

VILLAGE OF KIMBERLY
Annual Financial Report
December 31, 2022

VILLAGE OF KIMBERLY

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INDEPENDENT AUDITOR'S REPORT

President and Board Members
Village of Kimberly
Kimberly, Wisconsin

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Kimberly (Village), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Ericksen & Associates, S.C.

ERICKSON & ASSOCIATES, S.C.

Appleton, Wisconsin

February 27, 2024

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

The discussion and analysis of the Village of Kimberly's financial performance provides an overall review of the financial activities for years ended December 31, 2022 and 2021. The analysis focuses on the Village's financial performance as a whole.

2022 FINANCIAL HIGHLIGHTS

- Continued pressure by the Wisconsin Legislature to control increases in spending and taxes was adamantly adhered to by the Kimberly Village Board. The 2021 Operating Budget was extremely tight, and continued pressure by all members of the Management Team to control costs and become more efficient in their operations. The Village remains fiscally sound for 2023 and beyond.
- In 2022 the Village expended its entire ARPA allotment of \$711,955 on replacement of water main, valves, hydrants and services on Kimberly Avenue (from Railroad Street to Washington Street) to address failing infrastructure needs.
- The Storm Water Utility was put into place in 2006. The overall financial impact of the Utility is positive. The charge of the Utility is to remove 20% of the suspended solids in the storm water by 2008, and 40% by 2018. Ponds continue to be installed in new developments within the Village to meet the goals defined by the Wisconsin Department of Natural Resources (DNR). The Village will continue to monitor the sediment reduction goals under consideration by the DNR and adjust the storm water program within existing budgets to meet the proposed goals. Storm Water Utility User Fees were analyzed in 2020 to ensure future required maintenance of storm water ponds and DNR imposed standards are met. An increase to the Storm Water Utility User Fees was implemented January 1, 2021.
- The overall financial picture for the Village of Kimberly was positive. The General Fund experienced an operating surplus of \$98,857. This was due to management staff's continue frugal spending; however, the margin for error has become very small since the state's spending limits have been put in place and are becoming more difficult to manage.
- The overall maintenance of the various Trust Funds has proven extremely beneficial for the community. Continued appreciation for this type of budgeting will also allow the community to maintain its infrastructure without spikes in the local tax rate. In addition to the use of Trust Funds, the Village implemented the Transportation Utility at the beginning of 2021 to further ensure the proper maintenance of public infrastructure and lessening the burden of Special Assessments.
- The overall financial position for the community remains healthy. With the current balance in the General Fund of about \$3.32 million (December 31, 2022), and an additional \$4.33 million (December 31, 2022) being designated to the various Trust Funds (as noted above), the community is able to maintain a surplus at approximately 148% of annual expenditures. These balances are in line with fund balance policy.
- Tax Incremental District (TID) #6 progress continued in 2022. Financials included within the following statements reflect this growth. Within the development of TID #6 the Village recognized continued land sales in 2022. This revenue will be used to repay the debt of TID #6. An additional \$5.3 million of debt was issued in 2022 for future growth of the TID.
- Our recent 2022 credit rating by Standard and Poor's is AA/Stable representing a clear reflection of a healthy financial condition, is a major plus for a community of our size and should result in positive bond rates for the community going forward.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of two parts - management's discussion and analysis and the basic financial statements (Village-wide and fund statements) including notes to the financial statements.

The basic financial statements consist of two kinds of statements that present different views of the Village's financial activities.

- The Statement of Net Position and Statement of Activities provide information on a Village-wide basis. These statements present an aggregate view of the Village's finances. Village-wide statements contain useful long-term information as well as information for the just-completed fiscal year.
- The Statement of Net Position compares assets to liabilities to give an overall view of the financial health of the Village.
- The Statement of Activities defines the Village's expenses by function and illustrates the total that is offset by corresponding revenues - charges for services and/or operating grants and contributions. General revenues and extraordinary credits are identified. The result is total net expense offset by general and miscellaneous revenue - recognizing the Change in Net Position for the Village from the previous year.
- The remaining statements: Balance Sheet - Governmental Funds and Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds focus on individual parts of the Village. Fund statements generally report operations in more detail than the Village-wide statements and support the Statement of Net Position.
- The Notes to Financial Statements provide further explanation of some of the information in the statements and provide additional disclosures so statement users have a complete picture of the Village's financial activities and position.
- Required Supplementary Information further explains and supports the financial statements, including all reports in the financial statements through and including the financial notes.
- Other Supplemental Information provides information specific to nonmajor governmental funds.

The major features of the Village's financial statements, including the portion of the activities reported and type of information contained are shown in the following table.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

Major Features of the Government-wide and Fund Financial Statements

Table #1

		-----Fund Financial Statements-----		
	Government-wide Statements	Governmental	Proprietary	Fiduciary
Scope	Entire Village (except fiduciary funds).	The activity of the Village that is not proprietary or fiduciary.	Activities the Village operates similar to private business. The Village reports the activities of its water, sewer, and storm sewer utilities here.	Assets held by the Village on behalf of someone else. The Tax Agency Fund is recorded here.
Required financial statements	Statement of net position and statement of activities.	Balance sheet and statement of revenues, expenditures, and changes in fund balance.	Statement of net position, and statement of revenues, expenses and changes in net position, and statement of cash flows.	Statement of fiduciary net position and statement of changes in fiduciary net position.
Basis of accounting and measurement focus	Accrual accounting. Economic resources focus.	Modified accrual accounting. Current financial resources focus.	Accrual accounting. Economic resources focus.	Accrual accounting. Economic resources focus.
Type of asset and liability information	All assets and liabilities, both financial and capital, short-term and long-term.	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter. No capital assets or long-term liabilities included.	All assets and liabilities, both financial and capital, short-term and long-term.	All assets and liabilities, both financial and capital, short-term and long-term. These funds do not currently contain any capital assets, although they can.
Type of inflow and outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received, and the related liability are due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions or deductions during the year, regardless of when cash is received or paid.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

Table #2

Condensed Statement of Net Position - Governmental			
	<u>2022</u>	<u>2021</u>	<u>% Change</u>
<u>Assets</u>			
Current Assets	\$29,238,739	\$22,270,968	31%
Capital Assets	\$20,521,969	\$20,412,046	1%
Other Assets	\$631,979	\$585,964	8%
Total Assets	\$50,392,687	\$43,268,978	16%
<u>Deferred Outflows of Resources</u>			
	\$1,294,573	\$1,218,534	6%
<u>Liabilities</u>			
Current Liabilities	\$1,558,379	\$1,741,702	-11%
Non-Current Liabilities	\$26,550,891	\$21,249,053	25%
Total Liabilities	\$28,109,270	\$22,990,755	22%
<u>Deferred Inflows of Resources</u>			
	\$7,679,701	\$7,477,142	3%
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	\$1,602,260	\$599,337	167%
Restricted	\$15,686,010	\$7,997,838	96%
Unrestricted	(\$1,389,981)	\$5,642,369	-125%
Total Net Position, as restated	\$15,898,289	\$14,019,615	12%

Statement of Net Position - Governmental: (Table #2)

The Village's governmental financial status, as reflected in total net position, increased \$1.66M to \$15,898,289. The Village reported total assets of \$50.39M, of which \$20.52M are capital assets. The Village reported total liabilities of \$28.11M, of which \$26.55M are long-term liabilities.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

Table #3

Condensed Statement of Net Position - Business-type			
	<u>2022</u>	<u>2021</u>	<u>% Change</u>
<u>Assets</u>			
Current Assets	\$5,766,699	\$5,282,901	9%
Capital Assets	\$23,519,466	\$22,907,419	3%
Other Assets	\$87,076	\$1,295	6624%
Total Assets	\$29,373,241	\$28,191,615	4%
<u>Deferred Outflows of Resources</u>			
	\$180,665	\$ -	
<u>Liabilities</u>			
Current Liabilities	\$433,142	\$106,557	306%
Non-Current Liabilities	\$49,256	\$141,000	-65%
Total Liabilities	\$482,398	\$247,557	95%
<u>Deferred Inflows of Resources</u>			
	\$210,405	\$1,295	16147%
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	\$23,519,466	\$22,766,419	3%
Restricted	\$50,630	\$ -	0%
Unrestricted	\$5,291,007	\$5,176,344	2%
Total Net Position, as restated	\$28,861,103	\$27,942,763	3%

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

Statement of Net Position - Business-type: (Table #3)

The Village's business-type activities financial status, as reflected in total net position, increased by \$918,340 to \$28,861,103. The Village reported total assets of \$29.37M, of which \$23.52M are capital assets. The Village reported total liabilities of \$482,398, of which \$49,256 are long-term liabilities.

Table #4

Changes in Net Position from Operating Results For Governmental Activities					
	<u>2022</u>	<u>%</u>	<u>2021</u>	<u>%</u>	<u>% Change</u>
Revenues:					
Charges for Services	\$990,290	10%	\$810,538	8%	22%
Operating Grants & Contributions	\$504,163	5%	\$533,590	5%	-6%
Capital Grants & Cont.	\$ -	0%	\$347,572	3%	-100%
Property Taxes	\$6,414,240	65%	\$5,331,454	53%	20%
Other	\$1,899,673	20%	\$3,026,340	31%	-37%
Total Revenues	<u>\$9,808,366</u>	<u>100%</u>	<u>\$10,049,494</u>	<u>100%</u>	<u>-2%</u>
Expenses:					
General Government	\$1,557,983	20%	\$1,395,736	15%	12%
Public Safety	\$1,778,647	22%	\$1,576,119	17%	13%
Health and Social Services	\$144,771	2%	\$167,701	2%	-14%
Public Works	\$2,545,400	32%	\$3,129,570	35%	-19%
Culture, Recreation, and Education	\$1,037,919	13%	\$951,234	11%	9%
Interest and Fiscal Charges	\$864,972	11%	\$754,173	8%	15%
Unallocated Depreciation	\$ -	0%	\$1,051,844	12%	-100%
Total Expenses	<u>\$7,929,692</u>	<u>100%</u>	<u>\$9,026,377</u>	<u>100%</u>	<u>-12%</u>
Change in Net Position	<u>\$1,878,674</u>		<u>\$1,023,117</u>		

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

Revenues (Table #4)

For FY 2022, the Village received \$9.81M in revenues. Property taxes made up 65% of the total revenues. Operating grants & contributions and other revenue, which included state shared revenues and grants, totaled 25% of revenues.

Expenses (Table #4)

For FY 2022, the Village expenditures totaled \$7.93M. General government expenditures were 20% of the total.

Table #5

Changes in Net Position from Operating Results For Business-type Activities					
	<u>2022</u>	<u>%</u>	<u>2021</u>	<u>%</u>	<u>% Change</u>
Revenues:					
Charges for Services	\$4,764,578	93%	\$4,297,746	100%	11%
Capital Grants and Cont.	\$355,978	7%	\$ -	0%	100%
Miscellaneous	\$13,694	0%	\$5,369	0%	155%
Total Revenues	<u>\$5,134,250</u>	<u>100%</u>	<u>\$4,303,115</u>	<u>100%</u>	19%
Expenses:					
Water Utility	\$2,555,576	61%	\$1,490,759	49%	71%
Sewer Utility	\$1,034,980	25%	\$970,032	32%	7%
Storm Water Utility	\$625,354	15%	\$562,780	19%	11%
Total Expenses	<u>\$4,215,910</u>	<u>100%</u>	<u>\$3,023,571</u>	<u>100%</u>	39%
Change in Net Position	<u>\$918,340</u>		<u>\$1,279,544</u>		

Revenues (Table #5)

For FY 2022, the Village recognized \$5.13M in revenues. The majority of the revenues were from charges for services.

Expenses (Table #5)

For FY 2022, the Village expenditures totaled \$4.22M.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

Table #6

Net Cost of Governmental Activities		
	<u>Total Cost of Services</u> 2022	<u>Net Cost of Services</u> 2022
General Government	\$1,557,983	\$1,118,735
Public Safety	\$1,778,647	\$1,773,329
Health and Social Services	\$144,771	\$144,771
Public Works	\$2,545,400	\$2,095,844
Culture, Recreation, and Education	\$1,037,919	\$437,588
Interest and Fiscal Charges	\$864,972	\$864,972
Totals	<u>\$7,929,692</u>	<u>\$6,435,239</u>

Net Cost of Government Activities (Table #6)

The total cost of all governmental activities was \$7.93M. This includes expenditures financed by general revenue plus revenue collected through direct fees, operating grants, and capital contributions. The net cost of governmental activities was \$6.44M. This includes expenditures financed by general revenue primarily made up of property taxes and miscellaneous income.

Table #7

Net Cost of Business-type Activities		
	<u>Total Cost of Services</u> 2022	<u>Net Cost of Services</u> 2022
Water Utility	\$2386,244	\$(507,221)
Sewer Utility	\$1,034,980	\$(568,646)
Storm Water Utility	\$625,354	\$1,889
Totals	<u>\$4,046,578</u>	<u>\$(1,073,978)</u>

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

Net Cost of Business-type Activities (Table #7)

The total cost of business-type activities was \$4,046,578.

The net cost of business-type activities was \$(1,073,978).

Fund Balance

The Village's total fund balance for 2022 increased by \$7,078,811 to \$22,910,491.

The General Fund balance increased by \$93,857 to \$7,658,093. This represents approximately 148% of expenditures. In addition, a sizeable fund balance is a positive sign of financial viability, enhances the Village's bond rating, and allows the Village to respond to non-recurring economic needs.

The Capital Projects TID #5 fund balance decreased by \$663,149 to \$702,583.

The Debt Service TID #6 fund balance increased by \$6,286,425 to \$9,886,162.

The Other Governmental Funds balance increased by \$1,361,678 to \$4,663,653.

General Fund Budgetary Comparison

The Village adopts a budget in November for the subsequent year, consistent with current state statutes and regulations.

General fund revenues ended \$103,216 higher than budgeted. General fund expenditures came in \$9,691 lower than budgeted.

Capital Asset and Debt Administration

Capital Assets

In order to comply with GASB Statement No. 34, the Village performed a comprehensive inventory of all capital assets over \$1,000 estimated related depreciation.

Long-term Debt

Long-term obligations increased by \$5.389M. Long-term obligations include \$27.48M in general obligation debt.

General Obligation Debt of the Village is secured by an irrevocable tax levy adopted by the Village Board at the time of issuance. Wisconsin state statutes require that the first property tax receipts be segregated for use for annual debt service payments. The Village of Kimberly complies with all statutory requirements.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

Factors that may Impact the Future of the Village

State Budget Problems and Revenue Controls

The State of Wisconsin continues to encounter budget problems and limit shared revenues to local government units. These problems are expected to continue as state structural deficits have become the norm. In addition, the future status of state shared revenue is uncertain. The Village will need to remain diligent to protect our strong financial position. These statements report on the 2022 year. The post-COVID economy will continue to present challenges to all facets of the U.S. dollar, with local government receiving continue pressure to conserve without sacrificing services.

Tax Incremental District (TID) #6 Development

The Village of Kimberly continue to experience growth and infrastructure development within TID #6 during 2022. This growth is anticipated to continue as the northeast lots were sold in 2022 and a development agreement for a significant residential development was finalized. Further, Festival Foods has purchased the "Old Shopko" space. Village's infrastructure work will continue at a slower pace in 2023 and 2024. Land sales within the district and infrastructure assets are being recognized. TID #6 financial projections are being closely monitored to ensure the stability of the TID.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Maggie Mahoney, Administrator, Village of Kimberly, 515 West Kimberly Avenue, Kimberly, WI 54136.

BASIC FINANCIAL STATEMENTS

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VILLAGE OF KIMBERLY

Statement of Net Position

As of December 31, 2022

	Governmental Activities	Business-Type Activities	Total	Component Unit Community Development Authority
ASSETS				
Current Assets				
Cash	\$ 25,138,832	\$ 4,117,470	\$ 29,256,302	\$ 283,436
Receivables:				
Taxes	3,062,855	183,792	3,246,647	-
Customer Accounts Receivable	123,403	948,191	1,071,594	-
Special Assessment Receivable	853,649	249,900	1,103,549	-
Housing Loans Receivable	60,000	-	60,000	-
Lease Receivable	-	-	-	3,690,000
Inventories	-	28,138	28,138	-
Total Current Assets	<u>29,238,739</u>	<u>5,766,699</u>	<u>35,005,438</u>	<u>3,973,436</u>
Noncurrent Assets				
Net Pension Asset	631,979	87,076	719,055	-
Capital Assets:				
Capital Assets Not Being Depreciated	4,179,605	137,426	4,317,031	147,029
Other Capital Assets, Net of Depreciation	16,342,364	23,382,040	39,724,404	-
Total Noncurrent Assets	<u>21,153,948</u>	<u>23,606,542</u>	<u>44,760,490</u>	<u>147,029</u>
TOTAL ASSETS	<u>50,392,687</u>	<u>29,373,241</u>	<u>79,765,928</u>	<u>4,120,465</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources Related to Pension	1,224,252	168,682	1,392,934	-
Deferred Outflows of Resources Related to OPEB	70,321	11,983	82,304	-
Total Deferred Outflows of Resources	<u>1,294,573</u>	<u>180,665</u>	<u>1,475,238</u>	<u>-</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	114,311	426,857	541,168	-
Accrued Expenses	53,953	6,285	60,238	-
Accrued Interest	213,115	-	213,115	-
Current Portion of Long-Term Obligations	1,177,000	-	1,177,000	115,000
Total Current Liabilities	<u>1,558,379</u>	<u>433,142</u>	<u>1,991,521</u>	<u>115,000</u>
Noncurrent Liabilities				
Net OPEB Liability	201,979	34,419	236,398	-
Noncurrent Portion of Compensated Absences	41,912	14,837	56,749	-
Noncurrent Portion of Long-Term Obligations	26,307,000	-	26,307,000	3,575,000
Total Noncurrent Liabilities	<u>26,550,891</u>	<u>49,256</u>	<u>26,600,147</u>	<u>3,575,000</u>
TOTAL LIABILITIES	<u>28,109,270</u>	<u>482,398</u>	<u>28,591,668</u>	<u>3,690,000</u>
DEFERRED INFLOWS OF RESOURCES				
Taxes Levied for Subsequent Year	6,159,984	-	6,159,984	-
Deferred Inflows of Leases	-	-	-	-
Deferred Inflows of Resources Related to Pension	1,488,754	205,128	1,693,882	-
Deferred Inflows of Resources Related to OPEB	30,963	5,277	36,240	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>7,679,701</u>	<u>210,405</u>	<u>7,890,106</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	1,602,260	23,519,466	25,121,726	-
Restricted	15,686,010	50,630	15,736,640	-
Unrestricted (Deficit)	(1,389,981)	5,291,007	3,901,026	430,465
TOTAL NET POSITION	<u>\$ 15,898,289</u>	<u>\$ 28,861,103</u>	<u>\$ 44,759,392</u>	<u>\$ 430,465</u>

See Accompanying Notes

VILLAGE OF KIMBERLY
Statement of Activities
For the Year Ended December 31, 2022

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS				
GOVERNMENTAL ACTIVITIES				
General Government	\$ 1,557,983	\$ 397,989	\$ 41,259	\$ -
Public Safety	1,778,647	5,318	-	-
Public Works	2,545,400	449,556	-	-
Health and Human Services	144,771	-	-	-
Culture and Recreation	1,037,919	137,427	462,904	-
Interest and Fiscal Charges	864,972	-	-	-
Total Governmental Activities	<u>7,929,692</u>	<u>990,290</u>	<u>504,163</u>	<u>-</u>
BUSINESS-TYPE ACTIVITIES				
Water	2,386,244	2,537,487	-	355,978
Sewer	1,034,980	1,603,626	-	-
Storm	625,354	623,465	-	-
Total Business-Type Activities	<u>4,046,578</u>	<u>4,764,578</u>	<u>-</u>	<u>355,978</u>
TOTAL	<u>\$ 11,976,270</u>	<u>\$ 5,754,868</u>	<u>\$ 504,163</u>	<u>\$ 355,978</u>
COMPONENT UNIT				
Community Development Authority	\$ 217,442	\$ -	\$ -	\$ -

GENERAL REVENUES

Property Taxes, Levied for General Purposes
Intergovernmental Revenues not Restricted to
Specific Programs
Interest Income
Gain on Sale of Assets
Insurance Recoveries
Rent

Total General Revenues

TRANSFERS

CHANGE IN NET POSITION

NET POSITION - BEGINNING OF YEAR, AS RESTATED

NET POSITION - END OF YEAR

Net (Expenses) Revenues and Changes in Net Position			
Governmental Activities	Business-Type Activities	Total	Component Unit Community Development Authority
\$ (1,118,735)	\$ -	\$ (1,118,735)	\$ -
(1,773,329)	-	(1,773,329)	-
(2,095,844)	-	(2,095,844)	-
(144,771)	-	(144,771)	-
(437,588)	-	(437,588)	-
(864,972)	-	(864,972)	-
<u>(6,435,239)</u>	<u>-</u>	<u>(6,435,239)</u>	<u>-</u>
-	507,221	507,221	-
-	568,646	568,646	-
-	(1,889)	(1,889)	-
<u>-</u>	<u>1,073,978</u>	<u>1,073,978</u>	<u>-</u>
<u>(6,435,239)</u>	<u>1,073,978</u>	<u>(5,361,261)</u>	<u>-</u>
-	-	-	(217,442)
6,414,240	-	6,414,240	-
1,016,588	-	1,016,588	-
158,791	13,694	172,485	170,202
544,560	-	544,560	-
10,402	-	10,402	-
-	-	-	50,000
<u>8,144,581</u>	<u>13,694</u>	<u>8,158,275</u>	<u>220,202</u>
<u>169,332</u>	<u>(169,332)</u>	<u>-</u>	<u>-</u>
<u>1,878,674</u>	<u>918,340</u>	<u>2,797,014</u>	<u>2,760</u>
<u>14,019,615</u>	<u>27,942,763</u>	<u>41,962,378</u>	<u>427,705</u>
<u>\$ 15,898,289</u>	<u>\$ 28,861,103</u>	<u>\$ 44,759,392</u>	<u>\$ 430,465</u>

See Accompanying Notes

VILLAGE OF KIMBERLY

Balance Sheet

Governmental Funds

As of December 31, 2022

	<u>General</u>	<u>Capital Projects TID 5</u>	<u>Debt Service TID 6</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 8,541,540	\$ 704,087	\$ 10,717,901	\$ 5,175,304	\$ 25,138,832
Receivables:					
Taxes	2,071,887	-	654,785	336,183	3,062,855
Special Assessments	584,040	-	-	269,609	853,649
Accounts	89,547	-	-	33,856	123,403
Housing Loans	-	-	-	60,000	60,000
Due from Other Fund	411,970	-	-	-	411,970
Total Assets	<u>\$ 11,698,984</u>	<u>\$ 704,087</u>	<u>\$ 11,372,686</u>	<u>\$ 5,874,952</u>	<u>\$ 29,650,709</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 70,110	\$ 1,504	\$ -	\$ 42,697	\$ 114,311
Accrued Expenses	45,070	-	-	8,883	53,953
Due to Other Fund	-	-	-	411,970	411,970
Total Liabilities	<u>115,180</u>	<u>1,504</u>	<u>-</u>	<u>463,550</u>	<u>580,234</u>
Deferred Inflows of Resources					
Taxes Levied for Subsequent Year	3,925,711	-	1,486,524	747,749	6,159,984
Fund Balances					
Restricted	-	702,583	9,886,162	4,714,528	15,303,273
Assigned	4,334,405	-	-	-	4,334,405
Unassigned (Deficit)	3,323,688	-	-	(50,875)	3,272,813
Total Fund Balances	<u>7,658,093</u>	<u>702,583</u>	<u>9,886,162</u>	<u>4,663,653</u>	<u>22,910,491</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 11,698,984</u>	<u>\$ 704,087</u>	<u>\$ 11,372,686</u>	<u>\$ 5,874,952</u>	<u>\$ 29,650,709</u>

See Accompanying Notes

VILLAGE OF KIMBERLY

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

Total Fund Balances - Governmental Funds		\$ 22,910,491
<i>Total net position reported for governmental activities in the statement of net position is different from the amount reported above as total governmental funds fund balances because:</i>		
Capital assets used in government activities are not current financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position:		
Governmental Capital Assets	\$ 38,331,926	
Governmental Accumulated Depreciation	<u>(17,809,957)</u>	20,521,969
The Village's proportionate share of the Wisconsin Retirement System pension plan and Other Post-Employment Benefits are not an available financial resource; therefore, they are not reported in the fund financial statements.		
Net Pension Asset	631,979	
Net OPEB Liability	(201,979)	
Deferred Outflows Related to Pension	1,224,252	
Deferred Outflows Related to Other Post-Employment Benefits	70,321	
Deferred Inflows Related to Pension	(1,488,754)	
Deferred Inflows Related to Other Post-Employment Benefits	<u>(30,963)</u>	204,856
Noncurrent obligations, including bonds and notes payable, are not due in the current period and therefore not reported in the fund statements. Items reported in the statement of net position that are not reported in the funds balance sheet:		
General Obligation Debt	(27,484,000)	
Compensated Absences	(41,912)	
Accrued Interest	<u>(213,115)</u>	<u>(27,739,027)</u>
Total Net Position - Governmental Activities		<u><u>\$ 15,898,289</u></u>

VILLAGE OF KIMBERLY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2022

	General	Capital Projects TID 5	Debt Service TID 6	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 3,759,646	\$ -	\$ 1,225,994	\$ 899,561	\$ 5,885,201
Special Assessments	111,815	-	-	417,224	529,039
Intergovernmental	1,016,588	-	-	-	1,016,588
Licenses and Fines	205,081	-	-	59,385	264,466
Fines, Forfeits and Penalties	62,112	-	-	-	62,112
Public Charges for Services	57,935	-	-	158,279	216,214
Grants	-	41,259	-	306,859	348,118
Miscellaneous	642,053	1,045	5,364	121,782	770,244
Total Revenues	<u>5,855,230</u>	<u>42,304</u>	<u>1,231,358</u>	<u>1,963,090</u>	<u>9,091,982</u>
EXPENDITURES					
Current:					
General Government	1,381,973	-	-	-	1,381,973
Public Safety	1,724,946	-	-	-	1,724,946
Public Works	1,364,359	-	-	619,340	1,983,699
Health and Human Services	144,771	-	-	-	144,771
Culture and Recreation	332,708	-	-	523,062	855,770
Capital Outlay	219,023	705,453	-	788,837	1,713,313
Debt Service:					
Principal Retirement	-	-	565,000	328,000	893,000
Interest and Fiscal Charges	-	-	749,074	75,098	824,172
Total Expenditures	<u>5,167,780</u>	<u>705,453</u>	<u>1,314,074</u>	<u>2,334,337</u>	<u>9,521,644</u>
EXCESS (DEFICIENCY) REVENUES OVER (UNDER) EXPENDITURES	<u>687,450</u>	<u>(663,149)</u>	<u>(82,716)</u>	<u>(371,247)</u>	<u>(429,662)</u>
OTHER FINANCING SOURCES					
Debt Proceeds	-	-	5,312,000	970,000	6,282,000
Land Sales	-	-	1,057,141	-	1,057,141
Transfer In	169,332	-	-	955,651	1,124,983
Transfer Out	(762,925)	-	-	(192,726)	(955,651)
Total Other Financing Sources	<u>(593,593)</u>	<u>-</u>	<u>6,369,141</u>	<u>1,732,925</u>	<u>7,508,473</u>
NET CHANGE IN FUND BALANCES	93,857	(663,149)	6,286,425	1,361,678	7,078,811
FUND BALANCES - BEGINNING, AS RESTATED	<u>7,564,236</u>	<u>1,365,732</u>	<u>3,599,737</u>	<u>3,301,975</u>	<u>15,831,680</u>
FUND BALANCES - ENDING	<u>\$ 7,658,093</u>	<u>\$ 702,583</u>	<u>\$ 9,886,162</u>	<u>\$ 4,663,653</u>	<u>\$ 22,910,491</u>

See Accompanying Notes

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

Net Change in Fund Balances - Total Governmental Funds	\$	7,078,811
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
<p>The acquisition of capital assets is reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense.</p>		
Capital outlay reported in governmental fund statements	\$ 1,641,965	
Depreciation expense reported in the statement of activities	<u>(1,021,953)</u>	
Amount by which depreciation is less than capital outlay in the current period.		620,012
<p>The Village sold land from TID#6 which is recorded under capital assets and reported the sales as other financing sources in governmental funds. In the statement of activities, only the profit from the sale is shown with the remaining amount reducing the balance of capital assets</p>		
		(510,089)
<p>Amounts related to the pension and OPEB plan that affect the statement of activities but do not affect the fund financial statements.</p>		
		114,599
<p>Vested employee benefits are reported in the government funds when amounts are paid. The statement of activities reports the value of benefits earned during the year.</p>		
Compensated absences benefits used in the current year are less than amounts earned by		5,141
<p>Debt incurred in the governmental funds is reported as an other financing source in the fund financial statements, but is reported as an increase in outstanding long-term debt in the statement of net position, and does not affect the statement of activities.</p>		
Issuance of Long Term Debt		(6,282,000)
<p>Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities. The amount of long-term debt principal payments in the current year.</p>		
Payments on Long Term Debt		893,000
<p>In governmental funds interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities interest is reported as incurred.</p>		
Interest paid is more than interest accrued by		<u>(40,800)</u>
Change in Net Position - Governmental Activities	\$	<u>1,878,674</u>

VILLAGE OF KIMBERLY
Statement of Net Position
Proprietary Funds
As of December 31, 2022

	Water Utility	Sewer Utility	Storm Utility	Total
CURRENT ASSETS				
Cash	\$ 862,392	\$ 1,593,371	\$ 1,661,707	\$ 4,117,470
Receivables:				
Customer Accounts	381,203	383,635	183,353	948,191
Property Taxes	67,352	90,112	26,328	183,792
Special Assessments	755	136,640	112,505	249,900
Due from State	239,208	-	-	239,208
Inventories	28,138	-	-	28,138
Total Current Assets	<u>1,579,048</u>	<u>2,203,758</u>	<u>1,983,893</u>	<u>5,766,699</u>
NON-CURRENT ASSETS				
Capital Assets:				
Capital Assets Not Being Depreciated	64,616	72,810	-	137,426
Other Capital Assets, Net of Depreciation	8,232,437	8,013,103	7,136,500	23,382,040
Net Pension Asset	-	34,801	52,275	87,076
Total Non-Current Assets	<u>8,297,053</u>	<u>8,120,714</u>	<u>7,188,775</u>	<u>23,606,542</u>
Total Assets	<u>9,876,101</u>	<u>10,324,472</u>	<u>9,172,668</u>	<u>29,373,241</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources				
Related to Pension	-	67,417	101,265	168,682
Related to OPEB	-	4,946	7,037	11,983
Total Deferred Outflows of Resources	<u>-</u>	<u>72,363</u>	<u>108,302</u>	<u>180,665</u>
CURRENT LIABILITIES				
Accounts Payable	398,776	21,060	7,021	426,857
Accrued Expenses	2,375	1,557	2,353	6,285
Total Current Liabilities	<u>401,151</u>	<u>22,617</u>	<u>9,374</u>	<u>433,142</u>
NON-CURRENT LIABILITIES				
Net OPEB Liability	-	14,207	20,212	34,419
Noncurrent Portion of Compensated Absences	-	5,619	9,218	14,837
Total Non-Current Liabilities	<u>-</u>	<u>19,826</u>	<u>29,430</u>	<u>49,256</u>
Total Liabilities	<u>401,151</u>	<u>42,443</u>	<u>38,804</u>	<u>482,398</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources				
Related to OPEB	-	2,178	3,099	5,277.00
Related to Pension	-	81,983	123,145	205,128
Total Deferred Inflows of Resources	<u>-</u>	<u>84,161</u>	<u>126,244</u>	<u>210,405</u>
NET POSITION				
Net Investment in Capital Assets	8,297,053	8,085,913	7,136,500	23,519,466
Restricted for:				
Pension Benefits	-	20,235	30,395	50,630
Unrestricted	1,177,897	2,164,083	1,949,027	5,291,007
TOTAL NET POSITION	<u>\$ 9,474,950</u>	<u>\$ 10,270,231</u>	<u>\$ 9,115,922</u>	<u>\$ 28,861,103</u>

VILLAGE OF KIMBERLY
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2022

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Storm Utility</u>	<u>Total</u>
OPERATING REVENUES	\$ 2,537,487	\$ 1,603,626	\$ 623,465	\$ 4,764,578
OPERATING EXPENSES				
Operation and Maintenance	1,734,599	257,331	394,498	2,386,428
Administration and General	346,695	86,384	-	433,079
Depreciation	302,036	175,678	230,856	708,570
Heart of the Valley Treatment Fees	-	515,587	-	515,587
Total Operating Expenses	<u>2,383,330</u>	<u>1,034,980</u>	<u>625,354</u>	<u>4,043,664</u>
OPERATING INCOME (LOSS)	<u>154,157</u>	<u>568,646</u>	<u>(1,889)</u>	<u>720,914</u>
NON-OPERATING REVENUES (EXPENSE)				
Investment Income	13,694	-	-	13,694
Interest Expense	(2,914)	-	-	(2,914)
American Rescue Plan Funds	355,978	-	-	355,978
Total Non-Operating Revenues (Expense)	<u>366,758</u>	<u>-</u>	<u>-</u>	<u>366,758</u>
INCOME BEFORE TRANSFERS	520,915	568,646	(1,889)	1,087,672
TRANSFERS OUT	<u>(169,332)</u>	<u>-</u>	<u>-</u>	<u>(169,332)</u>
CHANGE IN NET POSITION	351,583	568,646	(1,889)	918,340
NET POSITION - BEGINNING	<u>9,123,367</u>	<u>9,701,585</u>	<u>9,117,811</u>	<u>27,942,763</u>
NET POSITION - ENDING	<u>\$ 9,474,950</u>	<u>\$ 10,270,231</u>	<u>\$ 9,115,922</u>	<u>\$ 28,861,103</u>

VILLAGE OF KIMBERLY
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

	Water Utility	Sewer Utility	Storm Utility	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 2,548,672	\$ 1,598,046	\$ 615,898	\$ 4,762,616
Cash Paid to Suppliers for Goods and Services	(1,355,468)	(838,803)	(257,523)	(2,451,794)
Cash Paid to Employees for Services	(407,149)	(102,922)	(155,744)	(665,815)
Net Cash Flows From Operating Activities	<u>786,055</u>	<u>656,321</u>	<u>202,631</u>	<u>1,645,007</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Tax Equivalent Paid to Municipality	(169,332)	-	-	(169,332)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	12,939	41,897	42,211	97,047
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(1,247,328)	(48,323)	(24,966)	(1,320,617)
Capital Contributions	116,770	-	-	116,770
Principal Payments on Long-Term Debt	(141,000)	-	-	(141,000)
Interest Paid	(4,827)	-	-	(4,827)
Net Cash Flows From Capital and Related Financing Activities	<u>(1,276,385)</u>	<u>(48,323)</u>	<u>(24,966)</u>	<u>(1,349,674)</u>
NET INCREASE (DECREASE) IN CASH	(646,723)	649,895	219,876	223,048
CASH - BEGINNING	1,509,115	943,476	1,441,831	3,894,422
CASH - ENDING	<u>\$ 862,392</u>	<u>\$ 1,593,371</u>	<u>\$ 1,661,707</u>	<u>\$ 4,117,470</u>
RECONCILIATION OF CASH PER STATEMENT OF NET POSITION TO STATEMENT OF CASH FLOWS				
Unrestricted Cash	\$ 862,392	\$ 1,593,371	\$ 1,661,707	\$ 4,117,470
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 154,157	\$ 568,646	\$ (1,889)	\$ 720,914
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:				
Non-Cash Items:				
Depreciation	317,781	159,933	230,856	708,570
Meter Charge	(15,745)	15,745	-	-
Changes in Operating Assets and Liabilities:				
Accounts Receivable	(24,395)	(55,416)	(22,055)	(101,866)
Net OPEB Liability	-	14,207	20,212	34,419
OPEB Related Deferred Outflows and Inflows of Resources	-	(2,768)	(3,938)	(6,706)
Compensated Absences	-	5,619	9,218	14,837
Net Pension Asset	-	(34,801)	(52,275)	(87,076)
Pension Related Deferred Outflows and Inflows of Resources	-	14,566	21,880	36,446
Inventory	(2,083)	-	-	(2,083)
Accounts Payable	353,965	(30,967)	(1,731)	321,267
Accrued Liabilities	2,375	1,557	2,353	6,285
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 786,055</u>	<u>\$ 656,321</u>	<u>\$ 202,631</u>	<u>\$ 1,645,007</u>

See Accompanying Notes

VILLAGE OF KIMBERLY
Statement of Fiduciary Net Position
Fiduciary Fund
As of December 31, 2022

	<u>Custodial Fund</u> <u>Tax Collection</u> <u>Fund</u>
ASSETS	
Cash	\$ 3,352,744
Taxes Receivable	2,639,440
Total Assets	<u>5,992,184</u>
LIABILITIES	
Due to Other Taxing Entities	<u>5,992,184</u>
NET POSITION	<u>\$ -</u>

VILLAGE OF KIMBERLY
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended December 31, 2022

	<u>Custodial Fund</u>
	<u>Tax Collection</u>
	<u>Fund</u>
ADDITIONS	
Taxes Collected on Behalf of Other Taxing Entities	\$ 2,491,772
DEDUCTIONS	
Taxes Remitted to other Taxing Entities	<u>2,491,772</u>
NET CHANGE IN NET POSITION	-
NET POSITION - BEGINNING	<u>-</u>
NET POSITION - ENDING	<u>\$ -</u>

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 1 – Summary of Significant Accounting Policies

This summary of significant accounting policies of the Village of Kimberly (Village) is presented to assist in understanding the Village's financial statements. The financial statements and notes are representations of the Village's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform with accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

This report includes all of the funds of the Village of Kimberly. The reporting entity for the Village consists of the primary government. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable or other organizations whose nature and significant relationship with the Village are such that exclusion would cause the Village's financial statements to be misleading. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the Village's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the Village. The Village's component unit is reported using a discrete presentation in a separate column in the financial statements.

Discretely Presented Component Unit

Kimberly Community Development Authority

The government-wide financial statements include the Kimberly Community Development Authority (Authority) as a component unit. The Authority is a legally separate organization. The board of the Authority is appointed by the Administrator of Kimberly. Wisconsin Statutes provide for circumstances where the Village can impose their will upon the Authority, and also create a potential financial benefit to or burden on the Village (See Note 11). As a component unit, the Authority's financial statements have been presented as a discrete column in the financial statements. Separate statements for the Authority are not issued.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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) operating and capital grants and contributions. Taxes and other items not properly included as program revenues are reported instead as general revenues.

The government-wide statements exclude the fiduciary fund, which is included in the fund financial statements.

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

Depreciation expense which can be specifically identified by function is included in the direct expenses of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the statement of activities.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, and storm water utility enterprise 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.

Fund financial statements of the reporting entity are organized into individual 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 of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses.

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

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

Governmental Funds

Governmental funds are identified as either general, special revenue, or capital projects funds based upon the following guidelines.

General Fund

The general fund is the primary operating fund of the Village and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

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.

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 purchase of major capital equipment (other than those financed by business-type/proprietary funds.)

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. Enterprise Funds are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village enterprise funds include the water, sewer, and storm water utilities.

Fiduciary Funds

The Village follows the presentation requirements of accounting principles generally accepted in the United States of America as prescribed by GASB Statement No. 84, *Fiduciary Activities*. This statement revised the criteria on whether the government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. Four types of fiduciary funds that should be reported, if applicable, include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The Village reports a custodial funds for tax collections due to other taxing entities.

Major Funds

The Village reports the following major governmental funds:

The *general fund*, which accounts for the Village's primary operating activities.

The *Capital Projects TIF No. 5 Fund*, which account for the Village's capital projects financed by tax increments collected for Tax Increment District No. 5.

The *Debt Service TIF No. 6 Fund*, which account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The Village reports the following major proprietary funds:

The *water utility*, which operates the water distribution system.

The *sewer utility*, which operates the sewage treatment plant, sewage pumping stations and collection systems.

The *storm water utility*, which operates the storm water collection system.

Non-Major Funds

The Village reports the following non-major funds:

Capital project funds:

Capital Projects TIF No. 6, which account for the Village's capital projects financed by tax increments collected for Tax Increment District No. 6.

Special revenue funds:

Transportation, which accounts for the proceeds of specific revenue sources, other than capital projects that are legally restricted to expenditures for specified purposes.

Library, which accounts for the proceeds of specific revenue sources, other than capital projects that are legally restricted to expenditures for specified purposes.

Debt service fund:

Debt service TIF No. 4 & 5, which account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources) or economic resources (all assets, deferred outflows of resources, liabilities, and deferred inflows of resources). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded with a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Cash

Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. For purposes of the statement of cash flows, all cash deposits (including restricted assets) with a maturity of three months or less from the date of acquisition are considered to be cash equivalents.

Accounts Receivable

Accounts receivable are recorded at gross amounts with uncollectable amounts recognized under the direct write-off method. No allowance for uncollectable accounts has been provide since it is believed that the amount of such allowance would not be material to the financial statements.

No provision for uncollectible accounts receivable has been made in the accompanying enterprise fund financial statements because the water, sewer, and storm water utilities have the right by law to place delinquent bills on the tax roll.

Inventory

Inventory for the Proprietary Funds is calculated using the lower of cost or market basis with cost being determined by the first-in, first-out (FIFO) method. The purchase method is used for all other funds.

Leases

The Village adopted GASB Statement No. 87 for the year ended December 31, 2022 which requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use and underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. As of December 31, 2022 the Village had four leases which are further explained in Note 14.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets, which include property, plant and equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of \$1,000 or higher and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Property, plant and equipment of the Village are depreciated using the straight-line method for governmental activities and the guidelines from the PSC for the business-type activities over the following estimated useful lives and percentages:

Assets	Estimated Useful Lives
Streets	20 – 40 years
Buildings	5 – 40 years
Fire Department	5 years
Large Equipment	5 – 7 years
Park Equipment	7 – 40 years
Municipal Complex Equipment	4 – 15 years
Library Equipment	3 – 7 years

Property, plant, and equipment of the proprietary funds are depreciated using the straight line method over the following estimated useful lives:

Assets	Estimated Useful Lives
Mains	85 – 100 years
Storm sewers	40 years
Services and laterals	45 – 60 years
Meters	16 – 25 years
Hydrants	55 – 75 years
Equipment	3 – 12 years
Reservoirs and pips	50 – 60 years
Wells and springs	30 – 40 years

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “advances to/from other funds” (i.e. the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are reported as nonspendable fund balances in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefitting fund and reduces its related costs as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide presentation.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

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) until then. The Village reports two categories of deferred outflows of resources related to the pension and OPEB plans on the statement of net position. The deferred outflows related to the pension and OPEB plan are explained in more detail in Note 8 and 9.

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 or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until then. The Village reports one category of deferred inflows of resources related to taxes levied for subsequent year, on the governmental fund balance sheet and four items related to the pension and OPEB plans and lease obligations on the government-wide statement of net position. The deferred inflows related to the pension and OPEB plan are explained in more detail in Note 8 and 9.

Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

Long-term debt for governmental funds is not reported as a liability in the governmental fund financial statements. The debt proceeds and premium are reported as an other financing source, and payments of principal and interest expenditures. In governmental fund and government-wide statements, debt issuance costs are reported as expenditures/expenses.

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components.

- Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted component of net position – Consists of resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) by law through constitutional provisions or enabling legislation reduced by liabilities related to those assets.
- Unrestricted component of net position – Is the net amount that does not meet the definition of “restricted” or “net investment in capital assets.”

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

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

Fund balance is classified as either 1) nonspendable, 2) restricted, 3) committed, 4) assigned, or 5) unassigned.

Nonspendable fund balance represents amounts that cannot be spent due to form (such as inventories and prepaid amounts) or amounts that must be maintained intact legally or contractually (such as the principal of a permanent fund).

Restricted fund balance represents amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation.

Committed fund balance represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. It would require action by the same group to remove or change the constraints placed on the resources. The action to constrain resources must occur prior to year-end; however, the amount can be determined in the subsequent period. The Village Board is the decision-making authority that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance.

Assigned fund balance in the general fund represents amounts constrained by the Village Board for a specific intended purpose. Intent can be expressed by the Village Board or by its designee. The Board designates the Finance Committee as authorized to assign fund balance to a specific purpose. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance.

Unassigned fund balance represents amounts not classified as nonspendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in the unassigned fund balance.

The Village, unless otherwise required by law or agreements, spends funds in the following order: restricted first, then committed, then assigned, and lastly unassigned.

The Village has set a goal of maintaining an assigned fund balance in the general fund that is adequate to meet cash flow needs during the fiscal year. The purpose of maintaining this fund balance is to reduce the need for short-term borrowing and the costs associated with it, serve as a safeguard against unanticipated expenses or unusual fluctuations in the Village's revenue while also setting aside funds for anticipated future cash outlays, and to maintain a high credit rating which will lower the Village's borrowing costs.

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pension, 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.

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 (revenue), 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 member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Regulated Municipal Utility

Kimberly Water Utility operates under service rules which are established by the Public Service Commission of Wisconsin. Rates charged are regulated by the Commission. The accounting records of the utility are maintained in accordance with the Uniform System of Accounts prescribed by the Public Service Commission.

Water and sewer revenues are recorded based on actual services rendered; billings are made to customers through monthly billings.

Use of Estimates

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 and liabilities and disclosures. Actual results may differ from those estimates, and such differences may be material.

Note 2 – Cash

The Village is authorized to invest its funds in accordance with Wisconsin Statutes. Allowable investments are as follows:

- Time deposits in any credit union, bank, savings bank or trust company maturity in three years or less.
- 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, local professional baseball park district, local professional football stadium district, local cultural arts district or by the University of Wisconsin Hospitals and Clinics Authority.
- Bonds or securities guaranteed by the federal government.
- The Local Government Pooled Investment Fund and the Wisconsin Investment Trust.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

Additional restrictions could arise from local charters, ordinances, resolutions and grant regulations of the Village.

At December 31, 2022, the Village's bank balance of cash was \$31,134,165. The Village maintains its cash accounts at one financial institution. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Village's deposits may not be returned. The Village does not have a deposit policy for custodial credit risk.

All of the cash balances are held in insured institutions and are insured by the National Credit Union Association (NCUA) for up to \$250,000 for time and demand accounts, while the Federal Deposit Insurance Corporation (FDIC) insures time and demand accounts each up to \$250,000.

Any losses caused by failure of public depositories are also covered by the State Deposit Guarantee Fund. The fund provides coverage of \$400,000 in each financial institution above the applicable insurance coverage provided by the FDIC. However, although the fund had reserves available at December 31, 2022, the future availability of resources to cover the losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provided 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; therefore, the State Deposit Guarantee Fund is not considered in covered amounts noted below.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 2 – Cash (Continued)

The following represents a summary of deposits as of December 31, 2022:

Fully Insured Deposits	\$	250,000
Uninsured and Uncollateralized		<u>30,884,165</u>
Total		<u>\$ 31,134,165</u>

The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit at December 31, 2022.

Note 3 – Fund Balances

Restricted Fund Balances

Portions of fund balances are restricted and reserved and are not available for current appropriation or expenditures, as follows:

Debt Service TIF No. 4	\$	620,155
Debt Service TIF No. 6		824,978
Debt Service TIF No. 6		9,886,162
Capital Projects TIF No. 5		702,583
Capital Projects TIF No. 6		2,013,927
Transportation		<u>1,255,468</u>
Total Restricted Fund Balance	\$	<u>15,303,273</u>

Assigned Fund Balance

A portion of the fund balance has been assigned for future purposes as follows:

Boat Launch	\$	13,373
Complex Equipment		252,590
Data Processing		18,304
Fire Department		224,565
Fire Donations		50,283
Impact		169,957
Mill Site Development		1,192,869
Park Development		222,127
Personnel		778,689
Police Department		161,796
Reassessment		146,250
Room Tax		200,769
Self-Insurance Retention		140,047
Sidewalks		79,934
Street Equipment		462,885
Street Improvements		219,967
Total Assigned Balances:	\$	<u>4,334,405</u>

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 3 – Fund Balances (continued)

Government-Wide Statements

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

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net Investment in Capital Assets			
Net Capital Assets	\$ 20,521,969	\$ 23,519,466	\$ 44,041,435
Less: Related Long-Term Debt Outstanding	(18,919,709)	-	(18,919,709)
Net Investment in Capital Assets	<u>1,602,260</u>	<u>23,519,466</u>	<u>25,121,726</u>
Restricted for:			
Pension Benefit	382,737	50,630	433,367
Debt Retirement	11,331,295	-	11,331,295
Capital Projects	2,716,510	-	2,716,510
Transportation	1,255,468	-	1,255,468
Total Restricted	<u>15,686,010</u>	<u>50,630</u>	<u>15,736,640</u>
Unrestricted	<u>(1,389,981)</u>	<u>5,291,007</u>	<u>3,901,026</u>
Total Government-Wide Net Position	<u>\$ 15,898,289</u>	<u>\$ 28,861,103</u>	<u>\$ 44,759,392</u>

Note 4 – Interfund Receivables, Payables, and Transfers

Interfund receivables and payables between individual funds of the Village as of December 31, 2022 are detailed below:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	TID 5	\$ 369,000	Tax Increment Financing District Advance
General Fund	Library Fund	42,970	Year End Cash Flow Timing
		<u>\$ 411,970</u>	

The general fund loaned money to TIF No. 5. The general fund is charging TIF No. 5, 3.5% interest with payments due on April 1 and October 1.

Interfund transfers between individual funds of the Village during December 31, 2022 are detailed below:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
TID 4&5 Debt Service	TID 6 Fund	\$ 192,726	Capital Projects
Water Fund	General Fund	169,332	Property Tax Equivalent
General Fund	Transportation Fund	457,650	Appropriated for Operations
General Fund	Library Fund	305,275	Appropriated for Operations
		<u>\$ 1,124,983</u>	

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 5 - Property Taxes

The Village levies for the Kimberly Area School District, Fox Valley Technical College, and Outagamie County. Outagamie County collects all taxes for the Village and remits to each taxing jurisdiction.

Property taxes consist of taxes on real estate and personal property. They are levied during December and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31, or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by July 31 are assumed by the County as part of the August tax settlement. Delinquent personal property taxes remain the collection responsibility of the Village.

Under 2011 Wisconsin Act 32, in 2011 and all future years, a municipality is allowed to increase its levy over the amount it levied in the prior year by the percentage increase in equalized value from net new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit.

Note 6 – Capital Assets

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

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities				
Capital Assets not being				
Depreciated:				
Land	\$ 3,227,100	\$ -	\$ -	\$ 3,227,100
Mill Redevelopment	1,338,664	-	510,089	828,575
Construction In Progress	-	123,930	-	123,930
Total Capital Assets not being Depreciated	<u>4,565,764</u>	<u>123,930</u>	<u>510,089</u>	<u>4,179,605</u>
Other Capital Assets:				
Streets	18,352,848	1,255,407	-	19,608,255
Buildings	6,850,627	-	-	6,850,627
Fire Department	16,331	62,073	-	78,404
Large Equipment	3,990,820	120,573	76,500	4,034,893
Park Equipment	2,634,578	75,682	-	2,710,260
Municipal Complex Equipment	804,381	-	-	804,381
Library	61,201	4,300	-	65,501
Total Capital Assets being Depreciated	<u>32,710,786</u>	<u>1,518,035</u>	<u>76,500</u>	<u>34,152,321</u>
Less Accumulated Depreciation for:				
Streets	(7,253,384)	(465,968)	-	(7,719,352)
Buildings	(5,457,964)	(83,925)	-	(5,541,889)
Fire Department	(1,777)	(10,608)	-	(12,385)
Large Equipment	(3,228,540)	(245,751)	(76,500)	(3,397,791)
Park Equipment	(467,449)	(129,038)	-	(596,487)
Municipal Complex Equipment	(417,734)	(79,425)	-	(497,159)
Library	(37,656)	(7,238)	-	(44,894)
Total Accumulated Depreciation	<u>(16,864,504)</u>	<u>(1,021,953)</u>	<u>(76,500)</u>	<u>(17,809,957)</u>
Total Capital Assets Being Depreciated, Net of Depreciation	<u>15,846,282</u>	<u>496,082</u>	<u>-</u>	<u>16,342,364</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 20,412,046</u>	<u>\$ 620,012</u>	<u>\$ 510,089</u>	<u>\$ 20,521,969</u>

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 6 – Capital Assets (Continued)

Business-type Activities	Beginning Balances	Increases	Decreases	Ending Balances
Capital Assets not being Depreciated:				
Land	\$ 137,426	\$ -	\$ -	\$ 137,426
Assets Being Depreciated				
Mains and Laterals	15,037,577	1,187,819	296,955	15,928,441
Storm Sewers	8,587,006	24,966	-	8,611,972
Services	1,158,793	-	-	1,158,793
Meters	559,918	33,642	8,411	585,149
Hydrants	494,208	-	-	494,208
Reservoirs and Pipes	756,750	-	-	756,750
Wells and Springs	1,258,832	-	-	1,258,832
Other Plant	2,215,020	32,578	-	2,247,598
Other Equipment	1,133,637	41,612	10,403	1,164,846
Total Capital Assets Being Depreciated	31,201,741	1,320,617	315,769	32,206,589
Less Accumulated Depreciation For:				
Mains and Laterals	(3,015,548)	(222,319)	(296,955)	(2,940,912)
Storm Sewers	(1,500,890)	(203,274)	-	(1,704,164)
Services	(353,380)	(32,300)	-	(385,680)
Meters	(214,502)	(31,489)	(8,411)	(237,580)
Hydrants	(105,667)	(10,873)	-	(116,540)
Reservoirs and Pipes	(335,638)	(14,378)	-	(350,016)
Wells and Springs	(698,872)	(36,506)	-	(735,378)
Other Plant	(1,380,983)	(89,876)	-	(1,470,859)
Other Equipment	(826,268)	(67,555)	(10,403)	(883,420)
Total Accumulated Depreciation	(8,431,748)	(708,570)	(315,769)	(8,824,549)
Total Water Capital Assets Being Depreciated, Net of Depreciation	22,769,993	612,047	-	23,382,040
Total Water Capital Assets, Net of Depreciation	\$ 22,907,419	\$ 612,047	\$ -	\$ 23,519,466

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 6 – Capital Assets (Continued)

Depreciation expense was charged to functions of the Village as follows:

Governmental Activities:	
General Government	\$ 145,363
Public Safety	72,046
Public Works	527,406
Culture and Recreation	277,138
Total Depreciation Expense - Governmental Activities	<u>\$ 1,021,953</u>
Business-Type Activities:	
Water Depreciation Charged to Accumulated Depreciation	\$ 317,781
Less: Share of Meter Depreciation	<u>(15,745)</u>
Water Depreciation Expense	<u>302,036</u>
Sewer Depreciation Charged to Accumulated Depreciation	159,933
Plus: Share of Meter Depreciation	<u>15,745</u>
Sewer Depreciation Expense	<u>175,678</u>
Storm Depreciation Expense	<u>230,856</u>
Total Business-Type Activities Depreciation Expense	<u>\$ 708,570</u>

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 7 – Long-Term Debt Obligations

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2022:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Debt					
General Refunding Bonds	\$ 22,095,000	\$ 6,282,000	\$ 893,000	\$ 27,484,000	\$ 1,177,000
Business-Type Activities:					
General Obligation Debt					
Bonds	\$ 141,000	\$ -	\$ 141,000	\$ -	\$ -

Total interest paid during the year on long-term debt totaled \$808,912 for governmental activities and \$4,827 for business-type activities.

	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balances 12/31/22</u>
Governmental Activities					
Long-Term Obligations					
2017 General Obligation Bond	03/01/17	09/01/31	3.35-3.65%	\$ 3,565,000	\$ 3,565,000
2017 General Obligation Bond	03/01/17	09/01/37	3.00-3.75%	9,500,000	9,500,000
2018 General Obligation Bond	11/01/18	09/01/28	4.00%	5,060,000	5,060,000
2020 General Obligation Bond	09/09/20	10/01/30	0.85-1.80%	3,554,000	3,077,000
2022 General Obligation Promissary Note	09/01/22	09/01/32	4.00%	6,282,000	6,282,000
Total Governmental Activities Long-Term Obligations					<u>\$ 27,484,000</u>

Debt service requirements to maturity are as follows:

	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 1,177,000	\$ 876,480
2024	1,219,000	656,006
2025	1,406,000	620,306
2026	1,793,000	583,044
2027	2,050,000	543,926
2028-2032	12,769,000	1,801,053
2033-2037	7,070,000	648,434
	<u>\$ 27,484,000</u>	<u>\$ 5,729,249</u>

The 2022 equalized valuation of the Village as certified by the Wisconsin Department of Revenue is \$771,052,200. The legal debt limit and margin of indebtedness as of December 31, 2022, in accordance with Wisconsin Statutes follows:

Debt Limit (5% of \$771,052,200)	\$ 38,552,610
Deduct Long-Term Debt Applicable to Debt Margin	<u>27,484,000</u>
Remaining Margin of Indebtedness Available	<u>\$ 11,068,610</u>

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 8 – Defined Benefit Pension Plan

General Information About the Pension Plan

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at [https:// etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements](https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements).

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

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

Benefits Provided. Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 8 – Defined Benefit Pension Plan (Continued)

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>
2012	(7.0)%	(7)%
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)
2020	1.7	21
2021	5.1	13

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 \$96,359 in contributions from the Village.

Contribution rates as of December 31, 2022 are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.50%	6.50%
Protective with social security	6.50%	12.00%
Protective without social security	6.50%	16.40%

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

At December 31, 2022, the Village reported an asset of \$719,055 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.00892108%, which was a decrease of 0.00046466% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized a reduction in pension expense of \$61,475.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 8 – Defined Benefit Pension Plan (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experiences	\$ 1,161,597	\$ 83,763
Changes of assumptions	134,151	-
Net difference between projected and actual earnings on pension plan investments	-	1,608,587
Changes in proportion and differences between employer contributions and proportionate share of contributions	827	1,532
Employer contributions subsequent to the measurement date	96,359	-
Total	\$ 1,392,934	\$ 1,693,882

The \$96,359 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as an adjustment of the net pension asset in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31,	Net Deferred Inflows of Resources
2023	\$ (33,341)
2024	(195,580)
2025	(86,129)
2026	(82,257)
	\$ (397,307)

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

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

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 8 – Defined Benefit Pension Plan (Continued)

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The total pension liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

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

Asset Allocation Targets and Expected Returns¹
As of December 31, 2021

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % ²
Global Equities	52%	6.8%	4.2%
Fixed Income	25	4.3	1.8
Inflation Sensitive Assets	19	2.7	0.2
Real Estate	7	5.6	3.0
Private Equity/Debt	12	9.7	7.0
Total Core Fund ³	115% *	6.6%	4.0%
Variable Fund Asset Class			
U.S. Equities	70%	6.3%	4.1%
International Equities	30	7.2	4.9
Total Variable Fund	100%	6.8%	4.6%

¹Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

²New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%.

³The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

Single Discount Rate. A single discount rate of 6.8% was used to measure the total pension liability, as opposed to a discount rate of 7.0% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 1.84% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2021. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 8 – Defined Benefit Pension Plan (Continued)

Sensitivity of the Village's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 percent, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase To Discount Rate (7.80%)
Village's proportionate share of the net pension liability (asset)	\$510,220	(\$719,055)	\$ (1,603,905)

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

Payables to the Pension Plan. The Village is required to remit the monthly required contribution for both the employee and Village portions by the last day of the following month. All amounts due to WRS were paid as of December 31, 2022.

Note 9 – Post-Employment Benefits Other Than Pension Benefits - Cost-Sharing Plan

General Information About the Other Post-Employment Benefits Plan

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

OPEB Plan Fiduciary Net Position. ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

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

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, 2022 are:

Coverage Type	Employee
50% Post Retirement Coverage	40% of Member Contribution
25% Post Retirement Coverage	20% of Member Contribution

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 9 – Post-Employment Benefits Other Than Pension Benefits - Cost-Sharing Plan (continued)

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

**Life Insurance
Member Contribution Rates *
For the Year Ended December 31, 2021**

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

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

During the reporting period, the LRLIF recognized \$769 in contributions from the Village.

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

At December 31, 2022, the Village reported a liability of \$236,398 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.03999700%, which was an increase of 0.00029400% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized OPEB expense of \$26,880.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 9 – Post-Employment Benefits Other Than Pension Benefits - Cost-Sharing Plan (continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experiences	\$ -	\$ 12,025
Changes of assumptions	71,424	11,458
Net difference between projected and actual earnings on pension plan investments	3,076	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,035	12,757
Employer contributions subsequent to the measurement date	769	-
Total	\$ 82,304	\$ 36,240

The \$769 reported as deferred outflows related to OPEB resulting from the Village's contributions subsequent to the measurement date will be recognized as an adjustment of the net OPEB liability in the year ending December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Deferred Outflows (Inflows) of Resources
2023	\$ 9,082
2024	8,725
2025	8,170
2026	12,506
2024	6,590
2024	222
	\$ 45,295

Actuarial Assumptions. The total OPEB liability in the January 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2021
Measurement Date of Net OPEB Liability:	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.06%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.17%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 9 – Post-Employment Benefits Other Than Pension Benefits - Cost-Sharing Plan (continued)

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

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

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

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	45%	1.68%
U.S. Long Credit Bonds	Bloomberg U.S. Long Credit	5	1.82
U.S. Mortgages	Bloomberg U.S. MBS	50	1.94
Inflation			2.30
Long-Term Expected Rate of Return			4.25

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

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

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

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 9 – Post-Employment Benefits Other Than Pension Benefits - Cost-Sharing Plan (continued)

Sensitivity of the Village's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate. The following presents the Village's proportionate share of the net OPEB liability calculated using the discount rate of 2.17 percent, as well as what the Village's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.17 percent) or 1-percentage-point higher (3.17 percent) than the current rate:

	1% Decrease to Discount Rate (1.17%)	Current Discount Rate (2.17%)	1% Increase To Discount Rate (3.17%)
Village's proportionate share of the net pension liability (asset)	\$320,706	\$236,398	\$ 172,958

Payables to the OPEB Plan. The Village is required to remit the monthly required contribution for both the employee and Village portions by the last day of the following month. The amount due to WRS for Life Insurance Benefits as of December 31, 2022 is \$298 for December payroll.

Note 10 – Police Services

The Village of Kimberly joined the Village of Little Chute in 1995 to establish a joint police department to provide police protective services to both communities. Three members of the joint police commission are appointed by each Village. All assets of the respective police departments, with the exception of real estate and buildings, were joined under the agreement. The Village of Kimberly joined the joint police department as of July 1, 2011.

The operating and capital budgets are funded by contributions from each government. Each Village's share of the budget, assets, liabilities, and equity is 50% proportional to population and 50% proportional to equalized valuation. At December 31, 2022, Kimberly's share of the police department's 2022 budget was \$1,417,222, which is reported in the general fund as a public safety expenditure. The Village of Little Chute serves as fiscal agent of the joint police department.

Note 11 – Component Unit

Community Development Authority

This report contains the Community Development Authority (CDA), which is included as a component unit. Financial information is presented in the discrete column in the statement of net position and the statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Masurement Focus

The accounting records are kept on the accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments

A separate investment policy does not exist for the CDA.

The Community Development Authority's deposits and investments at year-end were comprised of the reserve account held by Associated Trust tied to the lease revenue bond issue. The balance in the account as of December 31, 2022 was \$283,427.

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 11 – Component Unit (continued)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amounts of all deposits.

Any losses caused by failure of public depositories are also covered by the State Deposit Guarantee Fund. The fund provides coverage of \$400,000 in each financial institution above the applicable insurance coverage provided by the FDIC. However, although the fund had reserves available at December 31, 2022, the future availability of resources to cover the losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provided 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; therefore, the State Deposit Guarantee Fund is not considered in covered amounts noted below.

Credit Risk

Credit risk is the risk that in the event of a financial institution failure, the Community Development Authority's deposits may not be returned to the Community Development Authority.

As of December 31, 2022, \$250,000 of the CDA's bank balance was covered under FDIC and \$33,427 was uninsured and uncollateralized.

c. Long-Term Obligations

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Component Unit Revenue Bonds	\$ 3,740,000	-	\$ 50,000	\$ 3,690,000	\$ 115,000

As of December 31, 2022, debt service requirements for the Authority are as follows:

	<u>Component Unit</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 115,000	\$ 165,661
2024	115,000	161,383
2025	120,000	156,990
2026	125,000	152,190
2027	130,000	147,190
2028-2032	740,000	646,411
2033-2037	925,000	463,776
2038-2042	1,155,000	230,090
2043	265,000	12,455
	<u>\$ 3,690,000</u>	<u>\$ 2,136,146</u>

	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balances 12/31/22</u>
Component Unit Long-Term Obligations					
2018 Community Development Lease Revenue Bonds	11/01/18	09/01/43	3.50-4.70%	\$ 3,790,000	<u>\$ 3,690,000</u>

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 12 – 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; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage for which the Village purchases commercial insurance. There has been no reduction in insurance coverage from the prior year. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in the past three years.

Note 13 – Contingencies

From time to time the Village is involved in legal actions and claims, most of which normally occur in governmental operations. In the opinion of Village management, these issues, and any other proceedings known to exist at December 31, 2022, are not likely to have a material adverse impact on the Village's financial position.

Note 14 – Leases

The Village has four individual leases of land to Cellcom, US Cellular, Verizon and T-Mobile each for a wireless communications facility consisting of an unmanned equipment shelter, cellular antennas and all necessary connecting appurtenances. The lease terms are 25 years, 30 years, 45 years, and 30 years respectively. At December 31, 2022, the Village recognized \$96,599 in lease revenue related to these agreements. At December 31, 2022, the Village recorded \$1,555,353 in lease receivables and deferred inflows of resources for these agreements.

<u>Leases Receivable</u>	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>
Cellcom (Nsighttel)	\$ 163,370	\$ -	\$ 13,459	\$ 149,912
US Cellular (TDS)	534,182	-	22,972	511,210
Verizon (AppOshNee)	523,400	-	16,184	507,216
T-Mobile	402,524	-	15,509	387,014
Total	<u>\$ 1,623,476</u>	<u>\$ -</u>	<u>\$ 68,124</u>	<u>\$ 1,555,352</u>

Remaining amounts to be received associated with this lease at December 31, 2022 are as follows:

<u>Year Ending December 31,</u>	
2023	\$ 71,332
2024	74,791
2025	76,420
2026	78,440
2027	79,901
2028-2032	420,294
2033-2037	418,661
2038-2042	<u>335,514</u>
	<u>\$ 1,555,353</u>

VILLAGE OF KIMBERLY
Notes to Financial Statements
December 31, 2022

Note 15 – Prior Period Restatement

The Village's net position and fund balances were restated due to new information related to paid time off and an updated interpretation of GASB 65 and GASB 68, as well as implementation of GASB 75. The following presents the impact of these restatements on net position and fund balances at December 31, 2021:

Governmental Activities

Net Position - December 31, 2021 (as previously reported)	\$ 14,239,544
Reclassification of Compensated Absences	(47,053)
Interpretation of GASB 68	(31,864)
Interpretation of GASB 75	(141,012)
Net Position - As Restated December 31, 2021	\$ 14,019,615

General Fund

Net Position - December 31, 2021 (as previously reported)	\$ 7,372,874
Interpretation of GASB 65	191,362
Net Position - As Restated December 31, 2021	\$ 7,564,236

Capital Projects - TID 6

Net Position - December 31, 2021 (as previously reported)	\$ 2,439,706
Interpretation of GASB 65	13,550
Net Position - As Restated December 31, 2021	\$ 2,453,256

Note 16 – Tax Incremental Financing Districts

The Village has established funds for Tax Incremental District No. 4, No. 5, and No. 6, which were created by the Village in accordance with Wisconsin Statue Section 66.46. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the create date of the District. The tax on the increased value is called a tax increment.

That Statutes specify the period of time after creation date for the TID to incur project costs eligible for financing from tax increments. The Statutes further specify the period of time the TID may collect tax increments to repay project costs including principal and interest on long-term debt issued by the Village to finance such improvements. Project costs uncollected after the final dissolution date are absorbed by the municipality.

	Creation Date	Last Date To Incur Project Costs	Final Dissolution Date
TID No. 4	4/11/2005	4/11/2027	4/11/2032
TID No. 5	6/16/2008	6/16/2026	6/16/2031
TID No. 6	9/12/2016	9/12/2038	9/12/2043

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF KIMBERLY
Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System
Last 10 Fiscal Years*

WRS Fiscal Year End Date (Measurement Date)	Village's Proportion of the Net Pension Asset/Liability	Village's Proportionate Share of the Net Pension (Asset)/Liability	Village's Covered Payroll	Village's Proportionate Share of the Net Pension Asset/Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2021	0.00892108%	\$ (719,055)	\$ 1,537,445	46.77%	106.02%
12/31/2020	0.00938574%	(585,964)	1,505,637	38.92%	105.26%
12/31/2019	0.00950108%	(306,358)	1,469,939	20.84%	102.96%
12/31/2018	0.00981260%	349,101	1,416,762	24.64%	96.45%
12/31/2017	0.01026657%	(304,826)	1,499,376	20.33%	102.93%
12/31/2016	0.01078952%	88,931	1,551,616	5.73%	99.12%
12/31/2015	0.01101942%	179,063	1,548,792	11.56%	98.20%
12/31/2014	0.01112291%	(273,209)	1,545,292	17.68%	102.74%

Schedule of Employer Contributions
Wisconsin Retirement System
Last 10 Fiscal Years*

Village Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2022	\$ 96,359	\$ 96,359	\$ -	\$ 1,427,542	6.75%
12/31/2021	103,778	103,778	-	1,537,445	6.75%
12/31/2020	98,619	98,619	-	1,505,637	6.55%
12/31/2019	98,486	98,486	-	1,469,939	6.70%
12/31/2018	96,340	96,340	-	1,416,762	6.80%
12/31/2017	98,958	98,958	-	1,499,376	6.60%
12/31/2016	105,511	105,511	-	1,551,616	6.80%
12/31/2015	108,417	108,417	-	1,548,792	7.00%

*The amounts presented for each year were determined as of the calendar year-end from the prior calendar year. Ten years of data will be accumulated beginning with 2014.

VILLAGE OF KIMBERLY
Schedule of Employer's Proportionate Share of the Net OPEB Liability
Other Post-Employment Benefits Other Than Pensions
Last 10 Fiscal Years*

WRS Fiscal Year End Date (Measurement Date)	Village's Proportion of the Net OPEB Liability	Village's Proportionate Share of the Net OPEB Liability	Village's Covered Payroll	Village's Proportionate Share of the NetOPEB Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/2021	0.03999700%	\$ 236,398	\$ 1,469,000	16.09%	29.57%
12/31/2020	0.03970300%	218,395	1,421,000	15.37%	31.36%
12/31/2019	0.03711800%	158,056	1,342,000	11.78%	37.58%
12/31/2018	0.04033300%	104,073	1,330,000	7.83%	48.69%
12/31/2017	0.04404800%	132,522	1,852,344	7.15%	44.81%

Schedule of Employer Contributions
Other Post-Employment Benefits Other Than Pensions - Cost-Sharing Plan
Last 10 Fiscal Years*

Village Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2022	\$ 769	\$ 769	\$ -	\$ 1,403,000	0.05%
12/31/2021	818	818	-	1,469,000	0.06%
12/31/2020	791	791	-	1,421,000	0.06%
12/31/2019	671	671	-	1,342,000	0.05%
12/31/2018	777	777	-	1,330,000	0.06%
12/31/2017	836	836	-	1,852,344	0.05%

*The amounts presented for each year were determined as of the calendar year-end from the prior calendar year. Ten years of data will be accumulated beginning with 2017.

VILLAGE OF KIMBERLY
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2022

	<u>Original & Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES			
Taxes	\$ 3,723,000	\$ 3,759,646	\$ 36,646
Special Assessments	105,357	111,815	6,458
Intergovernmental	1,032,912	1,016,588	(16,324)
Licenses and Permits	177,478	205,081	27,603
Fines and Forfeitures	65,000	62,112	(2,888)
Public Charges for Services	65,950	57,935	(8,015)
Miscellaneous	582,317	642,053	59,736
Total Revenues	<u>5,752,014</u>	<u>5,855,230</u>	<u>103,216</u>
EXPENDITURES			
General Government	1,027,656	1,381,973	(354,317)
Public Safety	1,742,408	1,724,946	17,462
Public Works	1,356,585	1,364,359	(7,774)
Health and Human Services	166,400	144,771	21,629
Culture and Recreation	319,952	332,708	(12,756)
Capital Outlay	545,088	219,023	326,065
Total Expenditures	<u>5,158,089</u>	<u>5,167,780</u>	<u>(9,691)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>593,925</u>	<u>687,450</u>	<u>93,525</u>
OTHER FINANCING SOURCE (USE)			
Transfer In	169,000	169,332	332
Transfer Out	(762,925)	(762,925)	-
Total Other Financing Source (Use)	<u>(593,925)</u>	<u>(593,593)</u>	<u>332</u>
NET CHANGE IN FUND BALANCE	-	93,857	93,857
FUND BALANCE - BEGINNING	<u>7,564,236</u>	<u>7,564,236</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 7,564,236</u>	<u>\$ 7,658,093</u>	<u>\$ 93,857</u>

VILLAGE OF KIMBERLY
Notes to Required Supplementary Information
For the Year Ended December 31, 2022

Budgetary Process

The Village follows these procedures in establishing the budgetary data:

- During October, Village management submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Village Board action.
- Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. The budget is defined as the originally approved budget plus or minus approved amendments. There were no amendments during the year. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
- During the year, formal budgetary integration is employed as a management control device for the general fund and special revenue funds.
- Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Village. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Village Board.

Excess of Actual Expenditures Over Budget in the General Fund

The following functions had an excess of actual expenditures over budget for the year ended December 31, 2022:

General Fund	
General Government	\$ 354,317
Public Works	7,774
Culture and Recreation	12,756

Defined Benefit Pension Plan

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

Changes of assumptions.

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

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

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

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

VILLAGE OF KIMBERLY
Notes to Required Supplementary Information
For the Year Ended December 31, 2022

Post-Employment Benefits Other Than Pension Benefits - Cost-Sharing Plan

Changes of benefit terms. There were no recent changes in benefit terms.

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

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

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

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

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

SUPPLEMENTARY INFORMATION

VILLAGE OF KIMBERLY
Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2022

	Capital Projects	
	Transportation	TID 6
ASSETS		
Cash and Investments	\$ 958,739	\$ 1,984,052
Receivables:		
Taxes	6,814	-
Special Assessments	256,059	13,550
Accounts	33,856	-
Housing Loans	-	60,000
Total Assets	\$ 1,255,468	\$ 2,057,602
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)		
Liabilities		
Accounts Payable	\$ -	\$ 40,904
Accrued Expenses	-	2,771
Due to Other Fund	-	-
Total Liabilities	-	43,675
Deferred Inflows of Resources		
Taxes Levied for Subsequent Year	-	-
Fund Balances (Deficit)		
Restricted	1,255,468	2,013,927
Unassigned (Deficit)	-	-
Total Fund Balances (Deficit)	1,255,468	2,013,927
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)	\$ 1,255,468	\$ 2,057,602

Debt Service		Total Nonmajor Governmental Funds
TID 4&5	Library	
\$ 2,232,513	\$ -	\$ 5,175,304
329,369	-	336,183
-	-	269,609
-	-	33,856
-	-	60,000
<u>\$ 2,561,882</u>	<u>\$ -</u>	<u>\$ 5,874,952</u>
\$ -	\$ 1,793	\$ 42,697
-	6,112	8,883
369,000	42,970	411,970
<u>369,000</u>	<u>50,875</u>	<u>463,550</u>
<u>747,749</u>	<u>-</u>	<u>747,749</u>
1,445,133	-	4,714,528
-	(50,875)	(50,875)
<u>1,445,133</u>	<u>(50,875)</u>	<u>4,663,653</u>
<u>\$ 2,561,882</u>	<u>\$ -</u>	<u>\$ 5,874,952</u>

VILLAGE OF KIMBERLY

Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)

Nonmajor Governmental Funds

For the Year Ended December 31, 2022

	<u>Transportation</u>	<u>Capital Projects TID 6</u>
REVENUES		
Taxes	\$ 45,378	\$ -
Special Assessments	403,674	13,550
Licenses and Fines	-	55,081
Public Charges for Services	-	-
Grants	305,139	-
Miscellaneous	5,538	65,123
Total Revenues	<u>759,729</u>	<u>133,754</u>
EXPENDITURES		
Current:		
Public Works	-	619,340
Culture and Recreation	-	-
Capital Outlay	642,368	146,469
Debt Service:		
Principal Retirement	-	-
Interest and Fiscal Charges	-	-
Total Expenditures	<u>642,368</u>	<u>765,809</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>117,361</u>	<u>(632,055)</u>
OTHER FINANCING SOURCES		
Debt Proceeds	-	-
Transfer In	457,650	192,726
Transfer Out	-	-
Total Other Financing Sources	<u>457,650</u>	<u>192,726</u>
NET CHANGE IN FUND BALANCES	575,011	(439,329)
FUND BALANCES - BEGINNING, AS RESTATED	<u>680,457</u>	<u>2,453,256</u>
FUND BALANCES (DEFICIT) - ENDING	<u>\$ 1,255,468</u>	<u>\$ 2,013,927</u>

See Accompanying Notes

Debt Service TID 4&5	Library	Total Governmental Funds
\$ 854,183	\$ -	\$ 899,561
-	-	417,224
-	4,304	59,385
-	158,279	158,279
-	1,720	306,859
48,512	2,609	121,782
<u>902,695</u>	<u>166,912</u>	<u>1,963,090</u>
-	-	619,340
-	523,062	523,062
-	-	788,837
328,000	-	328,000
75,098	-	75,098
<u>403,098</u>	<u>523,062</u>	<u>2,334,337</u>
<u>499,597</u>	<u>(356,150)</u>	<u>(371,247)</u>
970,000	-	970,000
-	305,275	955,651
(192,726)	-	(192,726)
<u>777,274</u>	<u>305,275</u>	<u>1,732,925</u>
1,276,871	(50,875)	1,361,678
168,262	-	3,301,975
<u>\$ 1,445,133</u>	<u>\$ (50,875)</u>	<u>\$ 4,663,653</u>