

# ***FINANCIAL REPORT***

***OF THE***

***VILLAGE OF WESTON,  
WISCONSIN***



**FOR THE YEAR ENDED DECEMBER 31, 2020**

Prepared By:  
WESTON FINANCE DEPARTMENT

# VILLAGE OF WESTON

ANNUAL FINANCIAL REPORT  
December 31, 2020

## TABLE OF CONTENTS

---

<b><i>INDEPENDENT AUDITORS' REPORT</i></b>	1-2
<b><i>MANAGEMENT'S DISCUSSION AND ANALYSIS</i></b>	3-19
<b><i>BASIC FINANCIAL STATEMENTS</i></b>	
Government-wide Financial Statements:	
Statement of Net Position	20
Statement of Activities	21 – 22
Fund Financial Statements:	
Balance Sheet – Governmental Funds	23 – 24
Reconciliation of the Balance Sheet to the Statement of Net Position	25
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Governmental Funds	26 – 27
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
Statement of Net Position – Proprietary Funds	29 – 30
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	31
Statement of Cash Flows – Proprietary Funds	32 – 33
Statement of Fiduciary Net Position	34
Statement of Changes in Fiduciary Net Position	35
Notes to the Financial Statements	36 – 88

VILLAGE OF WESTON

ANNUAL FINANCIAL REPORT  
December 31, 2020

TABLE OF CONTENTS (cont.)

---

<b><u>FINANCIAL SECTION</u></b> (cont.)	<b><u>Page</u></b>
<b><i>REQUIRED SUPPLEMENTARY INFORMATION</i></b>	
<b><u>Net Pension Liability (Asset)</u></b>	
Schedule of Employer Contributions	89
Schedule of Employer Proportionate Share of Net Pension Liability (Asset)	90
<b><u>Net OPEB Liability</u></b>	
Schedule of Employer Contributions	91
Schedule of Employer Proportionate Share of Net OPEB Liability	92
<b><u>General Fund</u></b>	
Schedule of Revenues and Other Financing Sources – Budget and Actual – General Fund	93 – 94
Schedule of Expenditures and Other Financing Uses – Budget and Actual – General Fund	95 – 97
<b><u>TIF District #1 – Special Revenue Fund (Major Fund)</u></b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) – Budget and Actual	98
<b><u>Community Development Authority - TIF District #1 – Special Revenue Fund (Major Fund)</u></b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	99
<b><i>SUPPLEMENTARY INFORMATION</i></b>	
<b><u>Debt Service Fund (Major Fund)</u></b>	
Balance Sheet	100
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) – Budget and Actual	101

VILLAGE OF WESTON

ANNUAL FINANCIAL REPORT  
December 31, 2020

TABLE OF CONTENTS (cont.)

---

<b><u>FINANCIAL SECTION</u></b> (cont.)	<u>Page</u>
<b><i>OTHER MAJOR FUNDS</i></b>	
<b><u>Capital Projects Fund (Major Fund)</u></b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	102
<b><u>Nonmajor Governmental Funds</u></b>	
Combining Balance Sheet – Nonmajor Governmental Funds	103 – 105
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Nonmajor Governmental Funds	106 – 108
Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Budget and Actual	
<b><u>Special Revenue Funds:</u></b>	
Refuse/Recycling	109
Public Safety Grants	110
TIF District #2	111
Community Development Authority – TIF District #2	112
Aquatic Center	113
Room Taxes	114
Civic and Social	115
Park and Recreation	116
<b><u>Capital Projects Funds:</u></b>	
TIF District #1	117
<b><i>OTHER INFORMATION</i></b>	
<b><u>TIF District Schedules</u></b>	
Project-Length Schedule of Construction Projects – TIF District #1 Fund	118
Project-Length Schedule of Construction Projects – TIF District #2 Fund	118
<b><u>Enterprise Funds</u></b>	
Schedule of Rates of Return – Regulatory Basis	119

## Independent Auditors' Report

To the Village Board  
Village of Weston, Wisconsin

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 Village of Weston, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village of Weston's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

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, as of December 31, 2020, 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.

To the Village Board  
Village of Weston, Wisconsin

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of contributions and schedule of employer proportionate share of net pension liability (asset) – Wisconsin Retirement System, and 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, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Weston's basic financial statements. The supplementary information and other information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents, 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

The other information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*KerberRose*

**KerberRose SC**  
**Certified Public Accountants**  
Shawano, Wisconsin  
August 9, 2021

## 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, 2020. 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 20 of this report. A comparative analysis has been presented for 2019 and 2020.

### 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, 2020, by \$84,008,214 (reported as "*net position*"). Of this amount, \$23,584,497 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 \$22,778,161, while the Business-Type Activities net position was \$61,230,053.
- The Village's total net position increased by \$3,382,055 during fiscal year 2020, resulting from governmental and business-type activities. There was an increase of \$3,158,211 net position from Governmental Activities, and an increase of \$223,844 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 \$14,067,634, which was an increase of \$3,129,313 in comparison with the prior year. The unassigned fund balance was \$2,782,837. At the end of the year, management had designated \$6,376,950 of the total fund balance as committed or assigned for specific purposes and \$4,907,847 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 had 4 issues of debt in 2020. The Water Utility issued \$4.43M Series 2020A Revenue Bonds to finance current water utility projects, including a new well. The Village issued \$5.34M 2020 Series 2020B General Obligation Bonds for street projects (\$3.115M), sewer projects (\$1.335M), and stormwater projects (\$890,000). A \$2.175M Series 2020C General Obligation Notes was issued to finance Village equipment. Finally, a \$2.97M General Obligation Bank Note was issued to finance a land purchase for a new municipal center and a remodel of the public safety building.

### 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.



Weston Municipal Center  
5500 Schofield Avenue  
Weston, WI 54476  
715-359-6114  
[www.westonwi.gov](http://www.westonwi.gov)

# 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, 2020. 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 20-22 of this report.

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

### **GOVERNMENT-WIDE NET POSITION ANALYSIS – GOVERNMENTAL ACTIVITIES**

Current and other assets increased \$5,882,466. Of that amount, \$3.9M is unspent debt proceeds recorded in cash. Capital assets increased \$926,516 indicating the Village is investing at a more rapid rate than the assets are depreciating.

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

Current and other liabilities increased \$985,589. Accounts payable increased \$782,314 because of the number of outstanding projects at year end and timing of invoices. Non-current liabilities also increased by \$1.25M 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 \$22,778,161 (net position) as of December 31, 2020. Of the \$22,778,161, \$17,798,156 represents net investment in capital assets, \$1,821,611 is restricted for debt, \$117,316 restricted for pensions, and \$3,041,078 is unrestricted and able to 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 increase of \$5,997,767 reflects an increase in cash because of the debt issuances in December. Capital assets increased \$496,192 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 increased \$5,703,435 reflecting the Water Revenue Bond (\$4.43M) and the G.O. Bonds (\$2.23M) issued for Sewer and Stormwater projects.

The net position for Business-Type activities is \$61,230,053. Of the total amount \$45,773,929 or 74.8% is the utilities' net investment in capital projects. The utilities have \$244,728 restricted for debt, and \$54,727 restricted for pensions. The total unrestricted amount available to support utility operations is \$15,156,669.

# 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, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 32,531,367	\$ 26,648,901	\$ 22,982,429	\$ 16,984,662	\$ 55,513,796	\$ 43,633,563
Capital assets	36,102,980	35,176,464	51,356,680	50,860,488	87,459,660	86,036,952
Total assets	<u>68,634,347</u>	<u>61,825,365</u>	<u>74,339,109</u>	<u>67,845,150</u>	<u>142,973,456</u>	<u>129,670,515</u>
Total deferred outflows of resources	816,150	1,089,420	381,957	474,388	1,198,107	1,563,808
Non-current liabilities	(29,788,190)	(28,530,672)	(10,997,139)	(5,293,704)	(40,785,329)	(33,824,376)
Current and other liabilities	(2,108,866)	(1,123,277)	(2,066,095)	(1,801,628)	(4,174,961)	(2,924,905)
Total liabilities	<u>(31,897,056)</u>	<u>(29,653,949)</u>	<u>(13,063,234)</u>	<u>(7,095,332)</u>	<u>(44,960,290)</u>	<u>(36,749,281)</u>
Total deferred inflows of resources	<u>(14,775,280)</u>	<u>(13,640,886)</u>	<u>(427,779)</u>	<u>(217,997)</u>	<u>(15,203,059)</u>	<u>(13,858,883)</u>
Net position:						
Net investment in capital assets	17,798,156	18,650,685	45,773,929	46,597,133	58,185,335 *	65,247,818
Restricted	1,938,927	1,821,611	299,455	844,181	2,238,382	2,665,792
Unrestricted (deficit)	<u>3,041,078</u>	<u>(852,346)</u>	<u>15,156,669</u>	<u>13,564,895</u>	<u>23,584,497 *</u>	<u>12,712,549</u>
Total net position	<u>\$ 22,778,161</u>	<u>\$ 19,619,950</u>	<u>\$ 61,230,053</u>	<u>\$ 61,006,209</u>	<u>\$ 84,008,214</u>	<u>\$ 80,626,159</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 2020 increased the Village's net position by \$3,158,211. Total revenues, excluding transfers, increased by \$488,224 for 2020. Property taxes accounted for 73.2% and charges for services accounted for 8.5% of total 2020 governmental activities revenue, excluding transfers. Total expenses decreased by \$1,724,725 for 2020. Expenses for public safety and public works were 71.9% of all governmental activities. Governmental expenses included \$3,660,817 in depreciation expense allocated as follows: \$3,382,015 to public works, \$30,665 to general government, \$84,911 to public safety, and \$163,226 to parks and recreation. Depreciation expense represents 25.7% of the total expenses for governmental activities.

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

#### Revenues:

- Property tax revenue had an overall increase in 2020 of \$585,794 (5.0%). Most of the property tax increase is related to the TIF district tax levies which increased by \$346,029 (6.0%) in 2020 due to growth and increased valuation of properties in TIFs. There was no change in the debt service, aquatic center or the capital improvements fund levy for 2020. The general-purpose tax levy of the Village increased by \$239,765 (5.2%) in 2020.
- Revenues from charges for services totaled \$1,429,320 which was a decrease of \$164,571 (-10.3%) from 2019. During the pandemic, the Village did not have any park rentals and discounts were given on liquor licenses to local businesses. Fines and forfeitures also decreased \$64,703.
- Capital grants and contributions totaled \$531,599, a decrease of \$39,950 (-7.0%) from 2019. The decrease is because transportation aids decreased \$52,848. Operating Grants and Contributions increased \$251,948, mostly because of the \$238,116 received in CARES funding.
- Public accommodation taxes came in at \$287,983, a decrease of \$182,332 because there were less hotel stays during the pandemic resulting in less room taxes collected.
- Investment earnings plummeted \$161,410 (-52.0%) to \$149,108 in 2020. The Village had several long-term investments called which resulted in those funds being reinvested at much lower rates.

## Village of Weston Management's Discussion and Analysis

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

#### Expenses:

- General government expenses totaled \$1,232,009 in 2020, a decrease of \$24,634 (-2.0%) from 2019. The decrease in expenses is a combination of less pension expense, depreciation expense, and compensated absences expense. A few departments had significant changes from 2019 to 2020. Clerk expenses decreased \$50,063 (-17.4%) and election expenses increased \$136,197 (764.4%) in 2020. The increase is due to more elections in 2020 than 2019 along with a large increase in absentee ballot demand which resulted in more time worked for elections as well as increased postage and printing expenses. General government capital outlay expenses decreased \$64,126 (-53.9%) from 2019 due to onetime software and equipment purchases made in 2019.
- Public safety expenses totaled \$3,851,971 in 2020, a decrease of \$1,103,602 (-22.3%) from 2019. The Village's share for police protection expenses (Everest Metro Police Department) increased by \$181,708 (6.9%). The increase was for wages/benefits as well as capital outlay. The Village's share for the SAFER fire district expenses increased by \$36,572 (2.8%). The increase covered wages/benefits and capital outlay. The Village's investment in joint venture for both EMPD and SAFER decreased in 2019 adding \$398,549 in additional expenditures in 2019 that we did not have in 2020. Additionally, the investment in the joint ventures increased in 2020 reducing the 2020 expense by \$663,948.
- 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 subsequent years, the intergovernmental receivable and intergovernmental payable will be reduced until the receivable is paid off. In 2020 the Village paid \$375,942 of the \$479,620
- Public works expenses totaled \$6,380,114 in 2020, a decrease of \$182,659 (-2.8%) from 2019. The decrease is due to a less severe winter than the previous year. Also, depreciation expense decreased \$283,044. 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 \$1,088,986, a decrease of \$322,224 (-22.8%) from 2020. In 2020 expenditures in the TIF districts slowed during the pandemic as we waited to see what the future looked like
- Interest and fiscal charges expense totaled \$897,491 for 2020, a decrease of \$95,896 (-9.7%) from 2019.

**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 2020 and 2019.

**VILLAGE OF WESTON  
CONDENSED STATEMENT OF ACTIVITIES  
For the Years Ended December 31, 2020 and 2019**

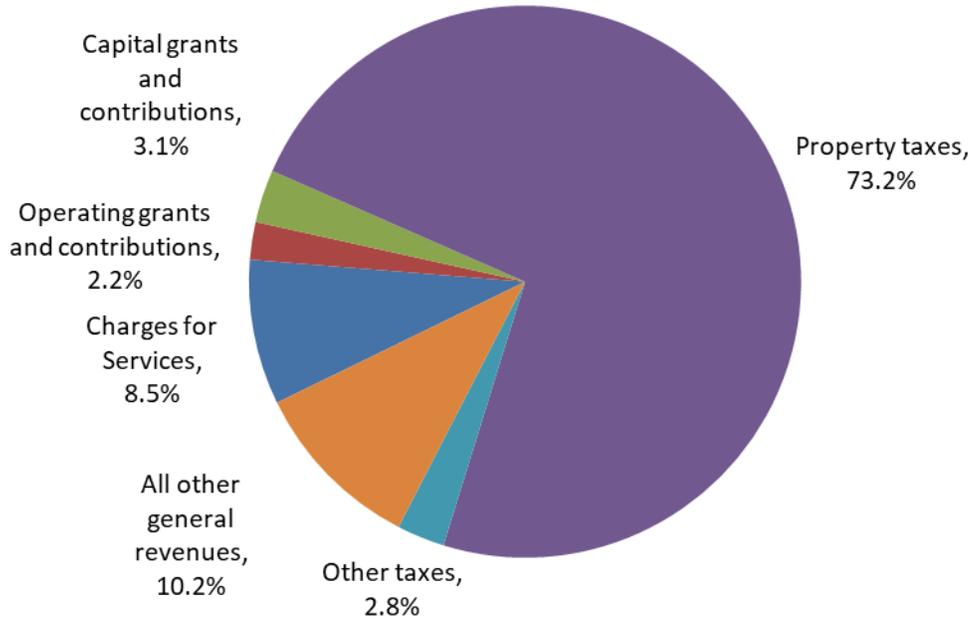
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 1,429,320	\$ 1,593,891	\$ 5,690,106	\$ 5,465,243	\$ 7,119,426	\$ 7,059,134
Operating grants and contributions	371,794	119,846	-	591	371,794	120,437
Capital grants and contributions	531,599	571,549	15,225	57,121	546,824	628,670
General revenues:						
Property taxes	12,358,355	11,772,561	-	-	12,358,355	11,772,561
Other taxes	466,822	643,251	-	-	466,822	643,251
Intergovernmental revenues not restricted to specific programs	1,359,130	1,286,031	-	-	1,359,130	1,286,031
Public gifts and/or grants not restricted to specific programs	-	-	-	-	-	-
Investment earnings	149,108	310,518	241,874	588,316	390,982	898,834
Other general revenues	218,956	99,213	1,797	17,864	220,753	117,077
<b>Total Revenues</b>	<b>16,885,084</b>	<b>16,396,860</b>	<b>5,949,002</b>	<b>6,129,135</b>	<b>22,834,086</b>	<b>22,525,995</b>
<b>Expenses:</b>						
General government	1,232,009	1,256,643	-	-	1,232,009	1,256,643
Public safety	3,851,971	4,955,573	-	-	3,851,971	4,955,573
Public works	6,380,114	6,562,773	-	-	6,380,114	6,562,773
Health and human services	11,517	12,304	-	-	11,517	12,304
Parks, recreation, and education	761,563	756,486	-	-	761,563	756,486
Community development	1,088,986	1,411,210	-	-	1,088,986	1,411,210
Interest and fiscal charges	897,491	993,387	-	-	897,491	993,387
Water utility	-	-	2,142,189	1,939,013	2,142,189	1,939,013
Sewer utility	-	-	2,394,009	2,622,799	2,394,009	2,622,799
Stormwater utility	-	-	692,182	546,240	692,182	546,240
<b>Total Expenses</b>	<b>14,223,651</b>	<b>15,948,376</b>	<b>5,228,380</b>	<b>5,108,052</b>	<b>19,452,031</b>	<b>21,056,428</b>
Increase (decrease) in net position before transfers	2,661,433	448,484	720,622	1,021,083	3,382,055	1,469,567
Transfers	496,778	500,739	(496,778)	(500,739)	-	-
<b>Change in net position</b>	<b>3,158,211</b>	<b>949,223</b>	<b>223,844</b>	<b>520,344</b>	<b>3,382,055</b>	<b>1,469,567</b>
Net position - January 1	19,619,950	18,670,727	61,006,209	60,485,865	80,626,159	79,156,592
<b>Net position - December 31</b>	<b>\$ 22,778,161</b>	<b>\$ 19,619,950</b>	<b>\$ 61,230,053</b>	<b>\$ 61,006,209</b>	<b>\$ 84,008,214</b>	<b>\$ 80,626,159</b>

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

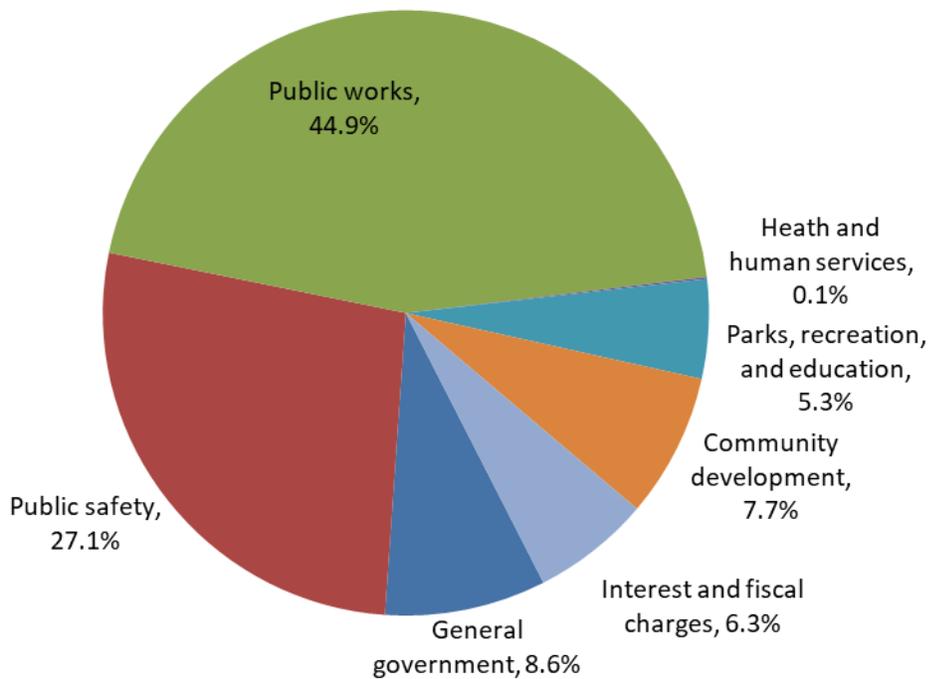
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES ANALYSIS – GOVERNMENTAL ACTIVITIES  
(cont.)**

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 \$223,844. Charges for services were over expenses by \$461,726. Other 2020 funding sources for the utility funds were capital grants and contributions of \$15,225 along with investment earnings and other general revenues of \$243,671.

Charges for services increased by \$224,863 (4.1%) in 2020 because the second step of the water rate increase was in effect January 2020. Capital grants and contributions were higher in 2019 than 2020 because a Village contribution was made to the Stormwater Utility in 2019 which did not reoccur in 2020. Investment earnings dropped \$346,442 (-58.9%) 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 \$2,658,296 for 2020, which was an increase of \$182,207 (7.4%) from 2019. The increase reflects the additional revenue from the second step rate increase implemented January 2020. Investment earnings decreased by \$170,461 (-62.0%) from 2019 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 \$2,363,824 for 2020, which was an increase of \$32,872 (1.4%) from 2019. The increase reflects additional users to the system in 2020. Interest earnings decreased by \$164,626 from 2019 (-55.4%).
- Stormwater Utility operating revenues totaled \$667,986 for 2020, which was an increase of \$9,193 (1.4%) from 2019. Interest earnings on investments decreased by \$11,355 (-69.6%). In 2020, the Stormwater Utility paid the balance of the interfund loan of \$183,106 to the Sewer Utility.

Operating expenses, excluding depreciation, totaled \$3,021,284, which was an increase of \$22,837 (0.8%) from 2019. Depreciation expense increased by \$16,264 to \$1,747,906. Some of the significant changes in expenses were as follows:

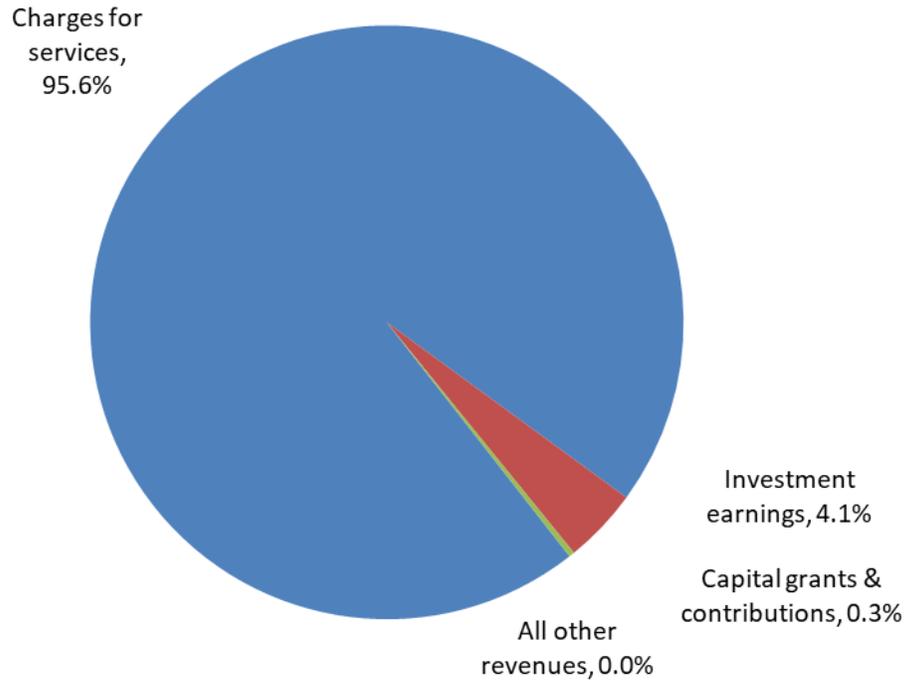
- Water Utility operations expense, excluding depreciation, increased by \$73,875 (6.0%). The Utility did some well maintenance work in 2020 including one that forced its largest customer to purchase water from a different utility. The total increase to source of supply expense was \$128,755. There was less transmission and distribution expense than 2019 because there were less freeze ups; the total decrease to transmission and distribution expense was \$45,408. The Utility took out another revenue bond in 2020 to finance 2020 and 2021 projects, including a new well.
- Sewer Utility operating expenses, excluding depreciation, decreased by \$186,185 (-11.3%). Most of the decrease in operating expenses for the Sewer Utility was due to the decrease in fees from the Rib Mountain Sewerage District (\$156,545). The Rib Mountain Sewerage District began charging a debt service charge to cover their facility upgrades in 2019; the total 2020 nonoperating expense for this was \$109,984. The Utility issued \$1,350,000 of debt in 2020 for 2020-2021 projects.
- Stormwater Utility operating expenses, excluding depreciation, increased by \$135,147 (103.4%). The increase occurred due to a TMDL study as well as increased street sweeping and drainage maintenance projects in 2020. The Utility took on \$890,000 of new debt in 2020 for 2020-2021 projects.

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

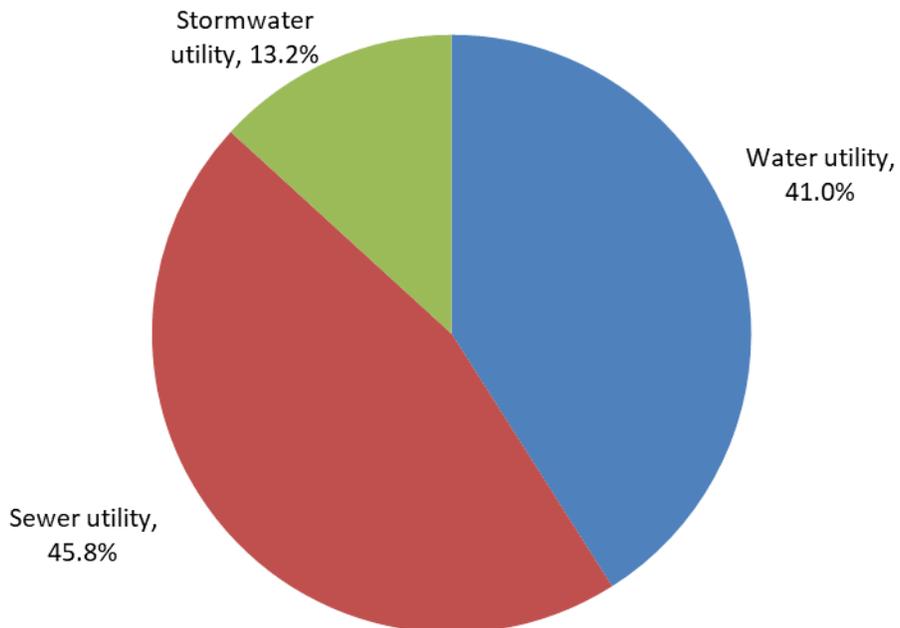
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES ANALYSIS - BUSINESS-TYPE ACTIVITIES  
(cont.)**

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 93-97 of this report. Budgetary comparisons for the Special Revenue, Capital Projects, and Debt Service Funds can be found on pages 98-99, 101-102, and 109-117 of this report.

# Village of Weston Management's Discussion and Analysis

## INDIVIDUAL FUND FINANCIAL ANALYSIS

### *Governmental Funds (cont.)*

The Village of Weston ended 2020 with a fund balance of \$14,067,634 in its governmental funds, compared to \$10,938,321 as of December 31, 2019. This is an increase of \$3,129,313. Of the 2020 fund balance, \$707,193 was nonspendable, \$4,200,654 was restricted, \$5,057,831 was committed, \$1,319,119 was assigned, and \$2,782,837 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 \$170,039 from 2020 operations. Fund balance at year-end totaled \$3,558,443, of which \$629,756 is nonspendable, \$145,850 is assigned, and \$2,782,837 is unassigned. Of the \$629,756 nonspendable, \$520,881 is due from SAFER district; the balance is prepaids.

#### *General Fund Budgetary Analysis*

The Village's 2020 General Fund revenues exceeded budget and the expenditures were under budget. The total General Fund balance increase was \$170,039. The Village experienced a very odd year during the pandemic and amended the budget to more accurately put budgeted funds where the money was spent.

- General Fund revenue was over budget by \$97,188 (1.2%). Taxes experienced a positive variance of \$34,780 with mobile home taxes and Rothschild utility tax coming in higher than anticipated.
- Charges for Services came in \$40,198 higher than budgeted due to Village of Kronenwetter inspections services and more billings to the Town of Weston for services.
- Insurance recoveries were \$6,896 higher than budget; this revenue is offset by repair expenditures for damaged equipment and property.
- Miscellaneous general revenues were \$14,681 over budget due to insurance premium refunds.
- General Fund expenditures had a positive budget variance of \$72,851 (.93%) under budget.
- General Government had a small positive variance of \$1,485.
- Public Safety expenditures were over budget by \$14,868 due to additional payments made to SAFER to pay off the previous year deficit.
- Public Works experienced a rough winter season for 2019, ending \$78,005 over budget, but 2020 was the opposite. Public worked ended up \$80,184 under budget thanks to a lighter winter. Public works also had budgeted positions that were not filled until later in the year.
- Parks, Recreation, and Education came in close to actual at \$1,007 over budget.
- The Village transferred out \$7,057 less to the recycling fund than anticipated.

General Fund statements highlighting budget versus actual variances can be found on pages 93-97.

#### *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 2020, the Village of Weston used special revenue funds to account for:

Refuse/Recycling  
Public Safety 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 decrease in fund balance during the year of \$80,546, which resulted in a fund balance at year-end of \$3,782,654. The decrease in fund balance was a result of paying debt off early because of the large fund balance. The Village is currently in the process of incurring planning expenditures for a future project.

#### *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. There was a net increase in fund balance this year of \$52,630; the fund balance at year-end was \$1,718,297.

Detail for the special revenue funds can be seen on pages 98-99 and 109-116.

#### *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 \$134,177; the increase is the premium received on from debt that has to be used to pay next years interest. The total fund balance at year-end of \$267,025. 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 100-101.

#### *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 2020, 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. There was a net increase in fund balance this year of \$2,730,684; the fund balance at year-end was \$4,012,910. The large increase in fund balance was due to the 2020 borrowing for capital projects and equipment in early December.

Detail for the capital project funds can be seen on pages 102 and 117.

# **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 on each utility. At the end of 2020 the Water utility had a net position of \$24,856,270, Sewer Utility \$26,546,331, and Stormwater Utility \$9,827,452. The majority of the net position for the Utilities is tied up in capital assets. Unrestricted net position for the utilities is Water \$6,447,643, Sewer \$8,325,210, and Stormwater \$383,816.

The Internal Service Fund – Fringe Benefits/Dental ended the year with a fund balance of \$123,300.

### ***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 2020, the Village of Weston used custodial funds to account for:

#### Tax Collections

The basic fiduciary fund financial statements can be found on page 34-35 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 36-88 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 89-90 and information on the Net OPEB Liability can be found on pages 91-92. Pages 93-102 contain statements for the major funds. Combining and individual non-major fund statements and schedules can be found on pages 103-117 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 118 and the Schedule of Rates of Return for the enterprise funds on page 119.

# Village of Weston Management's Discussion and Analysis

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At the end of 2020, the Village of Weston had an investment in capital assets of \$87,459,660, net of accumulated depreciation, for all governmental and business-type activities of the Village. This is a \$1,422,708 increase (1.7%) from the end of 2019 indicating the Village is investing at a greater rate than the assets are being depreciated.

The Village borrowed \$15.0M for capital projects and equipment in 2020 with about \$8.9M of that unspent as of 12/31/20. The funds borrowed are for general government as well as the utilities.

In 2020 there were \$1,238,528 in governmental activities asset additions. Of that, \$1,042,739 was for public works equipment, \$96,288 was for infrastructure, the rest was for miscellaneous smaller items. Capital asset removals for 2020 were \$608,356. Additionally, there were construction in progress additions of \$3,609,224 and removals of \$143,386.

There were also additions in the Village's business-type activities. The Water Utility asset additions totaled \$808,410. It had a couple large projects that completed in 2020 including Margaret Street that added \$374,474 worth of assets and the Frontage/Evergreen Street project that added \$265,399. The Water utility added \$702,262 in WIP for projects that will not be completed until 2021.

The Sewer Utility added \$523,184 in capital assets in 2020. The Margaret Street project added \$77,936 in assets and Frontage Evergreen added \$33,982. The utility closed out the Harlyn lift station project as well and added \$379,677 in assets. Construction in progress netted a positive \$55,290 with \$386,797 in additions and \$331,507 in removals.

The Stormwater Utility did not add any assets this year. There was an addition of \$380,077 for construction in progress for a project that will be complete in 2021. The following table provides a summary of the Village's change in capital assets.

### VILLAGE OF WESTON CAPITAL ASSETS December 31, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land/right-of-ways	\$ 6,591,946	\$ 6,650,288	\$ 623,352	\$ 623,352	\$ 7,215,298	\$ 7,273,640
Wells and springs	-	-	597,507	597,507	597,507	597,507
Buildings	6,910,471	6,910,471	3,552,281	3,164,311	10,462,752	10,074,782
Improvements	6,360,978	6,311,917	73,851,806	72,952,057	80,212,784	79,263,974
Equipment	5,871,615	5,370,049	3,167,609	3,136,021	9,039,224	8,506,070
Infrastructure	81,814,284	81,734,739	-	-	81,814,284	81,734,739
Construction in progress	3,637,510	113,330	1,586,208	673,704	5,223,718	787,034
Total capital assets	111,186,804	107,090,794	83,378,763	81,146,952	194,565,567	188,237,746
Less accumulated depreciation	(75,083,824)	(71,914,330)	(32,022,083)	(30,286,464)	(107,105,907)	(102,200,794)
Capital assets, net of depreciation	\$ 36,102,980	\$35,176,464	\$ 51,356,680	\$50,860,488	\$ 87,459,660	\$ 86,036,952

More detail regarding the Village's capital assets can be found in Note IV (D) on pages 60-62 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, 2020, totaled \$14,867,717. In addition, the Village had revenue debt outstanding (backed by revenues generated from the Weston Water, Sewer, and Stormwater Utilities) of \$8,355,000. 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 \$16,535,000. Capital lease obligations outstanding were \$139,630. Therefore, the total outstanding debt of the Village as of December 31, 2020, totaled \$39,897,347.

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 2020 equalized value of \$1,344,927,200, the Village's statutory debt limit totaled \$67,246,360. The Village was at 22.1% of its legal debt limit as of December 31, 2020.

In 2020, the Village issued \$5.34M in general obligation bonds with \$3.115M for street projects, \$1.335M for sewer projects, and \$0.89M for stormwater projects. The village also issued \$2.175M in general obligation notes for Village equipment and \$2.97M in general obligation bank notes to finance land for the new municipal center and public safety building renovations. The Water Utility issued a \$4.43M revenue bond for 2020-2021 projects including a new well.

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

### VILLAGE OF WESTON OUTSTANDING DEBT December 31, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds & notes	\$ 11,487,790	\$ 8,196,108	\$ 3,379,927	\$ 1,458,421	\$ 14,867,717	\$ 9,654,529
CDA lease revenue bonds	16,535,000	17,885,000	-	-	16,535,000	17,885,000
Water utility revenue bonds	-	-	6,490,000	2,325,000	6,490,000	2,325,000
Sewer utility revenue bonds	-	-	360,000	705,000	360,000	705,000
Stormwater utility revenue bonds	-	-	1,505,000	1,700,000	1,505,000	1,700,000
Capital leases	139,630	320,536	-	-	139,630	320,536
<b>Total</b>	<b>\$ 28,162,420</b>	<b>\$ 26,401,644</b>	<b>\$ 11,734,927</b>	<b>\$ 6,188,421</b>	<b>\$ 39,897,347</b>	<b>\$ 32,590,065</b>

More detail regarding the Village's outstanding debt can be found in Note IV (F), Note IV (G), and Note IV (H) on pages 65-70 of this report.

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

### **ECONOMIC FACTORS, 2020 TAX RATES, AND THE 2021 BUDGET**

The Village continues to struggle with levy limits and the ongoing decline in state aid to municipalities. The Village's 2021 budget increased its total operating tax levy (excluding TIF Districts) by 5.75%. The Village's total assessed value increased \$13,705,000 for a 2020 assessed value of \$1,165,819,300. The 2020 assessed tax rate was \$7.25 per \$1,000 of assessed valuation, a 5.2% increase from the 2019 assessed tax rate of \$6.89.

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 2021 fiscal year combined operating budget includes \$45,774,465 in projected revenues and \$42,688,798 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 2021 operating budget.

The Village Board voted to sign a contract to start construction on a new municipal facility with an estimated cost of \$15M.

### **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](http://www.westonwi.gov).

## **BASIC FINANCIAL STATEMENTS**

**VILLAGE OF WESTON**

STATEMENT OF NET POSITION  
December 31, 2020

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 17,486,173	\$ 19,827,375	\$ 37,313,548
Receivables (net of allowance for uncollectibles):			
Taxes	9,125,714	29,342	9,155,056
Accounts	-	1,106,081	1,106,081
Intergovernmental receivables	576,112	14,259	590,371
Municipal court	345,666	-	345,666
Special assessments	28,481	383,366	411,847
Accrued interest	17,086	37,850	54,936
Franchise fees	41,084	-	41,084
Room taxes	65,058	-	65,058
Other	26,094	6,360	32,454
Total Receivables	<u>10,225,295</u>	<u>1,577,258</u>	<u>11,802,553</u>
Internal balances	480,588	(480,588)	-
Inventories	4,623	124,888	129,511
Prepaid items	181,689	1,471	183,160
Net pension assets	299,918	139,909	439,827
Restricted assets:			
Cash and investments	1,961,786	1,792,116	3,753,902
Investment in joint venture - EMPD	1,008,127	-	1,008,127
Investment in joint venture - SAFER	883,168	-	883,168
Capital assets:			
Intangible plant - organizational costs	-	319	319
Land and right-of-ways	6,591,946	623,033	7,214,979
Construction in progress	3,637,510	1,586,208	5,223,718
Depreciable capital assets, net	<u>25,873,524</u>	<u>49,147,120</u>	<u>75,020,644</u>
<b>TOTAL ASSETS</b>	<u>68,634,347</u>	<u>74,339,109</u>	<u>142,973,456</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to pensions	605,376	282,402	887,778
Pension contributions for subsequent year	110,066	51,345	161,411
Deferred outflows related to other postemployment benefit plan	52,013	24,263	76,276
Other postemployment benefit contributions for subsequent year	3,794	1,769	5,563
Deferred charge on refunding	44,901	22,178	67,079
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>816,150</u>	<u>381,957</u>	<u>1,198,107</u>
<b>LIABILITIES</b>			
Accounts payable	1,272,454	760,203	2,032,657
Retainage payable	-	1,000	1,000
Other accrued liabilities	349,664	11,677	361,341
Special deposits	43,500	4,962	48,462
Accrued interest payable	63,034	12,154	75,188
General obligation debt - current	-	337,181	337,181
Intergovernmental payables	283,030	226	283,256
Unearned revenue	1,850	-	1,850
Liabilities payable from restricted assets:			
Current maturities of revenue debt	-	904,839	904,839
Accrued interest	95,334	33,853	129,187
Non-current liabilities:			
Intergovernmental payable due within one year	95,924	-	95,924
Intergovernmental payable	7,754	-	7,754
Net other postemployment benefit liability due in more than one year	116,373	54,287	170,660
Due within one year	3,252,124	-	3,252,124
Due in more than one year	<u>26,316,015</u>	<u>10,942,852</u>	<u>37,258,867</u>
<b>TOTAL LIABILITIES</b>	<u>31,897,056</u>	<u>13,063,234</u>	<u>44,960,290</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Succeeding year's property taxes	13,858,257	-	13,858,257
Pension related deferred inflows	898,044	418,929	1,316,973
Other postemployment benefit plan related deferred inflows	18,979	8,850	27,829
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>14,775,280</u>	<u>427,779</u>	<u>15,203,059</u>
<b>NET POSITION</b>			
Net investment in capital assets	17,798,156	45,773,929	58,185,335 *
Restricted for:			
Debt service	1,821,611	244,728	2,066,339
Pensions	117,316	54,727	172,043
Unrestricted	<u>3,041,078</u>	<u>15,156,669</u>	<u>23,584,497 *</u>
<b>TOTAL NET POSITION</b>	<u>\$ 22,778,161</u>	<u>\$ 61,230,053</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. See accompanying notes to financial statements.

**VILLAGE OF WESTON**

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2020

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government</b>				
Governmental Activities				
General government	\$ 1,232,009	\$ 230,171	\$ 95,649	\$ -
Public safety	3,851,971	256,926	154,096	-
Public works	6,380,114	880,623	78,650	496,977
Health and human services	11,517	-	-	-
Parks, recreation, and education	761,563	44,854	19,728	34,622
Community development	1,088,986	16,746	-	-
Interest and fiscal charges	897,491	-	23,671	-
Total Governmental Activities	<u>14,223,651</u>	<u>1,429,320</u>	<u>371,794</u>	<u>531,599</u>
Business-Type Activities				
Water utility	2,142,189	2,658,296	-	-
Sewer utility	2,394,009	2,363,824	-	15,225
Stormwater utility	692,182	667,986	-	-
Total Business-Type Activities	<u>5,228,380</u>	<u>5,690,106</u>	<u>-</u>	<u>15,225</u>
Total Primary Government	<u>\$ 19,452,031</u>	<u>\$ 7,119,426</u>	<u>\$ 371,794</u>	<u>\$ 546,824</u>

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

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
\$ (906,189)	\$ -	\$ (906,189)
(3,440,949)	-	(3,440,949)
(4,923,864)	-	(4,923,864)
(11,517)	-	(11,517)
(662,359)	-	(662,359)
(1,072,240)	-	(1,072,240)
(873,820)	-	(873,820)
<u>(11,890,938)</u>	<u>-</u>	<u>(11,890,938)</u>
-	516,107	516,107
-	(14,960)	(14,960)
-	<u>(24,196)</u>	<u>(24,196)</u>
-	<u>476,951</u>	<u>476,951</u>
<u>(11,890,938)</u>	<u>476,951</u>	<u>(11,413,987)</u>
4,837,346	-	4,837,346
1,250,000	-	1,250,000
6,137,683	-	6,137,683
40,000	-	40,000
93,326	-	93,326
287,983	-	287,983
178,839	-	178,839
1,359,130	-	1,359,130
149,108	241,874	390,982
70,010	1,797	71,807
148,946	-	148,946
496,778	<u>(496,778)</u>	-
<u>15,049,149</u>	<u>(253,107)</u>	<u>14,796,042</u>
3,158,211	223,844	3,382,055
<u>19,619,950</u>	<u>61,006,209</u>	<u>80,626,159</u>
<u>\$ 22,778,161</u>	<u>\$ 61,230,053</u>	<u>\$ 84,008,214</u>

## VILLAGE OF WESTON

### BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2020

<b>ASSETS</b>	General	Debt Service	Special Revenue	
			TIF District #1	Comm. Dev. Authority - TIF District #1
Cash and investments	\$ 5,734,155	\$ 271,130	\$ 5,728,844	\$ -
Receivables				
Taxes	2,391,460	1,481,524	3,961,601	-
Intergovernmental receivables	564,277	-	11,835	-
Municipal court	345,666	-	-	-
Special assessments	-	28,481	-	-
Accrued interest	1,801	-	1,368	13,917
Franchise fees	41,084	-	-	-
Room taxes	-	-	-	-
Other	25,727	-	-	-
Total Receivables	3,370,015	1,510,005	3,974,804	13,917
Due from other funds	480,588	-	-	-
Prepaid items/Inventories	108,875	-	-	-
Restricted cash and investments	-	-	-	1,704,380
<b>TOTAL ASSETS</b>	<b>\$ 9,693,633</b>	<b>\$ 1,781,135</b>	<b>\$ 9,703,648</b>	<b>\$ 1,718,297</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 164,987	\$ 2,542	\$ 4,850	\$ -
Other accrued liabilities	344,884	-	4,171	-
Retainages payable	43,500	-	-	-
Intergovernmental payables	283,030	-	-	-
Unearned revenue	50	1,563	-	-
Total Liabilities	836,451	4,105	9,021	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Succeeding year's property taxes	4,986,755	1,481,524	5,911,973	-
Unavailable revenue-other	311,984	-	-	-
Unavailable revenue-special assessments	-	28,481	-	-
Total Deferred Inflows of Resources	5,298,739	1,510,005	5,911,973	-
<b>FUND BALANCES (DEFICIT)</b>				
Nonspendable	629,756	-	-	-
Restricted	-	267,025	-	1,570,358
Committed	-	-	3,782,654	147,939
Assigned	145,850	-	-	-
Unassigned	2,782,837	-	-	-
Total Fund Balances (Deficit)	3,558,443	267,025	3,782,654	1,718,297
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 9,693,633</b>	<b>\$ 1,781,135</b>	<b>\$ 9,703,648</b>	<b>\$ 1,718,297</b>

See accompanying notes to financial statements.

<u>Capital Projects</u>		
<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>\$ 4,781,139</u>	<u>\$ 844,738</u>	<u>\$ 17,360,006</u>
93,326	1,197,803	9,125,714
-	-	576,112
-	-	345,666
-	-	28,481
-	-	17,086
-	-	41,084
-	65,058	65,058
367	-	26,094
<u>93,693</u>	<u>1,262,861</u>	<u>10,225,295</u>
-	-	480,588
77,072	365	186,312
-	257,406	1,961,786
<u>\$ 4,951,904</u>	<u>\$ 2,365,370</u>	<u>\$ 30,213,987</u>
\$ 845,668	\$ 251,540	\$ 1,269,587
-	609	349,664
-	-	43,500
-	-	283,030
-	237	1,850
<u>845,668</u>	<u>252,386</u>	<u>1,947,631</u>
93,326	1,384,679	13,858,257
-	-	311,984
-	-	28,481
<u>93,326</u>	<u>1,384,679</u>	<u>14,198,722</u>
77,072	365	707,193
2,112,018	251,253	4,200,654
650,551	476,687	5,057,831
1,173,269	-	1,319,119
-	-	2,782,837
<u>4,012,910</u>	<u>728,305</u>	<u>14,067,634</u>
<u>\$ 4,951,904</u>	<u>\$ 2,365,370</u>	<u>\$ 30,213,987</u>

## VILLAGE OF WESTON

### RECONCILIATION OF THE BALANCE SHEET TO TO THE STATEMENT OF NET POSITION For the Year Ended December 31, 2020

Fund balance - total governmental funds		\$ 14,067,634
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.		36,102,980
The investments in joint ventures are not a financial resource and, therefore, are not reported in the funds.		1,891,295
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).		340,465
Internal service funds are reported in the statement of net position as governmental funds.		123,300
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	299,918	
Deferred inflows of resources	(898,044)	
Deferred outflows of resources	<u>715,442</u>	117,316
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	(116,373)	
Deferred inflows of resources	(18,979)	
Deferred outflows of resources	<u>55,807</u>	(79,545)
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).		(29,726,507)
The intergovernmental payable is not due and payable in current period and, therefore, is not reported in the funds.		(103,678)
Deferral amounts on debt refundings are reported as deferred outflows of resources on the government-wide statements.		<u>44,901</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>		<b><u>\$ 22,778,161</u></b>

See accompanying notes to financial statements.

## VILLAGE OF WESTON

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended December 31, 2020

	Special Revenue			
	General	Debt Service	TIF District #1	Comm. Dev. Authority - TIF District #1
<b>REVENUES</b>				
Taxes	\$ 5,016,264	\$ 1,250,000	\$ 5,653,766	\$ -
Intergovernmental	1,764,078	-	167,921	-
Licenses and permits	358,304	-	-	-
Fines and forfeitures	42,047	-	-	-
Special assessments	7,360	32,205	-	-
Charges for services	127,598	-	-	1,541,848
Contributions and donations	7,169	-	-	-
Investment earnings and miscellaneous	108,899	2,612	27,466	52,018
Total Revenues	7,431,719	1,284,817	5,849,153	1,593,866
<b>EXPENDITURES</b>				
Current				
General government	1,188,226	-	-	-
Public safety	4,102,208	-	-	-
Public works	1,898,626	-	-	-
Health and human services	11,517	-	-	-
Parks, recreation, and education	308,627	-	-	-
Community development	214,259	-	1,796,316	2,051
Capital improvements	-	-	-	-
Debt service				
Principal retirement	-	6,499,224	127,592	-
Interest and fiscal charges	-	748,363	22,425	3,071
Bond issuance costs	-	127,378	-	-
Total Expenditures	7,723,463	7,374,965	1,946,333	5,122
Excess (deficiency) of revenues over expenditures	(291,744)	(6,090,148)	3,902,820	1,588,744
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds/notes issued	-	124,336	-	-
Premium on bonds/notes issued	-	245,894	-	-
Transfers in	480,588	5,854,095	-	5,734
Transfers out	(25,701)	-	(3,983,366)	(1,541,848)
Sale of village properties	-	-	-	-
Insurance recoveries	6,896	-	-	-
Total Other Financing Sources (Uses)	461,783	6,224,325	(3,983,366)	(1,536,114)
Net Change in Fund Balance	170,039	134,177	(80,546)	52,630
FUND BALANCES - Beginning	3,388,404	132,848	3,863,200	1,665,667
FUND BALANCES - Ending	\$ 3,558,443	\$ 267,025	\$ 3,782,654	\$ 1,718,297

<u>Capital Projects</u>		
<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 93,326	\$ 811,901	\$ 12,825,257
34,622	276,166	2,242,787
-	6,305	364,609
-	-	42,047
-	-	39,565
115,450	1,111,490	2,896,386
-	61	7,230
1,761	8,404	201,160
<u>245,159</u>	<u>2,214,327</u>	<u>18,619,041</u>
-	-	1,188,226
-	154,096	4,256,304
-	832,464	2,731,090
-	-	11,517
-	138,357	446,984
-	647,809	2,660,435
5,709,710	211,001	5,920,711
-	-	6,626,816
-	1,622	775,481
-	-	127,378
<u>5,709,710</u>	<u>1,985,349</u>	<u>24,744,942</u>
<u>(5,464,551)</u>	<u>228,978</u>	<u>(6,125,901)</u>
8,135,664	-	8,260,000
47,878	-	293,772
36,735	177,809	6,554,961
(115,210)	(392,058)	(6,058,183)
90,168	107,600	197,768
-	-	6,896
<u>8,195,235</u>	<u>(106,649)</u>	<u>9,255,214</u>
2,730,684	122,329	3,129,313
<u>1,282,226</u>	<u>605,976</u>	<u>10,938,321</u>
<u>\$ 4,012,910</u>	<u>\$ 728,305</u>	<u>\$ 14,067,634</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, 2020

Net change in fund balances - total governmental funds	\$ 3,129,313
Amounts reported for governmental activities in the statement of activities are different because:	
<p>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.</p>	
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	4,620,708
Depreciation is reported in the government-wide statements	(3,660,817)
Net effect of change in investment in joint venture - EMPD is to increase net position.	98,829
Net effect of change in investment in joint venture - SAFER is to increase net position.	565,119
Net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins) is to decrease net position.	(33,375)
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.	(763)
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.	(14,600)
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.	(8,776)
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 (\$8,260,000) exceeded payment (\$6,499,224) for general obligation debt).	(1,760,776)
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.	(293,772)
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.	(83,773)
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	375,942
Compensated absences	(18,777)
Advances from developers on TIF District letters of credit	127,592
Accrued interest on debt	89,141
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.	26,996
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 3,158,211</u></b>

See accompanying notes to financial statements.

VILLAGE OF WESTON

STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
December 31, 2020

ASSETS	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
<b>CURRENT ASSETS</b>					
Cash and investments	\$ 9,975,577	\$ 9,014,054	\$ 837,744	\$ 19,827,375	\$ 126,167
Taxes receivable	10,754	13,364	5,224	29,342	-
Accounts receivable	448,012	501,184	156,885	1,106,081	-
Accrued interest receivable	18,439	19,411	-	37,850	-
Other accounts receivable	5,361	392	607	6,360	-
Intergovernmental receivable	1,689	12,555	15	14,259	-
Inventories	124,888	-	-	124,888	-
Prepaid items	1,031	440	-	1,471	-
Restricted assets					
Revenue bond redemption account	213,550	-	60,111	273,661	-
Revenue bond construction account	-	437,332	-	437,332	-
Total Current Assets	10,799,301	9,998,732	1,060,586	21,858,619	126,167
<b>NON-CURRENT ASSETS</b>					
Restricted Assets					
Revenue bond reserve account	524,743	367,380	189,000	1,081,123	-
Net pension asset	81,060	46,050	12,799	139,909	-
Total restricted assets	605,803	413,430	201,799	1,221,032	-
Other Assets					
Special assessments receivable	27,365	356,001	-	383,366	-
Total other assets	27,365	356,001	-	383,366	-
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	27,130,298	29,137,946	17,583,562	73,851,806	-
Machinery and equipment	2,300,297	862,678	4,634	3,167,609	-
Construction in progress	902,455	303,676	380,077	1,586,208	-
Less accumulated depreciation	(10,875,790)	(14,302,867)	(6,843,426)	(32,022,083)	-
Total capital assets (net of accumulated depreciation)	21,660,294	18,516,765	11,179,621	51,356,680	-
Total Non-Current Assets	22,293,462	19,286,196	11,381,420	52,961,078	-
<b>TOTAL ASSETS</b>	33,092,763	29,284,928	12,442,006	74,819,697	126,167
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows related to pensions	163,618	92,950	25,834	282,402	-
Pension contributions for subsequent year	29,748	16,900	4,697	51,345	-
Deferred outflows related to OPEB	14,057	7,986	2,220	24,263	-
Other postemployment benefit contributions for subsequent year	1,025	582	162	1,769	-
Deferred charge on refunding	5,645	3,277	13,256	22,178	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	\$ 214,093	\$ 121,695	\$ 46,169	\$ 381,957	\$ -

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Accounts payable	\$ 333,858	\$ 242,596	\$ 183,749	\$ 760,203	\$ 2,867
Retainage payable	1,000	-	-	1,000	-
Intergovernmental payable	-	226	-	226	-
Other accrued liabilities	6,746	4,898	33	11,677	-
Customer deposits payable	-	4,962	-	4,962	-
Accrued interest payable	3,929	7,098	1,127	12,154	-
General obligation debt - current	56,510	179,289	101,382	337,181	-
Due to other funds	465,434	15,154	-	480,588	-
Current liabilities payable from restricted assets					
Current maturities of revenue debt	345,231	359,608	200,000	904,839	-
Accrued interest payable	18,822	4,920	10,111	33,853	-
Total Current Liabilities	<u>1,231,530</u>	<u>818,751</u>	<u>496,402</u>	<u>2,546,683</u>	<u>2,867</u>
<b>NON-CURRENT LIABILITIES</b>					
General obligation debt, less current maturities	483,547	1,865,883	815,222	3,164,652	-
Revenue debt, less current maturities	6,439,221	-	1,305,000	7,744,221	-
Net OPEB liability	31,453	17,868	4,966	54,287	-
Compensated absences	16,989	16,990	-	33,979	-
Total Non-Current Liabilities	<u>6,971,210</u>	<u>1,900,741</u>	<u>2,125,188</u>	<u>10,997,139</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>8,202,740</u>	<u>2,719,492</u>	<u>2,621,590</u>	<u>13,543,822</u>	<u>2,867</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension related deferred inflows	242,718	137,887	38,324	418,929	-
OPEB related deferred inflows	5,128	2,913	809	8,850	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>247,846</u>	<u>140,800</u>	<u>39,133</u>	<u>427,779</u>	<u>-</u>
<b>NET POSITION</b>					
Net investment in capital assets	18,182,191	18,203,108	9,388,630	45,773,929	-
Restricted for debt service	194,728	-	50,000	244,728	-
Restricted for WRS Pension	31,708	18,013	5,006	54,727	-
Unrestricted (deficit)	6,447,643	8,325,210	383,816	15,156,669	123,300
<b>TOTAL NET POSITION</b>	<u>\$ 24,856,270</u>	<u>\$ 26,546,331</u>	<u>\$ 9,827,452</u>	<u>\$ 61,230,053</u>	<u>\$ 123,300</u>

## VILLAGE OF WESTON

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS For the Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
<b>OPERATING REVENUES</b>					
Charges for services	\$ 2,154,617	\$ 2,363,824	\$ 667,986	\$ 5,186,427	\$ 109,215
Public fire protection	477,812	-	-	477,812	-
Other operating revenue	25,867	-	-	25,867	-
Total Operating Revenues	2,658,296	2,363,824	667,986	5,690,106	109,215
<b>OPERATING EXPENSES</b>					
Utility operations	759,752	403,569	178,185	1,341,506	-
Administration	536,494	292,978	87,662	917,134	-
Rib Mountain Sewerage District - services	-	762,644	-	762,644	-
Depreciation	644,700	741,189	362,017	1,747,906	-
Health claims and other employee benefits	-	-	-	-	82,219
Total Operating Expenses	1,940,946	2,200,380	627,864	4,769,190	82,219
Operating Income (Loss)	717,350	163,444	40,122	920,916	26,996
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment earnings	78,348	105,045	4,656	188,049	-
Net increase in fair value of investments	26,021	27,505	299	53,825	-
Interest expense and fiscal charges	(199,915)	(61,635)	(62,354)	(323,904)	-
Amortization of premium	1,269	413	115	1,797	-
Amortization of bond discount	-	(2,351)	-	(2,351)	-
Amortization of loss on advance refunding	(1,328)	(19,659)	(1,964)	(22,951)	-
Debt service charge - Rib Mt. Sewerage Dist.	-	(109,984)	-	(109,984)	-
Total Nonoperating Revenues (Expenses)	(95,605)	(60,666)	(59,248)	(215,519)	-
Income (Loss) Before Contributions and Transfers	621,745	102,778	(19,126)	705,397	26,996
Capital contributions	-	15,225	-	15,225	-
Transfer out - debt service	(6,431)	(6,431)	(3,328)	(16,190)	-
Transfers out - tax equivalent	(465,434)	(15,154)	-	(480,588)	-
Change in Net Position	149,880	96,418	(22,454)	223,844	26,996
NET POSITION - January 1	24,706,390	26,449,913	9,849,906	61,006,209	96,304
NET POSITION - December 31	\$ 24,856,270	\$ 26,546,331	\$ 9,827,452	\$ 61,230,053	\$ 123,300

See accompanying notes to financial statements.

**VILLAGE OF WESTON**

STATEMENT OF CASH FLOWS -  
 PROPRIETARY FUNDS  
 For the Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds			Totals Current Year	Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers and users	\$ 2,562,769	\$ 2,317,216	\$ 659,637	\$ 5,539,622	\$ 109,146
Payments to suppliers for goods and services	(618,540)	(1,275,154)	11,482	(1,882,212)	(83,521)
Payments to employees	(601,334)	(331,823)	(96,641)	(1,029,798)	-
Net Cash Provided (Used) by Operating Activities	<u>1,342,895</u>	<u>710,239</u>	<u>574,478</u>	<u>2,627,612</u>	<u>25,625</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Paid to municipality for tax equivalent	(465,399)	(15,154)	-	(480,553)	-
Advance from (to) Sewer Utility	-	183,106	(183,106)	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(465,399)</u>	<u>167,952</u>	<u>(183,106)</u>	<u>(480,553)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Additions to capital assets	(1,285,547)	(578,474)	(380,078)	(2,244,099)	-
Special assessments received	-	19,335	-	19,335	-
Special assessments placed on tax roll	-	926	-	926	-
Proceeds from capital debt	4,430,000	1,335,000	890,000	6,655,000	-
Principal paid	(406,917)	(506,577)	(195,000)	(1,108,494)	-
Premium received on debt	295,722	95,714	26,718	418,154	-
Interest paid on long-term debt	(205,651)	(78,356)	(62,322)	(346,329)	-
Debt service charge paid to Rib Mt. Sewerage Dist.	-	(109,984)	-	(109,984)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>2,827,607</u>	<u>177,584</u>	<u>279,318</u>	<u>3,284,509</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchase of investments	(740,672)	(249,400)	-	(990,072)	-
Sale of investments	2,753,300	3,081,300	175,000	6,009,600	-
Income on investments	76,163	89,719	5,270	171,152	-
Net Cash Provided (Used) by Investing Activities	<u>2,088,791</u>	<u>2,921,619</u>	<u>180,270</u>	<u>5,190,680</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	5,793,894	3,977,394	850,960	10,622,248	25,625
CASH AND CASH EQUIVALENTS - Beginning	<u>2,980,106</u>	<u>2,811,179</u>	<u>235,895</u>	<u>6,027,180</u>	<u>100,542</u>
CASH AND CASH EQUIVALENTS - Ending	<u>\$ 8,774,000</u>	<u>\$ 6,788,573</u>	<u>\$ 1,086,855</u>	<u>\$ 16,649,428</u>	<u>\$ 126,167</u>

VILLAGE OF WESTON

STATEMENT OF CASH FLOWS -  
 PROPRIETARY FUNDS  
 For the Year Ended December 31, 2020

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Stormwater Utility	Totals Current Year	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ 717,350	\$ 163,444	\$ 40,122	\$ 920,916	\$ 26,996
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation expense	644,700	741,189	362,017	1,747,906	-
Change in pension related assets, deferred outflows, and deferred inflows	3,357	467	2,420	6,244	-
Change in OPEB related assets, deferred outflows, and deferred inflows	2,511	2,341	(575)	4,277	-
Changes in assets and liabilities					
Taxes receivable	(5,864)	(7,409)	(1,554)	(14,827)	-
Accounts receivable	(88,812)	(27,529)	(6,780)	(123,121)	-
Intergovernmental receivables	(851)	(11,670)	(15)	(12,536)	-
Inventories	(39,647)	-	-	(39,647)	-
Prepaid items	499	145	-	644	-
Accounts payable	82,842	(88,779)	183,480	177,543	(1,302)
Retainages payable	(3,549)	-	-	(3,549)	-
Intergovernmental payables	-	153	-	153	-
Other accrued liabilities	(16,401)	(5,420)	(1,309)	(23,130)	-
Compensated absences	1,464	1,465	-	2,929	-
Meter allocation	51,727	(51,727)	-	-	-
Operating lease payment	(6,431)	(6,431)	(3,328)	(16,190)	-
Unearned revenue	-	-	-	-	(69)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ 1,342,895</u>	<u>\$ 710,239</u>	<u>\$ 574,478</u>	<u>\$ 2,627,612</u>	<u>\$ 25,625</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS</b>					
Cash and investments - statement of net position - proprietary funds	\$ 9,975,577	\$ 9,014,054	\$ 837,744	\$ 19,827,375	\$ 126,167
Restricted cash and investments - statement of net position - proprietary fund					
Revenue bond redemption account	213,550	-	60,111	273,661	-
Revenue bond construction account	-	437,332	-	437,332	-
Revenue bond reserve account	524,743	367,380	189,000	1,081,123	-
Total Cash and Investments	10,713,870	9,818,766	1,086,855	21,619,491	126,167
Less: Non-Cash Equivalents	(1,939,870)	(3,030,193)	-	(4,970,063)	-
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 8,774,000</u>	<u>\$ 6,788,573</u>	<u>\$ 1,086,855</u>	<u>\$ 16,649,428</u>	<u>\$ 126,167</u>

See accompanying notes to financial statements.

# VILLAGE OF WESTON

## STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUND December 31, 2020

---

	<u>Custodial Fund</u> <u>Property</u> <u>Tax</u>
<b>ASSETS</b>	
Property taxes receivable	\$ 10,849,630
Mobile home taxes receivable	6,308
Restricted cash and investments	<u>5,346,467</u>
TOTAL ASSETS	<u><u>16,202,405</u></u>
<b>LIABILITIES</b>	
Due to other governments	16,202,405
<b>NET POSITION</b>	
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 16,202,405</u></u>

# VILLAGE OF WESTON

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND For the Year Ended December 31, 2020

---

	<u>Custodial Fund</u> <u>Property</u> <u>Tax</u>
<b>ADDITIONS</b>	
Taxes and special charges collected	<u>\$ 5,298,565</u>
<b>DEDUCTIONS</b>	
Payments to other taxing districts	<u>5,298,565</u>
CHANGE IN NET POSITION	-
RESTATEMENT NET POSITION - Beginning *	-
NET POSITION - Ending	<u>\$ -</u>

\* See Note V - G for more information

**VILLAGE OF WESTON**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2020

---

<b><u>NOTE</u></b>	<b><u>Page</u></b>
I. Summary of Significant Accounting Policies	37
A. Reporting Entity	37
B. Government-Wide and Fund Financial Statements	38
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	40
D. Assets, Liabilities, Deferred Outflows / Inflows of Resources, and Net Position or Equity	42
1. Deposits and Investments	42
2. Receivables	43
3. Inventories and Prepaid Items	44
4. Restricted Assets	44
5. Capital Assets	44
6. Deferred Outflows / Inflows of Resources	45
7. Wisconsin Retirement System Pension Plan Benefits	46
8. Other Post-Employment Benefits (OPEB)	46
9. Basis for Existing Rates – Proprietary Funds	47
10. Compensated Absences	47
11. Long-Term Obligations/Conduit Debt	47
12. Claims and Judgments	48
13. Equity Classifications	48
II. Reconciliation of Government-Wide and Fund Financial Statements	50
A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position	50
III. Stewardship, Compliance, and Accountability	51
A. Budgetary Information	51
B. Excess Expenditures Over Appropriations	52
C. Deficit Balances	52
D. Limitations on the Village's Tax Levy	53
E. Bond Covenant Disclosure – Water Utility, Sewer Utility, and Stormwater Utility	53
IV. Detailed Notes on All Funds	55
A. Deposits and Investments	55
B. Receivables	58
C. Restricted Assets	59
D. Capital Assets	60
E. Interfund Receivables/Payables, Advances and Transfers	63
F. Capital Lease Obligations	65
G. Operating Lease Obligations	65
H. Long-Term Obligations	66
I. Governmental Activities Net Position/Fund Balances	71
J. Business-Type Activities Net Position	73
V. Other Information	74
A. Wisconsin Retirement System Pension Plan	74
B. Other Postemployment Benefits	79
C. Risk Management	83
D. Commitments and Contingencies	84
E. Litigation	84
F. Joint Ventures	85
G. Restated Fiduciary Net Position	88
H. Creation of Community Development Authority and Lease Commitments	88

# VILLAGE OF WESTON

## NOTES TO FINANCIAL STATEMENTS December 31, 2020

---

### 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, 2020

---

### 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, 2020

---

**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 tax increment financing (TIF) or enterprise fund 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

Public Safety 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, 2020

---

### 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, 2020

---

### 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, 2020

---

### NOTE I – 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, 2020

---

**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 – 2020 tax roll:

Lien date and levy date	November 2020
Tax bills mailed	December 14, 2020
Payment in full, or	January 31, 2021
- First installment due	January 31, 2021
- Second installment due to Marathon County	July 31, 2021
Personal property taxes due in full	January 31, 2021
Tax settlement with other governmental units:	
- First settlement	January 15, 2021
- Second settlement	February 20, 2021
- Final settlement	August 20, 2021
Tax deed sale by Marathon County:	
- 2020 delinquent real estate taxes	October 2023

# VILLAGE OF WESTON

## NOTES TO FINANCIAL STATEMENTS December 31, 2020

---

### 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, 2020

---

**NOTE I – 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, 2020

---

### 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, 2020

---

### 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, 2020 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, 2020

**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.

	Governmental Activities	Business-type Activities	Adjustment	Total
Net investment in capital assets	\$17,798,156	\$45,773,929	\$(5,386,750)	\$58,185,335
Unrestricted	3,041,078	15,156,669	5,386,750	23,584,497

# VILLAGE OF WESTON

## NOTES TO FINANCIAL STATEMENTS December 31, 2020

---

### 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, 2020

---

**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 \$29,726,507 difference in liabilities is as follows:

General obligation bonds and notes payable	\$11,487,790
Revenue bonds payable	16,535,000
Lease payable	139,630
Compensated absences	163,091
Advances from developers on TIF District letters of credit	685,472
Accrued interest	158,368
Unamortized debt discounts and premiums	<u>557,156</u>
Net Adjustment to Reduce Fund Balance – Total Governmental Funds to Arrive at Net Position – Governmental Activities	<u>\$29,726,507</u>

# VILLAGE OF WESTON

## NOTES TO FINANCIAL STATEMENTS December 31, 2020

---

### 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. Supplemental appropriations during the year included an increase of \$54,000 in the General Fund revenues and expenditures, and an increase of \$5,212,293 in revenues and \$5,158,015 in expenditures in the Capital Projects Fund. The Village Board properly authorized all supplemental appropriations for budget year 2020. Transfers of appropriations between cost center levels also require the approval of the Village Board.
- 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, 2020

---

**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, 2020.

	<u>Excess Expenditures</u>
<b>General Fund</b>	
Public Safety	\$ 14,868
Parks, Recreation, and Education	1,007
<b>Debt Service Fund</b>	1,415,149
<b>Special Revenue Funds</b>	
Public Safety Grants	154,096
Community Development Auth – TIF District #1	516
TIF District #2	86,988
Civic and Social	740

The excess amounts in the General Fund were covered by other cost centers that came in under budget. The Debt Service Fund excess amounts were covered by transfers from other funds. The excess expenditures in Public Safety Grants were offset by a grant. The excess amounts that occurred in Special Revenue Fund - Community Development Authority – TIF District #1 were covered by a transfer in from Special Revenue - TIF District #1. The Special Revenue Fund – TIF District #2, and Special Revenue – Civic and Social were covered by excess funds.

**C. DEFICIT BALANCES**

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

As of December 31, 2020, no individual funds held a deficit balance.

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

**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, SEWER UTILITY, AND STORMWATER UTILITY**

**Bond Covenant Disclosures**

The following information is provided in compliance with the resolution creating the 2008, 2019 Series B, 2019 Series C, and 2020 Series A revenue bonds.

**Insurance**

The water, sewer and stormwater utilities are covered under the following insurance policies at December 31, 2020 (unaudited):

Type	Coverage	Expiration Date
<i>MPIC Insurance</i>		
Building, Personal Property & Property in the Open and Contractor’s Equipment	\$47,852,468	12/31/2020
<i>League of Wisconsin Municipalities Mutual Insurance</i>		
General Liability	\$4,000,000	12/31/2020
Automobile	4,000,000	12/31/2020

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	Sewer Utility	Stormwater Utility
Operating revenues	\$2,658,296	\$2,363,824	\$ 667,986
Investment earnings	78,348	105,045	4,656
Less: Operations and maintenance expenses	<u>(1,296,246)</u>	<u>(1,459,191)</u>	<u>(265,847)</u>
Net Defined Earnings	<u>\$1,440,398</u>	<u>\$1,009,678</u>	<u>\$ 406,795</u>
Minimum Required Earnings per Resolution:			
Highest annual debt service	\$ 510,158	\$ 367,440	\$245,743
Coverage factor	<u>1.25</u>	<u>1.25</u>	<u>1.25</u>
Minimum Required Earnings	<u>\$ 637,698</u>	<u>\$ 459,300</u>	<u>\$ 307,179</u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

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

**Number of Customers**

The utilities had the following number of customers and billed volumes for 2020 (unaudited).

	Water Utility		Sewer Utility		Stormwater Utility	
	Customers	Sales (000 gals)	Customers	Sales (000 gals)	Customers	ERU's
Residential	5,289	222,799	5,269	208,256	4,825	4,759
Commercial	429	91,981	581	136,306	501	7,309
Industrial	32	282,300	29	28,749	26	1,542
Public Authority	42	15,667	22	6,392	26	771
Other	169	62,781	0	0	5	148
<b>Total</b>	<b>5,961</b>	<b>675,528</b>	<b>5,901</b>	<b>379,703</b>	<b>5,383</b>	<b>14,529</b>

**Utility Budget**

The 2020 water, sewer, and stormwater utility budgets were prepared and approved as required by the bond resolutions. The budget information is as follows:

	Revenues/Sources		Expenses/Uses	
	Actual *	Budget	Actual	Budget
Water Utility	\$2,763,934	\$2,504,710	\$2,604,453	\$2,457,899
Sewer Utility	2,496,787	2,461,650	2,425,194	2,502,125
Stormwater Utility	673,056	650,100	695,510	604,766

\* Excluding capital contribution revenue sources in the Sewer Utility actual of \$15,225, Sewer Utility budget of \$2,000.

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

**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	\$ 30,535,723	\$ 31,824,143	Custodial credit
Certificates of deposits	4,796,126	4,796,126	Custodial credit
Petty cash	500	-	N/A
Total cash	<u>\$35,332,349</u>	<u>\$36,620,269</u>	
Wisconsin Local Government Investment Pool (LGIP)	\$ 1,021,467		Credit
Wisconsin Investment Series Coop (WISC)	6,421,765		Credit, Interest rate
Negotiable certificates of deposits	1,676,550		Credit, Custodial credit, Interest rate, Concentration of credit
U.S. Government treasury securities	358,354		Custodial credit, Interest rate
U.S. Government agency securities	1,603,432		Credit, Custodial credit, Interest rate, Concentration of credit
Total investments	<u>11,081,568</u>		
Total cash and investments	<u>\$ 46,413,917</u>		
Reconciliation to financial statements:			
Per statement of net position			
Unrestricted cash and investments	\$37,313,548		
Restricted cash and investments	3,753,902		
Per statement of fiduciary net position			
Fiduciary Fund	5,346,467		
Total cash and investments	<u>\$46,413,917</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, 2020, 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, 2020

**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, 2020:

Investment Type	Fair Value Measuring Using		
	Level 1	Level 2	Level 3
U.S. Agencies		\$ 1,603,432	
U.S. Treasuries		358,354	
Negotiable CD's		1,676,550	
External Investments		<u>6,421,765</u>	
Total		<u>\$10,060,101</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, 2020, \$31,518,762 of the Village's bank balances of \$36,620,269 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized demand deposits	\$28,695,636
Uninsured and uncollateralized certificates of deposit	<u>2,823,126</u>
	<u>\$31,518,762</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

---

**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, 2020, 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, 2020, 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, Federal Farm Credit Bank, and Federal Home Loan Mortgage Corporation are either rated Aaa by Moody’s Investors Service or considered “Agency” obligations of the U.S. Government. As of December 31, 2020, 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, 2020, the investment portfolio had no concentrations of investments greater than 5%.

**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, 2020, 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, 2020

**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	\$ 6,421,765	44-62	
U.S. Government agency notes	1,603,432		3.41
Negotiable certificates of deposit	1,676,550		1.03
Externally managed portfolios:			
U.S. Government treasury securities	<u>358,354</u>	56	
Total fair value	<u>\$10,060,101</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, 2020, 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 2020.

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	\$ -	\$13,858,257	\$13,858,257
Unearned revenue	-	1,850	1,850
Special assessments	28,481	-	28,481
Receivables not received within 60 days of year-end	<u>311,984</u>	-	<u>311,984</u>
Total deferred inflows / unearned revenue	<u>\$ 340,465</u>	<u>\$13,860,107</u>	<u>\$14,200,572</u>

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

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

---

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	\$ 1,081,123
Revenue bond redemption account	273,661
Revenue bond construction account	<u>437,332</u>
Total Restricted Assets	<u>1,792,116</u>
Less: Restricted Assets Not Funded by Revenues	
Revenue bond reserve account	(1,081,123)
Revenue bond construction account	<u>(437,332)</u>
Total Restricted Assets Not Funded by Revenues	<u>(1,518,455)</u>
Current Liabilities Payable From Restricted Assets	<u>(28,933)</u>
Total Restricted Net Position for debt service as Calculated	<u>\$ 244,728</u>
Total Restricted Net Position for WRS Pension	<u>\$ 54,727</u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

**D. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2020 was as follows:

<b><u>Governmental Activities</u></b>	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 5,990,813	\$ -	\$ (58,342)	\$ 5,932,471
Right-of-ways	659,475	-	-	659,475
Construction in progress	113,330	3,609,224	(85,044)	3,637,510
Total Capital Assets Not Being Depreciated	<u>6,763,618</u>	<u>3,609,224</u>	<u>(143,386)</u>	<u>10,229,456</u>
Capital Assets Being Depreciated:				
Land improvements	6,311,917	49,061	-	6,360,978
Buildings	6,910,471	-	-	6,910,471
Equipment, furniture, and fixtures	5,370,049	1,093,179	(591,613)	5,871,615
Road/streets, Curb/gutters, and Driveway approaches	72,773,262	96,288	(16,743)	72,852,807
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	-	-	3,736,738
Total Capital Assets Being Depreciated	<u>100,327,176</u>	<u>1,238,528</u>	<u>(608,356)</u>	<u>100,957,348</u>
Less Accumulated Depreciation for:				
Land improvements	4,327,237	313,143	-	4,640,380
Buildings	3,595,160	152,868	-	3,748,028
Equipment, furniture, and fixtures	3,381,949	338,623	(475,836)	3,244,736
Road/streets, Curb/gutters, and Driveway approaches	55,442,577	2,505,327	(15,487)	57,932,417
Bridges	593,340	62,804	-	656,144
Street lighting	1,138,047	81,511	-	1,219,558
Traffic signals	800,372	40,395	-	840,767
Sidewalks	2,635,648	166,146	-	2,801,794
Total Accumulated Depreciation	<u>71,914,330</u>	<u>3,660,817</u>	<u>(491,323)</u>	<u>75,083,824</u>
Capital Assets, Net of Depreciation	<u>\$ 35,176,464</u>	<u>\$ 1,186,935</u>	<u>\$ (260,419)</u>	<u>\$ 36,102,980</u>

Depreciation expense was charged to functions as follows:

<b><u>Governmental Activities</u></b>	
General government	\$ 30,665
Public safety	84,911
Public works, which includes the depreciation of infrastructure	3,382,015
Parks, recreation, and education	<u>163,226</u>
Total Governmental Activities Depreciation Expense	<u>\$ 3,660,817</u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

**D. CAPITAL ASSETS (cont.)**

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Water Utility</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 568,259	\$ -	\$ -	\$ 568,259
Intangible plant - organizational costs	319	-	-	319
Construction in progress	425,318	702,262	(225,125)	902,455
Total Capital Assets Not Being Depreciated	993,896	702,262	(225,125)	1,471,033
Capital Assets Being Depreciated:				
Wells and springs	597,507	-	-	597,507
Buildings and systems	1,028,656	8,293	-	1,036,949
Improvements other than buildings	26,342,468	800,117	(12,287)	27,130,298
Machinery and equipment	2,300,297	-	-	2,300,297
Total Capital Assets Being Depreciated	30,268,928	808,410	(12,287)	31,065,051
Less Accumulated Depreciation for:				
Wells and springs	289,246	17,328	-	306,574
Buildings and systems	545,839	32,987	-	578,826
Improvements other than buildings	8,032,157	533,520	(12,287)	8,553,390
Machinery and equipment	1,324,408	112,592	-	1,437,000
Total Accumulated Depreciation	10,191,650	696,427	(12,287)	10,875,790
Capital Assets, Net of Depreciation	\$ 21,071,174	\$ 814,245	\$ (225,125)	\$ 21,660,294
<b>Sewer Utility</b>				
Capital Assets Not Being Depreciated:				
Construction in progress	\$ 248,386	\$ 386,797	\$ (331,507)	\$ 303,676
Capital Assets Being Depreciated:				
Buildings and systems	2,135,655	379,677	-	2,515,332
Improvements other than buildings	29,026,027	111,919	-	29,137,946
Machinery and equipment	831,090	31,588	-	862,678
Total Capital Assets Being Depreciated	31,992,772	523,184	-	32,515,956
Less Accumulated Depreciation for:				
Buildings and systems	507,290	42,106	-	549,396
Improvements other than buildings	12,830,121	571,656	-	13,401,777
Machinery and equipment	275,994	75,700	-	351,694
Total Accumulated Depreciation	13,613,405	689,462	-	14,302,867
Capital Assets, Net of Depreciation	\$ 18,627,753	\$ 220,519	\$ (331,507)	\$ 18,516,765

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

**D. CAPITAL ASSETS (cont.)**

	Beginning Balance	Additions	Deletions	Ending Balance
<b><u>Stormwater Utility</u></b>				
Capital Assets Not Being Depreciated:				
Land	\$ 54,774	\$ -	\$ -	\$ 54,774
Construction in progress	-	380,077	-	380,077
Total Capital Assets Not Being Depreciated	54,774	380,077	-	434,851
Capital Assets Being Depreciated:				
Improvements other than buildings	17,583,562	-	-	17,583,562
Machinery and equipment	4,634	-	-	4,634
Total Capital Assets Being Depreciated	17,588,196	-	-	17,588,196
Less Accumulated Depreciation for:				
Improvements other than buildings	6,476,775	362,017	-	6,838,792
Machinery and equipment	4,634	-	-	4,634
Total Accumulated Depreciation	6,481,409	362,017	-	6,843,426
Capital Assets, Net of Depreciation	\$ 11,161,561	\$ 18,060	\$ -	\$ 11,179,621
Total Business-Type Activities	\$ 50,860,488	\$ 1,052,824	\$ (556,632)	\$ 51,356,680

Depreciation expense was charged to functions as follows:

**Business-Type Activities**

Water	\$ 644,700
Sewer	741,189
Stormwater	362,017
Total Business-Type Activities Depreciation Expense	\$ 1,747,906

The difference between the depreciation expense reported for water on the income statement (\$644,700) and what is reported in the footnote (\$696,427) 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 (\$741,189) and what is reported in the footnote (\$689,462) is related to the depreciation expense allocated from water to sewer on the water meters.

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

---

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	Enterprise – sewer utility	\$ 15,154
General	Enterprise – water utility	<u>465,434</u>
Sub-Total - Fund Financial Statements		480,588
Less: Elimination to government-wide statements		<u>-</u>
Total Government-Wide Financial Statements		<u>\$ 480,588</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 480,588
Total Government-Wide Financial Statements		<u>\$ 480,588</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 (\$465,434) and due from the sewer utility to the general fund (\$15,154).

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, 2020

**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
<b>General Fund</b>			
	Water Utility	\$ 465,434	Payment in lieu of taxes
	Sewer Utility	<u>15,154</u>	Payment in lieu of taxes
	Subtotal	<u>480,588</u>	
<b>Debt Service</b>			
	General Fund	3,328	Debt service
	Capital Improvements	115,211	Debt service
	Refuse/Recycling	56,103	Debt service
	TIF District #1	3,874,231	Debt service
	CDA/TIF District #1	1,541,847	Debt service
	CDA/TIF District #2	247,185	Debt service
	Water Utility	6,431	Debt service
	Sewer Utility	6,431	Debt service
	Stormwater Utility	<u>3,328</u>	Debt service
	Subtotal	<u>5,854,095</u>	
<b>Special Revenue</b>			
<b>CDA/TIF District #1</b>	TIF District #1	<u>5,734</u>	Operating subsidy
<b>Capital Projects</b>			
	Room Tax	<u>36,735</u>	Capital Equipment
<b>Non-major</b>			
<b>Special Revenue</b>			
	General Fund	22,373	Operating subsidy
	CDA/TIF District #2	2,375	Operating subsidy
	Room Tax	49,660	Operating subsidy
<b>Non-major</b>			
<b>Capital Projects</b>			
	TIF District #1	<u>103,401</u>	Operating subsidy
	Subtotal	<u>177,809</u>	
	Sub-Total – Fund Financial Statements	6,554,961	
	Less: Elimination to government-wide statements	<u>(6,058,183)</u>	
	Total	<u>\$ 496,778</u>	

Transferred From	Transferred To	Amount
Business-type activities	Governmental activities	\$ 496,778
Less: Governmental activities	Business-type activities	<u>-</u>
Total Government-Wide Financial Statements		<u>\$ 496,778</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, 2020

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

F. CAPITAL LEASE OBLIGATIONS

The government has entered into lease agreements as lessee for financing the acquisition of public works equipment valued at \$889,311. The equipment has a ten-year estimated useful life. In 2020, \$88,932 was included in depreciation expense. These lease agreements qualify as capital leases for accounting purposes and have been recorded at the present value of their future minimum lease payments as of the inception date.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2020, were as follows:

<u>Year</u>	<u>Governmental Activities</u>
2021	143,930
Less: amount representing interest	<u>(4,300)</u>
Present value of minimum lease payments	<u>\$ 139,630</u>

**Default With Finance Related Consequences** - The 1/8/16 lease – direct placement (caterpillar lease) contains a provision that in the event of default the lessor may declare all lease payments due or to become due during the fiscal year in which the default occurs and/or the units may be repossessed. Additionally, if there were any extended warranty agreements, the lessor may cancel the agreements on the lessee behalf and the lessor will receive any refunds.

The 2/19/16 lease – direct placement, 4/1/16 lease – direct placement, and 3/15/17 lease – direct placement contain a provision that in event of default, the lessor may declare, with or without terminating the lease all rental payments and other amounts payable by lessee to the end of the then current budget year to be immediately due and payable. The lessor may also require the lessee at the lessee expense to redeliver any of the equipment to a lessor specified location. If the equipment is not delivered, the lessor may repossess the equipment and charge the lessee for lessor costs to recover the equipment. The lessee would still be required to pay the remaining rental payments under the lease due up until the end of the then current original term or renewal term.

G. 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 2020 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, 2020, were as follows:

<u>Year</u>	<u>Governmental Activities</u>
2021	\$ 34,090
2022	34,090
2023	34,090
2024	34,090
2025	34,090
2026	<u>105,000</u>
Total minimum lease payments	275,450
Less: amount representing interest	<u>(34,543)</u>
Present value of minimum lease payments	<u>\$ 240,907</u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

**H. LONG-TERM OBLIGATIONS**

Long-term obligations activity for the year ended December 31, 2020 was as follows:

	Beginning Balance, As Restated	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
Bonds and Notes Payable:					
Notes payable - direct placement	\$ 5,491,578	\$ 5,290,000	\$ 2,441,505	\$ 8,340,073	\$ 1,114,152
Revenue bonds	17,885,000	-	1,350,000	16,535,000	1,285,000
Notes payable - direct borrowing	2,704,530	2,970,000	2,526,813	3,147,717	177,717
Add (Subtract) Deferred Amount for:					
Discounts	(7,943)	-	(1,849)	(6,094)	(1,283)
Premiums	304,680	293,772	35,202	563,250	52,457
Sub-Total	<u>26,377,845</u>	<u>8,553,772</u>	<u>6,351,671</u>	<u>28,579,946</u>	<u>2,628,043</u>
Other Liabilities:					
Vested compensated absences	144,313	198,883	180,105	163,091	3,343
Leases - direct placement	320,536	-	180,906	139,630	139,630
Due to Other Governments - SAFER	479,620	-	375,942	103,678	95,924
Wisconsin Retirement System					
Net pension liability	328,136	-	328,136	-	-
LRLIF	67,158	49,215	-	116,373	-
Advances from developers on					
TIF District letters of credit	813,064	-	127,592	685,472	481,108
Total Other Liabilities	<u>1,673,207</u>	<u>248,098</u>	<u>1,192,681</u>	<u>1,208,244</u>	<u>720,005</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 28,051,052</u>	<u>\$ 8,801,870</u>	<u>\$ 7,544,352</u>	<u>\$ 29,788,190</u>	<u>\$ 3,348,048</u>
<b>BUSINESS-TYPE ACTIVITIES</b>					
Bonds and Notes Payable:					
Notes Payable - direct placement	\$ 1,458,421	\$ 2,225,000	\$ 303,494	\$ 3,379,927	\$ 330,848
Revenue bonds	4,730,000	4,430,000	805,000	8,355,000	890,000
Add (Subtract) Deferred Amount for:					
Discounts	(2,742)	-	(2,351)	(391)	(391)
Premiums	-	418,154	1,797	416,357	21,563
Sub-Total	<u>6,185,679</u>	<u>7,073,154</u>	<u>1,107,940</u>	<u>12,150,893</u>	<u>1,242,020</u>
Other Liabilities:					
Vested compensated absences	31,050	39,831	36,902	33,979	-
Wisconsin Retirement System					
Net pension liability	151,963	-	151,963	-	-
LRLIF	31,155	23,132	-	54,287	-
Total Other Liabilities	<u>214,168</u>	<u>62,963</u>	<u>188,865</u>	<u>88,266</u>	<u>-</u>
Total Business-Type Activities Long-Term Liabilities	<u>\$ 6,399,847</u>	<u>\$ 7,136,117</u>	<u>\$ 1,296,805</u>	<u>\$ 12,239,159</u>	<u>\$ 1,242,020</u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

**H. LONG-TERM OBLIGATIONS (cont.)**

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. The Due to Other Governments – SAFER will be liquidated by the general fund \$95,924 in 2021, and \$7,754 in 2022.

**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, 2020, was \$67,246,360. Total general obligation debt outstanding at year-end was \$14,867,717.

	Date of Issue	Final Maturity	Interest Rates	Original Indebted- ness	Balance 12/31/20
<b>GOVERNMENTAL ACTIVITIES</b>					
General Obligation Debt					
General Obligation Promissory Notes, 2016 - Direct Borrowing	10/10/2016	10/10/2021	2.15%	\$ 433,500	\$ 72,999
Taxable General Obligation Promissory Notes, Series 2013B - Direct Borrowing	9/24/2013	9/24/2021	3.99%	845,000	104,718
General Obligation Promissory Notes, 2019A - Direct Placement	5/1/2019	3/1/2029	3.00 – 4.00%	3,851,579	3,050,073
General Obligation Promissory Notes, Series 2020B - Direct Placement	12/1/2020	11/1/2040	1.50 – 4.00%	3,115,000	3,115,000
Taxable General Obligation Promissory Notes, Series 2020C - Direct Placement	2/1/2020	11/1/2030	1.00 – 4.00%	2,175,000	2,175,000
General Obligation Promissory Notes, 2020D - Direct Borrowing	12/21/2020	6/30/2023	0.89%	2,970,000	<u>2,970,000</u>
Total Governmental Activities – General Obligation Debt					<u>\$11,487,790</u>

**Default With Finance Related Consequences** - The 12/21/20 note payable - direct borrowing contains a provision 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. The 9/24/13 note payable – direct borrowing and 10/10/16 – direct borrowing contain a provision that in event of default, outstanding amounts become immediately due if the Village is unable to make the payment.

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

**H. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt (cont.)**

**Subjective Acceleration Clause** - The 9/24/13 note payable - direct borrowing and the 10/10/16 – direct borrowing contain a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to become immediately due if the lender determines that false information was provided in regards to issuance, a material adverse change occurs, there was a failure to observe or perform any covenants or duties in the note, or the lender deems itself insecure.

	Date of Issue	Final Maturity	Interest Rates	Indebted- ness	Balance 12/31/20
<b>BUSINESS-TYPE ACTIVITIES</b>					
General Obligation Debt					
General Obligation Promissory					
Notes, 2020B - Sewer Direct Placement	12/1/2020	11/1/2040	1.50 – 4.00%	\$ 1,335,000	\$ 1,335,000
General Obligation Promissory					
Notes, 2020B - Stormwater Direct Placement	12/1/2020	11/1/2040	1.50 – 4.00%	890,000	890,000
General Obligation Promissory					
Notes, 2019A - Water Direct Placement	5/1/2019	3/1/2029	3.00 – 4.00%	681,974	540,057
General Obligation Promissory					
Notes, 2019A - Sewer Direct Placement	5/1/2019	3/1/2029	3.00 – 4.00%	776,447	614,870
Total Business-Type Activities – General Obligation Debt					<u><u>\$ 3,379,927</u></u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities					
	Notes Payable - Direct Borrowing and Placement			Leases - Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 1,291,869	\$ 230,183	\$ 1,522,052	\$ 139,630	\$ 4,300	\$ 143,930
2022	677,778	232,695	910,473	-	-	-
2023	3,533,377	207,872	3,741,249	-	-	-
2024	612,285	157,558	769,843	-	-	-
2025	629,539	132,722	762,261	-	-	-
2026-2030	3,202,942	313,552	3,516,494	-	-	-
2031-2035	775,000	109,941	884,941	-	-	-
2036-2040	765,000	37,850	802,850	-	-	-
Totals	<u><u>\$ 11,487,790</u></u>	<u><u>\$ 1,422,373</u></u>	<u><u>\$ 12,910,163</u></u>	<u><u>\$ 139,630</u></u>	<u><u>\$ 4,300</u></u>	<u><u>\$ 143,930</u></u>

Years	Business-Type Activities Notes from Direct Placements		
	Principal	Interest	Total
2021	\$ 330,848	\$ 98,576	\$ 429,424
2022	687,222	91,360	778,582
2023	596,623	65,683	662,306
2024	447,715	44,797	492,512
2025	160,461	32,633	193,094
2026-2030	692,058	86,250	778,308
2031-2035	215,000	34,556	249,556
2036-2040	250,000	12,500	262,500
Totals	<u><u>\$ 3,379,927</u></u>	<u><u>\$ 466,355</u></u>	<u><u>\$ 3,846,282</u></u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

**H. 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, 2020 consists of the following:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Indebted- ness</u>	<u>Balance 12/31/20</u>
<b>GOVERNMENTAL ACTIVITIES</b>					
Revenue Debt					
Community Development Authority					
Lease Revenue Bonds, Series 2017A	7/13/2017	10/1/2031	1.25 – 3.00%	\$ 19,255,000	\$15,845,000
Community Development Authority					
Lease Revenue Bonds, Series 2004B	8/9/2004	10/1/2025	3.00 – 4.75%	1,815,000	<u>690,000</u>
Total Governmental Activities – Revenue Debt					<u>\$ 16,535,000</u>

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Indebted- ness</u>	<u>Balance 12/31/20</u>
<b>BUSINESS-TYPE ACTIVITIES</b>					
Revenue Debt					
Sanitary Sewerage System					
Revenue Bonds, Series 2008	6/23/2008	3/1/2021	3.25 – 4.10%	\$4,525,000	\$ 360,000
Water System Revenue Bonds,					
Series 2018B	11/1/2018	5/1/2038	2.10 – 3.90%	2,585,000	2,060,000
Stormwater Revenue Bonds,					
Series 2018C	11/1/2018	11/1/2027	2.15 – 3.00%	1,890,000	1,505,000
Water System Revenue Bonds,					
Series 2020A	12/3/2020	5/1/2040	2.15 – 5.00%	4,430,000	<u>4,430,000</u>
Total Business-Type Activities – Revenue Debt					<u>\$ 8,355,000</u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

**H. 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
2021	\$ 1,285,000	\$ 412,385	\$ 1,697,385	\$ 890,000	\$ 640,365	\$ 1,530,365
2022	1,310,000	387,950	1,697,950	535,000	604,740	1,139,740
2023	1,340,000	361,125	1,701,125	565,000	559,465	1,124,465
2024	1,370,000	331,675	1,701,675	540,000	511,023	1,051,023
2025	1,405,000	300,288	1,705,288	515,000	461,755	976,755
2026-2030	6,755,000	1,011,250	7,766,250	1,660,000	1,597,159	3,257,159
2031-2035	3,070,000	92,100	3,162,100	1,785,000	425,312	2,210,312
2036-2040	-	-	-	1,865,000	99,100	1,964,100
Totals	<u>\$ 16,535,000</u>	<u>\$ 2,896,773</u>	<u>\$ 19,431,773</u>	<u>\$ 8,355,000</u>	<u>\$ 4,898,919</u>	<u>\$ 13,253,919</u>

**Other Debt Information**

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

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, 2020

---

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

---

**I. 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, 2020 includes the following:

Net Investment in Capital Assets:		
Land		\$ 5,932,471
Right-of-ways		659,475
Construction in progress		3,637,510
Other capital assets, net of accumulated depreciation		25,873,524
Less: related long-term debt outstanding, discount and premium, and loss net of debt used for utility asset contributions (\$5,386,750)	(\$22,214,382)	
Add: unspent debt proceeds	<u>3,909,558</u>	<u>(18,304,824)</u>
Total Net Investment in Capital Assets		<u>17,798,156</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>117,316</u>
Total Restricted		<u>1,938,927</u>
Unrestricted		<u>3,041,078</u>
Total Governmental Activities Net Position – December 31, 2020		<u>\$22,778,161</u>

**Governmental Fund Balances**

Governmental fund balances reported on the fund financial statements at December 31, 2020, include the following:

**Major Funds – Details of Fund Balance:**

**Nonspendable:**

General Fund	
Prepaid items/inventories	\$ 108,875
Due from SAFER	520,881
Capital Projects Fund – Capital Improvements	
Prepaid items/inventories	<u>77,072</u>
Total Nonspendable	<u>\$ 706,828</u>

**Restricted:**

Special Revenue Fund – Community Development Authority – TIF District #1 Debt Service	\$ 1,570,358
Debt Service Fund	267,025
Capital Projects Fund – Capital Improvements	<u>2,112,018</u>
Total Restricted	<u>\$ 3,949,401</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

---

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

---

**I. 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	\$ 3,782,654
Special Revenue Fund – Community Development Authority – TIF District #1	147,939
Capital Project Fund – Capital Improvements	<u>650,551</u>
Total Committed	<u>\$ 4,581,144</u>

**Assigned:**

General Fund	
Public works department – Street lighting / Birch Street	\$ 7,500
Subsequent year's expenditures - Parks	78,350
Subsequent year's Budget	60,000
Capital Project Fund – Capital Improvements	<u>1,173,269</u>
Total Assigned	<u>\$ 1,319,119</u>

**Unassigned:**

General Fund	<u>\$ 2,782,837</u>
--------------	---------------------

**Non-Major Funds – Details of Fund Balance:**

**Nonspendable:**

Special Revenue Fund – Refuse/Recycling	<u>\$ 365</u>
---	---------------

**Restricted:**

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

**Committed:**

Special Revenue Fund – Civic and Social	\$ 18,426
Special Revenue Fund – Park and Recreation	40,197
Special Revenue Fund – Aquatic Center	76,288
Special Revenue Fund – Refuse/Recycling	67,005
Special Revenue Fund – TIF District #2	162,014
Special Revenue Fund – CDA - TIF District #2	5,788
Special Revenue Fund – Room Tax	<u>106,969</u>
Total Committed	<u>\$ 476,687</u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

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

**J. 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	\$ 31,633,629	\$ 32,515,956	\$ 17,642,970	\$ 81,792,555
Accumulated Depreciation	(10,875,790)	(14,302,867)	(6,843,426)	(32,022,083)
Construction in Progress	902,455	303,676	380,077	1,586,208
Sub-Total	21,660,294	18,516,765	11,179,621	51,356,680
Less: Capital Related Debt				
Current portion of capital related long-term debt	386,510	534,338	300,000	1,220,848
Long-term portion of capital related long-term debt	6,643,547	1,775,532	2,095,000	10,514,079
Unamortized loss on refunding	(5,645)	(3,277)	(13,256)	(22,178)
Unamortized premium on bonds	294,452	95,302	26,603	416,357
Unamortized discounts on bonds	-	(2,742)	-	(2,742)
Sub-Total	7,318,864	2,399,153	2,408,347	12,126,364
Add: Unspent Debt Proceeds				
Unspent debt proceeds	3,316,018	1,280,784	428,356.00	5,025,158
Reserve from borrowing	524,743	367,380	189,000	1,081,123
Reserve from revenue bond construction account	-	437,332	-	437,332
Sub-Total	3,840,761	2,085,496	617,356	6,543,613
Total Net Investment in Capital Assets	\$ 18,182,191	\$ 18,203,108	\$ 9,388,630	\$ 45,773,929

# VILLAGE OF WESTON

## NOTES TO FINANCIAL STATEMENTS December 31, 2020

---

### 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 issued a standalone WRS Financial Report, which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>

**Vesting.** For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

**Benefits Provided.** Employees who retire at or after age 65 (54 for protective 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, 2020

NOTE V – OTHER INFORMATION

A. WISCONSIN RETIREMENT SYSTEM PENSION PLAN (cont.)

**General Information about the Pension Plan (cont.)**

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 \$110,066 in contributions from the Village and \$51,345 from the Utilities.

Contributions rates as of December 31, 2020 are:

	<u>Employee</u>	<u>Employer</u>
General (including executives and elected officials)	6.75%	6.55%
Protective with Social Security	6.75%	11.65%
Protective without Social Security	6.75%	16.25%

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>
2010	-1.30%	22.00%
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%

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

At December 31, 2020, the Village reported an asset of \$299,918 for its proportionate share of the net pension asset. The Utilities reported an asset of \$139,909. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. 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, 2020

**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.)**

At December 31, 2019, the Employer's proportion was .01364037%, which was a decrease of .00014567% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the Village recognized pension expense of \$127,580. The Utilities recognized pension expense of \$59,515.

At December 31, 2020, the Village and Utility reported deferred outflows of resources and deferred inflows of resources related to pensions 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	\$ 834,893	\$ 417,808
Changes in Assumptions	34,274	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	899,165
Change in Proportion and Differences Between Contributions and Disproportionate share of Contributions	18,611	-
Contributions Subsequent to the Measurement Date	<u>161,411</u>	<u>-</u>
Total	<u>\$1,049,189</u>	<u>\$ 1,316,973</u>

\$110,066 reported as deferred outflows of resources related to pensions resulting from Village contributions and \$51,345 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 ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending December 31</u>	<u>Village</u>	<u>Utilities</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2021	\$ (82,540)	\$ (38,504)	\$ (121,044)
2022	(65,138)	(30,385)	(95,523)
2023	12,467	5,815	18,282
2024	<u>(157,457)</u>	<u>(73,453)</u>	<u>(230,910)</u>
Total	<u>\$ (292,668)</u>	<u>\$ (136,527)</u>	<u>\$ (429,195)</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

---

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, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2018
Measurement Date of Net Pension Liability (Asset):	December 31, 2019
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, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 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, 2020

**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.)**

	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class:</u>			
Global Equities	49.0%	8.0%	5.1%
Fixed Income	24.5%	4.9%	2.1%
Inflation Sensitive Assets	15.5%	4.0%	1.2%
Real Estate	9.0%	6.3%	3.5%
Private Equity/Debt	8.0%	10.6%	7.6%
Multi-Asset	4.0%	6.9%	4.0%
Total Core Fund	110.0%	7.5%	4.6%
<u>Variable Fund Asset Class:</u>			
U.S Equities	70.0%	7.5%	4.6%
International Equities	30.0%	8.2%	5.3%
Total Variable Fund	100.0%	7.8%	4.9%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%  
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 2.75% (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, 2019. 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)	\$772,343	\$(299,918)	\$(1,101,557)
Utilities’ Proportionate Share of the Net Pension Liability (Asset)	\$360,292	\$(139,909)	\$ (513,867)

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

---

NOTE V – OTHER INFORMATION (cont.)

---

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.)**

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. At December 31, 2020 the Village reported payables to WRS of \$36,342 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2020.

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 Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at <https://etfonline.wi.gov/ETFGASBPublicWeb/gasb75Local.do>

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, 2020 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, 2020

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, 2020 are as listed below:

Life Insurance Member Contribution Rates\*  
For the year ended December 31, 2020

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 \$5,563 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, 2020, the Village reported a liability of \$116,373 for its proportionate share of the net OPEB liability and the Utility reported a liability of \$54,287. The net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2019 rolled forward to December 31, 2019. 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, 2019, Employer’s proportion was .04007800%, which was an increase of .001977% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the Village recognized OPEB expense of \$13,462 and the Utilities recognized \$6,281.

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

**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, 2020, the Village and Utility reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 7,645
Changes in assumptions	62,957	18,771
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,219	-
Changes in Proportion and Differences Between Contributions and Proportionate share of Contributions	10,100	1,413
Contributions Subsequent to the Measurement Date	<u>5,563</u>	<u>-</u>
Total	<u>\$ 81,839</u>	<u>\$ 27,829</u>

\$5,563 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 ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending December 31	Village	Utilities	Net Deferred Outflows of Resources
2021	\$ 5,774	\$ 2,695	\$ 8,469
2022	5,774	2,695	8,469
2023	5,538	2,584	8,122
2024	5,294	2,470	7,764
2025	4,203	1,960	6,163
Thereafter	6,451	3,009	9,460
Total	<u>\$ 33,034</u>	<u>\$ 15,413</u>	<u>\$ 48,447</u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

**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, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2019
Measurement Date of Net OPEB Liability (Asset)	December 31, 2019
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.74%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.87%
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, 2019 is based upon a roll-forward of the liability calculated from the January 1, 2019 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, 2019**

<b><u>Asset Class</u></b>	<b><u>Index</u></b>	<b><u>Target Allocation</u></b>	<b><u>Long-Term Expected Geometric Real Rate of Return</u></b>
US Credit Bonds	Barclays Credit	45%	2.12%
US Long Credit Bonds	Barclays Long Credit	5%	2.90%
US Mortgages	Barclays MBS	50%	1.53%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return decreased slightly from 5.00% in the prior year to 4.25% in the current year. This change was primarily based on the target asset allocation and capital market expectations. The expected inflation rate also decreased slightly from 2.30% in the prior year to 2.20% in the current year. 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, 2020

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 2.87% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 4.22% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 4.10% as of December 31, 2018 to 2.74% as of December 31, 2019. 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 2.87 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 (1.87 percent) or 1-percentage-point higher (3.87 percent) than the current rate:

	1% Decrease to Discount Rate <u>(1.87%)</u>	Current Discount Rate <u>(2.87%)</u>	1% Increase to Discount Rate <u>(3.87%)</u>
Village’s Proportionate Share of the Net OPEB Liability	\$160,691	\$116,373	\$82,655
Utilities’ Proportionate Share of the Net OPEB Liability	\$74,692	\$54,287	\$38,558

OPEB plan fiduciary net position. Detailed information about the OPEB plan’s fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>

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, 2020

---

### 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, 2020

---

### NOTE V – OTHER INFORMATION (cont.)

---

#### F. 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 2020 is for the Village of Weston to pay 77.28%, the Town of Weston to pay 4.47%, and the City of Schofield to pay 18.25% of the actual expenditures; however, the Town of Weston is capped at \$115,000 so the effective cost proration for 2020 is for the Village of Weston to pay 78.67%, the Town of Weston to pay 3.23%, and the City of Schofield to pay 18.10%. The municipal court's current cost proration for 2020 is for the Village of Weston to pay 63.55%, the Town of Weston to pay 3.84%, and the City of Schofield to pay 32.61%. The 2020 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 \$2,710,946 in 2020 for operations and \$88,455 for capital equipment of the EMPD and \$55,747 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 ending December 31, 2020, which are the most recently audited financial statements, is as follows:

<b>Assets</b>	
Current assets	\$1,266,673
Net pension asset	681,506
Capital assets, net of depreciation	<u>237,586</u>
Total assets	<u>\$2,185,765</u>
<b>Deferred Outflows of Resources</b>	
Proportionate share of WRS pension plan	\$1,350,510
Pension contributions for subsequent year	277,423
Proportionate share of other postemployment benefit	44,213
Other postemployment benefit contributions for subsequent year	<u>521</u>
Total deferred outflows of resources	<u>\$1,672,667</u>
<b>Liabilities</b>	
Current liabilities	\$ 330,531
Net other postemployment benefit liability	109,142
Noncurrent portion of long-term obligations	<u>75,406</u>
Total liabilities	<u>\$ 515,079</u>
<b>Deferred Inflows of Resources</b>	
Proportionate share of WRS pension plan	\$2,044,697
Other postemployment related amounts	<u>17,193</u>
Total deferred inflows of resources	<u>\$2,061,890</u>
<b>Net Position</b>	
Net investment in capital assets	\$ 237,586
Restricted for pension benefits	264,742
Unrestricted	<u>779,135</u>
Total net position	<u>\$1,281,463</u>

**VILLAGE OF WESTON**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

**NOTE V – OTHER INFORMATION** (cont.)

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

<b>Revenue</b>	
Received from Village of Weston	\$2,855,148
Received from City of Schofield	672,576
Received from Town of Weston	118,369
Other revenue	<u>411,006</u>
Total revenue	4,057,099
<b>Expenses</b>	<u>3,939,316</u>
<b>Change in net position</b>	<u>\$ 117,783</u>

The financial and payroll administration of the EMPS is performed by the employees of the Village of Weston. In 2020, 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 2020 is for the Village of Weston to pay 66.43% and the Town of Rib Mountain to pay 33.57% 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 \$862,735 in 2020 for the operations and \$424,741 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 \$375,924 towards the Village's share of previous years' budget deficits. The Village financials reflect the entirety of the payment; however, SAFER's financials only reflect \$95,924 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 ending December 31, 2020, which are the most recently audited financial statements, is as follows:

<b>Assets</b>	
Current assets	\$ 615,044
Wisconsin Retirement System net pension	369,247
Capital assets, net of depreciation	<u>2,369,526</u>
Total assets	<u>\$3,353,817</u>
<b>Deferred Outflows of Resources</b>	
Wisconsin Retirement System pension	\$ 901,259
Wisconsin Retirement System LRLIF	<u>14,974</u>
Total deferred outflows of resources	<u>\$ 916,233</u>
<b>Liabilities</b>	
Current liabilities	\$ 757,005
Noncurrent portion of long-term obligations	<u>147,790</u>
Total liabilities	<u>\$ 904,795</u>

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

---

**NOTE V – OTHER INFORMATION** (cont.)

---

**F. JOINT VENTURES** (cont.)

***South Area Fire & Emergency Response District*** (cont.)

**Deferred Inflows of Resources**

Wisconsin Retirement System pension	\$1,148,436
Wisconsin Retirement System LRLIF	<u>5,912</u>
Total deferred inflows of resources	<u>\$1,154,348</u>

**Net Position**

Net investment in capital assets	\$2,194,979
Restricted for other activities	369,247
Unrestricted	<u>(353,319)</u>
Total net position	<u>\$2,210,907</u>

**Revenue**

Received from Village of Weston	\$1,383,400
Received from Town of Rib Mountain	683,619
Received from other municipalities	176,752
Other revenue	<u>1,370,282</u>
Total revenue	<u>3,614,053</u>

**Expenses**

2,763,355

Change in net position	<u>\$ 850,698</u>
------------------------	-------------------

**VILLAGE OF WESTON**

**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2020

---

**NOTE V – OTHER INFORMATION (cont.)**

---

**G. RESTATED FIDUCIARY NET POSITION**

The beginning fiduciary net position was restated from \$9,871,684 to \$0. In 2019, the amount of taxes receivable was included on the Statement of Changes in Fiduciary Net Position, but the statement should have only included amounts collected and remitted during the reporting period.

**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>
2021	\$ 1,539,673	\$ 157,712	\$ 1,697,385
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
2026-2030	7,766,250	-	7,766,250
2031	<u>3,162,100</u>	<u>-</u>	<u>3,162,100</u>
Total	<u>\$18,640,423</u>	<u>\$791,350</u>	<u>\$19,431,773</u>

The rental expense for the year ended December 31, 2020, was \$1,541,848 for TIF District #1 and \$247,185 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%

**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%

**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

---

<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>
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%

**VILLAGE OF WESTON**

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

Fiscal Year Ending	Proportion of Net OPEB Liability	Beginning Balance of Net OPEB Liability	Ending Balance of Net OPEB Liability	Total Payroll	Ending Net OPEB Liability as a Percentage of Payroll	Plan Fiduciary Net Position as a Percentage of Total OPEB Liability
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%

**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.

# MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

## ***GENERAL FUND***

The General Fund is the general operating fund of the Village. This fund accounts for the financial resources of the Village that are not accounted for in any other fund. Principal sources of revenue are property taxes, state transportation aids, and state shared revenues. Primary expenditures are for police protection, fire protection, public works, maintenance of parks, and general administration.

# VILLAGE OF WESTON

GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
- BUDGET AND ACTUAL -  
For the Year Ended December 31, 2020

<b>REVENUES</b>	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				Positive (Negative)
<b>TAXES</b>				
General property taxes	\$ 4,837,344	\$ 4,837,344	\$ 4,837,346	\$ 2
Mobile home taxes	48,000	48,000	58,301	10,301
Other tax revenue	2,140	2,140	7,459	5,319
Utility tax - Village of Rothschild	94,000	94,000	113,158	19,158
Total Taxes	<u>4,981,484</u>	<u>4,981,484</u>	<u>5,016,264</u>	<u>34,780</u>
<b>INTERGOVERNMENTAL REVENUES</b>				
State shared revenues	1,060,400	1,060,400	1,060,276	(124)
Highway maintenance aids	485,129	485,129	484,471	(658)
Fire insurance tax	45,000	45,000	50,876	5,876
CARES Grant	-	54,000	79,260	25,260
Other state and federal grants	59,297	59,297	89,195	29,898
Total Intergovernmental Revenues	<u>1,649,826</u>	<u>1,703,826</u>	<u>1,764,078</u>	<u>60,252</u>
<b>LICENSES AND PERMITS</b>				
Licenses				
Liquor and malt beverage	25,000	25,000	24,298	(702)
Cable franchise	170,000	170,000	152,865	(17,135)
Operators/amusement	15,500	15,500	6,910	(8,590)
Cigarette	1,200	1,200	1,300	100
Sundry	9,355	9,355	9,518	163
Pets - dogs and cats	19,950	19,950	18,000	(1,950)
Permits				
Building & electrical	125,000	125,000	136,813	11,813
Zoning	5,600	5,600	3,850	(1,750)
Road excavation	1,600	1,600	4,650	3,050
Sundry	500	500	100	(400)
Total Licenses and Permits	<u>373,705</u>	<u>373,705</u>	<u>358,304</u>	<u>(15,401)</u>
<b>FINES AND FORFEITURES</b>				
	<u>97,200</u>	<u>97,200</u>	<u>42,047</u>	<u>(55,153)</u>
<b>SPECIAL ASSESSMENTS</b>				
	<u>\$ 5,500</u>	<u>\$ 5,500</u>	<u>\$ 7,360</u>	<u>\$ 1,860</u>

**VILLAGE OF WESTON**

GENERAL FUND  
 SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES (cont.)  
 - BUDGET AND ACTUAL -  
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>CHARGES FOR SERVICES</b>				
General government	\$ 4,300	\$ 4,300	\$ 7,296	\$ 2,996
Police	35,000	35,000	35,000	-
Ambulance/EMS	200	200	128	(72)
Inspection services	4,000	4,000	24,001	20,001
Highways and streets	38,000	38,000	59,610	21,610
Rental of village property	4,900	4,900	-	(4,900)
Park and recreation	950	950	1,563	613
Economic development	50	50	-	(50)
Total Charges for Services	<u>87,400</u>	<u>87,400</u>	<u>127,598</u>	<u>40,198</u>
<b>CONTRIBUTIONS AND DONATIONS</b>				
	-	-	7,169	7,169
<b>INVESTMENT EARNINGS AND MISCELLANEOUS</b>				
Investment earnings	55,000	55,000	61,318	6,318
Miscellaneous general revenues	32,900	32,900	47,581	14,681
Total Investment Earnings and Miscellaneous	<u>87,900</u>	<u>87,900</u>	<u>108,899</u>	<u>20,999</u>
Total Revenues	<u>7,283,015</u>	<u>7,337,015</u>	<u>7,431,719</u>	<u>94,704</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from				
Water utility fund - payment in lieu of taxes	485,000	485,000	464,931	(20,069)
Sewer utility fund - payment in lieu of taxes	-	-	15,657	15,657
Total Transfers	<u>485,000</u>	<u>485,000</u>	<u>480,588</u>	<u>(4,412)</u>
Insurance recoveries	-	-	6,896	6,896
Total Other Financing Sources	<u>485,000</u>	<u>485,000</u>	<u>487,484</u>	<u>2,484</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 7,768,015</u>	<u>\$ 7,822,015</u>	<u>\$ 7,919,203</u>	<u>\$ 97,188</u>

# VILLAGE OF WESTON

GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
- BUDGET AND ACTUAL -  
For the Year Ended December 31, 2020

<b><i>EXPENDITURES</i></b>	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>GENERAL GOVERNMENT</b>				
Village board	\$ 39,894	\$ 39,894	\$ 34,807	\$ 5,087
Village municipality dues/memberships	6,000	6,000	5,380	620
Administrator	72,117	74,939	66,137	8,802
Clerk's office	320,362	321,700	238,089	83,611
Personnel/human resources	11,750	11,750	2,692	9,058
Elections	40,237	50,237	154,015	(103,778)
Municipal court	55,747	55,747	55,747	-
Village attorney	35,000	35,000	31,111	3,889
Village assessor	33,963	33,963	33,803	160
Finance/audit and budget	161,125	164,613	161,842	2,771
Tax collection	16,704	16,704	11,928	4,776
Risk management/insurance	86,400	86,400	78,505	7,895
Data processing/central services	132,815	132,815	123,315	9,500
Information technology	62,735	62,735	61,790	945
Board of review	400	400	220	180
Building committee	-	-	2,543	(2,543)
Finance committee	1,597	1,597	647	950
Personnel committee	1,567	1,567	776	791
Municipal building	54,650	54,650	59,178	(4,528)
Tax refunds/Bad Debt	2,000	2,000	5,089	(3,089)
Newsletter	20,000	20,000	5,712	14,288
Capital outlay - General Government	17,000	17,000	54,900	(37,900)
Total General Government	1,172,063	1,189,711	1,188,226	1,485
<b>PUBLIC SAFETY</b>				
Police department				
Administration/operations	2,710,946	2,710,946	2,710,946	-
Fire department				
SAFER District	862,625	1,155,356	1,185,488	(30,132)
Public safety building maintenance	3,250	3,250	8,992	(5,742)
Public safety warning sirens	2,300	2,300	1,193	1,107
Building inspections	209,730	212,088	192,389	19,699
Weights and measures	3,400	3,400	3,200	200
Total Public Safety	3,792,251	4,087,340	4,102,208	(14,868)

## VILLAGE OF WESTON

GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (cont.)  
- BUDGET AND ACTUAL -  
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>PUBLIC WORKS</b>				
Administration	\$ 14,685	\$ 14,685	\$ 14,002	\$ 683
Engineering	30,000	30,000	24,653	5,347
Road and street maintenance	1,205,238	1,179,669	1,161,085	18,584
Street irrigation maintenance	38,168	38,168	18,201	19,967
Snow and ice control	498,257	448,257	420,528	27,729
Street lighting	195,000	195,000	184,033	10,967
Traffic control	32,500	32,500	42,489	(9,989)
Mowing	32,531	32,531	33,234	(703)
Public infrastructure committee	500	500	401	99
Capital outlay - Public Works	7,500	7,500	-	7,500
Total Public Works	<u>2,054,379</u>	<u>1,978,810</u>	<u>1,898,626</u>	<u>80,184</u>
<b>HEALTH AND HUMAN SERVICES</b>				
County humane animal shelter	15,000	11,517	11,517	-
Total Health and Human Services	<u>15,000</u>	<u>11,517</u>	<u>11,517</u>	<u>-</u>
<b>PARKS, RECREATION, AND EDUCATION</b>				
Administration	265,169	231,651	231,651	-
Park maintenance	137,143	71,385	72,392	(1,007)
Ice rinks	7,410	4,302	4,302	-
Parks and recreation committee	1,356	282	282	-
Total Parks, Recreation, and Education	<u>411,078</u>	<u>307,620</u>	<u>308,627</u>	<u>(1,007)</u>
<b>COMMUNITY DEVELOPMENT</b>				
Administration	195,667	195,545	195,005	540
Planning commission	7,013	7,732	7,732	-
Board of appeals	2,387	30	30	-
Extraterritorial limits committee	1,701	539	539	-
Smart growth/Land use	13,400	10,413	10,413	-
Capital outlay - Community Development	-	-	540	(540)
Total Community Development	<u>220,168</u>	<u>214,259</u>	<u>214,259</u>	<u>-</u>

**VILLAGE OF WESTON**

GENERAL FUND  
 SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES (cont.)  
 - BUDGET AND ACTUAL -  
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>OTHER</b>				
Contingency reserve	\$ 70,318	\$ -	\$ -	\$ -
Total Other	<u>70,318</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>7,735,257</u>	<u>7,789,257</u>	<u>7,723,463</u>	<u>65,794</u>
<b>OTHER FINANCING USES</b>				
Transfers To				
Debt service	3,328	3,328	3,328	-
Refuse / recycling	29,430	29,430	22,373	7,057
Total Other Financing Uses	<u>32,758</u>	<u>32,758</u>	<u>25,701</u>	<u>7,057</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 7,768,015</u>	<u>\$ 7,822,015</u>	<u>\$ 7,749,164</u>	<u>\$ 72,851</u>

# MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

## ***SPECIAL REVENUE FUNDS***

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Included in the Major Governmental Funds are:

### **TAX INCREMENTAL FINANCING (TIF) DISTRICT #1**

To account for the receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #1. This district includes the Weston Business/Technology Park and the Putnam Corporate Park Development. The district was created in 1998.

### **COMMUNITY DEVELOPMENT AUTHORITY (CDA) – TIF DISTRICT #1**

To account for the receipt of Community Development Authority (CDA) Lease Revenue Bond proceeds issued by the CDA on the behalf of the Village of Weston. These proceeds are then transferred out to the Tax Incremental Financing (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.

**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, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 5,400,000	\$ 5,400,000	\$ 5,653,766	\$ 253,766
Intergovernmental	53,640	53,640	167,921	114,281
Investment earnings and miscellaneous	1,000	1,000	27,466	26,466
Total Revenues	<u>5,454,640</u>	<u>5,454,640</u>	<u>5,849,153</u>	<u>394,513</u>
<b>EXPENDITURES</b>				
Current				
Community development	1,838,119	1,838,119	1,796,316	41,803
Debt service				
Principal retirement	150,000	150,000	127,592	22,408
Interest and fiscal charges	-	-	22,425	(22,425)
Total Expenditures	<u>1,988,119</u>	<u>1,988,119</u>	<u>1,946,333</u>	<u>41,786</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,466,521</u>	<u>3,466,521</u>	<u>3,902,820</u>	<u>436,299</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	20,394	20,394	-	(20,394)
Transfers out	(2,713,413)	(2,713,413)	(3,983,366)	(1,269,953)
Total Other Financing Sources (Uses)	<u>(2,693,019)</u>	<u>(2,693,019)</u>	<u>(3,983,366)</u>	<u>(1,290,347)</u>
Net Change in Fund Balance	773,502	773,502	(80,546)	(854,048)
FUND BALANCE - Beginning	<u>3,863,200</u>	<u>3,863,200</u>	<u>3,863,200</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 4,636,702</u>	<u>\$ 4,636,702</u>	<u>\$ 3,782,654</u>	<u>\$ (854,048)</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, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES</b>				
Charges for services	\$ 1,541,848	\$ 1,541,848	\$ 1,541,848	\$ -
Investment earnings and miscellaneous	25,000	25,000	52,018	27,018
Total Revenues	<u>1,566,848</u>	<u>1,566,848</u>	<u>1,593,866</u>	<u>27,018</u>
<b>EXPENDITURES</b>				
Current				
Community development	3,256	3,256	2,051	1,205
Debt service				
Interest and fiscal charges	1,350	1,350	3,071	(1,721)
Total Expenditures	<u>4,606</u>	<u>4,606</u>	<u>5,122</u>	<u>(516)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,562,242</u>	<u>1,562,242</u>	<u>1,588,744</u>	<u>26,502</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	5,734	5,734
Transfers out	(1,562,242)	(1,562,242)	(1,541,848)	20,394
Total Other Financing Sources (Uses)	<u>(1,562,242)</u>	<u>(1,562,242)</u>	<u>(1,536,114)</u>	<u>26,128</u>
Net Change in Fund Balance	-	-	52,630	52,630
FUND BALANCE - Beginning	<u>1,665,667</u>	<u>1,665,667</u>	<u>1,665,667</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 1,665,667</u>	<u>\$ 1,665,667</u>	<u>\$ 1,718,297</u>	<u>\$ 52,630</u>

## **SUPPLEMENTARY INFORMATION**

# MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

## ***DEBT SERVICE FUND***

The Debt Service Fund is used to account for the accumulation of resources used for the payment of general obligation bonds and notes issued by the Village of Weston, payment of revenue bonds for Tax Incremental Financing (TIF) Districts #1 and #2 issued by the Village of Weston, and payment of lease revenue bonds for Tax Incremental Financing (TIF) Districts #1 and #2 issued by the Community Development Authority on behalf of the Village of Weston. Financing for the debt service fund is primarily provided from general property taxes, special assessments, charges for services, and transfers from TIF Districts #1 and #2.

# VILLAGE OF WESTON

## DEBT SERVICE FUND (MAJOR FUND) BALANCE SHEET December 31, 2020

---

	Debt Service Fund
<b>ASSETS</b>	
<b>CASH AND INVESTMENTS</b>	<u>\$ 271,130</u>
<b>RECEIVABLES</b>	
Taxes	1,481,524
Special assessments	28,481
Total Receivables	<u>1,510,005</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,781,135</u></u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 2,542
Unearned revenue	1,563
Total Liabilities	<u>4,105</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Succeeding year's property taxes	\$ 1,481,524
Special assessments	28,481
Total Deferred Inflows of Resources	<u>1,510,005</u>
<b>FUND BALANCE</b>	
Restricted	267,025
Total Fund Balance	<u>267,025</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<u><u>\$ 1,781,135</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, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ -
Special assessments	24,765	24,765	32,205	7,440
Investment earnings and miscellaneous	2,454	2,454	2,612	158
Total Revenues	<u>1,277,219</u>	<u>1,277,219</u>	<u>1,284,817</u>	<u>7,598</u>
<b>EXPENDITURES</b>				
Debt service				
Principal retirement	5,158,476	5,158,476	6,499,224	(1,340,748)
Interest and fiscal charges	801,340	801,340	748,363	52,977
Bond issuance costs	-	-	127,378	(127,378)
Total Expenditures	<u>5,959,816</u>	<u>5,959,816</u>	<u>7,374,965</u>	<u>(1,415,149)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,682,597)</u>	<u>(4,682,597)</u>	<u>(6,090,148)</u>	<u>(1,407,551)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds/notes issued	-	-	124,336	124,336
Discount/premium on bonds/notes issued	-	-	245,894	245,894
Transfers in	4,575,102	4,575,102	5,854,095	1,278,993
Total Other Financing Sources (Uses)	<u>4,575,102</u>	<u>4,575,102</u>	<u>6,224,325</u>	<u>1,649,223</u>
Net Change in Fund Balance	(107,495)	(107,495)	134,177	241,672
FUND BALANCE - Beginning	<u>132,848</u>	<u>132,848</u>	<u>132,848</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 25,353</u>	<u>\$ 25,353</u>	<u>\$ 267,025</u>	<u>\$ 241,672</u>

## **OTHER MAJOR FUNDS**

# MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

## ***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 and equipment (other than those financed by proprietary funds and trust funds). Resources are derived from general obligation bond and note issues, revenue bond issues, certain state grants, tax incremental financing district land sales, and other specific receipts.

Included in the Major Governmental Funds are:

### **CAPITAL IMPROVEMENTS**

To account for the construction of new streets, sidewalks, and curb/gutters, and for major improvements to existing streets that are designated in the Village's annual Capital Improvements Program. The primary financial resources of this fund are proceeds of general obligation debt and special assessments assessed to benefited property owners. This fund is also used to account for the financing and acquisition of certain equipment for the Public Works, Parks & Recreation, and Fire Departments as designated in the Village's annual Capital Improvements Program.

## 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, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 93,326	\$ 93,326	\$ 93,326	\$ -
Intergovernmental	-	34,622	34,622	-
Charges for services	110,000	110,000	115,450	5,450
Investment earnings and miscellaneous	-	-	1,761	1,761
Total Revenues	<u>203,326</u>	<u>237,948</u>	<u>245,159</u>	<u>7,211</u>
<b>EXPENDITURES</b>				
Capital improvements	<u>822,733</u>	<u>5,980,748</u>	<u>5,709,710</u>	<u>271,038</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(619,407)</u>	<u>(5,742,800)</u>	<u>(5,464,551)</u>	<u>278,249</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds/notes issued	-	5,100,000	8,135,664	3,035,664
Discount/premium on notes issued	-	-	47,878	-
Transfers in	82,705	82,705	36,735	(45,970)
Transfers out	(115,210)	(115,210)	(115,210)	-
Sale of village properties	-	77,671	90,168	12,497
Total Other Financing Sources (Uses)	<u>(32,505)</u>	<u>5,145,166</u>	<u>8,195,235</u>	<u>3,002,191</u>
Net Change in Fund Balance	(651,912)	(597,634)	2,730,684	3,328,318
FUND BALANCE - Beginning	<u>1,282,226</u>	<u>1,282,226</u>	<u>1,282,226</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 630,314</u>	<u>\$ 684,592</u>	<u>\$ 4,012,910</u>	<u>\$ 3,328,318</u>

**NONMAJOR GOVERNMENTAL FUNDS**

# NON-MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

## ***SPECIAL REVENUE FUNDS***

Special revenue funds are used to account for the proceeds from specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

### **REFUSE / RECYCLING**

To account for the receipt of State grants, user fees, and the corresponding program expenditures for the Village's refuse and recycling program.

### **PUBLIC SAFETY GRANTS**

To account for the receipt of grant funds and the corresponding expenditures related to public safety.

### **TAX INCREMENTAL FINANCING (TIF) DISTRICT #2**

To account for the receipt of district "incremental" property taxes and other revenues and the corresponding program expenditures for Tax Incremental Financing District #2. This district includes the Schofield Avenue Business Corridor Area between STH Business 51 and Birch Street. The district was created in 2004.

### **COMMUNITY DEVELOPMENT AUTHORITY (CDA) – TIF DISTRICT #2**

To account for the receipt of Community Development Authority (CDA) Lease Revenue Bond proceeds issued by the CDA on the behalf of the Village of Weston. These proceeds are then transferred out to the Tax Incremental Financing (TIF) District #2 – 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.

### **AQUATIC CENTER**

To account for the receipt of program revenues and other revenues and corresponding program expenditures for the Weston Aquatic Center.

### **ROOM TAXES**

To account for the receipt of hotel/motel room taxes and corresponding program expenditures in the areas of recreation, promotion, and tourism.

### **CIVIC AND SOCIAL**

To account for monies received from private donations to finance the future Weston Tri-Centennial Celebration and to provide scholarships to Weston residents (from the Weston Centennial Homecoming Fund) that are D.C. Everest Senior High School graduates and are enrolling in a college curriculum. In addition, the fund keeps track of farmers market revenue and expenses.

### **PARK AND RECREATION**

To account for monies received from private donations and private developers to finance future parkland acquisitions, specific park/recreation projects, and specific trail system improvements.

# NON-MAJOR GOVERNMENTAL FUNDS AND BUDGETARY COMPARISONS

## ***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 and equipment (other than those financed by proprietary funds and trust funds). Resources are derived from general obligation bond and note issues, revenue bond issues, certain state grants, tax incremental financing district land sales, and other specific receipts.

Included in the Non-Major Governmental Funds are:

### **TAX INCREMENTAL FINANCING (TIF) DISTRICT #1**

To account for the financing and project costs for public improvement and private development within the area of TIF District #1 as provided for in the Tax District's project plan. The primary financial resources of this fund are proceeds of general obligation and revenue bond debt and TIF land sales. This district includes the Weston Business/Technology Park and the Putnam Corporate Park Development, which includes the St. Clare's Hospital/Marshfield Clinic medical complex. The district was created in 1998.

## VILLAGE OF WESTON

### COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS December 31, 2020

<b>ASSETS</b>	Special Revenue Funds		
	Refuse / Recycling	Public Safety Grants	TIF District #2
<b>CASH AND INVESTMENTS</b>	<u>\$ 172,739</u>	<u>\$ -</u>	<u>\$ 357,465</u>
<b>RECEIVABLES</b>			
Taxes	778,220	-	379,583
Room taxes	-	-	-
Total Receivables	<u>778,220</u>	<u>-</u>	<u>379,583</u>
<b>PREPAID ITEMS</b>	<u>365</u>	<u>-</u>	<u>-</u>
<b>RESTRICTED CASH AND INVESTMENTS</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>\$ 951,324</u>	<u>\$ -</u>	<u>\$ 737,048</u>
<b><i>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</i></b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 105,618	\$ -	\$ 8,082
Other accrued liabilities	116	-	493
Unearned revenue	-	-	-
Total Liabilities	<u>105,734</u>	<u>-</u>	<u>8,575</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Succeeding year's property taxes	778,220	-	566,459
Total deferred inflows of resources	<u>778,220</u>	<u>-</u>	<u>566,459</u>
<b>FUND BALANCES</b>			
Nonspendable	365	-	-
Restricted	-	-	-
Committed	67,005	-	162,014
Total Fund Balances	<u>67,370</u>	<u>-</u>	<u>162,014</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 951,324</u>	<u>\$ -</u>	<u>\$ 737,048</u>

Special Revenue Funds			
Comm. Dev. Authority - TIF District #2	Aquatic Center	Room Taxes	Civic and Social
\$ -	\$ 81,055	\$ 170,055	\$ 18,587
-	40,000	-	-
-	-	65,058	-
-	40,000	65,058	-
-	-	-	-
257,406	-	-	-
<u>\$ 257,406</u>	<u>\$ 121,055</u>	<u>\$ 235,113</u>	<u>\$ 18,587</u>
\$ 365	\$ 4,530	\$ 128,144	\$ 161
-	-	-	-
-	237	-	-
<u>365</u>	<u>4,767</u>	<u>128,144</u>	<u>161</u>
-	40,000	-	-
-	40,000	-	-
-	-	-	-
251,253	-	-	-
5,788	76,288	106,969	18,426
<u>257,041</u>	<u>76,288</u>	<u>106,969</u>	<u>18,426</u>
<u>\$ 257,406</u>	<u>\$ 121,055</u>	<u>\$ 235,113</u>	<u>\$ 18,587</u>

VILLAGE OF WESTON

Continued from  
Previous Page

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (cont.)  
December 31, 2020

<b>ASSETS</b>	<u>Special Revenue Park and Recreation</u>	<u>Capital Projects Funds TIF District #1</u>	<u>Total Nonmajor Governmental Funds</u>
<b>CASH AND INVESTMENTS</b>	\$ 40,197	\$ 4,640	\$ 844,738
<b>RECEIVABLES</b>			
Taxes	-	-	1,197,803
Other	-	-	65,058
Total Receivables	<u>-</u>	<u>-</u>	<u>1,262,861</u>
<b>PREPAID ITEMS</b>	<u>-</u>	<u>-</u>	<u>365</u>
<b>RESTRICTED CASH AND INVESTMENTS</b>	<u>-</u>	<u>-</u>	<u>257,406</u>
 TOTAL ASSETS	 <u>\$ 40,197</u>	 <u>\$ 4,640</u>	 <u>\$ 2,365,370</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ 4,640	\$ 251,540
Other accrued liabilities	-	-	609
Unearned revenue	-	-	237
Total Liabilities	<u>-</u>	<u>4,640</u>	<u>252,386</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Succeeding year's property taxes	<u>-</u>	<u>-</u>	<u>1,384,679</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>1,384,679</u>
<b>FUND BALANCES</b>			
Nonspendable	-	-	365
Restricted	-	-	251,253
Committed	40,197	-	476,687
Total Fund Balances	<u>40,197</u>	<u>-</u>	<u>728,305</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 <u>\$ 40,197</u>	 <u>\$ 4,640</u>	 <u>\$ 2,365,370</u>

## VILLAGE OF WESTON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2020

	Special Revenue Funds		
	Refuse / Recycling	Public Safety Grants	TIF District #2
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 483,918
Intergovernmental	78,650	154,096	24,103
Licenses and permits	-	-	-
Charges for services	821,015	-	-
Contributions and donations	-	-	-
Investment earnings and miscellaneous	433	-	1,582
Total Revenues	<u>900,098</u>	<u>154,096</u>	<u>509,603</u>
<b>EXPENDITURES</b>			
Current			
Public safety	-	154,096	-
Public works	832,464	-	-
Parks, recreation, and education	-	-	-
Community development	-	-	437,257
Capital improvements	-	-	-
Debt service			
Interest and fiscal charges	-	-	-
Total Expenditures	<u>832,464</u>	<u>154,096</u>	<u>437,257</u>
Excess (deficiency) of revenues over (under) expenditures	<u>67,634</u>	<u>-</u>	<u>72,346</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	22,373	-	-
Transfers out	(56,103)	-	(2,375)
Sale of village properties	-	-	-
Total Other Financing Sources (Uses)	<u>(33,730)</u>	<u>-</u>	<u>(2,375)</u>
Net Change in Fund Balances	33,904	-	69,971
FUND BALANCES - Beginning	<u>33,466</u>	<u>-</u>	<u>92,043</u>
FUND BALANCES - Ending	<u>\$ 67,370</u>	<u>\$ -</u>	<u>\$ 162,014</u>

Special Revenue Funds			
Comm. Dev. Authority - TIF District #2	Aquatic Center	Room Taxes	Civic and Social
\$ -	\$ 40,000	\$ 287,983	\$ -
-	19,317	-	-
-	-	-	6,305
247,185	28,550	-	-
-	-	-	-
1,215	359	-	4,595
<u>248,400</u>	<u>88,226</u>	<u>287,983</u>	<u>10,900</u>
-	-	-	-
-	-	-	-
-	137,886	-	-
1,118	-	201,588	7,846
-	-	-	-
1,622	-	-	-
<u>2,740</u>	<u>137,886</u>	<u>201,588</u>	<u>7,846</u>
245,660	(49,660)	86,395	3,054
2,375	49,660	-	-
(247,185)	-	(86,395)	-
-	-	-	-
<u>(244,810)</u>	<u>49,660</u>	<u>(86,395)</u>	<u>-</u>
850	-	-	3,054
256,191	76,288	106,969	15,372
<u>\$ 257,041</u>	<u>\$ 76,288</u>	<u>\$ 106,969</u>	<u>\$ 18,426</u>

## VILLAGE OF WESTON

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (cont.)  
For the Year Ended December 31, 2020

	Special Revenue <u>Park and Recreation</u>	Capital Projects Funds <u>TIF District #1</u>	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 811,901
Intergovernmental	-	-	276,166
Licenses and permits	-	-	6,305
Charges for services	14,740	-	1,111,490
Contributions and donations	61	-	61
Investment earnings and miscellaneous	220	-	8,404
Total Revenues	<u>15,021</u>	<u>-</u>	<u>2,214,327</u>
<b>EXPENDITURES</b>			
Current			
Public safety	-	-	154,096
Public works	-	-	832,464
Parks, recreation, and education	471	-	138,357
Community development	-	-	647,809
Capital improvements	-	211,001	211,001
Debt service			
Interest and fiscal charges	-	-	1,622
Total Expenditures	<u>471</u>	<u>211,001</u>	<u>1,985,349</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,550</u>	<u>(211,001)</u>	<u>228,978</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	-	103,401	177,809
Transfers out	-	-	(392,058)
Sale of village properties	-	107,600	107,600
Total Other Financing Sources (Uses)	<u>-</u>	<u>211,001</u>	<u>(106,649)</u>
Net Change in Fund Balances	14,550	-	122,329
FUND BALANCES - Beginning	<u>25,647</u>	<u>-</u>	<u>605,976</u>
FUND BALANCES - Ending	<u>\$ 40,197</u>	<u>\$ -</u>	<u>\$ 728,305</u>

**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, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ 78,735	\$ 78,735	\$ 78,650	\$ (85)
Charges for services	820,164	820,164	821,015	851
Investment earnings and miscellaneous	500	500	433	(67)
Total Revenues	<u>899,399</u>	<u>899,399</u>	<u>900,098</u>	<u>699</u>
<b>EXPENDITURES</b>				
Current				
Public works	<u>854,128</u>	<u>854,128</u>	<u>832,464</u>	<u>21,664</u>
Excess (deficiency) of revenues over (under) expenditures	<u>45,271</u>	<u>45,271</u>	<u>67,634</u>	<u>22,363</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	29,430	29,430	22,373	(7,057)
Transfers out	(65,353)	(65,353)	(56,103)	9,250
Total Other Financing Sources (Uses)	<u>(35,923)</u>	<u>(35,923)</u>	<u>(33,730)</u>	<u>2,193</u>
Net Change in Fund Balance	9,348	9,348	33,904	24,556
FUND BALANCE - Beginning	<u>33,466</u>	<u>33,466</u>	<u>33,466</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 42,814</u>	<u>\$ 42,814</u>	<u>\$ 67,370</u>	<u>\$ 24,556</u>

**VILLAGE OF WESTON**

PUBLIC SAFETY GRANTS - SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ 154,096	\$ 154,096
<b>EXPENDITURES</b>				
Current				
Public Safety	-	-	154,096	(154,096)
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - Beginning	-	-	-	-
FUND BALANCE - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 430,000	\$ 430,000	\$ 483,918	\$ 53,918
Intergovernmental	11,944	11,944	24,103	12,159
Investment earnings and miscellaneous	1,000	1,000	1,582	582
Total Revenues	<u>442,944</u>	<u>442,944</u>	<u>509,603</u>	<u>66,659</u>
<b>EXPENDITURES</b>				
Current				
Community development	350,269	350,269	437,257	(86,988)
Excess (deficiency) of revenues over (under) expenditures	<u>92,675</u>	<u>92,675</u>	<u>72,346</u>	<u>(20,329)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(431)</u>	<u>(431)</u>	<u>(2,375)</u>	<u>(1,944)</u>
Net Change in Fund Balance	92,244	92,244	69,971	(22,273)
FUND BALANCE - Beginning	<u>92,043</u>	<u>92,043</u>	<u>92,043</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 184,287</u>	<u>\$ 184,287</u>	<u>\$ 162,014</u>	<u>\$ (22,273)</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, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES</b>				
Charges for services	\$ 247,185	\$ 247,185	\$ 247,185	\$ -
Investment earnings and miscellaneous	3,000	3,000	1,215	(1,785)
Total Revenues	<u>250,185</u>	<u>250,185</u>	<u>248,400</u>	<u>(1,785)</u>
<b>EXPENDITURES</b>				
Current				
Community development	2,381	2,381	1,118	1,263
Debt service				
Interest and fiscal charges	1,050	1,050	1,622	(572)
Total Expenditures	<u>3,431</u>	<u>3,431</u>	<u>2,740</u>	<u>691</u>
Excess (deficiency) of revenues over (under) expenditures	<u>246,754</u>	<u>246,754</u>	<u>245,660</u>	<u>(1,094)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	431	431	2,375	1,944
Transfers out	(247,185)	(247,185)	(247,185)	-
Total Other Financing Sources (Uses)	<u>(246,754)</u>	<u>(246,754)</u>	<u>(244,810)</u>	<u>1,944</u>
Net Change in Fund Balance	-	-	850	850
FUND BALANCE - Beginning	<u>256,191</u>	<u>256,191</u>	<u>256,191</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 256,191</u>	<u>\$ 256,191</u>	<u>\$ 257,041</u>	<u>\$ 850</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, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
Intergovernmental	-	-	19,317	19,317
Charges for services	128,320	128,320	28,550	(99,770)
Investment earnings and miscellaneous	65	65	359	294
Total Revenues	<u>168,385</u>	<u>168,385</u>	<u>88,226</u>	<u>(80,159)</u>
<b>EXPENDITURES</b>				
Current				
Parks, recreation, and education	<u>222,032</u>	<u>222,032</u>	<u>137,886</u>	<u>84,146</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(53,647)</u>	<u>(53,647)</u>	<u>(49,660)</u>	<u>3,987</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>40,000</u>	<u>40,000</u>	<u>49,660</u>	<u>9,660</u>
Net Change in Fund Balance	(13,647)	(13,647)	-	13,647
FUND BALANCE - Beginning	<u>76,288</u>	<u>76,288</u>	<u>76,288</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 62,641</u>	<u>\$ 62,641</u>	<u>\$ 76,288</u>	<u>\$ 13,647</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, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 409,017	\$ 409,017	\$ 287,983	\$ (121,034)
<b>EXPENDITURES</b>				
Current				
Community development	393,279	393,279	201,588	191,691
Excess (deficiency) of revenues over (under) expenditures	15,738	15,738	86,395	70,657
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(122,705)	(122,705)	(86,395)	36,310
Net Change in Fund Balance	(106,967)	(106,967)	-	106,967
FUND BALANCE - Beginning	106,969	106,969	106,969	-
FUND BALANCE - Ending	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 106,969</u>	<u>\$ 106,967</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, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Licenses and permits	\$ 5,800	\$ 5,800	\$ 6,305	\$ 505
Investment earnings and miscellaneous	2,050	2,050	4,595	2,545
Total Revenues	<u>7,850</u>	<u>7,850</u>	<u>10,900</u>	<u>3,050</u>
<b>EXPENDITURES</b>				
Current				
Community Development	<u>7,106</u>	<u>7,106</u>	<u>7,846</u>	<u>(740)</u>
Net Change in Fund Balance	744	744	3,054	2,310
FUND BALANCE - Beginning	<u>15,372</u>	<u>15,372</u>	<u>15,372</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 16,116</u>	<u>\$ 16,116</u>	<u>\$ 18,426</u>	<u>\$ 2,310</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, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ 14,740	\$ 14,740
Contributions and donations	150	150	61	(89)
Investment earnings and miscellaneous	300	300	220	(80)
Total Revenues	<u>450</u>	<u>450</u>	<u>15,021</u>	<u>14,571</u>
<b>EXPENDITURES</b>				
Current				
Parks, recreation, and education	<u>500</u>	<u>500</u>	<u>471</u>	<u>29</u>
Net Change in Fund Balance	(50)	(50)	14,550	14,600
FUND BALANCE - Beginning	<u>25,647</u>	<u>25,647</u>	<u>25,647</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 25,597</u>	<u>\$ 25,597</u>	<u>\$ 40,197</u>	<u>\$ 14,600</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, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<b>EXPENDITURES</b>				
Capital improvements	\$ 288,900	\$ 288,900	\$ 211,001	\$ 77,899
Excess (deficiency) of revenues over (under) expenditures	(288,900)	(288,900)	(211,001)	77,899
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	127,425	127,425	103,401	(24,024)
Sale of village properties	-	-	107,600	107,600
Total Other Financing Sources (Uses)	127,425	127,425	211,001	83,576
Net Change in Fund Balance	(161,475)	(161,475)	-	161,475
FUND BALANCE - Beginning	-	-	-	-
FUND BALANCE (DEFICIT) - Ending	\$ (161,475)	\$ (161,475)	\$ -	\$ 161,475

## **OTHER INFORMATION**

**VILLAGE OF WESTON**

**PROJECT-LENGTH SCHEDULE OF CONSTRUCTION PROJECTS**  
Beginning of Project to December 31, 2020

---

**TIF DISTRICT #1 FUND**

<b>TOTAL AUTHORIZATIONS</b>	<b>\$ 58,475,829</b>
<b>REVENUES AND OTHER FINANCING SOURCES</b>	
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	30,964,613
Sale of village properties	4,346,317
Net decrease in the fair value of investments	(13,290)
Total Revenues and Other Financing Sources	<u>\$ 58,475,829</u>
<b>EXPENDITURES AND OTHER FINANCING USES</b>	
Capital improvements	\$ 57,665,170
Bond issuance costs	2,000
Discounts on bonds/notes issued	942
Transfers out	807,717
Total Expenditures and Other Financing Uses	<u>\$ 58,475,829</u>
FUND BALANCE - December 31, 2020	<u>\$ -</u>

**TIF DISTRICT #2 FUND**

<b>TOTAL AUTHORIZATIONS</b>	<b>\$ 3,132,406</b>
<b>REVENUES AND OTHER FINANCING SOURCES</b>	
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>
<b>EXPENDITURES AND OTHER FINANCING USES</b>	
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, 2020	<u>\$ -</u>

# SUPPLEMENTARY INFORMATION

## ***ENTERPRISE FUNDS***

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

### **WATER UTILITY**

To account for the provision of water supply services to the residents, business entities, and public authorities of the Village and the adjacent communities of the City of Schofield and the Village of Rothschild, where it is deemed appropriate. All revenues and expenses necessary to provide such services are accounted for in this fund.

### **SEWER UTILITY**

To account for the provision of wastewater treatment and disposal services to the residents, business entities, and public authorities of the Village and the adjacent communities of the City of Schofield and the Village of Rothschild, where it is deemed appropriate. All revenues and expenses necessary to provide such services are accounted for in this fund, including the Village's share of the Rib Mountain Metropolitan Sewerage District plant operating costs.

### **STORMWATER UTILITY**

To account for the management of stormwater and other surface water discharges to the residents, business entities, and public authorities of the Village of Weston. The utility will also provide for the maintenance of existing stormwater appurtenances and recommend drainage modifications where it is deemed appropriate. All revenues and expenses necessary to provide such services are accounted for in this fund.

# VILLAGE OF WESTON

## ENTERPRISE FUNDS SCHEDULE OF RATES OF RETURN - REGULATORY BASIS For the Year Ended December 31, 2020

	Water Utility	Sewer Utility	Stormwater Utility	Totals
<b>UTILITY PLANT IN SERVICE</b>				
Beginning of year	\$ 30,837,506	\$ 31,992,772	\$ 17,642,970	\$ 80,473,248
End of year	<u>31,633,629</u>	<u>32,515,956</u>	<u>17,642,970</u>	<u>81,792,555</u>
Average	<u>31,235,568</u>	<u>32,254,364</u>	<u>17,642,970</u>	<u>81,132,902</u>
<b>ACCUMULATED DEPRECIATION</b>				
Beginning of year	10,191,650	13,613,405	6,481,409	30,286,464
End of year	<u>10,875,790</u>	<u>14,302,867</u>	<u>6,843,426</u>	<u>32,022,083</u>
Average	<u>10,533,720</u>	<u>13,958,136</u>	<u>6,662,418</u>	<u>31,154,274</u>
<b>MATERIALS AND SUPPLIES</b>				
Beginning of year	85,241	-	-	85,241
End of year	<u>124,888</u>	<u>-</u>	<u>-</u>	<u>124,888</u>
Average	<u>105,065</u>	<u>-</u>	<u>-</u>	<u>105,065</u>
<b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>				
Beginning of year	7,619,828	11,260,944	-	18,880,772
End of year	<u>7,619,828</u>	<u>11,260,944</u>	<u>-</u>	<u>18,880,772</u>
Average	<u>7,619,828</u>	<u>11,260,944</u>	<u>-</u>	<u>18,880,772</u>
<b>AVERAGE NET RATE BASE</b>	<u>\$ 13,187,085</u>	<u>\$ 7,035,284</u>	<u>\$ 10,980,552</u>	<u>\$ 31,202,921</u>
<b>OPERATING INCOME (LOSS)</b>	<u>\$ 717,350</u>	<u>\$ 163,444</u>	<u>\$ 40,122</u>	<u>\$ 920,916</u>
<b>RATE OF RETURN - 2020</b>	<u>5.44%</u>	<u>2.32%</u>	<u>0.37%</u>	<u>2.95%</u>
<b>RATE OF RETURN - 2019</b>	<u>4.73%</u>	<u>-0.79%</u>	<u>1.49%</u>	<u>2.30%</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.