800,601
Total Capital Assets	<u>2,427,676</u>	<u>1,772,678</u>
Other Assets:		
Special Assessments Receivable	6,250	11,458
Total Assets	<u>3,363,664</u>	<u>2,552,195</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	126,619	71,306
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts Payable	19,967	18,634
Accrued Interest Payable	1,060	-
Current Portion of Long-Term Debt:		
Revenue Bonds	32,772	-
Accrued Compensated Absences	5,615	4,701
Total Current Liabilities	<u>59,414</u>	<u>23,335</u>
Long-Term Liabilities (Net of Current Portion):		
Advance from Other Funds	11,002	17,201
Revenue Bonds	681,224	-
Accrued Compensated Absences	16,844	14,104
Total Long-Term Liabilities	<u>709,070</u>	<u>31,305</u>
Total Liabilities	<u>768,484</u>	<u>54,640</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	167,288	94,178
<b>NET POSITION</b>		
Net Investment in Capital Assets	1,713,680	1,772,678
Restricted for Equipment Replacement	178,563	178,563
Restricted for Net Pension Asset	76,052	31,241
Unrestricted	586,216	492,201
Total Net Position	<u>\$ 2,554,511</u>	<u>\$ 2,474,683</u>

**CITY OF AMERY, WISCONSIN**  
**SEWER UTILITY ENTERPRISE FUND**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED DECEMBER 31, 2021**  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)

	2021	2020
<b>OPERATING REVENUES</b>		
Sewerage Revenues:		
Residential	\$ 353,647	\$ 350,830
Commercial	135,315	136,659
Industrial	73,883	77,459
Public Authorities	38,601	36,615
Multifamily Residential	56,274	52,013
Total Sewerage Revenues	657,720	653,576
Other Operating Revenues		
Forfeited Discounts	6,165	5,063
Miscellaneous Operating Revenues	9	58
Total Other Operating Revenues	6,174	5,121
 Total Operating Revenues	 663,894	 658,697
 <b>OPERATING EXPENSES</b>		
Operation and Maintenance	515,780	523,009
Depreciation	195,537	173,762
 Total Operating Expenses	 711,317	 696,771
 <b>OPERATING LOSS</b>	 (47,423)	 (38,074)
 <b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest Expense	(2,749)	(900)
 <b>LOSS BEFORE CONTRIBUTIONS AND TRANSFERS</b>	 (50,172)	 (38,974)
 <b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>		
Capital Grant Revenue	130,000	-
 <b>CHANGE IN NET POSITION</b>	 79,828	 (38,974)
 Net Position - Beginning of Year	 2,474,683	 2,513,657
 <b>NET POSITION - END OF YEAR</b>	 \$ 2,554,511	 \$ 2,474,683

**CITY OF AMERY, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)**

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Utility Customers	\$ 657,472	\$ 647,082
Cash Paid for Sewer Share of Meter Related Expenses	(25,598)	(18,981)
Cash Payments to Suppliers for Goods and Services	(313,564)	(297,108)
Cash Payments for Employee Services	(198,645)	(200,923)
Net Cash Provided by Operating Activities	119,665	130,070
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Advance from the General Fund	(6,199)	(5,298)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Cash Payments for Capital Assets	(850,535)	(161,665)
Cash Received from Special Assessments	5,208	-
Cash Received from Grants	130,000	-
Cash Received from Issuance of Debt	713,996	-
Interest Paid on Long-Term Debt	(1,689)	(900)
Net Cash Used by Capital and Related Financing Activities	(3,020)	(162,565)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	110,446	(37,793)
Cash and Cash Equivalents - Beginning of Year	569,525	607,318
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 679,971	\$ 569,525
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Loss	\$ (47,423)	\$ (38,074)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation	195,537	173,762
Net Change in Wisconsin Net Pension Asset	(44,811)	(31,241)
Net Change in Wisconsin Pension Deferred Outflow	(55,313)	50,981
Net Change in Wisconsin Net Pension Liability	-	(45,676)
Net Change in Wisconsin Pension Deferred Inflow	73,110	30,404
(Increase) Decrease in Assets:		
Customer Accounts Receivable	5,702	10,644
Accounts Receivable on Tax Roll	(12,124)	(22,259)
Increase (Decrease) in Liabilities:		
Accounts Payable	1,333	(1,352)
Accrued Compensated Absences	3,654	2,881
Net Cash Provided by Operating Activities	\$ 119,665	\$ 130,070
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 501,408	\$ 390,962
Cash and Investments - Restricted	178,563	178,563
Cash and Cash Equivalents	\$ 679,971	\$ 569,525

**CITY OF AMERY, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2020)**

	2021	2020
<b>OPERATION</b>		
Supervision and Labor	\$ 150,114	\$ 150,958
Power and Fuel for Pumping	5,716	5,264
Power and Fuel for Aeration Equipment	44,631	41,679
Chemicals	15,371	13,797
Biosolids Facility Expenses	144,980	129,808
Supplies and Expenses	26,507	29,784
Transportation Expenses	4,576	4,563
Total Operation	391,895	375,853
<b>MAINTENANCE</b>		
Sewer Collection System	24,746	22,335
Collection System Pumping Equipment	757	4,358
Treatment and Disposal Plant Equipment	34,022	22,260
General Plant Structures and Equipment	212	379
Total Maintenance	59,737	49,332
<b>CUSTOMER ACCOUNTING AND COLLECTION</b>		
Billing, Accounting and Collection	10,564	9,061
Meter Expense Allocation	25,598	18,981
Total Customer Accounting and Collection	36,162	28,042
<b>ADMINISTRATIVE AND GENERAL</b>		
Office Supplies and Expenses	141	399
Outside Services Employed	4,843	5,030
Employee Pensions and Benefits	41,621	43,784
Net Wisconsin Retirement System Pension Expense (Revenue)	(27,014)	4,469
Miscellaneous General Expenses	8,395	7,100
Rents	-	9,000
Total Administrative and General	27,986	69,782
Total Operation and Maintenance Expense	\$ 515,780	\$ 523,009

**SINGLE AUDIT SECTION**

**CITY OF AMERY, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2021**

Federal Grantor/ Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>U.S. Department of Housing and Urban Development</u>					
Community Development Block Grant	14.228	WI DOA	CDBG PF 19-26	\$ -	\$ 1,000,000
Total U.S. Department of Housing and Urban Development				-	1,000,000
<u>U.S. Department of the Treasury</u>					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Direct	N/A	-	147,164
Total U.S. Department of Treasury				-	147,164
Total Expenditures of Federal Awards				\$ -	\$ 1,147,164

See accompanying Notes to Schedule of Expenditures of Federal Awards.

**CITY OF AMERY, WISCONSIN  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
DECEMBER 31, 2021**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Amery under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Amery, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of Amery.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3 INDIRECT COST RATE**

The City of Amery has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

City Council  
City of Amery  
Amery, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of City of Amery, Wisconsin (City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 14, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as items 2021-001, 2021-002, and 2021-003 that we consider to be material weaknesses.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Eau Claire, Wisconsin  
December 14, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE**

City Council  
City of Amery  
Amery, Wisconsin

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Amery's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City of Amery's major federal programs for the year ended December 31, 2021. The City of Amery's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Amery complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Amery and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Amery's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Amery's federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Amery's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Amery's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 City of Amery's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Amery's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Amery's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Eau Claire, Wisconsin  
December 14, 2022

**CITY OF AMERY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2021**

**Section I – Summary of Auditors’ Results**

**Financial Statements**

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified?     X     Yes          No
  - Significant deficiency(ies) identified?          Yes     X     None reported
3. Noncompliance material to basic financial statements noted?          Yes     X     No

**Federal Awards**

1. Internal control over compliance:
- Material weakness(es) identified?          Yes     X     No
  - Significant deficiency(ies) identified?          Yes     X     None reported
2. Type of auditor’s report issued on compliance for major programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?          Yes     X     No

**Identification of major federal programs:**

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
14.228	Community Development Block Grant

Dollar threshold used to determine between type A and type B programs:     \$ 750,000    

Auditee qualified as low-risk auditee?          Yes     X     No

**CITY OF AMERY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section II – Findings Related to the Financial Statements***

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**Finding: 2021-001    Limited Segregation of Duties**

**Type of Finding:**    Material Weakness in Internal Control Over Financial Reporting

**Condition:**         The auditors noted during the audit that the available staff precludes a proper separation of duties to assure adequate internal control.

**Criteria:**            Generally, a system of internal control contemplates separation of duties such that no individual has responsibility to execute a transaction, have physical access to the related assets, and have responsibility or authority to record the transaction.

**Cause:**                The condition is due to limited staff available.

**Effect:**                Lack of segregation of duties could result in a financial statement misstatement, caused by error or fraud that would not be detected or prevented by City staff.

**Recommendation:** The City should continue to evaluate its staffing in order to segregate incompatible duties whenever possible.

**Views of Responsible Officials and Planned Corrective Actions:** The City will continue to work to achieve segregation of duties whenever cost effective. The City Administrator is the official responsible for ensuring corrective action of the deficiency.

**CITY OF AMERY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section II – Findings Related to the Financial Statements (Continued)***

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**Finding: 2021-002    Material Audit Adjustments**

**Type of Finding:**    Material Weakness in Internal Control Over Financial Reporting

**Condition:**            The audit firm proposed, and the City posted to its general ledger accounts journal entries for correcting certain misstatements.

**Criteria:**              The City should have controls in place to prevent or detect a material misstatement in the financial statements in a timely manner.

**Cause:**                 The City has not established controls to ensure that all accounts are adjusted to their appropriate year-end balances in accordance with GAAP.

**Effect:**                 The financial statements of the City may include inaccurate information not detected or prevented by City staff.

**Recommendation:**    The City should continue to evaluate its internal control processes to determine if additional internal control procedures should be implemented to ensure that accounts are adjusted to their appropriate year-end balances in accordance with GAAP.

**Views of Responsible Officials and Planned Corrective Actions:** The City will continue to rely upon the audit firm to propose audit adjustments necessary to adjust accounts in accordance with GAAP. Management will review and approve these entries prior to recording them. City Administrator is the official responsible for ensuring corrective action of the deficiency.

**CITY OF AMERY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section II – Findings Related to the Financial Statements (Continued)***

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**Finding: 2021-003    Annual Financial Reporting Under Generally Accepted Accounting Principles (GAAP)**

**Type of Finding:**    Material Weakness in Internal Control Over Financial Reporting

**Condition:**        The City does not have an internal control policy in place over annual financial reporting that would enable management to conclude its annual financial statements and related footnote disclosures are complete and presented in accordance with GAAP.

**Criteria:**         The City is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements included related disclosures, in conformity with U.S. Generally Accepted Accounting Principles (GAAP).

**Cause:**            The City relies on the audit firm to prepare the annual financial statements and related footnote disclosures. However, they have designated an individual with suitable skill, knowledge, or experience to oversee their preparation and have reviewed, approved, and accepted responsibility for the annual financial statements and the related footnote disclosures.

**Effect:**            The potential exists that a material misstatement of the annual financial statements could occur and not be prevented or detected by the City's internal controls.

**Recommendation:**    The City should continue to evaluate its internal staff and expertise to determine if an internal control policy over the annual financial reporting is beneficial.

**Views of Responsible Officials and Planned Corrective Actions:** The City will continue to rely upon the audit firm to prepare the annual financial statements and related footnote disclosures in accordance with GAAP. Management will review, approve, and accept responsibility for these financial statements and related footnote disclosures prior to issuance. The City Administrator is the official responsible for ensuring corrective action of the deficiency.

**CITY OF AMERY, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Program***

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Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



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