

**VILLAGE OF KIMBERLY**

**Annual Financial Report**

**December 31, 2025**

# VILLAGE OF KIMBERLY

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December 31, 2025

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## INDEPENDENT AUDITORS' REPORT

To the Village Board  
Village of Kimberly, Wisconsin

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Kimberly, Wisconsin, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Village of Kimberly's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Kimberly, as of December 31, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Kimberly 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 of Kimberly's ability to continue as a going concern for twelve months beyond the financial statement issuance date, including any currently known information that may raise substantial doubt shortly thereafter.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Kimberly'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 of Kimberly's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset) and Employer Contributions - Wisconsin Retirement Plan, and Schedule of Employer's Proportionate Share of the Net OPEB Liability and Employer Contributions - Other Post-Employment Benefits Other Than Pension as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate, operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

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

**Supplementary Information**

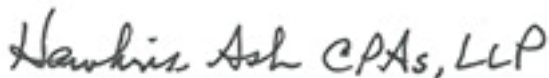
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Kimberly basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated April 24, 2026 on our consideration of the Village of Kimberly internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Kimberly internal control over financial reporting and compliance.

HAWKINS ASH CPAS, LLP



Manitowoc, Wisconsin  
April 24, 2026

## **BASIC FINANCIAL STATEMENTS**

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VILLAGE OF KIMBERLY

Statement of Net Position

As of December 31, 2025

	Governmental Activities	Business-Type Activities	Total	Component Unit  Community Development Authority
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash	\$ 20,966,721	\$ 4,602,026	\$ 25,568,747	\$ 291,578
Receivables:				
Taxes	4,549,363	99,411	4,648,774	-
Customer Accounts Receivable	113,244	1,163,556	1,276,800	-
Special Assessment Receivable	151,738	261,632	413,370	-
Housing Loans Receivable	37,500	-	37,500	-
Lease Receivable	-	78,440	78,440	3,340,000
Inventories	-	41,053	41,053	-
<b>Total Current Assets</b>	<u>25,818,566</u>	<u>6,246,118</u>	<u>32,064,684</u>	<u>3,631,578</u>
<b>Noncurrent Assets</b>				
Lease Receivable	-	1,254,369	1,254,369	-
Capital Assets:				
Capital Assets Not Being Depreciated	3,952,235	394,063	4,346,298	147,029
Other Capital Assets, Net of Depreciation	33,048,651	25,829,305	58,877,956	-
<b>Total Noncurrent Assets</b>	<u>37,000,886</u>	<u>27,477,737</u>	<u>64,478,623</u>	<u>147,029</u>
<b>TOTAL ASSETS</b>	<u>62,819,452</u>	<u>33,723,855</u>	<u>96,543,307</u>	<u>3,778,607</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Outflows of Resources Related to Pension	622,412	120,602	743,014	-
Deferred Outflows of Resources Related to OPEB	28,728	7,503	36,231	-
<b>Total Deferred Outflows of Resources</b>	<u>651,140</u>	<u>128,105</u>	<u>779,245</u>	<u>-</u>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts Payable	103,696	289,492	393,188	-
Capital and Retainage Payable	121,152	-	121,152	-
Accrued Expenses	58,679	6,903	65,582	-
Accrued Interest	489,988	-	489,988	52,040
Current Portion of Compensated Absences	9,358	1,774	11,132	-
Current Portion of Long-Term Obligations	2,302,250	-	2,302,250	125,000
<b>Total Current Liabilities</b>	<u>3,085,123</u>	<u>298,169</u>	<u>3,383,292</u>	<u>177,040</u>
<b>Noncurrent Liabilities</b>				
Net Pension Liability	104,755	20,298	125,053	-
Net OPEB Liability	99,873	26,082	125,955	-
Noncurrent Portion of Compensated Absences	28,074	5,320	33,394	-
Noncurrent Portion of Long-Term Obligations	33,474,437	-	33,474,437	3,215,000
<b>Total Noncurrent Liabilities</b>	<u>33,707,139</u>	<u>51,700</u>	<u>33,758,839</u>	<u>3,215,000</u>
<b>TOTAL LIABILITIES</b>	<u>36,792,262</u>	<u>349,869</u>	<u>37,142,131</u>	<u>3,392,040</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Taxes Levied for Subsequent Year	8,338,655	-	8,338,655	-
Unearned Lease Revenue	-	1,332,809	1,332,809	-
Deferred Inflows of Resources Related to Pension	305,700	59,235	364,935	-
Deferred Inflows of Resources Related to OPEB	88,677	23,158	111,835	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>8,733,032</u>	<u>1,415,202</u>	<u>10,148,234</u>	<u>-</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	2,778,354	26,223,368	29,001,722	-
Restricted	13,387,929	-	13,387,929	-
Unrestricted	1,779,015	5,863,521	7,642,536	386,567
<b>TOTAL NET POSITION</b>	<u>\$ 17,945,298</u>	<u>\$ 32,086,889</u>	<u>\$ 50,032,187</u>	<u>\$ 386,567</u>

See Accompanying Notes

**VILLAGE OF KIMBERLY**  
Statement of Activities  
For the Year Ended December 31, 2025

	<b>Program Revenues</b>			
	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>FUNCTIONS/PROGRAMS</b>				
<b>GOVERNMENTAL ACTIVITIES</b>				
General Government	\$ 1,858,860	\$ 523,081	\$ 74,819	\$ -
Public Safety	2,157,291	81,833	-	-
Public Works	4,104,234	365,763	-	-
Health and Human Services	52,026	-	-	-
Culture and Recreation	1,214,788	95,797	423,833	-
Conservation and Development	262,145	-	-	-
Interest and Fiscal Charges	1,285,245	-	-	-
<b>Total Governmental Activities</b>	<u>10,934,589</u>	<u>1,066,474</u>	<u>498,652</u>	<u>-</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Water	1,709,715	1,986,412	-	-
Sewer	1,060,558	1,573,970	-	17,735
Storm	812,172	724,969	-	66,809
<b>Total Business-Type Activities</b>	<u>3,582,445</u>	<u>4,285,351</u>	<u>-</u>	<u>84,544</u>
<b>TOTAL</b>	<u>\$ 14,517,034</u>	<u>\$ 5,351,825</u>	<u>\$ 498,652</u>	<u>\$ 84,544</u>
<b>COMPONENT UNIT</b>				
Community Development Authority	<u>\$ 285,214</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**GENERAL REVENUES**

Property Taxes, Levied for General Purposes  
Intergovernmental Revenues not Restricted to  
Specific Programs  
Interest Income  
Miscellaneous  
Insurance Recoveries  
Rent

**Total General Revenues**

**TRANSFERS**

**CHANGE IN NET POSITION**

**NET POSITION - BEGINNING OF YEAR**

**NET POSITION - END OF YEAR**

**Net (Expenses) Revenues and  
Changes in Net Position**

			Component Unit
Governmental Activities	Business-Type Activities	Total	Community Development Authority
\$ (1,260,960)	\$ -	\$ (1,260,960)	\$ -
(2,075,458)	-	(2,075,458)	-
(3,738,471)	-	(3,738,471)	-
(52,026)	-	(52,026)	-
(695,158)	-	(695,158)	-
(262,145)	-	(262,145)	-
(1,285,245)	-	(1,285,245)	-
<u>(9,369,463)</u>	<u>-</u>	<u>(9,369,463)</u>	<u>-</u>
-	276,697	276,697	-
-	531,147	531,147	-
-	(20,394)	(20,394)	-
<u>-</u>	<u>787,450</u>	<u>787,450</u>	<u>-</u>
<u>(9,369,463)</u>	<u>787,450</u>	<u>(8,582,013)</u>	<u>-</u>
-	-	-	(285,214)
8,156,439	-	8,156,439	-
1,363,521	-	1,363,521	-
677,179	20,793	697,972	154,403
597,553	-	597,553	-
1,006	-	1,006	-
-	-	-	120,000
<u>10,795,698</u>	<u>20,793</u>	<u>10,816,491</u>	<u>274,403</u>
<u>123,363</u>	<u>(123,363)</u>	<u>-</u>	<u>-</u>
1,549,598	684,880	2,234,478	(10,811)
<u>16,395,700</u>	<u>31,402,009</u>	<u>47,797,709</u>	<u>397,378</u>
<u>\$ 17,945,298</u>	<u>\$ 32,086,889</u>	<u>\$ 50,032,187</u>	<u>\$ 386,567</u>

See Accompanying Notes

VILLAGE OF KIMBERLY

Balance Sheet

Governmental Funds

As of December 31, 2025

	General	Capital Projects TID 6	Debt Service TID 6	Debt Service TID 4&5
<b>ASSETS</b>				
Cash	\$ 8,975,943	\$ -	\$ 6,774,647	\$ 3,160,588
Receivables:				
Taxes	1,922,298	-	1,410,920	549,576
Special Assessments	49,748	-	-	-
Accounts	42,736	-	-	-
Housing Loans	-	37,500	-	-
Due from Other Fund	24,856	-	4,848,720	-
Advance to Other Fund	155,000	-	-	-
<b>Total Assets</b>	<u>\$ 11,170,581</u>	<u>\$ 37,500</u>	<u>\$ 13,034,287</u>	<u>\$ 3,710,164</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts Payable	\$ 58,934	\$ 40,166	\$ -	\$ -
Capital and Retainage Payable	-	-	-	-
Accrued Expenses	40,326	7,175	-	-
Due to Other Fund	-	4,848,720	-	-
Advance from Other Fund	-	-	-	155,000
<b>Total Liabilities</b>	<u>99,260</u>	<u>4,896,061</u>	<u>-</u>	<u>155,000</u>
<b>Deferred Inflows of Resources</b>				
Deferred Special Assessments	49,761	-	-	-
Taxes Levied for Subsequent Year	4,081,002	-	2,592,740	1,009,913
<b>Total Deferred Inflows of Resources</b>	<u>4,130,763</u>	<u>-</u>	<u>2,592,740</u>	<u>1,009,913</u>
<b>Fund Balances</b>				
Nonspendable				
Advance	155,000	-	-	-
Restricted	-	-	10,441,547	2,545,251
Assigned	3,968,885	-	-	-
Unassigned (Deficit)	2,816,673	(4,858,561)	-	-
<b>Total Fund Balances</b>	<u>6,940,558</u>	<u>(4,858,561)</u>	<u>10,441,547</u>	<u>2,545,251</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
	<u>\$ 11,170,581</u>	<u>\$ 37,500</u>	<u>\$ 13,034,287</u>	<u>\$ 3,710,164</u>

<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,241,905	\$ 813,638	\$ 20,966,721
-	666,569	4,549,363
-	101,990	151,738
-	70,508	113,244
-	-	37,500
-	-	4,873,576
-	-	155,000
<u>\$ 1,241,905</u>	<u>\$ 1,652,705</u>	<u>\$ 30,847,142</u>

\$ -	\$ 4,596	\$ 103,696
121,152	-	121,152
-	11,178	58,679
-	24,856	4,873,576
-	-	155,000
<u>121,152</u>	<u>40,630</u>	<u>5,312,103</u>

-	101,990	151,751
-	655,000	8,338,655
-	756,990	8,490,406

-	-	155,000
1,120,753	891,119	14,998,670
-	-	3,968,885
-	(36,034)	(2,077,922)
<u>1,120,753</u>	<u>855,085</u>	<u>17,044,633</u>

<u>\$ 1,241,905</u>	<u>\$ 1,652,705</u>	<u>\$ 30,847,142</u>
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**VILLAGE OF KIMBERLY**

Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position  
As of December 31, 2025

**Total Fund Balances - Governmental Funds** \$ 17,044,633

***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:***

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	\$ 56,520,103	
Governmental Accumulated Depreciation	<u>(19,519,217)</u>	37,000,886

Special Assessments Receivable are earned and recognized as revenue on the government wide statements		151,751
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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 Liability	(104,755)	
Net OPEB Liability	(99,873)	
Deferred Outflows Related to Pension	622,412	
Deferred Outflows Related to Other Post-Employment Benefits	28,728	
Deferred Inflows Related to Pension	(305,700)	
Deferred Inflows Related to Other Post-Employment Benefits	<u>(88,677)</u>	52,135

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	(35,462,000)	
Premium on Debt Issuance	(314,687)	
Compensated Absences	(37,432)	
Accrued Interest	<u>(489,988)</u>	<u>(36,304,107)</u>

**Total Net Position - Governmental Activities** \$ 17,945,298

**VILLAGE OF KIMBERLY**  
Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit)  
Governmental Funds  
For the Year Ended December 31, 2025

	General	Capital Projects TID 6	Debt Service TID 6	Debt Service TID 4&5	Capital Projects	Transportation	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Taxes	\$ 4,029,435	\$ 6,626	\$ 2,194,719	\$ 972,569	\$ -	\$ -	\$ 859,271	\$ 8,062,620
Special Assessments	43,767	-	-	-	-	-	50,052	93,819
Intergovernmental	1,411,159	-	-	-	-	-	41,259	1,452,418
Licenses and Fines	333,379	17,068	-	-	-	-	-	350,447
Fines, Forfeits and Penalties	68,704	-	-	-	-	-	-	68,704
Public Charges for Services	87,596	-	-	-	-	-	174,268	261,864
Grants	-	-	-	-	-	-	248,391	248,391
Miscellaneous	796,802	563,802	-	171,236	266,566	-	24,307	1,822,713
<b>Total Revenues</b>	<u>6,770,842</u>	<u>587,496</u>	<u>2,194,719</u>	<u>1,143,805</u>	<u>266,566</u>	<u>-</u>	<u>1,397,548</u>	<u>12,360,976</u>
<b>EXPENDITURES</b>								
Current:								
General Government	1,310,364	-	-	-	308,697	-	-	1,619,061
Public Safety	2,137,230	-	-	-	-	-	-	2,137,230
Public Works	1,184,657	1,048,721	-	-	-	-	-	2,233,378
Health and Human Services	52,026	-	-	-	-	-	-	52,026
Culture and Recreation	431,498	-	-	-	-	-	578,307	1,009,805
Conservation and Development	-	-	-	262,145	-	-	-	262,145
Capital Outlay	1,007,401	962,622	-	-	9,591,517	-	1,490,226	13,051,766
Debt Service:								
Principal Retirement	-	-	975,000	431,000	-	-	325,000	1,731,000
Interest and Fiscal Charges	-	-	744,895	65,828	-	-	567,760	1,378,483
<b>Total Expenditures</b>	<u>6,123,176</u>	<u>2,011,343</u>	<u>1,719,895</u>	<u>758,973</u>	<u>9,900,214</u>	<u>-</u>	<u>2,961,293</u>	<u>23,474,894</u>
<b>EXCESS (DEFICIENCY) REVENUES OVER (UNDER) EXPENDITURES</b>	<u>647,666</u>	<u>(1,423,847)</u>	<u>474,824</u>	<u>384,832</u>	<u>(9,633,648)</u>	<u>-</u>	<u>(1,563,745)</u>	<u>(11,113,918)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Sale of Fixed Assets	38,061	-	-	-	-	-	-	38,061
Debt Proceeds	-	-	-	-	2,125,000	-	-	2,125,000
Premium on Debt Issued	-	-	66,420	-	-	-	141,338	207,758
Transfer In	237,363	-	-	-	-	-	1,253,330	1,490,693
Transfer Out	(1,253,330)	(40,000)	-	(74,000)	-	-	-	(1,367,330)
<b>Total Other Financing Sources (Uses)</b>	<u>(977,906)</u>	<u>(40,000)</u>	<u>66,420</u>	<u>(74,000)</u>	<u>2,125,000</u>	<u>-</u>	<u>1,394,668</u>	<u>2,494,182</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(330,240)</u>	<u>(1,463,847)</u>	<u>541,244</u>	<u>310,832</u>	<u>(7,508,648)</u>	<u>-</u>	<u>(169,077)</u>	<u>(8,619,736)</u>
<b>FUND BALANCES (DEFICIT) - BEGINNING AS PREVIOUSLY REPORTED</b>	7,270,798	(3,394,714)	9,900,303	2,234,419	8,629,401	731,870	292,292	25,664,369
Adjustments - Changes From Major Fund to Nonmajor Fund	-	-	-	-	-	(731,870)	731,870	-
<b>FUND BALANCES (DEFICIT) - BEGINNING, AS ADJUSTED</b>	<u>7,270,798</u>	<u>(3,394,714)</u>	<u>9,900,303</u>	<u>2,234,419</u>	<u>8,629,401</u>	<u>-</u>	<u>1,024,162</u>	<u>25,664,369</u>
<b>FUND BALANCES (DEFICIT) - ENDING</b>	<u>\$ 6,940,558</u>	<u>\$ (4,858,561)</u>	<u>\$ 10,441,547</u>	<u>\$ 2,545,251</u>	<u>\$ 1,120,753</u>	<u>\$ -</u>	<u>\$ 855,085</u>	<u>\$ 17,044,633</u>

**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, 2025

<b>Net Change in Fund Balances - Total Governmental Funds</b>	\$	(8,619,736)
<b>Amounts reported for governmental activities in the statement of activities are different because:</b>		
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.		
Capital outlay reported in governmental fund statements	\$ 12,274,755	
Depreciation expense reported in the statement of activities	<u>(1,339,967)</u>	
Amount by which depreciation is less than capital outlay in the current period.		10,934,788
The Village disposed of outdated equipment resulting in a reduction of capital assets and recapture of prior year depreciation expenses reported on the statement of activities as a net gain.		
The value of capital assets disposed of during the year	(1,796,471)	
The amount of depreciation recaptured for the year	<u>1,589,473</u>	
Amount by which cost of disposal exceeded accumulated depreciation		(206,998)
Special assessments revenues are unavailable on the fund financials but are recognized as earned revenues on the statement of activities		(71,193)
Amounts related to the pension and OPEB plan that affect the statement of activities but do not affect the fund financial statements.		(44,694)
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.		
Compensated absences benefits used in the current year are less than amounts earned by		(469)
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.		
Issuance of Long Term Debt		(2,125,000)
Premium on Debt Issuance		(141,338)
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.		
Payments on Long Term Debt		1,731,000
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.		
Interest paid is more than interest accrued by		71,344
Debt premium is allocated over the period the debt is outstanding and is reported as amortization expense in the statement of activities. The amortization for the current year is		
		<u>21,894</u>
<b>Change in Net Position - Governmental Activities</b>	\$	<u>1,549,598</u>

**VILLAGE OF KIMBERLY**  
Statement of Net Position  
Proprietary Funds  
As of December 31, 2025

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Storm Utility</u>	<u>Total</u>
<b>CURRENT ASSETS</b>				
Cash	\$ 564,879	\$ 2,961,421	\$ 1,075,726	\$ 4,602,026
Receivables:				
Customer Accounts	524,842	427,355	211,359	1,163,556
Delinquent Utility Receivables	35,195	48,782	15,434	99,411
Special Assessments	1,462	97,543	162,627	261,632
Lease Receivable	78,440	-	-	78,440
Inventories	41,053	-	-	41,053
<b>Total Current Assets</b>	<u>1,245,871</u>	<u>3,535,101</u>	<u>1,465,146</u>	<u>6,246,118</u>
<b>NON-CURRENT ASSETS</b>				
Lease Receivable	1,254,369	-	-	1,254,369
Capital Assets:				
Capital Assets Not Being Depreciated	64,616	72,810	256,637	394,063
Other Capital Assets, Net of Depreciation	8,682,943	9,009,864	8,136,498	25,829,305
<b>Total Non-Current Assets</b>	<u>10,001,928</u>	<u>9,082,674</u>	<u>8,393,135</u>	<u>27,477,737</u>
<b>Total Assets</b>	<u>11,247,799</u>	<u>12,617,775</u>	<u>9,858,281</u>	<u>33,723,855</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Related to Pension	-	32,523	88,079	120,602
Related to OPEB	-	1,771	5,732	7,503
<b>Total Deferred Outflows of Resources</b>	<u>-</u>	<u>34,294</u>	<u>93,811</u>	<u>128,105</u>
<b>CURRENT LIABILITIES</b>				
Accounts Payable	90,636	103,628	95,228	289,492
Accrued Expenses	10	2,096	4,797	6,903
Current Portion of Compensated Absences	-	417	1,357	1,774
<b>Total Current Liabilities</b>	<u>90,646</u>	<u>106,141</u>	<u>101,382</u>	<u>298,169</u>
<b>NON-CURRENT LIABILITIES</b>				
Net Pension Liability	-	5,474	14,824	20,298
Net OPEB Liability	-	6,156	19,926	26,082
Noncurrent Portion of Compensated Absences	-	1,250	4,070	5,320
<b>Total Non-Current Liabilities</b>	<u>-</u>	<u>12,880</u>	<u>38,820</u>	<u>51,700</u>
<b>Total Liabilities</b>	<u>90,646</u>	<u>119,021</u>	<u>140,202</u>	<u>349,869</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Related to Leases	1,332,809	-	-	1,332,809
Related to OPEB	-	5,466	17,692	23,158
Related to Pension	-	15,974	43,261	59,235
<b>Total Deferred Inflows of Resources</b>	<u>1,332,809</u>	<u>21,440</u>	<u>60,953</u>	<u>1,415,202</u>
<b>NET POSITION</b>				
Net Investment in Capital Assets	8,747,559	9,082,674	8,393,135	26,223,368
Unrestricted	1,076,785	3,428,934	1,357,802	5,863,521
<b>TOTAL NET POSITION</b>	<u>\$ 9,824,344</u>	<u>\$ 12,511,608</u>	<u>\$ 9,750,937</u>	<u>\$ 32,086,889</u>

**VILLAGE OF KIMBERLY**  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2025

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Storm Utility</u>	<u>Total</u>
<b>OPERATING REVENUES</b>	\$ 1,986,412	\$ 1,573,970	\$ 724,969	\$ 4,285,351
<b>OPERATING EXPENSES</b>				
Operation and Maintenance	1,260,971	284,107	536,477	2,081,555
Administration and General	87,113	58,747	-	145,860
Depreciation	329,008	199,629	275,695	804,332
Heart of the Valley Treatment Fees	-	518,075	-	518,075
<b>Total Operating Expenses</b>	<u>1,677,092</u>	<u>1,060,558</u>	<u>812,172</u>	<u>3,549,822</u>
<b>OPERATING INCOME (LOSS)</b>	<u>309,320</u>	<u>513,412</u>	<u>(87,203)</u>	<u>735,529</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment Income	20,793	-	-	20,793
Miscellaneous Expense	(32,623)	-	-	(32,623)
<b>Total Non-Operating Revenues</b>	<u>(11,830)</u>	<u>-</u>	<u>-</u>	<u>(11,830)</u>
<b>INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	297,490	513,412	(87,203)	723,699
<b>TRANSFER IN</b>	40,000	-	-	40,000
<b>TRANSFER OUT</b>	(163,363)	-	-	(163,363)
<b>CAPITAL CONTRIBUTIONS</b>	-	17,735	66,809	84,544
<b>CHANGE IN NET POSITION</b>	174,127	531,147	(20,394)	684,880
<b>NET POSITION - BEGINNING</b>	<u>9,650,217</u>	<u>11,980,461</u>	<u>9,771,331</u>	<u>31,402,009</u>
<b>NET POSITION - ENDING</b>	<u>\$ 9,824,344</u>	<u>\$ 12,511,608</u>	<u>\$ 9,750,937</u>	<u>\$ 32,086,889</u>

**VILLAGE OF KIMBERLY**  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2025

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Storm Utility</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Customers	\$ 1,933,276	\$ 1,537,823	\$ 693,310	\$ 4,164,409
Cash Paid to Suppliers for Goods and Services	(1,201,469)	(725,227)	(181,478)	(2,108,174)
Cash Paid to Employees for Services	(134,952)	(136,814)	(272,829)	(544,595)
<b>Net Cash Flows From Operating Activities</b>	<u>596,855</u>	<u>675,782</u>	<u>239,003</u>	<u>1,511,640</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Tax Equivalent Paid to Municipality	(163,363)	-	-	(163,363)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment Income	25,682	-	-	25,682
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of Capital Assets	(132,361)	(12,191)	(532,684)	(677,236)
Capital Contributions	-	78,869	33,825	112,694
Interest Paid	(32,623)	-	-	(32,623)
<b>Net Cash Flows From Capital and Related Financing Activities</b>	<u>(164,984)</u>	<u>66,678</u>	<u>(498,859)</u>	<u>(597,165)</u>
<b>NET CHANGE IN CASH</b>	334,190	742,460	(259,856)	816,794
<b>CASH - BEGINNING</b>	<u>230,689</u>	<u>2,218,961</u>	<u>1,335,582</u>	<u>3,785,232</u>
<b>CASH - ENDING</b>	<u>\$ 564,879</u>	<u>\$ 2,961,421</u>	<u>\$ 1,075,726</u>	<u>\$ 4,602,026</u>
<b>RECONCILIATION OF CASH PER STATEMENT OF NET POSITION TO STATEMENT OF CASH FLOWS</b>				
Amounts per Statement of Net Position - Proprietary Funds				
Unrestricted Cash	<u>\$ 564,879</u>	<u>\$ 2,961,421</u>	<u>\$ 1,075,726</u>	<u>\$ 4,602,026</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 309,320	\$ 513,412	\$ (87,203)	\$ 735,529
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:				
Non-Cash Items:				
Depreciation	329,008	199,629	275,695	804,332
Meter Charge	18,207	(18,207)	-	-
Changes in Operating Assets and Liabilities:				
Accounts Receivable	(54,964)	(36,147)	(33,191)	(124,302)
Net OPEB Liability	-	(1,460)	8,089	6,629
Net Pension Liability	-	391	6,983	7,374
OPEB Related Deferred Outflows and Inflows of Resources	-	939	7,675	8,614
Compensated Absences	-	(343)	131	(212)
Pension Related Deferred Outflows and Inflows of Resources	-	1,814	(16,494)	(14,680)
Inventory	(17,131)	-	-	(17,131)
Accounts Payable	12,405	16,185	79,172	107,762
Accrued Liabilities	10	(431)	(1,854)	(2,275)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>\$ 596,855</u>	<u>\$ 675,782</u>	<u>\$ 239,003</u>	<u>\$ 1,511,640</u>
<b>SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital Contributions for Water Utility	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,984</u>	<u>\$ -</u>

**VILLAGE OF KIMBERLY**  
Statement of Fiduciary Net Position  
Fiduciary Fund  
As of December 31, 2025

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	<u>Custodial Fund</u> <u>Tax Collection</u> <u>Fund</u>
<b>ASSETS</b>	
Cash	\$ 3,077,137
Taxes Receivable	3,673,655
<b>Total Assets</b>	<u>6,750,792</u>
 <b>LIABILITIES</b>	
Due to Other Taxing Entities	<u>6,750,792</u>
 <b>NET POSITION</b>	<u><u>\$ -</u></u>

**VILLAGE OF KIMBERLY**  
Statement of Changes in Fiduciary Net Position  
Fiduciary Fund  
For the Year Ended December 31, 2025

	<b>Custodial Fund</b>
	<b>Tax Collection Fund</b>
<b>ADDITIONS</b>	
Taxes Collected on Behalf of Other Taxing Entities	\$ 5,079,862
<b>DEDUCTIONS</b>	
Taxes Remitted to other Taxing Entities	5,079,862
<b>NET CHANGE IN NET POSITION</b>	-
<b>NET POSITION - BEGINNING</b>	-
<b>NET POSITION - ENDING</b>	\$ -

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

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**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, 2025

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**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.

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

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 *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.

*Capital Projects Fund*, which account for the Village's capital projects financed by the Village.

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. 5, which account for the Village's capital projects financed by tax increments collected for Tax Increment District No. 5.

Special revenue funds:

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

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

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

**Fund Financial Statements (Continued)**

Debt Service Fund, which accounts for taxes levied to pay principal and interest on general obligation debt service.

**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 uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible 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 follows GASB Statement No. 87, 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, 2025 the Village had four leases which are further explained in Note 13.

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**Subscription-Based Information Technology Agreements**

The Village follows GASB Statement No. 96, which requires recognition in the financial statements of certain subscription-based information technology agreements (SBITAs). A SBITA is any contract conveying control of the right to use another party’s information technology software. This statement requires the District to report a right-to-use subscription asset and corresponding subscription liability for any SBITAs. There were no material SBITAs that were required to be recorded for the year ended December 31, 2025.

**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:

<b>Assets</b>	<b>Estimated Useful Lives</b>
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:

<b>Assets</b>	<b>Estimated Useful Lives</b>
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.”

### **Note 1 – Summary of Significant Accounting Policies (Continued)**

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.

#### **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 two categories of deferred inflows of resources related to taxes levied for subsequent year and special assessments, 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, 2025

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**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.

**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.

**Pension**

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset)
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
- Pension Expense

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

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**Note 1 – Summary of Significant Accounting Policies (Continued)**

- Pension Expense

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**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 following:

- Net OPEB Liability
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-Employment Benefits
- OPEB Expense (Revenue)

Information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's 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.

**Compensated Absences**

The Village follows GASB Statement No. 101, which requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. All vested vacation and sick leave is accrued when incurred in the government-wide and proprietary funds financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee terminations and/or retirements or are payable with expendable available resources.

**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, 2025, the Village's bank balance of cash was \$26,892,196. 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.

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**Note 2 – Cash (Continued)**

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.

The following represents a summary of deposits as of December 31, 2025:

Fully Insured Deposits	\$ 1,804,115
Uninsured and Uncollateralized	25,088,119
Total	<u>\$ 26,892,234</u>

The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit at December 31, 2025.

**Note 3 – Fund Balances**

Restricted Fund Balances

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

Debt Service TIF No. 4 and TIF No. 5	\$ 2,545,251
Debt Service TIF No. 6	10,441,547
Capital Projects TIF No. 5	366,101
Capital Projects	1,120,753
Debt Service	110,026
Transportation	414,992
Total Restricted Fund Balance	<u>\$ 14,998,670</u>

Assigned Fund Balance

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

Boat Launch	\$ 11,075
Complex Equipment	118,163
Data Processing	101,867
EMR	21,444
Fire Department	135,631
Fire Donations	26,652
Impact	85,596
Mill Site Development	1,545,279
Park Development	20,424
Personnel	803,473
Police Department	200,869
Reassessment	114,874
Room Tax	134,004
Self-Insurance Retention	162,394
Street Equipment	431,615
Street Facility Improvements	55,525
Total Assigned Balances:	<u>\$ 3,968,885</u>

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**Note 3 – Fund Balances (continued)**

Government-Wide Statements

Net position reported on the government-wide statement of net position at December 31, 2025 includes the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net Investment in Capital Assets			
Net Capital Assets	\$ 37,000,886	\$ 26,223,368	\$ 63,224,254
Less: Related Long-Term Debt Outstanding	(35,776,687)	-	(35,776,687)
Plus: Unspent Debt Proceeds	1,554,155	-	1,554,155
Net Investment in Capital Assets	<u>2,778,354</u>	<u>26,223,368</u>	<u>29,001,722</u>
Restricted for:			
Debt Retirement	12,606,836	-	12,606,836
Capital Projects	366,101	-	366,101
Total Restricted	<u>13,387,929</u>	<u>-</u>	<u>13,387,929</u>
Unrestricted	<u>1,779,015</u>	<u>5,863,521</u>	<u>7,642,536</u>
Total Government-Wide Net Position	<u>\$ 17,945,298</u>	<u>\$ 32,086,889</u>	<u>\$ 50,032,187</u>

**Note 4 – Interfund Receivables, Payables, and Transfers**

Interfund receivables and payables between individual funds of the Village as of December 31, 2025 are detailed below:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Debt Service TID 6	Capital Projects TID 6	\$ 4,848,720	Year End Cash Flow Timing
General Fund	Library	24,856	Year End Cash Flow Timing
		<u>\$ 4,873,576</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, the remaining balance on the advance as of December 31, 2025 is detailed below:

<u>Advance From</u>	<u>Advance To</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	TID 4&5	<u>\$ 155,000</u>	Tax Increment Financing District Advance

Interfund transfers between individual funds of the Village during December 31, 2025 are detailed below:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
Water Fund	General Fund	\$ 163,363	Property Tax Equivalent
General Fund	Transportation	665,226	Appropriated for Operations
General Fund	Library Fund	388,104	Appropriated for Operations
General Fund	TID 5 Debt Service	74,000	Appropriated for Operations
General Fund	Debt Service Fund	200,000	Appropriated for Operations
TID 6 Capital Projects	Water Fund	40,000	Appropriated for Operations
		<u>\$ 1,530,693</u>	

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**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, 2025 was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<b>Governmental Activities</b>				
Capital Assets not being Depreciated:				
Land	\$ 3,227,100	\$ -	\$ 70,000	\$ 3,157,100
Mill Redevelopment	828,575	-	33,440	795,135
Construction In Progress	14,900	-	14,900	-
Total Capital Assets not being Depreciated	<u>4,070,575</u>	<u>-</u>	<u>118,340</u>	<u>3,952,235</u>
Other Capital Assets:				
Streets	23,943,121	686,761	-	24,629,882
Buildings	8,561,696	10,073,739	1,468,706	17,166,729
Fire Department	88,580	9,745	8,123	90,202
Large Equipment	4,681,331	658,046	41,268	5,298,109
Park Equipment	3,591,344	829,759	55,576	4,365,527
Municipal Complex Equipment	1,022,906	2,685	97,636	927,955
Library	82,266	28,920	21,722	89,464
Total Capital Assets being Depreciated	<u>41,971,244</u>	<u>12,289,655</u>	<u>1,693,031</u>	<u>52,567,868</u>
Less Accumulated Depreciation for:				
Streets	(8,745,987)	(675,345)	-	(9,421,332)
Buildings	(5,728,718)	(128,127)	(1,374,667)	(4,482,178)
Fire Department	(46,121)	(18,483)	(6,546)	(58,058)
Large Equipment	(3,686,701)	(247,238)	(41,268)	(3,892,671)
Park Equipment	(858,763)	(184,236)	(54,052)	(988,947)
Municipal Complex Equipment	(634,604)	(79,053)	(91,728)	(621,929)
Library	(67,829)	(7,485)	(21,212)	(54,102)
Total Accumulated Depreciation	<u>(19,768,723)</u>	<u>(1,339,967)</u>	<u>(1,589,473)</u>	<u>(19,519,217)</u>
Total Capital Assets Being Depreciated, Net of Depreciation	<u>22,202,521</u>	<u>10,949,688</u>	<u>103,558</u>	<u>33,048,651</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 26,273,096</u>	<u>\$ 10,949,688</u>	<u>\$ 221,898</u>	<u>\$ 37,000,886</u>

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**Note 6 – Capital Assets (Continued)**

<b>Business-type Activities</b>	<b>Beginning Balances</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balances</b>
Capital Assets not being Depreciated:				
Land	\$ 137,426	\$ -	\$ -	\$ 137,426
Construction in Progress	-	256,637	-	256,637
Total Capital Assets not being Depreciated	<u>137,426</u>	<u>256,637</u>	<u>-</u>	<u>394,063</u>
Assets Being Depreciated				
Mains and Laterals	18,204,019	19,778	2,730	18,221,067
Storm Sewers	10,105,980	276,047	-	10,382,027
Services	1,331,360	3,500	1,650	1,333,210
Meters	634,079	99,966	44,000	690,045
Hydrants	606,452	19,229	14,000	611,681
Reservoirs and Pipes	756,750	-	-	756,750
Wells and Springs	1,258,832	-	-	1,258,832
Other Plant	2,253,473	2,079	-	2,255,552
Other Equipment	1,170,721	-	-	1,170,721
Total Capital Assets Being Depreciated	<u>36,321,666</u>	<u>420,599</u>	<u>62,380</u>	<u>36,679,885</u>
Less Accumulated Depreciation For:				
Mains and Laterals	(3,289,984)	(259,576)	(2,730)	(3,546,830)
Storm Sewers	(2,148,060)	(247,524)	-	(2,395,584)
Services	(413,357)	(37,331)	(1,650)	(449,038)
Meters	(287,363)	(36,413)	(44,000)	(279,776)
Hydrants	(108,505)	(13,400)	(14,000)	(107,905)
Reservoirs and Pipes	(378,772)	(14,378)	-	(393,150)
Wells and Springs	(808,390)	(36,506)	-	(844,896)
Other Plant	(1,652,681)	(90,155)	-	(1,742,836)
Other Equipment	(1,021,516)	(69,049)	-	(1,090,565)
Total Accumulated Depreciation	<u>(10,108,628)</u>	<u>(804,332)</u>	<u>(62,380)</u>	<u>(10,850,580)</u>
Total Business Type Capital Assets Being Depreciated, Net of Depreciation	<u>26,213,038</u>	<u>(383,733)</u>	<u>-</u>	<u>25,829,305</u>
Total Business Type Capital Assets, Net of Depreciation	<u>\$ 26,350,464</u>	<u>\$ (127,096)</u>	<u>\$ -</u>	<u>\$ 26,223,368</u>

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

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**Note 6 – Capital Assets (Continued)**

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

Governmental Activities:		
General Government	\$	143,116
Public Safety		18,483
Public Works		986,647
Culture and Recreation		191,721
Total Depreciation Expense - Governmental Activities	<u>\$</u>	<u>1,339,967</u>
Business-Type Activities:		
Water Depreciation Charged to Accumulated Depreciation	\$	347,215
Less: Share of Meter Depreciation		<u>(18,207)</u>
Water Depreciation Expense		<u>329,008</u>
Sewer Depreciation Charged to Accumulated Depreciation		181,422
Plus: Share of Meter Depreciation		<u>18,207</u>
Sewer Depreciation Expense		<u>199,629</u>
Storm Depreciation Expense		<u>275,695</u>
Total Business-Type Activities Depreciation Expense	<u>\$</u>	<u>804,332</u>

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**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, 2025:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
General Obligation Debt:					
Bonds payable	\$ 28,958,000	\$ -	\$ 1,491,000	\$ 27,467,000	\$ 1,466,000
Notes payable - direct placement	6,110,000	2,125,000	240,000	7,995,000	812,000
Premium on Debt Issuance	195,243	141,338	21,894	314,687	24,250
Compensated Absences	36,963	469	-	37,432	9,358
Total Governmental Activities Long-Term Liabilities	<u>\$ 35,300,206</u>	<u>\$ 2,266,807</u>	<u>\$ 1,752,894</u>	<u>\$ 35,814,119</u>	<u>\$ 2,311,608</u>
<b>Business-Type Activities:</b>					
Compensated Absences	\$ 9,072	\$ -	\$ 1,978	\$ 7,094	\$ 1,774

Total interest paid during the year on long-term debt totaled \$1,335,855 for governmental activities.

	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balances 12/31/25</u>
<b>Governmental Activities</b>					
<b>Long-Term Obligations</b>					
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	2,680,000
2020 General Obligation Bond	09/09/20	10/01/30	0.85-1.80%	3,554,000	2,067,000
2022 General Obligation Promissory Note	09/01/22	09/01/32	4.00%	6,282,000	5,870,000
2024 General Obligation Refunding Bond	05/15/24	03/01/44	4.00-5.00%	9,980,000	9,655,000
2025 General Obligation Notes	03/03/25	09/01/35	5.00%	2,125,000	2,125,000
Total Governmental Activities Long-Term Obligations					<u>\$35,462,000</u>

Debt service requirements to maturity are as follows:

	<u>Governmental Activities - Bonds</u>		<u>Notes Direct Borrowing and Placement</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 1,466,000	\$ 980,869	\$ 812,000	\$ 319,948	\$ 2,278,000	\$ 1,300,817
2027	1,515,000	928,126	985,000	236,628	2,500,000	1,164,754
2028	3,102,000	850,749	1,020,000	203,136	4,122,000	1,053,885
2029	1,778,000	750,939	1,055,000	168,396	2,833,000	919,335
2030	1,841,000	688,335	1,092,000	132,379	2,933,000	820,714
2031-2035	8,490,000	2,566,646	3,031,000	208,587	11,521,000	2,775,233
2036-2040	6,195,000	1,058,969	-	-	6,195,000	1,058,969
2041-2045	3,080,000	252,400	-	-	3,080,000	252,400
	<u>\$ 27,467,000</u>	<u>\$ 8,077,033</u>	<u>\$ 7,995,000</u>	<u>\$ 1,269,074</u>	<u>\$ 35,462,000</u>	<u>\$ 9,346,107</u>

**Other Debt Information**

The Village's outstanding debt from direct borrowings and direct placements related to governmental activities contain event of default and/or termination provisions with possible finance-related consequences. Village management has evaluated the event of default and/or termination provisions with possible finance-related consequences and in the opinion of Village management, the likelihood is remote that these provisions will have a significant effect on the Village's financial position or results of operations.

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**Note 7 – Long-Term Debt Obligations (Continued)**

The 2025 equalized valuation of the Village as certified by the Wisconsin Department of Revenue is \$1,055,044,300. The legal debt limit and margin of indebtedness as of December 31, 2025, in accordance with Wisconsin Statutes follows:

<b>Legal Margin for Debt</b>	
Equalization Valuation of the Village	\$ 1,055,044,300
Statutory Limitation Percentage	5.00%
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	52,752,215
Total Outstanding General Obligation Debt Applicable to Debt Limitation	\$ 35,462,000
Less: Amounts Available for Repayment of General Obligation Debt (Less accrued interest)	(12,606,836)
Net Outstanding General Obligation Debt Applicable to Debt Limitation	22,855,164
Legal Margin for Debt	\$ 29,897,051

**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.

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**Note 8 – Defined Benefit Pension Plan (Continued)**

The WRS also provides death and disability benefits for employees.

**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>
2015	2.9%	2.0%
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)
2024	3.6	15.0

**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 \$117,921 in contributions from the Village.

Contribution rates as of December 31, 2024 are:

<b>Employee Category</b>	<b>Employee</b>	<b>Employer</b>
General (including teachers, executives, and elected officials)	6.90%	6.90%
Protective with Social Security	6.90%	14.30%
Protective without Social Security	6.90%	19.10%

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

At December 31, 2025, the Village reported a liability of \$125,053 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, rolled forward to December 31, 2024. 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 liability was based on the Village’s share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2024, the Village’s proportion was 0.00761050%, which was a decrease of .00029985% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Village recognized pension expense of \$172,307.

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**Note 8 – Defined Benefit Pension Plan (Continued)**

At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between projected and actual experiences	\$ 388,358	\$ 364,935
Changes of assumptions	37,105	-
Net difference between projected and actual earnings on pension plan investments	190,024	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	9,606	-
Employer contributions subsequent to the measurement date	117,921	-
<b>Total</b>	<b>\$ 743,014</b>	<b>\$ 364,935</b>

The \$117,921 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 liability (asset) in the year ending December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Year Ending December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2026	\$ 79,806
2027	262,626
2028	(62,707)
2029	(19,567)
	<b>\$ 260,158</b>

**Actuarial Assumptions.** The total pension liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2023
Measurement Date of Net Pension Liability (Asset):	December 31, 2024
Experience Study:	January 1, 2021 – December 31, 2023 Published November 19, 2024
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% - 5.7%
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 postretirement discount rate. Includes the impact of known Market Recognition Account deferred gains/losses on the liability for dividend payments.*

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**Note 8 – Defined Benefit Pension Plan (Continued)**

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including seniority (merit) and separation rates. The total pension liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the December 31, 2023 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 Returns<sup>1</sup>**  
**As of December 31, 2024**

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % <sup>2</sup>
Public Equity	38%	7.0%	4.3%
Public Fixed Income	27	6.1	3.4
Private Equity/Debt	20	9.5	6.7
Inflation Sensitive	19	4.8	2.1
Real Estate	8	6.5	3.8
Leverage <sup>3</sup>	(12)	3.7	1.1
Total Core Fund	100% *	7.5%	4.8%
Variable Fund Asset Class			
U.S. Equities	70%	6.5%	3.8%
International Equities	30	7.4	4.7
Total Variable Fund	100%	6.9%	4.2%

<sup>1</sup>Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

<sup>2</sup>New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.6%.

<sup>3</sup>The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 12% 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 for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.08% (Source: "20-Bond GO Index" is the Bond Buyer Index, general obligation, 20 years to maturity, mixed quality as of December 31, 2024. In describing this index, the Bond Buyer notes that the bonds' average quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard and Poor's Corp.'s AA.). 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, 2025

**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:

	<b>1% Decrease to Discount Rate (5.80%)</b>	<b>Current Discount Rate (6.80%)</b>	<b>1% Increase To Discount Rate (7.80%)</b>
Village's proportionate share of the net pension liability (asset)	\$1,173,161	\$125,053	\$ (619,597)

**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. The amount due to WRS as of December 31, 2025 is \$19,955 for December payroll.

**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, 2024 are:

<b>Coverage Type</b>	<b>Employee</b>
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, 2025

**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, 2024 are as listed below:

**Life Insurance  
Member Contribution Rates \*  
For the Year Ended December 31, 2024**

Attained Age	Basic/Supplemental
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 \$650 in contributions from the employer.

***OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs***

At December 31, 2025, the Village reported a liability of \$125,955 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2024 rolled forward to December 31, 2024. 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, 2024, the Village's proportion was .03219500%, which was a decrease of 0.00022800% from its proportion measured as of December 31, 2023.

For the year ended December 31, 2025, the Village recognized a reduction of OPEB expense of \$1,052.

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

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

At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between projected and actual experiences	\$ 1,730	\$ 13,103
Changes of assumptions	30,906	70,646
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,945	28,086
Employer contributions subsequent to the measurement date	650	-
<b>Total</b>	<b>\$ 36,231</b>	<b>\$ 111,835</b>

The \$650 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

<b>Year Ending December 31,</b>	<b>Net Deferred Outflows (Inflows) of Resources</b>
2026	\$ (10,103)
2027	(14,586)
2028	(20,128)
2029	(19,605)
2030	(7,374)
2031	(4,458)
	<b>\$ (76,254)</b>

**Actuarial Assumptions.** The total OPEB liability in the January 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2024
Measurement Date of Net OPEB Liability:	December 31, 2024
Experience Study:	January 1, 2021 - December 31, 2023, Published November 19, 2024
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*:	4.08%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	4.09%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.7%
Mortality:	2020 WRS Experience Mortality Table

\*Based on the Bond Buyers GO index.

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

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

Actuarial assumptions are based upon an experience study conducted in 2024 that covered a three-year period from January 1, 2021 to December 31, 2023. The total OPEB liability for December 31, 2024 is based upon a roll-forward of the liability calculated from the January 1, 2024 actuarial valuation.

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

**Local OPEB Life Insurance  
Asset Allocation Targets and Expected Returns  
As of December 31, 2024**

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Intermediate Credit Bonds	Bloomberg U.S. Interm Credit	40%	2.41%
U.S. Mortgages	Bloomberg U.S. MBS	60%	2.71
Inflation			2.30
Long-Term Expected Rate of Return			4.25

**Single Discount Rate.** A single discount rate of 4.09% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.32% for the prior year. The change in the discount rate was primarily caused by the increase in the municipal bond rate from 3.26% as of December 31, 2023 to 4.08% as of December 31, 2024. 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, 2037.

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, 2025

**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 4.09 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 (3.09 percent) or 1-percentage-point higher (5.09 percent) than the current rate:

	<b>1% Decrease to Discount Rate (3.09%)</b>	<b>Current Discount Rate (4.09%)</b>	<b>1% Increase To Discount Rate (5.09%)</b>
Village’s proportionate share of the net OPEB liability (asset)	\$168,357	\$125,955	\$ 93,281

**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. All amounts due were paid as of December 31, 2025.

**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 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, 2025, Kimberly’s share of the police department’s 2025 budget was \$2,289,864, 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/Measurement 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, 2025 was \$291,578.

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**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.

**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, 2025, the CDA had an FDIC insured balance of \$7,112 and \$284,466 in a Goldman Sachs mutual fund.

c. Long-Term Obligations

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Component Unit Revenue Bonds	\$ 3,460,000	-	120,000	\$ 3,340,000	\$ 125,000

As of December 31, 2025, debt service requirements for the Authority are as follows:

<u>Component Unit</u>	
<u>Principal</u>	<u>Interest</u>
\$ 125,000	\$ 152,190
130,000	147,190
135,000	141,691
140,000	135,980
150,000	129,708
845,000	542,378
1,055,000	330,360
760,000	72,615
<u>\$ 3,340,000</u>	<u>\$ 1,652,112</u>

	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balances 12/31/25</u>
<b>Component Unit Long-Term Obligations</b>					
2018 Community Development Lease Revenue Bonds	11/01/18	09/01/43	3.50-4.70%	\$3,790,000	<u>\$3,340,000</u>

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

**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, 2025, 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, 2025, the Village recognized \$99,290 in lease revenue related to these agreements. At December 31, 2025, the Village recorded \$1,332,809 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)	\$ 120,770	\$ -	\$ 15,763	\$ 105,007
US Cellular (TDS)	462,192	-	24,122	438,070
Verizon (AppOshNee)	471,357	-	19,841	451,516
T-Mobile	354,910	-	16,694	338,216
Total	<u>\$ 1,409,229</u>	<u>\$ -</u>	<u>\$ 76,420</u>	<u>\$ 1,332,809</u>

Remaining amounts to be received associated with this lease at December 31, 2025 are as follows:

<u>Year Ending</u> <u>December 31,</u>	
2026	\$ 78,440
2027	79,901
2028	83,751
2029	87,856
2030	90,514
2031-2035	400,082
2036-2040	448,019
2041-2042	64,246
	<u>\$ 1,332,809</u>

**VILLAGE OF KIMBERLY**  
Notes to Financial Statements  
December 31, 2025

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**Note 15 – 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 Statutes 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 creation 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.

	<u>Creation Date</u>	<u>Last Date to Incur Project Costs</u>	<u>Final Dissolution Date</u>
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
12/31/2024	0.00761050%	\$ 125,052	\$ 1,557,755	8.03%	98.79%
12/31/2023	0.00791035%	117,611	1,439,975	8.17%	98.85%
12/31/2022	0.00852416%	451,585	1,427,542	31.63%	95.72%
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%

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
12/31/2025	\$ 117,921	\$ 117,921	\$ -	\$ 1,696,716	6.95%
12/31/2024	107,485	107,485	-	1,557,755	6.90%
12/31/2023	97,918	97,918	-	1,439,975	6.80%
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%

**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 Net OPEB Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/2024	0.03219500%	\$ 125,955	\$ 1,372,000	9.18%	37.20%
12/31/2023	0.03242300%	149,167	1,247,000	10.10%	33.90%
12/31/2022	0.03844900%	146,484	1,403,000	10.44%	38.81%
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
12/31/2025	\$ 650	\$ 650	\$ -	\$ 1,488,000	0.04%
12/31/2024	776	776	-	1,372,000	0.06%
12/31/2023	808	808	-	1,247,000	0.06%
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, 2025

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>REVENUES</b>			
Taxes	\$ 4,019,835	\$ 4,029,435	\$ 9,600
Special Assessments	36,100	43,767	7,667
Intergovernmental	1,335,007	1,411,159	76,152
Licenses and Permits	214,695	333,379	118,684
Fines and Forfeitures	48,000	68,704	20,704
Public Charges for Services	533,234	87,596	(445,638)
Miscellaneous	152,100	796,802	644,702
<b>Total Revenues</b>	<u>6,338,971</u>	<u>6,770,842</u>	<u>431,871</u>
<b>EXPENDITURES</b>			
General Government	1,136,624	1,310,364	(173,740)
Public Safety	2,033,248	2,137,230	(103,982)
Public Works	1,242,374	1,184,657	57,717
Health and Human Services	11,700	52,026	(40,326)
Culture and Recreation	884,107	431,498	452,609
Capital Outlay	617,900	1,007,401	(389,501)
<b>Total Expenditures</b>	<u>5,925,953</u>	<u>6,123,176</u>	<u>(197,223)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>413,018</u>	<u>647,666</u>	<u>234,648</u>
<b>OTHER FINANCING SOURCE (USE)</b>			
Debt Proceeds		-	-
Sale of Fixed Assets	-	38,061	38,061
Transfer In	250,015	237,363	(12,652)
Transfer Out	(663,033)	(1,253,330)	(590,297)
<b>Total Other Financing Source (Use)</b>	<u>(413,018)</u>	<u>(1,015,967)</u>	<u>(602,949)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	(330,240)	(330,240)
<b>FUND BALANCE - BEGINNING</b>	<u>7,270,798</u>	<u>7,270,798</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 7,270,798</u>	<u>\$ 6,940,558</u>	<u>\$ (330,240)</u>

**VILLAGE OF KIMBERLY**  
Notes to Required Supplementary Information  
For the Year Ended December 31, 2025

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**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, 2025:

General Fund	
General Government	\$ 173,740
Public Safety	103,982
Health and Human Services	40,326
Capital Outlay	389,501

**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.

**VILLAGE OF KIMBERLY**  
Notes to Required Supplementary Information  
For the Year Ended December 31, 2025

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**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.

**VILLAGE OF KIMBERLY**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2025

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Valuation Date:	December 31, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization	Level Percent of Payroll-Closed Amortization	Level Percent of Payroll-Closed Amortization	Level Percent of Payroll-Closed Amortization	Level Percent of Payroll-Closed Amortization
Amortization Period:	Period 30 Year closed from date of participation in WRS	Period 30 Year closed from date of participation in WRS	Period 30 Year closed from date of participation in WRS	Period 30 Year closed from date of participation in WRS	Period 30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.4%	5.4%	5.4%	5.4%	5.4%
Weighted based on assumed rate for:					
Pre-retirement:	6.8%	6.8%	7.0%	7.0%	7.0%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.0%	3.0%	3.0%	3.0%	3.0%
Seniority/Merit:	0.1%-5.7%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	1.7%	1.7%	1.9%	1.9%	1.9%
Retirement Age:	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2018-2020.	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017.
Mortality:	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	2020 WRS Experience Tables. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2021 fully generational improvement scale from a base year of 2010.	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).	Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%).

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

**VILLAGE OF KIMBERLY**  
Notes to the Required Supplementary Information  
For the Year Ended December 31, 2025

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Valuation Date:	December 31, 2016	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Actuarial Cost Method:	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization Method:	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period	Level Percent of Payroll-Closed Amortization Period
Amortization Period:	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS	30 Year closed from date of participation in WRS
Asset Valuation Method:	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)	Five Year Smoothed Market (Closed)
Actuarial Assumptions					
Net Investment Rate of Return:	5.5%	5.5%	5.5%	5.5%	5.5%
Weighted based on assumed rate for:					
Pre-retirement:	7.2%	7.2%	7.2%	7.2%	7.2%
Post-retirement:	5.0%	5.0%	5.0%	5.0%	5.0%
Salary Increases					
Wage Inflation:	3.2%	3.2%	3.2%	3.2%	3.2%
Seniority/Merit:	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%	0.1%-5.6%
Post-retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%	2.1%
Retirement Age:	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.	Experience- based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011.
Mortality:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%).	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality.

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

**SUPPLEMENTARY INFORMATION**

**VILLAGE OF KIMBERLY**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
As of December 31, 2025

	Capital Projects				Total Nonmajor Governmental Funds
	TID 5	Transportation	Library	Debt Service	
<b>ASSETS</b>					
Cash and Investments	\$ 366,101	\$ 337,511	\$ -	\$ 110,026	\$ 813,638
Receivables:					
Taxes	-	11,569	-	655,000	666,569
Special Assessments	-	101,990	-	-	101,990
Accounts	-	70,508	-	-	70,508
<b>Total Assets</b>	<u>\$ 366,101</u>	<u>\$ 521,578</u>	<u>\$ -</u>	<u>\$ 765,026</u>	<u>\$ 1,652,705</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICIT)</b>					
<b>Liabilities</b>					
Accounts Payable	\$ -	\$ 4,596	\$ -	\$ -	\$ 4,596
Accrued Expenses	-	-	11,178	-	11,178
Due to Other Fund	-	-	24,856	-	24,856
<b>Total Liabilities</b>	<u>-</u>	<u>4,596</u>	<u>36,034</u>	<u>-</u>	<u>40,630</u>
<b>Deferred Inflows of Resources</b>					
Deferred Special Assessments	-	101,990	-	-	101,990
Taxes Levied for Subsequent Year	-	-	-	655,000	655,000
<b>Total Deferred Inflows of Resources</b>	<u>-</u>	<u>101,990</u>	<u>-</u>	<u>655,000</u>	<u>756,990</u>
<b>Fund Balances (Deficit)</b>					
Restricted	366,101	414,992	-	110,026	891,119
Unassigned (Deficit)	-	-	(36,034)	-	(36,034)
<b>Total Fund Balances (Deficit)</b>	<u>366,101</u>	<u>414,992</u>	<u>(36,034)</u>	<u>110,026</u>	<u>855,085</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)</b>	<u>\$ 366,101</u>	<u>\$ 521,578</u>	<u>\$ -</u>	<u>\$ 765,026</u>	<u>\$ 1,652,705</u>

**VILLAGE OF KIMBERLY**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2025

	Capital Projects				Total
	TID 5	Transportation	Library	Debt Service	Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 89,498	\$ 108,325	\$ -	\$ 661,448	\$ 859,271
Special Assessments	-	50,052	-	-	50,052
Intergovernmental	41,259	-	-	-	41,259
Public Charges for Services	-	-	174,268	-	174,268
Grants	-	245,259	3,132	-	248,391
Miscellaneous	116	4,633	19,558	-	24,307
<b>Total Revenues</b>	<u>130,873</u>	<u>408,269</u>	<u>196,958</u>	<u>661,448</u>	<u>1,397,548</u>
<b>EXPENDITURES</b>					
Current:					
Culture and Recreation	-	-	578,307	-	578,307
Capital Outlay	99,853	1,390,373	-	-	1,490,226
Debt Service:					
Principal Retirement	-	-	-	325,000	325,000
Interest and Fiscal Charges	-	-	-	567,760	567,760
<b>Total Expenditures</b>	<u>99,853</u>	<u>1,390,373</u>	<u>578,307</u>	<u>892,760</u>	<u>2,961,293</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>31,020</u>	<u>(982,104)</u>	<u>(381,349)</u>	<u>(231,312)</u>	<u>(1,563,745)</u>
<b>OTHER FINANCING SOURCES</b>					
Debt Premium	-	-	-	141,338	141,338
Transfer In	-	665,226	388,104	200,000	1,253,330
<b>Total Other Financing Sources</b>	<u>-</u>	<u>665,226</u>	<u>388,104</u>	<u>341,338</u>	<u>1,394,668</u>
<b>NET CHANGE IN FUND BALANCES</b>	31,020	(316,878)	6,755	110,026	(169,077)
<b>FUND BALANCES (DEFICIT) - BEGINNING AS PREVIOUSLY REPORTED</b>	335,081	-	(42,789)	-	292,292
Adjustments - Changes From Major Fund to Nonmajor Fund	-	731,870	-	-	731,870
<b>FUND BALANCES (DEFICIT) - BEGINNING, AS ADJUSTED</b>	<u>335,081</u>	<u>731,870</u>	<u>(42,789)</u>	<u>-</u>	<u>1,024,162</u>
<b>FUND BALANCES (DEFICIT) - ENDING</b>	<u>\$ 366,101</u>	<u>\$ 414,992</u>	<u>\$ (36,034)</u>	<u>\$ 110,026</u>	<u>\$ 855,085</u>