

VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2020

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

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**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

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INDEPENDENT AUDITOR'S REPORT

President and Board Members
Village of Kimberly
Kimberly, Wisconsin

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Kimberly as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining financial schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial schedules are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Erickson & Associates, S.C.

ERICKSON & ASSOCIATES, S.C.
Appleton, Wisconsin
July 29, 2021

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

The discussion and analysis of the Village of Kimberly's financial performance provides an overall review of the financial activities for years ended December 31, 2020 and 2019. The analysis focuses on the Village's financial performance as a whole.

2020 FINANCIAL HIGHLIGHTS

- Continued pressure by the Wisconsin Legislature to control increases in spending and taxes was adamantly adhered to by the Kimberly Village Board. The 2020 Operating Budget was extremely tight, with reductions in several outlay areas to meet a balanced budget, and continued pressure by all members of the Management Team to control costs and become more efficient in their operations. The Village remains fiscally sound for 2021 and beyond.
- The Storm Water Utility was put into place in 2006. The overall financial impact of the Utility is positive. The charge of the Utility is to remove 20% of the suspended solids in the storm water by 2008, and 40% by 2018. Several ponds are planned within the Village to meet the goals defined by the Wisconsin Department of Natural Resources (DNR). The Village will continue to monitor the sediment reduction goals under consideration by the DNR and adjust the storm water program within existing budgets to meet the proposed goals. Storm Water Utility User Fees were analyzed in 2020 to ensure future required maintenance of storm water ponds and DNR imposed standards are met. An increase to the Storm Water Utility User Fees was implemented January 1, 2021.
- The overall financial picture for the Village of Kimberly was positive. The General Fund experienced an operating surplus of \$929,367. This was due to tight spending by Village staff and a reduction in expenditures due to the COVID-19 pandemic. However, the margin for error has become very small since the state's spending limits have been put in place and are becoming more stringent.
- The overall maintenance of the various Trust Funds has proven extremely beneficial for the community. Continued appreciation for this type of budgeting will also allow the community to maintain its infrastructure without spikes in the local tax rate. In addition to the use of Trust Funds, the Village implemented the Transportation Utility at the beginning of 2021 to further ensure the proper maintenance of public infrastructure and lessening the burden of Special Assessments.
- The overall financial position for the community remains healthy. With the current balance in the General Fund of about \$2.8 million (December 31, 2020), and an additional \$4.1 million (December 31, 2020) being designated to the various Trust Funds (as noted above), the community is able to maintain a surplus at approximately 132% of annual expenditures. These balances are in line with fund balance policy.
- Tax Incremental District (TID) #6 progress grew in 2020. Financials included within the following statements reflect this growth. Within the development of TID #6 the Village recognized continued land sales in 2020. This revenue will be used to repay the debt of TID #6.
- Our recent 2018 credit rating by Standard and Poor's is AA/Stable representing a clear reflection of a healthy financial condition, and a major plus for a community of our size.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

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

Major Features of the Government-wide and Fund Financial Statements

Table #1

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

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

Table #2

Condensed Statement of Net Position - Governmental			
	<u>2020</u>	<u>2019</u>	<u>% Change</u>
<u>Assets</u>			
Current Assets	\$21,977,078	\$22,193,841	-1%
Capital Assets	\$19,794,032	\$20,648,981	-4%
Total Assets	<u>\$41,771,110</u>	<u>\$42,842,822</u>	-6%
<u>Deferred Outflows of Resources</u>	<u>\$1,359,953</u>	<u>\$1,474,936</u>	-8%
<u>Liabilities</u>			
Current Liabilities	\$1,857,554	\$2,168,906	-14%
Non-Current Liabilities	\$22,095,000	\$23,474,101	-6%
Total Liabilities	<u>\$23,952,554</u>	<u>\$25,643,007</u>	-7%
<u>Deferred Inflows of Resources</u>	<u>\$6,490,432</u>	<u>\$5,393,445</u>	20%
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	(\$1,109,345)	\$1,671,547	-166%
Restricted	\$8,836,970	\$5,040,701	75%
Unrestricted	\$5,268,873	\$6,569,058	-20%
Total Net Position	<u>\$12,996,498</u>	<u>\$13,281,306</u>	-2%

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

The Village's governmental financial status, as reflected in total net position, decreased \$284,808 to \$12,996,498. The Village reported total assets of \$41.77M, of which \$19.79M are capital assets. The Village reported total liabilities of \$23.95M, of which \$22.10M are long-term liabilities.

VILLAGE OF KIMBERLY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020

Table #3

Condensed Statement of Net Position - Business-type			
	<u>2020</u>	<u>2019</u>	<u>% Change</u>
<u>Assets</u>			
Current Assets	\$3,943,663	\$4,350,213	-9%
Other Assets	\$1,295	\$1,295	0%
Capital Assets	<u>\$23,108,569</u>	<u>\$22,106,742</u>	5%
Total Assets	<u>\$27,053,527</u>	<u>\$26,458,250</u>	2%
<u>Liabilities</u>			
Current Liabilities	\$110,013	\$778,947	-86%
Non-Current Liabilities	<u>\$279,000</u>	<u>\$414,000</u>	-33%
Total Liabilities	<u>\$389,013</u>	<u>\$1,192,947</u>	-67%
<u>Deferred Inflows of Resources</u>	<u>\$1,295</u>	<u>\$1,295</u>	0%
<u>Net Position</u>			
Invested in Capital Assets, Net of Related Debt	\$22,829,569	\$21,692,742	5%
Restricted	\$- -	\$- -	0%
Unrestricted	<u>\$3,833,650</u>	<u>\$3,571,266</u>	7%
Total Net Position	<u>\$26,663,219</u>	<u>\$25,264,008</u>	6%

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

The Village's business-type activities financial status, as reflected in total net position, increased by \$1.4M to \$26,663,219. The Village reported total assets of \$27.05M, of which \$23.11M are capital assets. The Village reported total liabilities of \$389,013, of which \$279,000 are long-term liabilities.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

Table #4

Changes in Net Position from Operating Results For Governmental Activities					
	<u>2020</u>	<u>%</u>	<u>2019</u>	<u>%</u>	<u>% Change</u>
Revenues:					
Charges for Services	\$1,149,888	11%	\$1,260,238	13%	-9%
Operating Grants & Contributions	\$921,871	9%	\$487,771	5%	89%
Capital Grants & Cont.	\$78,362	1%	\$526,464	5%	-85%
Property Taxes	\$4,773,568	47%	\$4,381,854	44%	9%
Other	<u>\$3,177,308</u>	<u>32%</u>	<u>\$3,371,765</u>	<u>33%</u>	-6%
Total Revenues	<u>\$10,100,997</u>	<u>100%</u>	<u>\$10,028,092</u>	<u>100%</u>	1%
Expenses:					
General Government	\$1,105,184	11%	\$1,297,700	12%	-15%
Public Safety	\$1,482,357	14%	\$1,428,105	14%	4%
Health and Social Services	\$152,353	1%	\$137,634	1%	11%
Public Works	\$4,418,013	43%	\$4,520,991	43%	-2%
Culture, Recreation, and Education	\$1,299,931	13%	\$1,241,074	12%	5%
Interest and Fiscal Charges	\$935,259	9%	\$882,571	8%	6%
Unallocated Depreciation	<u>\$992,708</u>	<u>9%</u>	<u>\$937,329</u>	<u>10%</u>	6%
Total Expenses	<u>\$10,385,805</u>	<u>100%</u>	<u>\$10,445,404</u>	<u>100%</u>	-1%
Change in Net Position	<u>(\$284,808)</u>		<u>(\$417,312)</u>		

Revenues (Table #4)

For FY 2020, the Village received \$10.10M in revenues. Property taxes made up 47% of the total revenues. Operating grants & contributions and other revenue, which included state shared revenues and grants, totaled 41% of revenues.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

Expenses (Table #4)

For FY 2020, the Village expenditures totaled \$10.39M. General government expenditures were 11% of the total.

Table #5

Changes in Net Position from Operating Results For Business-type Activities					
	<u>2020</u>	<u>%</u>	<u>2019</u>	<u>%</u>	<u>% Change</u>
Revenues:					
Charges for Services	\$3,989,023	90%	\$3,405,704	93%	17%
Capital Grants and Cont.	\$439,841	10%	\$235,850	7%	86%
Miscellaneous	<u>\$4,835</u>	<u>0%</u>	<u>\$8,489</u>	<u>0%</u>	-43%
Total Revenues	<u>\$4,433,699</u>	<u>100%</u>	<u>\$3,650,043</u>	<u>100%</u>	21%
Expenses:					
Water Utility	\$1,421,854	47%	\$1,620,725	48%	-12%
Sewer Utility	\$1,081,784	36%	\$1,157,668	37%	-7%
Storm Water Utility	<u>\$530,850</u>	<u>17%</u>	<u>\$567,309</u>	<u>15%</u>	-6%
Total Expenses	<u>\$3,034,488</u>	<u>100%</u>	<u>\$3,345,702</u>	<u>100%</u>	-9%
Change in Net Position	<u>\$1,399,211</u>		<u>\$304,341</u>		

Revenues (Table #5)

For FY 2020, the Village recognized \$4.43M in revenues. The majority of the revenues were from charges for services.

Expenses (Table #5)

For FY 2020, the Village expenditures totaled \$3.03M.

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

Table #6

Net Cost of Governmental Activities		
	<u>Total Cost of Services</u> 2020	<u>Net Cost of Services</u> 2020
General Government	\$1,105,184	\$688,324
Public Safety	\$1,482,357	\$1,099,289
Health and Social Services	\$152,353	\$152,353
Public Works	\$4,418,013	\$3,934,033
Culture, Recreation, and Education	\$1,299,931	\$433,718
Interest and Fiscal Charges	\$935,259	\$935,259
Unallocated Depreciation	\$992,708	\$992,708
Totals	<u>\$10,385,805</u>	<u>\$8,235,684</u>

Net Cost of Governmental Activities (Table #6)

The total cost of all governmental activities was \$10.39M. This includes expenditures financed by general revenue plus revenue collected through direct fees, operating grants, and capital contributions. The net cost of governmental activities was \$8.23M. This includes expenditures financed by general revenue primarily made up of property taxes and miscellaneous income.

Table #7

Net Cost of Business-type Activities		
	<u>Total Cost of Services</u> 2020	<u>Net Cost of Services</u> 2020
Water Utility	\$1,421,854	(\$684,814)
Sewer Utility	\$1,081,784	(\$355,869)
Storm Water Utility	\$530,850	(\$353,683)
Totals	<u>\$3,034,488</u>	<u>(\$1,394,376)</u>

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

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

The total cost of business-type activities was \$3,034,488.

The net cost of business-type activities was \$(1,394,376).

Fund Balance

The Village's total fund balance for 2020 increased by \$238,070 to \$15,770,901.

The General Fund balance increased by \$929,367 to \$6,933,931. This represents approximately 132% of expenditures. In addition, a sizeable fund balance is a positive sign of financial viability, enhances the Village's bond rating, and allows the Village to respond to non-recurring economic needs.

The Capital Projects TIF #6 fund balance decreased by \$712,411 to \$3,571,451.

The Debt Service TIF #6 fund balance increased \$245,899 during the year.

The Other Governmental Funds balance decreased by \$224,785 to \$1,275,294.

General Fund Budgetary Comparison

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

General fund revenues ended \$407,414 higher than budgeted. General fund expenditures came in \$442,153 lower than budgeted.

Capital Asset and Debt Administration

Capital Assets

In order to comply with GASB Statement #34, the Village performed a comprehensive inventory of all capital assets over \$1,000 estimated related depreciation.

Long-term Debt

Long-term obligations decreased \$501,000. Long-term obligations include \$22.96M in general obligation debt.

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

VILLAGE OF KIMBERLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2020

Factors that may Impact the Future of the Village

State Budget Problems and Revenue Controls

The State of Wisconsin continues to encounter budget problems and limit shared revenues to local government units. These problems are expected to continue as state structural deficits have become the norm. In addition, the future status of state shared revenue is uncertain. The Village will need to remain diligent to protect our strong financial position. These statements report on the 2020 year and reflect the 2020 COVID-19 pandemic disaster. The impacts of the COVID-19 pandemic will likely go beyond 2020. This disruption to the state's economy and health care systems will surely influence the future of state shared revenues. Even more reason the Village will need to remain diligent to protect our financial position.

Tax Incremental District (TID) #6 Development

The Village of Kimberly recognized substantial growth and infrastructure development within TID #6 during 2020. This growth is anticipated to continue and the placement of infrastructure will continue into future years along the eastern portion of the development site. The Village's infrastructure work will continue at a slower pace in 2021, 2022, and 2023. Land sales within the district and infrastructure assets are being recognized. TID #6 financial projections are being closely monitored to ensure the stability of the TID.

Contacting the Village's Financial Management

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

BASIC FINANCIAL STATEMENTS

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

STATEMENT OF NET POSITION

December 31, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Totals	
ASSETS				
Current assets:				
Cash and investments	\$ 16,042,337	\$ 2,668,819	\$ 18,711,156	\$ 295,934
Taxes receivable	2,522,367	--	2,522,367	--
Lease receivable	--	--	--	3,790,000
Accounts receivable	--	346,098	346,098	--
Sewer user fee receivable	--	318,951	318,951	--
Storm water receivable	--	171,400	171,400	--
Special assessments receivable	751,287	401,880	1,153,167	--
Miscellaneous receivable	2,161,087	--	2,161,087	--
Inventories	--	36,515	36,515	--
Prepaid expenses	--	--	--	--
Due from other funds	500,000	--	500,000	--
Total current assets	21,977,078	3,943,663	25,920,741	4,085,934
Non-current assets:				
Capital assets:				
Streets, net	10,366,806	--	10,366,806	--
Mill redevelopment	1,384,312	--	1,384,312	--
Land	3,227,100	--	3,227,100	147,029
Buildings, net	1,476,588	--	1,476,588	--
Large equipment, net	848,767	--	848,767	--
Park equipment, net	1,999,739	--	1,999,739	--
Municipal complex equipment, net	460,210	--	460,210	--
Library, net	30,510	--	30,510	--
Utility plant, net	--	23,108,569	23,108,569	--
Total capital assets	19,794,032	23,108,569	42,902,601	147,029
Other assets:				
Net pension asset	306,358	--	306,358	--
Special assessments	--	1,295	1,295	--
Total other assets	306,358	1,295	307,653	--
Total assets	42,077,468	27,053,527	69,130,995	4,232,963
DEFERRED OUTFLOWS OF RESOURCES				
Expected vs. actual experience				
- WRS pension	581,536	--	581,536	--
Expected vs. actual investment earnings				
- WRS pension	651,922	--	651,922	--
Change in proportional share & difference in actual contributions - WRS pension				
	4,004	--	4,004	--
Change in actuarial assumptions				
- WRS pension	23,872	--	23,872	--
Contributions after measurement date				
- WRS pension	100,682	--	100,682	--
Total deferred outflows of resources	1,362,016	--	1,362,016	--

	Primary Government		Component Unit
	Governmental Activities	Business-type Activities	Totals
LIABILITIES			
Current liabilities:			
Current portion of long-term debt	869,000	--	869,000
Accounts payable	262,545	108,100	370,645
Accrued liabilities	48,845	--	48,845
Due to other funds	500,000	--	500,000
Accrued interest payable	177,164	1,913	179,077
Total current liabilities	<u>1,857,554</u>	<u>110,013</u>	<u>1,967,567</u>
Long-term liabilities:			
Bonds and notes payable	<u>22,095,000</u>	<u>279,000</u>	<u>22,374,000</u>
Total liabilities	<u>23,952,554</u>	<u>389,013</u>	<u>24,341,567</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred special assessments	--	1,295	1,295
Expected vs. actual experience			
- WRS pension	291,019	--	291,019
Expected vs. actual investment earnings			
- WRS pension	1,278,474	--	1,278,474
Property taxes - local levy	<u>4,920,939</u>	<u>--</u>	<u>4,920,939</u>
Total deferred inflows of resources	<u>6,490,432</u>	<u>1,295</u>	<u>6,491,727</u>
NET POSITION			
Invested in capital assets, net of related debt	(1,109,345)	22,829,569	21,720,224
Restricted	8,836,970	--	8,836,970
Unrestricted	<u>5,268,873</u>	<u>3,833,650</u>	<u>9,102,523</u>
Total net position	<u>\$ 12,996,498</u>	<u>\$ 26,663,219</u>	<u>\$ 39,659,717</u>
			<u>\$ 442,963</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2020

Functions	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 1,105,184	\$ --	\$ 416,860	\$ --
Public safety	1,482,357	283,675	99,393	--
Health and social services	152,353	--	--	--
Public works	4,418,013	--	405,618	78,362
Culture, recreation, and education	1,299,931	866,213	--	--
Interest and fiscal charges	935,259	--	--	--
Unallocated depreciation	992,708	--	--	--
Total governmental activities	<u>10,385,805</u>	<u>1,149,888</u>	<u>921,871</u>	<u>78,362</u>
Business-type activities:				
Water utility	1,421,854	1,808,891	--	297,777
Sewer utility	1,081,784	1,437,653	--	--
Storm water utility	530,850	742,479	--	142,064
Total business-type activities	<u>3,034,488</u>	<u>3,989,023</u>	<u>--</u>	<u>439,841</u>
Totals	<u>\$ 13,420,293</u>	<u>\$ 5,138,911</u>	<u>\$ 921,871</u>	<u>\$ 518,203</u>
Component unit - business-type activities				
Community Development Authority	<u>\$ 169,211</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

General revenues:

Property taxes levied for:

 General purposes

 Debt service

Intergovernmental revenues

Miscellaneous

Profit from TIF #6 land sales

Transfers from utilities

Total general revenues

Change in net position

Net position, beginning of year

Net position, end of year

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Totals	Component Unit
\$ (688,324)	\$ --	\$ (688,324)	\$ --
(1,099,289)	--	(1,099,289)	--
(152,353)	--	(152,353)	--
(3,934,033)	--	(3,934,033)	--
(433,718)	--	(433,718)	--
(935,259)	--	(935,259)	--
(992,708)	--	(992,708)	--
(8,235,684)	--	(8,235,684)	--
--	684,814	684,814	--
--	355,869	355,869	--
--	353,693	353,693	--
--	1,394,376	1,394,376	--
(8,235,684)	1,394,376	(6,841,308)	--
--	--	--	(169,211)
3,634,386	--	3,634,386	--
1,139,182	--	1,139,182	--
502,928	--	502,928	--
2,310,062	4,835	2,314,897	2,276
284,518	--	284,518	--
79,800	--	79,800	--
7,950,876	4,835	7,955,711	2,276
(284,808)	1,399,211	1,114,403	(166,935)
13,281,306	25,264,008	38,545,314	609,898
\$ 12,996,498	\$ 26,663,219	\$ 39,659,717	\$ 442,963

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**BALANCE SHEET -
GOVERNMENTAL FUNDS**

December 31, 2020

	General Fund	Capital Projects TIF #6	Debt Service TIF #6	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 8,104,546	\$ 2,060,623	\$ 3,992,925	\$ 1,884,243	\$ 16,042,337
Receivables:					
Taxes receivable	2,522,367	--	--	--	2,522,367
Special assessments	710,637	40,650	--	--	751,287
Miscellaneous	624,436	1,536,651	--	--	2,161,087
Due from other funds	500,000	--	--	--	500,000
Total assets	<u>\$ 12,461,986</u>	<u>\$ 3,637,924</u>	<u>\$ 3,992,925</u>	<u>\$ 1,884,243</u>	<u>\$ 21,977,078</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Vouchers payable	\$ 155,237	\$ 23,676	\$ --	\$ 83,632	\$ 262,545
Accrued liabilities	18,681	2,147	2,700	25,317	48,845
Due to other funds	--	--	--	500,000	500,000
Total liabilities	<u>173,918</u>	<u>25,823</u>	<u>2,700</u>	<u>608,949</u>	<u>811,390</u>
Deferred inflows of resources:					
Special assessments	433,198	40,650	--	--	473,848
Property taxes - local levy	4,920,939	--	--	--	4,920,939
Total deferred inflows of resources	<u>5,354,137</u>	<u>40,650</u>	<u>--</u>	<u>--</u>	<u>5,394,787</u>
Fund balances:					
Restricted	--	3,571,451	3,990,225	1,275,294	8,836,970
Assigned	4,140,002	--	--	--	4,140,002
Unassigned	2,793,929	--	--	--	2,793,929
Total fund balances	<u>6,933,931</u>	<u>3,571,451</u>	<u>3,990,225</u>	<u>1,275,294</u>	<u>15,770,901</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,461,986</u>	<u>\$ 3,637,924</u>	<u>\$ 3,992,925</u>	<u>\$ 1,884,243</u>	<u>\$ 21,977,078</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION**

December 31, 2020

Total fund balances for governmental funds		\$ 15,770,901
Total net position reported for governmental activities in the statement of net position is different because:		
Special assessments are not available to pay for current-period expenditures, and therefore, are not reported as revenue in the funds until they are available.		473,848
Noncurrent assets are not available to pay for current period expenditures, and therefore, are not reported in the funds.		306,358
Capital assets used in governmental activities and deferred prior service pension costs are not financial resources and, therefore, are not reported in the fund statements. The capital assets and deferred prior service pension costs consisted of:		
Streets, net of \$6,806,928 accumulated depreciation	10,366,806	
Mill redevelopment	1,384,312	
Land	3,227,100	
Buildings, net of \$5,374,039 accumulated depreciation	1,476,588	
Large equipment, net of \$2,908,792 accumulated depreciation	848,767	
Park equipment, net of \$348,039 accumulated depreciation	1,999,739	
Municipal complex equipment, net of \$344,171 accumulated depreciation	460,210	
Library, net of \$30,391 accumulated depreciation	30,510	
Total capital assets		19,794,032
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		(207,477)
Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the governmental funds balance sheet.		(177,164)
Long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest is not accrued in governmental funds, but rather is recognized as expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Balances as of December 31, 2020, are:		
Bonds and notes payable, includes current portion	(22,964,000)	
Total long-term liabilities		(22,964,000)
Total net position of governmental activities		\$ 12,996,498

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2020

	General Fund	Capital Projects TIF #6	Debt Service TIF #6	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 3,634,386	\$ --	\$ 278,717	\$ 860,465	\$ 4,773,568
Special assessments	275,275	13,550	--	--	288,825
Intergovernmental revenues	1,383,540	--	--	831,169	2,214,709
Licenses and permits	99,187	109,483	--	--	208,670
Fines, forfeitures, and penalties	75,005	--	--	6,199	81,204
Public charges for services	66,928	--	--	1,913	68,841
Miscellaneous revenues	562,768	1,619,991	78,693	49,873	2,311,325
Total revenues	<u>6,097,089</u>	<u>1,743,024</u>	<u>357,410</u>	<u>1,749,619</u>	<u>9,947,142</u>
Expenditures:					
Current:					
General government	1,088,054	--	--	--	1,088,054
Public safety	1,482,357	--	--	--	1,482,357
Health and social services	152,353	--	--	--	152,353
Public works	1,140,884	--	--	--	1,140,884
Culture, recreation, and education	422,181	--	--	877,750	1,299,931
Debt service	--	--	690,087	4,358,836	5,048,923
Capital outlays	961,693	2,644,860	--	102,393	3,708,946
Total expenditures	<u>5,247,522</u>	<u>2,644,860</u>	<u>690,087</u>	<u>5,338,979</u>	<u>13,921,448</u>
Excess of revenues over (under) expenditures	<u>849,567</u>	<u>(901,836)</u>	<u>(332,677)</u>	<u>(3,589,360)</u>	<u>(3,974,306)</u>
Other financing sources (uses):					
Operating transfer in	79,800	189,425	--	420,000	689,225
Operating transfer (out)	--	--	--	(609,425)	(609,425)
Land sales	--	--	578,576	--	578,576
Debt proceeds	--	--	--	3,554,000	3,554,000
Net other financing sources (uses)	<u>79,800</u>	<u>189,425</u>	<u>578,576</u>	<u>3,364,575</u>	<u>4,212,376</u>
Net change in fund balances	929,367	(712,411)	245,899	(224,785)	238,070
Fund balance, beginning of year	<u>6,004,564</u>	<u>4,283,862</u>	<u>3,744,326</u>	<u>1,500,079</u>	<u>15,532,831</u>
Fund balance, end of year	<u>\$ 6,933,931</u>	<u>\$ 3,571,451</u>	<u>\$ 3,990,225</u>	<u>\$ 1,275,294</u>	<u>\$ 15,770,901</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2020

Net change in fund balances-governmental funds	\$ 238,070
The change in net position reported for governmental activities is different because:	
Special assessments revenues in the statement of activities do not provide current financial resources and are not reported as revenues in the funds until they are available.	(210,463)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is capitalized and depreciated over their useful lives. This is the amount by which depreciation exceed capital outlays in the current period.	(560,891)
Sales and transfers of land from TIF #6 were reported as other financing sources in the governmental funds. In the statement of activities, only the profit from the sale is shown and well as an expenditure for the transfer.	(294,058)
Governmental funds report village WRS pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.	(17,130)
Accrued interest expense on long-term debt is reported in the government-wide statement of activities but does not require the use of current financial resources: therefore, accrued interest is not reported as expenditure in governmental funds.	58,664
Loan proceeds are reported as financing sources in governmental funds and thus, contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. This is the amount by which repayments exceed proceeds.	<u>501,000</u>
Changes in net position of governmental activities	<u><u>\$ (284,808)</u></u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**STATEMENT OF NET POSITION -
PROPRIETARY FUNDS**

December 31, 2020

ASSETS	Water	Sewer	Storm Water	Total Enterprise Funds
Current assets:				
Cash and investments	\$ 772,341	\$ 408,175	\$ 1,488,303	\$ 2,668,819
Accounts receivable:				
Customers	346,098	--	--	346,098
Sewer user fees	--	318,951	--	318,951
Storm water	--	--	171,400	171,400
Special assessments	--	244,354	157,526	401,880
Inventory	36,515	--	--	36,515
Total current assets	<u>1,154,954</u>	<u>971,480</u>	<u>1,817,229</u>	<u>3,943,663</u>
Utility plant in service:				
Utility plant	11,845,893	10,455,439	8,571,080	30,872,412
Less accumulated depreciation	<u>4,256,418</u>	<u>2,085,041</u>	<u>1,422,384</u>	<u>7,763,843</u>
Net utility plant in service	<u>7,589,475</u>	<u>8,370,398</u>	<u>7,148,696</u>	<u>23,108,569</u>
Other assets:				
Special assessments	<u>755</u>	<u>540</u>	<u>--</u>	<u>1,295</u>
Total assets	<u>8,745,184</u>	<u>9,342,418</u>	<u>8,965,925</u>	<u>27,053,527</u>

	Water	Sewer	Storm Water	Total Enterprise Funds
LIABILITIES				
Current liabilities:				
Accounts payable	40,850	64,418	2,832	108,100
Accrued interest	1,913	--	--	1,913
Total current liabilities	42,763	64,418	2,832	110,013
Noncurrent liabilities:				
Long-term debt	279,000	--	--	279,000
Total liabilities	321,763	64,418	2,832	389,013
DEFERRED INFLOWS OF RESOURCES				
Deferred special assessments	755	540	--	1,295
NET POSITION				
Invested in capital assets, net of related debt	7,310,475	8,370,398	7,148,696	22,829,569
Unrestricted	1,112,191	907,062	1,814,397	3,833,650
Total net position	\$ 8,422,666	\$ 9,277,460	\$ 8,963,093	\$ 26,663,219

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS**

For the Year Ended December 31, 2020

	Water	Sewer	Storm Water	Total Enterprise Funds
Operating revenues:				
Residential water sales	\$ 542,346	\$ --	\$ --	\$ 542,346
Commercial water sales	64,721	--	--	64,721
Industrial water sales	32,093	--	--	32,093
Multi-family	50,902	--	--	50,902
Water sales to public authorities	11,700	--	--	11,700
Sales for resale	577,895	--	--	577,895
Hydrant rental	382,318	--	--	382,318
Sprinklers	37,303	--	--	37,303
Forfeited discounts	10,796	--	--	10,796
User fees	--	1,048,644	579,836	1,628,480
Miscellaneous	98,817	389,009	162,643	650,469
Total operating revenues	<u>1,808,891</u>	<u>1,437,653</u>	<u>742,479</u>	<u>3,989,023</u>
Operating expenses:				
General	606,047	89,760	275,704	971,511
Maintenance	362,748	165,928	--	528,676
Depreciation	294,253	166,872	201,206	662,331
Taxes	331	--	--	331
Heart of the Valley treatment fees	--	633,364	--	633,364
Total operating expenses	<u>1,263,379</u>	<u>1,055,924</u>	<u>476,910</u>	<u>2,796,213</u>
Operating income	<u>545,512</u>	<u>381,729</u>	<u>265,569</u>	<u>1,192,810</u>
Other income (expense):				
Interest income	4,835	--	--	4,835
Interest expense	(10,459)	--	--	(10,459)
Total other expense	<u>(5,624)</u>	<u>--</u>	<u>--</u>	<u>(5,624)</u>
Net income before transfers	539,888	381,729	265,569	1,187,186
Operating transfer (out)	<u>(148,016)</u>	<u>(25,860)</u>	<u>(53,940)</u>	<u>(227,816)</u>
Income before contributions	391,872	355,869	211,629	959,370
Capital contributions	<u>297,777</u>	<u>--</u>	<u>142,064</u>	<u>439,841</u>
Change in net position	689,649	355,869	353,693	1,399,211
Net position, January 1	<u>7,733,017</u>	<u>8,921,591</u>	<u>8,609,400</u>	<u>25,264,008</u>
Net position, December 31	<u>\$ 8,422,666</u>	<u>\$ 9,277,460</u>	<u>\$ 8,963,093</u>	<u>\$ 26,663,219</u>

THE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THESE STATEMENTS.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the Year Ended December 31, 2020

	Water	Sewer	Storm Water	Total Enterprise Funds
Cash flows from operating activities:				
Cash received from customers	\$ 1,467,754	\$ 1,273,685	\$ 689,925	\$ 3,431,364
Cash received from interfund services provided	382,318	--	--	382,318
Cash paid to employees for services	(362,748)	(165,928)	--	(528,676)
Cash paid to suppliers of goods and services	(606,097)	(1,161,192)	(572,196)	(2,339,485)
Net cash provided by (used in) operating activities	881,227	(53,435)	117,729	945,521
Cash flows from noncapital financing activities:				
Tax equivalent paid to municipality	(148,016)	--	--	(148,016)
Cash flows from capital and related financing activities:				
Purchases of utility plant	(315,599)	(410,224)	(498,494)	(1,224,317)
Repayment of long-term debt	(135,000)	--	--	(135,000)
Cash paid for interest costs incurred	(11,384)	--	--	(11,384)
Net cash used in capital and related financing activities	(609,999)	(410,224)	(498,494)	(1,518,717)
Cash flows from investing activities:				
Cash received for interest earned	4,835	--	--	4,835
Net increase (decrease) in cash and investments	276,063	(463,659)	(380,765)	(568,361)
Cash and investments, January 1	496,278	871,834	1,869,068	3,237,180
Cash and investments, December 31	\$ 772,341	\$ 408,175	\$ 1,488,303	\$ 2,668,819

**RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES -
PROPRIETARY FUNDS**

For the Year Ended December 31, 2020

	<u>Water</u>	<u>Sewer</u>	<u>Storm Water</u>	<u>Total Enterprise Funds</u>
Operating income	\$ 545,512	\$ 381,729	\$ 265,569	\$ 1,192,810
Adjustments to reconciliation of operating income to net cash provided by operating activities:				
Depreciation	308,121	153,004	201,206	662,331
Intergovernmental transfer	--	(25,860)	(53,940)	(79,800)
(Increase) decrease in:				
Customer receivables	41,181	--	--	41,181
Sewer user fee receivable	--	927	--	927
Storm water receivable	--	--	73	73
Special assessments receivable	--	(164,895)	(52,627)	(217,522)
Inventory	13,530	--	--	13,530
Increase (decrease) in:				
Accounts payable	<u>(27,117)</u>	<u>(398,340)</u>	<u>(242,552)</u>	<u>(668,009)</u>
Net cash provided by (used in) operating activities	<u>\$ 881,227</u>	<u>\$ (53,435)</u>	<u>\$ 117,729</u>	<u>\$ 945,521</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUNDS**

December 31, 2020

	<u>Tax Agency Fund</u>
ASSETS	
Cash	\$ 3,085,131
LIABILITIES	
Advance tax collections	<u>3,085,131</u>
Net position	<u><u>\$ --</u></u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies:

The financial statements of the Village of Kimberly (Village) have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Village are described below.

Reporting Entity

In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise significant influence. Significant influence or accountability is based primarily on operational or financial relationships with the Village, as distinct from legal relationships.

Component units are 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.

Fund Accounting

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures as appropriate. Village resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The Village operates the following major governmental funds:

General Fund - The General Fund is the operating fund of the Village. It is used to account for all financial resources of the Village except those required to be accounted for in other funds.

Capital Projects TIF #6 Fund - This Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of capital facilities for TIF #6.

Debt Service TIF #6 Fund - This Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 1. Summary of Significant Accounting Policies - Continued:

The Village operates the following major proprietary funds:

Water Utility Fund - The Water Utility Fund accounts for the operation and maintenance of the Village's water utility. Revenues consist principally of charges for water usage. Repayment of debt issued by the Village to construct water utility plant assets is accounted for through this fund.

Sewer Utility Fund - The Sewer Utility Fund accounts for the operation and maintenance of the Village's sewer utility. Revenues consist principally of charges for sewer usage. Repayment of debt issued by the Village to construct sewer utility plant assets is accounted for through this fund.

Storm Water Utility Fund - The Storm Water Utility Fund accounts for the operation and maintenance of the Village's storm water utility. Revenues consist principally of charges based on an ERU, or equivalent runoff unit.

The Village operates the following nonmajor governmental funds:

Debt Service Funds - The 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.

Capital Projects TIF #4 Fund - This Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of capital facilities for TIF #4.

Capital Projects TIF #5 Fund - This Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of capital facilities for TIF #5.

Library Fund - This Special Revenue Fund is used to account for the proceeds of specific revenue sources, other than capital projects that are legally restricted to expenditures for specified purposes.

Tax Agency Fund - The Tax Agency Fund is used to account for taxes collected and held in escrow for other governmental entities.

Basis of Presentation

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Village as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental funds financial statements therefore include reconciliation between the government-wide statements and the governmental fund statements.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 1. Summary of Significant Accounting Policies - Continued:

The statement of net position presents the financial condition of the governmental and business-type activities of the Village at year-end. The statement of activities presents a comparison between the direct expenses and program revenues for each function of the governmental and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore, are clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. All taxes and revenues not classified as program revenues are presented as general revenues of the Village.

Fund Financial Statements

Fund financial statements report detailed information about the Village. Their focus is on major funds rather than reported funds by type. Each major governmental fund is presented in a single column, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. The fund financial statements are prepared using the modified accrual basis of accounting.

Revenues - Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the Village is sixty days after year-end.

Nonexchange transactions, in which the Village receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which all eligibility requirements have been met. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: property taxes, investment earnings, and grants.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 1. Summary of Significant Accounting Policies - Continued:

Expenditures

Under the accrual basis of accounting, expenditures are recorded at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue and debt service funds at the function level. All annual appropriations lapse at fiscal year-end. Project-length financial plans are adopted for all capital projects funds.

Cash and Investments

The Village's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. All funds share common (pooled) checking and investment accounts unless regulations require separate investment accounts.

All investments are stated at fair value. Determination of fair value for investment in the Local Government investment pool is based on information provided by the State of Wisconsin Investment Board.

Receivables

Receivables at December 31, 2020, consisted of taxes, special assessments, and miscellaneous. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of the receivable.

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.

Capital Assets and Depreciation

Capital assets, which include property, plant and equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of one year. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair 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 lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of assets constructed.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 1. Summary of Significant Accounting Policies - Continued:

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

Land	Not depreciated
Buildings	30 years
Furniture, equipment, and vehicles	5-25 years
Streets	20-40 years

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

Mains	85-100 years
Storm sewers	40 years
Services and laterals	45-60 years
Meters	16-25 years
Hydrants	55-75 years
Equipment	3-12 years
Reservoirs and pipes	50-60 years
Wells and springs	30-40 years

Interfund Activity

Short-term interfund loans are classified as interfund receivables/payables in the fund financial statements. These amounts are eliminated in the statement of net position except for those receivables/payables between a governmental fund and a business-type fund.

Deferred Outflows / Inflows of Resources

The Village implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

In addition to assets, the statement of net position will 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 therefore will not be recognized as an outflow of resources (expense/expenditure) until then. The Village has items in this category relating to its share of the WRS pension.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that time. The Village has three items that qualify for reporting in this category, deferred special assessments, property taxes, and its share of the WRS pension. These amounts will be recognized as inflows of resources in a subsequent year. The Village also has an additional item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from one source, special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 1. Summary of Significant Accounting Policies - Continued:

Accrued Liabilities and Long-term Debt

All accrued liabilities and long-term debt are reported in the government-wide financial statements.

For governmental fund financial statements, accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims and judgments, and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Long-term debt paid from governmental funds is not recognized as a liability in the fund financial statements until due.

Fund Balances

The GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). The statement establishes fund balance classifications, provides for a hierarchy of spending constraints for spendable resources and requires disclosure of nonspendable resources and spendable resources. The Village has adopted GASB 54 and the following information relates to its implementation.

In the fund financial statements, governmental funds report aggregate amounts for the classifications of fund balances on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form - inventories or long-term receivables or (b) legally or contractually required to be maintained intact - principal balance of endowments and permanent funds.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance - this classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions of enabling legislation.

Committed fund balance - these amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the Village Board - the Village's highest level of decision making authority.

Assigned fund balance - this classification reflects the amounts constrained by the Village's "intent" to be used for specific purposes, but are neither restricted nor committed. Intent can be expressed by the Finance Committee along with the Village Administrator to the extent such assignment does not create a negative unassigned fund balance, as follows: 1) An amount sufficient to liquidate open encumbrances that are reasonably expected to result in an expenditure in the subsequent year, and 2) An amount estimated to be sufficient to cover the cost of unsettled labor agreements, if any.

Unassigned fund balance - this fund balance includes any remaining amounts that are not classified as nonspendable, restricted, committed or assigned.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 1. Summary of Significant Accounting Policies - Continued:

When both restricted and unrestricted resources are available for use, it is the Village's policy to use externally restricted resources first, then unrestricted resources - committed, assigned, and unassigned - in order as needed.

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.

Restricted Resources

The Village applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Risk Management

The Village is exposed to various risks of loss, including torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village purchases commercial insurance coverage for most of these risks. There were no reductions in purchased coverage for 2020. The Village of Kimberly is a member of the Cities and Villages Mutual Insurance Company (CVMIC). CVMIC issues separate financial statements available from the Village's administration. All policies written by CVMIC are participating policies. To the extent actual losses and loss adjustment expenses vary from recorded amounts, policyholders may receive additional dividends or may be required to make additional premium payments at such time as any excess or deficiency of losses and loss adjustment expense is known. There have been no settlements in excess of coverage for the previous three years. The Village accounts for its membership in CVMIC through the general fund.

Litigation

From time to time, the Village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and counsel that the likelihood is remote, due in part to insurance coverage, that any other such claims or proceedings will have a material effect on the Village's financial position.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 2. Cash and Investments:

Cash balances are combined and invested to the extent possible. The Village is required to invest its funds in accordance with Wisconsin Statute 66.0603 (1m). Allowable investments include:

Time deposits in any credit union, bank, savings bank, trust company, or savings and loan association that is authorized to transact business in this state if the time deposits mature in not more than three years;

Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board, or other instrumentality of the federal government;

Bonds or securities of any county, city, drainage district, vocational, technical college district, village, town or school district of this state, including local exposition districts, local professional baseball park districts, local professional stadium districts, the University of Wisconsin Hospitals and Clinics Authority, and local cultural districts;

Any security, which matures or which may be tendered for purchase at the option of the holder within not more than 7 years of the date on which it is acquired, if that security has a rating, which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investors Service or another similar nationally recognized rating agency, or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating;

The State of Wisconsin Local Government Investment Pool;

Repurchase agreements with public depositories, if the agreement is secured by federal bonds or securities; or

Certain mutual funds and securities of open-end management investment companies.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

Deposits in banks are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 per official custodian. In addition, the State of Wisconsin has a State Guarantee Fund that provides a maximum of \$400,000 per entity above the amount provided by the FDIC. However, due to the relatively small size of the Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.

As of December 31, 2020, the carrying amount of the Village's deposits was \$21,796,287 and the bank balances were \$21,936,202. Of the bank balance, \$500,000 was covered by FDIC Insurance.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 2. Cash and Investments - Continued:

The carrying amount of the Village's cash and investments totaled \$21,796,287 on December 31, 2020, as summarized below:

Deposits with financial institutions	\$ 21,796,287
Reconciliation to the basic financial statements:	
Statement of net position	\$ 18,711,156
Fiduciary funds:	
Tax Agency Fund	3,085,131
Total	<u>\$ 21,796,287</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations.

The Village does not have a formal policy to address credit risk, but the risk is mitigated by the fact that the Village is not invested in any individual securities. None of the Village's investments are rated.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village does not have a formal investment policy to address interest rate risk, but the risk is mitigated by the fact that the Village is not invested in any individual bond security and is invested in bond index funds which allows for a more diversified portfolio.

Note 3. Receivables - Taxes:

The amount \$2,522,367 represents the uncollected portion of the tax levy for local purposes at December 31, 2020.

The 2020 levy for local purposes, reflected as deferred revenue in this report, will be used to fulfill the 2020 budget requirements and accordingly, will be reported as revenue in 2021.

The total tax roll, which includes amounts to be collected and remitted to other municipal entities, is not recorded by the Village until the year of collection. A reconciliation of the Village levy for local purposes to total tax roll is as follows:

2020 total tax roll	\$ 11,249,849
Less amounts to be collected and remitted to other municipal entities:	
County	1,896,751
School Districts	<u>4,432,159</u>
Total levy for local purposes (deferred revenue)	6,328,910
Less advance tax collections	<u>4,920,939</u>
Balance of levy for local purposes (receivable)	<u>\$ 2,398,572</u>
	<u>\$ 2,522,367</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 3. Receivables - Taxes - Continued:

Property taxes attach an enforceable lien as of January 1.

Property tax calendar - 2020 tax roll:

Lien date and levy date	January 1, 2020
Tax bill mailed	December 1, 2020
Payment in full, or	January 31, 2021
First installment due	January 31, 2021
Second installment due	July 31, 2021
Personal property taxes	January 31, 2021
Settlement date with the county	February 20, 2021

Note 4. Long-term Debt:

Long-term debt of the Village is as follows:

	Balances 12/31/19	Additions	Reductions	Balances 12/31/20
Governmental activities:				
General obligation debt	\$ 23,465,000	\$ 3,554,000	\$ 4,055,000	\$ 22,964,000
Business-type activities:				
General obligation water bonds	\$ 414,000	\$ - -	\$ 135,000	\$ 279,000

Principal due on long-term general obligations:

As of December 31, 2020, principal on all long-term general obligations for the Village is due as follows:

Year ending December 31,	Enterprise Fund	General Long-term Debt	Totals
2021	\$ 138,000	\$ 869,000	\$ 1,007,000
2022	141,000	893,000	1,034,000
2023	- -	1,092,000	1,092,000
2024	- -	1,132,000	1,132,000
2025	- -	1,166,000	1,166,000
2026-2030	- -	8,222,000	8,222,000
2031-2035	- -	6,615,000	6,615,000
2036-2037	- -	2,975,000	2,975,000
Totals	\$ 279,000	\$22,964,000	\$ 23,243,000

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 4. Long-term Debt - Continued:

Interest due on long-term general obligations:

As of December 31, 2020, interest on all long-term general obligations for the Village is due as follows:

Year ending <i>December 31,</i>	Enterprise Fund	General Long-term Debt	Totals
2021	\$ 7,673	\$ 735,672	\$ 743,345
2022	3,877	712,265	716,142
2023	--	689,919	689,919
2024	--	656,005	656,005
2025	--	620,306	620,306
2026-2030	--	2,354,267	2,354,267
2031-2035	--	1,111,421	1,111,421
2036-2037	--	110,768	110,768
Totals	<u>\$ 11,550</u>	<u>\$ 6,990,623</u>	<u>\$ 7,002,173</u>

Total due on long-term general obligations:

As of December 31, 2020, principal and interest combined on all long-term general obligations for the Village is due as follows:

Year ending <i>December 31,</i>	Enterprise Fund	General Long-term Debt	Totals
2021	\$ 145,673	\$ 1,604,672	\$ 1,750,345
2022	144,877	1,605,265	1,750,142
2023	--	1,781,919	1,781,919
2024	--	1,788,005	1,788,005
2025	--	1,786,306	1,786,306
2026-2030	--	10,576,267	10,576,267
2031-2035	--	7,726,421	7,726,421
2036-2037	--	3,085,768	3,085,768
Totals	<u>\$ 290,550</u>	<u>\$ 29,954,623</u>	<u>\$ 30,245,173</u>

The 2020 equalized valuation of the Village as certified by the Wisconsin Department of Revenue is \$599,222,500. The legal debt limit and margin of indebtedness as of December 31, 2020, in accordance with Wisconsin Statutes follows:

Debt limit (5% of \$599,222,500)	\$ 29,961,125
Deduct long-term debt applicable to the debt margin	<u>22,964,000</u>
Margin of indebtedness	<u>\$ 6,997,125</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 4. Long-term Debt - Continued:

	<u>Enterprise Fund</u>	<u>General Long-term Debt</u>	<u>Totals</u>
Robert W. Baird and Co.			
Interest rates vary from .85% per annum to 1.80% per annum on individual notes, which retire annually on October 1 until 2030. Interest payments to be made semiannually on April 1 and October 1 to maturity.	\$ --	\$ 3,554,000	\$ 3,554,000
Robert W. Baird and Co.			
Interest rates vary from 3.00% per annum to 3.75% per annum on individual notes, which retire annually on September 1 until 2037. Interest payments to be made semiannually on March 1 and September 1 to maturity.	--	9,500,000	9,500,000
Robert W. Baird and Co.			
Interest rates vary from 3.35% per annum to 3.65% per annum on individual notes, which retire annually on September 1 until 2031. Interest payments to be made semiannually on March 1 and September 1 to maturity.	--	3,565,000	3,565,000
BMO Harris			
Interest rates vary from 2.00% per annum to 4.00% per annum on individual notes, which retire annually on March 1 until 2025. Interest payments to be made semiannually on March 1 and September 1 to maturity.	--	175,000	355,000

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 4. Long-term Debt - Continued:

	<u>Enterprise Fund</u>	<u>General Long-term Debt</u>	<u>Totals</u>
Robert W. Baird and Co.			
Interest rate at 4.00% per annum on individual notes, which retire annually on September 1 until 2028. Interest payments to be made semiannually on March 1 and September 1 to maturity.	--	5,060,000	5,060,000
Robert W. Baird and Co.			
Interest rates vary from 3.30% per annum to 3.40% per annum on individual notes, which retire annually on September 1 until 2022. Interest payments to be made semiannually on March 1 and September 1 to maturity.	--	1,110,000	1,110,000
Village General Fund			
Interest rate of 2.75%, due on October 1, 2022, payable in annual installments.	279,000	--	279,000
Totals	<u>\$ 279,000</u>	<u>\$ 22,964,000</u>	<u>\$ 23,243,000</u>

Note 5. Interfund Transactions:

Interfund balances on the fund financial statements at December 31, 2020, consisted of the following:

<i>Fund</i>	<u>Amount</u>
Capital Projects TIF #5 due to General	<u>\$ 500,000</u>

The general fund loaned money to TIF #5. The general fund is charging TIF #5, 3.5% interest with payments due April 1 and October 1.

Interfund transfers on the fund financial statements for the year ended December 31, 2020, consisted of the following:

Transfer from the Storm Water Utility to the General Fund	\$ 53,940
Transfer from Sewer Fund to the General Fund	25,860
Transfer from Debt Service TIF #4 to Capital Projects TIF #4	420,000
Transfer from Debt Service TIF #4 to Capital Projects TIF #6	189,425
Total transfers	<u>\$ 689,225</u>

These transfers were budgeted for operating transfers and paying back interfund loan.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 6. Reserved Fund Balances:

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

Debt Service TIF #4	\$ 20,715
Debt Service TIF #5	711,563
Debt Service TIF #6	3,990,225
Capital Projects TIF #5	502,394
Capital Projects TIF #6	3,571,451
Library	40,622
Total	<u>\$ 8,836,970</u>

Note 7. Changes in Capital Assets:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Governmental activities:				
Streets	\$ 17,173,734	\$ --	\$ --	\$ 17,173,734
Mill redevelopment	1,678,370	--	294,058	1,384,312
Land	3,227,100	--	--	3,227,100
Buildings	6,850,627	--	--	6,850,627
Large equipment	3,900,658	--	143,099	3,757,559
Park equipment	2,697,996	249,337	599,555	2,347,778
Municipal complex equipment	729,891	178,398	103,908	804,381
Library	217,925	4,082	160,806	61,201
Totals	<u>36,476,301</u>	<u>431,817</u>	<u>1,301,426</u>	<u>35,606,692</u>
Accumulated depreciation:				
Streets	6,378,284	428,644	--	6,806,928
Buildings	5,290,114	83,925	--	5,374,039
Large equipment	2,754,114	297,776	143,098	2,908,792
Park equipment	879,830	102,983	634,774	348,039
Municipal complex equipment	339,873	62,162	57,864	344,171
Library	185,105	6,393	160,807	30,691
Totals	<u>15,827,320</u>	<u>981,883</u>	<u>996,543</u>	<u>15,812,660</u>
Governmental activities capital assets, net	<u>\$ 20,648,981</u>	<u>\$ (550,066)</u>	<u>\$ 304,883</u>	<u>\$ 19,794,032</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 7. Changes in Capital Assets - Continued:

	Beginning Balance	Additions	Reductions	Ending Balance
Business-type activities:				
Mains and laterals	\$ 14,347,548	\$ 704,149	\$ 14,120	\$ 15,037,577
Storm sewers	7,730,944	449,914	--	8,180,858
Services	970,194	188,557	13,943	1,144,808
Meters	495,278	18,018	--	513,296
Hydrants	442,008	54,800	2,600	494,208
Reservoirs and pipes	756,750	--	--	756,750
Land and land rights	137,426	--	--	137,426
Wells and springs	1,258,832	--	--	1,258,832
Other plant	2,180,070	34,950	--	2,215,020
Other equipment	919,867	213,770	--	1,133,637
Totals	<u>29,238,917</u>	<u>1,664,158</u>	<u>30,663</u>	<u>30,872,412</u>
Accumulated depreciation:				
Mains and laterals	2,602,941	212,188	14,120	2,801,009
Storm sewers	1,221,177	87,217	--	1,308,394
Services	304,981	31,894	13,943	322,932
Meters	166,392	28,231	--	194,623
Hydrants	86,523	10,872	2,600	94,795
Reservoirs and pipes	212,877	108,383	--	321,260
Wells and springs	625,860	36,506	--	662,366
Other plant	1,190,617	84,951	--	1,275,568
Other equipment	720,807	62,089	--	782,896
Totals	<u>7,132,175</u>	<u>662,331</u>	<u>30,663</u>	<u>7,763,843</u>
Business-type activities capital assets, net	<u>\$ 22,106,742</u>	<u>\$ 1,001,827</u>	<u>\$ --</u>	<u>\$ 23,108,569</u>

Note 8. General Information About the WRS 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, and expected to work at least 1,200 hours a year 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 Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 8. General Information About the WRS Pension Plan - Continued:

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 occupation employees and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

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:

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 8. General Information About the WRS Pension Plan - Continued:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. 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 \$98,619 in contributions from the employer.

Contribution rates as of December 31, 2020 are:

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

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 8. General Information About the WRS Pension Plan - Continued:

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

At December 31, 2020, the Village reported an asset of (\$306,358) for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The 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, 2019, the Village's proportion was 0.00950108%, which was a decrease of 0.00031152% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the Village recognized pension expense of \$115,750.

At December 31, 2020, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 581,536	\$ 291,019
Net differences between projected and actual earnings on pension plan investments	651,922	1,278,226
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,004	248
Changes in actuarial assumptions	23,872	--
Employer contributions subsequent to the measurement date	100,682	--
Totals	<u>\$ 1,362,016</u>	<u>\$ 1,569,493</u>

\$100,682 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ending <i>December 31,</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
2020	\$ 428,413	\$ 519,171
2021	421,630	489,473
2022	336,632	325,041
2023	74,659	235,808
2024	--	--

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 8. General Information About the WRS Pension Plan - Continued:

Actuarial Assumptions

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	December 31, 2018
Measurement date of net pension liability (asset)	December 31, 2019
Actuarial cost method	Entry age
Asset valuation method	Fair market value
Long-term expected rate of return	7.0%
Discount rate	7.0%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Post-retirement adjustments*	1.9%

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

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

Long-term Expected Return on Plan Assets

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 8. General Information About the WRS Pension Plan - Continued:

**Retirement Funds
Asset Allocation Targets
and Expected Returns**

<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global equities	49	8.0	5.1
Fixed income	24.5	4.9	2.1
Inflation sensitive assets	15.5	4.0	1.2
Real estate	9	6.3	3.5
Private equity/debt	8	10.6	7.6
Multi-asset	4	6.7	4.0
Total Core Fund	110	7.5	4.6
<u>Variable Fund Asset Class</u>			
U.S. equities	70	7.5	4.6
International equities	30	8.2	5.3
Total Variable Fund	100	7.8	5.9

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.50%

Asset allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

Single Discount Rate

A single discount rate of 7.0% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.0% and a municipal bond rate of 2.75% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2019. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.0% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected 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
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 8. General Information About the WRS 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 7.0%, 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 (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease to Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase to Discount Rate (8.0%)
Village's proportionate share of the net pension liability (asset)	<u>\$ 788,927</u>	<u>\$ (306,358)</u>	<u>\$ (1,125,209)</u>

Pension Plan Fiduciary Net Position

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

Note 9. Assigned Fund Balances:

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

Boat launch	\$ 13,338
Complex equipment	205,209
Data processing	18,256
Fire department	223,970
Fire donations	12,068
Impact	169,507
Mill site development	1,189,712
Park development	185,566
Personnel	777,051
Police department	136,088
Reassessment	145,863
Room tax	200,237
Self-insurance retention	139,676
Sidewalks	84,961
Street equipment	397,768
Street improvements	240,732
Total	<u>\$ 4,140,002</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 10. Joint Ventures - Library Board and Police Services:

As authorized in the state statutes, the Village of Kimberly joined the Village of Little Chute in 1994 to establish and operate a joint library board. Four members of the joint library board are appointed by each Village. The Villages are responsible for owning and maintaining their own library facilities. All other library assets are controlled by the Board.

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, 2020, the Village of Kimberly's share of the 2020 budget, which is reported in the library special revenue fund, was \$177,007. Financial information for the library may be obtained from the Village of Kimberly.

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

The operating and capital budgets are funded by contributions from each government. Each Village's share of the budget, assets, liabilities, and equity is 50% proportional to population and 50% proportional to equalized valuation. At December 31, 2020, the Village of Kimberly's share of the police department's 2020 budget was \$1,177,792, 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, 2020 was \$295,934.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

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 in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposits.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000.

However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing the amounts covered by insurance above.

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, 2020, none of the CDA's total bank balances of \$295,934 were exposed to credit risk.

c. Long-term Obligations

	<u>Balance 12/31/19</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/20</u>
2018 community development lease revenue bonds dated November 1, 2018 with interest at 3.5 - 4.7%. Principal payments vary. Bonds mature September 1, 2043.	\$ 3,790,000	\$ --	\$ --	\$ 3,790,000

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Note 11. Component Unit - Continued:

As of December 31, 2020, debt service requirements for the Authority are as follows:

Year ending <i>December 31,</i>	Principal	Interest	Totals
2021	\$ 50,000	\$ 169,211	\$ 219,211
2022	50,000	167,460	217,460
2023	115,000	165,660	280,660
2024	115,000	161,383	276,383
2025	120,000	156,990	276,990
2026-2030	680,000	706,757	1,386,757
2031-2035	845,000	542,378	1,387,378
2036-2040	1,055,000	330,360	1,385,360
2041-2043	760,000	72,615	832,615
Totals	<u>\$ 3,790,000</u>	<u>\$ 2,472,814</u>	<u>\$ 6,262,814</u>

Note 12. Subsequent Events:

The Village has evaluated all subsequent events through July 29, 2021, the date on which the financial statements are available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL -
GENERAL FUND**

For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues:				
Taxes	\$ 3,566,197	\$ 3,566,197	\$ 3,634,386	\$ 68,189
Special assessments	239,328	239,328	275,275	35,947
Intergovernmental revenues	1,001,320	1,001,320	1,383,540	382,220
Licenses and permits	105,150	105,150	99,187	(5,963)
Fines, forfeitures, and penalties	75,000	75,000	75,005	5
Public charges for services	127,250	127,250	66,928	(60,322)
Miscellaneous revenues	575,430	575,430	562,768	(12,662)
Total revenues	5,689,675	5,689,675	6,097,089	407,414
Expenditures:				
Current:				
General government	1,217,670	1,217,670	1,088,054	129,616
Public safety	1,580,436	1,580,436	1,482,357	98,079
Health and social services	149,094	149,094	152,353	(3,259)
Public works	1,183,608	1,183,608	1,140,884	42,724
Culture, recreation, and education	484,323	484,323	422,181	62,142
Capital outlay	1,074,544	1,074,544	961,693	112,851
Total expenditures	5,689,675	5,689,675	5,247,522	442,153
Excess of revenues over expenditures	--	--	849,567	849,567
Other financing sources (uses):				
Net operating transfers in	--	--	79,800	79,800
Net change in fund balances	--	--	929,367	929,367
Fund balances, beginning of year	6,004,564	6,004,564	6,004,564	--
Fund balances, end of year	\$ 6,004,564	\$ 6,004,564	\$ 6,933,931	\$ 929,367

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY (ASSET)**

Wisconsin Retirement System
Last 10 Fiscal Years*

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)</u>
12/31/15	0.01112291%	\$ (273,209)	\$ 1,548,792	102.74%
12/31/16	0.01101942%	179,063	1,551,616	98.20%
12/31/17	0.01078952%	88,931	1,499,376	99.12%
12/31/18	0.01026657%	(304,826)	1,416,762	102.93%
12/31/19	0.00981260%	349,101	1,469,939	96.45%
12/31/20	0.00950108%	(306,358)	1,505,637	102.96%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

2015 was the first year that this information was made available due to implementation of GASB 68.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

SCHEDULE OF THE VILLAGE'S CONTRIBUTIONS
Wisconsin Retirement System
Last 10 Fiscal Years*

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contributions as a Percentage of Covered Employee Payroll</u>
12/31/15	108,417	108,417	\$ --	\$ 1,548,792	7.00%
12/31/16	105,511	105,511	--	1,551,616	6.80%
12/31/17	98,958	98,958	--	1,499,376	6.60%
12/31/18	96,340	96,340	--	1,416,762	6.80%
12/31/19	98,486	98,486	--	1,469,939	6.70%
12/31/20	98,619	98,619	--	1,505,637	6.55%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

2015 was the first year that this information was made available due to implementation of GASB 68.

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

NOTES TO REQUIRED WRS SCHEDULES
For the Year Ended December 31, 2020

Note 1. Change of Benefit Terms:

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

Note 2. Change of Assumptions:

No significant change in assumptions was noted from the prior year.

OTHER SUPPLEMENTARY INFORMATION

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2020

	Debt Service	Capital Projects	Library	Totals
ASSETS				
Cash and investments	<u>\$ 1,232,278</u>	<u>\$ 506,209</u>	<u>\$ 145,756</u>	<u>\$ 1,884,243</u>
LIABILITIES AND FUND BALANCES				
Accounts payable	\$ - -	\$ 3,815	\$ 79,817	\$ 83,632
Accrued payroll taxes and withholdings	- -	- -	25,317	25,317
Due to other funds	<u>500,000</u>	<u>- -</u>	<u>- -</u>	<u>500,000</u>
Total liabilities	500,000	3,815	105,134	608,949
Fund balance, reserved	<u>732,278</u>	<u>502,394</u>	<u>40,622</u>	<u>1,275,294</u>
Total liabilities and fund balances	<u>\$ 1,232,278</u>	<u>\$ 506,209</u>	<u>\$ 145,756</u>	<u>\$ 1,884,243</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES -**

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	Debt Service	Capital Projects	Library	Totals
Revenues:				
Taxes	\$ 860,465	\$ --	\$ --	\$ 860,465
Intergovernmental revenues	--	41,259	789,910	831,169
Fines, forfeitures, and penalties	--	--	6,199	6,199
Public charges for services	--	--	1,913	1,913
Miscellaneous	9,540	39,070	1,263	49,873
Total revenues	<u>870,005</u>	<u>80,329</u>	<u>799,285</u>	<u>1,749,619</u>
Expenditures:				
Culture, recreation, and education	--	--	877,750	877,750
Debt service:				
Principal retirement	4,055,000	--	--	4,055,000
Interest charges	165,404	--	--	165,404
Escrow agent fees	138,432	--	--	138,432
Capital outlays	--	102,393	--	102,393
Total expenditures	<u>4,358,836</u>	<u>102,393</u>	<u>877,750</u>	<u>5,338,979</u>
Excess of revenues under expenditures	<u>(3,488,831)</u>	<u>(22,064)</u>	<u>(78,465)</u>	<u>(3,589,360)</u>
Other financing sources (uses):				
Debt proceeds	3,554,000	--	--	3,554,000
Operating transfer in	--	420,000	--	420,000
Operating transfer (out)	<u>(609,425)</u>	<u>--</u>	<u>--</u>	<u>(609,425)</u>
Total other financing sources (uses)	<u>2,944,575</u>	<u>420,000</u>	<u>--</u>	<u>3,364,575</u>
Net change in fund balances	<u>(544,256)</u>	<u>397,936</u>	<u>(78,465)</u>	<u>(224,785)</u>
Fund balance, beginning of year	<u>1,276,534</u>	<u>104,458</u>	<u>119,087</u>	<u>1,500,079</u>
Fund balance, end of year	<u>\$ 732,278</u>	<u>\$ 502,394</u>	<u>\$ 40,622</u>	<u>\$ 1,275,294</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**COMBINING BALANCE SHEET -
NONMAJOR DEBT SERVICE FUNDS**

December 31, 2020

	<u>TIF #4</u>	<u>TIF #5</u>	<u>Totals</u>
ASSETS			
Cash and investments	<u>\$ 20,715</u>	<u>\$ 1,211,563</u>	<u>\$ 1,232,278</u>
 LIABILITIES			
Due to other funds	\$ --	\$ 500,000	\$ 500,000
 Fund balance, reserved	<u> 20,715</u>	<u> 711,563</u>	<u> 732,278</u>
 Total liabilities and fund balance	<u>\$ 20,715</u>	<u>\$ 1,211,563</u>	<u>\$ 1,232,278</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES -**

NONMAJOR DEBT SERVICE FUNDS

For the Year Ended December 31, 2020

	<u>TIF #4</u>	<u>TIF #5</u>	<u>Totals</u>
Revenues:			
Taxes	\$ 189,425	\$ 671,040	\$ 860,465
Miscellaneous	<u>2,888</u>	<u>6,652</u>	<u>9,540</u>
Total revenues	<u>192,313</u>	<u>677,692</u>	<u>870,005</u>
 Expenditures:			
Principal retirement	355,000	3,700,000	4,055,000
Interest charges	24,525	140,879	165,404
Escrow agent fees	<u>2,896</u>	<u>135,536</u>	<u>138,432</u>
Total expenditures	<u>382,421</u>	<u>3,976,415</u>	<u>4,358,836</u>
 Excess of revenues over (under) expenditures	 <u>(190,108)</u>	 <u>(3,298,723)</u>	 <u>(3,488,831)</u>
 Other financing sources (uses):			
Debt proceeds	--	3,554,000	3,554,000
Operating transfer out	<u>(609,425)</u>	<u>--</u>	<u>(609,425)</u>
Total other financing sources (uses)	<u>(609,425)</u>	<u>3,554,000</u>	<u>2,944,575</u>
 Net change in fund balances	 (799,533)	 255,277	 (544,256)
 Fund balance, beginning of year	 <u>820,248</u>	 <u>456,286</u>	 <u>1,276,534</u>
 Fund balance, end of year	 <u><u>\$ 20,715</u></u>	 <u><u>\$ 711,563</u></u>	 <u><u>\$ 732,278</u></u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**COMBINING BALANCE SHEET -
NONMAJOR CAPITAL PROJECTS FUNDS**

December 31, 2020

	<u>TIF #4</u>	<u>TIF #5</u>	<u>Totals</u>
ASSETS			
Cash and investments	<u>\$ --</u>	<u>\$ 506,209</u>	<u>\$ 506,209</u>
 LIABILITIES			
Due to other funds	--	--	--
Accounts payable	<u>\$ --</u>	<u>\$ 3,815</u>	<u>\$ 3,815</u>
 Fund balance, reserved	<u> --</u>	<u> 502,394</u>	<u> 502,394</u>
 Total liabilities and fund balance	<u>\$ --</u>	<u>\$ 506,209</u>	<u>\$ 506,209</u>

**VILLAGE OF KIMBERLY
KIMBERLY, WISCONSIN**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES -**

NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended December 31, 2020

	<u>TIF #4</u>	<u>TIF #5</u>	<u>Totals</u>
Revenues:			
Intergovernmental revenues	\$ --	\$ 41,259	\$ 41,259
Miscellaneous	<u> --</u>	<u> 39,070</u>	<u> 39,070</u>
Total revenues	--	80,329	80,329
Expenditures:			
Capital outlays	<u> --</u>	<u> 102,393</u>	<u> 102,393</u>
Excess of revenues over (under) expenditures	<u> --</u>	<u> (22,064)</u>	<u> (22,064)</u>
Other financing sources (uses):			
Operating transfer in	<u> 420,000</u>	<u> --</u>	<u> 420,000</u>
Net change in fund balances	420,000	(22,064)	397,936
Fund balance, beginning of year	<u>(420,000)</u>	<u> 524,458</u>	<u> 104,458</u>
Fund balance, end of year	<u><u> --</u></u>	<u><u> 502,394</u></u>	<u><u> 502,394</u></u>