

FINANCIAL REPORT

OF THE

***VILLAGE OF WESTON,
WISCONSIN***



FOR THE YEAR ENDED DECEMBER 31, 2021

Prepared By:
WESTON FINANCE DEPARTMENT

VILLAGE OF WESTON

ANNUAL FINANCIAL REPORT December 31, 2021

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Independent Auditors' Report

To the Village Board
Village of Weston, Wisconsin

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Weston, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Village of Weston, Wisconsin, 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 Village of Weston, Wisconsin'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 generally accepted 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.

To the Village Board
Village of Weston, Wisconsin

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 generally accepted 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 Village of Weston, Wisconsin'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 Village of Weston, Wisconsin'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 management's discussion and analysis, the schedule of employer contributions and schedule of employer proportionate share of net pension liability (asset) – Wisconsin Retirement System, the schedule of employer contributions and schedule of employer proportionate share of net OPEB liability, and the budgetary comparison information for the general fund and major special revenue funds be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Village of Weston, Wisconsin's basic financial statements. The combining nonmajor fund financial statements and individual fund financial statements 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, except the budgetary amounts, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements and individual fund financial statements, except for the budgetary amounts, on which we express no opinion, are fairly stated, in all material respects, in relation to the basic financial statements, as a whole.

To the Village Board
Village of Weston, Wisconsin

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the TIF District Schedules and Schedule of Rates of Return, but does not include the basic financial statements and our auditor report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

KerberRose

KerberRose SC
Certified Public Accountants
Shawano, Wisconsin
June 29, 2022

Village of Weston Management's Discussion and Analysis

As management of the Village of Weston, we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village of Weston for the fiscal year ended December 31, 2021. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position, and (4) identify any changes in the Village's financial plan (approved budget).

We encourage readers to consider the information presented here and the Village's financial statements, which begin on page 21 of this report. A comparative analysis has been presented for 2020 and 2021.

THE FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village of Weston exceeded its liabilities and deferred inflows of resources as of the fiscal year ended December 31, 2021, by \$92,120,370 (reported as "*net position*"). Of this amount, \$32,076,770 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors. Net position from Governmental Activities was \$30,285,664, while the Business-Type Activities net position was \$61,834,706.
- The Village's total net position increased by \$8,112,156 during fiscal year 2021, resulting from governmental and business-type activities. There was an increase of \$7,507,503 net position from Governmental Activities, and an increase of \$604,653 in net position from Business-Type Activities.
- At the close of the current fiscal year, the Village of Weston's governmental funds reported combined fund balances of \$18,585,062, which was an increase of \$4,517,428 in comparison with the prior year. The unassigned fund balance was \$3,741,335. At the end of the year, management had classified \$9,913,159 of the total fund balance as committed or assigned for specific purposes and \$4,930,568 as restricted or nonspendable due to allocations of prepaid expenditures, advances, or constraints from external factors, such as grants or regulations defining specific use.
- The Village issued a \$8.1M General Obligation Bank Note to finance a portion of a new municipal center.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to the Village of Weston's basic financial statements. The Village's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.



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Village of Weston Management's Discussion and Analysis

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The *government-wide financial statements* are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all the Village's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The *statement of activities* presents information showing how the Village's net position changed during the fiscal year ended December 31, 2021. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). In the statement of net position and statement of activities, we divide the Village into these two categories:

Governmental Activities: Most of the Village's basic services are reported here. This includes Public Safety (police, fire, ambulance, emergency government, building inspections), Public Works (engineering, street lighting, garbage collection, street repair, snow and ice removal, traffic control), Parks, Recreation, and Education (parks, recreation programs, aquatic center, special events), Community Development (economic development, zoning, planning), Health and Human Services (pet licensing and county humane officer), and General Government (village board, administration, municipal court, risk management/insurance). These services are funded by various revenue sources, including property taxes, intergovernmental aids, licenses and permits, charges for services, and investment earnings.

Business-Type Activities: For these activities, the Village charges a fee to cover all or most of the costs of certain services it provides. The Village's Water, Sewer, and Stormwater Utilities are reported here.

The government-wide financial statements can be found on pages 21-23 of this report.

Village of Weston Management's Discussion and Analysis

GOVERNMENT-WIDE NET POSITION ANALYSIS – GOVERNMENTAL ACTIVITIES

Current and other assets increased \$7,846,993. Of that amount, \$4.8M is the increase in TIF #1 cash. The Village currently does not have any projects going on in TIF District #1 but anticipates a very large street project starting in 2022. Capital assets increased \$6,072,905 indicating the Village is investing at a more rapid rate than the assets are depreciating. The Village is in the process of building a new municipal center.

Deferred outflows are related to pension benefits, and post-retirement benefits.

Current and other liabilities increased \$825,846. Unearned revenue increased \$1,110,278 because of a grant the Village received and has not spent (ARPA). Non-current liabilities also increased by \$4.7M because the Village borrowed more than it paid off.

Deferred inflows are related to pension and post-retirement benefits and succeeding years property taxes.

The Village of Weston governmental activities assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$30,285,664 (net position) as of December 31, 2021. The components of net position consists of net investment of capital assets of \$17,162,629, \$1,821,611 restricted for debt, \$276,099 restricted for pensions, and an unrestricted amount of \$11,025,325 that can be used to support Village ongoing operations.

GOVERNMENT-WIDE NET POSITION ANALYSIS – BUSINESS-TYPE ACTIVITIES

Business-type activities current and other assets consist mainly of cash and accounts receivable. The decrease of \$2,216,780 reflects the spending of debt proceeds from last year. Capital assets increased \$1,619,585 showing a continued investment in utility infrastructure.

Deferred outflows are related to pension benefits, post-retirement benefits, and deferred losses on debt refunding.

Non-current liabilities decreased \$1,214,347; no debt was issued for the utilities in 2021.

The net position for Business-Type activities is \$61,834,706. Of the total amount \$45,361,438 or 73.4% is the utilities' net investment in capital assets. The utilities have \$281,192 restricted for debt, and \$132,998 restricted for pensions. The total unrestricted amount available to support utility operations is \$16,059,078.

Village of Weston Management's Discussion and Analysis

GOVERNMENT-WIDE NET POSITION SUMMARY

The following table shows the Village's current year net position compared to the prior year net position.

VILLAGE OF WESTON NET POSITION December 31, 2021 and 2020

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 40,378,360	\$ 32,531,367	\$ 20,765,649	\$ 22,982,429	\$ 61,144,009	\$ 55,513,796
Capital assets	42,175,885	36,102,980	52,976,265	51,356,680	95,152,150	87,459,660
Total assets	<u>82,554,245</u>	<u>68,634,347</u>	<u>73,741,914</u>	<u>74,339,109</u>	<u>156,296,159</u>	<u>142,973,456</u>
Total deferred outflow s of resources	<u>1,059,577</u>	<u>816,150</u>	<u>526,012</u>	<u>381,957</u>	<u>1,585,589</u>	<u>1,198,107</u>
Non-current liabilities	(34,560,882)	(29,788,190)	(9,782,792)	(10,997,139)	(44,343,674)	(40,785,329)
Current and other liabilities	(2,934,712)	(2,108,866)	(2,022,412)	(2,066,095)	(4,957,124)	(4,174,961)
Total liabilities	<u>(37,495,594)</u>	<u>(31,897,056)</u>	<u>(11,805,204)</u>	<u>(13,063,234)</u>	<u>(49,300,798)</u>	<u>(44,960,290)</u>
Total deferred inflow s of resources	<u>(15,832,564)</u>	<u>(14,775,280)</u>	<u>(628,016)</u>	<u>(427,779)</u>	<u>(16,460,580)</u>	<u>(15,203,059)</u>
Net position:						
Net investment in capital assets	17,162,629	17,798,156	45,361,438	45,773,929	57,137,317 *	63,572,085
Restricted	2,097,710	1,938,927	414,190	299,455	2,511,900	2,238,382
Unrestricted (deficit)	<u>11,025,325</u>	<u>3,041,078</u>	<u>16,059,078</u>	<u>15,156,669</u>	<u>32,471,153 *</u>	<u>18,197,747</u>
Total net position	<u>\$ 30,285,664</u>	<u>\$ 22,778,161</u>	<u>\$ 61,834,706</u>	<u>\$ 61,230,053</u>	<u>\$ 92,120,370</u>	<u>\$ 84,008,214</u>

* The net investment in capital assets and unrestricted net position do not crossfoot. See Note I - D.13 for an explanation.

Village of Weston Management's Discussion and Analysis

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES ANALYSIS – GOVERNMENTAL ACTIVITIES

Governmental activities for 2021 increased the Village's net position by \$7,507,503. Total revenues, excluding transfers, increased by \$3,219,340 for 2021. Total expenses decreased by \$1,132,962 for 2021.

Some of the significant changes in revenues and expenses were as follows:

Revenues:

- Property tax revenue had an overall increase in 2021 of \$698,704 (5.7%). Most of the property tax increase is related to the TIF district tax levies which increased by \$340,749 (5.5%) in 2021 due to growth and increased valuation of properties in TIFs. Debt service increased \$218,000 or 17.4%. There was no change in aquatic center or the capital improvements fund levy for 2021. The general-purpose tax levy of the Village increased by \$139,955 (2.9%) in 2021.
- Miscellaneous revenue increased \$2,249,018. This revenue is from TIF District #1, the fund received a refund on utility poles that were purchased for a project and later returned.
- Capital grants and contributions totaled \$747,188, an increase of \$215,589 (40.6%) from 2020. The increase is because transportation aids increased \$52,233. There was a capital contribution of \$146,004 as part of a developer utility project.
- Public accommodation taxes came in at \$421,218, an increase of \$133,235 because there were more hotel stays than during the pandemic.
- Investment earnings plummeted \$100,253 (-67.2%) to \$48,855 in 2021. The Village had several long-term investments called which resulted in those funds being reinvested at much lower rates.
- Operating grants and contribution decreased \$287,711, this is because in 2020 we received CARES grant monies and we did not receive any CARES funds in 2021.

Village of Weston Management's Discussion and Analysis

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES ANALYSIS – GOVERNMENTAL ACTIVITIES (cont.)

Expenses:

- General government expenses totaled \$1,364,885 in 2021, an increase of \$132,876 (10.8%) from 2020. The Village experienced a significant loss on disposal of a piece of property, \$289,032. General Village operation decreased from 2020 by \$100,319. There were less one-time expenditures and less election expenditures in 2020.
- Public safety expenses totaled \$3,138,247 in 2021, a decrease of \$713,724 (-18.5%) from 2020. The Village's share for police protection expenses (Everest Metro Police Department) increased by \$29,606 (1.0%). The increase was for wages/benefits as well as capital outlay. The Village's share for the SAFER fire district expenses was \$1,466,281, an increased by \$178,805 (13.8%). The increase covered wages/benefits and capital outlay. The Village's investment in joint ventures for both EMPD and SAFER increased in 2021 reducing the expenditures by \$1,483,301.
- The Village Board voted to pay off a receivable from SAFER over 5 years beginning in 2020. Prior to 2018, SAFER incurred expenses that the Village paid for. The Village set up a receivable from SAFER with the intention of SAFER paying the Village back with excess funds. SAFER did not have the excess funds to pay back so the municipalities agreed to pay their portion of the receivable off. This resulted in an increase to the public safety expense of \$479,620 (the Village's portion) in 2019. In 2020 the Village paid \$375,942, in 2021 the Village paid the balance of the \$103,678.
- Public works expenses totaled \$6,262,959 in 2021, a decrease of \$117,155 (-3.2%) from 2020. The decrease is due to depreciation expense being \$298,999 lower than last year. The Village is behind on their street maintenance program so streets in the Village are starting to fully depreciate without getting improved.
- Community development expenses totaled \$821,186, a decrease of \$267,800 (-24.6%) from 2020. In 2021 much of the expenditures in the TIF were for capital assets
- Interest and fiscal charges expense totaled \$691,401 for 2021, a decrease of \$206,090 (-23.0%) from 2020. In 2017-2020 the village was amortizing a loss on a debt refunding for \$117,126, 2021 is the last year of amortization and it was only \$44,901.

Village of Weston Management's Discussion and Analysis

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES ANALYSIS – GOVERNMENTAL ACTIVITIES (cont.)

The table below summarizes the Statement of Activities for 2021 and 2020.

VILLAGE OF WESTON CONDENSED STATEMENT OF ACTIVITIES For the Years Ended December 31, 2021 and 2020

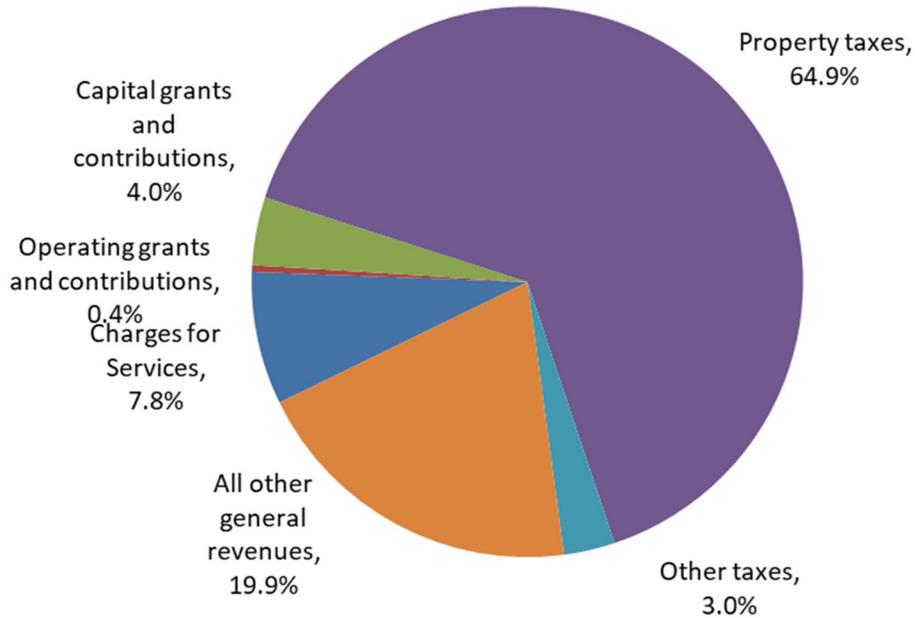
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 1,571,002	\$ 1,429,320	\$ 5,755,474	\$ 5,690,106	\$ 7,326,476	\$ 7,119,426
Operating grants and contributions	84,083	371,794	-	-	84,083	371,794
Capital grants and contributions	747,188	531,599	299,191	15,225	1,046,379	546,824
General revenues:						
Property taxes	13,057,059	12,358,355	-	-	13,057,059	12,358,355
Other taxes	602,807	466,822	-	-	602,807	466,822
Intergovernmental revenues not restricted to specific programs	1,525,456	1,359,130	-	-	1,525,456	1,359,130
Investment earnings	48,855	149,108	74,061	241,874	122,916	390,982
Other general revenues	2,467,974	218,956	21,575	1,797	2,489,549	220,753
Total Revenues	20,104,424	16,885,084	6,150,301	5,949,002	26,254,725	22,834,086
Expenses:						
General government	1,364,885	1,232,009	-	-	1,364,885	1,232,009
Public safety	3,138,247	3,851,971	-	-	3,138,247	3,851,971
Public works	6,262,959	6,380,114	-	-	6,262,959	6,380,114
Health and human services	10,822	11,517	-	-	10,822	11,517
Parks, recreation, and education	801,189	761,563	-	-	801,189	761,563
Community development	821,186	1,088,986	-	-	821,186	1,088,986
Interest and fiscal charges	691,401	897,491	-	-	691,401	897,491
Water utility	-	-	2,059,854	2,142,189	2,059,854	2,142,189
Sewer utility	-	-	2,320,647	2,394,009	2,320,647	2,394,009
Stormwater utility	-	-	671,379	692,182	671,379	692,182
Total Expenses	13,090,689	14,223,651	5,051,880	5,228,380	18,142,569	19,452,031
Increase (decrease) in net position before transfers	7,013,735	2,661,433	1,098,421	720,622	8,112,156	3,382,055
Transfers	493,768	496,778	(493,768)	(496,778)	-	-
Change in net position	7,507,503	3,158,211	604,653	223,844	8,112,156	3,382,055
Net position - January 1	22,778,161	19,619,950	61,230,053	61,006,209	84,008,214	80,626,159
Net position - December 31	<u>\$ 30,285,664</u>	<u>\$ 22,778,161</u>	<u>\$ 61,834,706</u>	<u>\$ 61,230,053</u>	<u>\$ 92,120,370</u>	<u>\$ 84,008,214</u>

**Village of Weston
Management's Discussion and Analysis**

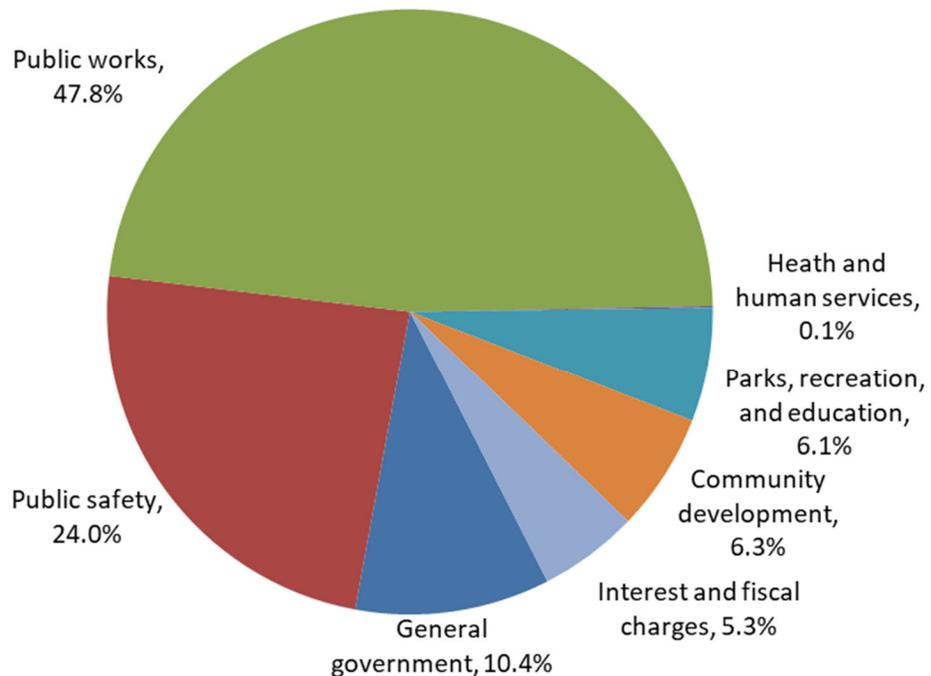
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES ANALYSIS – GOVERNMENTAL ACTIVITIES
(cont.)**

The following graphs provide a breakdown of all governmental activities revenues and expenses:

REVENUES - Governmental Activities



EXPENSES - Governmental Activities



Village of Weston Management's Discussion and Analysis

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES ANALYSIS - BUSINESS-TYPE ACTIVITIES

Business-type activities, which include the operations of the water, sewer, and stormwater utilities, provided an increase to the Village's net position of \$604,653. Charges for services were over expenses by \$703,594. Other 2021 funding sources for the utility funds were capital grants and contributions of \$299,191 along with investment earnings and other general revenues of \$95,636.

Charges for services increased by \$65,368 (1.1%). There were no significant customer additions and rates for the utilities stayed the same. Capital grants and contributions were higher in 2021 than 2020 because there were some developer projects in 2021. Investment earnings dropped \$167,813 (-69.3%) because high-rate investments were called, and regular money market interest rates dropped. Some of the significant changes in revenues were as follows:

- Water Utility operating revenues totaled \$2,673,217 for 2021, which was an increase of \$14,921 from 2020. Investment earnings decreased by \$79,398 (-76.1%) from 2020 which reflects a large drop-in interest rates and the high-rate investments being called and reinvested at a lower rate.
- Sewer Utility operating revenues totaled \$2,411,997 for 2021, which was an increase of \$48,173 (2.0%) from 2020. The increase reflects additional users to the system in 2021. Interest earnings decreased by \$85,289 from 2020 (-64.3%).
- Stormwater Utility operating revenues totaled \$670,260 for 2021, which was an increase of \$2,274 (0.3%) from 2020. Interest earnings on investments decreased by \$3,126 (-63.1%).

Operating expenses, excluding depreciation, totaled \$2,816,184, which was a decrease of \$205,100 (6.8%) from 2020. Depreciation expense increased by \$34,554 to \$1,782,460. Some of the significant changes in expenses were as follows:

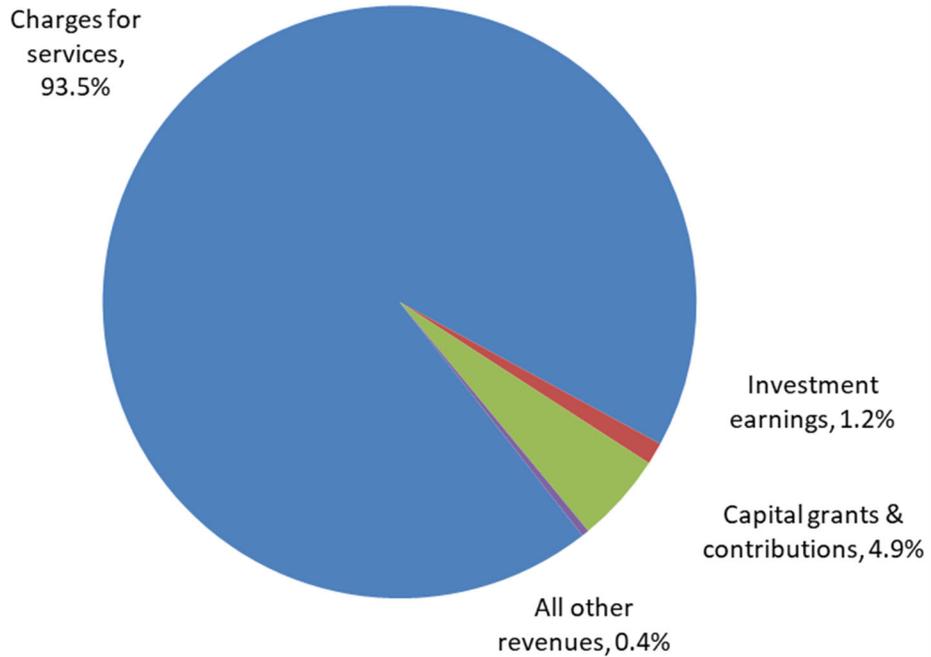
- Water Utility operations expense, excluding depreciation, decreased in 2021 by \$110,135. The Utility did some well maintenance work in 2020 including one that forced its largest customer to purchase water from a different utility, none of that was done in 2021. The utility also had a water master plan study done in 2020 and nothing in 2021. The utility is in the process of planning for 2 new wells to be put online spring of 2023.
- Sewer Utility operating expenses, excluding depreciation, decreased by \$71,988 (-4.9%). Most of the decrease in operating expenses for the Sewer Utility was due to the decrease in fees from the Rib Mountain Sewerage District (\$24,592). The Rib Mountain Sewerage District began charging a debt service charge to cover their facility upgrades in 2019; the total 2021 nonoperating expense for this was \$95,944.
- Stormwater Utility operating expenses, excluding depreciation, decreased by \$22,977 (-8.6%). The decrease occurred due to a TMDL study that was completed in 2020.

**Village of Weston
Management's Discussion and Analysis**

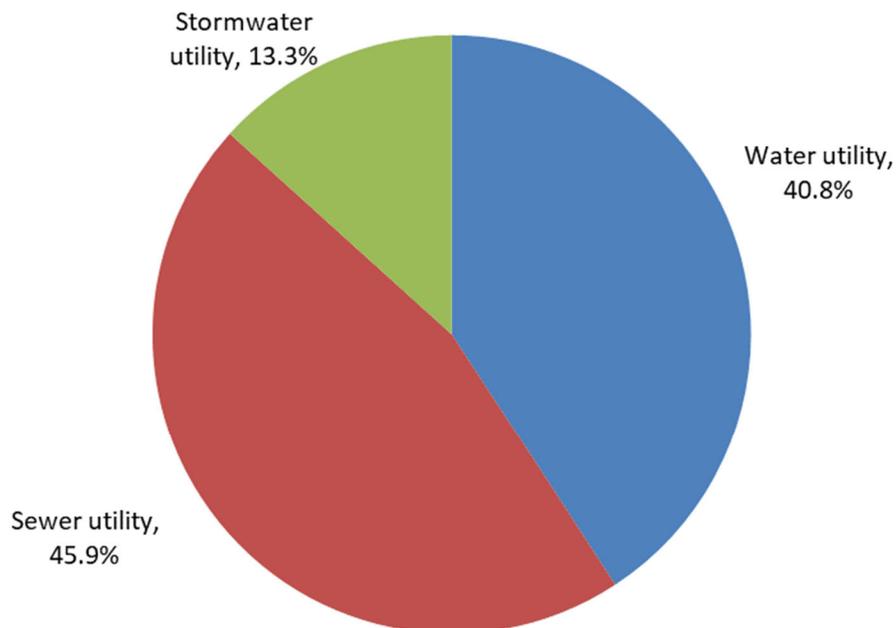
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES ANALYSIS - BUSINESS-TYPE ACTIVITIES
(cont.)**

The following graphs provide a breakdown of all business-type activities revenues and expenses:

REVENUES - Business-type Activities



EXPENSES - Business-type Activities



Village of Weston Management's Discussion and Analysis

FUND FINANCIAL STATEMENTS

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Village of Weston maintains fourteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund, the Special Revenue Fund-TIF District #1, the Special Revenue Fund-Community Development Authority/TIF District #1, and Capital Projects Fund-Capital Improvements, all of which are considered to be major funds. Data from the other nine governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements and individual fund statements in the supplementary information area of this report.

The Village adopts an annual appropriated budget for its General, Special Revenue, Capital Projects, and Debt Service Funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the Village's adopted and final revised budget and can be found on pages 94-98 of this report. Budgetary comparisons for the Special Revenue, Debt Service and Capital Projects Funds can be found on pages 99-100, 101-102, 103, and 110-118 of this report.

Village of Weston Management's Discussion and Analysis

INDIVIDUAL FUND FINANCIAL ANALYSIS

Governmental Funds (cont.)

The Village of Weston ended 2021 with a fund balance of \$18,585,062 in its governmental funds, compared to \$14,067,634 as of December 31, 2020. This is an increase of \$4,517,428. Of the 2021 fund balance, \$217,142 was nonspendable, \$4,713,426 was restricted, \$9,886,281 was committed, \$26,878 was assigned, and \$3,741,335 was unassigned.

General Fund (major fund)

The General Fund is the primary operating fund of the Village and supports the majority of the day-to-day services provided by the Village. The Village's General Fund realized a fund balance increase of \$407,766 from 2021 operations. Fund balance at year-end totaled \$3,966,209, of which \$198,374 is nonspendable, \$26,500 is assigned, and \$3,741,335 is unassigned. Of the \$198,374 nonspendable, \$101,797 is due from SAFER district; the balance is prepaids.

General Fund Budgetary Analysis

The Village's 2021 General Fund revenues exceeded budget and the expenditures were under budget. The total General Fund balance increase was \$407,766.

- General Fund revenue was over budget by \$145,870 (1.8%). Taxes experienced a positive variance of \$35,522 with mobile home taxes and Rothschild utility tax coming in higher than anticipated.
- Charges for Services came in \$72,277 higher than budgeted due to Village of Kronenwetter inspections services and more billings to the Town of Weston for services.
- Insurance recoveries were \$24,580 higher than budget; this revenue is offset by repair expenditures for damaged equipment and property.
- Miscellaneous general revenues were \$31,489 over budget due to insurance premium refunds and miscellaneous sale of materials.
- General Fund expenditures had a positive budget variance of \$321,896 (4.0%) under budget.
- General Government had a large positive variance of \$108,567. The Village experienced some clerical savings when more time was spent on utilities, there also was some savings from a software purchase that was budgeted in 2021, but purchased in 2020
- Public Safety expenditures were slightly under budget by \$7,205.
- Public Works experienced another easy winter, as a result there was no large purchase of salt in 2021. There was a surplus of 185,160 for winter maintenance.
- Parks, Recreation, and Education came under budget by \$26,542.
- The Village transferred out \$12,362 less to the recycling fund than anticipated.

General Fund statements highlighting budget versus actual variances can be found on pages 94-98.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. In 2021, the Village of Weston used special revenue funds to account for:

Refuse/Recycling
Grants
TIF District #1 (major fund)
TIF District #2
Aquatic Center
Room Taxes
Civic and Social
Park and Recreation
Community Development Authority (CDA) – TIF District #1 (major fund)

Community Development Authority (CDA) – TIF District #2
Village of Weston
Management’s Discussion and Analysis

INDIVIDUAL FUND FINANCIAL ANALYSIS

Governmental Funds (cont.)

Special Revenue Funds (cont.)

Two of the Village’s Special Revenue funds are large enough to be major funds:

Special Revenue Fund – TIF District # 1(major fund)

This fund accounts for the receipt of district “incremental” property taxes and other revenues and the corresponding program expenditures for TIF District #1. There was a net increase in fund balance during the year of \$4,961,510, which resulted in a fund balance at year-end of \$8,744,164. The increase in fund balance was because the TIF returned some utility poles originally purchased for a project, and then were returned (\$2,345,294). The TIF is also collecting a large increment in anticipation of spending it on a large street project in the future.

Special Revenue Fund – Community Development Authority (CDA) - TIF District #1 (major fund)

This fund accounts for the receipt of CDA Lease Revenue Bond proceeds issued by the CDA on behalf of the Village of Weston. Corresponding program expenditures and bond issuance costs are also recorded in this fund. The debt paid in 2021 was \$1,539,673.

Detail for the special revenue funds can be seen on pages 99-100 and 110-117.

Debt Service Fund (major fund)

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The net increase in fund balance during the year was \$69,467; the increase is because at the time the levy was calculated in 2020, the 2021 principal and interest payment were unknown for the new debt. The total fund balance at year-end was \$336,492. The full fund balance in the Debt Service Fund is classified as restricted because it must be used to pay debt.

Detail for the debt service fund can be seen on pages 101-102.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment (other than those financed by proprietary funds). In 2021, the Village of Weston used capital projects funds to account for:

- Capital Projects - Capital Improvements (major fund)
- Capital Projects - TIF District #1

Capital Projects - Capital Improvements (major fund)

This fund accounts for the receipts and disbursements of capital related items for the Village. The expense in the capital projects fund was \$9,723,670. Of that \$6,372,579 is attributed to the new municipal center, \$1,100,388 was for the land for the new municipal center, and \$1,556,913 for public safety building renovations.

Detail for the capital project funds can be seen on pages 103 and 118.

Village of Weston Management's Discussion and Analysis

INDIVIDUAL FUND FINANCIAL ANALYSIS

Proprietary Funds

The Village uses two types of Proprietary funds, Enterprise Funds and Internal Service Funds. The Village uses enterprise funds to account for the Water, Sewer, and Stormwater Utilities. The Internal Service Fund keeps track of the activity for our self-funded dental insurance program. The information in the government-wide financial statements is the same as what is presented in the enterprise funds.

The proprietary fund statements provide separate information for each utility. At the end of 2021 the Water utility had a net position of \$25,230,008, Sewer Utility \$26,768,190, and Stormwater Utility \$9,836,508. The majority of the net position for the Utilities is tied up in capital assets. Unrestricted net position for the utilities is Water \$7,008,549, Sewer \$8,787,456, and Stormwater \$263,073.

The Internal Service Fund – Fringe Benefits/Dental ended the year with a fund balance of \$138,258.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for governmental funds.

Custodial Funds

Custodial funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. In 2021, the Village of Weston used custodial funds to account for:

Tax Collections

The basic fiduciary fund financial statements can be found on page 35-36 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37-89 of this report.

SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Information on the Net Pension Asset can be found on pages 90-91 and information on the Net OPEB Liability can be found on pages 92-93. Pages 94-103 contain statements for the major funds. Combining and individual non-major fund statements and schedules can be found on pages 104-118 of this report.

OTHER INFORMATION

The financial report also includes a section with other information which includes the TIF District Project-Length Schedules for TIF #1 and TIF #2 on page 119 and the Schedule of Rates of Return for the enterprise funds on page 120.

Village of Weston Management's Discussion and Analysis

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021, the Village of Weston had an investment in capital assets of \$95,152,150, net of accumulated depreciation, for all governmental and business-type activities of the Village. This is a \$7,692,490 increase (8.8%) from the end of 2020 indicating the Village is investing at a greater rate than the assets are being depreciated.

The Village borrowed \$8.1M to fund a part of the new municipal building.

In 2021 there was \$10,466,940 in new capital expenditures. Of that, \$8,099,096 was spend on projects that are not completed yet and listed as construction in progress. The Village added \$2,471,041 in infrastructure, this was all replacement of old infrastructure. The balance was for miscellaneous smaller items. Capital asset removals for 2021 were \$2,309,524.

There were also additions in the Village's business-type activities. The Water Utility asset additions totaled \$822,167. It had a couple large projects that completed in 2020 including Weston School Neighborhood project that added \$458,665 worth of assets and the Callon Street project that added \$242,666. The Water utility added \$1,411,928 in WIP for projects that will not be completed until 2022.

The Sewer Utility added \$373,681 in capital assets in 2021. The Weston School Neighborhood Street project added \$241,026 in assets and Callon Street project added \$82,873. Construction in progress increased \$1,116,089 and had \$241,026 in removals.

The Stormwater Utility had \$422,418 in capital asset additions this year. The Weston School Neighborhood Street project added \$413,792 in assets. There was an addition of \$574,300 for construction in progress for a project that will be complete in 2022.

The following table provides a summary of the Village's change in capital assets.

VILLAGE OF WESTON CAPITAL ASSETS December 31, 2021 and 2020

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land/right-of-ways	\$ 7,033,523	\$ 6,591,946	\$ 623,352	\$ 623,352	\$ 7,656,875	\$ 7,215,298
Wells and springs	-	-	597,507	597,507	597,507	597,507
Buildings	8,445,764	6,910,471	3,552,281	3,552,281	11,998,045	10,462,752
Improvements	6,647,466	6,360,978	75,371,298	73,851,806	82,018,764	80,212,784
Equipment	6,071,122	5,871,615	3,196,493	3,167,609	9,267,615	9,039,224
Infrastructure	82,736,091	81,814,284	-	-	82,736,091	81,814,284
Construction in progress	8,410,254	3,637,510	3,374,069	1,586,208	11,784,323	5,223,718
Total capital assets	119,344,220	111,186,804	86,715,000	83,378,763	206,059,220	194,565,567
Less accumulated depreciation	(77,168,335)	(75,083,824)	(33,738,735)	(32,022,083)	(110,907,070)	(107,105,907)
Capital assets, net of depreciation	\$ 42,175,885	\$36,102,980	\$ 52,976,265	\$51,356,680	\$ 95,152,150	\$ 87,459,660

More detail regarding the Village's capital assets can be found in Note IV (D) on pages 61-63 of this report.

Village of Weston Management's Discussion and Analysis

CAPITAL ASSETS AND DEBT ADMINISTRATION

Outstanding Debt

The Village's outstanding general obligation debt (backed by the full faith and credit of Village taxpayers) as of December 31, 2021, totaled \$21,345,000. In addition, the Village had revenue debt outstanding (backed by revenues generated from the Weston Water, Sewer, and Stormwater Utilities) of \$7,465,000. The Weston Community Development Authority had revenue debt outstanding (backed by revenues generated from future property tax increments in TIF Districts #1 and #2) of \$15,250,000. The Capital lease was paid off in 2021. Therefore, the total outstanding debt of the Village as of December 31, 2021, totaled \$44,060,000.

Wisconsin state statutes limit the amount of general obligation debt a governmental entity may issue to 5.0% of its total equalized valuation. Based upon the Village's 2021 equalized value of \$1,402,109,500, the Village's statutory debt limit totaled \$70,105,475. The Village was at 30.4% of its legal debt limit as of December 31, 2021.

In 2021, the Village issued \$8.1M in general obligation bank notes to finance a portion of the new municipal center.

The following table provides a summary of all outstanding debt and lease obligations:

VILLAGE OF WESTON OUTSTANDING DEBT December 31, 2021 and 2020

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds & notes	\$ 18,295,921	\$ 11,487,790	\$ 3,049,079	\$ 3,379,927	\$ 21,345,000	\$ 14,867,717
CDA lease revenue bonds	15,250,000	16,535,000	-	-	15,250,000	16,535,000
Water utility revenue bonds	-	-	6,160,000	6,490,000	6,160,000	6,490,000
Sewer utility revenue bonds	-	-	-	360,000	-	360,000
Stormwater utility revenue bonds	-	-	1,305,000	1,505,000	1,305,000	1,505,000
Capital leases	-	139,630	-	-	-	139,630
Total	\$ 33,545,921	\$ 28,162,420	\$ 10,514,079	\$ 11,734,927	\$ 44,060,000	\$ 39,897,347

More detail regarding the Village's outstanding debt can be found in Note IV (F), Note IV (G), and Note IV (H) on pages 66-71 of this report.

Village of Weston Management's Discussion and Analysis

ECONOMIC FACTORS, 2021 TAX RATES, AND THE 2022 BUDGET

The Village continues to be constricted with levy limits and the ongoing decline in state aid to municipalities. The Village's 2022 budget increased its total operating tax levy (excluding TIF Districts) by 4.11%. The Village's total assessed value increased \$4,063,600 for a 2021 assessed value of \$1,169,882,900. The 2021 assessed tax rate was \$7.54 per \$1,000 of assessed valuation, a 4.0% increase from the 2020 assessed tax rate of \$7.25.

The Village adopts operating budgets for its governmental funds (General, Special Revenue, Debt Service, and Capital Projects), and enterprise funds (Water, Sewer, and Stormwater Utilities). The 2022 fiscal year combined operating budget includes \$37,181,618 in projected revenues and \$33,723,714 in projected expenditures and transfers. Fund balances from several governmental funds will be applied towards budgeted deficits rather than increasing property tax rates or user fees any further to balance the 2022 operating budget.

In 2020 The Village Board voted to sign a contract to start construction on a new municipal facility with an estimated cost of \$15M. Estimated completion date is Fall 2022.

REQUESTS FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the Village of Weston's finances for anyone who would have an interest. Additional information regarding the Village's finances or questions concerning any of the information found in this report should be addressed to the Village of Weston Finance Director, 5500 Schofield Avenue, Weston, WI 54476. Other information related to the Village can be accessed on the Village's website at www.westonwi.gov.

BASIC FINANCIAL STATEMENTS

VILLAGE OF WESTON

STATEMENT OF NET POSITION

December 31, 2021

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash and investments	\$ 22,778,929	\$ 17,483,795	\$ 40,262,724
Receivables (net of allowance for uncollectibles):			
Taxes	10,236,595	9,844	10,246,439
Accounts	-	1,229,157	1,229,157
Intergovernmental receivables	153,559	11,734	165,293
Municipal court	360,222	-	360,222
Special assessments	84,241	424,304	508,545
Accrued interest	10,667	12,825	23,492
Franchise fees	41,084	-	41,084
Room taxes	113,779	-	113,779
Other	13,312	184,769	198,081
Total Receivables	<u>11,013,459</u>	<u>1,872,633</u>	<u>12,886,092</u>
Internal balances	482,570	(482,570)	-
Inventories	5,554	108,829	114,383
Prepaid items	110,089	4,218	114,307
Insurance Deposit	65,333	-	65,333
Net pension assets	586,108	282,328	868,436
Restricted assets:			
Cash and investments	1,961,722	1,496,416	3,458,138
Investment in joint venture - EMPD	1,418,731	-	1,418,731
Investment in joint venture - SAFER	1,955,865	-	1,955,865
Capital assets:			
Intangible plant - organizational costs	-	319	319
Land and right-of-ways	7,033,523	623,033	7,656,556
Construction in progress	8,410,254	3,374,069	11,784,323
Depreciable capital assets, net	26,732,108	48,978,844	75,710,952
TOTAL ASSETS	<u>82,554,245</u>	<u>73,741,914</u>	<u>156,296,159</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	868,311	418,268	1,286,579
Pension contributions for subsequent year	104,765	50,466	155,231
Deferred outflows related to other postemployment benefit plan	85,855	41,358	127,213
Other postemployment benefit contributions for subsequent year	646	311	957
Deferred charge on refunding	-	15,609	15,609
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,059,577</u>	<u>526,012</u>	<u>1,585,589</u>
LIABILITIES			
Accounts payable	1,185,895	689,735	1,875,630
Other accrued liabilities	373,766	14,395	388,161
Special deposits	71,500	4,962	76,462
Accrued interest payable	83,401	29,374	112,775
General obligation debt - current	-	693,554	693,554
Intergovernmental payables	4,926	-	4,926
Unearned revenue	1,112,128	-	1,112,128
Liabilities payable from restricted assets:			
Current maturities of revenue debt	-	550,231	550,231
Accrued interest	103,096	40,161	143,257
Non-current liabilities:			
Net other postemployment benefit liability due in more than one year	171,024	82,383	253,407
Due within one year	2,243,316	-	2,243,316
Due in more than one year	32,146,542	9,700,409	41,846,951
TOTAL LIABILITIES	<u>37,495,594</u>	<u>11,805,204</u>	<u>49,300,798</u>
DEFERRED INFLOWS OF RESOURCES			
Succeeding year's property taxes	14,528,814	-	14,528,814
Pension related deferred inflows	1,283,085	618,064	1,901,149
Other postemployment benefit plan related deferred inflows	20,665	9,952	30,617
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>15,832,564</u>	<u>628,016</u>	<u>16,460,580</u>
NET POSITION			
Net investment in capital assets	17,162,629	45,361,438	57,531,700 *
Restricted for:			
Debt service	1,821,611	281,192	2,102,803
Pensions	276,099	132,998	409,097
Unrestricted	11,025,325	16,059,078	32,076,770 *
TOTAL NET POSITION	<u>\$ 30,285,664</u>	<u>\$ 61,834,706</u>	<u>\$ 92,120,370</u>

* The net investment in capital assets and unrestricted net position do not crossfoot. See Note I - D.13 for an explanation. See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 1,364,885	\$ 219,005	\$ -	\$ -
Public safety	3,138,247	255,166	-	-
Public works	6,262,959	917,485	79,452	747,188
Health and human services	10,822	-	-	-
Parks, recreation, and education	801,189	149,160	4,631	-
Community development	821,186	30,186	-	-
Interest and fiscal charges	691,401	-	-	-
Total Governmental Activities	13,090,689	1,571,002	84,083	747,188
Business-Type Activities				
Water utility	2,059,854	2,673,217	-	192,521
Sewer utility	2,320,647	2,411,997	-	98,043
Stormwater utility	671,379	670,260	-	8,627
Total Business-Type Activities	5,051,880	5,755,474	-	299,191
Total Primary Government	\$ 18,142,569	\$ 7,326,476	\$ 84,083	\$ 1,046,379

General Revenues

Taxes

- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Property taxes, levied for TIF purposes
- Property taxes, levied for aquatic center
- Property taxes, levied for capital improvements
- Public accommodation taxes
- Other taxes

Intergovernmental revenues not restricted to specific programs

Investment earnings

Material return

Miscellaneous

Gain on sale of capital assets

Transfers

Total General Revenues and Transfers

Change in net position

NET POSITION - January 1

NET POSITION - December 31

See accompanying notes to financial statements.

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (1,145,880)	\$ -	\$ (1,145,880)
(2,883,081)	-	(2,883,081)
(4,518,834)	-	(4,518,834)
(10,822)	-	(10,822)
(647,398)	-	(647,398)
(791,000)	-	(791,000)
(691,401)	-	(691,401)
<u>(10,688,416)</u>	<u>-</u>	<u>(10,688,416)</u>
-	805,884	805,884
-	189,393	189,393
-	7,508	7,508
<u>-</u>	<u>1,002,785</u>	<u>1,002,785</u>
<u>(10,688,416)</u>	<u>1,002,785</u>	<u>(9,685,631)</u>
4,977,301	-	4,977,301
1,468,000	-	1,468,000
6,478,432	-	6,478,432
40,000	-	40,000
93,326	-	93,326
421,218	-	421,218
181,589	-	181,589
1,525,456	-	1,525,456
48,855	74,061	122,916
2,345,294	-	2,345,294
112,165	21,563	133,728
10,515	12	10,527
493,768	(493,768)	-
<u>18,195,919</u>	<u>(398,132)</u>	<u>17,797,787</u>
7,507,503	604,653	8,112,156
<u>22,778,161</u>	<u>61,230,053</u>	<u>84,008,214</u>
<u>\$ 30,285,664</u>	<u>\$ 61,834,706</u>	<u>\$ 92,120,370</u>

VILLAGE OF WESTON

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2021

ASSETS	General	Debt Service	Special Revenue	
			TIF District #1	Comm. Dev. Authority - TIF District #1
Cash and investments	\$ 5,910,472	\$ 342,685	\$ 10,565,219	\$ 202
Receivables				
Taxes	2,890,191	1,479,969	4,519,512	-
Intergovernmental receivables	153,559	-	-	-
Municipal court	360,222	-	-	-
Special assessments	-	84,241	-	-
Accrued interest	983	-	413	9,271
Franchise fees	41,084	-	-	-
Room taxes	-	-	-	-
Other	12,658	-	-	-
Total Receivables	3,458,697	1,564,210	4,519,925	9,271
Due from other funds	484,390	-	-	-
Prepaid items/Inventories	96,577	-	298	-
Restricted cash and investments	-	-	-	1,710,464
Insurance Deposit	65,333	-	-	-
TOTAL ASSETS	\$ 10,015,469	\$ 1,906,895	\$ 15,085,442	\$ 1,719,937
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 80,195	\$ 4,904	\$ 11	\$ 1,640
Other accrued liabilities	368,196	-	4,700	-
Retainages payable	71,500	-	-	-
Intergovernmental payables	4,926	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	125	1,289	-	-
Total Liabilities	524,942	6,193	4,711	1,640
 DEFERRED INFLOWS OF RESOURCES				
Succeeding year's property taxes	5,191,252	1,479,969	6,336,567	-
Unavailable revenue-other	333,066	-	-	-
Unavailable revenue-special assessments	-	84,241	-	-
Total Deferred Inflows of Resources	5,524,318	1,564,210	6,336,567	-
 FUND BALANCES (DEFICIT)				
Nonspendable	198,374	-	-	-
Restricted	-	336,492	-	1,570,358
Committed	-	-	8,744,164	147,939
Assigned	26,500	-	-	-
Unassigned	3,741,335	-	-	-
Total Fund Balances (Deficit)	3,966,209	336,492	8,744,164	1,718,297
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 10,015,469	\$ 1,906,895	\$ 15,085,442	\$ 1,719,937

See accompanying notes to financial statements.

<u>Capital Projects</u>		
<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 3,636,624	\$ 2,183,352	\$ 22,638,554
93,326	1,253,597	10,236,595
-	-	153,559
-	-	360,222
-	-	84,241
-	-	10,667
-	-	41,084
-	113,779	113,779
-	654	13,312
<u>93,326</u>	<u>1,368,030</u>	<u>11,013,459</u>
-	-	484,390
14,735	4,033	115,643
-	251,258	1,961,722
-	-	65,333
<u>\$ 3,744,685</u>	<u>\$ 3,806,673</u>	<u>\$ 36,279,101</u>
\$ 937,357	\$ 159,671	\$ 1,183,778
-	870	373,766
-	-	71,500
-	-	4,926
-	1,820	1,820
-	1,110,714	1,112,128
<u>937,357</u>	<u>1,273,075</u>	<u>2,747,918</u>
93,326	1,427,700	14,528,814
-	-	333,066
-	-	84,241
<u>93,326</u>	<u>1,427,700</u>	<u>14,946,121</u>
14,735	4,033	217,142
2,555,323	251,253	4,713,426
143,944	850,234	9,886,281
-	378	26,878
-	-	3,741,335
<u>2,714,002</u>	<u>1,105,898</u>	<u>18,585,062</u>
<u>\$ 3,744,685</u>	<u>\$ 3,806,673</u>	<u>\$ 36,279,101</u>

VILLAGE OF WESTON

RECONCILIATION OF THE BALANCE SHEET TO TO THE STATEMENT OF NET POSITION For the Year Ended December 31, 2021

Fund balance - total governmental funds		\$ 18,585,062
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.		42,175,885
The investments in joint ventures are not a financial resource and, therefore, are not reported in the funds.		3,374,596
Some receivables that are 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. See Note IV (B).		417,307
Internal service funds are reported in the statement of net position as governmental funds.		138,258
The Village's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource; therefore, it is not reported in the fund financial statements:		
Net pension asset	586,108	
Deferred inflows of resources	(1,283,085)	
Deferred outflows of resources	973,076	276,099
The Village's proportionate share of other post employment benefit plans is not an available financial resource; therefore, it is not reported in the fund financial statements:		
Net other post employment benefit liability	(171,024)	
Deferred inflows of resources	(20,665)	
Deferred outflows of resources	86,501	(105,188)
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. See Note II (A).		(34,576,355)
NET POSITION OF GOVERNMENTAL ACTIVITIES		\$ 30,285,664

VILLAGE OF WESTON

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended December 31, 2021

	General	Debt Service	Special Revenue	
			TIF District #1	Comm. Dev. Authority - TIF District #1
REVENUES				
Taxes	\$ 5,158,962	\$ 1,468,000	\$ 5,911,973	\$ -
Intergovernmental	1,714,124	-	207,696	-
Licenses and permits	329,763	-	-	-
Fines and forfeitures	65,751	-	-	-
Special assessments	6,540	21,303	-	-
Charges for services	164,477	-	-	1,539,673
Contributions and donations	250	-	-	-
Investment earnings and miscellaneous	88,389	1,305	2,358,488	1,438
Total Revenues	<u>7,528,256</u>	<u>1,490,608</u>	<u>8,478,157</u>	<u>1,541,111</u>
EXPENDITURES				
Current				
General government	1,087,907	-	-	-
Public safety	4,059,463	-	-	-
Public works	1,881,344	-	-	-
Health and human services	10,822	-	-	-
Parks, recreation, and education	356,453	-	-	-
Community development	211,289	-	1,736,353	630
Capital improvements	-	-	-	-
Debt service				
Principal retirement	-	2,716,499	481,108	-
Interest and fiscal charges	-	647,846	18,903	2,252
Bond issuance costs	-	4,067	-	-
Total Expenditures	<u>7,607,278</u>	<u>3,368,412</u>	<u>2,236,364</u>	<u>2,882</u>
Excess (deficiency) of revenues over expenditures	<u>(79,022)</u>	<u>(1,877,804)</u>	<u>6,241,793</u>	<u>1,538,229</u>
OTHER FINANCING SOURCES (USES)				
Bonds/notes issued	-	-	-	-
Transfers in	482,570	1,947,271	-	1,444
Transfers out	(20,362)	-	(1,280,283)	(1,539,673)
Sale of village properties	-	-	-	-
Insurance recoveries	24,580	-	-	-
Total Other Financing Sources (Uses)	<u>486,788</u>	<u>1,947,271</u>	<u>(1,280,283)</u>	<u>(1,538,229)</u>
Net Change in Fund Balance	407,766	69,467	4,961,510	-
FUND BALANCES - Beginning	<u>3,558,443</u>	<u>267,025</u>	<u>3,782,654</u>	<u>1,718,297</u>
FUND BALANCES - Ending	<u>\$ 3,966,209</u>	<u>\$ 336,492</u>	<u>\$ 8,744,164</u>	<u>\$ 1,718,297</u>

<u>Capital Projects</u>		
<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 93,326	\$ 1,027,677	\$ 13,659,938
95,417	111,791	2,129,028
-	6,630	336,393
-	-	65,751
-	-	27,843
117,592	1,123,066	2,944,808
-	4,381	4,631
7,028	12,449	2,469,097
<u>313,363</u>	<u>2,285,994</u>	<u>21,637,489</u>
-	-	1,087,907
-	-	4,059,463
-	835,743	2,717,087
-	-	10,822
-	200,010	556,463
-	598,027	2,546,299
9,723,670	1,551,885	11,275,555
-	-	3,197,607
-	596	669,597
-	-	4,067
<u>9,723,670</u>	<u>3,186,261</u>	<u>26,124,867</u>
<u>(9,410,307)</u>	<u>(900,267)</u>	<u>(4,487,378)</u>
8,100,000	-	8,100,000
86,365	1,231,583	3,749,233
(74,966)	(340,181)	(3,255,465)
-	379,000	379,000
-	7,458	32,038
<u>8,111,399</u>	<u>1,277,860</u>	<u>9,004,806</u>
(1,298,908)	377,593	4,517,428
<u>4,012,910</u>	<u>728,305</u>	<u>14,067,634</u>
<u>\$ 2,714,002</u>	<u>\$ 1,105,898</u>	<u>\$ 18,585,062</u>

See accompanying notes to financial statements.

VILLAGE OF WESTON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2021

Net change in fund balances - total governmental funds	\$ 4,517,428
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	10,292,936
Capital contribution is reported in the government-wide statements	146,004
Depreciation is reported in the government-wide statements	(3,417,634)

Net effect of change in investment in joint venture - EMPD is to increase net position.	410,604
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Net effect of change in investment in joint venture - SAFER is to increase net position.	1,072,697
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Net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins) is to decrease net position.	(948,401)
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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 financial statements.	76,842
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Change in the net pension asset/liability and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share, and the difference between the expected and actual experience of the pension plan.	158,783
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Change in the net other post employment benefit asset/liability and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share, and the difference between the expected and actual experience of the pension plan.	(25,643)
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Debt and leases issued provide current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which issues (\$8,100,000) exceeded payment (\$2,716,499) for general obligation debt).	(5,383,501)
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Current year amortization expenditure of premiums, discounts, and loss of refunding is recorded in the government-wide financial statements, but is not recorded in the fund financial statements.	10,392
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Intergovernmental payable	103,678
Compensated absences	25,381
Advances from developers on TIF District letters of credit	481,108
Accrued interest on debt	(28,129)

Internal service funds are used by management to charge the cost of self-insurance to individual funds. The increase in net position of the internal service funds is reported with governmental activities.	14,958
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 7,507,503
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See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF NET POSITION - PROPRIETARY FUNDS
December 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
ASSETS					
CURRENT ASSETS					
Cash and investments	\$ 9,018,252	\$ 8,321,849	\$ 143,694	\$ 17,483,795	\$ 140,375
Taxes receivable	3,303	3,825	2,716	9,844	-
Accounts receivable	541,694	536,616	150,847	1,229,157	-
Accrued interest receivable	4,471	8,354	-	12,825	-
Other accounts receivable	130,758	54,011	-	184,769	-
Intergovernmental receivable	1,122	10,612	-	11,734	-
Inventories	108,829	-	-	108,829	-
Prepaid items	2,685	1,533	-	4,218	-
Restricted assets					
Revenue bond redemption account	259,917	-	61,436	321,353	-
Revenue bond construction account	-	461,320	-	461,320	-
Total Current Assets	<u>10,071,031</u>	<u>9,398,120</u>	<u>358,693</u>	<u>19,827,844</u>	<u>140,375</u>
NON-CURRENT ASSETS					
Restricted Assets					
Revenue bond reserve account	524,743	-	189,000	713,743	-
Net pension asset	160,834	98,046	23,448	282,328	-
Total restricted assets	<u>685,577</u>	<u>98,046</u>	<u>212,448</u>	<u>996,071</u>	<u>-</u>
Other Assets					
Special assessments receivable	58,561	365,743	-	424,304	-
Total other assets	<u>58,561</u>	<u>365,743</u>	<u>-</u>	<u>424,304</u>	<u>-</u>
Capital Assets					
Intangible plant - organizational costs	319	-	-	319	-
Land	568,259	-	54,774	623,033	-
Wells and springs	597,507	-	-	597,507	-
Buildings and system	1,036,949	2,515,332	-	3,552,281	-
Improvements other than buildings	27,881,690	29,483,628	18,005,980	75,371,298	-
Machinery and equipment	2,319,242	872,617	4,634	3,196,493	-
Construction in progress	1,621,030	1,178,739	574,300	3,374,069	-
Less accumulated depreciation	<u>(11,539,425)</u>	<u>(14,989,440)</u>	<u>(7,209,870)</u>	<u>(33,738,735)</u>	<u>-</u>
Total capital assets (net of accumulated depreciation)	<u>22,485,571</u>	<u>19,060,876</u>	<u>11,429,818</u>	<u>52,976,265</u>	<u>-</u>
Total Non-Current Assets	<u>23,229,709</u>	<u>19,524,665</u>	<u>11,642,266</u>	<u>54,396,640</u>	<u>-</u>
TOTAL ASSETS	<u>33,300,740</u>	<u>28,922,785</u>	<u>12,000,959</u>	<u>74,224,484</u>	<u>140,375</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pensions	238,275	145,255	34,738	418,268	-
Pension contributions for subsequent year	28,749	17,526	4,191	50,466	-
Deferred outflows related to OPEB	23,560	14,362	3,436	41,358	-
Other postemployment benefit contributions for subsequent year	177	108	26	311	-
Deferred charge on refunding	4,317	-	11,292	15,609	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 295,078</u>	<u>\$ 177,251</u>	<u>\$ 53,683</u>	<u>\$ 526,012</u>	<u>\$ -</u>

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	\$ 506,801	\$ 157,708	\$ 25,226	\$ 689,735	\$ 2,117
Other accrued liabilities	9,289	5,088	18	14,395	-
Customer deposits payable	-	4,962	-	4,962	-
Accrued interest payable	5,794	18,847	4,733	29,374	-
General obligation debt - current	57,152	550,020	86,382	693,554	-
Compensated absences - current	-	-	-	-	-
Due to other funds	467,579	14,991	-	482,570	-
Current liabilities payable from restricted assets					
Current maturities of revenue debt	340,231	-	210,000	550,231	-
Accrued interest payable	31,225	-	8,936	40,161	-
Total Current Liabilities	<u>1,418,071</u>	<u>751,616</u>	<u>335,295</u>	<u>2,504,982</u>	<u>2,117</u>
NON-CURRENT LIABILITIES					
General obligation debt, less current maturities	426,394	1,315,863	728,840	2,471,097	-
Revenue debt, less current maturities	6,098,991	-	1,095,000	7,193,991	-
Net OPEB liability	46,931	28,610	6,842	82,383	-
Compensated absences	17,660	17,661	-	35,321	-
Total Non-Current Liabilities	<u>6,589,976</u>	<u>1,362,134</u>	<u>1,830,682</u>	<u>9,782,792</u>	<u>-</u>
TOTAL LIABILITIES	<u>8,008,047</u>	<u>2,113,750</u>	<u>2,165,977</u>	<u>12,287,774</u>	<u>2,117</u>
DEFERRED INFLOWS OF RESOURCES					
Pension related deferred inflows	352,093	214,640	51,331	618,064	-
OPEB related deferred inflows	5,670	3,456	826	9,952	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>357,763</u>	<u>218,096</u>	<u>52,157</u>	<u>628,016</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	17,917,002	17,934,547	9,509,889	45,361,438	-
Restricted for debt service	228,692	-	52,500	281,192	-
Restricted for WRS Pension	75,765	46,187	11,046	132,998	-
Unrestricted (deficit)	7,008,549	8,787,456	263,073	16,059,078	138,258
TOTAL NET POSITION	<u>\$ 25,230,008</u>	<u>\$ 26,768,190</u>	<u>\$ 9,836,508</u>	<u>\$ 61,834,706</u>	<u>\$ 138,258</u>

See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS
For the Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
OPERATING REVENUES					
Charges for services	\$ 2,160,225	\$ 2,411,997	\$ 670,261	\$ 5,242,483	\$ 100,896
Public fire protection	479,610	-	-	479,610	-
Other operating revenue	33,381	-	-	33,381	-
Total Operating Revenues	<u>2,673,216</u>	<u>2,411,997</u>	<u>670,261</u>	<u>5,755,474</u>	<u>100,896</u>
OPERATING EXPENSES					
Utility operations	742,213	355,793	156,036	1,254,042	-
Administration	443,898	293,358	86,834	824,090	-
Rib Mountain Sewerage District - services	-	738,052	-	738,052	-
Depreciation	659,475	756,541	366,444	1,782,460	-
Health claims and other employee benefits	-	-	-	-	85,938
Total Operating Expenses	<u>1,845,586</u>	<u>2,143,744</u>	<u>609,314</u>	<u>4,598,644</u>	<u>85,938</u>
Operating Income (Loss)	<u>827,630</u>	<u>268,253</u>	<u>60,947</u>	<u>1,156,830</u>	<u>14,958</u>
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	48,273	58,686	1,829	108,788	-
Net increase in fair value of investments	(23,302)	(11,425)	-	(34,727)	-
Interest expense and fiscal charges	(212,940)	(77,290)	(60,101)	(350,331)	-
Amortization of premium	15,230	4,951	1,382	21,563	-
Amortization of bond discount	-	(392)	-	(392)	-
Amortization of loss on advance refunding	(1,328)	(3,277)	(1,964)	(6,569)	-
Debt service charge - Rib Mt. Sewerage Dist.	-	(95,944)	-	(95,944)	-
Other	-	12	-	12	-
Total Nonoperating Revenues (Expenses)	<u>(174,067)</u>	<u>(124,679)</u>	<u>(58,854)</u>	<u>(357,600)</u>	<u>-</u>
Income (Loss) Before Contributions and Transfers	653,563	143,574	2,093	799,230	14,958
Capital contributions	192,521	98,043	8,627	299,191	-
Transfer out - debt service	(4,767)	(4,767)	(1,664)	(11,198)	-
Transfers out - tax equivalent	(467,579)	(14,991)	-	(482,570)	-
Change in Net Position	373,738	221,859	9,056	604,653	14,958
NET POSITION - January 1	<u>24,856,270</u>	<u>26,546,331</u>	<u>9,827,452</u>	<u>61,230,053</u>	<u>123,300</u>
NET POSITION - December 31	<u>\$ 25,230,008</u>	<u>\$ 26,768,190</u>	<u>\$ 9,836,508</u>	<u>\$ 61,834,706</u>	<u>\$ 138,258</u>

VILLAGE OF WESTON

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS For the Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	\$ 2,462,155	\$ 2,334,440	\$ 679,429	\$ 5,476,024	\$ 100,896
Payments to suppliers for goods and services	(419,148)	(1,209,671)	(315,253)	(1,944,072)	(86,688)
Payments to employees	(566,951)	(342,345)	(93,046)	(1,002,342)	-
Net Cash Provided (Used) by Operating Activities	<u>1,476,056</u>	<u>782,424</u>	<u>271,130</u>	<u>2,529,610</u>	<u>14,208</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Paid to municipality for tax equivalent	(465,434)	(15,154)	-	(480,588)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(465,434)</u>	<u>(15,154)</u>	<u>-</u>	<u>(480,588)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Additions to capital assets	(1,403,897)	(1,181,041)	(608,014)	(3,192,952)	-
Special assessments received	28,561	19,574	-	48,135	-
Special assessments placed on tax roll	-	1,024	-	1,024	-
Principal paid	(386,510)	(534,338)	(300,000)	(1,220,848)	-
Interest paid on long-term debt	(198,672)	(70,461)	(57,670)	(326,803)	-
Debt service charge paid to Rib Mt. Sewerage Dist.	-	(95,944)	-	(95,944)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,960,518)</u>	<u>(1,861,186)</u>	<u>(965,684)</u>	<u>(4,787,388)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	(1,189,500)	(1,439,500)	-	(2,629,000)	-
Sale of investments	1,384,850	1,443,691	-	2,828,541	-
Income on investments	44,906	14,888	1,829	61,623	-
Net Cash Provided (Used) by Investing Activities	<u>240,256</u>	<u>19,079</u>	<u>1,829</u>	<u>261,164</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(709,640)	(1,074,837)	(692,725)	(2,477,202)	14,208
CASH AND CASH EQUIVALENTS - Beginning	<u>8,774,000</u>	<u>6,788,573</u>	<u>1,086,855</u>	<u>16,649,428</u>	<u>126,167</u>
CASH AND CASH EQUIVALENTS - Ending	<u>\$ 8,064,360</u>	<u>\$ 5,713,736</u>	<u>\$ 394,130</u>	<u>\$ 14,172,226</u>	<u>\$ 140,375</u>

VILLAGE OF WESTON

STATEMENT OF CASH FLOWS -
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 827,630	\$ 268,253	\$ 60,947	\$ 1,156,830	\$ 14,958
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation expense	659,475	756,541	366,444	1,782,460	-
Change in pension related assets, deferred outflows, and deferred inflows	(44,057)	(28,174)	(6,040)	(78,271)	-
Change in OPEB related assets, deferred outflows, and deferred inflows	7,365	5,383	813	13,561	-
Changes in assets and liabilities					
Taxes receivable	7,451	9,539	2,508	19,498	-
Accounts receivable	(219,079)	(89,051)	6,645	(301,485)	-
Intergovernmental receivables	567	1,943	15	2,525	-
Inventories	16,059	-	-	16,059	-
Prepaid items	(1,654)	(1,093)	-	(2,747)	-
Accounts payable	172,943	(84,888)	(158,523)	(70,468)	(750)
Retainages payable	(1,000)	-	-	(1,000)	-
Intergovernmental payables	-	(226)	-	(226)	-
Other accrued liabilities	2,543	190	(15)	2,718	-
Compensated absences	671	671	-	1,342	-
Meter allocation	51,909	(51,909)	-	-	-
Operating lease payment	(4,767)	(4,767)	(1,664)	(11,198)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 1,476,056</u>	<u>\$ 782,424</u>	<u>\$ 271,130</u>	<u>\$ 2,529,610</u>	<u>\$ 14,208</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS					
Cash and investments - statement of net position - proprietary funds	\$ 9,018,252	\$ 8,321,849	\$ 143,694	\$ 17,483,795	\$ 140,375
Restricted cash and investments - statement of net position - proprietary fund					
Revenue bond redemption account	259,917	-	61,436	321,353	-
Revenue bond construction account	-	461,320	-	461,320	-
Revenue bond reserve account	524,743	-	189,000	713,743	-
Total Cash and Investments	<u>9,802,912</u>	<u>8,783,169</u>	<u>394,130</u>	<u>18,980,211</u>	<u>140,375</u>
Less: Non-Cash Equivalents	<u>(1,738,552)</u>	<u>(3,069,433)</u>	<u>-</u>	<u>(4,807,985)</u>	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 8,064,360</u>	<u>\$ 5,713,736</u>	<u>\$ 394,130</u>	<u>\$ 14,172,226</u>	<u>\$ 140,375</u>

See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUND December 31, 2021

	<u>Custodial Fund</u> <u>Property</u> <u>Tax</u>
ASSETS	
Property taxes receivable	\$ 11,619,264
Mobile home taxes receivable	3,248
Restricted cash and investments	4,674,735
TOTAL ASSETS	<u>\$ 16,297,247</u>
LIABILITIES	
Due to other governments	\$ 16,297,247
NET POSITION	
TOTAL LIABILITIES AND NET POSITION	<u>\$ 16,297,247</u>

VILLAGE OF WESTON

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND For the Year Ended December 31, 2021

	<u>Custodial Fund</u> <u>Property</u> <u>Tax</u>
ADDITIONS	
Taxes and special charges collected	<u>\$ 6,224,513</u>
DEDUCTIONS	
Payments to other taxing districts	<u>6,224,513</u>
CHANGE IN NET POSITION	-
NET POSITION - Beginning	-
NET POSITION - Ending	<u>\$ -</u>

VILLAGE OF WESTON
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report includes all of the funds of the Village of Weston. The reporting entity for the Village consists 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 their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate units, are, in substance, part of the government's operations. If the Village had any discretely presented component units, they would be reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

The Village of Weston, Wisconsin, is a Village governed by an elected seven-member village board of trustees. As required by generally accepted accounting principles (GAAP), these financial statements reflect all significant operations under the control of its Village Board.

The Village is a member of the Everest Metro Public Safety. This is a joint venture with the City of Schofield and the Town of Weston. See Note V. (F.) for more information on the joint venture. The Village is also a member of the South Area Fire & Emergency Response District. This is a joint venture with the Town of Rib Mountain. See Note V. (F.) for more information on the joint venture.

Included in the reporting entity:

Blended Component Unit - Weston Community Development Authority

The Weston Community Development Authority (CDA) was created in 2002 by the Village to serve as a financing vehicle for certain community development projects. The CDA is a legally separate organization governed by a seven-member board that is appointed by the Village President and Board of Trustees of the Village of Weston. Although it is legally separate from the Village, the CDA is reported as if it were a part of the primary government, because its sole purpose is to oversee and participate, if necessary, in financing community development projects for the benefit of the Village and its citizens. Furthermore, the CDA is included as a component unit as the CDA has no ability to issue debt or otherwise carry out its activities without the participation and agreement of the Village or appropriation of funds by the Village Board. The CDA does review project plans for the Village's TIF districts. The CDA will review these project plans in determining blight elimination, slum clearance, urban renewal, and other community development programs. The operations of the CDA are included in the governmental activities of the government-wide financial statements as a separate special revenue fund for each Tax Incremental Financing (TIF) District. Separate financial statements are not published for the CDA which follows the same accounting policies as the Village of Weston.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

- a. Total assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or proprietary fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The Village reports the following major governmental funds:

General Fund – accounts for the Village’s primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – accounts for resources accumulated and payments made for principal and interest on long-term debt other than utility debt.

Special Revenue Fund – TIF District #1 – accounts for the receipts of district “incremental” property taxes and other revenues and corresponding program expenditures for TIF District #1.

Special Revenue Fund – Community Development Authority (CDA) – TIF District #1 – accounts for the receipts of CDA Lease Revenue Bond proceeds issued by the CDA on behalf of the Village of Weston and the transfer of these proceeds to the TIF District #1 – Capital Projects Fund. This fund also accounts for the lease payments received by the CDA from the Village. Corresponding program expenditures and bond issuance costs are recorded in this fund.

Capital Projects Fund – Capital Improvements – accounts for the receipts and disbursements of capital related items for the Village.

The Village reports the following major enterprise funds:

Water Utility – accounts for operations of the water system.

Sewer Utility – accounts for operations of the sewer system.

Stormwater Utility – accounts for operations of the stormwater system.

The Village reports the following non-major governmental funds:

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

Refuse/Recycling

TIF District #2

Aquatic Center

Grants

Civic and Social

Room Taxes

Park and Recreation

Community Development Authority (CDA) – TIF District #2

Capital Projects Funds – used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

TIF District #1

In addition, the Village reports the following fund types:

Internal Service Funds – used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Village, or to other governmental units, on a cost-reimbursement basis. The Village’s internal service fund is:

Fringe Benefits/Insurances – used to account for the accumulation and allocation of premium and claims costs associated with the Village’s self-insured dental insurance program and worker wellness program.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

Fiduciary Funds – Tax Collection – used to account for the assets held by the Village as an agent for other governmental units.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

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

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Deferred inflows arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source.

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

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

The Village reports deferred inflows on its governmental funds balance sheet. Deferred inflows arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. A liability arises when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflows or liability is removed from the balance sheet and revenue is recognized.

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

The water utility and sewer utility record an annual payment in lieu of taxes (PILOT) expense based on the value of its plant and the current assessment ratio and local and school portion of the mill rate. Municipal utilities are exempt from federal and state income taxes. Taxes include the employer's share of Social Security and Medicare, and PSC remainder assessment.

The proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, and stormwater funds are charges to customers for sales and services.

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

All Financial Statements

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS / INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

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

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

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

Additional restrictions may arise from local charters, ordinances, resolutions, and grant regulations. The Village believes it is in compliance with all restrictions.

The Village reports its cash and investments in accordance with GASB Statement No. 40, “*Deposit and Investment Risk Disclosures*”. This standard establishes and modifies disclosure requirements related to deposit risks (custodial credit and foreign currency risks) and investment risks (custodial credit, credit, concentration of credit, interest rate, and foreign currency risks). The Village attempts to manage its deposit and investment risks as follows:

- a. Custodial credit risk – all securities will be held by a third-party custodian.
- b. Credit risk – purchases of securities in the lower end of allowed rating categories within the statutory provisions would be limited.
- c. Concentration of credit risk – diversification among issuers and types of investments to avoid over-concentration in specific issuers or sectors is a stated goal of the policy.
- d. Interest rate risk – Village policy is to not directly invest in securities with maturities of greater than five years unless matched to a specific cash flow and disclosed to the Finance Committee.
- e. Foreign currency risk – Village policy is to not hold deposits and investments denominated in foreign currencies because the potential risk of loss arising from changes in exchange rates can be significant.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS / INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment earnings. Investment earnings on commingled investments of municipal accounting funds are allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. An investment in the LGIP is not a deposit with any bank and is neither insured or guaranteed by the Federal Deposit Insurance Corporation, the United States Government, or any state governmental agency of the fund. Participants in the LGIP have the right to withdraw their funds in total on one day’s notice. Investments in the LGIP are valued at amortized cost.

See Note IV.(A.) for further information.

2. Receivables

Property Taxes

Property taxes are levied in November on the assessed value as of the prior January 1. In addition to property taxes for the Village, taxes are collected for and remitted to the county government as well as the local school district and technical college district. Taxes billed in the current year for the succeeding year are reflected as receivables, deferred inflows, and intergovernmental payables on the statement of net position and balance sheet. Taxes that have been collected for other governmental units in the current year for the succeeding year are reflected as cash, receivables, and intergovernmental payables on the accompanying fiduciary fund statement of net position.

Property tax calendar – 2021 tax roll:

Lien date and levy date	November 2021
Tax bills mailed	December 14, 2021
Payment in full, or	January 31, 2022
- First installment due	January 31, 2022
- Second installment due to Marathon County	July 31, 2022
Personal property taxes due in full	January 31, 2022
Tax settlement with other governmental units:	
- First settlement	January 15, 2022
- Second settlement	February 20, 2022
- Final settlement	August 20, 2022
Tax deed sale by Marathon County:	
- 2021 delinquent real estate taxes	October 2024

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS / INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables (cont.)

Uncollectible Accounts

Accounts receivable have been shown net of any allowance for uncollectible accounts (\$0). Delinquent real estate taxes as of July 31 are paid in full by Marathon County, which assumes the collection thereof. No provision for uncollectible utility accounts receivable has been made for the water utility, sewer utility, and stormwater utility because they have the right by law to place delinquent bills on the tax roll.

Interfund Transactions

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

In the governmental fund financial statements, advances to other funds are offset equally by a fund balance classification as nonspendable, which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

3. Inventories and Prepaid Items

Inventories of the proprietary funds are stated at the lower of cost or market utilizing the average cost method and charged to construction or expense when used. Governmental fund type inventories are recorded as expenditures when consumed rather than when purchased, based on original cost using the FIFO method of accounting.

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. The excess of restricted assets over current liabilities payable from restricted assets will be used for retirement of related long-term debt or acquisition of capital assets. The remainder, if generated from earnings, is shown as restricted net position.

5. Capital Assets

Government-Wide Statements

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS / INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

5. Capital Assets (cont.)

Government-Wide Statements (cont.)

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

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

The range of estimated useful lives by type of asset is as follows:

Buildings	40 Years
Wells and Springs	34½ Years
Land Improvements	20 Years
Machinery and Equipment	3-20 Years
Utility System	2-50 Years
Infrastructure	20-40 Years

Fund Financial Statements

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

6. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village has three items that qualify for reporting in this category. The first item is the deferred charge on refunding reported in the government-wide and proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The second item is related to the Village's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants. The third is related to the Villages proportionate share of the Local Retiree Life Insurance Fund plan.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS / INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

6. Deferred Outflows / Inflows of Resources (cont.)

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Village has three items that qualify for reporting in this category in the government-wide statement of net position. The first item is property taxes, which will be recognized as an inflow of resources in the subsequent year for which it was levied. The second item is related to the Village's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining services lives of the pension plan participants. The third is related to the Villages proportionate share of the OPEB liability. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from these sources: special assessments and municipal court fines. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Additionally, the Village reports unearned revenue within its governmental funds balance sheet. The governmental funds report unearned revenue for revenues which are available and measurable, but not yet earned for grants and other revenues received in advance of meeting time requirements. These amounts are recognized as an inflow of resources in the period that the amounts become earned.

7. 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.

8. Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring, the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS / INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

9. Basis for Existing Rates – Proprietary Funds

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin on August 18, 2019, and the second step was placed into effect on January 16, 2020.

Sewer Utility

Current sanitary sewer/wastewater rates were approved by the Village Board on July 16, 2018.

Stormwater Utility

Current stormwater rates were approved by the Village Board on April 20, 2015.

10. Compensated Absences

Under terms of employment, employees earn paid time off (PTO) in varying amounts. Only benefits considered to be vested are disclosed in these statements.

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

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

11. Long-Term Obligations/Conduit Debt

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

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

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the straight-line method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year-end for premiums/discounts is shown as an increase or decrease in the liability section of the Statement of Net Position. The balance at year-end for gains/losses is shown as a deferred outflow/inflow as applicable.

The Village may approve the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the Village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. There were no IRB's outstanding at year end.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS / INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

12. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that mature or become due are recorded during the year as expenditures in the governmental funds. If they have not matured, no liability is recognized in the governmental fund statements. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end.

13. Equity Classifications

Government-Wide Statements

Government-wide and proprietary fund net position is divided into three components:

- a. The *net investment in capital assets* component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability or deferred inflow relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or deferred inflows or if the liability will be liquidated with the restricted assets reported.
- c. The *unrestricted* component of net position is the amount of the assets and deferred outflows, net of the liabilities and deferred inflows that are not included in the determination of net investment in capital assets or the restricted components of net position.

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

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

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Adjustment</u>	<u>Total</u>
Net investment in capital assets	\$17,162,629	\$45,361,438	\$(4,992,367)	\$57,531,700
Unrestricted	11,025,325	16,059,078	4,992,367	32,076,770

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS / INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

13. Equity Classifications (cont.)

Fund Financial Statements

The Village follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as described below.

- a. Nonspendable fund balance – amounts that are not in spendable form (such as inventory or prepaid items) or are legally or contractually required to be maintained intact.
- b. Restricted fund balance – amounts that are constrained for specific purposes by external parties (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- c. Committed fund balance – amounts that are constrained for specific purposes by a formal action (resolution) of the Village Board, using its highest level of decision-making authority. These committed funds cannot be used for any other purpose unless the Village Board takes the same highest level of action to remove or change the constraint.
- d. Assigned fund balance – amounts that a government intends to use for a specific purpose. The intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The governing body has delegated the authority to assign fund balance to management of the Village.
- e. Unassigned fund balance – amounts that are available for any purpose. These amounts are reported only in the general fund and have not been classified within the other above-mentioned classifications.

The Village has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. This spend-down policy follows GASB Statement No. 54 which indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

The Village has also adopted a formal financial policy regarding the fund balance in the general fund. The policy calls for an unassigned general fund balance equivalent of between two months to four months (16.67% - 33.33%) of the ensuing year's budgeted general fund expenditures.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds”. The detail of \$34,576,355 difference in liabilities is as follows:

General obligation bonds and notes payable	\$18,295,921
Revenue bonds payable	15,250,000
Compensated absences	137,710
Advances from developers on TIF District letters of credit	204,364
Accrued interest	186,497
Unamortized debt discounts and premiums	<u>501,863</u>
Net Adjustment to Reduce Fund Balance – Total Governmental Funds to Arrive at Net Position – Governmental Activities	<u>\$34,576,355</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

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

A budget has been adopted for the general fund, all special revenue funds, debt service fund, all capital project funds, all enterprise funds, and the internal service fund. Comparative schedules have been presented in supplementary information for all funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

The budgeted amounts presented include any amendments made.

The Village follows these procedures in establishing the budget versus actual budgetary data reflected in the financial statements:

- a. The Village Administrator submits to the Village Board a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted at the Weston Municipal Center to obtain taxpayer comments.
- c. Prior to December 31, the budget is legally adopted through passage of a village resolution.
- d. The budget as adopted includes total expenditures at the cost center level. A cost center can be a fund, major program, department, or other activity for which control of expenditures is considered desirable. Cost centers are defined as follows for the governmental fund types with annual budgets: General Fund at the function level, Special Revenue and Capital Projects Funds at the major program level, and Debt Service Fund at total fund level. Expenditures cannot legally exceed appropriations at this level without two-thirds Village Board approval to amend the budget. The Village did not have any supplemental appropriations during the year. Transfers of appropriations between cost center levels also require the approval of the Village Board. The Village Board did approve transfers of appropriations between cost centers in 2021.
- e. Formal budgetary integration is employed as a management control device during the year for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Funds, and the Enterprise Funds.

A comparison of Actual and Budget is included in the accompanying financial statements for all governmental fund types with a legally adopted annual budget. The budget presentations are at the cost center level (legal level of control for the annual budget).

- f. All budgets adopted conform to generally accepted accounting principles (GAAP), including the Enterprise Funds. Budget amounts are as originally adopted or as amended via the procedures explained above. Individual amendments were legally authorized as described.
- g. Budgets for all non-committed governmental funds lapse at year-end.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

The following expenditure cost centers had excess of actual expenditures over budget for the year ended December 31, 2021.

	<u>Excess Expenditures</u>
Special Revenue Funds	
Room Tax	109,958
Park and Rec	1,808
Capital Project Funds	
TIF District #1	362,985

The excess amounts that occurred in Special Revenue Fund – Room tax were covered by excess room tax revenues collected and excess amounts in Special Revenue – Park and Rec were covered by excess funds. Capital Project Funds – TIF District #1 was covered by a transfer from Special Revenue - TIF #1.

C. DEFICIT BALANCES

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

As of December 31, 2021, no individual funds held a deficit balance.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

D. LIMITATIONS ON THE VILLAGE’S TAX LEVY

As part of Wisconsin Act 32 (2011), legislation was passed that limits the Village’s future tax levies. Generally, the Village is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the percentage change in the Village’s equalized value due to net new construction for the 2015 levy collected in 2016 and thereafter. Debt service for debt authorized after July 1, 2005, is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005, and in certain other situations.

E. BOND COVENANT DISCLOSURE – WATER UTILITY AND STORMWATER UTILITY

Bond Covenant Disclosures

The following information is provided in compliance with the resolution creating the 2019 Series B, 2019 Series C, and 2020 Series A revenue bonds.

Insurance

The water and stormwater utilities are covered under the following insurance policies at December 31, 2021 (unaudited):

Type	Coverage	Expiration Date
<i>MPIC Insurance</i>		
Building, Personal Property & Property in the Open and Contractor’s Equipment	\$45,705,865	12/31/2021
<i>League of Wisconsin Municipalities Mutual Insurance</i>		
General Liability	\$4,000,000	12/31/2021
Automobile	4,000,000	12/31/2021

Refer to Note V. (C.) for additional insurance information.

Debt Coverage

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.25 times the highest annual debt service of the bonds. The coverage requirement was met as follows:

	Water Utility	Stormwater Utility
Operating revenues	\$2,673,216	\$670,261
Investment earnings	48,273	1,829
Less: Operations and maintenance expenses	(1,186,111)	(242,870)
Net Defined Earnings	<u>\$1,535,378</u>	<u>\$429,220</u>
Minimum Required Earnings per Resolution:		
Highest annual debt service	\$ 517,743	\$ 245,743
Coverage factor	<u>1.25</u>	<u>1.25</u>
Minimum Required Earnings	<u>\$ 647,179</u>	<u>\$ 307,179</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

E. BOND COVENANT DISCLOSURE – WATER UTILITY AND STORMWATER UTILITY (cont.)

Number of Customers

The utilities had the following number of customers and billed volumes for 2021 (unaudited).

	<u>Water Utility</u>		<u>Sewer Utility</u>		<u>Stormwater Utility</u>	
	Customers	Sales (000 gals)	Customers	Sales (000 gals)	Customers	ERU's
Residential	5,280	214,860	5,252	200,966	4,825	4,759
Commercial	431	103,562	410	91,364	503	7,329
Industrial	31	297,334	29	28,246	27	1,623
Public Authority	42	15,977	24	6,280	26	771
Other	176	64,604	0	0	5	148
Total	<u>5,960</u>	<u>696,337</u>	<u>5,715</u>	<u>326,856</u>	<u>5,386</u>	<u>14,630</u>

Utility Budget

The 2021 water and stormwater utility budgets were prepared and approved as required by the bond resolutions. The budget information is as follows:

	<u>Revenues/Sources</u>		<u>Expenses/Uses</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Water Utility	\$2,905,938	\$2,561,500	\$2,532,200	\$2,584,470
Stormwater Utility	682,099	662,800	673,043	648,762

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

	Carrying Value	Bank Balance	Associated Risks
Demand deposits	\$ 20,604,997	\$ 31,824,143	Custodial credit
Certificates of deposits	3,629,430	4,796,126	Custodial credit
Petty cash	1,815	-	N/A
Total cash	<u>\$24,236,242</u>	<u>\$36,620,269</u>	
Wisconsin Local Government Investment Pool (LGIP)	\$ 13,022,060		Credit
Wisconsin Investment Series Coop (WISC)	6,930,081		Credit, Interest rate
Negotiable certificates of deposits	1,248,810		Credit, Custodial credit, Interest rate, Concentration of credit
U.S. Government treasury securities	905,451		Custodial credit, Interest rate
U.S. Government agency securities	2,052,953		Credit, Custodial credit, Interest rate, Concentration of credit
Total investments	<u>24,159,355</u>		
Total cash and investments	<u>\$ 48,395,597</u>		
Reconciliation to financial statements:			
Per statement of net position			
Unrestricted cash and investments	\$40,262,724		
Restricted cash and investments	3,458,138		
Per statement of fiduciary net position			
Fiduciary Fund	4,674,735		
Total cash and investments	<u>\$48,395,597</u>		

Deposits in each local and area bank are insured by the FDIC (Federal Deposit Insurance Corporation), while credit unions are insured by the NCUA (National Credit Union Association), in the amount of \$250,000 for all demand accounts and \$250,000 for time and savings accounts for banks that have opted in.

Bank and credit union accounts are also insured by the State of Wisconsin Deposit Guarantee Fund in the amount of \$400,000 for each financial institution. However, although the fund had reserves available at December 31, 2021, the future availability of resources to cover any losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provide that the amount in the fund will be used to repay public depositors for losses until the appropriation is exhausted, at which time the fund will be abolished.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Some financial institutions acting as a depository for the Village are required to pledge collateral to secure all Village funds over and above amounts covered by the FDIC and the State Deposit Guarantee Fund. All securities serving as collateral are specifically pledged to the Village and placed in a custodial account at a Federal Reserve Bank, a trust department of a commercial bank, or through another financial institution. The type of collateral used must be satisfactory to the Village. The custodian may not be owned or controlled by the depository institution or its holding company unless it is a separately operated trust institution. Collateral for Village deposits is maintained at a level representing the assumed highest daily balance maintained by the Village. Fluctuating cash flows during the year due to tax collections, receipt of state aids, and/or proceeds from borrowing may have resulted in uninsured balances during the year significantly exceeding uninsured amounts at year-end.

Fair Value Measurements: The Village categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The Village has the following fair value measurements as of December 31, 2021:

Investment Type	Fair Value Measuring Using		
	Level 1	Level 2	Level 3
U.S. Agencies		\$ 2,052,953	
U.S. Treasuries		905,451	
Negotiable CD's		1,248,810	
External Investments		<u>6,930,081</u>	
Total		<u>\$11,137,295</u>	

Custodial Credit Risk - Deposits: For deposits, custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to the Village. The Village does have a deposit policy for custodial credit risk. This policy details eligibility for authorization to include banks or savings and loans that are a member of the FDIC or credit unions that are insured by the NCUA, and qualify as a depository of public funds in the State of Wisconsin. Broker/dealers who desire to become qualified for investment transactions must have a minimum capital requirement of \$10,000,000 and be in operation for at least the last five years. The broker/dealers must also qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule) to be a primary or regional dealer and provide proof of National Association of Securities Dealers ("NASD") certification.

As of December 31, 2021, \$8,264,528 of the Village's bank balances of \$12,206,358 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized demand deposits	\$5,382,198
Uninsured and uncollateralized certificates of deposit	<u>2,882,330</u>
	<u>\$8,264,528</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk - Investments: For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village does have a deposit policy for custodial credit risk as is outlined above. As of December 31, 2021, the Village does not have any investments exposed to custodial credit risk.

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The Village does not have a formal credit risk policy but follows state statutes.

As indicated in Note I. (D.1.), Wisconsin statutes require municipalities to invest in securities which have a rating that is the highest or second highest rating category assigned by Standard & Poor’s Corporation, Moody’s Investors Service, or other similar nationally recognized rating agency or if that security is senior to, or on a party with, a security of the same issuer which has such a rating. As of December 31, 2021, the Village’s investments were rated as follows:

The Village’s investments in U.S. Government agency securities issued by the Federal Home Loan Bank and Federal Farm Credit Bank are either rated Aaa by Moody’s Investors Service or considered “Agency” obligations of the U.S. Government. As of December 31, 2021, the Village also had investments in one U.S. Government treasury securities fund that was rated AAA and/or Aaa by Standard & Poor’s, Moody’s Investors Service, or Fitch Ratings. The Village also had investments in the following external pools that are not rated:

<u>Investment Type</u>
Wisconsin Local Government Investment Pool (LGIP)
Wisconsin Investment Series Cooperative (WISC)

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of the Village’s investment in a single issuer. The Village does not have a formal concentration of credit risk policy, but attempts to minimize their concentration of credit risk with their investment policy. The Village’s investment policy requires them to pre-qualify the financial institutions they work with and to diversify the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

At December 31, 2021, the following investment had concentrations of investments greater than 5%.

<u>Issuer</u>	<u>Investment Type</u>	<u>% of Portfolio</u>
Federal Home Loan Bank	U.S Government agency notes And mortgage-backed securities	6.29%

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village does not have a formal policy related to interest rate risk. The Village’s investment policy details that the investment and cash management portfolio be designed to attain a fair value rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. As of December 31, 2021, the Village’s investments were comprised of two portfolios, one managed internally and one managed via external investment advisors, as follows:

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (days)</u>	<u>Weighted Average Maturity (years)</u>
Internally managed portfolio:			
Wisconsin Investment Series	\$ 6,930,081	46-53	
U.S. Government agency notes	2,097,514		6.18
Negotiable certificates of deposit	1,248,810		0.62
Externally managed portfolios:			
U.S. Government treasury securities	905,451	32	
Total fair value	<u>\$11,181,856</u>		

To reduce the risk of loss due to interest rate changes, the Village’s investment policy requires investing in securities with varying maturities. To the extent possible, the Village attempts to match the maturity of investments with anticipated cash flow requirements.

Foreign Currency Risk: Foreign currency risk is the risk of loss arising from changes in exchange rates that result from holding deposits and investments denominated in foreign currencies. The Village does not have a formal foreign currency policy.

At December 31, 2021, the Village’s portfolio did not comprise of any deposits or investments denominated in foreign currencies.

B. RECEIVABLES

All receivable balances are expected to be collected within one year, except for special assessments.

Revenues of the Village are reported net of an allowance for uncollectible amounts. There was no allowance for uncollectible amounts in 2021.

Governmental funds report *deferred inflows* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period as well as with property taxes received or reported as a receivable before the period for which the property taxes are levied. Governmental funds also report *unearned revenue* in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred inflows* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Tax Levy and Unearned</u>	<u>Totals</u>
Property taxes receivable	\$ -	\$14,528,814	\$14,528,814
Unearned revenue	-	1,112,128	1,112,128
Special assessments	84,241	-	84,241
Receivables not received within 60 days of year-end	333,066	-	333,066
Total deferred inflows / unearned revenue	<u>\$ 417,307</u>	<u>\$15,640,942</u>	<u>\$16,058,249</u>

Property taxes are reported as deferred inflows in the government-wide statements.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

C. RESTRICTED ASSETS

The following represent the balances of the restricted assets for business-type activities:

Long-Term Debt Accounts

- Reserve - Used to report resources set aside to make up potential future deficiencies in the redemption account.
- Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.
- Construction - Used to segregate the balance of the bond proceeds not yet spent, which will be used to pay for the remainder of the construction projects.

The following calculation supports the amount of restricted net position:

	<u>Amount</u>
Restricted Assets	
Revenue bond reserve account	\$ 713,743
Revenue bond redemption account	321,353
Revenue bond construction account	<u>461,320</u>
Total Restricted Assets	<u>1,496,416</u>
Less: Restricted Assets Not Funded by Revenues	
Revenue bond reserve account	(713,743)
Revenue bond construction account	<u>(461,320)</u>
Total Restricted Assets Not Funded by Revenues	<u>(1,175,063)</u>
Current Liabilities Payable From Restricted Assets	<u>(40,161)</u>
Total Restricted Net Position for debt service as Calculated	<u>\$ 281,192</u>
Total Restricted Net Position for WRS Pension	<u>\$ 132,998</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 5,932,471	\$ 1,100,388	\$ (658,811)	\$ 6,374,048
Right-of-ways	659,475	-	-	659,475
Construction in progress	3,637,510	8,099,096	(3,326,352)	8,410,254
Total Capital Assets Not Being Depreciated	10,229,456	9,199,484	(3,985,163)	15,443,777
Capital Assets Being Depreciated:				
Land improvements	6,360,978	286,488		6,647,466
Buildings	6,910,471	1,556,913	(21,620)	8,445,764
Equipment, furniture, and fixtures	5,871,615	279,366	(79,859)	6,071,122
Road/streets, Curb/gutters, and Driveway approaches	72,852,807	2,163,591	(1,504,378)	73,512,020
Bridges	2,512,132			2,512,132
Street lighting	1,659,097			1,659,097
Traffic signals	1,053,510			1,053,510
Sidewalks	3,736,738	307,450	(44,856)	3,999,332
Total Capital Assets Being Depreciated	100,957,348	4,593,808	(1,650,713)	103,900,443
Less Accumulated Depreciation for:				
Land improvements	4,640,380	318,597	-	4,958,977
Buildings	3,748,028	171,609	(12,108)	3,907,529
Equipment, furniture, and fixtures	3,244,736	374,904	(79,177)	3,540,463
Road/streets, Curb/gutters, and Driveway approaches	57,932,417	2,206,628	(1,202,622)	58,936,423
Bridges	656,144	62,804		718,948
Street lighting	1,219,558	81,511		1,301,069
Traffic signals	840,767	40,395		881,162
Sidewalks	2,801,794	161,186	(39,216)	2,923,764
Total Accumulated Depreciation	75,083,824	3,417,634	(1,333,123)	77,168,335
Capital Assets, Net of Depreciation	\$ 36,102,980	\$ 10,375,658	\$ (4,302,753)	\$ 42,175,885

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 31,135
Public safety	103,123
Public works, which includes the depreciation of infrastructure	3,118,905
Parks, recreation, and education	164,471
Total Governmental Activities Depreciation Expense	\$ 3,417,634

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Water Utility	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 568,259	\$ -	\$ -	\$ 568,259
Intangible plant - organizational costs	319	-	-	319
Construction in progress	902,455	1,411,928	(693,353)	1,621,030
Total Capital Assets Not Being Depreciated	<u>1,471,033</u>	<u>1,411,928</u>	<u>(693,353)</u>	<u>2,189,608</u>
Capital Assets Being Depreciated:				
Wells and springs	597,507	-	-	597,507
Buildings and systems	1,036,949	-	-	1,036,949
Improvements other than buildings	27,130,298	803,223	(51,831)	27,881,690
Machinery and equipment	2,300,297	18,945	-	2,319,242
Total Capital Assets Being Depreciated	<u>31,065,051</u>	<u>822,168</u>	<u>(51,831)</u>	<u>31,835,388</u>
Less Accumulated Depreciation for:				
Wells and springs	306,574	17,328	-	323,902
Buildings and systems	578,826	33,119	-	611,945
Improvements other than buildings	8,553,390	550,874	(47,748)	9,056,516
Machinery and equipment	1,437,000	110,062	-	1,547,062
Total Accumulated Depreciation	<u>10,875,790</u>	<u>711,383</u>	<u>(47,748)</u>	<u>11,539,425</u>
Capital Assets, Net of Depreciation	<u>\$ 21,660,294</u>	<u>\$ 1,522,713</u>	<u>\$ (697,436)</u>	<u>\$ 22,485,571</u>

Sewer Utility	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Construction in progress	\$ 303,676	\$ 1,116,089	\$ (241,026)	\$ 1,178,739
Capital Assets Being Depreciated:				
Buildings and systems	2,515,332	-	-	2,515,332
Improvements other than buildings	29,137,946	363,742	(18,060)	29,483,628
Machinery and equipment	862,678	9,939	-	872,617
Total Capital Assets Being Depreciated	<u>32,515,956</u>	<u>373,681</u>	<u>(18,060)</u>	<u>32,871,577</u>
Less Accumulated Depreciation for:				
Buildings and systems	549,396	53,497	-	602,893
Improvements other than buildings	13,401,777	573,359	(18,060)	13,957,076
Machinery and equipment	351,694	77,777	-	429,471
Total Accumulated Depreciation	<u>14,302,867</u>	<u>704,633</u>	<u>(18,060)</u>	<u>14,989,440</u>
Capital Assets, Net of Depreciation	<u>\$ 18,516,765</u>	<u>\$ 785,137</u>	<u>\$ (241,026)</u>	<u>\$ 19,060,876</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Stormwater Utility</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 54,774	\$ -	\$ -	\$ 54,774
Construction in progress	380,077	608,015	(413,792)	574,300
Total Capital Assets Not Being Depreciated	54,774	608,015	(413,792)	629,074
Capital Assets Being Depreciated:				
Improvements other than buildings	17,583,562	422,418	-	18,005,980
Machinery and equipment	4,634	-	-	4,634
Total Capital Assets Being Depreciated	17,588,196	422,418	-	18,010,614
Less Accumulated Depreciation for:				
Improvements other than buildings	6,838,792	366,444	-	7,205,236
Machinery and equipment	4,634	-	-	4,634
Total Accumulated Depreciation	6,481,409	366,444	-	7,209,870
Capital Assets, Net of Depreciation	\$ 11,161,561	\$ 663,989	\$ (413,792)	\$ 11,429,818
Total Business-Type Activities	\$ 50,860,488	\$ 2,971,839	\$ (1,352,254)	\$ 52,976,265

Depreciation expense was charged to functions as follows:

Business-Type Activities

Water	\$ 659,475
Sewer	756,542
Stormwater	366,444
Total Business-Type Activities Depreciation Expense	\$ 1,747,906

The difference between the depreciation expense reported for water on the income statement (\$659,475) and what is reported in the footnote (\$711,383) is related to the depreciation expense allocated to sewer from water on the water meters. The difference between the depreciation expense reported for sewer on the income statement (\$756,541) and what is reported in the footnote (\$704,633) is related to the depreciation expense allocated from water to sewer on the water meters.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Special Revenue – Room Tax	\$ 1,820
General	Enterprise – sewer utility	14,991
General	Enterprise – water utility	<u>467,579</u>
Sub-Total - Fund Financial Statements		484,390
Less: Elimination to government-wide statements		<u>1,820</u>
Total Government-Wide Financial Statements		<u>\$ 482,570</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 482,570
Total Government-Wide Financial Statements		<u>\$ 482,570</u>

All of these amounts are due within one year.

The principal purpose of these interfund transactions is the payment in lieu of taxes (“PILOT”) due from the water utility to the general fund (\$467,579) and due from the sewer utility to the general fund (\$14,991).

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Transfers

The following is a schedule of interfund transfers:

Transfers In	Transfers Out	Amount	Principal Purpose
General Fund			
	Water Utility	\$ 467,579	Payment in lieu of taxes
	Sewer Utility	<u>14,991</u>	Payment in lieu of taxes
	Subtotal	<u>482,570</u>	
Debt Service			
	General Fund	1,664	Debt service
	Capital Improvements	74,966	Debt service
	Refuse/Recycling	56,103	Debt service
	TIF District #1	105,954	Debt service
	CDA/TIF District #1	1,539,673	Debt service
	CDA/TIF District #2	157,713	Debt service
	Water Utility	4,767	Debt service
	Sewer Utility	4,767	Debt service
	Stormwater Utility	<u>1,664</u>	Debt service
	Subtotal	<u>1,947,271</u>	
Special Revenue			
CDA/TIF District #1	TIF District #1	<u>1,444</u>	Operating subsidy
Capital Projects			
	Room Tax	<u>86,365</u>	Capital Equipment
Non-major			
Special Revenue	General Fund	18,698	Operating subsidy
	Room Tax	40,000	Operating subsidy
Non-major			
Capital Projects	TIF District #1	<u>1,172,885</u>	Operating subsidy
	Subtotal	<u>1,231,583</u>	
Sub-Total – Fund Financial Statements		3,749,233	
Less: Elimination to government-wide statements		<u>(3,255,465)</u>	
Total		<u>\$ 493,768</u>	
Transferred From			
Business-type activities			Amount
Less: Governmental activities			\$ 493,768
			<u>-</u>
Total Government-Wide Financial Statements			<u>\$ 493,768</u>

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. OPERATING LEASE OBLIGATIONS

The government has entered into lease agreements as lessee for financing the use of public works equipment valued at \$272,500. The equipment has a ten-year estimated useful life. In 2021 the Village paid \$34,090 for rent paid under operating lease obligations. These lease agreements qualify as operating leases for accounting purposes and have been recorded as expenditures in the financial statements.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2021, were as follows:

<u>Year</u>	<u>Governmental Activities</u>
2022	\$ 34,090
2023	34,090
2024	34,090
2025	34,090
2026	<u>105,000</u>
Total minimum lease payments	241,360
Less: amount representing interest	<u>(26,516)</u>
Present value of minimum lease payments	<u>\$ 214,844</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

G. LONG-TERM OBLIGATIONS

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

	Beginning Balance, As Restated	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable:					
Notes payable - direct placement	\$ 8,340,073	\$ -	\$ 1,114,152	\$ 7,225,921	\$ 677,778
Revenue bonds	16,535,000	-	1,285,000	15,250,000	1,310,000
Notes payable - direct borrowing	3,147,717	8,100,000	177,717	11,070,000	-
Add (Subtract) Deferred Amount for:					
Discounts	(6,094)	-	(1,283)	(4,811)	(1,283)
Premiums	563,250	-	56,576	506,674	52,457
Sub-Total	<u>28,579,946</u>	<u>8,100,000</u>	<u>2,632,162</u>	<u>34,047,784</u>	<u>2,038,952</u>
Other Liabilities:					
Vested compensated absences	163,091	177,178	202,559	137,710	-
Leases - direct placement	139,630	-	139,630	-	-
Due to Other Governments - SAFER	103,678	-	103,678	-	-
Wisconsin Retirement System					
LRLIF	116,373	54,651	-	171,024	-
Advances from developers on					
TIF District letters of credit	685,472	-	481,108	204,364	204,364
Total Other Liabilities	<u>1,208,244</u>	<u>231,829</u>	<u>926,975</u>	<u>513,098</u>	<u>204,364</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 29,788,190</u>	<u>\$ 8,331,829</u>	<u>\$ 3,559,137</u>	<u>\$ 34,560,882</u>	<u>\$ 2,243,316</u>
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable:					
Notes Payable - direct placement	\$ 3,379,927	\$ -	\$ 330,848	\$ 3,049,079	\$ 687,222
Revenue bonds	8,355,000	-	890,000	7,465,000	535,000
Add (Subtract) Deferred Amount for:					
Discounts	(391)	-	(391)	-	-
Premiums	416,357	-	21,563	394,794	21,563
Sub-Total	<u>6,185,679</u>	<u>-</u>	<u>1,242,020</u>	<u>10,908,873</u>	<u>1,243,785</u>
Other Liabilities:					
Vested compensated absences	33,979	38,361	37,019	35,321	-
Wisconsin Retirement System					
LRLIF	54,287	28,096	-	82,383	-
Total Other Liabilities	<u>214,168</u>	<u>66,457</u>	<u>37,019</u>	<u>117,704</u>	<u>-</u>
Total Business-Type Activities Long-Term Liabilities	<u>\$ 6,399,847</u>	<u>\$ 66,457</u>	<u>\$ 1,279,039</u>	<u>\$ 11,026,577</u>	<u>\$ 1,243,785</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

G. LONG-TERM OBLIGATIONS

For the governmental activities, accumulated PTO pay is generally liquidated by the general fund. The advances from developers on TIF District letters of credit will be liquidated by the tax increments received in future years that are recorded in the TIF District #1 – Special Revenue Fund.

General Obligation Debt

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

Advances from developers on TIF District letters of credit represent shortfall payments made for the difference between the debt service payments required of a developer’s project area and the annual property taxes received from the specific development area. Until the tax increment valuation of new growth in the development area is sufficient to cover the debt service payments for the project, the letter of credit from the developer’s bank will be drawn upon to make this shortfall payment. Tax increments received in excess of the required debt service payments will be returned to developers in future years.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of the equalized value of taxable property within the Village’s jurisdiction. The debt limit as of December 31, 2021, was \$70,105,475. Total general obligation debt outstanding at year-end was \$21,345,000.

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/21
GOVERNMENTAL ACTIVITIES					
General Obligation Debt					
General Obligation Promissory Notes, 2019A - Direct Placement	5/1/2019	3/1/2029	3.00 – 4.00%	3,851,579	\$2,730,921
General Obligation Promissory Notes, Series 2020B - Direct Placement	12/1/2020	11/1/2040	1.50 – 4.00%	3,115,000	2,575,000
Taxable General Obligation Promissory Notes, Series 2020C - Direct Placement	2/1/2020	11/1/2030	1.00 – 4.00%	2,175,000	1,920,000
General Obligation Promissory Notes, 2020D - Direct Borrowing	12/21/2020	6/30/2023	0.89%	2,970,000	2,970,000
General Obligation Promissory Notes, 2021 - Direct Borrowing	11/17/2021	2/28/2023	0.89%	8,100,000	8,100,000
Total Governmental Activities – General Obligation Debt					<u>\$ 18,295,921</u>

Default With Finance Related Consequences - The 12/21/20 and 11/17/2021 notes payable - direct borrowing contain provisions that in event of default, outstanding amounts become immediately due if the Village is unable to make the payment and interest will be charged at 12% per year with all expenses of collection paid by Village.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

G. LONG-TERM OBLIGATIONS

General Obligation Debt (cont.)

	Date of Issue	Final Maturity	Interest Rates	Indebted- ness	Balance 12/31/21
BUSINESS-TYPE ACTIVITIES					
General Obligation Debt					
General Obligation Promissory					
Notes, 2020B - Sewer Direct Placement	12/1/2020	11/1/2040	1.50 – 4.00%	\$ 1,335,000	\$ 1,225,000
General Obligation Promissory					
Notes, 2020B - Stormwater Direct Placement	12/1/2020	11/1/2040	1.50 – 4.00%	890,000	790,000
General Obligation Promissory					
Notes, 2019A - Water Direct Placement	5/1/2019	3/1/2029	3.00 – 4.00%	681,974	483,547
General Obligation Promissory					
Notes, 2019A - Sewer Direct Placement	5/1/2019	3/1/2029	3.00 – 4.00%	776,447	550,532
Total Business-Type Activities – General Obligation Debt					<u>\$ 3,049,079</u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities			Business-Type Activities		
	Notes Payable - Direct Borrowing and Placement			Notes from Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 677,778	\$ 232,695	\$ 910,473	\$ 687,222	\$ 91,360	\$ 778,582
2023	11,633,377	301,589	11,934,966	596,623	65,683	662,306
2024	612,285	157,558	769,843	447,715	44,797	492,512
2025	629,539	132,722	762,261	160,461	32,633	193,094
2026	696,792	106,195	802,987	133,208	26,760	159,968
2027-2031	2,661,150	234,321	2,895,471	598,850	67,763	666,613
2032-2036	775,000	96,728	871,728	225,000	30,784	255,784
2037-2040	610,000	24,100	634,100	200,000	8,000	208,000
Totals	<u>\$ 18,295,921</u>	<u>\$ 1,285,908</u>	<u>\$ 19,581,829</u>	<u>\$ 3,049,079</u>	<u>\$ 367,780</u>	<u>\$ 3,416,859</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

G. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt

Revenue bonds for the water, sewer, and stormwater utilities are payable only from revenues derived from the operation of the water utility, sewer utility, or stormwater utility. Revenue bonds for the Weston Community Development Authority are payable from revenues derived from tax increment payments received from TIF District #1 and TIF District #2.

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

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Indebted- ness</u>	<u>Balance 12/31/21</u>
GOVERNMENTAL ACTIVITIES					
Revenue Debt					
Community Development Authority					
Lease Revenue Bonds, Series 2017A	7/13/2017	10/1/2031	1.25 – 3.00%	\$ 19,255,000	\$ 14,685,000
Community Development Authority					
Lease Revenue Bonds, Series 2004B	8/9/2004	10/1/2025	3.00 – 4.75%	1,815,000	<u>565,000</u>
Total Governmental Activities – Revenue Debt					<u><u>\$ 15,250,000</u></u>
	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Indebted- ness</u>	<u>Balance 12/31/21</u>
BUSINESS-TYPE ACTIVITIES					
Revenue Debt					
Water System Revenue Bonds,					
Series 2018B	11/1/2018	5/1/2038	2.10 – 3.90%	2,585,000	\$ 1,790,000
Stormwater Revenue Bonds,					
Series 2018C	11/1/2018	11/1/2027	2.15 – 3.00%	1,890,000	1,305,000
Water System Revenue Bonds,					
Series 2020A	12/3/2020	5/1/2040	2.15 – 5.00%	4,430,000	<u>4,370,000</u>
Total Business-Type Activities – Revenue Debt					<u><u>\$ 7,465,000</u></u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

G. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities			Business-Type Activities		
	Revenue Bonds			Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 1,310,000	\$ 387,950	\$ 1,697,950	\$ 535,000	\$ 216,790	\$ 751,790
2023	1,340,000	361,125	1,701,125	565,000	198,340	763,340
2024	1,370,000	331,675	1,701,675	540,000	179,348	719,348
2025	1,405,000	300,288	1,705,288	515,000	161,468	676,468
2026	1,285,000	266,180	1,551,180	435,000	145,229	580,229
2027-2031	8,540,000	837,170	9,377,170	1,550,000	525,125	2,075,125
2032-2036	-	-	-	1,865,000	287,587	2,152,587
2037-2040	-	-	-	1,460,000	60,280	1,520,280
Totals	\$ 15,250,000	\$ 2,484,388	\$ 17,734,388	\$7,465,000	\$ 1,774,167	\$ 9,239,167

Other Debt Information

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

A statutory mortgage lien upon the Village's system and any additions, improvements and extensions thereto is created by Section 66.066 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The Village's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes it is in compliance with all significant limitations and restrictions.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. GOVERNMENTAL ACTIVITIES NET POSITION / FUND BALANCES

Governmental Activities Net Position

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

Net Investment in Capital Assets:		
Land		\$ 6,374,048
Right-of-ways		659,475
Construction in progress		8,410,254
Other capital assets, net of accumulated depreciation		26,732,108
Less: related long-term debt outstanding, discount and premium, and loss net of debt used for utility asset contributions (\$4,992,367)	(\$27,568,579)	
Add: unspent debt proceeds	<u>2,555,323</u>	<u>(25,013,256)</u>
Total Net Investment in Capital Assets		<u>17,162,629</u>
Restricted:		
Community Development Authority – TIF District #1 (debt service reserve)		1,570,358
Community Development Authority – TIF District #2 (debt service reserve)		251,253
Pensions		<u>276,099</u>
Total Restricted		<u>2,097,710</u>
Unrestricted		<u>11,025,325</u>
Total Governmental Activities Net Position – December 31, 2021		<u>\$30,285,664</u>

Governmental Fund Balances

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

Major Funds – Details of Fund Balance:

Nonspendable:

General Fund		
Prepaid items/inventories		\$ 96,577
Due from SAFER		101,797
Capital Projects Fund – Capital Improvements		
Prepaid items/inventories		<u>14,735</u>
Total Nonspendable		<u>\$ 213,109</u>

Restricted:

Special Revenue Fund – Community Development Authority – TIF District #1 Debt Service		\$ 1,570,358
Debt Service Fund		336,492
Capital Projects Fund – Capital Improvements		<u>2,555,323</u>
Total Restricted		<u>\$ 4,462,173</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. GOVERNMENTAL ACTIVITIES NET POSITION / FUND BALANCES (cont.)

Governmental Fund Balances (cont.)

Major Funds – Details of Fund Balance (cont.):

Committed:

Special Revenue Fund – TIF District #1	\$ 8,744,164
Special Revenue Fund – Community Development Authority – TIF District #1	147,939
Capital Project Fund – Capital Improvements	<u>143,944</u>
Total Committed	<u>\$ 9,036,047</u>

Assigned:

General Fund	
Public works department – Street lighting / Birch Street	\$ 7,500
Subsequent year's Budget	<u>19,000</u>
Total Assigned	<u>\$ 26,500</u>

Unassigned:

General Fund	<u>\$ 3,741,338</u>
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Non-Major Funds – Details of Fund Balance:

Nonspendable:

Special Revenue Fund – Refuse/Recycling	\$ 864
Special Revenue Fund – Aquatic Center	<u>3,169</u>
Total Nonspendable	<u>\$ 4,033</u>

Restricted:

Special Revenue Fund – Community Development Authority – TIF District #2	
Debt service	<u>\$ 251,253</u>

Committed:

Special Revenue Fund – Civic and Social	\$ 22,862
Special Revenue Fund – Park and Recreation	42,304
Special Revenue Fund – Aquatic Center	104,280
Special Revenue Fund – Refuse/Recycling	96,958
Special Revenue Fund – TIF District #2	542,245
Special Revenue Fund – CDA - TIF District #2	4,788
Special Revenue Fund – Room Tax	<u>36,797</u>
Total Committed	<u>\$ 850,234</u>

Assigned:

Special Revenue Fund – Grants	<u>\$ 378</u>
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VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

I. BUSINESS-TYPE ACTIVITIES NET POSITION

The following calculation supports the enterprise fund net investment in capital assets:

	Water Utility	Sewer Utility	Stormwater Utility	Total
Plant in Service	\$ 32,403,966	\$ 32,871,577	\$ 18,065,388	\$ 83,340,931
Accumulated Depreciation	(11,539,425)	(14,989,440)	(7,209,870)	(33,738,735)
Construction in Progress	1,621,030	1,178,739	574,300	3,374,069
Sub-Total	22,485,571	19,060,876	11,429,818	52,976,265
Less: Capital Related Debt				
Current portion of capital related long-term debt	382,152	545,069	295,000	1,222,221
Long-term portion of capital related long-term debt	6,261,395	1,230,463	1,800,000	9,291,858
Unamortized loss on refunding	(4,317)	-	(11,292)	(15,609)
Unamortized premium on bonds	279,222	90,351	25,221	394,794
Sub-Total	6,918,452	1,865,883	2,108,929	10,893,264
Add: Unspent Debt Proceeds				
Unspent debt proceeds	1,825,140	278,234	-	2,103,374
Reserve from borrowing	524,743	-	189,000	713,743
Reserve from revenue bond construction account	-	461,320	-	461,320
Sub-Total	2,349,883	739,554	189,000	3,278,437
Total Net Investment in Capital Assets	\$ 17,917,002	\$ 17,934,547	\$ 9,509,889	\$ 45,361,438

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN

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 are 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.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

General Information about the Pension Plan (cont.)

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2011	-1.20%	11.00%
2012	-7.00%	-7.00%
2013	-9.60%	9.00%
2014	4.70%	25.00%
2015	2.90%	2.00%
2016	.50%	-5.00%
2017	2.00%	4.00%
2018	2.40%	17.00%
2019	0.00%	-10.00%
2020	1.70%	21.00%

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

During the reporting period, the WRS recognized \$104,765 in contributions from the Village and \$50,466 from the Utilities.

Contributions rates as of December 31, 2021 are:

	<u>Employee</u>	<u>Employer</u>
General (including executives and elected officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.74%
Protective without Social Security	6.75%	16.34%

Pension Liability (Asset), Pension Revenue/Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the Village reported an asset of \$586,108 for its proportionate share of the net pension asset. The Utilities reported an asset of \$282,328. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Employer’s proportion of the net pension asset was based on its share of contributions to the pension plan relative to the contributions of all participating employers.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

Pension Liability (Asset), Pension Revenue/Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont.)

At December 31, 2020, the Employer's proportion was .01391025%, which was a decrease of .00026988% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Village recognized pension revenue of \$55,049. The Utilities recognized pension revenue of \$26,517.

At December 31, 2021, the Village and Utility 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	\$1,256,893	\$ 270,732
Changes in Assumptions	19,697	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,630,419
Change in Proportion and Differences Between Contributions and Disproportionate share of Contributions	9,989	-
Contributions Subsequent to the Measurement Date	155,231	-
Total	\$1,441,810	\$ 1,901,149

\$104,765 reported as deferred outflows of resources related to pensions resulting from Village contributions and \$50,466 reported as deferred outflows of resources related to pensions resulting from Utilities' contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ending 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:

Year ending December 31	Village	Utilities	Net Deferred Outflows (Inflows) of Resources
2022	\$ (105,329)	\$ (50,737)	\$ (156,066)
2023	(26,990)	(13,002)	(39,992)
2024	(198,465)	(95,600)	(294,065)
2025	(83,990)	(40,458)	(124,448)
Total	\$ (414,774)	\$ (199,797)	\$ (614,571)

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS

December 31, 2021

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

Pension Liability (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont.)

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

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

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

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

Long-term expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

Pension Liability (Asset), Pension Revenue/Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont.)

	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class:</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 Variable Fund	100.0%	7.1%	4.6%

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

Single Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate 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. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer’s proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the Village and Utilities’ proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the Village and Utilities’ 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%)
Village’s Proportionate Share of the Net Pension Liability (Asset)	\$557,892	\$(586,108)	\$(1,426,367)
Utilities’ Proportionate Share of the Net Pension Liability (Asset)	\$268,738	\$(282,328)	\$ (687,083)

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

Pension Liability (Asset), Pension Revenue/Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont.)

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

Payables to the Pension Plan. The Village is required to remit the monthly required contribution for both the employee and Village portions by the last day of the following month. At December 31, 2021 the Village reported payables to WRS of \$36,467 for the December payroll.

B. OTHER POSTEMPLOYMENT BENEFITS

General Information about the Local Retiree Life Insurance Fund

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

OPEB Plan Fiduciary Net Position. ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>

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

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

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

Contribution rates as of December 31, 2021 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post Retirement Coverage	40% of member contribution
25% Post Retirement Coverage	20% of member contribution

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

B. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Contributions (cont.) Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2021 are as listed below:

Life Insurance Member Contribution Rates*
For the year ended December 31, 2021

Attained Age	Basic	Supplemental
Under 30	\$.05	\$.05
30-34	.06	.06
35-39	.07	.07
40-44	.08	.08
45-49	.12	.12
50-54	.22	.22
55-59	.39	.39
60-64	.49	.49
65-69	.57	.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized \$957 in contributions from the employer.

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

At December 31, 2021, the Village reported a liability of \$171,024 for its proportionate share of the net OPEB liability and the Utility reported a liability of \$82,383. The net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village’s proportion of the net OPEB liability was based on the employer’s share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2020, Employer’s proportion was .04606800%, which was an increase of .00599% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Village recognized OPEB expense of \$23,969 and the Utilities recognized \$11,547.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

B. OTHER POSTEMPLOYMENT BENEFITS (cont.)

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

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

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 12,092
Changes in assumptions	98,579	17,387
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	3,689	-
Changes in Proportion and Differences Between Contributions and Proportionate share of Contributions	24,945	1,138
Contributions Subsequent to the Measurement Date	<u>957</u>	<u>-</u>
Total	<u>\$128,170</u>	<u>\$ 30,617</u>

\$957 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year ending December 31</u>	<u>Village</u>	<u>Utilities</u>	<u>Net Deferred Outflows of Resources</u>
2022	\$ 12,238	\$ 5,894	\$ 18,132
2023	11,969	5,764	17,733
2024	11,691	5,631	17,322
2025	10,502	5,058	15,560
2026	12,240	5,895	18,135
Thereafter	6,555	3,159	9,714
Total	<u>\$ 65,195</u>	<u>\$ 31,401</u>	<u>\$ 96,596</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

B. OTHER POSTEMPLOYMENT BENEFITS (cont.)

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

Actuarial assumptions. The total OPEB liability in the January 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2020
Measurement Date of Net OPEB Liability (Asset)	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.12%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.25%
Salary Increases	
Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

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 OPEB Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation.

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

**Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2020**

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Credit Bonds	Barclays Credit	50%	1.47%
US Mortgages	Barclays MBS	50%	0.82%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.20% respectively. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

B. OTHER POSTEMPLOYMENT BENEFITS (cont.)

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

Single Discount rate. A single discount rate of 2.25% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan’s fiduciary net position is projected to be insufficient. The plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

Sensitivity of the Village and Utilities’ proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Village and Utilities’ proportionate share of the net OPEB liability calculated using the discount rate of 2.25 percent, as well as what the Village and Utilities’ proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease to Discount Rate <u>(1.25%)</u>	Current Discount Rate <u>(2.25%)</u>	1% Increase to Discount Rate <u>(3.25%)</u>
Village’s Proportionate Share of the Net OPEB Liability	\$232,642	\$171,024	\$124,425
Utilities’ Proportionate Share of the Net OPEB Liability	\$112,064	\$82,383	\$59,935

C. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The Village purchases commercial insurance to provide coverage for losses from theft of, and damage to, or destruction of assets, and for torts, errors and omissions, workers compensation, general liability coverage, and health. Settled claims have not exceeded commercial coverage in any of the three preceding years. There were no significant reductions in coverage compared to the prior year. Other risks, such as dental coverage of its employees are accounted for and financed by the Village in an internal service fund – the fringe benefits fund. The Village’s self-insured dental insurance program began in November 2002.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

D. COMMITMENTS AND CONTINGENCIES

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

Occasionally, the Village will borrow funds for the purpose of making various capital improvements. These monies, as well as other revenue sources, are reflected in the Capital Projects Funds and Enterprise Funds. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures (in the capital projects funds). The balance of contract amounts plus open purchase orders is classified as a committed fund balance at year-end from which committed resources are used to liquidate the encumbrance.

Funding for the operating budget of the Village comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the Village. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. The State of Wisconsin is currently experiencing budget problems, and is considering numerous alternatives including reducing aid to local governments. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the Village.

The Town of Weston, now Village of Weston Landfill, was closed in 1986. State and federal laws and regulations require that the Village of Weston perform certain maintenance and monitoring functions at the landfill site. During 1993, the State of Wisconsin Department of Natural Resources issued a conditional approval modifying the landfill closure plan. In 1994, the Town began work on the modified closure, which involves the installation of a composite cap over the landfill with an active gas extraction system within the landfill. The new cover and extraction system were completed in 1995. However, it is anticipated that the Town/Village will be faced with additional clean-up and long-term monitoring costs in the future due to changes in technology and changes in laws and regulations. The future costs of these possible changes are unknown at the present time.

E. LITIGATION

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

H. JOINT VENTURES

Everest Metro Public Safety

The Everest Metro Police Department (EMPD) began on October 4, 1993, as a joint venture between the Village of Weston, Town of Weston, and City of Schofield. The communities have also joined together to form the Everest Metro Municipal Court (EMMC). The two departments operate under Everest Metro Public Safety (EMPS). Each municipality pays a proportionate share of the costs for police services and municipal court costs. The police department's current cost proration for 2021 is for the Village of Weston to pay 77.43%, the Town of Weston to pay 4.44%, and the City of Schofield to pay 18.13% of the actual expenditures; however, the Town of Weston is capped at \$115,000 so the effective cost proration for 2021 is for the Village of Weston to pay 78.44%, the Town of Weston to pay 3.19%, and the City of Schofield to pay 18.37%. The municipal court's current cost proration for 2021 is for the Village of Weston to pay 63.35%, the Town of Weston to pay 4.30%, and the City of Schofield to pay 32.35%. The 2021 difference may be allocated to the municipalities at the same proration in the next year.

Everest Metro Public Safety is overseen by a seven-member finance committee made up of three Village of Weston officials, three City of Schofield officials, and one Town of Weston official. The finance committee approves a budget and controls all financial aspects of the department. A separate seven-member administrative committee (Police Commission) is appointed to control management and policy of the police department.

The Village contributed \$2,738,789 in 2021 for operations and \$90,218 for capital equipment of the EMPD and \$57,072 for EMMC. The Village accounts for its costs of the operation in the general fund and has an equity interest in the organization equal to its percentage share of participation. The EMPS issues separate financial statements available at the Village municipal center offices. A copy of the annual financial statements may be obtained by writing to the Village of Weston, 5500 Schofield Avenue, Weston, WI 54476.

Summarized information for EMPS's year ended December 31, 2021, which are the most recently audited financial statements, is as follows:

Assets	
Current assets	\$1,241,987
Net pension asset	1,413,220
Capital assets, net of depreciation	<u>264,586</u>
Total assets	<u>\$2,919,793</u>
Deferred Outflows of Resources	
Proportionate share of WRS pension plan	\$2,097,330
Pension contributions for subsequent year	267,902
Proportionate share of other postemployment benefit	59,844
Other postemployment benefit contributions for subsequent year	<u>500</u>
Total deferred outflows of resources	<u>\$2,425,576</u>
Liabilities	
Current liabilities	\$ 203,689
Net other postemployment benefit liability	142,601
Noncurrent portion of long-term obligations	<u>77,330</u>
Total liabilities	<u>\$ 423,620</u>
Deferred Inflows of Resources	
Proportionate share of WRS pension plan	\$3,096,230
Other postemployment related amounts	<u>16,836</u>
Total deferred inflows of resources	<u>\$3,113,066</u>
Net Position	
Net investment in capital assets	\$ 264,586
Restricted for pension benefits	682,222
Unrestricted	<u>861,875</u>
Total net position	<u>\$1,808,683</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

F. JOINT VENTURES (cont.)
Everest Metro Public Safety (cont.)

Revenue	
Received from Village of Weston	\$2,886,079
Received from City of Schofield	691,548
Received from Town of Weston	118,874
Other revenue	<u>318,916</u>
Total revenue	4,015,417
Expenses	<u>3,488,197</u>
Change in net position	<u>\$ 527,220</u>

The financial and payroll administration of the EMPS is performed by the employees of the Village of Weston. In 2021, the EMPD paid the Village \$35,000 for administrative services.

South Area Fire & Emergency Response District

The South Area Fire & Emergency Response District (SAFER) began on January 1, 2014, as a joint venture between the Village of Weston and the Town of Rib Mountain. Each municipality pays a proportionate share of the costs for the services of the SAFER District. The current proration of costs for 2021 is for the Village of Weston to pay 67.45% and the Town of Rib Mountain to pay 32.55% of the SAFER budget. The department is overseen by a five-member Board of Directors (the Board) made up of the Rib Mountain Town Board Chairperson or his/her designee, the Village of Weston President or his/her designee, one community representative from the Village, one community representative from the Town, and a resident of the areas served by SAFER. The Board approves a budget and controls all financial aspects of the department. A separate five-member administrative committee (Commission) is appointed to control management and policy of the department.

The Village contributed \$976,664 in 2021 for the operations and \$489,620 for capital equipment of SAFER. The Village accounts for its costs of the operation in the general fund and has an equity interest in the organization equal to its percentage share of participation. The Village also contributed \$103,678 towards the Village’s share of previous years’ budget deficits. The Village financials reflect the \$103,678 of the payment; however, SAFER’s financials reflect \$383,678 of the deficit payment due to timing differences.

SAFER issues separate financial statements available at the Village municipal center offices. A copy of the annual financial statements may be obtained by writing to the Village of Weston, 5500 Schofield Avenue, Weston, WI 54476.

Summarized information for SAFER’s year ended December 31, 2021, which are the most recently audited financial statements, is as follows:

Assets	
Current assets	\$ 1,235,073
Wisconsin Retirement System net pension	829,994
Capital assets, net of depreciation	<u>2,451,648</u>
Total assets	<u>\$4,516,715</u>
Deferred Outflows of Resources	
Wisconsin Retirement System pension	\$ 1,409,819
Wisconsin Retirement System LRLIF	<u>24,784</u>
Total deferred outflows of resources	<u>\$ 1,434,603</u>
Liabilities	
Current liabilities	\$ 279,021
Noncurrent portion of long-term obligations	<u>43,087</u>
Total liabilities	<u>\$ 322,108</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

F. JOINT VENTURES (cont.)

South Area Fire & Emergency Response District (cont.)

Deferred Inflows of Resources

Wisconsin Retirement System pension	\$1,821,363
Wisconsin Retirement System LRLIF	<u>6,581</u>
Total deferred inflows of resources	<u>\$1,827,944</u>

Net Position

Net investment in capital assets	\$2,451,648
Restricted for other activities	829,994
Unrestricted	<u>519,624</u>
Total net position	<u>\$3,801,266</u>

Revenue

Received from Village of Weston	\$1,306,822
Received from Town of Rib Mountain	468,507
Received from other municipalities	283,155
Other revenue	<u>2,386,017</u>
Total revenue	<u>\$4,444,501</u>

Expenses

2,854,142

Change in net position \$ 1,590,359

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE V – OTHER INFORMATION (cont.)

G. SUBSEQUENT EVENTS

On March 16, 2022 the Village issued General Obligation Bonds, Series 2022A in the amount of \$7,335,000 for the public purpose of paying the costs of buildings for the housing of machinery and equipment.

H. CREATION OF COMMUNITY DEVELOPMENT AUTHORITY AND LEASE COMMITMENTS

During 2002, the Community Development Authority of the Village of Weston was formed for the purpose of providing public benefits, including the elimination of blight, clearance of undesirable conditions, and the creation of urban renewal and community development programs. The Village is in turn leasing the same land from the Community Development Authority with rental payments being equal to the annual amount of principal and interest due on the borrowing. It is anticipated that over the life of the revenue bonds, the tax increments generated from Tax Incremental Financing (TIF) District #1 and District #2 will be used to repay the revenue bonds and reduce future rental payments due from the Village. The lease expires in 2031 for TIF District #1 and in 2025 for TIF District #2. The future minimum lease payments under this lease are as follows:

<u>Years</u>	<u>TIF #1 District</u>	<u>TIF #2 District</u>	<u>Grand Total</u>
2022	\$ 1,541,112	\$ 156,837	\$ 1,697,949
2023	1,540,463	160,663	1,701,126
2024	1,542,663	159,013	1,701,676
2025	1,548,162	157,125	1,705,287
2026	1,551,180	-	1,551,180
2027-2031	<u>9,377,170</u>	<u>-</u>	<u>9,377,170</u>
Total	<u>\$17,100,750</u>	<u>\$633,638</u>	<u>\$17,734,388</u>

The rental expense for the year ended December 31, 2021, was \$1,539,672 for TIF District #1 and \$157,712 for TIF District #2.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF WESTON

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Wisconsin Retirement System
Last 10 Fiscal Years

<u>Year</u>	<u>Required Contributions</u>	<u>Contributions Made</u>	<u>Contribution Deficiency (Excess)</u>	<u>Total Payroll</u>	<u>Contributions as a percentage of Payroll</u>
2014	\$ 147,360	\$ 147,360	\$ -	\$ 2,005,535	7.35%
2015	152,227	152,227	-	2,107,841	7.22%
2016	128,060	128,060	-	1,940,306	6.60%
2017	136,773	136,773	-	2,011,378	6.80%
2018	131,191	131,191	-	2,077,488	6.31%
2019	145,325	145,325	-	2,218,703	6.55%
2020	161,411	161,411	-	2,391,281	6.75%
2021	155,231	155,231	-	2,299,720	6.75%

VILLAGE OF WESTON

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)

Wisconsin Retirement System

Last 10 Fiscal Years

Fiscal Year Ending	Proportion of Net Pension Liability (Asset)	Beginning Balance of Net Pension Liability (Asset)	Ending Balance of Net Pension Liability (Asset)	Total Payroll	Ending Net Pension Liability (Asset) as a Percentage of Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)
2014	0.01751844%	\$ (761,241)	\$ (430,301)	\$ 2,005,535	21.46%	102.74%
2015	0.01646147%	(430,301)	267,495	2,107,841	12.69%	98.20%
2016	0.01474695%	267,495	121,550	1,940,306	6.26%	99.12%
2017	0.01423421%	121,550	(422,630)	2,011,378	21.01%	102.93%
2018	0.01349470%	(422,630)	480,099	2,077,188	23.11%	96.45%
2019	0.01364037%	480,099	(439,827)	2,218,703	19.82%	102.96%
2020	0.01391025%	(439,927)	(868,436)	2,391,281	36.32%	105.26%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - WISCONSIN RETIREMENT SYSTEM

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

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

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

VILLAGE OF WESTON

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF EMPLOYER CONTRIBUTIONS Local Retiree Life Insurance Fund Last Ten Fiscal Years

Year	Required Contributions	Contributions Made	Contribution Deficiency (Excess)	Total Payroll	Contributions as a percentage of Payroll
2017	\$ 737	\$ 737	\$ -	\$ 1,632,534	0.05%
2018	734	734	-	1,858,000	0.04%
2019	724	724	-	2,201,000	0.03%
2020	927	927	-	2,284,000	0.04%
2021	957	957	-	2,260,000	0.04%

VILLAGE OF WESTON

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER PROPORTIONATE SHARE OF
 NET OPEB LIABILITY
 Local Retiree Life Insurance Fund
 Last 10 Fiscal Years

<u>Fiscal Year Ending</u>	<u>Proportion of Net OPEB Liability</u>	<u>Beginning Balance of Net OPEB Liability</u>	<u>Ending Balance of Net OPEB Liability</u>	<u>Total Payroll</u>	<u>Ending Net OPEB Liability as a Percentage of Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of Total OPEB Liability</u>
2017	0.03882100%	\$ 85,830	\$ 116,796	\$ 1,632,534	7.15%	44.81%
2018	0.03810100%	116,796	98,313	1,858,000	5.29%	48.69%
2019	0.04007800%	98,313	170,660	2,201,000	7.75%	37.58%
2020	0.04606800%	170,660	253,407	2,284,000	11.09%	31.36%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - LOCAL RETIREE LIFE INSURANCE FUND

Changes of benefit terms. There were no changes of benefit terms for any participating employer in the local retiree life insurance fund.

Changes of assumptions. Several actuarial assumptions changed from the prior year, including the single discount rate, long-term expected rate of return and expected inflation. Please refer to the Actuarial Assumptions section in Note V: B for additional details.

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

VILLAGE OF WESTON

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
 - BUDGET AND ACTUAL -
 For the Year Ended December 31, 2021

REVENUES	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
TAXES				
General property taxes	\$ 4,977,300	\$4,977,300	\$4,977,301	\$ 1
Mobile home taxes	50,000	50,000	60,894	10,894
Other tax revenue	2,140	2,140	7,684	5,544
Utility tax - Village of Rothschild	94,000	94,000	113,083	19,083
Total Taxes	<u>5,123,440</u>	<u>5,123,440</u>	<u>5,158,962</u>	<u>35,522</u>
INTERGOVERNMENTAL REVENUES				
State shared revenues	1,060,400	1,060,400	1,059,882	(518)
Highway maintenance aids	483,338	483,338	482,704	(634)
Fire insurance tax	50,000	50,000	53,521	3,521
Other state and federal grants	101,363	101,363	118,017	16,654
Total Intergovernmental Revenues	<u>1,695,101</u>	<u>1,695,101</u>	<u>1,714,124</u>	<u>19,023</u>
LICENSES AND PERMITS				
Licenses				
Liquor and malt beverage	25,000	25,000	26,830	1,830
Cable franchise	160,000	160,000	136,113	(23,887)
Operators/amusement	15,500	15,500	14,107	(1,393)
Cigarette	1,200	1,200	1,400	200
Sundry	8,795	8,795	10,833	2,038
Pets - dogs and cats	17,700	17,700	15,920	(1,780)
Permits				
Building & electrical	107,500	107,500	111,460	3,960
Zoning	2,500	2,500	8,425	5,925
Road excavation	4,000	4,000	4,275	275
Sundry	500	500	400	(100)
Total Licenses and Permits	<u>342,695</u>	<u>342,695</u>	<u>329,763</u>	<u>(12,932)</u>
FINES AND FORFEITURES				
	<u>93,700</u>	<u>93,700</u>	<u>65,751</u>	<u>(27,949)</u>
SPECIAL ASSESSMENTS				
	<u>\$ 5,500</u>	<u>\$ 5,500</u>	<u>\$ 6,540</u>	<u>\$ 1,040</u>

VILLAGE OF WESTON

GENERAL FUND
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (cont.)
 - BUDGET AND ACTUAL -
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
CHARGES FOR SERVICES				
General government	\$ 5,750	\$ 5,750	\$ 6,311	\$ 561
Police	35,000	35,000	35,000	-
Ambulance/EMS	150	150	-	(150)
Inspection services	8,000	8,000	21,873	13,873
Highways and streets	37,400	37,400	93,454	56,054
Rental of village property	4,900	4,900	-	(4,900)
Park and recreation	950	950	7,839	6,889
Economic development	50	50	-	(50)
Total Charges for Services	<u>92,200</u>	<u>92,200</u>	<u>164,477</u>	<u>72,277</u>
CONTRIBUTIONS AND DONATIONS				
	<u>-</u>	<u>-</u>	<u>250</u>	<u>250</u>
INVESTMENT EARNINGS AND MISCELLANEOUS				
Investment earnings	24,000	24,000	29,196	5,196
Miscellaneous general revenues	32,900	32,900	59,193	26,293
Total Investment Earnings and Miscellaneous	<u>56,900</u>	<u>56,900</u>	<u>88,389</u>	<u>31,489</u>
Total Revenues	<u>7,409,536</u>	<u>7,409,536</u>	<u>7,528,256</u>	<u>118,720</u>
OTHER FINANCING SOURCES				
Transfers from				
Water utility fund - payment in lieu of taxes	480,000	480,000	467,579	(12,421)
Sewer utility fund - payment in lieu of taxes	-	-	14,991	14,991
Total Transfers	<u>480,000</u>	<u>480,000</u>	<u>482,570</u>	<u>2,570</u>
Insurance recoveries	-	-	24,580	24,580
Total Other Financing Sources	<u>480,000</u>	<u>480,000</u>	<u>507,150</u>	<u>27,150</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 7,889,536</u>	<u>\$ 7,889,536</u>	<u>\$ 8,035,406</u>	<u>\$ 145,870</u>

VILLAGE OF WESTON

GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
- BUDGET AND ACTUAL -
For the Year Ended December 31, 2021

<i>EXPENDITURES</i>	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
GENERAL GOVERNMENT				
Village board	\$ 49,505	\$ 49,505	\$ 45,302	\$ 4,203
Village municipality dues/memberships	6,000	6,000	5,573	427
Administrator	72,762	72,762	63,327	9,435
Clerk's office	323,797	323,797	308,355	15,442
Personnel/human resources	9,750	9,750	4,475	5,275
Elections	35,398	27,028	14,497	12,531
Municipal court	57,072	57,072	57,072	-
Village attorney	35,000	65,000	59,943	5,057
Village assessor	36,350	36,350	42,071	(5,721)
Finance/audit and budget	174,210	163,512	136,986	26,526
Tax collection	11,408	14,908	15,474	(566)
Risk management/insurance	78,499	88,041	88,660	(619)
Data processing/central services	137,080	137,080	115,228	21,852
Information technology	67,115	67,115	66,228	887
Board of review	400	400	167	233
Building committee	-	-	258	(258)
Finance committee	1,572	1,572	1,207	365
Personnel committee	1,567	1,567	517	1,050
Municipal building	57,460	57,460	43,306	14,154
Tax refunds/Bad Debt	2,000	2,000	101	1,899
Newsletter	6,055	6,055	10,036	(3,981)
Capital outlay - General Government	9,500	9,500	9,124	376
Total General Government	<u>1,172,500</u>	<u>1,196,474</u>	<u>1,087,907</u>	<u>108,567</u>
PUBLIC SAFETY				
Police department				
Administration/operations	2,738,789	2,738,789	2,738,789	-
Fire department				
SAFER District	976,665	1,080,343	1,080,342	1
Public safety building maintenance	4,150	26,650	27,221	(571)
Public safety warning sirens	2,400	2,400	7,797	(5,397)
Building inspections	215,086	215,086	201,314	13,772
Weights and measures	3,400	3,400	4,000	(600)
Total Public Safety	<u>3,940,490</u>	<u>4,066,668</u>	<u>4,059,463</u>	<u>7,205</u>

VILLAGE OF WESTON

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (cont.)
 - BUDGET AND ACTUAL -
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
PUBLIC WORKS				
Administration	\$ 16,039	\$ 16,039	\$ 14,642	\$ 1,397
Engineering	28,852	28,852	25,496	3,356
Road and street maintenance	1,235,984	1,223,984	1,299,060	(75,076)
Street irrigation maintenance	35,264	20,764	17,678	3,086
Snow and ice control	536,591	452,591	267,431	185,160
Street lighting	203,000	203,000	189,762	13,238
Traffic control	37,500	32,500	23,482	9,018
Mowing	32,652	44,062	43,391	671
Public infrastructure committee	559	559	402	157
Total Public Works	<u>2,126,441</u>	<u>2,022,351</u>	<u>1,881,344</u>	<u>141,007</u>
HEALTH AND HUMAN SERVICES				
County humane animal shelter	15,000	15,000	10,822	4,178
Total Health and Human Services	<u>15,000</u>	<u>15,000</u>	<u>10,822</u>	<u>4,178</u>
PARKS, RECREATION, AND EDUCATION				
Administration	271,165	271,165	268,921	2,244
Park maintenance	103,523	103,523	85,665	17,858
Ice rinks	6,966	6,966	1,240	5,726
Parks and recreation committee	1,341	1,341	627	714
Total Parks, Recreation, and Education	<u>382,995</u>	<u>382,995</u>	<u>356,453</u>	<u>26,542</u>
COMMUNITY DEVELOPMENT				
Administration	210,321	210,321	198,110	12,211
Planning commission	7,013	7,013	6,971	42
Board of appeals	2,389	2,389	-	2,389
Extraterritorial limits committee	1,701	1,701	950	751
Smart growth/Land use	11,900	11,900	4,718	7,182
Capital outlay - Community Development	-	-	540	(540)
Total Community Development	<u>233,324</u>	<u>233,324</u>	<u>211,289</u>	<u>22,035</u>

VILLAGE OF WESTON

GENERAL FUND
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (cont.)
 - BUDGET AND ACTUAL -
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
OTHER				
Contingency reserve	\$ 46,062	\$ -	\$ -	\$ -
Total Other	<u>46,062</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>7,916,812</u>	<u>7,916,812</u>	<u>7,607,278</u>	<u>309,534</u>
OTHER FINANCING USES				
Transfers To				
Debt service	1,664	1,664	1,664	-
Refuse / recycling	31,060	31,060	18,698	12,362
Total Other Financing Uses	<u>32,724</u>	<u>32,724</u>	<u>20,362</u>	<u>12,362</u>
 TOTAL EXPENDITURES AND OTHER FINANCING USES	 <u>\$ 7,949,536</u>	 <u>\$ 7,949,536</u>	 <u>\$ 7,627,640</u>	 <u>\$ 321,896</u>

VILLAGE OF WESTON

TIF DISTRICT #1 - SPECIAL REVENUE FUND (MAJOR FUND)
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 5,820,000	\$ 5,820,000	\$ 5,911,973	\$ 91,973
Intergovernmental	80,804	80,804	207,696	126,892
Investment earnings and miscellaneous	1,000	1,000	2,358,488	2,357,488
Total Revenues	<u>5,901,804</u>	<u>5,901,804</u>	<u>8,478,157</u>	<u>2,576,353</u>
EXPENDITURES				
Current				
Community development	1,840,419	1,840,419	1,736,353	104,066
Debt service				
Principal retirement	500,000	500,000	481,108	18,892
Interest and fiscal charges	-	-	18,903	(18,903)
Total Expenditures	<u>2,340,419</u>	<u>2,340,419</u>	<u>2,236,364</u>	<u>104,055</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,561,385</u>	<u>3,561,385</u>	<u>6,241,793</u>	<u>2,680,408</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,064,687)	(1,064,687)	(1,280,283)	(215,596)
Total Other Financing Sources (Uses)	<u>(1,064,687)</u>	<u>(1,064,687)</u>	<u>(1,280,283)</u>	<u>(215,596)</u>
Net Change in Fund Balance	2,496,698	2,496,698	4,961,510	2,464,812
FUND BALANCE - Beginning	<u>3,782,654</u>	<u>3,782,654</u>	<u>3,782,654</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 6,279,352</u>	<u>\$ 6,279,352</u>	<u>\$ 8,744,164</u>	<u>\$ 2,464,812</u>

VILLAGE OF WESTON

COMMUNITY DEVELOPMENT AUTHORITY-TIF DISTRICT #1 - SPECIAL REVENUE FUND (MAJOR FUND)
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 1,539,673	\$ 1,539,673	\$ 1,539,673	\$ -
Investment earnings and miscellaneous	25,000	25,000	1,438	(23,562)
Total Revenues	<u>1,564,673</u>	<u>1,564,673</u>	<u>1,541,111</u>	<u>(23,562)</u>
EXPENDITURES				
Current				
Community development	4,979	4,979	630	4,349
Debt service				
Interest and fiscal charges	612	612	2,252	(1,640)
Total Expenditures	<u>5,591</u>	<u>5,591</u>	<u>2,882</u>	<u>2,709</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,559,082</u>	<u>1,559,082</u>	<u>1,538,229</u>	<u>(20,853)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,444	1,444
Transfers out	(1,539,673)	(1,539,673)	(1,539,673)	-
Total Other Financing Sources (Uses)	<u>(1,539,673)</u>	<u>(1,539,673)</u>	<u>(1,538,229)</u>	<u>1,444</u>
Net Change in Fund Balance	19,409	19,409	-	(19,409)
FUND BALANCE - Beginning	<u>1,718,297</u>	<u>1,718,297</u>	<u>1,718,297</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 1,737,706</u>	<u>\$ 1,737,706</u>	<u>\$ 1,718,297</u>	<u>\$ (19,409)</u>

SUPPLEMENTARY INFORMATION

VILLAGE OF WESTON

DEBT SERVICE FUND (MAJOR FUND) BALANCE SHEET December 31, 2021

	<u>Debt Service Fund</u>
ASSETS	
CASH AND INVESTMENTS	<u>\$ 342,685</u>
RECEIVABLES	
Taxes	1,479,969
Special assessments	84,241
Total Receivables	<u>1,564,210</u>
TOTAL ASSETS	<u><u>\$ 1,906,895</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	
LIABILITIES	
Accounts payable	\$ 4,904
Unearned revenue	1,289
Total Liabilities	<u>6,193</u>
DEFERRED INFLOWS OF RESOURCES	
Succeeding year's property taxes	\$ 1,479,969
Special assessments	84,241
Total Deferred Inflows of Resources	<u>1,564,210</u>
FUND BALANCE	
Restricted	336,492
Total Fund Balance	<u>336,492</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	<u><u>\$ 1,906,895</u></u>

VILLAGE OF WESTON

DEBT SERVICE FUND (MAJOR FUND)
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ 1,468,000	\$ 1,468,000	\$ 1,468,000	\$ -
Special assessments	13,064	13,064	21,303	8,239
Investment earnings and miscellaneous	500	500	1,305	805
Total Revenues	<u>1,481,564</u>	<u>1,481,564</u>	<u>1,490,608</u>	<u>9,044</u>
EXPENDITURES				
Debt service				
Principal retirement	2,698,912	2,698,912	2,716,499	(17,587)
Interest and fiscal charges	749,046	749,046	647,846	101,200
Bond issuance costs	-	-	4,067	(4,067)
Total Expenditures	<u>3,447,958</u>	<u>3,447,958</u>	<u>3,368,412</u>	<u>79,546</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,966,394)</u>	<u>(1,966,394)</u>	<u>(1,877,804)</u>	<u>88,590</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>1,950,650</u>	<u>1,950,650</u>	<u>1,947,271</u>	<u>(3,379)</u>
Net Change in Fund Balance	(15,744)	(15,744)	69,467	85,211
FUND BALANCE - Beginning	<u>267,025</u>	<u>267,025</u>	<u>267,025</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 251,281</u>	<u>\$ 251,281</u>	<u>\$ 336,492</u>	<u>\$ 85,211</u>

VILLAGE OF WESTON

CAPITAL IMPROVEMENTS - CAPITAL PROJECTS (MAJOR FUND)
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 93,326	\$ 93,326	\$ 93,326	\$ -
Intergovernmental	54,000	54,000	95,417	41,417
Charges for services	100,000	100,000	117,592	17,592
Investment earnings and miscellaneous	-	-	7,028	7,028
Total Revenues	<u>247,326</u>	<u>247,326</u>	<u>313,363</u>	<u>66,037</u>
EXPENDITURES				
Capital improvements	<u>17,315,670</u>	<u>17,315,670</u>	<u>9,723,670</u>	<u>7,592,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,068,344)</u>	<u>(17,068,344)</u>	<u>(9,410,307)</u>	<u>7,658,037</u>
OTHER FINANCING SOURCES (USES)				
Bonds/notes issued	17,717,411	17,717,411	8,100,000	(9,617,411)
Transfers in	53,471	53,471	86,365	32,894
Transfers out	<u>(74,965)</u>	<u>(74,965)</u>	<u>(74,966)</u>	<u>(1)</u>
Total Other Financing Sources (Uses)	<u>17,695,917</u>	<u>17,695,917</u>	<u>8,111,399</u>	<u>(9,584,518)</u>
Net Change in Fund Balance	627,573	627,573	(1,298,908)	(1,926,481)
FUND BALANCE - Beginning	<u>4,012,910</u>	<u>4,012,910</u>	<u>4,012,910</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 4,640,483</u>	<u>\$ 4,640,483</u>	<u>\$ 2,714,002</u>	<u>\$(1,926,481)</u>

VILLAGE OF WESTON

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS December 31, 2021

	Special Revenue Funds		
ASSETS	Refuse / Recycling	Grants	TIF District #2
CASH AND INVESTMENTS	\$ 153,631	\$ 1,110,420	\$ 716,979
RECEIVABLES			
Taxes	780,558	-	433,039
Room Taxes	-	-	-
Other	-	-	-
Total Receivables	780,558	-	433,039
PREPAID ITEMS	864	-	-
RESTRICTED CASH AND INVESTMENTS	-	-	-
TOTAL ASSETS	\$ 935,053	\$ 1,110,420	\$ 1,150,018
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 56,472	\$ -	\$ -
Other accrued liabilities	201	-	631
Due to other funds	-	-	-
Unearned revenue	-	1,110,042	-
Total Liabilities	56,673	1,110,042	631
DEFERRED INFLOWS OF RESOURCES			
Succeeding year's property taxes	780,558	-	607,142
Total deferred inflows of resources	780,558	-	607,142
FUND BALANCES			
Nonspendable	864	-	-
Restricted	-	-	-
Committed	96,958	-	542,245
Assigned	-	378	-
Total Fund Balances	97,822	378	542,245
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 935,053	\$ 1,110,420	\$ 1,150,018

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Special Revenue Funds			
Comm. Dev. Authority - TIF District #2	Aquatic Center	Room Taxes	Civic and Social
\$ 4,854	\$ 106,324	\$ -	\$ 22,889
-	40,000	-	-
-	-	113,779	-
-	95	-	559
-	40,095	113,779	559
-	3,169	-	-
251,258	-	-	-
<u>\$ 256,112</u>	<u>\$ 149,588</u>	<u>\$ 113,779</u>	<u>\$ 23,448</u>
\$ 71	\$ 1,429	\$ 75,162	\$ 586
-	38	-	-
-	-	1,820	-
-	672	-	-
71	2,139	76,982	586
-	40,000	-	-
-	40,000	-	-
-	3,169	-	-
251,253	-	-	-
4,788	104,280	36,797	22,862
-	-	-	-
256,041	107,449	36,797	22,862
<u>\$ 256,112</u>	<u>\$ 149,588</u>	<u>\$ 113,779</u>	<u>\$ 23,448</u>

VILLAGE OF WESTON

Continued from
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COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (cont.)
December 31, 2021

ASSETS	Special Revenue <u>Park and Recreation</u>	Capital Projects Funds <u>TIF District #1</u>	Total Nonmajor Governmental Funds
CASH AND INVESTMENTS	\$ 42,304	\$ 25,951	\$ 2,183,352
RECEIVABLES			
Taxes	-	-	1,253,597
Room Taxes	-	-	113,779
Other	-	-	654
Total Receivables	<u>-</u>	<u>-</u>	<u>1,368,030</u>
PREPAID ITEMS	<u>-</u>	<u>-</u>	<u>4,033</u>
RESTRICTED CASH AND INVESTMENTS	<u>-</u>	<u>-</u>	<u>251,258</u>
 TOTAL ASSETS	 <u>\$ 42,304</u>	 <u>\$ 25,951</u>	 <u>\$ 3,806,673</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	\$ 25,951	\$ 159,671
Other accrued liabilities	-	-	870
Due to other funds	-	-	1,820
Unearned revenue	-	-	1,110,714
Total Liabilities	<u>-</u>	<u>25,951</u>	<u>1,273,075</u>
DEFERRED INFLOWS OF RESOURCES			
Succeeding year's property taxes	-	-	1,427,700
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>1,427,700</u>
FUND BALANCES			
Nonspendable	-	-	4,033
Restricted	-	-	251,253
Committed	42,304	-	850,234
Assigned	-	-	378
Total Fund Balances	<u>42,304</u>	<u>-</u>	<u>1,105,898</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 <u>\$ 42,304</u>	 <u>\$ 25,951</u>	 <u>\$ 3,806,673</u>

VILLAGE OF WESTON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

	Special Revenue Funds		
	Refuse / Recycling	Public Safety Grants	TIF District #2
REVENUES			
Taxes	\$ -	\$ -	\$ 566,459
Intergovernmental	79,452	-	32,339
Licenses and permits	-	-	-
Charges for services	824,031	-	-
Contributions and donations	-	-	-
Investment earnings and miscellaneous	117	378	367
Total Revenues	903,600	378	599,165
EXPENDITURES			
Current			
Public works	835,743	-	-
Parks, recreation, and education	-	-	-
Community development	-	-	218,934
Capital improvements	-	-	-
Debt service			
Interest and fiscal charges	-	-	-
Total Expenditures	835,743	-	218,934
Excess (deficiency) of revenues over (under) expenditures	67,857	378	380,231
OTHER FINANCING SOURCES (USES)			
Transfers in	18,698	-	-
Transfers out	(56,103)	-	-
Sale of village properties	-	-	-
Insurance recoveries	-	-	-
Total Other Financing Sources (Uses)	(37,405)	-	-
Net Change in Fund Balances	30,452	378	380,231
FUND BALANCES - Beginning	67,370	-	162,014
FUND BALANCES - Ending	\$ 97,822	\$ 378	\$ 542,245

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Special Revenue Funds			
Comm. Dev. Authority - TIF District #2	Aquatic Center	Room Taxes	Civic and Social
\$ -	\$ 40,000	\$ 421,218	\$ -
-	-	-	-
-	-	-	6,630
157,713	141,322	-	-
-	-	-	-
16	83	-	11,454
<u>157,729</u>	<u>181,405</u>	<u>421,218</u>	<u>18,084</u>
-	-	-	-
-	197,702	-	-
420	-	365,025	13,648
-	-	-	-
596	-	-	-
<u>1,016</u>	<u>197,702</u>	<u>365,025</u>	<u>13,648</u>
<u>156,713</u>	<u>(16,297)</u>	<u>56,193</u>	<u>4,436</u>
-	40,000	-	-
(157,713)	-	(126,365)	-
-	-	-	-
-	7,458	-	-
<u>(157,713)</u>	<u>47,458</u>	<u>(126,365)</u>	<u>-</u>
(1,000)	31,161	(70,172)	4,436
<u>257,041</u>	<u>76,288</u>	<u>106,969</u>	<u>18,426</u>
<u>\$ 256,041</u>	<u>\$ 107,449</u>	<u>\$ 36,797</u>	<u>\$ 22,862</u>

VILLAGE OF WESTON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (cont.)
For the Year Ended December 31, 2021

	Special Revenue Park and Recreation	Capital Projects Funds TIF District #1	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ -	\$ -	\$ 1,027,677
Intergovernmental	-	-	111,791
Licenses and permits	-	-	6,630
Charges for services	-	-	1,123,066
Contributions and donations	4,381	-	4,381
Investment earnings and miscellaneous	34	-	12,449
Total Revenues	4,415	-	2,285,994
EXPENDITURES			
Current			
Public works	-	-	835,743
Parks, recreation, and education	2,308	-	200,010
Community development	-	-	598,027
Capital improvements	-	1,551,885	1,551,885
Debt service			
Interest and fiscal charges	-	-	596
Total Expenditures	2,308	1,551,885	3,186,261
Excess (deficiency) of revenues over (under) expenditures	2,107	(1,551,885)	(900,267)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	1,172,885	1,231,583
Transfers out	-	-	(340,181)
Sale of village properties	-	379,000	379,000
Insurance recoveries	-	-	7,458
Total Other Financing Sources (Uses)	-	1,551,885	1,277,860
Net Change in Fund Balances	2,107	-	377,593
FUND BALANCES - Beginning	40,197	-	728,305
FUND BALANCES - Ending	\$ 42,304	\$ -	\$ 1,105,898

VILLAGE OF WESTON

REFUSE / RECYCLING - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ 78,650	\$ 78,650	\$ 79,452	\$ 802
Charges for services	820,556	820,556	824,031	3,475
Investment earnings and miscellaneous	240	240	117	(123)
Total Revenues	<u>899,446</u>	<u>899,446</u>	<u>903,600</u>	<u>4,154</u>
EXPENDITURES				
Current				
Public works	<u>860,831</u>	<u>860,831</u>	<u>835,743</u>	<u>25,088</u>
Excess (deficiency) of revenues over (under) expenditures	<u>38,615</u>	<u>38,615</u>	<u>67,857</u>	<u>29,242</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	31,060	31,060	18,698	(12,362)
Transfers out	(56,105)	(56,105)	(56,103)	2
Total Other Financing Sources (Uses)	<u>(25,045)</u>	<u>(25,045)</u>	<u>(37,405)</u>	<u>(12,360)</u>
Net Change in Fund Balance	13,570	13,570	30,452	16,882
FUND BALANCE - Beginning	<u>67,370</u>	<u>67,370</u>	<u>67,370</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 80,940</u>	<u>\$ 80,940</u>	<u>\$ 97,822</u>	<u>\$ 16,882</u>

VILLAGE OF WESTON

GRANTS - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment earnings and miscellaneous	-	-	378	378
	<u>-</u>	<u>-</u>	<u>378</u>	<u>378</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	378	378
FUND BALANCE - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 378</u>	<u>\$ 378</u>

VILLAGE OF WESTON

TIF DISTRICT #2 - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ 557,000	\$ 557,000	\$ 566,459	\$ 9,459
Intergovernmental	11,944	11,944	32,339	20,395
Investment earnings and miscellaneous	1,000	1,000	367	(633)
Total Revenues	<u>569,944</u>	<u>569,944</u>	<u>599,165</u>	<u>29,221</u>
EXPENDITURES				
Current				
Community development	<u>263,757</u>	<u>263,757</u>	<u>218,934</u>	<u>44,823</u>
Excess (deficiency) of revenues over (under) expenditures	<u>306,187</u>	<u>306,187</u>	<u>380,231</u>	<u>74,044</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(2,504)</u>	<u>(2,504)</u>	<u>-</u>	<u>2,504</u>
Net Change in Fund Balance	303,683	303,683	380,231	76,548
FUND BALANCE - Beginning	<u>162,014</u>	<u>162,014</u>	<u>162,014</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 465,697</u>	<u>\$ 465,697</u>	<u>\$ 542,245</u>	<u>\$ 76,548</u>

VILLAGE OF WESTON

COMMUNITY DEVELOPMENT AUTHORITY-TIF DISTRICT #2 - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Charges for services	\$ 157,713	\$ 157,713	\$ 157,713	\$ -
Investment earnings and miscellaneous	180	180	16	(164)
Total Revenues	<u>157,893</u>	<u>157,893</u>	<u>157,729</u>	<u>(164)</u>
EXPENDITURES				
Current				
Community development	2,159	2,159	420	1,739
Debt service				
Interest and fiscal charges	525	525	596	(71)
Total Expenditures	<u>2,684</u>	<u>2,684</u>	<u>1,016</u>	<u>1,668</u>
Excess (deficiency) of revenues over (under) expenditures	<u>155,209</u>	<u>155,209</u>	<u>156,713</u>	<u>1,504</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(157,713)</u>	<u>(157,713)</u>	<u>(157,713)</u>	<u>-</u>
Net Change in Fund Balance	(2,504)	(2,504)	(1,000)	1,504
FUND BALANCE - Beginning	<u>257,041</u>	<u>257,041</u>	<u>257,041</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 254,537</u>	<u>\$ 254,537</u>	<u>\$ 256,041</u>	<u>\$ 1,504</u>

VILLAGE OF WESTON

AQUATIC CENTER - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Charges for services	128,320	128,320	141,322	13,002
Investment earnings and miscellaneous	65	65	83	18
Total Revenues	<u>168,385</u>	<u>168,385</u>	<u>181,405</u>	<u>13,020</u>
EXPENDITURES				
Current				
Parks, recreation, and education	<u>213,115</u>	<u>213,115</u>	<u>197,702</u>	<u>15,413</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(44,730)</u>	<u>(44,730)</u>	<u>(16,297)</u>	<u>28,433</u>
OTHER FINANCING SOURCES				
Transfers in	40,000	40,000	40,000	-
Insurance Recoveries	-	-	7,458	7,458
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>40,000</u>	<u>47,458</u>	<u>7,458</u>
Net Change in Fund Balance	(4,730)	(4,730)	31,161	35,891
FUND BALANCE - Beginning	<u>76,288</u>	<u>76,288</u>	<u>76,288</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 71,558</u>	<u>\$ 71,558</u>	<u>\$ 107,449</u>	<u>\$ 35,891</u>

VILLAGE OF WESTON

ROOM TAXES - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ 311,569	\$ 311,569	\$ 421,218	\$ 109,649
EXPENDITURES				
Current				
Community development	255,067	255,067	365,025	(109,958)
Excess (deficiency) of revenues over (under) expenditures	56,502	56,502	56,193	(309)
OTHER FINANCING SOURCES (USES)				
Transfers out	(93,471)	(93,471)	(126,365)	(32,894)
Net Change in Fund Balance	(36,969)	(36,969)	(70,172)	(33,203)
FUND BALANCE - Beginning	106,969	106,969	106,969	-
FUND BALANCE - Ending	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>\$ 36,797</u>	<u>\$ (33,203)</u>

VILLAGE OF WESTON

CIVIC AND SOCIAL - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Licenses and permits	\$ 6,000	\$ 6,000	\$ 6,630	\$ 630
Investment earnings and miscellaneous	4,124	4,124	11,454	7,330
Total Revenues	<u>10,124</u>	<u>10,124</u>	<u>18,084</u>	<u>7,960</u>
EXPENDITURES				
Current				
Community Development	<u>14,906</u>	<u>14,906</u>	<u>13,648</u>	<u>1,258</u>
Net Change in Fund Balance	(4,782)	(4,782)	4,436	9,218
FUND BALANCE - Beginning	<u>18,426</u>	<u>18,426</u>	<u>18,426</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 13,644</u>	<u>\$ 13,644</u>	<u>\$ 22,862</u>	<u>\$ 9,218</u>

VILLAGE OF WESTON

PARK AND RECREATION - SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES				
Contributions and donations	\$ 150	\$ 150	\$ 4,381	\$ 4,231
Investment earnings and miscellaneous	300	300	34	(266)
Total Revenues	<u>450</u>	<u>450</u>	<u>4,415</u>	<u>3,965</u>
EXPENDITURES				
Current				
Parks, recreation, and education	<u>500</u>	<u>500</u>	<u>2,308</u>	<u>(1,808)</u>
Net Change in Fund Balance	(50)	(50)	2,107	2,157
FUND BALANCE - Beginning	<u>40,197</u>	<u>40,197</u>	<u>40,197</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 40,147</u>	<u>\$ 40,147</u>	<u>\$ 42,304</u>	<u>\$ 2,157</u>

VILLAGE OF WESTON

TIF DISTRICT #1 - CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
EXPENDITURES				
Capital improvements	\$ 1,188,900	\$ 1,188,900	\$ 1,551,885	\$ (362,985)
Excess (deficiency) of revenues over (under) expenditures	(1,188,900)	(1,188,900)	(1,551,885)	(362,985)
OTHER FINANCING SOURCES (USES)				
Transfers in	955,355	955,355	1,172,885	217,530
Sale of village properties	-	-	379,000	379,000
Total Other Financing Sources (Uses)	955,355	955,355	1,551,885	596,530
Net Change in Fund Balance	(233,545)	(233,545)	-	233,545
FUND BALANCE - Beginning	-	-	-	-
FUND BALANCE (DEFICIT) - Ending	\$ (233,545)	\$ (233,545)	\$ -	\$ 233,545

OTHER INFORMATION

VILLAGE OF WESTON

PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS
Beginning of Project to December 31, 2021

TIF DISTRICT #1 FUND

TOTAL AUTHORIZATIONS	<u>\$ 60,027,714</u>
REVENUES AND OTHER FINANCING SOURCES	
Intergovernmental revenues	\$ 2,595,000
Charges for services	252,800
Fines and forfeitures	25,000
Investment earnings and miscellaneous	1,068,265
Bonds/notes issued	19,237,124
Transfers in	32,137,498
Sale of village properties	4,725,317
Net decrease in the fair value of investments	(13,290)
Total Revenues and Other Financing Sources	<u>\$ 60,027,714</u>
EXPENDITURES AND OTHER FINANCING USES	
Capital improvements	\$ 59,217,055
Bond issuance costs	2,000
Discounts on bonds/notes issued	942
Transfers out	807,717
Total Expenditures and Other Financing Uses	<u>\$ 60,027,714</u>
FUND BALANCE - December 31, 2021	<u>\$ -</u>

TIF DISTRICT #2 FUND

TOTAL AUTHORIZATIONS	<u>\$ 3,132,406</u>
REVENUES AND OTHER FINANCING SOURCES	
Investment earnings and miscellaneous	\$ 55,078
Bonds/notes issued	850,800
Transfers in	2,226,528
Total Revenues and Other Financing Sources	<u>\$ 3,132,406</u>
EXPENDITURES AND OTHER FINANCING USES	
Capital improvements	\$ 3,131,935
Discounts on bonds/notes issued	471
Total Expenditures and Other Financing Uses	<u>\$ 3,132,406</u>
FUND BALANCE - December 31, 2021	<u>\$ -</u>

VILLAGE OF WESTON

ENTERPRISE FUNDS SCHEDULE OF RATES OF RETURN - REGULATORY BASIS For the Year Ended December 31, 2021

	Water Utility	Sewer Utility	Stormwater Utility	Totals
UTILITY PLANT IN SERVICE				
Beginning of year	\$ 31,633,629	\$ 32,515,956	\$ 17,642,970	\$ 81,792,555
End of year	32,403,966	32,871,577	18,065,388	83,340,931
Average	<u>32,018,798</u>	<u>32,693,767</u>	<u>17,854,179</u>	<u>82,566,744</u>
ACCUMULATED DEPRECIATION				
Beginning of year	10,875,790	14,302,867	6,843,426	32,022,083
End of year	11,539,425	14,989,440	7,209,870	33,738,735
Average	<u>11,207,608</u>	<u>14,646,154</u>	<u>7,026,648</u>	<u>32,880,409</u>
MATERIALS AND SUPPLIES				
Beginning of year	124,888	-	-	124,888
End of year	108,829	-	-	108,829
Average	<u>116,859</u>	<u>-</u>	<u>-</u>	<u>116,859</u>
CONTRIBUTIONS IN AID OF CONSTRUCTION				
Beginning of year	7,619,828	11,260,944	-	18,880,772
End of year	7,619,828	11,260,944	-	18,880,772
Average	<u>7,619,828</u>	<u>11,260,944</u>	<u>-</u>	<u>18,880,772</u>
AVERAGE NET RATE BASE	<u>\$ 13,308,221</u>	<u>\$ 6,786,669</u>	<u>\$ 10,827,531</u>	<u>\$ 30,922,421</u>
OPERATING INCOME (LOSS)	<u>\$ 827,630</u>	<u>\$ 268,253</u>	<u>\$ 60,947</u>	<u>\$ 1,156,830</u>
RATE OF RETURN - 2021	<u>6.22%</u>	<u>3.95%</u>	<u>0.56%</u>	<u>3.74%</u>
RATE OF RETURN - 2020	<u>5.44%</u>	<u>2.32%</u>	<u>0.37%</u>	<u>2.95%</u>

This schedule is computed based on Public Service Commission (PSC) of Wisconsin regulatory accounting which differs from accounting principles generally accepted in the United States of America due to GASB Statement No. 33, as well as PSC order 05-US-105, effective January 1, 2003.