



**VILLAGE OF BROOKLYN**  
**AUDITED FINANCIAL STATEMENTS**  
**WITH INDEPENDENT AUDITOR'S REPORT**  
**For the Year Ended December 31, 2022**

**VILLAGE OF BROOKLYN**  
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**December 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

To the Village Board and Management  
Village of Brooklyn  
Brooklyn, Wisconsin

### Report on the Audit of the Financial Statements

#### *Opinions*

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

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

#### *Basis for Opinions*

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

#### *Change in Accounting Principle*

As discussed in Note 1 to the financial statements, effective January 1, 2022, the Village of Brooklyn adopted provisions of GASB statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Brooklyn, Wisconsin's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Johnson Block & Company, Inc.*

Johnson Block & Company, Inc.  
April 10, 2023

## VILLAGE OF BROOKLYN MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Village of Brooklyn, we offer readers of the Village of Brooklyn's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2022. We encourage the reader to consider the information presented here in conjunction with the Independent Auditor's Report at the front of this report and the Village's financial statements, which immediately follow this section.

### FINANCIAL HIGHLIGHTS

When revenues exceed expenses, the result is an increase in net position. When expenses exceed revenues, the result is a decrease in net position. You can think of this relationship between revenues and expenses as the Village's operating results. You can think of the Village's net position, as measured in the Statement of Net Position, as one way to measure the Village's financial health, or financial position. Over time, increases or decreases in the Village's net position, as measured in the Statement of Activities, are one indicator of whether its financial health is improving or deteriorating. However, the Village's goal is to provide services that improve the quality of life for our residents, not to generate profits as companies do. For this reason, you will need to consider many other non-financial factors, such as the condition of our roads, in assessing the overall health of our Village.

- The assets of the Village of Brooklyn exceeded its liabilities as of December 31, 2022 by \$9,268,486 (net position).
- The Village of Brooklyn's total net position increased by \$468,945.
- As of December 31, 2022, the Village of Brooklyn's governmental funds reported combined ending fund balances of \$863,812. This includes a total unassigned deficit fund balance of \$56,160.
- As of December 31, 2022, the unassigned fund balance for the general fund was \$365,315, or approximately 32 percent of total general fund expenditures.
- The Village of Brooklyn's total debt decreased by \$570,778 during 2022. This includes both governmental and business-type debt.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Village of Brooklyn's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves:

**Government-wide financial statements.** The government-wide financial statements are the *Statement of Net Position* and *Statement of Activities*. These statements present an aggregate view of the Village's finances in a manner similar to private-sector business. The government-wide financial statements can be found on pages 1 - 3 of this report.

- The *Statement of Net Position* presents information on all of the Village of Brooklyn's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Brooklyn is improving or deteriorating.
- The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e. g., uncollected taxes and earned but unused vacation and sick leave).

# VILLAGE OF BROOKLYN MANAGEMENT'S DISCUSSION AND ANALYSIS

## OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Both of the government-wide financial statements distinguish functions of the Village of Brooklyn that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village of Brooklyn include general government, public safety, public works, health and human services, culture, recreation and education, and conservation and development. The business-type activities of the Village of Brooklyn include the Brooklyn Water Utility and the Brooklyn Sewer Utility.

The government-wide financial statements include only the activities of the Village of Brooklyn.

**Fund financial statements.** The Village also produces fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities. The Village, like other state and local governments, uses fund accounting to demonstrate compliance with finance related legal requirements. Fund statements generally report operations in more detail than the Village government-wide statements and provide information that may be useful in evaluating a Village's short-term financing requirements.

**Governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, fund statements focus on short-term inflows and outflows of spendable resources and their impact on fund balance.

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

The Village of Brooklyn maintains three (3) major governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the Statement of Revenues, Expenditures, and Changes in Fund Balances for the governmental funds. In addition, the following non-major funds are present: Cemetery Fund, General Capital Projects and TIF #1 Fund.

The Village of Brooklyn adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 4 through 7 of this report.

**Proprietary funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water utility and the sewer utility, which are considered to be major funds of the Village of Brooklyn. The basic proprietary fund financial statements can be found on pages 8 through 12 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 15 through 55 of this report.



# VILLAGE OF BROOKLYN MANAGEMENT'S DISCUSSION AND ANALYSIS

## OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

**Other information.** The combining statements referred to earlier in connection with non-major governmental funds and other information related to the individual funds are presented immediately following the required supplementary information. Individual fund statements and schedules can be found on pages 68 through 73 of this report.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Village's net position increased by approximately \$469,000 from a year ago. The table below provides a summary of the Village's assets for the year ended December 31, 2022.

| Village of Brooklyn's Net Position     |                         |              |                          |              |                          |              |
|--|-------------------------|--------------|--------------------------|--------------|--------------------------|--------------|
|  | Governmental Activities |              | Business-Type Activities |              | Total Primary Government |              |
|  | 2022                    | 2021         | 2022                     | 2021         | 2022                     | 2021         |
| Current and Other Assets               | \$ 3,347,047            | \$ 3,089,944 | \$ 630,295               | \$ 527,829   | \$ 3,977,342             | \$ 3,617,773 |
| Restricted Assets                      | 112,231                 | 111,028      | 693,105                  | 604,329      | 805,336                  | 715,357      |
| Capital Assets                         | 4,425,200               | 4,424,042    | 7,453,487                | 7,707,346    | 11,878,687               | 12,131,388   |
| Total Assets                           | 7,884,478               | 7,625,014    | 8,776,887                | 8,839,504    | 16,661,365               | 16,464,518   |
| Deferred Outflows                      | 282,733                 | 200,810      | 198,541                  | 117,084      | 481,274                  | 317,894      |
| Long-Term Liabilities                  | 3,484,451               | 3,769,501    | 2,079,174                | 2,374,027    | 5,563,625                | 6,143,528    |
| Other Liabilities                      | 373,653                 | 281,531      | 57,092                   | 51,364       | 430,745                  | 332,895      |
| Deferred Inflows                       | 1,541,090               | 1,347,845    | 338,693                  | 158,603      | 1,879,783                | 1,506,448    |
| Total Liabilities and Deferred Inflows | 5,399,194               | 5,398,877    | 2,474,959                | 2,583,994    | 7,874,153                | 7,982,871    |
| Net Position:                          |                         |              |                          |              |                          |              |
| Net Investment in Capital Assets       | 1,894,567               | 1,732,184    | 5,374,313                | 5,333,319    | 7,268,880                | 7,065,503    |
| Restricted                             | 345,563                 | 358,115      | 693,105                  | 604,329      | 1,038,668                | 962,444      |
| Unrestricted (Deficit)                 | 527,887                 | 336,648      | 433,051                  | 434,946      | 960,938                  | 771,594      |
| Total Net Position                     | \$ 2,768,017            | \$ 2,426,947 | \$ 6,500,469             | \$ 6,372,594 | \$ 9,268,486             | \$ 8,799,541 |

The largest portion of the Village's net position, 78%, reflects *its investment in capital assets*, (e.g. land, buildings, machinery and equipment, infrastructure, etc.); less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. *Restricted net position* of \$1,038,668 represents resources that are subject to external restrictions on how they may be used. The Village is reporting an unrestricted net position of \$960,938.

The next table provides a summary of the Village's operating results and their impact on net position for the year ended December 31, 2022. In 2022, the Village relied primarily on property taxes, 40%, charges for services, 40%, and intergovernmental revenues, 8%, to fund its operations. Combined, these account for 88% of all revenues or \$2,404,832. Operating grants and contributions accounted for \$130,051 (5%) of the total revenues of \$2.72 million.

**VILLAGE OF BROOKLYN  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)**

| Village of Brooklyn's Change in Net Position                   |                         |              |                          |              |                          |              |
|--|-------------------------|--------------|--------------------------|--------------|--------------------------|--------------|
|  | Governmental Activities |              | Business-Type Activities |              | Total Primary Government |              |
|  | 2022                    | 2021         | 2022                     | 2021         | 2022                     | 2021         |
| Revenues:  |                         |              |                          |              |                          |              |
| Program revenues:  |                         |              |                          |              |                          |              |
| Charges for services and fees, fines and costs                 | \$ 184,301              | \$ 203,723   | \$ 893,800               | \$ 887,614   | \$ 1,078,101             | \$ 1,091,337 |
| Operating grants and contributions                             | 130,051                 | 88,185       | -                        | -            | 130,051                  | 88,185       |
| Capital grants and contributions                               | 1,249                   | 335,077      | 27,162                   | 251,240      | 28,411                   | 586,317      |
| General revenues:  |                         |              |                          |              |                          |              |
| Taxes  | 1,098,259               | 1,097,053    | -                        | -            | 1,098,259                | 1,097,053    |
| Intergovernmental revenues not restricted to specific programs | 228,472                 | 187,743      | -                        | -            | 228,472                  | 187,743      |
| Unrestricted Interest and Investment Earnings                  | 34,314                  | 1,475        | 16,460                   | 948          | 50,774                   | 2,423        |
| Miscellaneous  | 63,613                  | 11,388       | 30,858                   | 5,912        | 94,471                   | 17,300       |
| Other-Gain (Loss) on Sale of Capital Assets                    | 15,418                  | 16,003       | -                        | -            | 15,418                   | 16,003       |
| Total Revenues   | 1,755,677               | 1,940,647    | 968,280                  | 1,145,714    | 2,723,957                | 3,086,361    |
| Expenses:  |                         |              |                          |              |                          |              |
| General Government   | 265,498                 | 281,545      | -                        | -            | 265,498                  | 281,545      |
| Public Safety  | 499,407                 | 481,358      | -                        | -            | 499,407                  | 481,358      |
| Public Works   | 406,408                 | 419,080      | -                        | -            | 406,408                  | 419,080      |
| Health Welfare & Sanitation                                    | 6,698                   | 7,202        | -                        | -            | 6,698                    | 7,202        |
| Culture and Recreation   | 76,521                  | 65,212       | -                        | -            | 76,521                   | 65,212       |
| Conservation & Development                                     | 92,690                  | 46,245       | -                        | -            | 92,690                   | 46,245       |
| Interest on long-term debt                                     | 98,797                  | 107,980      | -                        | -            | 98,797                   | 107,980      |
| Water & Sewer  | -                       | -            | 808,993                  | 749,082      | 808,993                  | 749,082      |
| Total Expenses:  | 1,446,019               | 1,408,622    | 808,993                  | 749,082      | 2,255,012                | 2,157,704    |
| Increase (decrease) in net position before transfers           | 309,658                 | 532,025      | 159,287                  | 396,632      | 468,945                  | 928,657      |
| Transfers  | 31,412                  | 57,365       | (31,412)                 | (57,365)     | -                        | -            |
| Increase (decrease) in net position                            | 341,070                 | 589,390      | 127,875                  | 339,267      | 468,945                  | 928,657      |
| Net Position – January 1                                       | 2,426,947               | 1,837,557    | 6,372,594                | 6,033,327    | 8,799,541                | 7,870,884    |
| Net Position – December 31                                     | \$ 2,768,017            | \$ 2,426,947 | \$ 6,500,469             | \$ 6,372,594 | \$ 9,268,486             | \$ 8,799,541 |

**Governmental Activities:** Governmental activities increased the Village's net position by \$341,070.

**Business-Type Activities:** Net position of the business-type activities increased by \$127,875.

# VILLAGE OF BROOKLYN MANAGEMENT'S DISCUSSION AND ANALYSIS

## FINANCIAL ANALYSIS OF THE VILLAGE OF BROOKLYN'S FUNDS

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the Village of Brooklyn *governmental funds* is to provide information on near-term inflows, outflows, and balances of *expendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the Village's net resources available for spending at the end of the fiscal year.

As of December 31, 2022, the Village's governmental funds reported combined ending fund balance of \$863,812, an increase of \$57,176 from the prior year.

The general fund is the chief operating fund of the Village. At the end of the current year, unassigned fund balance of the general fund was \$365,315. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 32% of total general fund expenditures.

During the current year, the Village's general fund balance increased by \$160,522. Key factors in this are as follows:

- Revenues collected were \$104,136 higher than budgeted. This included Public Charges for Services, License and Permits revenues being higher than the budget by approximately \$28,000 and \$26,000, respectively.
- Expenditures incurred were \$38,825 less than budgeted amounts. This included approximately \$31,000 less of General Government expenditures than the budget.

**Proprietary funds.** The Village of Brooklyn's proprietary funds provide the same type of information found in the Village's government-wide financial statements, but in more detail. At December 31, 2022, the Village's proprietary funds reported combined net position of \$6,500,469.

The Village's water and sewer revenues were comparable to prior year and expenses (including interest and tax equivalent) increased 7%. Key factors in this are as follows:

- Increased utility projects – repairs and maintenance costs

# VILLAGE OF BROOKLYN MANAGEMENT'S DISCUSSION AND ANALYSIS

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital assets.** Village of Brooklyn's investment in capital assets for its governmental and business-type activities as of December 31, 2022 amounts to \$11,878,687 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment and utility infrastructure. The Village's total investment in capital assets as of December 31, 2022 decreased \$252,701. Governmental activities increased \$1,158 or 0.03% and business activities decreased \$253,859 or -3.29%.

| Village of Brooklyn's Capital Assets                   |                         |              |                          |              |                          |               |
|--|-------------------------|--------------|--------------------------|--------------|--------------------------|---------------|
|  | Governmental Activities |              | Business-Type Activities |              | Total Primary Government |               |
|  | 2022                    | 2021         | 2022                     | 2021         | 2022                     | 2021          |
| Land   | \$ 638,461              | \$ 638,461   | \$ 173,103               | \$ 173,103   | \$ 811,564               | \$ 811,564    |
| Right of Ways  | 470,085                 | 470,085      | -                        | -            | 470,085                  | 470,085       |
| Construction Work in Progress                          | 108,222                 | -            | 22,713                   | -            | 130,935                  | -             |
| Land, Right of Ways, and Construction Work in Progress | 1,216,768               | 1,108,546    | 195,816                  | 173,103      | 1,412,584                | 1,281,649     |
| Land Improvements                                      | 104,292                 | 104,292      | -                        | -            | 104,292                  | 104,292       |
| Buildings  | 977,013                 | 969,713      | -                        | -            | 977,013                  | 969,713       |
| Machinery & Equipment                                  | 461,612                 | 468,474      | -                        | -            | 461,612                  | 468,474       |
| Infrastructure   | 2,993,960               | 2,993,960    | -                        | -            | 2,993,960                | 2,993,960     |
| Utility Plant  | -                       | -            | 10,854,727               | 10,842,822   | 10,854,727               | 10,842,822    |
| Other Capital Assets                                   | 4,536,877               | 4,536,439    | 10,854,727               | 10,842,822   | 15,391,604               | 15,379,261    |
| Accumulated Depreciation                               | (1,328,445)             | (1,220,943)  | (3,597,056)              | (3,308,579)  | (4,925,501)              | (4,529,522)   |
| Other Capital Assets, net of depreciation              | 3,208,432               | 3,315,496    | 7,257,671                | 7,534,243    | 10,466,103               | 10,849,739    |
| Total Capital Assets                                   | \$ 4,425,200            | \$ 4,424,042 | \$ 7,453,487             | \$ 7,707,346 | \$ 11,878,687            | \$ 12,131,388 |

Major capital asset events during the current fiscal year included the following:

### Governmental Activities

- Brooklyn Business Complex – Phase 2 \$106,624.
- Ford F-150 Public Works Truck \$29,582.

### Business Activities

- No major capital asset events in 2022.

Additional information on the Village of Brooklyn's capital assets can be found in Note 4 on pages 31-33 of this report.

# VILLAGE OF BROOKLYN MANAGEMENT'S DISCUSSION AND ANALYSIS

## CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

**Long-term debt.** At the end of the current fiscal year, Village of Brooklyn had total debt outstanding of \$5,563,625, which included \$3,940,797 of general obligation debt. During the fiscal year the Village paid off \$572,319 on existing debt and issued \$1,541 in new debt, that resulted in a net decrease in debt outstanding of \$570,778.

| Village of Brooklyn's Outstanding Debt |                         |              |                          |              |                          |              |
|--|-------------------------|--------------|--------------------------|--------------|--------------------------|--------------|
|  | Governmental Activities |              | Business-Type Activities |              | Total Primary Government |              |
|  | 2022                    | 2021         | 2022                     | 2021         | 2022                     | 2021         |
| General Obligation Debt                | \$ 3,484,451            | \$ 3,760,376 | \$ 456,346               | \$ 513,293   | \$ 3,940,797             | \$ 4,273,669 |
| Revenue Bonds                          | -                       | -            | 1,622,828                | 1,860,734    | 1,622,828                | 1,860,734    |
| Total Debt Outstanding                 | \$ 3,484,451            | \$ 3,760,376 | \$ 2,079,174             | \$ 2,374,027 | \$ 5,563,625             | \$ 6,134,403 |

The Village is not rated by Moody's Investors Service or any other rating agency for its general obligation debt.

Additional information on the Village's long-term debt can be found in Note 6 on pages 34-37 of this report.

### Currently Known Facts and Economic Conditions

All currently known facts and economic conditions were considered in preparing the 2023 Village budget. None of these conditions are anticipated to change the overall financial position of the Village.

### Contacting the Village's Management

This financial report is designed to provide our citizens, taxpayers, customers, and 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, contact the Village Office, 210 Commercial Street, P.O. Box 189, Brooklyn, WI 53521 or email the Village Office at [clerk@brooklynwi.gov](mailto:clerk@brooklynwi.gov).

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Statement of Net Position**  
**December 31, 2022**

|  | <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Total</b>         |
|--|------------------------------------|-------------------------------------|----------------------|
| <b>ASSETS</b>  |                                    |                                     |                      |
| Current Assets   |                                    |                                     |                      |
| Cash and Cash Equivalents                                  | \$ 1,650,125                       | \$ 452,015                          | \$ 2,102,140         |
| Receivables:   |                                    |                                     |                      |
| Taxes  | 411,151                            | -                                   | 411,151              |
| Lease  | 38,125                             | 26,263                              | 64,388               |
| Net Accounts Receivable                                    | 9,556                              | 82,659                              | 92,215               |
| Other  | 78                                 | 318                                 | 396                  |
| Special Assessments  | 10,737                             | -                                   | 10,737               |
| Total Current Assets                                       | <u>2,119,772</u>                   | <u>561,255</u>                      | <u>2,681,027</u>     |
| Noncurrent Assets  |                                    |                                     |                      |
| Restricted Assets  |                                    |                                     |                      |
| Cash and Investments                                       | -                                  | 588,842                             | 588,842              |
| Net Pension Asset  | 112,231                            | 104,263                             | 216,494              |
| Lease Receivable   | 176,385                            | 69,040                              | 245,425              |
| Land Held for Resale                                       | 1,050,890                          | -                                   | 1,050,890            |
| Capital Assets   |                                    |                                     |                      |
| Land, Improvements, and Construction in Progress           | 1,216,768                          | 195,816                             | 1,412,584            |
| Other Capital Assets, net of Depreciation                  | 3,208,432                          | 7,257,671                           | 10,466,103           |
| Total Capital Assets                                       | <u>4,425,200</u>                   | <u>7,453,487</u>                    | <u>11,878,687</u>    |
| Total Noncurrent Assets                                    | <u>5,764,706</u>                   | <u>8,215,632</u>                    | <u>13,980,338</u>    |
| Total Assets   | <u>7,884,478</u>                   | <u>8,776,887</u>                    | <u>16,661,365</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                      |                                    |                                     |                      |
| Deferred Pension Outflows                                  | 213,712                            | 198,541                             | 412,253              |
| Deferred OPEB Outflows - Local Retiree Life Insurance Plan | 18,641                             | -                                   | 18,641               |
| Deferred OPEB Outflows - Group Health Insurance Plan       | 50,380                             | -                                   | 50,380               |
| Total Deferred Outflows of Resources                       | <u>282,733</u>                     | <u>198,541</u>                      | <u>481,274</u>       |
| Total Assets and Deferred Outflows of Resources            | <u>\$ 8,167,211</u>                | <u>\$ 8,975,428</u>                 | <u>\$ 17,142,639</u> |

See accompanying notes to the basic financial statements

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Statement of Net Position**  
**December 31, 2022**

|   | <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Total</b>         |
|---|------------------------------------|-------------------------------------|----------------------|
| <b>LIABILITIES</b>  |                                    |                                     |                      |
| Current Liabilities:  |                                    |                                     |                      |
| Accounts Payable  | \$ 66,871                          | \$ 6,799                            | \$ 73,670            |
| Accrued Liabilities   | 19,567                             | 5,472                               | 25,039               |
| Accrued Interest Payable  | 35,322                             | 11,289                              | 46,611               |
| Unearned Revenue  | 93,318                             | -                                   | 93,318               |
| Current Portion of Compensated Absences                           | 3,041                              | 2,675                               | 5,716                |
| Current Portion on Long-Term Debt                                 | 154,961                            | 265,480                             | 420,441              |
| Total Current Liabilities   | <u>373,080</u>                     | <u>291,715</u>                      | <u>664,795</u>       |
| Noncurrent Liabilities:   |                                    |                                     |                      |
| Long-Term Debt Due in More Than One Year                          | 3,329,490                          | 1,813,694                           | 5,143,184            |
| Compensated Absences  | 28,301                             | 30,857                              | 59,158               |
| OPEB - Local Retiree Life Insurance Plan                          | 45,072                             | -                                   | 45,072               |
| OPEB - Health Insurance Plan                                      | 82,161                             | -                                   | 82,161               |
| Total Noncurrent Liabilities                                      | <u>3,485,024</u>                   | <u>1,844,551</u>                    | <u>5,329,575</u>     |
| Total Liabilities   | <u>3,858,104</u>                   | <u>2,136,266</u>                    | <u>5,994,370</u>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                              |                                    |                                     |                      |
| Tax Levy  | 1,034,570                          | -                                   | 1,034,570            |
| Lease   | 207,282                            | 92,379                              | 299,661              |
| Deferred Pension Inflows  | 265,136                            | 246,314                             | 511,450              |
| OPEB - Health Insurance Plan Inflows                              | 25,379                             | -                                   | 25,379               |
| OPEB - Local Retiree Life Insurance Plan Inflows                  | 8,723                              | -                                   | 8,723                |
| Total Deferred Inflows of Resources                               | <u>1,541,090</u>                   | <u>338,693</u>                      | <u>1,879,783</u>     |
| <b>NET POSITION</b>   |                                    |                                     |                      |
| Net Investment in Capital Assets                                  | 1,894,567                          | 5,374,313                           | 7,268,880            |
| Restricted  |                                    |                                     |                      |
| Debt Service  | 20,369                             | -                                   | 20,369               |
| Cemetery  | 63,068                             | -                                   | 63,068               |
| TIF #1  | 86,328                             | -                                   | 86,328               |
| General Capital Projects  | 63,567                             | -                                   | 63,567               |
| Sewer Replacement   | -                                  | 579,406                             | 579,406              |
| Sewer Redemption  | -                                  | 3,718                               | 3,718                |
| Water Impact Fees   | -                                  | 5,718                               | 5,718                |
| Net Pension Asset   | 112,231                            | 104,263                             | 216,494              |
| Unrestricted  | 527,887                            | 433,051                             | 960,938              |
| Total Net Position  | <u>2,768,017</u>                   | <u>6,500,469</u>                    | <u>9,268,486</u>     |
| Total Liabilities, Deferred Inflows of Resources and Net Position | <u>\$ 8,167,211</u>                | <u>\$ 8,975,428</u>                 | <u>\$ 17,142,639</u> |

See accompanying notes to the basic financial statements

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Statement of Activities**  
**For the Year Ended December 31, 2022**

| Functions/Programs   | Expenses     | Program Revenue      |                                    |                                  | Net (Expense) Revenue and Changes in Net Position |                          |              |
|--|--------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|--------------|
|  |              | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government                                |                          |              |
|  |              |                      |                                    |                                  | Governmental Activities                           | Business-type Activities | Total        |
| Governmental Activities                                      |              |                      |                                    |                                  |   |                          |              |
| General Government   | \$ 265,498   | \$ 30,988            | \$ 5,923                           | \$ -                             | \$ (228,587)                                      |                          | \$ (228,587) |
| Public Safety  | 499,407      | 31,970               | 29,975                             | -                                | (437,462)   |                          | (437,462)    |
| Public Works   | 406,408      | 88,336               | 94,153                             | 1,249                            | (222,670)   |                          | (222,670)    |
| Health, Welfare and Sanitation                               | 6,698        | 5,202                | -                                  | -                                | (1,496)   |                          | (1,496)      |
| Culture and Recreation                                       | 76,521       | 1,205                | -                                  | -                                | (75,316)  |                          | (75,316)     |
| Conservation and Development                                 | 92,690       | 26,600               | -                                  | -                                | (66,090)  |                          | (66,090)     |
| Interest on Long-term Debt                                   | 98,797       | -                    | -                                  | -                                | (98,797)  |                          | (98,797)     |
| Total Governmental Activities                                | 1,446,019    | 184,301              | 130,051                            | 1,249                            | (1,130,418)                                       |                          | (1,130,418)  |
| Business-type Activities                                     |              |                      |                                    |                                  |   |                          |              |
| Water  | 262,032      | 284,400              | -                                  | 27,162                           | -   | \$ 49,530                | 49,530       |
| Sewer  | 546,961      | 609,400              | -                                  | -                                | -   | 62,439                   | 62,439       |
| Total Business-type Activities                               | 808,993      | 893,800              | -                                  | 27,162                           | -   | 111,969                  | 111,969      |
| Total Primary Government                                     | \$ 2,255,012 | \$ 1,078,101         | \$ 130,051                         | \$ 28,411                        | (1,130,418)                                       | 111,969                  | (1,018,449)  |
| General Revenues:  |              |                      |                                    |                                  |   |                          |              |
| Taxes:   |              |                      |                                    |                                  |   |                          |              |
| Property Taxes, levied for general purposes                  |              |                      |                                    |                                  | 659,282   | -                        | 659,282      |
| Property Taxes, levied for debt service                      |              |                      |                                    |                                  | 321,677   | -                        | 321,677      |
| TIF Tax Increment  |              |                      |                                    |                                  | 113,344   | -                        | 113,344      |
| Other Taxes  |              |                      |                                    |                                  | 3,956   | -                        | 3,956        |
| Grants and Contributions not restricted to specific programs |              |                      |                                    |                                  | 228,472   | -                        | 228,472      |
| Unrestricted Investment Earnings                             |              |                      |                                    |                                  | 34,314  | 16,460                   | 50,774       |
| Miscellaneous  |              |                      |                                    |                                  | 63,613  | 30,858                   | 94,471       |
| <i>Special item</i> - gain (loss) on disposal of assets      |              |                      |                                    |                                  | 15,418  | -                        | 15,418       |
| Transfers  |              |                      |                                    |                                  | 31,412  | (31,412)                 | -            |
| Total General Revenues, Special Items and Transfers          |              |                      |                                    |                                  | 1,471,488   | 15,906                   | 1,487,394    |
| Change in Net Position                                       |              |                      |                                    |                                  | 341,070   | 127,875                  | 468,945      |
| Net Position - Beginning                                     |              |                      |                                    |                                  | 2,426,947   | 6,372,594                | 8,799,541    |
| Net position - Ending  |              |                      |                                    |                                  | \$ 2,768,017                                      | \$ 6,500,469             | \$ 9,268,486 |

See accompanying notes to the basic financial statements



**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Balance Sheet**  
**Governmental Funds**  
**December 31, 2022**

|   | <b>General Fund</b> | <b>Debt Service</b> | <b>TIF #2</b>    | <b>Non-Major<br/>Governmental<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|---|---------------------|---------------------|------------------|---|---|
| <b>ASSETS</b>   |                     |                     |                  |   |   |
| Cash and Cash Equivalents   | \$ 1,150,603        | \$ 152,756          | \$ -             | \$ 346,766                                  | \$ 1,650,125                            |
| Receivables:  |                     |                     |                  |   |   |
| Taxes   | 274,990             | 88,154              | 22,471           | 25,536                                      | 411,151                                 |
| Special Assessments   | -                   | 10,737              | -                | -   | 10,737                                  |
| Net Accounts Receivable   | 9,556               | -                   | -                | -   | 9,556                                   |
| Other   | 39                  | -                   | -                | 39  | 78                                      |
| Lease Receivable  | 202,766             | -                   | -                | 11,744                                      | 214,510                                 |
| Advances Receivable   | 362,288             | -                   | -                | -   | 362,288                                 |
| Total Assets  | <u>\$ 2,000,242</u> | <u>\$ 251,647</u>   | <u>\$ 22,471</u> | <u>\$ 384,085</u>                           | <u>\$ 2,658,445</u>                     |
| <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>             |                     |                     |                  |   |   |
| Liabilities:  |                     |                     |                  |   |   |
| Accounts Payable  | \$ 39,930           | \$ -                | \$ 25,035        | \$ 1,906                                    | \$ 66,871                               |
| Accrued Liabilities   | 19,567              | -                   | -                | -   | 19,567                                  |
| Advances Payable  | -                   | -                   | 362,288          | -   | 362,288                                 |
| Unearned Revenue  | -                   | -                   | -                | 93,318                                      | 93,318                                  |
| Total Liabilities   | <u>59,497</u>       | <u>-</u>            | <u>387,323</u>   | <u>95,224</u>                               | <u>542,044</u>                          |
| Deferred Inflows of Resources:  |                     |                     |                  |   |   |
| Tax Levy  | 693,060             | 220,541             | 56,623           | 64,346                                      | 1,034,570                               |
| Special Assessments   | -                   | 10,737              | -                | -   | 10,737                                  |
| Lease   | 195,730             | -                   | -                | 11,552                                      | 207,282                                 |
| Total Deferred Inflows of Resources   | <u>888,790</u>      | <u>231,278</u>      | <u>56,623</u>    | <u>75,898</u>                               | <u>1,252,589</u>                        |
| Fund Balances (Deficit):  |                     |                     |                  |   |   |
| Nonspendable  | 362,288             | -                   | -                | -   | 362,288                                 |
| Restricted  | -                   | 20,369              | -                | 212,963                                     | 233,332                                 |
| Assigned  | 324,352             | -                   | -                | -   | 324,352                                 |
| Unassigned (Deficit)  | 365,315             | -                   | (421,475)        | -   | (56,160)                                |
| Total Fund Balances (Deficit)   | <u>1,051,955</u>    | <u>20,369</u>       | <u>(421,475)</u> | <u>212,963</u>                              | <u>863,812</u>                          |
| Total Liabilities, Deferred Inflows of Resources<br>and Fund Balances (Deficit) | <u>\$ 2,000,242</u> | <u>\$ 251,647</u>   | <u>\$ 22,471</u> | <u>\$ 384,085</u>                           | <u>\$ 2,658,445</u>                     |

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

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

|  |            |
|--|------------|
| Total fund balance, governmental funds | \$ 863,812 |
|--|------------|

Amounts reported for governmental activities in the Statement of Net Position are different because:

|   |           |
|---|-----------|
| Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position. | 4,425,200 |
|---|-----------|

|   |           |
|---|-----------|
| Land held for resale used in governmental activities is not current financial resources and therefore, is not reported in the fund financial statements, but is reported in the governmental activities of the Statement of Net Position. | 1,050,890 |
|---|-----------|

|  |        |
|--|--------|
| Special assessments set up for installment are reported as revenue in the Statement of Net Position when earned, but they are recorded as deferred inflows in the fund financial statements. | 10,737 |
|--|--------|

|   |         |
|---|---------|
| The net pension asset is not a current financial resource and is, therefore, not reported in the fund statements. | 112,231 |
|---|---------|

|  |           |
|--|-----------|
| The net OPEB liabilities are not due and payable in the current period and, therefore, are either deferred or not reported in the funds. | (127,233) |
|--|-----------|

Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension plan and group life insurance plan. These items are reflected in the Statement of Net Position and are being amortized with pension expense and life insurance expense in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and, therefore, not reported in the fund statements.

|                                |           |
|--------------------------------|-----------|
| Deferred outflows of resources | 282,733   |
| Deferred inflows of resources  | (299,238) |

Some liabilities, (such as General Obligation Debt and Accrued Interest), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.

|  |             |              |
|--|-------------|--------------|
| Accrued interest   | (35,322)    |              |
| Long term debt - Current portion   | (154,961)   |              |
| Long term debt   | (3,329,490) |              |
| Compensated Absences - Current   | (3,041)     |              |
| Compensated Absences - Long-Term   | (28,301)    |              |
| Total  | (3,551,115) |              |
| Net Position of Governmental Activities in the Statement of Net Position |             | \$ 2,768,017 |

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

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

|   | <b>General Fund</b> | <b>Debt Service</b> | <b>TIF #2</b>       | <b>Non-Major<br/>Governmental<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|---|---------------------|---------------------|---------------------|---|---|
| <b>REVENUES</b>                                   |                     |                     |                     |   |   |
| Taxes   | \$ 657,448          | \$ 321,677          | \$ 53,860           | \$ 65,274                                   | \$ 1,098,259                            |
| Special Assessment Revenue                        | -                   | 2,333               | -                   | -   | 2,333                                   |
| Intergovernmental                                 | 309,797             | -                   | 63                  | 49,575                                      | 359,435                                 |
| License and Permits                               | 56,351              | -                   | -                   | -   | 56,351                                  |
| Fines, Forfeits and Penalties                     | 2,170               | -                   | -                   | -   | 2,170                                   |
| Public Charges for Services                       | 120,578             | -                   | -                   | 5,202                                       | 125,780                                 |
| Interest Income                                   | 33,334              | 301                 | -                   | 679   | 34,314                                  |
| Miscellaneous Income                              | 49,760              | -                   | 1,299               | 12,555                                      | 63,614                                  |
| Total Revenues                                    | <u>1,229,438</u>    | <u>324,311</u>      | <u>55,222</u>       | <u>133,285</u>                              | <u>1,742,256</u>                        |
| <b>EXPENDITURES</b>                               |                     |                     |                     |   |   |
| Current:  |                     |                     |                     |   |   |
| General Government                                | 219,348             | -                   | 850                 | 52,860                                      | 273,058                                 |
| Public Safety                                     | 493,356             | -                   | -                   | -   | 493,356                                 |
| Public Works                                      | 307,683             | -                   | -                   | -   | 307,683                                 |
| Health and Human Services                         | -                   | -                   | -                   | 6,764                                       | 6,764                                   |
| Culture, Recreation and Education                 | 73,092              | -                   | -                   | -   | 73,092                                  |
| Conservation and Development                      | 12,902              | -                   | 3,698               | 52,164                                      | 68,764                                  |
| Capital Outlay                                    | 41,514              | -                   | 116,444             | 13,500                                      | 171,458                                 |
| Debt Service:                                     |                     |                     |                     |   |   |
| Principal Repayment                               | -                   | 277,466             | -                   | -   | 277,466                                 |
| Interest Expense                                  | -                   | 70,138              | 23,821              | -   | 93,959                                  |
| Total Expenditures                                | <u>1,147,895</u>    | <u>347,604</u>      | <u>144,813</u>      | <u>125,288</u>                              | <u>1,765,600</u>                        |
| Excess (Deficiency) of Revenues Over Expenditures | <u>81,543</u>       | <u>(23,293)</u>     | <u>(89,591)</u>     | <u>7,997</u>                                | <u>(23,344)</u>                         |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                     |                     |                     |   |   |
| Proceeds from Sale of Capital Assets              | 24,854              | -                   | -                   | -   | 24,854                                  |
| Proceeds from Long-Term Debt                      | -                   | -                   | -                   | 1,541                                       | 1,541                                   |
| Transfers In                                      | 54,125              | -                   | -                   | -   | 54,125                                  |
| Total Other Financing Sources and Uses            | <u>78,979</u>       | <u>-</u>            | <u>-</u>            | <u>1,541</u>                                | <u>80,520</u>                           |
| Net Change in Fund Balances                       | 160,522             | (23,293)            | (89,591)            | 9,538                                       | 57,176                                  |
| Fund Balances (Deficit) - Beginning               | 891,433             | 43,662              | (331,884)           | 203,425                                     | 806,636                                 |
| Fund Balances (Deficit) - Ending                  | <u>\$ 1,051,955</u> | <u>\$ 20,369</u>    | <u>\$ (421,475)</u> | <u>\$ 212,963</u>                           | <u>\$ 863,812</u>                       |

See accompanying notes to the basic financial statements

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

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

|   |    |        |
|---|----|--------|
| Net change in fund balances - total governmental funds: | \$ | 57,176 |
|---|----|--------|

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

|  |  |        |
|--|--|--------|
| This is the amount of capital outlays (\$145,105) net of depreciation (\$125,974) in the current period. |  | 19,131 |
|--|--|--------|

|  |  |         |
|--|--|---------|
| The Statement of Activities reports gains (losses) arising from the disposal of existing capital assets. Gains (losses) on disposal of capital assets do not appear in the governmental funds. Thus, the change in net position differs from the change in fund balance. |  | (8,848) |
|--|--|---------|

|   |  |         |
|---|--|---------|
| Governmental funds record special assessment revenues when available and collectible. In contrast, such revenues are reported in the Statement of Activities when earned. |  | (1,996) |
|---|--|---------|

Governmental funds report debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.

|                |  |         |
|----------------|--|---------|
| Debt proceeds  |  | (1,541) |
| Debt repayment |  | 277,466 |

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

|  |  |         |
|--|--|---------|
| Increase in accrued interest not reflected on governmental funds |  | (4,838) |
| Compensated absences not reflected on governmental funds         |  | (5,901) |

Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plans.

Pension expense in the Statement of Activities is actuarially determined by the defined benefit pension plan as the difference between the net pension asset from the prior year to the current year, with some adjustments:

|   |  |        |
|---|--|--------|
| Amount of current year required contributions into the defined benefit pension plan |  | 12,628 |
| Actuarially determined change in net pension asset between years, with adjustments  |  | 780    |

Governmental funds report OPEB expenses when amounts are paid. The Statement of Activities reports values of benefits earned during the year.

|   |  |         |
|---|--|---------|
| Change in OPEB - group life insurance plan liability and related deferred outflows and inflows of resources |  | (4,887) |
|---|--|---------|

|   |  |       |
|---|--|-------|
| Change in OPEB - group health insurance plan liability and related deferred outflows of resources |  | 1,900 |
|---|--|-------|

|   |    |         |
|---|----|---------|
| Change in net position of governmental activities | \$ | 341,070 |
|---|----|---------|

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2022**

|   | <b>Enterprise Funds</b> |                     |                     |
|---|-------------------------|---------------------|---------------------|
|   | <b>Water</b>            | <b>Sewer</b>        | <b>Total</b>        |
| <b>ASSETS</b>                                   |                         |                     |                     |
| Current Assets:                                 |                         |                     |                     |
| Cash and Cash Equivalents                       | \$ 369,768              | \$ 82,247           | \$ 452,015          |
| Receivables:                                    |                         |                     |                     |
| Accounts  | 17,847                  | 64,812              | 82,659              |
| Lease   | 26,263                  | -                   | 26,263              |
| Other   | 318                     | -                   | 318                 |
| Total Current Assets                            | <u>414,196</u>          | <u>147,059</u>      | <u>561,255</u>      |
| Non-Current Assets:                             |                         |                     |                     |
| Lease Receivable                                | <u>69,040</u>           | <u>-</u>            | <u>69,040</u>       |
| Total Current Assets                            | <u>69,040</u>           | <u>-</u>            | <u>69,040</u>       |
| Restricted Assets:                              |                         |                     |                     |
| Restricted Cash and Cash Equivalents            | 5,718                   | 583,124             | 588,842             |
| Net Pension Asset                               | <u>50,674</u>           | <u>53,589</u>       | <u>104,263</u>      |
| Total Restricted Assets                         | <u>56,392</u>           | <u>636,713</u>      | <u>693,105</u>      |
| Capital Assets:                                 |                         |                     |                     |
| Land and Improvements                           | 33,432                  | 139,671             | 173,103             |
| Construction Work in Progress                   | 22,713                  | -                   | 22,713              |
| Other Capital Assets                            | 3,366,368               | 7,488,359           | 10,854,727          |
| Less: Accumulated Depreciation                  | <u>(995,673)</u>        | <u>(2,601,383)</u>  | <u>(3,597,056)</u>  |
| Net Capital Assets                              | <u>2,426,840</u>        | <u>5,026,647</u>    | <u>7,453,487</u>    |
| Total Assets                                    | <u>2,966,468</u>        | <u>5,810,419</u>    | <u>8,776,887</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>           |                         |                     |                     |
| Deferred Pension Outflows                       | <u>96,495</u>           | <u>102,046</u>      | <u>198,541</u>      |
| Total Deferred Outflows of Resources            | <u>96,495</u>           | <u>102,046</u>      | <u>198,541</u>      |
| Total Assets and Deferred Outflows of Resources | <u>\$ 3,062,963</u>     | <u>\$ 5,912,465</u> | <u>\$ 8,975,428</u> |

See accompanying notes to the basic financial statements

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2022**

|   | <b>Enterprise Funds</b> |                     |                     |
|---|-------------------------|---------------------|---------------------|
|   | <b>Water</b>            | <b>Sewer</b>        | <b>Total</b>        |
| <b>LIABILITIES</b>  |                         |                     |                     |
| Current Liabilities:  |                         |                     |                     |
| Accounts Payable  | \$ 915                  | \$ 5,884            | \$ 6,799            |
| Accrued Liabilities   | 2,419                   | 3,053               | 5,472               |
| Accrued Interest Payable  | 2,438                   | 8,851               | 11,289              |
| Current Portion of Compensated Absences                           | 1,328                   | 1,347               | 2,675               |
| Current Portion of Bonds and Loans Payable                        | 15,000                  | 250,480             | 265,480             |
| Total Current Liabilities   | <u>22,100</u>           | <u>269,615</u>      | <u>291,715</u>      |
| Non-Current Liabilities:  |                         |                     |                     |
| Long-Term Debt:   |                         |                     |                     |
| G.O. and Revenue Bonds Payable                                    | 260,000                 | 1,553,694           | 1,813,694           |
| Total Long-Term Debt  | <u>260,000</u>          | <u>1,553,694</u>    | <u>1,813,694</u>    |
| Other Liabilities:  |                         |                     |                     |
| Compensated Absences  | 15,361                  | 15,496              | 30,857              |
| Total Other Liabilities   | <u>15,361</u>           | <u>15,496</u>       | <u>30,857</u>       |
| Total Non-Current Liabilities                                     | <u>275,361</u>          | <u>1,569,190</u>    | <u>1,844,551</u>    |
| Total Liabilities   | <u>297,461</u>          | <u>1,838,805</u>    | <u>2,136,266</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                              |                         |                     |                     |
| Deferred Pension Inflows  | 119,714                 | 126,600             | 246,314             |
| Lease   | 92,379                  | -                   | 92,379              |
| Total Deferred Inflows of Resources                               | <u>212,093</u>          | <u>126,600</u>      | <u>338,693</u>      |
| <b>NET POSITION</b>   |                         |                     |                     |
| Net Investment in Capital Assets                                  | 2,151,840               | 3,222,473           | 5,374,313           |
| Restricted:   |                         |                     |                     |
| Replacement   | -                       | 579,406             | 579,406             |
| Impact Fees   | 5,718                   | -                   | 5,718               |
| Redemption  | -                       | 3,718               | 3,718               |
| Net Pension Asset   | 50,674                  | 53,589              | 104,263             |
| Unrestricted  | 345,177                 | 87,874              | 433,051             |
| Total Net Position  | <u>2,553,409</u>        | <u>3,947,060</u>    | <u>6,500,469</u>    |
| Total Liabilities, Deferred Inflows of Resources and Net Position | <u>\$ 3,062,963</u>     | <u>\$ 5,912,465</u> | <u>\$ 8,975,428</u> |

See accompanying notes to the basic financial statements

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**

**For the Year Ended December 31, 2022**

|  | <b>Enterprise Funds</b>    |                            |                            |
|--|----------------------------|----------------------------|----------------------------|
|  | <b>Water</b>               | <b>Sewer</b>               | <b>Total</b>               |
| <b>OPERATING REVENUES</b>                        |                            |                            |                            |
| Charges for Services                             | \$ 277,949                 | \$ 562,142                 | \$ 840,091                 |
| Other Operating Revenues                         | 6,451                      | 47,258                     | 53,709                     |
| Total Operating Revenues                         | <u>284,400</u>             | <u>609,400</u>             | <u>893,800</u>             |
| <b>OPERATING EXPENSES</b>                        |                            |                            |                            |
| Operation and Maintenance                        | 188,231                    | 266,903                    | 455,134                    |
| Depreciation                                     | 64,825                     | 228,277                    | 293,102                    |
| Total Operating Expenses                         | <u>253,056</u>             | <u>495,180</u>             | <u>748,236</u>             |
| Operating Income (Loss)                          | <u>31,344</u>              | <u>114,220</u>             | <u>145,564</u>             |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>         |                            |                            |                            |
| Interest and Investment Revenue                  | 7,803                      | 8,657                      | 16,460                     |
| Miscellaneous Non-Operating Revenue              | 30,858                     | -                          | 30,858                     |
| Interest Expense                                 | (8,976)                    | (51,781)                   | (60,757)                   |
| Total Non-Operating Revenues (Expenses)          | <u>29,685</u>              | <u>(43,124)</u>            | <u>(13,439)</u>            |
| Income (Loss) Before Transfers and Special Items | <u>61,029</u>              | <u>71,096</u>              | <u>132,125</u>             |
| Capital Contributions - Municipality             | 22,713                     | -                          | 22,713                     |
| Capital Contributions - Developers               | 7,250                      | -                          | 7,250                      |
| Capital Contributions - Impact Fees              | 19,912                     | -                          | 19,912                     |
| Transfers In                                     | -                          | 20,000                     | 20,000                     |
| Transfers Out                                    | <u>(74,125)</u>            | <u>-</u>                   | <u>(74,125)</u>            |
| Change in Net Position                           | 36,779                     | 91,096                     | 127,875                    |
| Net Position - Beginning                         | <u>2,516,630</u>           | <u>3,855,964</u>           | <u>6,372,594</u>           |
| Net Position - Ending                            | <u><u>\$ 2,553,409</u></u> | <u><u>\$ 3,947,060</u></u> | <u><u>\$ 6,500,469</u></u> |

See accompanying notes to the basic financial statements

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Combining Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2022**

|  | <u>Water</u>      | <u>Sewer</u>      | <u>Total</u>        |
|--|-------------------|-------------------|---------------------|
| <u>Cash Flows from Operating Activities:</u>                         |                   |                   |                     |
| Receipts from customers  | \$ 283,132        | \$ 604,995        | \$ 888,127          |
| Payments to suppliers  | (79,508)          | (144,492)         | (224,000)           |
| Payments to employees  | (101,844)         | (107,981)         | (209,825)           |
| Taxes paid   | (59,776)          | (5,987)           | (65,763)            |
|  | <u>42,004</u>     | <u>346,535</u>    | <u>388,539</u>      |
| Net cash provided (used) by operating activities                     |                   |                   |                     |
| <u>Cash Flows from Capital and Related Financing Activities:</u>     |                   |                   |                     |
| Acquisition and construction of plant assets                         | (9,280)           | -                 | (9,280)             |
| Impact fees  | 19,912            | -                 | 19,912              |
| Principal payments on long-term debt                                 | (49,519)          | (245,334)         | (294,853)           |
| Interest paid  | (9,419)           | (52,908)          | (62,327)            |
|  | <u>(48,306)</u>   | <u>(298,242)</u>  | <u>(346,548)</u>    |
| Net cash provided (used) by capital and related financing activities |                   |                   |                     |
| <u>Cash Flows from Investing Activities:</u>                         |                   |                   |                     |
| Interest income  | 7,803             | 8,657             | 16,460              |
|  | <u>7,803</u>      | <u>8,657</u>      | <u>16,460</u>       |
| Net cash provided (used) by investing activities                     |                   |                   |                     |
| Net increase (decrease) in cash and equivalents                      | 1,501             | 56,950            | 58,451              |
| <u>Cash and Equivalents, Beginning of year</u>                       | <u>373,985</u>    | <u>608,421</u>    | <u>982,406</u>      |
| <u>Cash and Equivalents, End of year</u>                             | <u>\$ 375,486</u> | <u>\$ 665,371</u> | <u>\$ 1,040,857</u> |
| <u>Reconciliation to Balance Sheet</u>                               |                   |                   |                     |
| Cash and cash equivalents  | \$ 369,768        | \$ 82,247         | \$ 452,015          |
| Restricted cash  | 5,718             | 583,124           | 588,842             |
| Total  | <u>\$ 375,486</u> | <u>\$ 665,371</u> | <u>\$ 1,040,857</u> |

See accompanying notes to the basic financial statements



**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Combining Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2022**

|  | <u>Water</u>     | <u>Sewer</u>      | <u>Total</u>      |
|--|------------------|-------------------|-------------------|
| <b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b> |                  |                   |                   |
| Operating Income (loss)  | \$ 31,344        | \$ 114,220        | \$ 145,564        |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:       |                  |                   |                   |
| Tax equivalent transfer  | (54,125)         | -                 | (54,125)          |
| Joint meter allocation   | 3,626            | (3,626)           | -                 |
| Operating transfer   | (20,000)         | 20,000            | -                 |
| Miscellaneous non-operating revenues (expenses)  | 30,858           | -                 | 30,858            |
| Depreciation   | 64,825           | 228,277           | 293,102           |
| Pension expenses   | (12,290)         | (13,271)          | (25,561)          |
| Changes in Assets and Liabilities:   |                  |                   |                   |
| Customer accounts receivable   | (939)            | (4,405)           | (5,344)           |
| Other accounts receivable  | (329)            | -                 | (329)             |
| Leases   | (2,924)          | -                 | (2,924)           |
| Accounts payable   | (457)            | 2,175             | 1,718             |
| Accrued liabilities  | (400)            | 304               | (96)              |
| Compensated absences   | 2,815            | 2,861             | 5,676             |
| Net cash provided (used) by operating activities   | <u>\$ 42,004</u> | <u>\$ 346,535</u> | <u>\$ 388,539</u> |
| <br>Noncash Capital and Related Financing  |                  |                   |                   |
| Capital Contributions - Plant financed by Village  | \$ 22,713        | \$ -              | \$ 22,713         |
| Capital Contributions - Plant financed by Developers   | 7,250            | -                 | 7,250             |
| Total Noncash Capital and Related Financing  | <u>\$ 29,963</u> | <u>\$ -</u>       | <u>\$ 29,963</u>  |

See accompanying notes to the basic financial statements

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Statement of Net Position**  
**Fiduciary Funds**  
**December 31, 2022**

|                           | <u><b>Custodial Fund</b></u>      |
|---------------------------|-----------------------------------|
|                           | <u><b>Tax Collection Fund</b></u> |
| <b>ASSETS</b>             |                                   |
| Cash and Cash Equivalents | \$ 1,233,717                      |
| Taxes Receivable          | 811,894                           |
| Total Assets              | <u>\$ 2,045,611</u>               |
| <b>LIABILITIES</b>        |                                   |
| Due to Other Governments  | \$ 2,045,611                      |
| Total Liabilities         | <u>\$ 2,045,611</u>               |

See accompanying notes to the basic financial statements

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Statement of Changes in Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2022**

|   | <u><b>Custodial Fund</b></u>      |
|---|-----------------------------------|
|   | <u><b>Tax Collection Fund</b></u> |
| <b>ADDITIONS</b>                                  |                                   |
| Property tax collections for other governments    | \$ 1,512,184                      |
| Total Additions                                   | <u>1,512,184</u>                  |
| <b>DEDUCTIONS</b>                                 |                                   |
| Payments of taxes to other governments            | <u>1,512,184</u>                  |
| Total Deductions                                  | <u>1,512,184</u>                  |
| Net increase (decrease) in fiduciary net position | -                                 |
| Net position - Beginning                          | <u>-</u>                          |
| Net position - Ending                             | <u><u>\$ -</u></u>                |

See accompanying notes to the basic financial statements

**VILLAGE OF BROOKLYN  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2022**

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**1. Summary of Significant Accounting Policies**

The accounting policies of the Village of Brooklyn, Wisconsin conform to U.S. generally accepted accounting principles as applicable to governmental units.

**A. Reporting Entity**

The Village of Brooklyn, Wisconsin is a municipal corporation governed by an elected seven-member board. The financial reporting entity consists of: (a) the primary government; (b) organizations for which the primary government is financially accountable; and (c) other organizations for which the nature and significance of their relationship with the primary government resource that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. This report does not contain any component units.

**B. Government-Wide and Fund Financial Statements**

The "government-wide" financial statements are basic financial statements required for all governmental units. The Statement of Net Position and the Statement of Activities are the two required statements. Both statements are prepared on the full accrual basis. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

In addition, all funds in the government-wide financial statements are reported as business-type activities, or governmental activities. The definitions for these types of activities are discussed in other portions of Note 1.

Finally, all non-fiduciary funds are further classified as major or non-major funds. In reporting financial condition and results of operations for governmental units, the accounting standards concentrate on major funds versus non-major funds.

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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- 1. Summary of Significant Accounting Policies (Continued)**
- B. Government-Wide and Fund Financial Statements (Continued)**

**Government-Wide Financial Statements**

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

**Fund Financial Statements**

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

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

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

The Village reports the following major governmental funds:

**Major Governmental Funds**

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

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

TIF #2 – used to account for the Village’s expenditures outlined in the TIF project plan and related revenues and proceeds from long-term borrowing. The TIF was certified as of January 1, 2013.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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- 1. Summary of Significant Accounting Policies (Continued)**
- B. Government-Wide and Fund Financial Statements (Continued)**

**Major Enterprise Funds**

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

Water Utility – accounts for the operations of the water system.  
Sewer Utility – accounts for the operations of the sewer system.

**Fiduciary Funds**

Fiduciary funds consist of pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments. A fund is presented as a fiduciary fund when all of the following criteria are met: a) The government *controls* the assets that finance the activity, b) Assets are *not* generated from the *government's own-source revenues* or from government-mandated or voluntary nonexchange transactions, c) Assets are administered through a *qualifying trust* or the government does *not* have *administrative involvement* and the assets are *not* generated from the *government's delivery of goods or services* to the beneficiaries, *or* the assets are for the benefit of *entities that are not part of the government's reporting entity*.

The Village reports the following fiduciary funds:

Custodial Funds - used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The Village accounts for tax collections payable to overlying taxing jurisdictions in a custodial fund.

**Non-Major Funds**

The Village reports the following non-major funds:

TIF #1 – used to account for the Village's expenditures outlined in the TIF project plan and related revenues and proceeds from long-term borrowing.

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

Cemetery Fund – a special revenue fund used to account for proceeds that are restricted to expenditures that are for a specified purpose.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**1. Summary of Significant Accounting Policies (Continued)**  
**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

**Government-Wide Financial Statements**

The government-wide Statement of Net Position and Statement of Activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue when earned.

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

**Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts owed to the Village, which are not available, are recorded as receivables and deferred inflows. Amounts received prior to the entitlement period are also recorded as deferred inflows.

Special assessments are recognized as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows. Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the general fund.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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- 1. Summary of Significant Accounting Policies (Continued)**
- C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

**Fund Financial Statements (Continued)**

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

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

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting, as described previously in this note. The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the water and sewer utilities are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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



**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**1. Summary of Significant Accounting Policies (Continued)**  
**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity**

**1) Deposits and Investments**

The Village is required to invest its funds in accordance with Section 66.04(2) of the Wisconsin Statutes. Such statute authorizes the Village to invest any of its funds not immediately needed in:

- (1) Deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in this State;
- (2) Bonds or securities issued or guaranteed by the federal government;
- (3) Bonds or securities of any county, city, village, town, drainage district, VTAE district, or school district of this State. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district or by the University of Wisconsin Hospitals, Clinics Authority and the Wisconsin Aerospace Authority;
- (4) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven 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 investor service or other 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;
- (5) Bonds or securities issued under the authority of the municipality;
- (6) The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes;
- (7) Agreements in which a public depository agrees to repay funds advanced to it by the Village, plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.

Also, funds held in a deferred compensation plan, cemetery perpetual care funds or endowment funds, including gifts, where the principal is to be kept intact may be invested under provisions of Section 881.01 of the Wisconsin Statutes (prudent person rule).

The Village has adopted an investment policy. That policy follows the state statute for allowable investments. The policy does not address custodial credit risk, credit risk, or interest rate risk.

Investments of the Village are stated at fair value.

No significant violation for these restrictions occurred during the year.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**1. Summary of Significant Accounting Policies (Continued)**  
**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity (Continued)**

**2) Cash and Cash Equivalents/Investments**

The Village has pooled the cash resources of its funds in order to maximize investment opportunities. Each fund's portion of total cash and investments is reported as cash and cash equivalents/investments by the Village's individual major funds, and in the aggregate for non-major and agency funds.

All deposits of the Village are made in board designated official depositories. The Village may designate, as an official depository, any bank or savings association. Also, the Village may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

Investments with remaining maturities at the time of purchase of one year or less are stated at amortized cost which approximates fair value. Investments with a maturity of more than one year at acquisition and nonmoney market investments are carried at fair value as determined by quoted market prices. All other investments are stated at fair value.

See Footnote 2 for additional information.

For purposes of the proprietary fund Statement of Cash Flows, the Village considers all highly liquid investments, with a maturity of less than three months, when purchased, to be cash equivalents. This consists of current cash and investments. Cash and cash equivalents for the water and sewer funds are \$375,486 and \$665,371, respectively.

**3) Taxes Receivable**

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach as an enforceable lien as of January 1. The Village's portion of taxes not received as of December 31, 2022 is recorded as a receivable and deferred inflows in the governmental funds. In addition to the property taxes for the Village, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units in the accompanying custodial fund balance sheet. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar – 2022 tax roll

|                                 |                  |
|---------------------------------|------------------|
| Lien date and levy date         | December, 2022   |
| Tax Bills mailed                | December, 2022   |
| Payment in full, or             | January 31, 2023 |
| First installment due           | January 31, 2023 |
| Second installment due          | July 31, 2023    |
| Personal property taxes in full | January 31, 2023 |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**1. Summary of Significant Accounting Policies (Continued)**  
**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity (Continued)**

**4) Allowance for Uncollectible Accounts**

Accounts receivable have been shown net of an allowance for uncollectible accounts of \$3,350. Delinquent real estate taxes and special charges as of July 31 are paid in full by Green County, which assumes the collection thereof. Dane County does not pay a settlement for special charges or delinquent utilities. No provision for uncollectible accounts receivable has been made for delinquent water and sewer billings because the utilities have the right by law to place delinquent bills on the tax roll.

**5) Special Assessments**

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. Special assessments of enterprise funds are recorded as non-operating revenue at the time of assessment, if subject to collection. Special assessments, those not subject to collection, are recorded as a deferred inflow until such time they are subject to collection.

Uncollected installments placed on prior year tax rolls are held for collection by the County and are remitted to the Village upon collection by the County. These delinquent installments are financed by the general fund.

**6) Inventories and Prepaid Items**

Inventories of proprietary funds are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost using the weighted average method and are charged to construction and/or operation and maintenance expense when used. Governmental fund inventory items are recorded at cost based on the average cost method using the consumption method of accounting.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**7) Restricted Assets**

The use of certain cash and investment accounts is restricted by loan agreements and ordinances. The restricted accounts are as follows at December 31, 2022:

|                     | <u>Water Utility</u> | <u>Sewer Utility</u> |
|---------------------|----------------------|----------------------|
| Redemption Account  | \$ -                 | \$ 3,718             |
| Impact Fees         | 5,718                | -                    |
| Replacement Account | <u>-</u>             | <u>579,406</u>       |
| Total               | <u>\$ 5,718</u>      | <u>\$ 583,124</u>    |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**1. Summary of Significant Accounting Policies (Continued)**  
**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity (Continued)**

**8) Capital Assets**

**Government-Wide Statements**

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$10,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated acquisition value at the date of donation.

Prior to January 2004, infrastructure assets of governmental funds were not capitalized. Upon implementing GASB 34, governmental units are required to account for all capital assets, including infrastructure, in the government-wide statements prospectively from the date of implementation. For the year ended December 31, 2022, the Village has not retroactively reported all infrastructure acquired by its governmental fund types.

General Fixed Assets - Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund from which the disbursements are made. Generally accepted accounting principles require that these fixed assets be capitalized at cost in the government-wide financial statements. Contributed fixed assets are to be recorded in the government-wide financial statements at acquisition value at the time received.

Depreciation on governmental fixed assets is calculated straight-line based on the estimated useful life of assets. The estimated useful life of assets is determined by industry standards as recommended by GASB.

Proprietary Fund Fixed Assets - Assets in the enterprise fund are capitalized at cost or fair value at date of contribution or acquisition. Normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining lives of the related assets. Net interest costs incurred for long-term debt issued for construction purposes is capitalized during the period of construction. Net interest cost consists of interest expense on long-term debt proceeds. No interest was capitalized in 2022.

Depreciation is charged over the estimated service life of the assets using the straight-line method. Annual depreciation charges are determined using the average utility plant in service and rates ranging from 1.0% to 26.70% for the water utility and from 1.0% to 20.0% for the sewer utility, depending on the various classes of property, in the respective utilities.

**9) Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**1. Summary of Significant Accounting Policies (Continued)**  
**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity**  
**(Continued)**

**10) Other Post-Employment Benefits (OPEB)**

**Group Life Insurance Plan**

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

**Group Health Insurance Plan**

The Village has their health insurance through the Employee Trust Fund (ETF). The ETF health plan allows all retirees who are eligible for the WRS to choose to self-pay the full (100%) amount of premiums to remain on the Village's group health insurance plan indefinitely, provided they continue to pay all required premiums. The Village's group health insurance plan OPEB liability is based upon the actuarial assumptions and projections. The Village's annual liability for retiree medical benefits is on a pay-as-you-go basis. See Note 8 for additional information.

**11) Compensated Absences**

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

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

Upon retirement, an employee shall be entitled to payment, at the employee's current wage rate, of their accumulated sick leave hours for the sole purpose of paying employee's full premium of Village-offered health insurance after retirement. Upon the termination of an employee's employment with the Village, other than retirement, employee shall forfeit all accrued sick leave. An employee may accrue no more than 960 hours of sick leave. Employee can also carry over up to forty hours of vacation time to next calendar year. The vacation time carried over not used by June 30 of the following year will be forfeited by the employee as time off but will be paid out on the first pay period in July. Upon separation of employment, any accrued vacation will be paid to the employee on their last paycheck barring any reason that such payment should be withheld as determined by the Village Board.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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- 1. Summary of Significant Accounting Policies (Continued)**  
**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity (Continued)**

**12) Long-Term Obligations**

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bond payable, and accrued compensated absences. All short-term and long-term obligations expected to be financed from proprietary fund type operations are accounted for as those fund liabilities.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as “Other Financing Sources” in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure of the debt service fund in the year in which the debt matures or is repaid, whichever is earlier.

**13) Deferred Outflows and Inflows of Resources**

Deferred outflow of resources represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred inflow of resources represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

**14) Equity Classifications**

**Government-Wide Statements**

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

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

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

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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- 1. Summary of Significant Accounting Policies (Continued)**
- D. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position or Equity (Continued)**
- 14 Equity Classifications (Continued)**

**Fund Financial Statements**

Government fund equity is classified as fund balance.

In the fund financial statements, governmental fund balance is presented in five possible categories:

**Nonspendable** – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.

**Restricted** – resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

**Committed** – resources which are subject to limitation the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

**Assigned** – resources neither restricted nor committed for which a government has a stated intended use as established by the Village Board or a body or official to which the Village Board has delegated the authority to assign amounts for specific purposes.

**Unassigned** – resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

When restricted and other fund balance resources are available for use, it is the Village's policy to use restricted resources first, followed by committed, assigned, and unassigned amounts, respectively. The Village also adopted a policy to maintain an unassigned General Fund balance at a minimum of 25% of the ensuing year's budgeted general fund expenditures. An amount in excess of 30% is to be considered for reservation to accumulate funding for capital projects and equipment, or to reduce the tax levy requirements.

**15 Land Held for Resale**

The government-wide financial statements include land held for resale. This represents the original cost of land purchased by the Village's TIF #2 and held for resale in the future.

**16 Claims and Judgments**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. There were no significant claims or judgments at year-end requiring accrual.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**1. Summary of Significant Accounting Policies (Continued)**  
**E. Deficit Balances**

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

As of December 31, 2022, the following individual fund held a deficit balance:

| <b>Fund</b> | <b>Amount</b> | <b>Reason</b>                     |
|-------------|---------------|-----------------------------------|
| TIF #2      | \$ (421,475)  | Expenditures in excess of Revenue |

The TIF #2 deficit is anticipated to be replenished with future tax increments.

**F. Utility Rates – Enterprise Funds**

The Village of Brooklyn Sewer Utility operates under service rules which are established by the Village Board. The Water Utility operates under service rules which are established by the Public Service Commission of Wisconsin. Water rate charges are regulated by the Public Service Commission. Billings are made to customers on a monthly basis for water and sewer service.

**G. Income Taxes**

The Village of Brooklyn Water and Sewer Utilities are municipal utilities. Municipal utilities are exempt from income taxes and therefore no income tax liability is recorded.

**H. Budgetary Information**

The Village's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. Budgetary expenditure control is exercised at the individual account level.

Budget amounts include appropriations authorized in the original budget, any board approved amendments, appropriations of restricted resources received for funding specific expenditures and assigned portions of the beginning balance of the general fund's equity expected to finance expenditures of the current fiscal year. Unused appropriations lapse at year-end unless specifically carried over for financing subsequent year expenditures.



**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**1. Summary of Significant Accounting Policies (Continued)**

**I. Inter-fund Transactions**

The following inter-fund transactions were incurred:

The water utility is charged a tax equivalent due to the general fund. Charges for the tax equivalent are recorded as operating transfers in the general fund and water utility. In 2022, the transfer was \$54,125.

In 2022, the water utility also made an annual operating transfer to the sewer fund of \$20,000.

The sewer utility pays an annual meter use charge to the water utility in accordance with requirements of the Public Service Commission. The annual charge is recorded as an operating expense of the sewer utility and as a reduction of various operating expenses and as operating revenue of the water utility based on the components of the charge.

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

**J. Limitations on the Village's Tax Levy**

The State has passed current legislation that limits the Village's future tax levies. Generally, the Village is limited to its prior tax levy dollar amount (excluding TIF districts), increased by the greater of the percentage change in the Village's equalized value due to new construction, or 0% for the 2021-2022 tax year. Changes in debt service from one year to the next are generally exempt from this limit.

**K. Change in Accounting Principle**

Effective January 1, 2022, the Village adopted GASB statement No. 87, *Leases*. GASB No. 87 replaces previous lease accounting methodology and established a single model for lease accounting based on the foundation principle that leases are a financing right to use an underlying asset. GASB No.87 requires recognition of certain lease assets and liabilities for lessee agreements and lease receivables and deferred inflows of resources for lessor agreements.

Effective January 1, 2022, the Village recorded lease receivable and deferred inflows of resources of \$249,117 for governmental activities and \$120,093 for business-type activities. These have no effect on the beginning balances on the statement of activities.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**2. Cash and Cash Equivalents/Investments**

Cash for all Village funds is pooled for investment purposes. At December 31, 2022, the cash and investments consist of the following:

|                                      |                     |
|--------------------------------------|---------------------|
| Deposits with Financial Institutions | \$ 3,924,699        |
| Total Cash and Investments           | <u>\$ 3,924,699</u> |

Cash and investments as of December 31, 2022 are classified in the accompanying financial statements as follows:

|                                 |                     |
|---------------------------------|---------------------|
| Statement of Net Position:      |                     |
| Cash and Investments            | \$ 2,102,140        |
| Restricted Cash and Investments | 588,842             |
| Fiduciary Funds:                |                     |
| Cash and Investments            | <u>1,233,717</u>    |
| Total Cash and Investments      | <u>\$ 3,924,699</u> |

Custodial Credit Risk

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

Deposits in banks are insured by the FDIC in the amount of \$250,000 for demand accounts and \$250,000 for time accounts. Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. Due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities.

As of December 31, 2022, the Village had no deposits with financial institutions that were in excess of federal and state deposit insurance or collateral agreements. The Villages deposits with financial institutions were as follows:

|   |                     |
|---|---------------------|
| Insured by Federal Deposit Insurance Corporation                            | \$ 530,820          |
| Collateralized Held by Pledging Financial Institution in the Village's Name | 1,695,887           |
| Covered by Irrevocable Letter of Credit                                     | <u>932,796</u>      |
| Total Deposits with Financial Institutions                                  | <u>\$ 3,159,503</u> |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**3. Leases as Lessor**

The Village has entered into three lease arrangements where the Village is the lessor. In the statement of activities, lease revenue for the year ended December 31, 2022 was as follows:

|                       | For the Year Ended December 31, 2022 |                          |
|-----------------------|--------------------------------------|--------------------------|
|                       | Governmental Activities              | Business-type Activities |
| Lease-related Revenue |                                      |                          |
| Lease Revenue         |                                      |                          |
| Land                  | \$ (18,730)                          | \$ (27,714)              |
| Building              | (23,105)                             | -                        |
| Total Lease Revenue   | (41,835)                             | (27,714)                 |
| Interest Revenue      | (9,218)                              | (4,266)                  |
| Total                 | <u>\$ (51,052)</u>                   | <u>\$ (31,980)</u>       |

Aggregate future cash flows for the revenue generated by the lease receivable and interest for the Village as of December 31, 2022 were as follows:

| Year Ended<br>December 31, | Governmental Activities |                    |                     | Business-type Activities |                   |                     |
|----------------------------|-------------------------|--------------------|---------------------|--------------------------|-------------------|---------------------|
|                            | Principal               | Interest           | Total               | Principal                | Interest          | Total               |
| 2023                       | \$ (38,125)             | \$ (7,886)         | \$ (46,011)         | \$ (26,263)              | \$ (3,338)        | \$ (29,601)         |
| 2024                       | (15,233)                | (6,778)            | (22,011)            | (28,237)                 | (2,252)           | (30,489)            |
| 2025                       | (15,853)                | (6,158)            | (22,011)            | (30,319)                 | (1,084)           | (31,403)            |
| 2026                       | (16,499)                | (5,512)            | (22,011)            | (10,484)                 | (87)              | (10,571)            |
| 2027                       | (17,723)                | (4,839)            | (22,562)            | -                        | -                 | -                   |
| 2028-2032                  | (111,077)               | (11,268)           | (122,345)           | -                        | -                 | -                   |
| Total                      | <u>\$ (214,510)</u>     | <u>\$ (42,441)</u> | <u>\$ (256,951)</u> | <u>\$ (95,303)</u>       | <u>\$ (6,761)</u> | <u>\$ (102,064)</u> |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**4. Capital Assets**

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

|                                      | Beginning<br>Balance | Additions        | Deletions        | Ending<br>Balance   |
|--------------------------------------|----------------------|------------------|------------------|---------------------|
| <b>Governmental Activities</b>       |                      |                  |                  |                     |
| Capital Assets not being depreciated |                      |                  |                  |                     |
| Land and land rights                 | \$ 638,461           | \$ -             | \$ -             | \$ 638,461          |
| Right of Ways                        | 470,085              | -                | -                | 470,085             |
| Construction in progress             | -                    | 108,222          | -                | 108,222             |
| Total                                | <u>1,108,546</u>     | <u>108,222</u>   | <u>-</u>         | <u>1,216,768</u>    |
| Capital assets being depreciated     |                      |                  |                  |                     |
| Land improvements                    | 104,292              | -                | -                | 104,292             |
| Buildings                            | 969,713              | 7,300            | -                | 977,013             |
| Machinery and equipment              | 468,474              | 29,583           | 36,445           | 461,612             |
| Streets                              | 2,187,256            | -                | -                | 2,187,256           |
| Storm sewers                         | 806,704              | -                | -                | 806,704             |
| Total                                | <u>4,536,439</u>     | <u>36,883</u>    | <u>36,445</u>    | <u>4,536,877</u>    |
| Less: Accumulated depreciation       | <u>(1,220,943)</u>   | <u>(125,974)</u> | <u>(18,472)</u>  | <u>(1,328,445)</u>  |
| Net Capital Assets Being Depreciated | <u>3,315,496</u>     | <u>(89,091)</u>  | <u>17,973</u>    | <u>3,208,432</u>    |
| Total Capital Assets                 | <u>\$ 4,424,042</u>  | <u>\$ 19,131</u> | <u>\$ 17,973</u> | <u>\$ 4,425,200</u> |

Depreciation expense was charged to functions as follows:

|  |                   |
|--|-------------------|
| <b>Governmental Activities</b>                         |                   |
| General government                                     | \$ 12,022         |
| Public safety  | 6,112             |
| Public works, including depreciation of infrastructure | 101,355           |
| Culture, recreation and education                      | 4,281             |
| Conservation and development                           | 2,204             |
| Total  | <u>\$ 125,974</u> |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**4. Capital Assets (Continued)**

Capital asset activity in the business-type activities for the year ended December 31, 2022 was as follows:

|                                      | Beginning<br>Balance | Additions           | Deletions    | Ending<br>Balance   |
|--------------------------------------|----------------------|---------------------|--------------|---------------------|
| <b>Water</b>                         |                      |                     |              |                     |
| Capital Assets not being depreciated |                      |                     |              |                     |
| Land and land rights                 | \$ 33,432            | \$ -                | \$ -         | \$ 33,432           |
| Construction in progress             | -                    | 22,713              | -            | 22,713              |
| Total                                | <u>33,432</u>        | <u>22,713</u>       | <u>-</u>     | <u>56,145</u>       |
| Capital assets being depreciated     |                      |                     |              |                     |
| Source of supply                     | 184,842              | -                   | -            | 184,842             |
| Pumping                              | 230,193              | -                   | -            | 230,193             |
| Water treatment                      | 3,072                | -                   | -            | 3,072               |
| Transmission and distribution        | 2,704,257            | 16,530              | 4,625        | 2,716,162           |
| General                              | <u>232,099</u>       | <u>-</u>            | <u>-</u>     | <u>232,099</u>      |
| Total                                | 3,354,463            | 16,530              | 4,625        | 3,366,368           |
| Less: Accumulated depreciation       | <u>(931,847)</u>     | <u>(68,451)</u>     | <u>4,625</u> | <u>(995,673)</u>    |
| Net Capital Assets Being Depreciated | <u>2,422,616</u>     | <u>(51,921)</u>     | <u>-</u>     | <u>2,370,695</u>    |
| Total Capital Assets                 | <u>\$ 2,456,048</u>  | <u>\$ (29,208)</u>  | <u>\$ -</u>  | <u>\$ 2,426,840</u> |
|                                      |                      |                     |              |                     |
|                                      | Beginning<br>Balance | Additions           | Deletions    | Ending<br>Balance   |
| <b>Sewer</b>                         |                      |                     |              |                     |
| Capital Assets not being depreciated |                      |                     |              |                     |
| Land and land rights                 | \$ 139,671           | \$ -                | \$ -         | \$ 139,671          |
| Total                                | <u>139,671</u>       | <u>-</u>            | <u>-</u>     | <u>139,671</u>      |
| Capital assets being depreciated     |                      |                     |              |                     |
| Collection                           | 1,612,755            | -                   | -            | 1,612,755           |
| Collection system pumping            | 223,541              | -                   | -            | 223,541             |
| Treatment and disposal               | 4,729,645            | -                   | -            | 4,729,645           |
| General                              | <u>922,418</u>       | <u>-</u>            | <u>-</u>     | <u>922,418</u>      |
| Total                                | 7,488,359            | -                   | -            | 7,488,359           |
| Less: Accumulated depreciation       | <u>(2,376,732)</u>   | <u>(224,651)</u>    | <u>-</u>     | <u>(2,601,383)</u>  |
| Net Capital Assets Being Depreciated | <u>5,111,627</u>     | <u>(224,651)</u>    | <u>-</u>     | <u>4,886,976</u>    |
| Total Capital Assets                 | <u>\$ 5,251,298</u>  | <u>\$ (224,651)</u> | <u>\$ -</u>  | <u>\$ 5,026,647</u> |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**4. Capital Assets (Continued)**

Depreciation expense was charged to functions as follows:

| <b>Business-type Activities</b> |                   |
|---------------------------------|-------------------|
| Water                           | \$ 64,825         |
| Sewer                           | 228,277           |
| Total                           | <u>\$ 293,102</u> |

Depreciation expense does not agree to the increases in accumulated depreciation due to joint metering, salvage and costs of removal.

**5. Inter-fund Advances and Transfers**

The schedule of inter-fund advances as of December 31, 2022 was as follows:

| <u>Receivable Fund</u>                          | <u>Payable Fund</u> | <u>Amount</u>     | <u>Purpose</u> |
|---|---------------------|-------------------|----------------|
| General Fund                                    | TIF #2              | <u>\$ 362,288</u> | Cash Shortfall |
| Sub-Total - Fund Financial Statements           |                     | 362,288           |                |
| Less: Fund eliminations                         |                     | <u>(362,288)</u>  |                |
| Total - Government-Wide Statement of Activities |                     | <u>\$ -</u>       |                |

Advance repayment schedule is as follows:

| <u>Year</u> | <u>General Fund Advance to TIF #2</u> |                  |                   |
|-------------|---------------------------------------|------------------|-------------------|
|             | <u>Principal</u>                      | <u>Interest</u>  | <u>Total</u>      |
| 2023        | \$ 32,180                             | \$ 8,114         | \$ 40,294         |
| 2024        | 32,994                                | 7,300            | 40,294            |
| 2025        | 33,829                                | 6,465            | 40,294            |
| 2026        | 34,684                                | 5,610            | 40,294            |
| 2027        | 35,562                                | 4,732            | 40,294            |
| 2028-2031   | 151,475                               | 9,701            | 161,176           |
| Total       | <u>\$ 320,724</u>                     | <u>\$ 41,922</u> | <u>\$ 362,646</u> |

The repayment schedule above was approved by the board in 2021 and the difference between the repayment schedule and the current balance listed above is due to additional advances in 2022.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**5. Inter-fund Advances and Transfers (Continued)**

The schedule of inter-fund transfers for the year ended December 31, 2022 was as follows:

| Transferred To                        | Transferred From      | Amount           | Purpose                      |
|---------------------------------------|-----------------------|------------------|------------------------------|
| General Fund                          | Water Utility         | \$ 54,125        | Tax Equivalent<br>Operations |
| Sewer Utility                         | Water Utility         | 20,000           |                              |
| Sub-Total - Fund Financial Statements |                       | 74,125           |                              |
| Water Utility                         | Capital Projects Fund | 22,713           | Contributed Capital          |
| Less: Fund eliminations               |                       | (65,426)         |                              |
| Total Transfers- Governmental Funds   |                       | <u>\$ 31,412</u> |                              |

For the Statement of Activities, inter-fund transfers within the governmental activities or business-type activities are netted and eliminated.

**6. Long-Term Obligations**

Long-term obligations for the year ended December 31, 2022 was as follows:

| <b>GOVERNMENTAL ACTIVITIES</b>                    | Beginning<br>Balance | Increases       | Decreases         | Ending<br>Balance   | Amounts<br>Due Within<br>One Year |
|---|----------------------|-----------------|-------------------|---------------------|-----------------------------------|
| Bonds and Notes Payable:                          |                      |                 |                   |                     |                                   |
| General Obligation Bonds and Notes                | \$ 1,695,000         | \$ -            | \$ 20,000         | \$ 1,675,000        | \$ 30,000                         |
| Notes from Direct Borrowing                       | 2,065,376            | 1,541           | 257,466           | 1,809,451           | 124,961                           |
| Sub-total   | 3,760,376            | 1,541           | 277,466           | 3,484,451           | 154,961                           |
| Compensated Absences                              | 25,441               | 5,901           | -                 | 31,342              | 3,041                             |
| Total Governmental Activities                     |                      |                 |                   |                     |                                   |
| Long-Term Liabilities                             | <u>\$ 3,785,817</u>  | <u>\$ 7,442</u> | <u>\$ 277,466</u> | <u>\$ 3,515,793</u> | <u>\$ 158,002</u>                 |
| <b>BUSINESS-TYPE ACTIVITIES</b>                   | Beginning<br>Balance | Increases       | Decreases         | Ending<br>Balance   | Amounts<br>Due Within<br>One Year |
| Bonds and Notes Payable:                          |                      |                 |                   |                     |                                   |
| General Obligation Bonds and Notes                | \$ 465,000           | \$ -            | \$ 10,000         | \$ 455,000          | \$ 20,000                         |
| General Obligation Notes from<br>Direct Borrowing | 48,293               | -               | 46,947            | 1,346               | 1,346                             |
| Revenue Debt Notes from<br>Direct Borrowing       | 1,860,734            | -               | 237,906           | 1,622,828           | 244,134                           |
| Sub-total   | 2,374,027            | -               | 294,853           | 2,079,174           | 265,480                           |
| Compensated Absences                              | 27,856               | 5,676           | -                 | 33,532              | 2,675                             |
| Total Business-Type Activities                    |                      |                 |                   |                     |                                   |
| Long-Term Liabilities                             | <u>\$ 2,401,883</u>  | <u>\$ 5,676</u> | <u>\$ 294,853</u> | <u>\$ 2,112,706</u> | <u>\$ 268,155</u>                 |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**6. Long-Term Obligations (Continued)**

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds will be retired by future property tax levies accumulated by the debt service fund.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2022 was \$7,456,245. Total general obligation debt outstanding at year end was \$3,940,797.

The governmental activities' compensated absences are expected to be paid by general fund. The business-type activities' compensated absences are expected to be paid by water and sewer funds.

The 2019 GO Bonds issued July 24, 2019 were through the Department of Administration and are being used to finance the wastewater treatment plant upgrades. The Village takes draws against the loan as project costs are incurred. Loan draws to date in 2022 totaled \$1,063,070. Grant funds totaling \$629,717 have also been received to date related to this project.

| <b>Governmental Activities<br/>General Obligation Debt</b>      | <b>Date of<br/>Issue</b> | <b>Final<br/>Maturity</b> | <b>Interest<br/>Rates</b> | <b>Original<br/>Indebtedness</b> | <b>Balance<br/>12/31/2022</b> |
|---|--------------------------|---------------------------|---------------------------|----------------------------------|-------------------------------|
| 2012 GO Bonds   | 4/25/2012                | 5/1/2031                  | 3.00%                     | \$ 449,775                       | \$ 244,488                    |
| 2013 GO Notes   | 2/1/2013                 | 2/1/2023                  | 1.95%                     | 190,000                          | 10,087                        |
| 2016 GO Notes   | 4/27/2016                | 3/15/2035                 | 3.50%                     | 392,000                          | 293,412                       |
| 2018 GO Bonds   | 5/30/2018                | 4/1/2038                  | 3.0 - 4.0%                | 635,000                          | 575,000                       |
| 2018 GO Notes   | 12/11/2018               | 12/15/2023                | 2.90%                     | 183,870                          | 13,490                        |
| 2019 GO Bonds   | 7/24/2019                | 5/1/2039                  | 1.83%                     | 1,055,120                        | 947,031                       |
| 2021 GO Notes   | 4/14/2021                | 1/3/2031                  | 3.03-4.00%                | 315,000                          | 300,943                       |
| 2021 GO Bonds   | 12/29/2021               | 4/1/2033                  | 1.40-2.20%                | 1,100,000                        | 1,100,000                     |
| <b>Total Governmental Activities - General Obligation Debt</b>  |                          |                           |                           |                                  | <b>\$ 3,484,451</b>           |
| <b>Business-Type Activities<br/>General Obligation Debt</b>     | <b>Date of<br/>Issue</b> | <b>Final<br/>Maturity</b> | <b>Interest<br/>Rates</b> | <b>Original<br/>Indebtedness</b> | <b>Balance<br/>12/31/2022</b> |
| <u><b>Water Utility</b></u>                                     |                          |                           |                           |                                  |                               |
| 2018 GO Bonds   | 5/30/2018                | 4/1/2038                  | 3.0-4.0%                  | \$ 295,000                       | \$ 275,000                    |
| <u><b>Sewer Utility</b></u>                                     |                          |                           |                           |                                  |                               |
| 2013 GO Notes   | 2/1/2013                 | 2/1/2023                  | 1.950%                    | 22,500                           | 1,346                         |
| 2018 GO Bonds   | 5/30/2018                | 4/1/2038                  | 3.0-4.0%                  | 200,000                          | 180,000                       |
| <b>Total Business-Type Activities - General Obligation Debt</b> |                          |                           |                           |                                  | <b>\$ 456,346</b>             |



**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**6. Long-Term Obligations (Continued)**

Debt service requirements to maturity are as follows:

| <b>Governmental Activities</b> |                         |                   |                         |                   |  |  |
|--------------------------------|-------------------------|-------------------|-------------------------|-------------------|--|--|
| Year                           | Bonds and Notes         |                   | Direct Borrowings       |                   |  |  |
|                                | General Obligation Debt |                   | General Obligation Debt |                   |  |  |
|                                | Principal               | Interest          | Principal               | Interest          |  |  |
| 2023                           | \$ 30,000               | \$ 39,588         | \$ 124,961              | \$ 46,589         |  |  |
| 2024                           | 30,000                  | 38,388            | 104,044                 | 43,624            |  |  |
| 2025                           | 80,000                  | 36,837            | 106,803                 | 40,847            |  |  |
| 2026                           | 145,000                 | 34,632            | 109,677                 | 37,952            |  |  |
| 2027                           | 165,000                 | 31,915            | 109,547                 | 32,507            |  |  |
| 2028-2032                      | 825,000                 | 110,182           | 749,132                 | 113,113           |  |  |
| 2033-2037                      | 355,000                 | 30,993            | 378,172                 | 31,074            |  |  |
| 2038-2039                      | 45,000                  | 833               | 127,115                 | 2,332             |  |  |
|                                | <u>\$ 1,675,000</u>     | <u>\$ 323,367</u> | <u>\$ 1,809,451</u>     | <u>\$ 348,037</u> |  |  |

  

| <b>Business - Type Activities</b> |                         |                   |                         |              |                     |                   |
|-----------------------------------|-------------------------|-------------------|-------------------------|--------------|---------------------|-------------------|
| Year                              | Bonds and Notes         |                   | Direct Borrowings       |              | Direct Borrowings   |                   |
|                                   | General Obligation Debt |                   | General Obligation Debt |              | Revenue Debt        |                   |
|                                   | Principal               | Interest          | Principal               | Interest     | Principal           | Interest          |
| 2023                              | \$ 20,000               | \$ 15,698         | \$ 1,346                | \$ 60        | \$ 244,134          | \$ 40,090         |
| 2024                              | 25,000                  | 14,798            | -                       | -            | 210,133             | 34,167            |
| 2025                              | 25,000                  | 13,798            | -                       | -            | 215,585             | 28,644            |
| 2026                              | 25,000                  | 12,923            | -                       | -            | 221,180             | 22,975            |
| 2027                              | 25,000                  | 12,173            | -                       | -            | 226,922             | 17,158            |
| 2028-2032                         | 145,000                 | 47,963            | -                       | -            | 504,874             | 23,592            |
| 2033-2037                         | 165,000                 | 19,096            | -                       | -            | -                   | -                 |
| 2038-2039                         | 25,000                  | 460               | -                       | -            | -                   | -                 |
|                                   | <u>\$ 455,000</u>       | <u>\$ 136,909</u> | <u>\$ 1,346</u>         | <u>\$ 60</u> | <u>\$ 1,622,828</u> | <u>\$ 166,626</u> |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**6. Long-Term Obligations (Continued)**

**Revenue Debt**

Business-type activities revenue bonds are payable only from revenue derived from the operations of the water and sewer utilities.

| <b>Business-Type Activities<br/>Revenue Debt</b> | <b>Date of<br/>Issue</b> | <b>Final<br/>Maturity</b> | <b>Interest<br/>Rates</b> | <b>Original<br/>Indebtedness</b> | <b>Balance<br/>12/31/2022</b> |
|--|--------------------------|---------------------------|---------------------------|----------------------------------|-------------------------------|
| <u>Sewer Utility</u>                             |                          |                           |                           |                                  |                               |
| 2003 Revenue Bonds                               | 9/24/2003                | 5/1/2023                  | 2.750%                    | \$ 610,802                       | \$ 39,313                     |
| 2008 Revenue Bonds                               | 9/10/2008                | 5/1/2028                  | 2.365%                    | 2,287,305                        | 834,640                       |
| 2012 Revenue Bonds                               | 4/25/2012                | 5/1/2031                  | 3.000%                    | 1,377,675                        | 748,875                       |
| Total Business-Type Activities - Revenue Debt    |                          |                           |                           |                                  | <u>\$ 1,622,828</u>           |

The Village issued revenue bonds that require restrictive provisions and covenants. The more major provisions require that reserves be maintained and that the net revenues for each fiscal year provide debt coverage at least equal to 110% in the sewer utility.

The following is the bond reserves of the sewer utility and the calculation of the coverage as of December 31, 2022:

|  |                   |
|--|-------------------|
|  | <u>Sewer</u>      |
| <u>Bond Reserves</u>   |                   |
| Replacement Account  | <u>\$ 579,406</u> |
| Total  | <u>\$ 579,406</u> |
| <br><u>Coverage Covenant Calculation</u>                         |                   |
| Gross Revenues   | 638,057           |
| Operation and Maintenance Expenses -<br>(Excluding Depreciation) | <u>(266,903)</u>  |
| Net Revenues   | <u>\$ 371,154</u> |
| Maximum annual debt service                                      | <u>\$ 284,224</u> |
| Percent Coverage   | 131%              |
| Percent Coverage Required  | 110%              |

As of December 31, 2022, net revenues were sufficient to meet the coverage ratio requirement.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**7. Defined Benefit 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 1200 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 Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

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

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

**Benefits Provided.** Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 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.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**7. Defined Benefit Pension Plan (Continued)**

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

| Year | Core Fund Adjustment<br>(%) | Variable Fund Adjustment<br>(%) |
|------|-----------------------------|---------------------------------|
| 2012 | (7.0)                       | (7.0)                           |
| 2013 | (9.6)                       | 9.0                             |
| 2014 | 4.7                         | 25.0                            |
| 2015 | 2.9                         | 2.0                             |
| 2016 | 0.5                         | (5.0)                           |
| 2017 | 2.0                         | 4.0                             |
| 2018 | 2.4                         | 17.0                            |
| 2019 | 0.0                         | (10.0)                          |
| 2020 | 1.7                         | 21.0                            |
| 2021 | 5.1                         | 13.0                            |

**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 \$24,359 in contributions from the employer.

Contribution rates as of December 31, 2022 are:

| Employee Category  | Employee | Employer |
|--|----------|----------|
| General (including teachers, executives and elected officials) | 6.50%    | 6.50%    |
| Protective with Social Security                                | 6.50%    | 12.00%   |
| Protective without Social Security                             | 6.50%    | 16.40%   |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**7. Defined Benefit Pension Plan (Continued)**

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

At December 31, 2022, the Village reported an asset of \$216,494 for its proportionate share of the net pension asset. The net pension liability (asset) was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability (asset) was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.00268598%, which was a decrease of 0.00025287% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized pension income of \$18,436.

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

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experience  | \$ 349,736                        | \$ (25,219)                      |
| Net differences between projected and actual earnings on pension plan investments                             | -                                 | (484,317)                        |
| Changes in assumptions  | 40,390                            | -                                |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 1,614                             | (1,914)                          |
| Employer contributions subsequent to the measurement date   | 20,513                            | -                                |
| Total   | \$ 412,253                        | \$ (511,450)                     |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**7. Defined Benefit Pension Plan (Continued)**

\$20,513 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 (asset) in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

| Year Ended<br>December 31: | Net Deferred Outflows<br>(Inflows)<br>of Resources |
|----------------------------|--|
| 2023                       | \$ (9,821)   |
| 2024                       | (58,617)   |
| 2025                       | (26,167)   |
| 2026                       | (25,105)   |
| 2027                       | -  |
| Total                      | <u>\$ (119,710)</u>                                |

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

|  |                                     |
|--|-------------------------------------|
| Actuarial Valuation Date:                          | December 31, 2020                   |
| Measurement Date of Net Pension Liability (Asset): | December 31, 2021                   |
|  | January 1, 2018 - December 31 2020  |
| Experience Study:                                  | Published November 19, 2021         |
| Actuarial Cost Method:                             | Entry Age Normal                    |
| Asset Valuation Method:                            | Fair Value                          |
| Long-Term Expected Rate of Return:                 | 6.8%                                |
| Discount Rate:                                     | 6.8%                                |
| Salary Increases:                                  |                                     |
| Wage Inflation                                     | 3.0%                                |
| Seniority/Merit                                    | 0.1% - 5.6%                         |
| Mortality:   | 2020 WRS Experience Mortality Table |
| Post-Retirement Adjustments                        | 1.7%*                               |

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

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

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**7. Defined Benefit Pension Plan (Continued)**

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

Asset Allocation Targets and Expected Returns<sup>1</sup>  
As of December 31, 2021

| <u>Core Fund Asset Class</u>     | <u>Asset Allocation %</u> | <u>Long-Term<br/>Expected Nominal<br/>Rate of Return %</u> | <u>Long-Term<br/>Expected Real<br/>Rate of Return %<sup>2</sup></u> |
|----------------------------------|---------------------------|--|---|
| Global Equities                  | 52                        | 6.8  | 4.2   |
| Fixed Income                     | 25                        | 4.3  | 1.8   |
| Inflation Sensitive Assets       | 19                        | 2.7  | 0.2   |
| Real Estate                      | 7                         | 5.6  | 3.0   |
| Private Equity/Debt              | 12                        | 9.7  | 7.0   |
| Total Core Fund <sup>3</sup>     | 115                       | 6.6  | 4.0   |
| <u>Variable Fund Asset Class</u> |                           |  |   |
| U.S. Equities                    | 70                        | 6.3  | 3.7   |
| International Equities           | 30                        | 7.2  | 4.6   |
| Total Variable Fund              | 100                       | 6.8  | 4.2   |

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

<sup>2</sup>New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

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

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**7. Defined Benefit Pension Plan (Continued)**

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

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

|  | 1% Decrease to<br>Discount Rate<br>(5.80%) | Current<br>Discount Rate<br>(6.80%) | 1% Increase to<br>Discount Rate<br>(7.80%) |
|--|--|-------------------------------------|--|
| Village's proportionate share of the net pension liability (asset) | \$ 153,618                                 | \$ (216,494)                        | \$ (482,907)                               |

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

**Allocation of Pension Plan.** Pension amounts are allocated between the governmental activities and business-type activities based on the percentage of the required contributions of each opinion unit.

**8. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan**

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

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



**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**8. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan (Continued)**

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

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

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

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

Contribution rates as of December 31, 2022 are:

| <u>Coverage Type</u>         | <u>Employer Contribution</u> |
|------------------------------|------------------------------|
| 25% Post Retirement Coverage | 20% of Member Contribution   |

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

| Life Insurance<br>Employee Contribution Rates*<br>For the year ended December 31, 2021 |              |                     |
|--|--------------|---------------------|
| <u>Attained Age</u>  | <u>Basic</u> | <u>Supplemental</u> |
| Under 30   | \$0.05       | \$0.05              |
| 30-34  | 0.06         | 0.06                |
| 35-39  | 0.07         | 0.07                |
| 40-44  | 0.08         | 0.08                |
| 45-49  | 0.12         | 0.12                |
| 50-54  | 0.22         | 0.22                |
| 55-59  | 0.39         | 0.39                |
| 60-64  | 0.49         | 0.49                |
| 65-69  | 0.57         | 0.57                |

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

During the reporting period, the LRLIF recognized \$156 in contributions from the employer.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**8. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan (Continued)**

***OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.*** At December 31, 2022, the Village reported a liability of \$45,072 for its proportionate share of the net OPEB liability. The net OPEB liability (asset) was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability (asset) was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.00762600%, which was an increase of 0.001265% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized OPEB expense of \$5,074.

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

|   | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience  | \$ -                                 | \$ (2,293)                          |
| Net differences between projected and actual earnings on plan investments                                     | 586                                  | -                                   |
| Changes in actuarial assumptions  | 13,617                               | (2,185)                             |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 4,246                                | (4,245)                             |
| Employer contributions subsequent to the measurement date   | 192                                  | -                                   |
| Totals  | <u>\$ 18,641</u>                     | <u>\$ (8,723)</u>                   |

\$192 reported as deferred outflows related to OPEB resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ended<br>December 31: | Net Deferred<br>Outflows (Inflows) of<br>Resources |
|----------------------------|--|
| 2023                       | \$ 1,680   |
| 2024                       | 1,612  |
| 2025                       | 1,642  |
| 2026                       | 2,468  |
| 2027                       | 1,647  |
| Thereafter                 | 677  |
| Total                      | <u>\$ 9,726</u>                                    |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**8. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan (Continued)**

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

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

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

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

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

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

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
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**8. Other Postemployment Benefits – Multiple-Employer Life Insurance Plan (Continued)**

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

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

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

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

|   | 1% Decrease to<br>Discount Rate<br>(1.17%) | Current<br>Discount Rate<br>(2.17%) | 1% Increase to<br>Discount Rate<br>(3.17%) |
|---|--|-------------------------------------|--|
| Village's proportionate share of the net OPEB liability (asset) | \$ 61,147                                  | \$ 45,072                           | \$ 32,977                                  |

**9. Other Postemployment Benefits – Group Health Insurance Plan**

**Plan Description.** The Village has their health insurance through the Employee Trust Fund (ETF). The ETF health plan allows all retirees who are eligible for WRS to choose to self-pay the full (100%) amount of premiums to remain on the Village's group health insurance plan indefinitely, provided they continue to pay all required premiums.

**Funding Policy.** The Village funds the policy on a pay-as-you-go basis.

**Benefits Provided.** The Group Health Insurance plan was provided to all employees who are eligible for WRS upon their retirement.

**VILLAGE OF BROOKLYN**  
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**December 31, 2022**

**9. Other Postemployment Benefits – Group Health Insurance Plan (Continued)**

**Employee Covered by Benefit Terms.** At December 31, 2021, the following employees were covered by the benefit terms:

|  |          |
|--|----------|
| Inactive employees or beneficiaries currently receiving benefit payments | 1        |
| Inactive employees entitled to but not yet receiving benefit payments    | 0        |
| Active employees   | 6        |
|  | <u>7</u> |

**Total OPEB Liability.** The Village's total group health insurance plan OPEB liability, reported as of December 31, 2022, of \$82,161 was measured at December 31, 2021, as was determined by an actuarial valuation as of December 31, 2021.

**Actuarial Assumptions and Other Inputs.** The total group health insurance plan OPEB liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless other specified:

|  |  |
|--|--|
| Actuarial Valuation Date:                      | December 31, 2021  |
| Measurement Date                               | December 31, 2021  |
| Actuarial Cost Method:                         | Entry Age Normal (level percent of salary)   |
| Medical Care Trend                             | 6.50% decreasing by 0.10% per year down to<br>5.00%, and level thereafter  |
| Discount Rate *                                | 2.00%  |
| Inflation                                      | 2.00%  |
| Asset Valuation Method                         | Market Value   |
| Average of Expected Remaining<br>Service Lives | 7 years  |
| Mortality Assumptions                          | Wisconsin 2018 Mortality Table adjusted for future<br>mortality improvements using the MP-2018 fully<br>generated improvement scale (multiplied 60%) |

*\*The discount rate was based upon all years of projected payments discounted at a municipal bond rate of 2.00%. Implicit in this rate is an assumed rate of inflation of 2.00%.*

**VILLAGE OF BROOKLYN**  
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**9. Other Postemployment Benefits – Group Health Insurance Plan (Continued)**

***Change in the Total OPEB Liability***

|  | Total OPEB<br>Liability |
|--|-------------------------|
| Balance at 12/31/2020                              | \$ 66,156               |
| Changes for the year:                              |                         |
| Service cost                                       | 3,534                   |
| Interest   | 1,463                   |
| Changes of benefit terms                           | -                       |
| Differences between expected and actual experience | (29,609)                |
| Changes in assumptions or other inputs             | 46,389                  |
| Benefit payments                                   | (5,772)                 |
| Net Changes  | 16,005                  |
| Balance at 12/31/2021                              | \$ 82,161               |

There were no changes of benefit terms.

The discount rate was updated based on the Bond Buyer GO 20-Year AA Bond Index published by the Federal Reserve as of the week of the measurement date (2.00%) in compliance with GASB 75. All other assumptions and methods remained unchanged from the actuarial valuation performed as of December 31, 2020.

***Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.*** The following presents the total group health insurance OPEB liability of the Village, as well as what the Village's total group health insurance OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.00 percent) or 1-percentage-point higher (3.00 percent) than the current discount rate:

|                      | 1% Decrease<br>1.00% | Current<br>Discount Rate<br>2.00% | 1% Increase<br>3.00% |
|----------------------|----------------------|-----------------------------------|----------------------|
| Total OPEB Liability | \$ 85,229            | \$ 82,161                         | \$ 79,129            |

***Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rates.*** The following represents the total group health insurance OPEB liability of the Village, as well as what the Village's total group health insurance OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.5 percent decreasing to 4.0 percent) or 1-percentage-point higher (7.5 percent decreasing to 6.0 percent) than the current healthcare cost trend rates:

|                      | 1% Decrease<br>(5.5% decreasing<br>to 4.0%) | Healthcare Cost<br>Trend Rates (6.5%<br>decreasing to<br>5.0%) | 1% Increase<br>(7.5% decreasing<br>to 6.0%) |
|----------------------|---|--|---|
| Total OPEB Liability | \$ 78,423                                   | \$ 82,161  | \$ 86,215                                   |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**9. Other Postemployment Benefits – Group Health Insurance Plan (Continued)**

***OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB.*** For the year ended December 31, 2022, the Village recognized an OPEB expense of \$7,615. At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| Gain / Loss  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experiences      | \$ -                                 | \$ (25,379)                         |
| Changes of assumptions or other inputs                   | 40,865                               | -                                   |
| Village contributions subsequent to the measurement date | 9,515                                | -                                   |
| Total  | <u>\$ 50,380</u>                     | <u>\$ (25,379)</u>                  |

\$9,515 reported as deferred outflows related to OPEB resulting from the Village contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB group health insurance plan that will be recognized in the OPEB expense as follows:

| Year Ended<br>December 31: | Net Deferred<br>Outflows (Inflows) of<br>Resources |
|----------------------------|--|
| 2023                       | \$ 2,618   |
| 2024                       | 2,618  |
| 2025                       | 2,618  |
| 2026                       | 2,618  |
| 2027                       | 2,616  |
| Thereafter                 | 2,398  |
|                            | <u>\$ 15,486</u>                                   |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**10. Net Position / Fund Balance**

**Governmental Activities**

Governmental net position reported on the government wide Statement of Net Position at December 31, 2022 includes the following:

|  |                            |
|--|----------------------------|
| Capital Assets Net of Depreciation         | \$ 4,425,200               |
| Less: Total Long-Term Debt Outstanding     | (3,484,451)                |
| Plus: Non Capital or Utility Capital Debt  | <u>953,818</u>             |
| Total Net Investment in Capital Assets     | <u>1,894,567</u>           |
| Restricted                                 |                            |
| Debt Payments                              | 20,369                     |
| Cemetery                                   | 63,068                     |
| TIF #1                                     | 86,328                     |
| General Capital Projects                   | 63,567                     |
| Employee Pension Plan                      | <u>112,231</u>             |
| Total Restricted                           | <u>345,563</u>             |
| Unrestricted                               | <u>527,887</u>             |
| Total Governmental Activities Net Position | <u><u>\$ 2,768,017</u></u> |

**Business – Type Activities**

|   |                            |
|---|----------------------------|
| Capital Assets Net of Depreciation          | \$ 7,453,487               |
| Less: related long-term debt outstanding    | <u>(2,079,174)</u>         |
| Total Net Investment in Capital Assets      | <u>5,374,313</u>           |
| Restricted                                  |                            |
| Replacement                                 | 579,406                    |
| Impact Fees                                 | 5,718                      |
| Redemption                                  | 3,718                      |
| Employee Pension Plan                       | <u>104,263</u>             |
| Total Restricted                            | <u>693,105</u>             |
| Unrestricted                                | <u>433,051</u>             |
| Total Business-Type Activities Net Position | <u><u>\$ 6,500,469</u></u> |



**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**10. Net Position / Fund Balance (Continued)**

**Governmental Funds**

Governmental fund balances reported on the fund financial statements at December 31, 2022 include the following:

| <b>Major Funds</b>                       | <b><u>Nonspendable</u></b> | <b><u>Restricted</u></b> | <b><u>Assigned</u></b> | <b><u>Unassigned<br/>(Deficit)</u></b> |
|--|----------------------------|--------------------------|------------------------|--|
| <b><u>General Fund</u></b>               |                            |                          |                        |  |
| Nonspendable                             |                            |                          |                        |  |
| Advances                                 | \$ 362,288                 | \$ -                     | \$ -                   | \$ -                                   |
| Assigned                                 |                            |                          |                        |  |
| Parks                                    | -                          | -                        | 2,990                  | -                                      |
| Police                                   | -                          | -                        | 17,997                 | -                                      |
| Public works                             | -                          | -                        | 8,751                  | -                                      |
| Fireworks                                | -                          | -                        | 6,652                  | -                                      |
| Sick Leave                               | -                          | -                        | 10,000                 | -                                      |
| Village Hall                             | -                          | -                        | 29,702                 | -                                      |
| Comprehensive Planning                   | -                          | -                        | 11,027                 | -                                      |
| Miscellaneous Village                    | -                          | -                        | 34,433                 | -                                      |
| Future capital projects and<br>equipment | -                          | -                        | 202,800                | -                                      |
| Unassigned                               | -                          | -                        | -                      | 365,315                                |
| Total General Fund                       | <u>362,288</u>             | <u>-</u>                 | <u>324,352</u>         | <u>365,315</u>                         |
| <b><u>Debt Service Fund</u></b>          |                            |                          |                        |  |
| Restricted                               | <u>-</u>                   | <u>20,369</u>            | <u>-</u>               | <u>-</u>                               |
| <b><u>TIF #2</u></b>                     |                            |                          |                        |  |
| Unassigned (Deficit)                     | <u>-</u>                   | <u>-</u>                 | <u>-</u>               | <u>(421,475)</u>                       |
| <b>Non-Major Funds</b>                   |                            |                          |                        |  |
| Cemetery                                 | -                          | 63,068                   | -                      | -                                      |
| General Capital Projects                 | -                          | 63,567                   | -                      | -                                      |
| TIF #1                                   | -                          | 86,328                   | -                      | -                                      |
| Total                                    | <u>-</u>                   | <u>212,963</u>           | <u>-</u>               | <u>-</u>                               |
| Totals                                   | <u>\$ 362,288</u>          | <u>\$ 233,332</u>        | <u>\$ 324,352</u>      | <u>\$ (56,160)</u>                     |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**11. Tax Incremental Financing Districts**

The Village has two active tax incremental financing districts. Tax Incremental District #1 was created in 2008. Future improvements are intended to encourage and attract mixed-use development and growth in the Village. Tax Incremental District #2 was created in January 2013. The primary purpose of this tax increment district is to encourage development in the Village's business park. Projects expected to be completed in TIF Districts are as follows:

| <u>Project Plan Estimated Costs</u> | <u>TIF #2</u>         | <u>TIF #1</u>       |
|-------------------------------------|-----------------------|---------------------|
| Infrastructure                      | \$ 1,178,250          | \$ 4,738,500        |
| Site Development Costs              | 180,000               | 200,000             |
| Land Acquisition & Assembly         | 126,000               | 300,000             |
| Development Incentives              | 145,000               | 300,000             |
| Professional Services               | 25,000                | 35,000              |
| Discretionary Payments              | 10,000                | 55,000              |
| Administration Costs                | 58,000                | 20,000              |
| Organizational Costs                | 8,750                 | 15,000              |
| Inflation                           | 95,006                | -                   |
| Interest and Fiscal Charges         | 543,053               | -                   |
| Total TID Expenditures per plan     | <u>\$ 2,369,059</u>   | <u>\$ 5,663,500</u> |
| Revenues through 12/31/2022         | \$ 841,378            | \$ 185,129          |
| Expenditures through 12/31/2022     | <u>2,362,853</u>      | <u>98,801</u>       |
| Net cost to be recovered 12/31/2022 | <u>\$ (1,521,475)</u> | <u>\$ 86,328</u>    |
| Debt Proceeds                       | 1,562,150             | -                   |
| Repayment of Principal              | <u>(462,150)</u>      | <u>-</u>            |
| Fund Balance (Deficit) 12/31/2022   | <u>\$ (421,475)</u>   | <u>\$ 86,328</u>    |

**12. Joint Ventures**

**Fire District and EMS Protection District**

The Village of Brooklyn and the Towns of Brooklyn, Oregon, Rutland, and Union expanded the local fire district to include Emergency Medical Services (EMS) in July 1997. The communities jointly operate the local fire and EMS district which is called the Brooklyn Fire and EMS Protection District (the District) and provides fire protection and EMS services.

The governing body is made up of citizens from each community. Local representatives are appointed by the Village president with approval from the Village Board. The governing body has authority to adopt its own budget and control the financial affairs of the District. The Village made an operating payment totaling \$151,677 to the District for 2022. The Village believes that the District will continue to provide services in the future at similar rates.

Financial information of the District as of December 31, 2022 is available directly from the District's office. The Village does not have an equity interest in the Brooklyn Fire and EMS Protection District.

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

**13. Risk Management**

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; error and omissions; workers compensation; and health care of its employees. All risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years.

**14. Commitments and Contingencies**

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

**15. Purchase Commitments**

The Village was entered into an agreement with a contractor for annual water tower maintenance. The agreement automatically renews for successive one-year terms unless terminated by the Village. The future contract payments are as follows:

|           |                   |
|-----------|-------------------|
| 2023      | \$ 38,213         |
| 2024      | 38,213            |
| 2025      | 14,081            |
| 2026      | 14,580            |
| 2027      | 15,096            |
| 2028-2032 | 83,335            |
| 2033-2037 | 96,704            |
| 2038-2039 | 42,865            |
| Total     | <u>\$ 343,087</u> |

In November 2021, the Village entered into two options to purchase 2 pieces of land in the amount of \$471,600 and \$1,201,500, respectively. The two options are valid till December 31, 2026 and December 31, 2031. These options were not accrued in the government-wide financial statements as these options have not yet been exercised.

As of December 31, 2022, the Village has the following contract commitments related to construction projects:

|                             | Total Contract    | Expenditures through<br>December 31, 2022 | Remaining<br>Commitment |
|-----------------------------|-------------------|---|-------------------------|
| Brooklyn Business Complex   | \$ 247,000        | \$ 106,624                                | \$ 140,376              |
| Hotel Street Reconstruction | 16,000            | 1,598                                     | 14,402                  |
|                             | <u>\$ 263,000</u> | <u>\$ 108,222</u>                         | <u>\$ 154,778</u>       |

**VILLAGE OF BROOKLYN**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2022**

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**16. Tax Increment Guarantee**

The Village has development agreements with several developers regarding development contributions the Village made. The developers have guaranteed development sufficient to pay any shortfalls in TIF tax increment revenues. There were no shortfalls in 2022.

In September 2022, the Board approved four developer incentive grants for construction and improvements costs. As of December 31, 2022, two of the developers had successfully met the stipulated requirements and were compensated by the Village, in the amount of \$60,000. The other two grants will be paid to the respective developers upon fulfillment of the construction and improvement obligations. Estimated future payments are \$90,000.

**17. American Rescue Plan Act (ARPA)**

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan, delivers \$350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. Municipalities can spend the fund into the following four eligible use categories: replace lost public-sector revenue; support the COVID-19 public health and economic response; provide premium pay for eligible workers performing essential work; and invest in water, sewer, and broadband infrastructure.

In June 2021 and 2022, the Village received \$76,670 in American Rescue Plan Act - Local Fiscal Recovery Funds, respectively. As of December 31, 2022, the Village had spent \$60,022 of the funds. Therefore, the total remaining funds of \$93,318 were reported as unearned revenue as of December 31, 2022 and will be recognized as revenue when the eligible expenses are incurred.

**18. Effect of New Accounting Standards on Current Financial Statements**

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, effective for periods beginning after June 15, 2022. When this becomes effective, application of this standard may restate portions of these financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (with Variances)**  
**General Fund**  
**For the Year Ended December 31, 2022**

|   | <b>Budgeted Amounts</b> |              | <b>Actual Amounts,<br/>Budgetary Basis</b> | <b>Variance with Final<br/>Budget - Positive<br/>(Negative)</b> |
|---|-------------------------|--------------|--|---|
|   | <b>Original</b>         | <b>Final</b> |  |   |
| <b>REVENUES</b>   |                         |              |  |   |
| Taxes   | \$ 657,234              | \$ 657,234   | \$ 657,448                                 | \$ 214  |
| Intergovernmental   | 289,864                 | 289,864      | 309,797                                    | 19,933  |
| License and Permits   | 30,460                  | 30,460       | 56,351                                     | 25,891  |
| Fines, Forfeits and Penalties   | 2,000                   | 2,000        | 2,170                                      | 170   |
| Public Charges for Services   | 92,083                  | 92,083       | 120,578                                    | 28,495  |
| Interest Income   | 10,408                  | 10,408       | 33,159                                     | 22,751  |
| Miscellaneous Income  | 39,140                  | 39,140       | 45,822                                     | 6,682   |
| Total Revenues  | 1,121,189               | 1,121,189    | 1,225,325                                  | 104,136   |
| <b>EXPENDITURES</b>   |                         |              |  |   |
| Current:  |                         |              |  |   |
| General Government  | 250,430                 | 250,430      | 219,348                                    | 31,082  |
| Public Safety   | 511,654                 | 511,654      | 493,356                                    | 18,298  |
| Public Works  | 324,998                 | 331,020      | 307,683                                    | 23,337  |
| Culture, Recreation and Education   | 71,347                  | 71,347       | 70,583                                     | 764   |
| Conservation and Development  | 17,000                  | 17,000       | 12,902                                     | 4,098   |
| Capital Outlay  | 2,760                   | 2,760        | 41,514                                     | (38,754)  |
| Total Expenditures  | 1,178,189               | 1,184,211    | 1,145,386                                  | 38,825  |
| Excess (Deficiency) of Revenues Over Expenditures   | (57,000)                | (63,022)     | 79,939                                     | 142,961   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                         |              |  |   |
| Proceeds from Sale of Capital Assets  | -                       | -            | 24,854                                     | 24,854  |
| Transfers In  | 57,000                  | 57,000       | 54,125                                     | (2,875)   |
| Total Other Financing Sources and Uses  | 57,000                  | 57,000       | 78,979                                     | 21,979  |
| Net Change in Fund Balances   | -                       | (6,022)      | 158,918                                    | 164,940   |
| Fund Balances - Beginning   | 844,174                 | 844,174      | 844,174                                    | -   |
| Fund Balances - Ending  | \$ 844,174              | \$ 838,152   | \$ 1,003,092                               | \$ 164,940  |
| Reconciliation of Fund Balance:   |                         |              |  |   |
| Budgetary Fund Balance  |                         |              | \$ 1,003,092                               |   |
| Perspective Differences:  |                         |              |  |   |
| Revenues not included in budgetary basis, but included in<br>Statement of Revenues, Expenditures, and Changes in Fund Balances                        |                         | 4,113        |  |   |
| Expenditures not included in budgetary basis, but included in<br>Statement of Revenues, Expenditures, and Changes in Fund Balances                    |                         | (2,509)      |  |   |
| Beginning fund balance of funds not included in budgetary basis, but included in<br>Statement of Revenues, Expenditures, and Changes in Fund Balances |                         | 47,259       |  |   |
|   |                         |              | 48,863                                     |   |
| Fund Balance per Statement of Revenues, Expenditures,<br>and Changes in Fund Balances   |                         |              | \$ 1,051,955                               |   |

See accompanying notes to the required supplementary information

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Wisconsin Retirement System Schedules**  
**December 31, 2022**

**Schedule of Proportionate Share of the Net Pension Liability (Asset)**  
**As of the Measurement Date**  
Last 10 Fiscal Years

| Year ended<br>December 31, | Proportion of<br>the net pension<br>liability (asset) | Proportionate<br>share of the net<br>pension liability<br>(asset) | Covered-<br>employee<br>payroll | Collective net pension<br>liability (asset) as a<br>percentage of its<br>covered-employee<br>payroll | Plan fiduciary net<br>position as a<br>percentage of the<br>total pension<br>liability (asset) |
|----------------------------|---|---|---------------------------------|--|--|
| 2021                       | (0.00268598%)   | \$ (216,494)  | \$ 339,172                      | (63.83%)   | (106.02%)  |
| 2020                       | (0.00293885%)   | (183,476)   | 421,795                         | (43.50%)   | (105.26%)  |
| 2019                       | (0.00271330%)   | (87,489)  | 402,464                         | (21.74%)   | (102.96%)  |
| 2018                       | 0.00251391%   | 89,437  | 376,484                         | 23.76%   | 96.45%   |
| 2017                       | (0.00231961%)   | (68,871)  | 324,537                         | (21.22%)   | (102.93%)  |
| 2016                       | 0.00229156%   | 18,888  | 318,862                         | 5.92%  | 99.12%   |
| 2015                       | 0.00227118%   | 36,906  | 298,924                         | 12.35%   | 98.20%   |
| 2014                       | (0.00226489%)   | (55,617)  | 301,622                         | (18.44%)   | (102.74%)  |

**Schedule of Village's Contributions**  
**For the Year Ended**  
Last 10 Fiscal Years

| Year ended<br>December 31, | Contractually<br>required<br>contributions | Contributions in<br>relation to<br>the contractually<br>required<br>contributions | Contribution<br>deficiency<br>(excess) | Covered-employee<br>payroll | Contributions as a<br>percentage of<br>covered-<br>employee payroll |
|----------------------------|--|---|--|-----------------------------|---|
| 2022                       | \$ 20,513                                  | \$ (20,513)   | \$ -                                   | \$ 315,581                  | 6.50%   |
| 2021                       | 24,386                                     | (24,386)  | -                                      | 339,172                     | 7.19%   |
| 2020                       | 34,549                                     | (34,549)  | -                                      | 421,795                     | 8.19%   |
| 2019                       | 31,117                                     | (31,117)  | -                                      | 402,464                     | 7.73%   |
| 2018                       | 29,058                                     | (29,058)  | -                                      | 376,484                     | 7.72%   |
| 2017                       | 24,085                                     | (24,085)  | -                                      | 324,537                     | 7.42%   |
| 2016                       | 22,387                                     | (22,387)  | -                                      | 318,862                     | 7.02%   |
| 2015                       | 21,598                                     | (21,598)  | -                                      | 298,924                     | 7.23%   |

See accompanying notes to the required supplementary information

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Local Retiree Life Insurance Fund Schedules**  
**December 31, 2022**

**Schedule of Proportionate Share of the Net OPEB Liability (Asset)**  
**As of the Measurement Date**  
Last 10 Fiscal Years

| Year ended<br>December 31, | Proportion of the<br>net OPEB liability<br>(asset) | Proportionate share of<br>the net OPEB liability<br>(asset) | Covered-<br>employee<br>payroll | Collective net OPEB<br>liability (asset) as a<br>percentage of its<br>covered-employee<br>payroll | Plan fiduciary net<br>position as a<br>percentage of the<br>total OPEB<br>liability (asset) |
|----------------------------|--|---|---------------------------------|---|---|
| 2021                       | 0.00762600%  | \$ 45,072   | \$ 302,000                      | 14.92%  | 29.57%  |
| 2020                       | 0.00636100%  | 34,990  | 294,000                         | 11.90%  | 31.36%  |
| 2019                       | 0.00642800%  | 27,372  | 282,000                         | 9.71%   | 37.58%  |
| 2018                       | 0.00792100%  | 20,439  | 325,000                         | 6.29%   | 48.69%  |
| 2017                       | 0.00813800%  | 24,484  | 342,226                         | 7.15%   | 44.81%  |

**Schedule of Village's Contributions for LRLIF**  
**For the Year Ended**

| Year ended<br>December 31, | Contractually<br>required<br>contributions | Contributions in<br>relation to the<br>contractually required<br>contributions | Contribution<br>deficiency<br>(excess) | Covered-employee<br>payroll | Contributions as a<br>percentage of<br>covered-employee<br>payroll |
|----------------------------|--|--|--|-----------------------------|--|
| 2022                       | \$ 192                                     | \$ (192)   | \$ -                                   | \$ 307,716                  | 0.06%  |
| 2021                       | 160  | (160)  | -                                      | 302,000                     | 0.05%  |
| 2020                       | 116  | (116)  | -                                      | 294,000                     | 0.04%  |
| 2019                       | 152  | (152)  | -                                      | 282,000                     | 0.05%  |
| 2018                       | 154  | (154)  | -                                      | 325,000                     | 0.05%  |

See accompanying notes to the required supplementary information



**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Group Health Insurance Plan Schedule**  
**December 31, 2022**

**Schedule of Changes in the Village's Total Group Health Insurance Plan OPEB Liability and Related Ratios**  
**For the Year Ended December 31, 2022**  
**As of the Measurement Date**

|  | <u>2021</u>          | <u>2020</u>          | <u>2019</u>          |
|--|----------------------|----------------------|----------------------|
| Total OPEB Liability   |                      |                      |                      |
| Service costs  | \$ 3,534             | \$ 3,239             | \$ 3,239             |
| Interest   | 1,463                | 1,742                | 1,707                |
| Changes in benefit terms   | -                    | -                    | -                    |
| Difference between expected and actual experience                | (29,609)             | -                    | -                    |
| Changes in assumptions or other inputs                           | 46,389               | 1,545                | -                    |
| Benefit payments   | <u>(5,772)</u>       | <u>(4,210)</u>       | <u>(3,135)</u>       |
| Net change in total OPEB   | 16,005               | 2,316                | 1,811                |
| Total Retiree Health Insurance Plan OPEB Liability-Beginning     | <u>66,156</u>        | <u>63,840</u>        | <u>62,029</u>        |
| Total Retiree Health Insurance Plan OPEB Liability-Ending        | <u><u>82,161</u></u> | <u><u>66,156</u></u> | <u><u>63,840</u></u> |
| Covered Employee Payroll   | \$ 307,237           | \$ 431,786           | \$ 431,786           |
| Total OPEB Liability as a percentage of covered-employee payroll | 26.74%               | 15.32%               | 14.79%               |

Data presented as of the measurement date.

**VILLAGE OF BROOKLYN**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended December 31, 2022**

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**1. Budgetary Comparison Schedule**

**A. Basis of Accounting**

The General Fund budgetary comparison schedule has been presented on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America. See Note 1(H) in the notes to the financial statements for more information on the Village's budgetary information.

**B. Excess Expenditures over Appropriations**

The Village controls expenditures at the department level. Some individual line items experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village's year-end budget to actual report. The following expenditure functions had an excess of actual expenditures over budget for the year ended December 31, 2022:

|                |                        |
|----------------|------------------------|
|                | Excess<br>Expenditures |
| Capital Outlay | \$ 38,754              |

Revenues and other financing sources were sufficient to cover the excess expenditures.

**2. Wisconsin Retirement System Schedules**

Governmental Accounting Standards Board Statement No. 68 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 2 preceding years.

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

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

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

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

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

**VILLAGE OF BROOKLYN**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended December 31, 2022**

**2.      Wisconsin Retirement System Schedules (Continued)**

**Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:**

|                                       | <b>2021</b>   | <b>2020</b>   | <b>2019</b>   | <b>2018</b>   | <b>2017</b>   |
|---------------------------------------|---|---|---|---|---|
| Valuation Date:                       | December 31, 2019   | December 31, 2018   | December 31, 2017   | December 31, 2016   | December 31, 2015   |
| Actuarial Cost Method:                | Frozen Entry Age  | Frozen Entry Age  | Frozen Entry Age  | Frozen Entry Age  | Frozen Entry Age  |
| Amortization Method:                  | Level Percent of Payroll-Closed Amortization Period   | Level Percent of Payroll-Closed Amortization Period   | Level Percent of Payroll-Closed Amortization Period   | Level Percent of Payroll-Closed Amortization Period   | Level Percent of Payroll-Closed Amortization Period   |
| Amortization Period:                  | 30 Year closed from date of participation in WRS  | 30 Year closed from date of participation in WRS  | 30 Year closed from date of participation in WRS  | 30 Year closed from date of participation in WRS  | 30 Year closed from date of participation in WRS  |
| Asset Valuation Method:               | Five Year Smoothed Market (Closed)  | Five Year Smoothed Market (Closed)  | Five Year Smoothed Market (Closed)  | Five Year Smoothed Market (Closed)  | Five Year Smoothed Market (Closed)  |
| Actuarial Assumptions                 |   |   |   |   |   |
| Net Investment Rate of Return:        | 5.4%  | 5.4%  | 5.5%  | 5.5%  | 5.5%  |
| Weighted based on assumed rate for:   |   |   |   |   |   |
| Pre-retirement:                       | 7.0%  | 7.0%  | 7.2%  | 7.2%  | 7.2%  |
| Post-retirement:                      | 5.0%  | 5.0%  | 5.0%  | 5.0%  | 5.0%  |
| Salary Increases                      |   |   |   |   |   |
| Wage Inflation:                       | 3.0%  | 3.0%  | 3.2%  | 3.2%  | 3.2%  |
| Seniority/Merit:                      | 0.1%-5.6%   | 0.1%-5.6%   | 0.1%-5.6%   | 0.1%-5.6%   | 0.1%-5.6%   |
| Post-retirement Benefit Adjustments*: | 1.9%  | 1.9%  | 2.1%  | 2.1%  | 2.1%  |
| Retirement Age:                       | Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017.          | Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017.        | Experience -based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.         | Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.        | Experience - based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014.        |
| Mortality:                            | Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%). | Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%). | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%). | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%). | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%). |

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

**VILLAGE OF BROOKLYN**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended December 31, 2022**

**2. Wisconsin Retirement System Schedules (Continued)**

**Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:**

|                                       | <b>2016</b>  | <b>2015</b>  | <b>2014</b>  | <b>2013</b>  |
|---------------------------------------|--|--|--|--|
| Valuation Date:                       | December 31, 2014  | December 31, 2013  | December 31, 2012  | December 31, 2011  |
| Actuarial Cost Method:                | Frozen Entry Age   | Frozen Entry Age   | Frozen Entry Age   | Frozen Entry Age   |
| Amortization Method:                  | Level Percent of Payroll-Closed Amortization Period  | Level Percent of Payroll-Closed Amortization Period  | Level Percent of Payroll-Closed Amortization Period  | Level Percent of Payroll-Closed Amortization Period  |
| Amortization Period:                  | 30 Year closed from date of participation in WRS   | 30 Year closed from date of participation in WRS   | 30 Year closed from date of participation in WRS   | 30 Year closed from date of participation in WRS   |
| Asset Valuation Method:               | Five Year Smoothed Market (Closed)   | Five Year Smoothed Market (Closed)   | Five Year Smoothed Market (Closed)   | Five Year Smoothed Market (Closed)   |
| Actuarial Assumptions                 |  |  |  |  |
| Net Investment Rate of Return:        | 5.5%   | 5.5%   | 5.5%   | 5.5%   |
| Weighted based on assumed rate for:   |  |  |  |  |
| Pre-retirement:                       | 7.2%   | 7.2%   | 7.2%   | 7.2%   |
| Post-retirement:                      | 5.0%   | 5.0%   | 5.0%   | 5.0%   |
| Salary Increases                      |  |  |  |  |
| Wage Inflation:                       | 3.2%   | 3.2%   | 3.2%   | 3.2%   |
| Seniority/Merit:                      | 0.1%-5.6%  | 0.1%-5.6%  | 0.1%-5.6%  | 0.1%-5.6%  |
|                                       | 2.1%   | 2.1%   | 2.1%   | 2.1%   |
| Post-retirement Benefit Adjustments*: |  |  |  |  |
| Retirement Age:                       | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2006 - 2008. |
| Mortality:                            | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality                          | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality                          | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality                          | Wisconsin Projected Experience Table - 2005 for women and 90% of the Wisconsin Projected Experience Table - 2005 for men.  |

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

**VILLAGE OF BROOKLYN**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended December 31, 2022**

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**3. Local Retiree Life Insurance Schedules**

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 5 preceding years.

*Changes of benefit terms.* There were no changes of benefit terms.

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

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

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

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

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

**4. Group Health Insurance Plan Schedules**

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 7 preceding years.

*Changes of benefit terms.* There were no changes of benefit terms for any participating employer in Group Health Insurance Plan.

*Changes of assumptions.* The discount rate was updated based on the Bond Buyer GO 20-Year AA Bond Index published by the Federal Reserve as of the week of the measurement date (2.00%) in compliance with GASB 75.

## **SUPPLEMENTARY INFORMATION**

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (with Variances)**

**General Fund**

**For the Year Ended December 31, 2022**

|   | <b>Budgeted Amounts</b> |              | <b>Actual<br/>Amounts,<br/>Budgetary<br/>Basis</b> | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|--------------|--|---|
|   | <b>Original</b>         | <b>Final</b> |  |   |
| <b>REVENUES</b>                         |                         |              |  |   |
| <b>TAXES</b>                            |                         |              |  |   |
| Property taxes                          | \$ 653,234              | \$ 653,234   | \$ 653,492   | \$ 258  |
| Payments in lieu of taxes               | 4,000                   | 4,000        | 3,956  | (44)  |
| TOTALS                                  | 657,234                 | 657,234      | 657,448  | 214   |
| <b>INTERGOVERNMENTAL REVENUES</b>       |                         |              |  |   |
| State shared revenues                   | 177,568                 | 177,568      | 175,568  | (2,000)   |
| State aid - fire insurance              | 4,000                   | 4,000        | 4,983  | 983   |
| State aid - ambulance                   | -                       | -            | 24,992   | 24,992  |
| State aid - highways                    | 90,618                  | 90,618       | 90,618   | -   |
| State aid - recycling                   | 3,500                   | 3,500        | 3,535  | 35  |
| State aid - exempt computer             | 599                     | 599          | 599  | -   |
| State aid - personal property aid       | 694                     | 694          | 694  | -   |
| Other state grants                      | 12,885                  | 12,885       | 8,808  | (4,077)   |
| TOTALS                                  | 289,864                 | 289,864      | 309,797  | 19,933  |
| <b>LICENSES AND PERMITS</b>             |                         |              |  |   |
| Cable TV franchise fee                  | 12,700                  | 12,700       | 10,816   | (1,884)   |
| Liquor and malt beverage licenses       | 1,500                   | 1,500        | 1,915  | 415   |
| Cigarette licenses                      | 700                     | 700          | 1,208  | 508   |
| Dog and cat licenses                    | 1,400                   | 1,400        | 1,351  | (49)  |
| Other licenses                          | 160                     | 160          | 193  | 33  |
| Building permits                        | 10,000                  | 10,000       | 29,800   | 19,800  |
| Zoning permits and fees                 | 4,000                   | 4,000        | 11,068   | 7,068   |
| TOTALS                                  | 30,460                  | 30,460       | 56,351   | 25,891  |
| <b>FINES, FORFEITURES AND PENALTIES</b> |                         |              |  |   |
| Court penalties and costs               | 2,000                   | 2,000        | 1,340  | (660)   |
| Other fees and violations               | -                       | -            | 830  | 830   |
| TOTALS                                  | 2,000                   | 2,000        | 2,170  | 170   |
| <b>PUBLIC CHARGES FOR SERVICES</b>      |                         |              |  |   |
| Clerk fees                              | 1,000                   | 1,000        | 2,287  | 1,287   |
| Park Shelter Rental                     | 400                     | 400          | 425  | 25  |
| Refuse and garbage collection           | 87,633                  | 87,633       | 88,336   | 703   |
| Park Developer Fees                     | -                       | -            | 26,600   | 26,600  |
| Community Building Rent                 | 2,000                   | 2,000        | 2,000  | -   |
| Other fees                              | 1,050                   | 1,050        | 930  | (120)   |
| TOTALS                                  | 92,083                  | 92,083       | 120,578  | 28,495  |

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (with Variances)**

**General Fund**

**For the Year Ended December 31, 2022**

|                            | <b>Budgeted Amounts</b> |                  | <b>Actual<br/>Amounts,<br/>Budgetary<br/>Basis</b> | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
|----------------------------|-------------------------|------------------|--|---|
|                            | <b>Original</b>         | <b>Final</b>     |  |   |
| <b>INVESTMENT INCOME</b>   |                         |                  |  |   |
| Interest on investments    | 10,408                  | 10,408           | 24,620   | 14,212  |
| Interest on leases         | -                       | -                | 8,539  | 8,539   |
| <b>TOTALS</b>              | <b>10,408</b>           | <b>10,408</b>    | <b>33,159</b>                                      | <b>22,751</b>   |
| <b>MISCELLANEOUS</b>       |                         |                  |  |   |
| Rent of municipal property | 19,140                  | 19,140           | 30,282   | 11,142  |
| Miscellaneous              | 20,000                  | 20,000           | 7,882  | (12,118)  |
| <b>TOTALS</b>              | <b>39,140</b>           | <b>39,140</b>    | <b>45,822</b>                                      | <b>6,682</b>  |
| <b>TOTAL REVENUES</b>      | <b>1,121,189</b>        | <b>1,121,189</b> | <b>1,225,325</b>                                   | <b>104,136</b>  |



**VILLAGE OF BROOKLYN**

**Brooklyn, Wisconsin**

**Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (with Variances)**

**General Fund**

**For the Year Ended December 31, 2022**

|                                     | <b>Budgeted Amounts</b> |                | <b>Actual<br/>Amounts,<br/>Budgetary<br/>Basis</b> | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
|-------------------------------------|-------------------------|----------------|--|---|
|                                     | <b>Original</b>         | <b>Final</b>   |  |   |
| <b>EXPENDITURES</b>                 |                         |                |  |   |
| <b>GENERAL GOVERNMENT</b>           |                         |                |  |   |
| Village board                       | 19,708                  | 19,708         | 19,302   | 406   |
| Legal                               | 7,000                   | 7,000          | 5,261  | 1,739   |
| Municipal court                     | 4,000                   | 4,000          | 135  | 3,865   |
| Clerk                               | 112,543                 | 112,543        | 112,109  | 434   |
| Board of review                     | 350                     | 350            | 367  | (17)  |
| Elections                           | 4,700                   | 4,700          | 3,648  | 1,052   |
| Assessment of property              | 8,500                   | 8,500          | 8,523  | (23)  |
| Accounting and auditing             | 9,459                   | 9,459          | 10,405   | (946)   |
| Village hall                        | 33,797                  | 33,797         | 39,431   | (5,634)   |
| Property and liability insurance    | 20,550                  | 20,550         | 19,293   | 1,257   |
| Other general government            | 29,823                  | 29,823         | 874  | 28,949  |
| <b>TOTALS</b>                       | <b>250,430</b>          | <b>250,430</b> | <b>219,348</b>                                     | <b>31,082</b>   |
| <b>PUBLIC SAFETY</b>                |                         |                |  |   |
| Police                              | 210,389                 | 210,389        | 158,782  | 51,607  |
| Public fire protection              | 195,257                 | 195,257        | 195,960  | (703)   |
| Ambulance                           | 97,008                  | 97,008         | 112,357  | (15,349)  |
| Building inspection                 | 9,000                   | 9,000          | 26,257   | (17,257)  |
| <b>TOTALS</b>                       | <b>511,654</b>          | <b>511,654</b> | <b>493,356</b>                                     | <b>18,298</b>   |
| <b>PUBLIC WORKS</b>                 |                         |                |  |   |
| Machinery operation and maintenance | 5,000                   | 5,000          | 3,305  | 1,695   |
| Street maintenance                  | 198,983                 | 201,233        | 180,824  | 20,409  |
| Tree and brush control              | 5,000                   | 8,772          | 5,697  | 3,075   |
| Street cleaning                     | 4,950                   | 4,950          | 4,935  | 15  |
| Street lighting                     | 20,000                  | 20,000         | 19,384   | 616   |
| Refuse and garbage collection       | 62,624                  | 62,624         | 65,663   | (3,039)   |
| Recycling                           | 28,441                  | 28,441         | 27,875   | 566   |
| <b>TOTAL</b>                        | <b>324,998</b>          | <b>331,020</b> | <b>307,683</b>                                     | <b>23,337</b>   |

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual (with Variances)**

**General Fund**

**For the Year Ended December 31, 2022**

|   | <b>Budgeted Amounts</b> |                   | <b>Actual<br/>Amounts,<br/>Budgetary<br/>Basis</b> | <b>Variance with<br/>Final Budget -<br/>Positive<br/>(Negative)</b> |
|---|-------------------------|-------------------|--|---|
|   | <b>Original</b>         | <b>Final</b>      |  |   |
| <b>CULTURE, RECREATION AND EDUCATION</b>          |                         |                   |  |   |
| Oregon senior center                              | 15,000                  | 15,000            | 15,000   | -   |
| Oregon youth center                               | 1,500                   | 1,500             | 1,500  | -   |
| Parks   | 39,747                  | 39,747            | 43,230   | (3,483)   |
| Recreation programs and events                    | 15,100                  | 15,100            | 10,853   | 4,247   |
| TOTAL   | <u>71,347</u>           | <u>71,347</u>     | <u>70,583</u>                                      | <u>764</u>  |
| <b>CONSERVATION AND DEVELOPMENT</b>               |                         |                   |  |   |
| Zoning  | 8,500                   | 8,500             | 7,518  | 982   |
| Other   | 500                     | 500               | 384  | 116   |
| TOTAL   | <u>17,000</u>           | <u>17,000</u>     | <u>12,902</u>                                      | <u>4,098</u>  |
| <b>CAPITAL OUTLAY</b>                             |                         |                   |  |   |
| Capital Outlay                                    | <u>2,760</u>            | <u>2,760</u>      | <u>41,514</u>                                      | <u>(38,754)</u>   |
| <b>TOTAL EXPENDITURES</b>                         | <u>1,178,189</u>        | <u>1,184,211</u>  | <u>1,145,386</u>                                   | <u>38,825</u>   |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(57,000)</u>         | <u>(63,022)</u>   | <u>79,939</u>                                      | <u>142,961</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                         |                   |  |   |
| Proceeds from Sale of Capital Assets              | -                       | -                 | 24,854   | (24,854)  |
| Transfers In (including tax equivalent)           | <u>57,000</u>           | <u>57,000</u>     | <u>54,125</u>                                      | <u>(2,875)</u>  |
| Total Other Financing Sources and Uses            | <u>57,000</u>           | <u>57,000</u>     | <u>78,979</u>                                      | <u>21,979</u>   |
| Net Change in Fund Balances                       | -                       | (6,022)           | 158,918  | 164,940   |
| Fund Balances - Beginning                         | <u>844,174</u>          | <u>844,174</u>    | <u>844,174</u>                                     | <u>-</u>  |
| Fund Balances - Ending                            | <u>\$ 844,174</u>       | <u>\$ 838,152</u> | <u>\$ 1,003,092</u>                                | <u>\$ 164,940</u>   |

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**December 31, 2022**

|   | <u>Cemetery</u>  | <u>General<br/>Capital<br/>Projects</u> | <u>TIF #1</u>     | <u>Non-Major<br/>Governmental<br/>Funds</u> |
|---|------------------|---|-------------------|---|
| <b>ASSETS</b>   |                  |   |                   |   |
| Cash and Cash Equivalents   | \$ 66,718        | \$ 156,654                              | \$ 123,394        | \$ 346,766                                  |
| Receivables:  |                  |   |                   |   |
| Taxes   | 2,402            | -                                       | 23,134            | 25,536                                      |
| Lease Receivable  | -                | 11,744                                  | -                 | 11,744                                      |
| Other   | -                | 39                                      | -                 | 39  |
| Total Assets  | <u>\$ 69,120</u> | <u>\$ 168,437</u>                       | <u>\$ 146,528</u> | <u>\$ 384,085</u>                           |
| <br><b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b> |                  |   |                   |   |
| Liabilities:  |                  |   |                   |   |
| Accounts Payable  | \$ -             | \$ -                                    | \$ 1,906          | \$ 1,906                                    |
| Unearned Revenue  | <u>-</u>         | <u>93,318</u>                           | <u>-</u>          | <u>93,318</u>                               |
| Total Liabilities   | <u>-</u>         | <u>93,318</u>                           | <u>1,906</u>      | <u>95,224</u>                               |
| Deferred Inflows of Resources:  |                  |   |                   |   |
| Tax Levy  | \$ 6,052         | \$ -                                    | \$ 58,294         | \$ 64,346                                   |
| Lease   | <u>-</u>         | <u>11,552</u>                           | <u>-</u>          | <u>11,552</u>                               |
| Total Deferred Inflows of Resources                                     | <u>6,052</u>     | <u>11,552</u>                           | <u>58,294</u>     | <u>75,898</u>                               |
| Fund Balance:   |                  |   |                   |   |
| Restricted  | <u>63,068</u>    | <u>63,567</u>                           | <u>86,328</u>     | <u>212,963</u>                              |
| Total Fund Balance  | <u>63,068</u>    | <u>63,567</u>                           | <u>86,328</u>     | <u>212,963</u>                              |
| Total Liabilities, Deferred Inflows of Resources<br>and Fund Balance    | <u>\$ 69,120</u> | <u>\$ 168,437</u>                       | <u>\$ 146,528</u> | <u>\$ 384,085</u>                           |

**VILLAGE OF BROOKLYN**  
**Brooklyn, Wisconsin**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the Year Ended December 31, 2022**

|   | <b>Cemetery</b>  | <b>General<br/>Capital<br/>Projects</b> | <b>TIF #1</b>    | <b>Non-Major<br/>Governmental<br/>Funds</b> |
|---|------------------|---|------------------|---|
| <b>REVENUES</b>                                   |                  |   |                  |   |
| Property Taxes                                    | \$ 5,790         | \$ -                                    | \$ 59,484        | \$ 65,274                                   |
| Intergovernmental                                 | -                | 49,575                                  | -                | 49,575                                      |
| Public Charges for Services                       | 5,202            | -                                       | -                | 5,202                                       |
| Interest Income                                   | -                | 679                                     | -                | 679   |
| Miscellaneous Income                              | 1,001            | 11,554                                  | -                | 12,555                                      |
| Total Revenues                                    | <u>11,993</u>    | <u>61,808</u>                           | <u>59,484</u>    | <u>133,285</u>                              |
| <b>EXPENDITURES</b>                               |                  |   |                  |   |
| Current:  |                  |   |                  |   |
| General Government                                | -                | 52,860                                  | -                | 52,860                                      |
| Health and Human Services                         | 6,764            | -                                       | -                | 6,764                                       |
| Conservation and Development                      | -                | -                                       | 52,164           | 52,164                                      |
| Capital Outlay                                    | -                | -                                       | 13,500           | 13,500                                      |
| Total Expenditures                                | <u>6,764</u>     | <u>52,860</u>                           | <u>65,664</u>    | <u>125,288</u>                              |
| Excess (Deficiency) of Revenues Over Expenditures | <u>5,229</u>     | <u>8,948</u>                            | <u>(6,180)</u>   | <u>7,997</u>                                |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                  |   |                  |   |
| Proceeds from Long-Term Debt                      | -                | 1,541                                   | -                | 1,541                                       |
| Total Other Financing Sources and Uses            | <u>-</u>         | <u>1,541</u>                            | <u>-</u>         | <u>1,541</u>                                |
| Net Change in Fund Balances                       | 5,229            | 10,489                                  | (6,180)          | 9,538                                       |
| Fund Balances - Beginning                         | 57,839           | 53,078                                  | 92,508           | 203,425                                     |
| Fund Balances - Ending                            | <u>\$ 63,068</u> | <u>\$ 63,567</u>                        | <u>\$ 86,328</u> | <u>\$ 212,963</u>                           |

**Village of Brooklyn**  
**Schedule of Long-Term Debt Principal Payments**  
**December 31, 2022**

| Year | Governmental Activities                |                                    |                                     |                                    |                            |                                       |                                |                                   |           |                  |
|------|--|------------------------------------|-------------------------------------|------------------------------------|----------------------------|---------------------------------------|--------------------------------|-----------------------------------|-----------|------------------|
|      | General Obligation Debt                |                                    |                                     |                                    |                            |                                       |                                |                                   |           |                  |
|      | 2012                                   | 2013                               | 2016                                | 2018                               | 2018                       | 2019                                  | 2021A                          | 2021                              | Total     |                  |
|      | Clean Water<br>Fund Bonds<br>(Village) | General<br>Obligation<br>(Village) | Refinance<br>Fire Loan<br>(Village) | General<br>Obligation<br>(Village) | Truck<br>Loan<br>(Village) | Clean Water<br>Fund Loan<br>(Village) | TIF #2<br>GO Bond<br>(Village) | Village Hall<br>Loan<br>(Village) |           |                  |
| 2023 | \$ 24,066                              | \$ 10,087                          | \$ 18,214                           | \$ 30,000                          | \$ 13,490                  | \$ 48,011                             | \$ -                           | \$ 11,093                         | \$        | 154,961          |
| 2024 | 24,788                                 | -                                  | 18,825                              | 30,000                             | -                          | 48,888                                | -                              | 11,543                            |           | 134,044          |
| 2025 | 25,532                                 | -                                  | 19,511                              | 30,000                             | -                          | 49,780                                | 50,000                         | 11,980                            |           | 186,803          |
| 2026 | 26,297                                 | -                                  | 20,193                              | 30,000                             | -                          | 50,689                                | 115,000                        | 12,497                            |           | 254,677          |
| 2027 | 27,086                                 | -                                  | 20,900                              | 30,000                             | -                          | 51,615                                | 135,000                        | 9,946                             |           | 274,547          |
| 2028 | 27,899                                 | -                                  | 21,613                              | 30,000                             | -                          | 52,557                                | 135,000                        | 10,252                            |           | 277,321          |
| 2029 | 28,736                                 | -                                  | 22,388                              | 30,000                             | -                          | 53,517                                | 135,000                        | 10,547                            |           | 280,188          |
| 2030 | 29,598                                 | -                                  | 23,172                              | 30,000                             | -                          | 54,494                                | 130,000                        | 10,890                            |           | 278,154          |
| 2031 | 30,486                                 | -                                  | 23,983                              | 30,000                             | -                          | 55,489                                | 130,000                        | 212,195                           |           | 482,153          |
| 2032 | -                                      | -                                  | 24,812                              | 45,000                             | -                          | 56,503                                | 130,000                        | -                                 |           | 256,315          |
| 2033 | -                                      | -                                  | 25,691                              | 40,000                             | -                          | 57,534                                | 140,000                        | -                                 |           | 263,225          |
| 2034 | -                                      | -                                  | 26,590                              | 35,000                             | -                          | 58,585                                | -                              | -                                 |           | 120,175          |
| 2035 | -                                      | -                                  | 27,520                              | 35,000                             | -                          | 59,655                                | -                              | -                                 |           | 122,175          |
| 2036 | -                                      | -                                  | -                                   | 55,000                             | -                          | 60,744                                | -                              | -                                 |           | 115,744          |
| 2037 | -                                      | -                                  | -                                   | 50,000                             | -                          | 61,853                                | -                              | -                                 |           | 111,853          |
| 2038 | -                                      | -                                  | -                                   | 45,000                             | -                          | 62,983                                | -                              | -                                 |           | 107,983          |
| 2039 | -                                      | -                                  | -                                   | -                                  | -                          | 64,133                                | -                              | -                                 |           | 64,133           |
|      | <u>\$ 244,488</u>                      | <u>\$ 10,087</u>                   | <u>\$ 293,412</u>                   | <u>\$ 575,000</u>                  | <u>\$ 13,490</u>           | <u>\$ 947,031</u>                     | <u>\$ 1,100,000</u>            | <u>\$ 300,943</u>                 | <u>\$</u> | <u>3,484,451</u> |

**Village of Brooklyn**  
**Schedule of Long-Term Debt Principal Payments**  
**December 31, 2022**

| Year | Business - Type Activities                   |  |  |  |  |  |                                     |
|------|--|--|--|--|--|--|-------------------------------------|
|      | Revenue Bonds                                |  |  | 2013<br>General<br>Obligation<br>(Sewer) | 2018<br>General<br>Obligation<br>(Water) | 2018<br>General<br>Obligation<br>(Sewer) | Total<br>Business-Type<br>Principal |
|      | 2003<br>Clean Water<br>Fund Bonds<br>(Sewer) | 2008<br>Clean Water<br>Fund Bonds<br>(Sewer) | 2012<br>Clean Water<br>Fund Bonds<br>(Sewer) |  |  |  |                                     |
|      |  |  |  |  |  |  |                                     |
| 2023 | \$ 39,313                                    | \$ 131,106                                   | \$ 73,715                                    | \$ 1,346                                 | \$ 15,000                                | \$ 5,000                                 | \$ 265,480                          |
| 2024 | -  | 134,207                                      | 75,926                                       | -  | 15,000                                   | 10,000                                   | 235,133                             |
| 2025 | -  | 137,381                                      | 78,204                                       | -  | 15,000                                   | 10,000                                   | 240,585                             |
| 2026 | -  | 140,630                                      | 80,550                                       | -  | 15,000                                   | 10,000                                   | 246,180                             |
| 2027 | -  | 143,956                                      | 82,966                                       | -  | 15,000                                   | 10,000                                   | 251,922                             |
| 2028 | -  | 147,360                                      | 85,455                                       | -  | 15,000                                   | 10,000                                   | 257,815                             |
| 2029 | -  | -  | 88,019                                       | -  | 15,000                                   | 10,000                                   | 113,019                             |
| 2030 | -  | -  | 90,660                                       | -  | 15,000                                   | 10,000                                   | 115,660                             |
| 2031 | -  | -  | 93,380                                       | -  | 20,000                                   | 15,000                                   | 128,380                             |
| 2032 | -  | -  | -  | -  | 20,000                                   | 15,000                                   | 35,000                              |
| 2033 | -  | -  | -  | -  | 20,000                                   | 15,000                                   | 35,000                              |
| 2034 | -  | -  | -  | -  | 20,000                                   | 15,000                                   | 35,000                              |
| 2035 | -  | -  | -  | -  | 20,000                                   | 15,000                                   | 35,000                              |
| 2036 | -  | -  | -  | -  | 20,000                                   | 10,000                                   | 30,000                              |
| 2037 | -  | -  | -  | -  | 20,000                                   | 10,000                                   | 30,000                              |
| 2038 | -  | -  | -  | -  | 15,000                                   | 10,000                                   | 25,000                              |
| 2039 | -  | -  | -  | -  | -  | -  | -                                   |
|      | <u>\$ 39,313</u>                             | <u>\$ 834,640</u>                            | <u>\$ 748,875</u>                            | <u>\$ 1,346</u>                          | <u>\$ 275,000</u>                        | <u>\$ 180,000</u>                        | <u>\$ 2,079,174</u>                 |

**Village of Brooklyn**  
**Schedule of Long-Term Debt Interest Payments**  
**December 31, 2022**

| Year | Governmental Activities                        |  |   |  |                                    |   |                                      |  |                                   |
|------|--|--|---|--|------------------------------------|---|--------------------------------------|--|-----------------------------------|
|      | General Obligation Debt                        |  |   |  |                                    |   |                                      |  |                                   |
|      | 2012<br>Clean Water<br>Fund Bonds<br>(Village) | 2013<br>General<br>Obligation<br>(Village) | 2016<br>Refinance<br>Fire Loan<br>(Village) | 2018<br>General<br>Obligation<br>(Village) | 2018<br>Truck<br>Loan<br>(Village) | 2019<br>Clean Water<br>Fund Loan<br>(Village) | 2021A<br>TIF #2<br>Loan<br>(Village) | 2021<br>General<br>Obligation<br>(Village) | Total<br>Governmental<br>Interest |
| 2023 | \$ 6,973                                       | \$ 90                                      | \$ 10,269                                   | \$ 19,850                                  | \$ 198                             | \$ 16,854                                     | \$ 19,738                            | \$ 12,205                                  | \$ 86,177                         |
| 2024 | 6,241  | -  | 9,658                                       | 18,650                                     | -                                  | 15,970  | 19,738                               | 11,755                                     | 82,012                            |
| 2025 | 5,487  | -  | 8,973                                       | 17,450                                     | -                                  | 15,069  | 19,387                               | 11,318                                     | 77,684                            |
| 2026 | 4,709  | -  | 8,290                                       | 16,400                                     | -                                  | 14,152  | 18,232                               | 10,801                                     | 72,584                            |
| 2027 | 3,908  | -  | 7,583                                       | 15,500                                     | -                                  | 13,218  | 16,415                               | 7,798                                      | 64,422                            |
| 2028 | 3,083  | -  | 6,871                                       | 14,578                                     | -                                  | 12,267  | 14,323                               | 7,492                                      | 58,613                            |
| 2029 | 2,233  | -  | 6,095                                       | 13,618                                     | -                                  | 11,298  | 12,061                               | 7,197                                      | 52,502                            |
| 2030 | 1,358  | -  | 5,312                                       | 12,605                                     | -                                  | 10,312  | 9,645                                | 6,853                                      | 46,085                            |
| 2031 | 458  | -  | 4,501                                       | 11,555                                     | -                                  | 9,308   | 7,110                                | 6,519                                      | 39,451                            |
| 2032 | -  | -  | 3,671                                       | 10,243                                     | -                                  | 8,285   | 4,445                                | -  | 26,644                            |
| 2033 | -  | -  | 2,793                                       | 8,745                                      | -                                  | 7,244   | 1,540                                | -  | 20,322                            |
| 2034 | -  | -  | 1,894                                       | 7,414                                      | -                                  | 6,184   | -                                    | -  | 15,492                            |
| 2035 | -  | -  | 963   | 6,171                                      | -                                  | 5,104   | -                                    | -  | 12,239                            |
| 2036 | -  | -  | -   | 4,533                                      | -                                  | 4,005   | -                                    | -  | 8,538                             |
| 2037 | -  | -  | -   | 2,590                                      | -                                  | 2,886   | -                                    | -  | 5,476                             |
| 2038 | -  | -  | -   | 833  | -                                  | 1,746   | -                                    | -  | 2,579                             |
| 2039 | -  | -  | -   | -  | -                                  | 586   | -                                    | -  | 586                               |
|      | <u>\$ 34,450</u>                               | <u>\$ 90</u>                               | <u>\$ 76,875</u>                            | <u>\$ 180,733</u>                          | <u>\$ 198</u>                      | <u>\$ 154,487</u>                             | <u>\$ 142,634</u>                    | <u>\$ 81,938</u>                           | <u>\$ 671,404</u>                 |

**Village of Brooklyn**  
**Schedule of Long-Term Debt Interest Payments**  
**December 31, 2022**

| Business - Type Activities |                           |                           |                           |                       |                       |                       |                                    |
|----------------------------|---------------------------|---------------------------|---------------------------|-----------------------|-----------------------|-----------------------|------------------------------------|
| Year                       | Revenue Bonds             |                           |                           |                       |                       |                       | Total<br>Business-Type<br>Interest |
|                            | 2003                      | 2008                      | 2012                      | 2013                  | 2018                  | 2018                  |                                    |
|                            | Clean Water<br>Fund Bonds | Clean Water<br>Fund Bonds | Clean Water<br>Fund Bonds | General<br>Obligation | General<br>Obligation | General<br>Obligation |                                    |
|                            | (Sewer)                   | (Sewer)                   | (Sewer)                   | (Sewer)               | (Water)               | (Sewer)               |                                    |
| 2023                       | \$ 541                    | \$ 18,189                 | \$ 21,360                 | \$ 60                 | \$ 9,450              | \$ 6,248              | \$ 55,847                          |
| 2024                       | -                         | 15,051                    | 19,116                    | -                     | 8,850                 | 5,948                 | 48,965                             |
| 2025                       | -                         | 11,840                    | 16,804                    | -                     | 8,250                 | 5,548                 | 42,442                             |
| 2026                       | -                         | 8,553                     | 14,422                    | -                     | 7,725                 | 5,198                 | 35,898                             |
| 2027                       | -                         | 5,188                     | 11,970                    | -                     | 7,275                 | 4,898                 | 29,331                             |
| 2028                       | -                         | 1,743                     | 9,444                     | -                     | 6,814                 | 4,590                 | 22,591                             |
| 2029                       | -                         | -                         | 6,842                     | -                     | 6,334                 | 4,270                 | 17,446                             |
| 2030                       | -                         | -                         | 4,162                     | -                     | 5,828                 | 3,933                 | 13,923                             |
| 2031                       | -                         | -                         | 1,401                     | -                     | 5,215                 | 3,495                 | 10,111                             |
| 2032                       | -                         | -                         | -                         | -                     | 4,515                 | 2,970                 | 7,485                              |
| 2033                       | -                         | -                         | -                         | -                     | 3,810                 | 2,441                 | 6,251                              |
| 2034                       | -                         | -                         | -                         | -                     | 3,100                 | 1,909                 | 5,009                              |
| 2035                       | -                         | -                         | -                         | -                     | 2,390                 | 1,376                 | 3,766                              |
| 2036                       | -                         | -                         | -                         | -                     | 1,665                 | 925                   | 2,590                              |
| 2037                       | -                         | -                         | -                         | -                     | 925                   | 555                   | 1,480                              |
| 2038                       | -                         | -                         | -                         | -                     | 278                   | 185                   | 463                                |
| 2039                       | -                         | -                         | -                         | -                     | -                     | -                     | -                                  |
|                            | <u>\$ 541</u>             | <u>\$ 60,564</u>          | <u>\$ 105,521</u>         | <u>\$ 60</u>          | <u>\$ 82,423</u>      | <u>\$ 54,486</u>      | <u>\$ 303,595</u>                  |