

**VILLAGE OF GRANTSBURG, WISCONSIN**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**



**VILLAGE OF GRANTSBURG**  
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## ***Independent Auditor's Report***

Village Board and Management  
Village of Grantsburg  
Grantsburg, Wisconsin

### **Opinions**

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Grantsburg, 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 (GAAS). 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 Grantsburg and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Village of Grantsburg's 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 Grantsburg's ability to continue as a going concern for one year after the date that the financial statements are issued or when applicable, one year after the date that the financial statements are available to be issued.

### **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 GAAS 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Grantsburg'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 Grantsburg'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 on pages 4 through 12, and budgetary comparison information, required OPEB information, and required pension information on pages 64 through 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or

provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Grantsburg’s basic financial statements. The general fund detailed statement of revenues, expenditures, and changes in fund balance, the water utility enterprise fund budget to actual comparison, the stormwater utility enterprise fund budget to actual comparison, and the sewer utility enterprise fund budget to actual comparison, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The general fund detailed statement of revenues, expenditures, and changes in fund balance, the water utility enterprise fund budget to actual comparison, the stormwater utility enterprise fund budget to actual comparison, and the sewer utility enterprise fund budget to actual comparison, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the general fund detailed statement of revenues, expenditures, and changes in fund balance, the water utility enterprise fund budget to actual comparison, the stormwater utility enterprise fund budget to actual comparison, and the sewer utility enterprise fund budget to actual comparison, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Two Rivers Accounting, LLC*

**Two Rivers Accounting, LLC**

Rice Lake, Wisconsin

August 11, 2023

**VILLAGE OF GRANTSBURG**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

As management of the Village of Grantsburg, Wisconsin (Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2022. Please consider this information in conjunction with the Village's financial statements, which begin on page 13 following this narrative.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the year ended December 31, 2022 include the following:

- The assets of the Village exceeded its liabilities at the close of the most recent fiscal year by \$8,539,129 (net position). Of this amount, \$7,473,423, represented the Village's investment in capital assets, \$782,185 was held for restricted purposes, and \$283,521 was unrestricted. The unrestricted net position may be used to meet the Village's ongoing obligations to citizens and creditors.
- During the fiscal year, the Village's total net position decreased by \$155,175, or approximately 1.8 percent. Net position related to the business-type activities of the Village decreased \$52,281, while net position related to governmental activities decreased \$102,894.
- At the close of the fiscal year, the Village's governmental funds reported combined ending fund balance of \$365,383, a decrease of \$144,196 from the previous year.
- At the end of 2022, the unassigned general fund balance was \$76,521, or (7.0) percent of the general fund expenditures.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's 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 two government-wide financial statements are designed to provide readers with a broad overview of the Village's finances, in a manner similar to a private-sector business.

- The *Statement of Net Position* presents information on all of the Village of Grantsburg's assets, deferred outflows, liabilities, and deferred inflows, with the difference between these 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 Grantsburg 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).

Both of the government-wide financial statements distinguish functions of the Village of Grantsburg 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 Grantsburg include general government, public safety, public works, health and human services, culture, recreation, and education, and conservation and development. The Library Fund is also included in the governmental activities. The business-type activities of

**VILLAGE OF GRANTSBURG**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

the Village of Grantsburg include the Grantsburg Water Utility, Grantsburg Stormwater Utility, and Grantsburg Sewer Utility.

Fund Financial Statements – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with various finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Village of Grantsburg maintains five (5) individual 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 General Fund, Library Fund, Tax Incremental District #4, Tax Incremental District #5, and Tax Incremental District #6.

The Village of Grantsburg adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for each governmental fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on beginning on page 13 of this report.

Proprietary Funds – The Village maintains one type of proprietary funds - enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village uses enterprise funds to account for its water utility, stormwater utility, and its sewer utility.

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 each of the enterprise funds, each of which is considered to be a major fund of the Village.

The basic proprietary fund financial statements can be found beginning on page 22 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 27 of this report.

**VILLAGE OF GRANTSBURG**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

Notes to the Financial Statements – The notes to basic financial statements provide additional detail that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 29 of this report.

Supplementary Information – In addition to the basic financial statement and accompanying notes, this report presents certain required supplementary information on the Village's operating budget to actual, library fund budget to actual, pension plan, and State OPEB plan. Required supplementary information can be found beginning on page 64 of this report.

Following the basic government-wide and fund financial statements, accompanying notes, and required supplementary information, additional supplementary information has been provided as part of this report. The supplementary information includes a detailed budget to actual schedule. This supplementary information section of the report begins on page 75.

**FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Village's assets and deferred outflows exceeded liabilities and deferred inflows by \$8,539,129 at the close of 2022. The largest portion of net position (87.5%) reflects the Village's investment in capital assets, including land, land improvements, buildings, machinery and equipment, and plant in service, net of related outstanding debt used to acquire the assets. These capital assets are used to provide services to citizens and are not available for future spending. Although the Village's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The following is a summary of the Village's statement of net position:

Table 1  
Condensed Statement of Net Position  
December 31, 2022 and 2021

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
<b>Assets:</b>						
Current and Other Assets	\$ 1,342,350	\$ 1,317,174	\$ 863,894	\$ 858,423	\$ 2,206,244	\$ 2,175,597
Capital Assets	4,946,135	5,128,553	4,947,299	5,064,904	9,893,434	10,193,457
Internal Balances	(35,157)	(16,261)	35,157	16,261	-	-
Total Assets	<u>6,253,328</u>	<u>6,429,466</u>	<u>5,846,350</u>	<u>5,939,588</u>	<u>12,099,678</u>	<u>12,369,054</u>
Total Deferred Outflows of Resources	<u>524,376</u>	<u>369,565</u>	<u>126,334</u>	<u>81,115</u>	<u>650,710</u>	<u>450,680</u>
<b>Liabilities:</b>						
Long-Term Liabilities	1,275,973	1,415,762	1,139,470	1,269,905	2,415,443	2,685,667
Other Long-Term Obligations	126,386	147,951	15,334	12,422	141,720	160,373
Other Liabilities	146,297	43,622	187,375	99,696	333,672	143,318
Total Liabilities	<u>1,548,656</u>	<u>1,607,335</u>	<u>1,342,179</u>	<u>1,382,023</u>	<u>2,890,835</u>	<u>2,989,358</u>
Total Deferred Inflow of Resources	<u>1,171,385</u>	<u>1,031,139</u>	<u>149,039</u>	<u>104,933</u>	<u>1,320,424</u>	<u>1,136,072</u>
<b>Net Position:</b>						
Investment in Capital Assets	3,665,594	3,712,791	3,807,829	3,794,999	7,473,423	7,507,790
Restricted	443,233	345,414	249,422	226,111	692,655	571,525
Unrestricted	(51,164)	102,352	424,215	512,637	373,051	614,989
Total Net Position	<u>\$ 4,057,663</u>	<u>\$ 4,160,557</u>	<u>\$ 4,481,466</u>	<u>\$ 4,533,747</u>	<u>\$ 8,539,129</u>	<u>\$ 8,694,304</u>

**VILLAGE OF GRANTSBURG**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

An additional portion of the Village's net position (8.1%) represents resources that are subject to other restrictions as to how they may be used. The remaining \$373,051 of total net position (4.4%) may be used to meet the Village's ongoing obligations to its citizens and creditors. It is important to note that \$424,215 of unrestricted net position is related to the Village's business-type activities. Consequently, it generally may not be used to fund governmental activities.

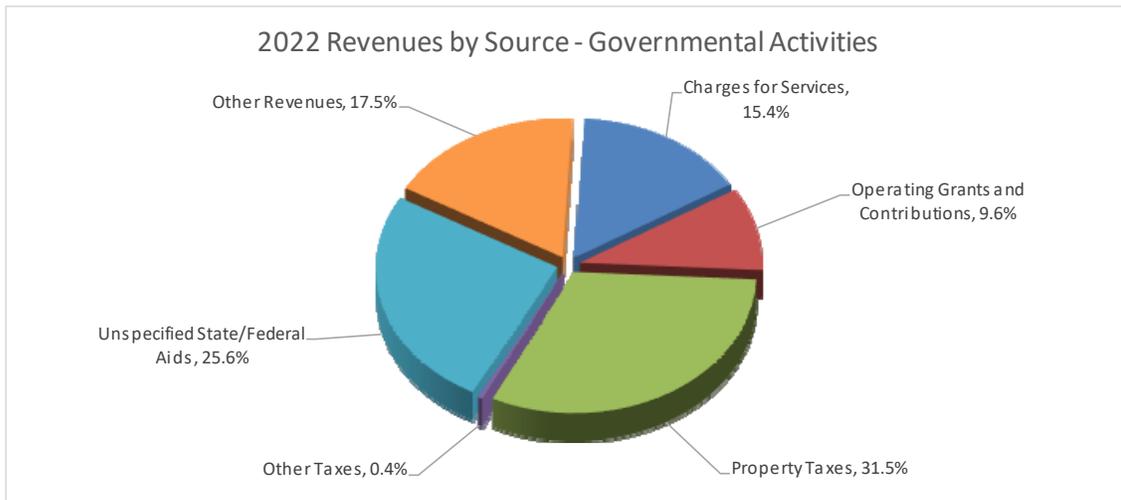
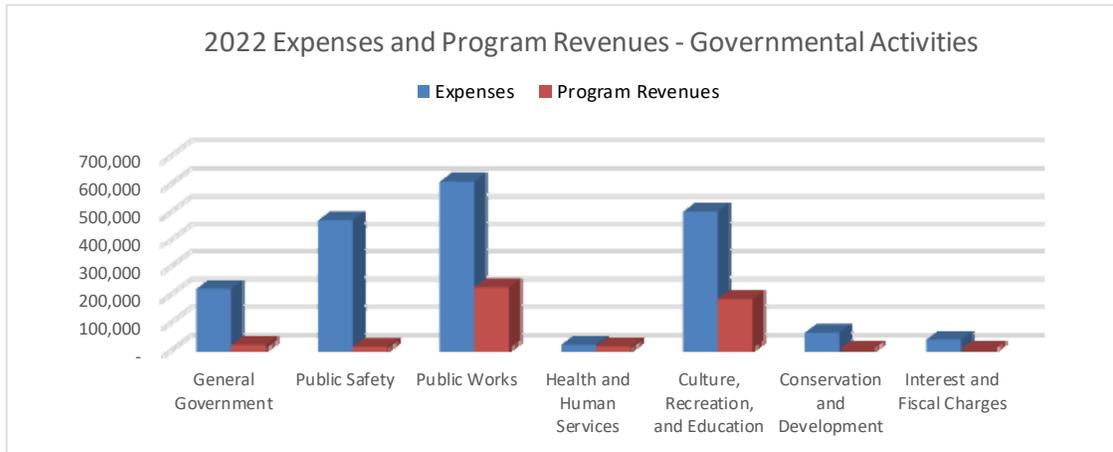
Table 2, the condensed statement of changes in net position below shows that total net position of the Village decreased \$155,175 or approximately 1.8 percent. The change consisted of a decrease in net position related to governmental activities in the amount of \$102,894 and a decrease in net position related to business-type activities in the amount of \$52,281.

Table 2  
Condensed Statement of Changes in Net Position  
Years Ended December 31, 2022 and 2021

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Program Revenues:						
Charge for Services	\$ 268,026	\$ 272,329	\$ 683,204	\$ 627,071	\$ 951,230	\$ 899,400
Operating Grants and Contributions	167,263	188,950	-	-	167,263	188,950
Capital Grants and Contributions	-	-	-	570,799	-	570,799
General Revenues:						
Property Taxes	547,544	522,665	-	-	547,544	522,665
Other Taxes	7,216	24,319	-	-	7,216	24,319
State and Federal Aids Not Restricted to Specific Programs	445,008	454,463	-	-	445,008	454,463
Other Revenues	305,134	163,101	757	290	305,891	163,391
Total Revenues	<u>1,740,191</u>	<u>1,625,827</u>	<u>683,961</u>	<u>1,198,160</u>	<u>2,424,152</u>	<u>2,823,987</u>
Expenses:						
General Government	215,655	232,137	-	-	215,655	232,137
Public Safety	465,593	472,514	-	-	465,593	472,514
Public Works	603,677	576,081	-	-	603,677	576,081
Health and Human Services	16,431	13,790	-	-	16,431	13,790
Culture, Education, and Recreation	496,492	398,833	-	-	496,492	398,833
Conservation and Development	59,407	85,356	-	-	59,407	85,356
Interest and Fiscal Charges	34,423	38,528	-	-	34,423	38,528
Water Utility	-	-	312,859	282,035	312,859	282,035
Stormwater Utility	-	-	59,722	56,822	59,722	56,822
Sewer Utility	-	-	315,068	288,126	315,068	288,126
Total Expenses	<u>1,891,678</u>	<u>1,817,239</u>	<u>687,649</u>	<u>626,983</u>	<u>2,579,327</u>	<u>2,444,222</u>
Net Change before Transfers	(151,487)	(191,412)	(3,688)	571,177	(155,175)	379,765
Transfers	48,593	54,195	(48,593)	(54,195)	-	-
Change in Net Position	<u>(102,894)</u>	<u>(137,217)</u>	<u>(52,281)</u>	<u>516,982</u>	<u>(155,175)</u>	<u>379,765</u>
Net Position - Beginning of the Year	<u>4,160,557</u>	<u>4,297,774</u>	<u>4,533,747</u>	<u>4,016,765</u>	<u>8,694,304</u>	<u>8,314,539</u>
Net Position - End of Year	<u>\$ 4,057,663</u>	<u>\$ 4,160,557</u>	<u>\$ 4,481,466</u>	<u>\$ 4,533,747</u>	<u>\$ 8,539,129</u>	<u>\$ 8,694,304</u>

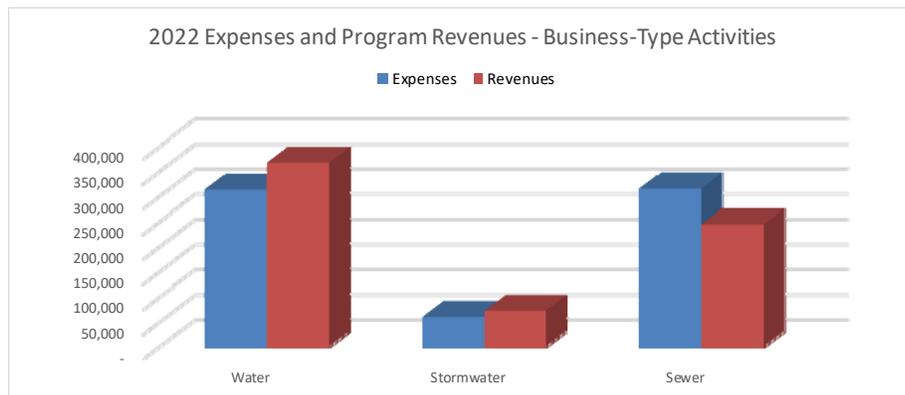
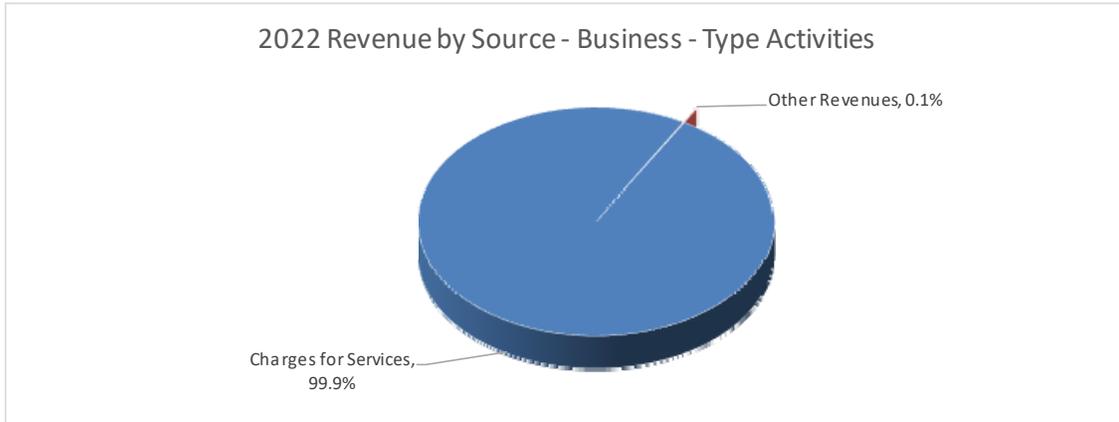
A review of the statement of activities can provide a concise picture of how the various functions/programs of the Village are funded. The following charts draw data from the statement of activities. For governmental services, the Village is primarily dependent on property taxes (31.5%), unspecified state and federal aids (25.6%) and charges for services (15.4%).

**VILLAGE OF GRANTSBURG**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**



**VILLAGE OF GRANTSBURG**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

In the case of business-type activities, charges for service (99.9%) are the primary source of revenues.



**FINANCIAL ANALYSIS OF THE VILLAGE’S MAJOR 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’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Village’s financing requirements. In particular, the level of *unassigned fund balances* 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 balances of \$365,383, a decrease of \$144,196 from the prior year. The governmental funds comprising this balance are shown on Table 3 on the next page:

**VILLAGE OF GRANTSBURG**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

Table 3

	Fund Balance at December 31, 2022					Change During Year
	Nonspendable	Restricted	Assigned	Unassigned	Total	
Major Funds:						
General Fund	\$ 36,446	\$ -	\$ -	\$ 76,521	\$ 112,967	\$ (115,597)
Library Fund	-	-	56,203	-	56,203	27,735
TID #4 Fund	-	66,463	-	-	66,463	39,865
TID #5 Fund	-	223,692	-	-	223,692	(26,413)
TID #6 Fund	-	-	-	(93,942)	(93,942)	(69,786)
Total Fund Balances	<u>\$ 36,446</u>	<u>\$ 290,155</u>	<u>\$ 56,203</u>	<u>\$ (17,421)</u>	<u>\$ 365,383</u>	<u>\$ (144,196)</u>

Restrictions of fund balances represent amounts that are not subject to appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change. The balance of the unassigned fund balance is not for any specific purposes.

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 \$76,521. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 4.8% of total general fund expenditures and transfers. During the current year, the Village's general fund balance decreased by \$115,597.

The Library Fund has a total fund balance of \$56,203, representing 27.3% of fund expenditures.

Proprietary Funds – The Village of Grantsburg's proprietary funds provide the same type of information found in the Village's government-wide financial statements, but in more detail. As shown below in Table 4, the net position of the enterprise-type proprietary funds at the end of 2022 totaled \$4,481,466, down \$52,281 from the previous year.

Table 4  
Condensed Statement of Changes in Net Position for Enterprise Funds  
Years Ended December 31, 2022 and 2021

	Water Utility		Stormwater Utility		Sewer Utility		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Operating Revenues	\$ 367,002	\$ 298,711	\$ 72,019	\$ 78,729	\$ 244,183	\$ 249,631	\$ 683,204	\$ 627,071
Operating Expenses:								
Depreciation	91,915	76,972	32,097	32,098	77,152	77,152	201,164	186,222
Other	208,907	193,035	22,150	18,569	226,290	197,772	457,347	409,376
Operating Income	66,180	28,704	17,772	28,062	(59,259)	(25,293)	24,693	31,473
Nonoperating Income (Expense)	(11,830)	(11,943)	(5,455)	(6,145)	(11,096)	(13,007)	(28,381)	(31,095)
Income before Transfers	54,350	16,761	12,317	21,917	(70,355)	(38,300)	(3,688)	378
Capital Contributions:								
Other	-	554,591	-	-	-	16,208	-	570,799
Transfers	(52,316)	(54,195)	3,540	-	183	-	(48,593)	(54,195)
Changes in Net Position	<u>\$ 2,034</u>	<u>\$ 517,157</u>	<u>\$ 15,857</u>	<u>\$ 21,917</u>	<u>\$ (70,172)</u>	<u>\$ (22,092)</u>	<u>\$ (52,281)</u>	<u>\$ 516,982</u>

**GENERAL FUND BUDGETARY HIGHLIGHTS**

As shown in the Budgetary Comparison Schedule for the general fund (in required supplementary information), the final 2022 general fund budget differed from the original budget adopted by the Village, due to approved amendments by the Village Board and Management. The Village ended the year with a net negative budget variance of \$106,456. Revenues were \$36,915 more than amounts budgeted, while expenditures and other financing sources and uses were \$143,371 more than amounts budgeted.

**VILLAGE OF GRANTSBURG**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

Table 5, summarizes the Village's investment in capital assets for its governmental and business-type activities as of December 31, 2022 and 2021 was \$9,893,434 and \$10,193,457, respectively, (net of accumulated depreciation) as shown below:

Table 5  
Capital Assets, Net of Accumulated Depreciation  
December 31, 2022 and 2021

	Governmental Activities		Business-Type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Not Subject to Depreciation:						
Land	\$ 681,124	\$ 681,124	\$ 17,717	\$ 11,217	\$ 698,841	\$ 692,341
Construction Work in Progress	123,858	-	-	-	123,858	-
Subject to Depreciation:						
Land Improvements	730,436	730,436	-	-	730,436	730,436
Buildings	2,266,522	2,266,522	-	-	2,266,522	2,266,522
Equipment and Vehicles	1,401,665	1,376,151	-	-	1,401,665	1,376,151
Property in the Open	291,710	291,710	-	-	291,710	291,710
Infrastructure	8,322,722	8,322,722	-	-	8,322,722	8,322,722
Water System Plant	-	-	4,617,524	4,543,558	4,617,524	4,543,558
Stormwater System Plant	-	-	934,879	934,879	934,879	934,879
Sewer System Plant	-	-	3,393,966	3,392,625	3,393,966	3,392,625
Subtotal	13,818,037	13,668,665	8,964,086	8,882,279	22,782,123	22,550,944
Accumulated Depreciation	(8,871,902)	(8,540,112)	(4,016,787)	(3,817,375)	(12,888,689)	(12,357,487)
	<u>\$ 4,946,135</u>	<u>\$ 5,128,553</u>	<u>\$ 4,947,299</u>	<u>\$ 5,064,904</u>	<u>\$ 9,893,434</u>	<u>\$ 10,193,457</u>

Additional information related to the Village's capital assets is reported in Note 3 following the financial statements.

**Long-Term Obligations**

Table 6, is a summary at December 31, 2022, the Village had outstanding \$2,557,163 of long-term debt and other long-term obligations. A summary detail of this amount, together with the net change from the previous year, is shown below:

Table 6  
Outstanding Long-Term Obligations  
December 31, 2022 and 2021

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Long-Term Debt:						
General Obligation Notes	\$ 676,365	\$ 735,134	\$ 151,357	\$ 172,214	\$ 827,722	\$ 907,348
Revenue Bonds	307,608	330,628	-	-	307,608	330,628
State Trust Fund Loans	292,000	350,000	-	-	292,000	350,000
Water Revenue Bonds	-	-	594,168	657,298	594,168	657,298
Stormwater Revenue Bonds	-	-	103,372	118,337	103,372	118,337
Sewer Revenue Bonds	-	-	290,573	322,056	290,573	322,056
Subtotal	1,275,973	1,415,762	1,139,470	1,269,905	2,415,443	2,685,667
Other Long-Term Obligations:						
Capital Leases	4,568	-	-	-	4,568	-
Net WRS Pension Liability	-	-	-	-	-	-
Net State OPEB Liability	45,661	38,240	15,334	12,422	60,995	50,662
Estimated Employee Leave	76,157	109,711	-	-	76,157	109,711
Total	<u>\$ 1,402,359</u>	<u>\$ 1,563,713</u>	<u>\$ 1,154,804</u>	<u>\$ 1,282,327</u>	<u>\$ 2,557,163</u>	<u>\$ 2,846,040</u>

**VILLAGE OF GRANTSBURG**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Year Ended December 31, 2022**

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a municipality may not exceed five (5) percent of the equalized property value of all taxable property within the jurisdiction. The applicable debt of the Village outstanding at December 31, 2022 totaled \$1,119,722, approximately 24.9 percent of the maximum legal limit of \$4,497,660.

Additional information related to the Village's long-term debt is reported in Note 5 following the financial statements.

**CURRENTLY KNOWN FACTS**

The State of Wisconsin has imposed limits on the Village's property tax levy beginning with the 2006 budget year levy. Essentially, the legislation restricts the growth in the Village's property taxes (except for debt service and tax increments) to the percentage increase in the Village's equalized value due to new construction. The Village approved a levy of \$478,129 for its 2022 balanced budget, an increase of \$3,274 (or 0.69%) from the 2022 budget levy of \$474,855.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Village of Grantsburg's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Village of Grantsburg, 316 South Brad Street, Grantsburg, WI 54840 or by calling the Village Office at (715) 463-2405.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF NET POSITION**  
**December 31, 2022**

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Treasurer's Cash and Investments	\$ 373,367	\$ 372,319	\$ 745,686
Current Taxes Receivable	489,040	-	489,040
Customer Accounts Receivable	127,835	176,158	303,993
Special Assessments Receivable	39,248	6,985	46,233
Other Receivables	-	64	64
Delinquent Special Assessments	35,311	-	35,311
Prepaid Expenses	1,147	26	1,173
Materials and Supplies	-	29,277	29,277
Internal Balances	(35,157)	35,157	-
<b>Restricted Assets:</b>			
Cash and Investments	16,666	217,425	234,091
Wisconsin Retirement System Net Pension Asset	259,736	61,640	321,376
<b>Capital Assets:</b>			
Capital Assets Not Being Depreciated	804,982	17,717	822,699
Capital Assets Being Depreciated	13,013,055	8,946,369	21,959,424
Accumulated Depreciation	(8,871,902)	(4,016,787)	(12,888,689)
Net Capital Assets	<u>4,946,135</u>	<u>4,947,299</u>	<u>9,893,434</u>
Total Assets	<u>6,253,328</u>	<u>5,846,350</u>	<u>12,099,678</u>
<b>Deferred Outflows of Resources:</b>			
Wisconsin Retirement System Pension Related	505,180	119,888	625,068
Other Postemployment Benefits	19,196	6,446	25,642
Total Deferred Outflows of Resources	<u>524,376</u>	<u>126,334</u>	<u>650,710</u>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF NET POSITION (Continued)**  
**December 31, 2022**

	Governmental Activities	Business-Type Activities	Total
<b>Liabilities:</b>			
Accounts Payable	\$ 112,284	\$ 58,810	\$ 171,094
Accrued Payroll	21,066	2,999	24,065
Accrued Taxes	-	54,195	54,195
Unearned Revenue	609	-	609
Accrued Interest	12,338	4,331	16,669
Unearned Revenue - American Recovery Plan Act	-	67,040	67,040
<b>Long-Term Liabilities:</b>			
Amounts Due Within One Year	167,699	132,605	300,304
Amounts Due in More than One Year	1,188,999	1,006,865	2,195,864
Other Postemployment Benefits Liability	45,661	15,334	60,995
<b>Total Liabilities</b>	<b>1,548,656</b>	<b>1,342,179</b>	<b>2,890,835</b>
<b>Deferred Inflows of Resources:</b>			
Succeeding Years' Property Taxes	548,115	-	548,115
Wisconsin Retirement System Pension Related	611,838	145,200	757,038
Other Postemployment Benefits	11,432	3,839	15,271
<b>Total Deferred Inflows of Resources</b>	<b>1,171,385</b>	<b>149,039</b>	<b>1,320,424</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	3,665,594	3,807,829	7,473,423
<b>Restricted for:</b>			
Wisconsin Retirement System Net Pension Items	153,078	36,328	189,406
Asset Replacement	-	71,525	71,525
Debt Service	-	141,569	141,569
Capital Projects	290,155	-	290,155
Unrestricted	(51,164)	424,215	373,051
<b>Total Net Position</b>	<b>\$ 4,057,663</b>	<b>\$ 4,481,466</b>	<b>\$ 8,539,129</b>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2022**

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Capital Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
General Government	\$ 215,655	\$ 15,413	\$ -	\$ -	\$ (200,242)	\$ -	\$ (200,242)
Public Safety	465,593	3,813	5,385	-	(456,395)	-	(456,395)
Public Works	603,677	129,207	91,850	-	(382,620)	-	(382,620)
Health and Human Services	16,431	10,446	-	-	(5,985)	-	(5,985)
Culture, Recreation, and Education	496,492	109,147	70,028	-	(317,317)	-	(317,317)
Conservation and Development	59,407	-	-	-	(59,407)	-	(59,407)
Interest and Fiscal Charges	34,423	-	-	-	(34,423)	-	(34,423)
<b>Total Governmental Activities</b>	<b>1,891,678</b>	<b>268,026</b>	<b>167,263</b>	<b>-</b>	<b>(1,456,389)</b>	<b>-</b>	<b>(1,456,389)</b>
<b>Business-Type Activities:</b>							
Water Utility	312,859	367,002	-	-	-	54,143	54,143
Stormwater Utility	59,722	72,019	-	-	-	12,297	12,297
Sewer Utility	315,068	244,183	-	-	-	(70,885)	(70,885)
<b>Total Business-Type Activities</b>	<b>687,649</b>	<b>683,204</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,445)</b>	<b>(4,445)</b>
<b>Total Primary Government</b>	<b>\$ 2,579,327</b>	<b>\$ 951,230</b>	<b>\$ 167,263</b>	<b>\$ -</b>	<b>(1,456,389)</b>	<b>(4,445)</b>	<b>(1,460,834)</b>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property Taxes, Levied for General Purposes					475,060	-	475,060
Property Taxes, Levied for TIF District Purposes					72,484	-	72,484
Property Taxes from Other Exempt Entities					6,893	-	6,893
Other Taxes					323	-	323
State/Federal Aids Not Restricted to Specific Functions					445,008	-	445,008
Interest and Investments Earnings					15,540	757	16,297
Miscellaneous					289,594	-	289,594
Transfers					48,593	(48,593)	-
<b>Total General Revenues</b>					<b>1,353,495</b>	<b>(47,836)</b>	<b>1,305,659</b>
<b>Change in Net Position</b>					<b>(102,894)</b>	<b>(52,281)</b>	<b>(155,175)</b>
<b>Net Position - Beginning of Year</b>					<b>4,160,557</b>	<b>4,533,747</b>	<b>8,694,304</b>
<b>Net Position - End of Year</b>					<b>\$ 4,057,663</b>	<b>\$ 4,481,466</b>	<b>\$ 8,539,129</b>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**December 31, 2022**

	General Fund	Library Fund	Tax Incremental District #4 Fund	Tax Incremental District #5 Fund	Tax Incremental District #6 Fund	Totals
<b>Assets:</b>						
Treasurer's Cash and Investments	\$ 107,912	\$ 58,829	\$ 66,463	\$ 140,163	\$ -	\$ 373,367
Current Taxes Receivable	406,256	-	42,092	8,339	32,353	489,040
<b>Receivables:</b>						
Customer Accounts	127,835	-	-	-	-	127,835
Street Special Assessments	39,248	-	-	-	-	39,248
Due from TID #6	-	-	-	83,529	-	83,529
Delinquent Special Assessments	35,311	-	-	-	-	35,311
Prepaid Expenditures	1,135	12	-	-	-	1,147
<b>Restricted Assets:</b>						
Debt Service Cash	16,666	-	-	-	-	16,666
<b>Total Assets</b>	<b>\$ 734,363</b>	<b>\$ 58,841</b>	<b>\$ 108,555</b>	<b>\$ 232,031</b>	<b>\$ 32,353</b>	<b>\$ 1,166,143</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>						
<b>Liabilities:</b>						
Accounts Payable	\$ 100,778	\$ 1,093	\$ -	\$ -	\$ 10,413	\$ 112,284
Payroll Deductions	6,633	1,545	-	-	-	8,178
Accrued Taxes and Benefits	12,888	-	-	-	-	12,888
Due to TID #5	-	-	-	-	83,529	83,529
Due to Stormwater Utility	2,855	-	-	-	-	2,855
Due to Water Utility	17,926	-	-	-	-	17,926
Due to Sewer Utility	14,376	-	-	-	-	14,376
Unearned Revenue	609	-	-	-	-	609
<b>Total Liabilities</b>	<b>156,065</b>	<b>2,638</b>	<b>-</b>	<b>-</b>	<b>93,942</b>	<b>252,645</b>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS (Continued)**  
**December 31, 2022**

	General Fund	Library Fund	Tax Incremental District #4 Fund	Tax Incremental District #5 Fund	Tax Incremental District #6 Fund	Totals
Deferred Inflows of Resources:						
Succeeding Years' Property Taxes	\$ 465,331	\$ -	\$ 42,092	\$ 8,339	\$ 32,353	\$ 548,115
Fund Balances:						
Nonspendable	36,446	-	-	-	-	36,446
Restricted for Capital Projects	-	-	66,463	223,692	-	290,155
Assigned for:						
Library	-	56,203	-	-	-	56,203
Unassigned (Deficit)	76,521	-	-	-	(93,942)	(17,421)
Total Fund Balances	<u>112,967</u>	<u>56,203</u>	<u>66,463</u>	<u>223,692</u>	<u>(93,942)</u>	<u>365,383</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 734,363</u>	<u>\$ 58,841</u>	<u>\$ 108,555</u>	<u>\$ 232,031</u>	<u>\$ 32,353</u>	<u>\$ 1,166,143</u>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**December 31, 2022**

Total Fund Balances for Governmental Funds: \$ 365,383

Amounts reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These consist of:

Land	\$ 681,124	
Land Improvements	730,436	
Buildings	2,266,522	
Equipment and Vehicles	1,401,665	
Property in the Open	291,710	
Infrastructure	8,322,722	
Construction Work in Progress	123,858	
Accumulated Depreciation	<u>(8,871,902)</u>	4,946,135

Wisconsin Retirement System net pension asset and related deferred outflows and inflows are recorded only on the statement of net position. Balances at year-end are:

Net Pension Plan Asset	259,736	
Deferred Outflows of Resources	505,180	
Deferred Inflows of Resources	<u>(611,838)</u>	153,078

Wisconsin Public Employers Group Life Insurance net other postemployment benefit liability and related deferred outflows and inflows are recorded only on the statement of net position. Balances at year-end are:

Net OPEB Liability	(45,661)	
Deferred Outflows of Resources	19,196	
Deferred Inflows of Resources	<u>(11,432)</u>	(37,897)

Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

These liabilities consist of:

General Obligation Notes Payable	(676,365)	
General Obligation Bonds Payable	(307,608)	
State Trust Fund Loans	(292,000)	
Capital Lease	(4,568)	
Accrued Interest on Long-Term Debt	(12,338)	
Vacation and Sick Leave Liabilities	<u>(76,157)</u>	(1,369,036)

Total Net Position of Governmental Activities \$ 4,057,663

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2022**

	General Fund	Library Fund	Tax Incremental District #4 Fund	Tax Incremental District #5 Fund	Tax Incremental District #6 Fund	Totals
<b>Revenues:</b>						
Taxes	\$ 482,276	\$ -	\$ 64,977	\$ 7,507	\$ -	\$ 554,760
Intergovernmental	537,822	70,028	4,421	-	-	612,271
Licenses and Permits	14,257	-	-	-	-	14,257
Fines and Forfeits	3,632	-	-	-	-	3,632
Public Charges for Services	246,625	3,512	-	-	-	250,137
Miscellaneous	217,104	88,030	-	-	-	305,134
Total Revenues	<u>1,501,716</u>	<u>161,570</u>	<u>69,398</u>	<u>7,507</u>	<u>-</u>	<u>1,740,191</u>
<b>Expenditures:</b>						
General Government	281,003	-	-	-	-	281,003
Public Safety	534,424	-	-	-	-	534,424
Public Works	376,875	-	-	-	-	376,875
Health and Human Services	16,431	-	-	-	-	16,431
Culture, Recreation, and Education	250,200	206,235	-	-	-	456,435
Conservation and Development	-	-	19,137	7,105	69,786	96,028
<b>Debt Service:</b>						
Principal Retirement	120,359	-	-	20,159	-	140,518
Interest and Fiscal Charges	25,113	-	-	11,450	-	36,563
Total Expenditures	<u>1,604,405</u>	<u>206,235</u>	<u>19,137</u>	<u>38,714</u>	<u>69,786</u>	<u>1,938,277</u>
Excess (Deficiency) of Revenues Over Expenditures	(102,689)	(44,665)	50,261	(31,207)	(69,786)	(198,086)

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**GOVERNMENTAL FUNDS (Continued)**  
**For the Year Ended December 31, 2022**

	General Fund	Library Fund	Tax Incremental District #4 Fund	Tax Incremental District #5 Fund	Tax Incremental District #6 Fund	Totals
Other Financing Sources (Uses):						
Transfer In	\$ 54,195	\$ 72,400	\$ -	\$ 10,396	\$ -	\$ 136,991
Issuance of Lease Obligation	5,297	-	-	-	-	5,297
Transfer Out	(72,400)	-	(10,396)	(5,602)	-	(88,398)
Total Other Financing Sources (Uses)	<u>(12,908)</u>	<u>72,400</u>	<u>(10,396)</u>	<u>4,794</u>	<u>-</u>	<u>53,890</u>
Net Change in Fund Balances	(115,597)	27,735	39,865	(26,413)	(69,786)	(144,196)
Fund Balance, January 1, As Previously Stated	293,989	28,468	(38,827)	250,105	(24,156)	509,579
Prior Period Adjustment	(65,425)	-	65,425	-	-	-
Fund Balance, January 1, As Restated	<u>228,564</u>	<u>28,468</u>	<u>26,598</u>	<u>250,105</u>	<u>(24,156)</u>	<u>509,579</u>
Fund Balances (Deficits), December 31	<u>\$ 112,967</u>	<u>\$ 56,203</u>	<u>\$ 66,463</u>	<u>\$ 223,692</u>	<u>\$ (93,942)</u>	<u>\$ 365,383</u>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ (144,196)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 154,975	
Depreciation Expense Reported in the Statement of Activities	<u>(337,393)</u>	(182,418)

Pension expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on the statement of activities are measured by the change in net pension asset (liability) and related deferred outflows and inflows of resources. 57,769

Other postemployment benefit (OPEB) expenditures in the governmental funds are measured by current year employee contributions. OPEB expenses on the state of activities are measured by the change in net OPEB liability and related deferred outflows and inflows of resources. (4,964)

Increase in long-term debt is a revenue source in the governmental funds but increases the debt liability in the statement of net position and does not affect the statement of activities. The amount of long-term debt incurred in the current year is: (5,297)

Repayment of long-term debt and related long-term obligations is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

General Obligation Notes Payable	58,769	
General Obligation Bonds Payable	23,020	
State Trust Fund Loans	58,000	
Capital Lease	<u>729</u>	140,518

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

Net Change in Accrued Interest Payable	2,140	
Net Change in Vacation and Sick Leave Liabilities	<u>33,554</u>	35,694

Change in Net Position of Governmental Activities \$ (102,894)

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**December 31, 2022**

	Business-Type Activities - Enterprise Funds			
	Water Utility	Stormwater Utility	Sewer Utility	Totals
<b>Assets:</b>				
<b>Current Assets:</b>				
Cash and Investments	\$ 311,410	\$ 60,909	\$ -	\$ 372,319
Customer Receivables	99,185	16,020	60,953	176,158
Special Assessments Receivables	6,985	-	-	6,985
Other Receivables	64	-	-	64
Due from Other Funds	29,025	2,855	14,376	46,256
Prepaid Expenditures	11	4	11	26
Materials and Supplies	24,498	-	4,779	29,277
Total Current Assets	<u>471,178</u>	<u>79,788</u>	<u>80,119</u>	<u>631,085</u>
<b>Restricted Assets:</b>				
Replacement Fund Cash	-	-	71,525	71,525
Debt Service Cash	83,552	23,084	39,264	145,900
Wisconsin Retirement System Pension Plan Asset	32,234	4,821	24,585	61,640
Total Restricted Assets	<u>115,786</u>	<u>27,905</u>	<u>135,374</u>	<u>279,065</u>
<b>Capital Assets:</b>				
Utility Plant in Service	4,635,241	934,879	3,393,966	8,964,086
Less: Accumulated Depreciation	(1,579,312)	(398,991)	(2,038,484)	(4,016,787)
Total Capital Assets	<u>3,055,929</u>	<u>535,888</u>	<u>1,355,482</u>	<u>4,947,299</u>
Total Assets	<u>3,642,893</u>	<u>643,581</u>	<u>1,570,975</u>	<u>5,857,449</u>
<b>Deferred Outflows of Resources:</b>				
Wisconsin Retirement System Pension Related	62,694	9,376	47,818	119,888
Other Postemployment Benefits	3,095	256	3,095	6,446
Total Deferred Outflows of Resources	<u>65,789</u>	<u>9,632</u>	<u>50,913</u>	<u>126,334</u>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS (Continued)**  
**December 31, 2022**

	Business-Type Activities - Enterprise Funds			
	Water Utility	Stormwater Utility	Sewer Utility	Totals
<b>Liabilities:</b>				
<b>Current Liabilities:</b>				
Vouchers Payable	\$ 57,715	\$ 132	\$ 963	\$ 58,810
Accrued Interest	2,725	318	1,288	4,331
Accrued Payroll	1,677	117	1,205	2,999
Due to Other Funds	-	-	11,099	11,099
Accrued Taxes	54,195	-	-	54,195
Unearned Revenue - American Recovery Plan Act	67,040	-	-	67,040
Current Portion of Long-Term Debt	64,650	20,574	47,381	132,605
<b>Total Current Liabilities</b>	<b>248,002</b>	<b>21,141</b>	<b>61,936</b>	<b>331,079</b>
<b>Long-Term Liabilities:</b>				
Long-Term Debt	555,350	152,413	299,102	1,006,865
Other Postemployment Benefits Liability	7,362	610	7,362	15,334
<b>Total Long-Term Liabilities</b>	<b>562,712</b>	<b>153,023</b>	<b>306,464</b>	<b>1,022,199</b>
<b>Total Liabilities</b>	<b>810,714</b>	<b>174,164</b>	<b>368,400</b>	<b>1,353,278</b>
<b>Deferred Inflows of Resources:</b>				
Wisconsin Retirement System Pension Related	75,931	11,356	57,913	145,200
Other Postemployment Benefits	1,843	153	1,843	3,839
<b>Total Deferred Inflows of Resources</b>	<b>77,774</b>	<b>11,509</b>	<b>59,756</b>	<b>149,039</b>
<b>Net Position:</b>				
Net Investment in Capital Assets	2,435,929	362,901	1,008,999	3,807,829
<b>Restricted for:</b>				
Asset Replacement	-	-	71,525	71,525
Debt Service	80,827	22,766	37,976	141,569
Wisconsin Retirement System Pension Plan Items	18,997	2,841	14,490	36,328
Unrestricted	284,441	79,032	60,742	424,215
<b>Total Net Position</b>	<b>\$ 2,820,194</b>	<b>\$ 467,540</b>	<b>\$ 1,193,732</b>	<b>\$ 4,481,466</b>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2022**

	Business-Type Activities - Enterprise Funds			Totals
	Water Utility	Stormwater Utility	Sewer Utility	
Operating Revenues:				
Sales of Water/Sewerage Services:				
Residential	\$ 124,746	\$ 12,421	\$ 163,760	\$ 300,927
Commercial	40,073	32,942	36,990	110,005
Industrial	28,058	10,222	19,839	58,119
Multi-Family	11,991	2,350	9,358	23,699
Public Authorities	22,658	13,511	10,521	46,690
Fire Protection	124,921	-	-	124,921
Total Sales of Water/Sewerage Services	<u>352,447</u>	<u>71,446</u>	<u>240,468</u>	<u>664,361</u>
Other Operating Revenues:				
Forfeited Discounts	2,212	308	1,939	4,459
Other Revenues	12,343	265	1,776	14,384
Total Other Operating Revenues	<u>14,555</u>	<u>573</u>	<u>3,715</u>	<u>18,843</u>
Total Operating Revenues	<u>367,002</u>	<u>72,019</u>	<u>244,183</u>	<u>683,204</u>
Operating Expenses:				
Operation	99,969	2,759	130,830	233,558
Maintenance	22,705	-	7,109	29,814
Administrative and General	86,233	19,391	88,351	193,975
Total Operation and Maintenance	<u>208,907</u>	<u>22,150</u>	<u>226,290</u>	<u>457,347</u>
Depreciation	91,915	32,097	77,152	201,164
Total Operating Expenses	<u>300,822</u>	<u>54,247</u>	<u>303,442</u>	<u>658,511</u>
Operating Income	<u>66,180</u>	<u>17,772</u>	<u>(59,259)</u>	<u>24,693</u>
Nonoperating Revenues (Expenses):				
Interest Income	207	20	530	757
Interest on Long-Term Debt	(12,037)	(5,475)	(11,626)	(29,138)
Total Nonoperating Revenues (Expenses)	<u>(11,830)</u>	<u>(5,455)</u>	<u>(11,096)</u>	<u>(28,381)</u>
Income (Loss) Before Transfers	54,350	12,317	(70,355)	(3,688)
Transfers:				
Transfer Out - In Lieu of Taxes	(54,195)	-	-	(54,195)
Transfers In	1,879	3,540	183	5,602
Total Transfers	<u>(52,316)</u>	<u>3,540</u>	<u>183</u>	<u>(48,593)</u>
Change in Net Position	2,034	15,857	(70,172)	(52,281)
Net Position, January 1	2,818,160	451,683	1,263,904	4,533,747
Net Position, December 31	<u>\$ 2,820,194</u>	<u>\$ 467,540</u>	<u>\$ 1,193,732</u>	<u>\$ 4,481,466</u>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2022**

	Business-Type Activities - Enterprise Funds			Totals
	Water Utility	Stormwater Utility	Sewer Utility	
<b>Cash Flows from Operating Activities:</b>				
Cash Received from Utility Customers	\$ 211,130	\$ 71,865	\$ 248,342	\$ 531,337
Cash Received from Public Fire Protection	124,921	-	-	124,921
Cash Received (Paid) for Sewer Utility Share of Meter Related and Other Expenses	4,658	-	(4,658)	-
Cash Paid to Suppliers for Goods and Services	(109,381)	(5,076)	(147,269)	(261,726)
Cash Paid for Employee Services	(112,816)	(18,943)	(81,091)	(212,850)
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>118,512</b>	<b>47,846</b>	<b>15,324</b>	<b>181,682</b>
<b>Cash Flows from Noncapital Financing Activities:</b>				
Tax Equivalent Paid to General Fund	(54,195)	-	-	(54,195)
Cash Received (Repaid) for Working Capital Purposes - General Fund	-	-	(8,241)	(8,241)
Cash Received (Repaid) for Working Capital Purposes - Sewer Utility	-	-	7,312	7,312
<b>Net Cash Provided by (Used for) Noncapital Financing Activities</b>	<b>(54,195)</b>	<b>-</b>	<b>(929)</b>	<b>(55,124)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>				
Cash Paid for Removal of Capital Assets	6,960	-	-	6,960
Cash Paid for Acquisition of Plant Assets	(91,094)	-	-	(91,094)
Cash Received from Federal Grant	67,040	-	-	67,040
Cash Received from Other Funds	1,879	3,540	183	5,602
Principal Paid on Long-Term Debt	(64,329)	(20,068)	(46,038)	(130,435)
Interest Paid on Long-Term Debt	(12,662)	(5,494)	(11,712)	(29,868)
<b>Net Cash Provided by (Used for) Capital and     Related Financing Activities</b>	<b>(92,206)</b>	<b>(22,022)</b>	<b>(57,567)</b>	<b>(171,795)</b>
<b>Cash Flows from Investing Activities:</b>				
Interest on Investments	207	20	530	757
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(27,682)</b>	<b>25,844</b>	<b>(42,642)</b>	<b>(44,480)</b>
Cash and Cash Equivalents, January 1	422,644	58,149	153,431	634,224
<b>Cash and Cash Equivalents, December 31</b>	<b>\$ 394,962</b>	<b>\$ 83,993</b>	<b>\$ 110,789</b>	<b>\$ 589,744</b>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF CASH FLOWS (Continued)**  
**PROPRIETARY FUNDS**  
**For the Year Ended December 31, 2022**

	Business-Type Activities - Enterprise Funds			
	Water Utility	Stormwater Utility	Sewer Utility	Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Operating Income (Loss)	\$ 66,180	\$ 17,772	\$ (59,259)	\$ 24,693
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation	91,915	32,097	77,152	201,164
Change in WRS Pension Related Items	(8,260)	(1,325)	(6,344)	(15,929)
Change in Life Insurance Postemployment Benefit Related Items	835	123	1,071	2,029
(Increase) Decrease in Assets:				
Customer Accounts Receivable	(26,293)	(154)	4,159	(22,288)
Due from Other Funds	(17,580)	(387)	12	(17,955)
Prepaid Expenses	12	-	(1,956)	(1,944)
Inventory	(10,032)	-	-	(10,032)
Increase (Decrease) in Liabilities:				
Accounts Payable	21,060	(283)	191	20,968
Accrued Payroll	675	3	298	976
Net Cash Provided by (Used for) Operating Activities	<u>\$ 118,512</u>	<u>\$ 47,846</u>	<u>\$ 15,324</u>	<u>\$ 181,682</u>
Reconciliation of Cash and Investments to Cash and Cash Equivalents:				
Cash and Investments per Statement of Net Position:				
Cash and Investments	\$ 311,410	\$ 60,909	\$ -	\$ 372,319
Cash and Investments - Restricted	83,552	23,084	110,789	217,425
Cash and Cash Equivalents	<u>\$ 394,962</u>	<u>\$ 83,993</u>	<u>\$ 110,789</u>	<u>\$ 589,744</u>

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF NET POSITION**  
**FIDUCIARY FUND**  
**December 31, 2022**

	Custodial Fund
	Tax Collection Fund
Assets:	
Cash and Investments	\$ 133,280
Taxes Receivable	711,836
Total Assets	845,116
Liabilities:	
Due to Other Governments	845,116
Net Position	\$ -

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**STATEMENT OF CHANGES IN NET POSITION**  
**FIDUCIARY FUND**  
**For the Year Ended December 31, 2022**

	Custodial Fund Tax Collection Fund
Additions:	
Taxes Collected on Behalf of Other Taxing Entities	\$ 612,923
Deductions:	
Taxes Remitted to Other Taxing Entities	612,923
Change in Net Position	-
Net Position - Beginning of Year	-
Net Position - End of Year	\$ -

See accompanying Notes to the Basic Financial Statements.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the Village of Grantsburg (the Village) conform to accounting principles generally accepted in the United States of America as applicable to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Village are described below:

- A. Reporting Entity** – In evaluating how to define the Village, for financial reporting purposes, management has considered all potential component units as required under Government Accounting Standards. Based upon the criteria, the financial statements of the Village of Grantsburg contain all the funds and account groups controlled by the Village Board. There are no other entities which meet the criteria to be considered a blended component unit or a discretely presented component of the Village, nor is the Village a component unit of another entity. The Village, governed by a seven-member elected village board, is a community of fewer than 2,500 persons incorporated as a village under Wisconsin law.

The basic financial statements of the Village consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the Village.

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

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds) as described below:

**Government-Wide Statements** – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on all the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable to a specific function or segment. Program revenues include (a) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

**Fund Financial Statements** – Financial statements of the reporting entity are organized into 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 of resources, liabilities, deferred inflows of resources, net position, fund equity, revenues, and expenditures/expenses. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Government-Wide and Fund Financial Statements (Continued)**

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The Village reports the following major governmental funds:

**General Fund** – The General Fund is the operating fund of the Village. It is used to account for all financial resources of the Village, except those required to be accounted for in another fund.

**Library Fund** – The Library Fund is a special revenue fund of the Village. It is used to account for all financial resources of the Village related to the library.

**Tax Incremental District #4 Fund** – The Tax Incremental District #4 Fund, a capital projects fund, is used to account for revenues and expenditures of the Village's Tax Incremental District #4 (TID #4).

**Tax Incremental District #5 Fund** – The Tax Incremental District #5 Fund, a capital projects fund, is used to account for revenues and expenditures of the Village's Tax Incremental District #5 (TID #5).

**Tax Incremental District #6 Fund** – The Tax Incremental District # Fund, a capital projects fund, is used to account for revenues and expenditures of the Village's Tax Incremental District # (TID #6).

Transactions of all TID Funds are further discussed in Note 7.

The Village does not report any nonmajor funds.

The Village reports the following major enterprise funds:

**Water Utility** – This fund accounts for the operations of the water system. Utility operations are subject to regulation by the Wisconsin Public Service Commission.

**Stormwater Utility** – This fund accounts for the operations of the stormwater system.

**Sewer Utility** – This fund accounts for the operations of the wastewater collection system and treatment facilities.

The Village had no other enterprise funds to report as nonmajor funds. Additionally, the Village reports the following fiduciary fund:

**Custodial Fund** – These funds are used to account for assets held by the Village in a trustee capacity or as a custodian for individuals, private organizations, and/or other governmental units.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements, the proprietary funds and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the Village gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. 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 of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables, if material, are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's utility functions 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.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues reported in the governmental funds to be available if they are collected within sixty days after the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in financial statements and accompanying notes. Actual results could differ from those estimates.

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity**

**1) Deposits and Investments** – The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts. State statutes permit the Village to invest available cash balances in time deposits of authorized depositories, U.S. Treasury obligations, U.S. agency issues, high-grade commercial paper, and the local government pooled-investment fund administered by the state investment board. Donations to the Village of securities or other property are considered trust funds and are invested as the donor specifies. In the absence of any specific directions, the Village may invest the donated items in accordance with laws applicable to trust investments.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

**2) Receivables and Payables**

Property Taxes – Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. The resulting tax roll is recorded as receivable in the Village's custodial fund with amounts due other governmental units and other funds of the Village recorded as liabilities therein. Since Village property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted therefore.

Real property taxes are payable in full on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings), and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes are turned over to the Washburn County Treasurer for collection in February. Washburn County subsequently settles in full with the Village in August of the same year, including settlement for uncollected delinquent special assessments and special charges. (The County has the option to settle in full for delinquent special assessments and special charges or to remit them to the Village as collections are received.) Delinquent personal property taxes are retained by the Village for collection.

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 are recognized as collections when made, or as current installments are placed on tax rolls (Installments placed on the 2021 tax roll are recognized as revenue in 2022). Special assessments recorded in proprietary funds are recorded as revenue at the time the assessments are subject to collection procedures.

Accounts Receivable – All accounts receivable are shown at gross amounts. No allowance for uncollectible accounts has been provided since such allowance would not be material.

Interfund Balances – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

**3) Inventories and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds, if material, are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**4) Restricted Assets**

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. The Wisconsin Retirement Net Pension Asset has been presented as a restricted asset based on these criteria. Current liabilities payable from these restricted assets, are so classified.

**5) Capital Assets**

Government-Wide Financial Statements – Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	<u>Capitalization Threshold</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Land	\$2,000	N/A	N/A
Land Improvements	2,000	Straight-line	50 Years
Equipment and Vehicles	2,000	Straight-line	30 Years
Property in the Open	2,000	Straight-line	5-20 Years
Infrastructure	2,000	Straight-line	50 Years

The Water Utility follows the capitalization threshold and estimated useful lives outlined above but utilizes a depreciation method required by the Wisconsin Public Service Commission. This method dictates that cost of property replaced, retired, or otherwise disposed of, is deducted from plant accounts, and generally, together with removal costs less salvage, is charged to accumulated depreciation.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

**5) Capital Assets (Continued)**

Government-Wide Financial Statements (Continued)

The results of applying this method approximate that of the straight-line depreciation method. Depreciation for the Sewer Fund is applied to average plant balance at a rate of 2% per year.

Fund Financial Statements – In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide statements.

**6) Compensated Absences**

It is the Village's policy to permit employees to accumulated paid leave benefits. Liabilities for accumulated employee leave benefits are not accrued in the Village's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned.

**7) Long-Term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**8) Deferred Outflows of Resources**

The Village reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. The Village reports deferred outflows of resources for pension and other postemployment benefit related items.

**9) Deferred Inflows of Resources**

The Village's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The Village will not recognize the related revenue until a future event occurs. The Village has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the Village's year) under the modified accrual basis of accounting. The Village reports deferred inflows of resources for pension and other postemployment benefit related items.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

**10) Budgetary Accounting**

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- 1) A formal budget is adopted for the general fund in the fall of each year, for the succeeding calendar year. This budget is adopted on a basis consistent with generally accepted accounting principles.
- 2) The Village Board approves the budget by department. No transfers between departments are allowed without Board approval. Therefore, the level of budgetary responsibility is by a functional departmental basis.
- 3) Unused appropriations for all annually budgeted funds lapse at the end of the year.
- 4) Revised budget amounts are approved by the board.
- 5) The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

**11) Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**12) Defining Operating Revenues and Expenses**

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

**13) Use of Restricted Resources**

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.

**14) Wisconsin Retirement System Pension Plan Benefits**

For purposes of measuring the Net Pension Liability (Asset), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, and Pension Expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by 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 GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

**15) Other Postemployment Benefits (OPEB) – Multi-Employer 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 Postemployment Benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**16) Property Tax Levy Limit**

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, towns and counties. For the 2022 and 2023 budget years, Wisconsin statutes limit the increase in the maximum allowable tax levy to the change in the Village's January 1 equalized value as a result of net new construction. The actual limit for the Village for the 2022 budget was 1.087%. The actual limit for the Village for the 2023 budget was 0.688%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

**17) Equity Classifications**

Fund equity, representing the difference between assets, deferred outflows of resources less liabilities and deferred inflows of resources, is classified as follows in the Village's financial statements:

Government-Wide and Proprietary Fund Statements – Fund equity is classified as net position in the government-wide and proprietary fund financial statements and is displayed in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement for those assets. Net positions are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, granters or laws or regulations of other governments. All other net positions are displayed as unrestricted.

Fund Financial Statements – In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)**

**17) Equity Classifications (Continued)**

Fund Financial Statements (Continued) – Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the board. Unassigned fund balance is the residual classification for the Village's general fund and includes all spendable amounts not contained in the other classifications. The Village has established a policy for minimum unassigned general fund balance to be 20 percent of general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the Village Board prior to each year end. Based on resolution of the Village Board, the Finance Committee has been given the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the Village's practice to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the Village's practice to use committed, assigned, and finally unassigned fund balance.

**18) Statement of Cash Flows**

For the purpose of cash flows, all cash and investments are considered in beginning or ending cash balances. The Village considers cash equivalents to include cash and investments having an original maturity of three months or less.

**NOTE 2 – CASH AND INVESTMENTS**

The Village's cash and investments balances at December 31, 2022 are reflected in the financial statements as follows:

Governmental Funds	\$ 390,033
Proprietary Funds	589,744
Fiduciary Funds	133,280
Total	<u>\$ 1,113,057</u>

Deposits in Financial Institutions	\$ 462,872
Deposits at Other Institutions	46,000
Deposits in Local Government Investment Pool	604,185
Total	<u>\$ 1,113,057</u>

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Village has a custodial credit risk policy to minimize custodial risk maintaining a list of public depositories, financial institutions, and broker/dealers authorized to provide deposit and investment services must supply as appropriate audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund’s total coverage, total recovery of insured losses may not be available. This coverage has not been considered in determining custodial credit risk.

The Village’s deposits were insured and undercollateralized at December 31, 2022 as follows:

	Demand Deposit Accounts
FDIC Insured	\$ 250,000
Undercollateralized	187,254
Total	\$ 437,254

Credit Risk

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

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village does not have a formal investment policy.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

Investments

The Village's investments at December 31, 2022 consisted of deposits in the following external investment pool:

Deposits in State and Local Government Pooled-Investment Fund

The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in the State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local government unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Investments in the local government investment pool are not insured. Investments in the LGIP are valued at amortized cost. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The weighted average maturity of the State Investment Fund's investments for 2022 was 23 days.

**NOTE 3 – CAPITAL ASSETS**

A summary of the changes in governmental capital assets is as follows:

	Balance 1/1/22	Additions	Disposal	Balance 12/31/22
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 681,124	\$ -	\$ -	\$ 681,124
Construction Work in Progress	-	123,858	-	123,858
Total Capital Assets Not Being Depreciated	681,124	123,858	-	804,982
Capital Assets Being Depreciated:				
Land Improvements	730,436	-	-	730,436
Buildings	2,266,522	-	-	2,266,522
Equipment and Vehicles	1,376,151	31,117	(5,603)	1,401,665
Property in the Open	291,710	-	-	291,710
Infrastructure	8,322,722	-	-	8,322,722
Total Capital Assets Being Depreciated	12,987,541	31,117	(5,603)	13,013,055
Total Capital Assets	13,668,665	154,975	(5,603)	13,818,037
Accumulated Depreciation	(8,540,112)	(337,393)	5,603	(8,871,902)
Total Governmental Activities Capital Assets	\$ 5,128,553	\$ (182,418)	\$ -	\$ 4,946,135

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 3 – CAPITAL ASSETS (Continued)**

Depreciation was charged to governmental activities as follows:

General Government	\$ 19,689
Public Safety	10,665
Public Works	252,742
Culture, Recreation, and Education	54,297
	<u>\$ 337,393</u>

The following is a summary of the proprietary fund's property, plant, and equipment at December 31, 2022:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Water Utility:</b>				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 9,876	\$ 6,500	\$ -	\$ 16,376
Construction Work In Progress	-	-	-	-
Total Capital Assets Not Being Depreciated	<u>9,876</u>	<u>6,500</u>	<u>-</u>	<u>16,376</u>
Capital Assets Being Depreciated:				
Source of Supply	30,161	33,447	-	63,608
Pumping Plant	429,987	-	(8,000)	421,987
Water Treatment	636,018	38,925	-	674,943
Transmission and Distribution	3,402,872	12,222	(1,287)	3,413,807
General Plant	44,520	-	-	44,520
Total Capital Assets Being Depreciated	<u>4,543,558</u>	<u>84,594</u>	<u>(9,287)</u>	<u>4,618,865</u>
Total Capital Assets	<u>4,553,434</u>	<u>91,094</u>	<u>(9,287)</u>	<u>4,635,241</u>
Less: Accumulated Depreciation	<u>(1,489,724)</u>	<u>(91,915)</u>	<u>2,327</u>	<u>(1,579,312)</u>
Net Capital Assets - Water Department	<u>3,063,710</u>	<u>(821)</u>	<u>(6,960)</u>	<u>3,055,929</u>
<b>Stormwater Utility:</b>				
Capital Assets Being Depreciated:				
Collection System	932,929	-	-	932,929
General Plant	1,950	-	-	1,950
Total Capital Assets Being Depreciated	<u>934,879</u>	<u>-</u>	<u>-</u>	<u>934,879</u>
Total Capital Assets	<u>934,879</u>	<u>-</u>	<u>-</u>	<u>934,879</u>
Less: Accumulated Depreciation	<u>(366,894)</u>	<u>(32,097)</u>	<u>-</u>	<u>(398,991)</u>
Net Capital Assets - Stormwater Department	<u>567,985</u>	<u>(32,097)</u>	<u>-</u>	<u>535,888</u>
<b>Sewer Utility:</b>				
Capital Assets Not Being Depreciated:				
Land and Land Rights	1,341	-	-	1,341
Capital Assets Being Depreciated:				
Collection System	2,092,310	-	-	2,092,310
Treatment and Disposal Plant	1,284,756	-	-	1,284,756
General Plant	15,559	-	-	15,559
Total Capital Assets Being Depreciated	<u>3,392,625</u>	<u>-</u>	<u>-</u>	<u>3,392,625</u>
Total Capital Assets	<u>3,393,966</u>	<u>-</u>	<u>-</u>	<u>3,393,966</u>
Less: Accumulated Depreciation	<u>(1,960,757)</u>	<u>(77,152)</u>	<u>575</u>	<u>(2,038,484)</u>
Net Capital Assets - Sewer Department	<u>1,433,209</u>	<u>(77,152)</u>	<u>575</u>	<u>1,355,482</u>
Net Capital Assets - Business-Type Activities	<u>\$ 5,064,904</u>	<u>\$ (110,070)</u>	<u>\$ (6,385)</u>	<u>\$ 4,947,299</u>

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 4 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of December 31, 2022 was as follows:

**Due to/from Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purpose</u>
Tax Incremental District #5	Tax Incremental District #6	\$ 83,529	Cashflow Purposes
Water Utility	Sewer Utility	11,099	Operation Items
Water Utility	General Fund	17,926	Delinquent Utility on Tax Roll
Sewer Utility	General Fund	14,376	Delinquent Utility on Tax Roll
Stormwater Utility	General Fund	2,855	Delinquent Utility on Tax Roll
		<u>\$ 129,785</u>	

**Interfund Transfers**

<u>Funds Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Water Utility	\$ 54,195	Payment in Lieu of Tax
Library Fund	General Fund	72,400	Operating Budget
TID #5	TID #4	10,396	TID Agreement
Water Utility	TID #5	1,879	Debt Service
Sewer Utility	TID #5	183	Debt Service
Stormwater Utility	TID #5	3,540	Debt Service
		<u>\$ 142,593</u>	

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS**

**Changes in Long-Term Obligations**

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

	Balances 12/31/21	Additions	Reductions	Balances 12/31/22	Amounts Due Within One Year
<b>Long-Term Debt:</b>					
<b>Governmental Activities:</b>					
General Obligation Notes	\$ 735,134	\$ -	\$ (58,769)	\$ 676,365	\$ 59,753
Revenue Bonds	330,628	-	(23,020)	307,608	23,294
State Trust Fund Loans	350,000	-	(58,000)	292,000	58,000
Total Governmental Activities	<u>1,415,762</u>	<u>-</u>	<u>(139,789)</u>	<u>1,275,973</u>	<u>141,047</u>
<b>Business-Type Activities:</b>					
General Obligation Notes	172,214	-	(20,857)	151,357	-
Water Utility Revenue Bonds	657,298	-	(63,130)	594,168	64,650
Stormwater Utility Revenue Bonds	118,337	-	(14,965)	103,372	20,574
Sewer Utility Revenue Bonds	322,056	-	(31,483)	290,573	47,381
Total Business-Type Activities	<u>1,269,905</u>	<u>-</u>	<u>(130,435)</u>	<u>1,139,470</u>	<u>132,605</u>
Total Long-Term Debt	<u>\$ 2,685,667</u>	<u>\$ -</u>	<u>\$ (270,224)</u>	<u>\$ 2,415,443</u>	<u>\$ 273,652</u>
<b>Other Long-Term Obligations:</b>					
<b>Governmental Activities:</b>					
Capital Lease	\$ -	\$ 5,297	\$ (729)	\$ 4,568	\$ 1,006
Net State OPEB Liability	38,240	7,421	-	45,661	-
Employee Vacation and Sick Leave Liability	109,711	4,491	(38,045)	76,157	25,646
Total Other Liabilities	<u>\$ 147,951</u>	<u>\$ 17,209</u>	<u>\$ (38,774)</u>	<u>\$ 126,386</u>	<u>\$ 26,652</u>
<b>Business-Type Activities:</b>					
Net State OPEB Liability	<u>\$ 12,422</u>	<u>\$ 2,912</u>	<u>\$ -</u>	<u>\$ 15,334</u>	<u>\$ -</u>

All debt issues are direct borrowing or direct placement.

General Obligation Debt Limitation - Section 67.03(1) of the Wisconsin Statutes provide that the amount of indebtedness of a municipality shall not exceed five (5) percent of the equalized valuation of the taxable property in the municipality. At December 31, 2022, the Village's debt limit amounted to \$4,497,660 and indebtedness subject to the limitation totaled \$1,119,722.

**Revenues for Debt Retirement**

Principal and interest on general obligation notes recorded in the enterprise funds are expected to be paid by the utilities as they mature. Also, repayment requirements on debt issued to finance TID project costs are expected to be funded from tax increment district' revenues.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (Continued)**

**General Obligation Long-Term Debt**

Annual Requirements for Retirement – Individual debt issues outstanding at December 31, 2022 and annual requirements for their retirement are as follows:

Description	Due Date	Principal	Interest	Total
General Obligation Promissory Note \$90,000, dated 12/23/2014, due 12/23/2024, interest at 3.22%	2023	\$ 13,694	\$ 741	\$ 14,435
	2024	14,146	289	14,435
		<u>27,840</u>	<u>1,030</u>	<u>28,870</u>
General Obligation Promissory Note \$162,000, dated 12/18/2017, due 3/18/2027, interest at 3.46%	2023	18,000	2,839	20,839
	2024	18,000	2,208	20,208
	2025	18,000	1,577	19,577
	2026	18,000	944	18,944
	2027	18,000	313	18,313
		<u>90,000</u>	<u>7,881</u>	<u>97,881</u>
General Obligation Promissory Note \$247,250, dated 9/16/2019, due 9/12/2029, interest at 2.259%	2023	23,982	3,756	27,738
	2024	24,526	3,212	27,738
	2025	25,102	2,634	27,736
	2026	25,683	2,056	27,739
	2027	26,275	1,462	27,737
	2028-2029	47,238	1,091	48,329
		<u>172,806</u>	<u>14,211</u>	<u>187,017</u>
General Obligation Promissory Note \$610,000, dated 10/28/2019, due 10/27/2029, interest at 2.56%	2023	25,560	13,506	39,066
	2024	26,221	12,845	39,066
	2025	26,899	12,178	39,077
	2026	27,594	11,472	39,066
	2027	28,307	10,759	39,066
	2028-2029	402,495	19,304	421,799
		<u>537,076</u>	<u>80,064</u>	<u>617,140</u>
State Trust Fund Loan \$853,000, dated 7/13/2012, due 3/15/2027, interest at 4.0%	2023	58,000	11,680	69,680
	2024	59,000	9,386	68,386
	2025	60,000	7,000	67,000
	2026	60,000	4,600	64,600
	2027	55,000	2,200	57,200
		<u>292,000</u>	<u>34,866</u>	<u>326,866</u>
Total General Obligation Debt		<u>\$ 1,119,722</u>	<u>\$ 138,052</u>	<u>\$ 1,257,774</u>

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (Continued)**

**Water Revenue Bonds**

Annual Requirements for Retirement – Individual debt issues outstanding at December 31, 2022 and annual requirements for their retirement are as follows:

Description	Due Date	Principal	Interest	Total
Water Utility Mortgage Revenue Refunding Bonds, \$586,800, dated 11/22/2005, due 9/1/2025, interest at 4.81%	2023	\$ 35,000	\$ 5,404	\$ 40,404
	2024	37,000	3,707	40,707
	2025	38,800	1,892	40,692
		<u>110,800</u>	<u>11,003</u>	<u>121,803</u>
Water Utility Mortgage Revenue Bonds, \$209,674, dated 6/13/2012, due 5/1/2032, interest at 1.32%	2023	10,523	1,405	11,928
	2024	10,661	1,265	11,926
	2025	10,802	1,123	11,925
	2026	10,945	980	11,925
	2027	11,089	835	11,924
	2028-2032	57,680	1,923	59,603
		<u>111,700</u>	<u>7,531</u>	<u>119,231</u>
Water Utility Mortgage Revenue Bonds, \$447,557, dated 9/24/2014, due 5/1/2034, interest at 1.155%	2023	22,017	3,126	25,143
	2024	22,271	2,870	25,141
	2025	22,529	2,612	25,141
	2026	22,789	2,350	25,139
	2027	23,052	2,085	25,137
	2028-2032	119,316	6,345	125,661
	2033-2034	49,679	575	50,254
	<u>281,653</u>	<u>19,963</u>	<u>301,616</u>	
Water Utility Mortgage Revenue Bonds, \$138,072, dated 12/16/2018, due 5/1/2038, interest at 1.122%	2023	6,479	1,230	7,709
	2024	6,552	1,157	7,709
	2025	6,625	1,083	7,708
	2026	6,699	1,008	7,707
	2027	6,775	932	7,707
	2028-2032	35,033	3,500	38,533
	2033-2038	44,703	1,519	46,222
	<u>112,866</u>	<u>10,429</u>	<u>123,295</u>	
Water Utility Mortgage Revenue Bonds, \$338,248, dated 6/23/2021 due 5/1/2041, interest at 0.891%	2023	15,664	2,806	18,470
	2024	15,803	2,666	18,469
	2025	15,944	2,525	18,469
	2026	16,086	2,382	18,468
	2027	16,229	2,238	18,467
	2028-2032	83,342	8,984	92,326
	2033-2037	87,122	5,184	92,306
	2038-2041	72,533	1,297	73,830
	<u>322,723</u>	<u>28,082</u>	<u>350,805</u>	
Total Water Utility Revenue Bonds		<u>\$ 939,742</u>	<u>\$ 77,008</u>	<u>\$ 1,016,750</u>

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (Continued)**

**Water Revenue Bonds (Continued)**

The water utility, stormwater utility, and general fund have pledged future water, stormwater, and general revenues, net of specified operating expenses, to repay \$1,720,351 in revenue bonds issued in 2005, 2012, 2014, 2018, and 2021. Proceeds from the bonds provided financing for the water utility, stormwater utility, and general fund. The bonds are payable from utility and general revenues and are payable through 2025, 2032, 2034, 2038, and 2041. Annual principal and interest payments on the bonds are expected to require 4.7% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$1,016,750. Principal and interest paid for the year and total customer gross revenues were \$90,380 and \$1,940,737, respectively.

**Sewer Revenue Bonds**

Annual Requirements for Retirement – Individual debt issues outstanding at December 31, 2022 and annual requirements for their retirement are as follows:

Description	Due Date	Principal	Interest	Total
Sewer Utility Mortgage Revenue Bonds, \$323,692, dated 4/9/2014, due 5/1/2033, interest at 1.32%	2023	\$ 16,435	\$ 5,204	\$ 21,639
	2024	16,866	4,767	21,633
	2025	17,309	4,319	21,628
	2026	17,763	3,859	21,622
	2027	18,229	3,386	21,615
	2028-2033	119,877	9,679	129,556
		<u>206,479</u>	<u>31,214</u>	<u>237,693</u>
Sewer Utility Mortgage Revenue Bonds, \$480,000, dated 3/1/2008, due 1/1/2028, interest at 4.44%	2023	28,100	6,482	34,582
	2024	28,900	5,220	34,120
	2025	29,700	3,923	33,623
	2026	30,500	1,991	32,491
	2027	31,300	1,225	32,525
	2028	1,000	88	1,088
Total Sewer Utility Mortgage Revenue Bonds		<u>149,500</u>	<u>18,929</u>	<u>168,429</u>
		<u>\$ 355,979</u>	<u>\$ 50,143</u>	<u>\$ 406,122</u>

The sewer utility and stormwater utility have pledged future sewer and stormwater revenues, net of specified operating expenses, to repay \$803,692 in revenue bonds issued in 2008 and 2014. Proceeds from the bonds provided financing for the sewer utility and stormwater utility. The bonds are payable solely from utility revenues and are payable through 2028 and 2033. Annual principal and interest payments on the bonds are expected to require 14.1% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$406,122. Principal and interest paid for the year and total customer gross revenues were \$44,665 and \$316,202, respectively.

**Revenues for Debt Retirement**

The ordinances authorizing the issuance of the revenue bonds calls for the establishment of separate and special funds into which utility revenues are to be set aside. The Village has established the required Bond Special Redemption Fund. Monthly deposits are being made to the Bond Special Redemption Fund from which principal and interest payments are made.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (Continued)**

The following is a summary of the long-term debt issues and transactions of the Village governmental funds for the year ended December 31, 2022:

	Balances 1/1/22	Additions	Retirements	Balances 12/31/22
State of WI-Bd of Comm of Public Lands Note, 4% Interest, Principal & Interest Due 3/15	\$ 350,000	\$ -	\$ (58,000)	\$ 292,000
WI DNR Revenue Bond, 1.32% Interest, Principal due 5/1, Interest Due 5/1 & 11/1	63,423	-	(5,394)	58,029
WI DNR Revenue Bond, 1.155% Interest, Principal due 5/1, Interest Due 5/1 & 11/1	181,565	-	(13,024)	168,541
Bremer Bank Note, 3.46% Interest, Principal due 3/18, Interest Due 3/18 & 9/18	108,000	-	(18,000)	90,000
WI DNR Revenue Bond, 1.12% Interest, Principal Due 5/1, Interest 5/1 & 11/1	85,639	-	(4,601)	81,038
Bremer Bank Note, 2.56% Interest, Principal & Interest Due Quarterly	454,687	-	(20,159)	434,528
Community Bank Note, 2.259% Interest, Principal & Interest Due Quarterly	172,448	-	(20,611)	151,837
Total General Fund Debt	<u>\$ 1,415,762</u>	<u>\$ -</u>	<u>\$ (139,789)</u>	<u>\$ 1,275,973</u>

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (Continued)**

The following is a summary of the long-term debt transactions of the Village proprietary funds for the year ended December 31, 2022:

	Balances 1/1/22	Additions	Retirements	Balances 12/31/22
<b>Water Utility:</b>				
W-1 Revenue Bonds/Refunding 2005	\$ 145,800	\$ -	\$ (35,000)	\$ 110,800
W-2 Revenue Bonds/St. Projects 2012	58,663	-	(4,991)	53,672
W-3 WI DNR Bond Payable 2021	338,248	-	(15,525)	322,723
W-4 Revenue Bonds/St. Project 2014	80,952	-	(5,807)	75,145
W-5 Revenue Bonds/St. Project 2018	33,635	-	(1,807)	31,828
W-6 GO/St. Project 2019	27,031	-	(1,199)	25,832
Total Water Utility	684,329	-	(64,329)	620,000
<b>Stormwater Utility:</b>				
SW-3 Revenue Bonds/St. Project 2007	77,438	-	(12,032)	65,406
SW-5 Revenue Bonds/St. Project 2014	40,900	-	(2,933)	37,967
SW-6 GO/St. Project 2019	50,904	-	(2,258)	48,646
SW-7 GO/Sweeper 2019	23,813	-	(2,845)	20,968
Total Stormwater Utility	193,055	-	(20,068)	172,987
<b>Sewer Utility:</b>				
S-1 Revenue Bonds/St. Project 2007	99,562	-	(15,468)	84,094
S-3 GO/St. Project 2014	41,095	-	(13,255)	27,840
S-4 Revenue Bonds/Diffusors 2014	222,492	-	(16,013)	206,479
S-5 GO/St. Project 2019	29,372	-	(1,302)	28,070
Total Sewer Utility	392,521	-	(46,038)	346,483
Total Proprietary Fund Long-Term Debt	\$ 1,269,905	\$ -	\$ (130,435)	\$ 1,139,470

W-1 – Water System Mortgage Revenue Bonds were issued for the Northside Water Project in 1993. The bonds carried varying maturities at a constant interest rate of 5.25%, with principal due January 1 and interest due January 1 and July 1 of each year. These bonds were paid off in 2005 by the Water System Mortgage Refunding Bonds, Series 2005A. The new issue carries varying maturities at a constant interest rate of 4.81%, with principal due September 1 and interest due March 1 and September 1 each year.

W-2 – Water System Revenue Bonds were issued in 2012 for improvements to the Water Utility system.

W-3 – Water System Mortgage Revenue Bonds were issued for the well Manganese Project in 2021. The bonds carried varying maturities at a constant interest rate of 0.891%, with principal due May 1 and interest due May 1 and November 1 of each year and are set to be paid off in 2041.

SW-3 & S-1 – Stormwater System and Sewer System Revenue Bonds were issued in 2008, totaling \$480,000. These bonds carry varying maturities at a constant interest rate of 4.44%, with principal and interest due quarterly on January 1, April 1, July 1, and October 1 of each year. The final payment is scheduled for January 1, 2028.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 5 – LONG-TERM OBLIGATIONS (Continued)**

S-3 – Sewer improvements on the West Broadway Avenue Utility Improvement Project in 2014 were not eligible for WI DNR SDWLF funds. Sewer Utility debt was issued for these improvements in the amount of \$90,000 with an interest rate of 2.33%. This note has a 10-year term with quarterly interest only payments in the first three years and quarterly principal and interest payments starting in the fourth year in amounts sufficient to pay the loan off in the 10 years.

S-4 – Sewer System Revenue Bonds were issued in 2014 totaling \$323,692. The Bonds mature in installments of principal due May 1 and interest due May 1 and November 1 of each of the years 2014 through 2033 and bear interest at a rate of 2.625%. These bonds were issued as part of the Federal Environmental Improvement Fund through the WI Department of Natural Resources Clean Water Fund and were used for improvements at the Wastewater Treatment Plant.

W-4 & SW-5 – The Federal Environmental Improvement Fund through the WI Department of Natural Resources Safe Drinking Water Loan Fund (WI DNR SDWLF) was used to fund the West Broadway Avenue Utility Improvement Project in 2014. The final installment of this loan was received in 2015 in the amount of \$17,505. This Revenue Bond is recorded in multiple funds. The 20-year bonds total \$447,557 with an interest rate of 1.155%. Principal payments are due May 1 and interest payments are due May 1 and November 1 of each of the years 2015 through 2034. The disposition of these funds includes Water Utility \$119,408; Stormwater Utility \$60,331; and General Fund \$267,818. In addition to this low interest loan, principal forgiveness was received in the amount of \$414,919. This amount was distributed as follows: General Fund \$248,288, Water Utility \$110,700 and Stormwater Utility \$55,931.

W-5 – Water System Revenue Bonds were issued in 2018 for improvements to the Water Utility system. An additional amount of \$14,514 was received in the Water Utility during 2019.

W-6, SW-6 & S-5 – A Community Development Block Grant (CDBG) Downtown Street Project Loan was issued in 2019. The total loan of \$610,000 is financed over 20 years with a 10-year amortization at an interest rate of 2.56% with quarterly principal and interest payments due on January 28, April 28, July 28 and October 28 of each year. There is a balloon payment due on October 27, 2029 in the amount of \$351,181. The disposition of these funds includes Water Utility \$29,340; Stormwater Utility \$55,253; Sewer Utility \$31,847; and General Fund \$493,560. In addition to this loan, a \$500,000 Community Development Block Grant-Public Facilities was received from the Wisconsin Department of Administration, Division of Energy, Housing and Community Resources.

SW-7 – A general obligation loan for miscellaneous items including a street sweeper was obtained in 2019.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 6 – GOVERNMENTAL FUND BALANCES**

The governmental fund balances at December 31, 2022 consisted of the following:

	<u>Total</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>
Major Funds:					
General Fund					
Delinquent Special Assessments	\$ 35,311	\$ 35,311	\$ -	\$ -	\$ -
Prepaid Expenditures	1,135	1,135	-	-	-
Unassigned	<u>76,521</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,521</u>
Sub-Total General Fund	112,967	36,446	-	-	76,521
Library Fund	56,203	-	-	56,203	-
Tax Incremental District #4 Fund	66,463	-	66,463	-	-
Tax Incremental District #5 Fund	223,692	-	223,692	-	-
Tax Incremental District #6 Fund	<u>(93,942)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(93,942)</u>
Total Government Fund Balances at December 31, 2022	<u>\$ 365,383</u>	<u>\$ 36,446</u>	<u>\$ 290,155</u>	<u>\$ 56,203</u>	<u>\$ (17,421)</u>

**NOTE 7 – TAX INCREMENTAL DISTRICTS**

The Village had three tax incremental districts (TID #4, TID #5 and TID #6) in existence during 2022. Additionally, it started the planning phase to start TID #6 as well. District #4 was created January 1, 2005 for construction, capital costs, and real property assembly costs; District #5 was created January 1, 2008 to facilitate rehabilitation costs; District #6 was created January 1, 2021 as a mixed-use district. Costs of the tax district projects are recovered through the property tax increment received due to the project value increase. The statutes further allowed the municipality to collect tax increments for sixteen years after the last project expenditure was made or until the net project cost of the district had been recovered, whichever occurred first. The State enacted several changes relating to the tax incremental district in 2004 (with amending legislation in 2005). One of these changes extends the expenditure period for all current and future districts to have five years prior to the termination of the district's unextended maximum life. For those districts that have reached the end of its expenditure period prior to October 1, 2004, it allows a municipality to expand additional project costs included in the project plan (subject to certain conditions).

The project plans of all the tax incremental districts, are on file in the Village administrative offices, they detail the proposed projects, the estimated years of construction or site acquisition and the estimated costs of the individual project components.

Project expenditures to date have been financed by long-term debt proceeds, grant funds and advances from the General Fund. The advances and long-term debt are to be repaid from the increase in property tax revenue expected to result from the increased valuation in the tax increment districts.

Project costs uncollected at the dissolution date are absorbed by the municipality.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 7 – TAX INCREMENTAL DISTRICTS (Continued)**

The following is a summary of TID #4, TID #5, and TID #6 project costs and revenues through December 31, 2022:

	<u>TID #4</u>	<u>TID #5</u>	<u>TID #6</u>
Accumulated Project Costs (from inception to December 31, 2022):			
Capital Expenditures	\$ 523,476	\$ 125,356	\$ -
Administrative Costs	150	41,338	93,942
Transfers Out	10,396	5,602	-
Interest Charges	113,055	23,424	-
Total Project Costs	<u>647,077</u>	<u>195,720</u>	<u>93,942</u>
Accumulated Project Revenues:			
Tax Increments	700,979	9,878	-
Intergovernmental Aids	12,561	-	-
Transfers In	-	409,534	-
Total Project Revenues	<u>713,540</u>	<u>419,412</u>	<u>-</u>
Unrecovered Project Costs at December 31, 2022	<u>\$ 66,463</u>	<u>\$ 223,692</u>	<u>\$ (93,942)</u>

When tax incremental revenues received have extinguished the project costs plus interest, that tax district is either terminated or amended to allocate increments to another district. Expected termination dates by district are estimated below:

	<u>Termination Year</u>
District 4	2025
District 5	2034
District 6	2041

For each district, the growth in equalized value from the date of inception through January 1, 2022 is as follows:

	<u>Inception</u>	<u>01-01-2022</u>	<u>Growth</u>
District 4	\$ 1,091,000	\$ 5,319,800	\$ 4,228,800
District 5	102,000	746,600	644,600
District 6	3,908,600	4,331,500	422,900

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 8 – WISCONSIN RETIREMENT SYSTEM PENSION PLAN BENEFITS**

**General Information About the Pension Plan**

**Plan Description**

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

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

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 GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 8 – WISCONSIN RETIREMENT SYSTEM PENSION PLAN BENEFITS (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	Variable Fund Adjustment
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)
2020	1.7	21
2021	5.1	13

**Contributions**

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, including Teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the fiscal reporting period January 1, 2022 through December 31, 2022, the WRS recognized \$45,757 in contributions from the employer. Contribution rates as of December 31, 2022 are:

	Employee	Employer
General (including teachers, executive, and elected official)	6.75%	6.75%
Protective with Social Security	6.75%	11.75%
Protective without Social Security	6.75%	16.35%

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 8 – WISCONSIN RETIREMENT SYSTEM PENSION PLAN BENEFITS (Continued)**

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

At December 31, 2022, the Village of Grantsburg reported an asset of \$321,376 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.00398721% which was decrease of 0.00018678% from its proportion measured as of December 31, 2020.

For the years ended December 31, 2022, the Village recognized pension expense of (\$28,024).

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

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 519,167	\$ 37,437
Changes in Assumptions	59,957	-
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	718,946
Changes in Proportion and Differences Between Village Contributions and Proportionate Share of Contributions	187	655
Village Contributions Subsequent to the Measurement Date	45,757	-
Total	<u>\$ 625,068</u>	<u>\$ 757,038</u>

The \$45,757 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability 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 as follows:

<u>Year Ended December 31:</u>	<u>Net Deferred Outflows and (Inflows) of Resources</u>
2023	\$ (15,287)
2024	(87,354)
2025	(38,353)
2026	(36,733)
	<u>\$ (177,727)</u>

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 8 – WISCONSIN RETIREMENT SYSTEM PENSION PLAN BENEFITS (Continued)**

**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
Experience Study:	January 1, 2018 - December 31, 2020, 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:	
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. 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 GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 8 – WISCONSIN RETIREMENT SYSTEM PENSION PLAN BENEFITS (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:

**Retirement Funds 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 Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %<sup>2</sup></u>
Global Equities	52.0%	6.8%	4.2%
Fixed Income	25.0%	4.3%	1.8%
Inflation Sensitive	19.0%	2.7%	0.2%
Real Estate	7.0%	5.6%	3.0%
Private Equity/Debt	12.0%	9.7%	7.0%
Total Core Fund <sup>3</sup>	115.0%	6.6%	4.0%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0%	6.3%	3.7%
International Equities	30.0%	7.2%	4.6%
Total Variable Fund	100.0%	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 GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 8 – WISCONSIN RETIREMENT SYSTEM PENSION PLAN BENEFITS (Continued)**

**Single Discount Rate**

A single discount rate of 6.80% was used to measure the Total Pension Liability, as opposed to a discount rate of 7.00% 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 6.80% expected rate of return implies that a dividend of approximately 1.70% 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 of Grantsburg’s proportionate share of the Net Pension Liability (Asset) calculated using the discount rate of 6.80 percent, as well as what the Village of Grantsburg’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 (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Village's Proportionate Share of the Net Pension Liability (Asset)	\$ 228,039	\$ (321,376)	\$ (716,853)

**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>.

As of December 31, 2022, the Village reported a payable to the pension plan of \$8,233, which represents contractually required contributions outstanding as of the end of the year.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER PLAN**

**General Information about the Other Postemployment Benefits (OPEB)**

**Plan Description**

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

**OPEB Plan Fiduciary Net Position**

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

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

**Benefits Provided**

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

**Contributions**

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

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

Contribution rates as of December 31, 2022 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post Retirement Coverage	40% of member contribution
25% Post Retirement Coverage	20% of member contribution

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER PLAN**

**Contributions (Continued)**

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2020 are as listed below:

<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 \$211 in contributions from the employer.

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

At December 31, 2022, the Village of Grantsburg reported a liability of \$60,995 for its proportionate share of the Net OPEB Liability. The Net OPEB Liability was measured as of December 31, 2021, and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the Net OPEB Liability was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.01032000%, which was a decrease of 0.00111% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2021, the Village recognized OPEB expense of \$7,233.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER PLAN (Continued)**

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

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 3,102
Changes of Assumptions or Other Input	18,429	2,956
Net Difference Between Projected and Actual Earnings on OPEB Investments	793	-
Change in proportion and differences between employer contributions and proportionate share of contributions	6,209	9,213
Village Contributions Subsequent to the Measurement Date	211	-
Total	<u>\$ 25,642</u>	<u>\$ 15,271</u>

\$211 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability in the year ended December 31, 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 December 31:	Net Deferred Outflows and (Inflows) of Resources
2023	\$ 2,641
2024	2,549
2025	1,811
2026	2,007
2027	619
Thereafter	533
	<u>\$ 10,160</u>

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER PLAN (Continued)**

**Actuarial Assumptions**

The Total OPEB Liability in the January 1, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date:	January 1, 2021
Measurement Date of Net OPEB Liability (Asset):	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.06%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.17%
Salary Increases	
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.

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

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

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 9 – OTHER POSTEMPLOYMENT BENEFITS – MULTIPLE EMPLOYER PLAN (Continued)**

**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 to changes in the Discount Rate**

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

	1% Decrease (1.17%)	Current Discount Rate (2.17%)	1% Increase (3.17%)
Village's Share of Proportionate Share of the Net OPEB Liability	\$ 82,748	\$ 60,995	\$ 44,627

**NOTE 10 – RESERVED AND RESTRICTED FUNDS**

The long-term bonded debt secured for the Sewer Fund and Stormwater Fund projects includes in its indenture the requirement that a debt service reserve account be maintained until the bonds are retired. \$14,349 is currently held in this account. The indenture also requires a Depreciation Fund to accumulate deposits annually of \$4,800, until a balance of \$48,000 is reached. At year-end, \$48,000 is held in this account. These funds are available at management's discretion, for their specified use for debt service. In addition, a replacement fund has been established for equipment replacement in the Sewer Fund, with a year-end balance of \$71,525. These funds are available for replacement of equipment, to be used at the discretion of management.

The Water Fund long-term bonded debt includes in its indenture a requirement for a Debt Service Reserve Fund, used to accumulate monthly deposits to meet the debt service requirements. The year-end balance in this account is \$36,552. The indenture also requires a Depreciation Fund to accumulate monthly deposits, totaling \$4,700 annually, until a balance of \$47,000 is achieved. The year-end balance in this account is \$47,000.

The General Fund long-term bonded debt includes in its indenture a requirement for a Debt Service Reserve Fund, used to accumulate monthly deposits to meet the debt service requirements. The year-end balance in this account is \$16,666.

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 11 – STEWARDSHIP AND ACCOUNTABILITY**

Generally accepted accounting principles require the disclosure of individual funds that have deficit balances at year end. At December 31, 2022 certain funds had deficit balances as shown below:

Tax Incremental District #6 Fund	\$	(93,942)
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The deficit in the tax incremental district fund is financed by advances from other funds. The advances will be repaid as funds become available in the tax incremental district fund.

**NOTE 12 – RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**NOTE 13 – PRIOR PERIOD ADJUSTMENT**

The restatement of fund balance for the Village’s financial statements was the result of correcting the breakout of the tax incremental districts from the general fund and a correction for a previous liability.

	Fund Balance As Previously Stated December 31, 2021	Fund Balance Restatement	Fund Balance As Restated December 31, 2022
Governmental Activities:			
General Fund	\$ 293,989	\$ (65,425)	\$ 228,564
TID #4	(38,827)	65,425	26,598
Total	\$ 255,162	\$ -	\$ 255,162

**VILLAGE OF GRANTSBURG**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**Year Ended December 31, 2022**

**NOTE 14 – EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS**

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 92, *Omnibus*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Private Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*
- Statement No. 98, *The Annual Comprehensive Financial Report*
- Statement No. 99, *Omnibus 2022*
- Statement No. 100, *Accounting Changes and Error Corrections*
- Statement No. 101, *Compensated Absences*

The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, Postponement of Effective Dates of Certain Authoritative Guidance.

When they become effective, application of these standards may restate portions of these financial statements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**VILLAGE OF GRANTSBURG**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For the Year Ended December 31, 2022**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget- Positive (Negative)
Revenues:				
Taxes	\$ 489,866	\$ 475,475	\$ 482,276	\$ 6,801
Intergovernmental	535,626	535,626	537,822	2,196
Licenses and Permits	12,700	12,700	14,257	1,557
Fines and Forfeits	3,500	3,500	3,632	132
Public Charges for Services	246,265	250,170	246,625	(3,545)
Miscellaneous	42,900	187,330	217,104	29,774
Total Revenues	<u>1,330,857</u>	<u>1,464,801</u>	<u>1,501,716</u>	<u>36,915</u>
Expenditures:				
General Government	199,604	270,331	281,003	(10,672)
Public Safety	491,822	515,017	534,424	(19,407)
Public Works	336,761	336,071	376,875	(40,804)
Health and Human Services	19,396	17,502	16,431	1,071
Culture, Recreation, and Education	238,382	194,672	250,200	(55,528)
Debt Service				
Principal Retirement	119,616	119,616	120,359	(743)
Interest and Fiscal Charges	25,005	25,005	25,113	(108)
Total Expenditures	<u>1,430,586</u>	<u>1,478,214</u>	<u>1,604,405</u>	<u>(126,191)</u>
Excess (Deficiency) of Revenues Over Expenditures	(99,729)	(13,413)	(102,689)	(89,276)
Other Financing Sources (Uses):				
Transfer In - Tax Equivalent	71,071	71,071	54,195	(16,876)
Transfer In - TID #3 Closeout	98,050	5,600	5,297	(303)
Transfer Out	(72,400)	(72,400)	(72,400)	-
Total Other Financing Sources (Uses)	<u>96,721</u>	<u>4,271</u>	<u>(12,908)</u>	<u>(17,179)</u>
Net Change in Fund Balance	(3,008)	(9,142)	(115,597)	(106,455)
Fund Balance, January 1, As Previously Restated	293,989	293,989	293,989	-
Prior Period Adjustment	(65,425)	(65,425)	(65,425)	-
Fund Balance, January 1, As Restated	<u>228,564</u>	<u>228,564</u>	<u>228,564</u>	<u>-</u>
Fund Balance, December 31	<u>\$ 225,556</u>	<u>\$ 219,422</u>	<u>\$ 112,967</u>	<u>\$ (106,455)</u>

See accompanying Notes to Required Supplementary Information.

**VILLAGE OF GRANTSBURG**  
**BUDGETARY COMPARISON SCHEDULE**  
**LIBRARY FUND**  
**For the Year Ended December 31, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental	\$ 140,024	\$ 70,012	\$ 70,028	\$ 16
Public Charge for Services	8,000	4,000	3,512	(488)
Miscellaneous:				
Interest Income	-	-	1	1
Donations and Contributions	4,000	2,000	87,164	85,164
Other Revenues	-	-	865	865
Total Revenues	<u>152,024</u>	<u>76,012</u>	<u>161,570</u>	<u>85,558</u>
Expenditures:				
Culture, Recreation, and Education	<u>342,442</u>	<u>171,221</u>	<u>206,235</u>	<u>(35,014)</u>
Excess Revenues Over (Expenditures)	(190,418)	(95,209)	(44,665)	50,544
Other Financing Sources:				
Operating Transfer	<u>144,800</u>	<u>72,400</u>	<u>72,400</u>	<u>-</u>
Net Change in Fund Balance	(45,618)	(22,809)	27,735	50,544
Fund Balance, Beginning of Year	<u>28,468</u>	<u>28,468</u>	<u>28,468</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (17,150)</u>	<u>\$ 5,659</u>	<u>\$ 56,203</u>	<u>\$ 50,544</u>

See accompanying Notes to Required Supplementary Information.

**VILLAGE OF GRANTSBURG**  
**SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF**  
**THE NET PENSION PLAN LIABILITY (ASSET)**  
**Wisconsin Retirement System**  
**Last 10 Fiscal Years**  
**(Schedule is Presented Prospectively from Implementation)**

WRS Fiscal Year End Date (Measurement Date)	The Village's Proportionate Share of the Net Pension (Asset)/Liability	The Village's Proportionate Share of the Net Pension (Asset)/Liability	The Village's Covered-Employee Payroll	The Village's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability
12/31/2021	0.00398721%	\$ (321,376)	\$ 514,160	-62.51%	106.02%
12/31/2020	0.00417399%	(260,587)	567,144	-45.95%	105.26%
12/31/2019	0.00422394%	(136,199)	551,309	-24.70%	102.96%
12/31/2018	0.00424483%	151,017	549,249	27.50%	96.45%
12/31/2017	0.00421910%	(125,270)	541,142	-23.15%	102.93%
12/31/2016	0.00419709%	34,594	529,060	6.54%	99.12%
12/31/2015	0.00421521%	68,496	528,836	12.95%	98.20%

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

**VILLAGE OF GRANTSBURG**  
**SCHEDULE OF THE VILLAGE'S CONTRIBUTIONS**  
**Wisconsin Retirement System**  
**Last 10 Fiscal Years**  
**(Schedule is Presented Prospectively from Implementation)**

Village's Fiscal Year:	The Village's Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	The Village's Covered- Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/2022	\$ 45,757	\$ 45,757	\$ -	\$ 548,506	8.34%
12/31/2021	43,326	43,326	-	514,161	8.43%
12/31/2020	46,794	46,794	-	567,144	8.25%
12/31/2019	43,066	43,066	-	551,309	7.81%
12/31/2018	43,946	43,946	-	549,249	8.00%
12/31/2017	43,445	43,445	-	541,142	8.03%
12/31/2016	39,697	39,697	-	529,060	7.50%
12/31/2015	40,477	40,477	-	528,836	7.65%

See accompanying Notes to Required Supplementary Information.

**VILLAGE OF GRANTSBURG**  
**SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND MULTI-EMPLOYER OPEB PLAN**  
**(Schedule is Presented Prospectively from Implementation)**

State OPEB Fiscal Year End Date (Measurement Date)	The Village's Proportionate Share of the Net OPEB Liability	The Village's Proportionate Share of the Net OPEB Liability	The Village's Covered- Employee Payroll	The Village's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/2021	0.01032000%	\$ 60,995	\$ 531,000	11.49%	29.57%
12/31/2020	0.00921000%	50,662	473,000	10.71%	31.36%
12/31/2019	0.01288000%	51,473	447,000	11.52%	37.58%
12/31/2018	0.01340300%	34,584	507,000	6.82%	48.69%
12/31/2017	0.01359500%	40,902	571,709	7.15%	44.81%

\*The amounts presented for each fiscal year were determined as of the 12/31 measurement date that occurred within the fiscal year.

**VILLAGE OF GRANTSBURG**  
**SCHEDULE OF THE VILLAGE'S CONTRIBUTIONS TO**  
**WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND MULTI-EMPLOYER OPEB PLAN**  
**LAST TEN FISCAL YEARS**  
**(Schedule is Presented Prospectively from Implementation)**

Village Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	The Village's Covered - Employee Payroll	Contributions as a Percentage of Covered - Employee Payroll
12/31/2022	\$ 211	\$ 211	\$ -	\$ 531,000	0.04%
12/31/2021	183	183	-	468,000	0.04%
12/31/2020	183	183	-	473,000	0.04%
12/31/2019	258	258	-	447,000	0.06%
12/31/2018	258	258	-	571,709	0.05%

See accompanying Notes to Required Supplementary Information.

**VILLAGE OF GRANTSBURG**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 1 – BUDGETARY INFORMATION**

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information is derived from the Village's annual operating budget.

The Village's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The Village's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. The Village exercises budgetary expenditure control at the department level.

Budget amounts in the statements include both original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues and other sources for specified expenditures/uses. Appropriated budget amounts in the general fund lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

The Village has some overdrawn appropriations for the year ended December 31, 2022. Actual disbursements exceeded budget in the General Fund by function as follows:

General Government	\$ 10,672
Public Safety	19,407
Public Works	40,804
Culture, Recreation, and Education	55,528
Debt Service	851

**VILLAGE OF GRANTSBURG**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 2 – CHANGE IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO PENSION LIABILITIES (ASSETS)**

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-ended 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 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015, through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2021, including the following:

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

**VILLAGE OF GRANTSBURG**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 3 – SIGNIFICANT METHODS AND ASSUMPTIONS USED IN CALCULATING WISCONSIN RETIREMENT SYSTEM ACTUARIALLY DETERMINED CONTRIBUTIONS**

	2021	2020	2019	2018	2017
Valuation Date:	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015
Actuarial Cost Method:	Frozen Entry Age				
Amortization Method:	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)				
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%
	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.
Retirement Age:	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%).
Mortality:					

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

**VILLAGE OF GRANTSBURG**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 3 – SIGNIFICANT METHODS AND ASSUMPTIONS USED IN CALCULATING WISCONSIN RETIREMENT SYSTEM ACTUARIALLY DETERMINED CONTRIBUTIONS (Continued)**

	2016	2015	2014	2013
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			
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)			
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:	3.0%	3.0%	3.2%	3.2%
Seniority/Merit:	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%	0.1% - 5.6%
Post-Retirement Benefit Adjustments*:	2.1%	2.1%	2.1%	2.1%
	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 2009 valuation pursuant to an experience study of the period 2006-2008.
Retirement Age:	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all future improvements (margin) in mortality.	Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all future improvements (margin) in mortality.	Wisconsin Projected Experience Table - 2005 for women and 90% of the Wisconsin Projected Experience Table - 2005 for men.
Mortality:				

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

**VILLAGE OF GRANTSBURG**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2022**

**NOTE 4 – CHANGES IN BENEFIT TERMS AND ASSUMPTIONS RELATED TO LRLIF OPEB LIABILITIES (ASSETS)**

*Benefit Terms:* There were no recent changes in benefit terms.

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

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

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

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

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

## **SUPPLEMENTARY INFORMATION**

**VILLAGE OF GRANTSBURG**  
**GENERAL FUND**  
**DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**Year Ended December 31, 2021**

	2022		Variance Positive (Negative)
	Final Budget	Actual	
Revenues:			
Taxes:			
General Property Taxes	\$ 468,875	\$ 475,060	\$ 6,185
In Lieu of Taxes - Housing Authority	5,000	5,393	393
In Lieu of Taxes - Other	1,500	1,500	-
Other Taxes	-	286	286
Interest on Delinquent Taxes	100	37	(63)
Total Taxes	<u>475,475</u>	<u>482,276</u>	<u>6,801</u>
Intergovernmental:			
State Shared Revenues	429,569	429,709	140
Personal Property Aids	1,404	1,404	-
Fire Insurance Tax	3,200	3,487	287
State Grant - Computer Aid	3,534	3,534	-
State Grant - Law Enforcement	800	1,898	1,098
General Transportation Aids	92,105	91,850	(255)
Local Transportation Improvement Aids	-	-	-
Municipal Services Aid	4,595	5,299	704
In Lieu of Taxes - DNR	419	641	222
Total Intergovernmental	<u>535,626</u>	<u>537,822</u>	<u>2,196</u>
Licenses and Permits:			
Liquor and Malt Beverages	10,400	10,475	75
Dog Licenses	800	1,027	227
Building Permits	1,000	1,760	760
Zoning Permits	500	995	495
Total Licenses and Permits	<u>12,700</u>	<u>14,257</u>	<u>1,557</u>
Fines and Forfeitures:			
Ordinance and Municipal Citations	3,500	3,632	132
Public Charges for Services:			
Clerk's Fees	2,000	1,156	(844)
Law Enforcement Fees	150	181	31
Street Department Services	4,000	665	(3,335)
Golf Course	7,720	6,720	(1,000)
Airport Services	4,600	7,581	2,981
Campground Fees	75,000	70,641	(4,359)
Pool	24,000	28,274	4,274
Trash Collection	117,500	120,800	3,300
Recycling	-	161	161
Riverside Cemetery	15,200	10,446	(4,754)
Total Public Charges for Services	<u>250,170</u>	<u>246,625</u>	<u>(3,545)</u>
Miscellaneous:			
Interest on Investments	8,000	11,872	3,872
Interest on Special Assessments	2,000	3,667	1,667
Rent Income	4,500	4,116	(384)
Insurance Recoveries	118,300	129,384	11,084
Donations and Contributions	51,000	64,409	13,409
Other Revenues	3,530	3,656	126
Total Miscellaneous	<u>187,330</u>	<u>217,104</u>	<u>29,774</u>
Total Revenues	<u>1,464,801</u>	<u>1,501,716</u>	<u>36,915</u>

**VILLAGE OF GRANTSBURG**  
**GENERAL FUND**  
**DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL (Continued)**  
**Year Ended December 31, 2021**

	2022		Variance Positive (Negative)
	Final Budget	Actual	
<b>Expenditures:</b>			
<b>General Government:</b>			
Village Board	\$ 10,958	\$ 8,435	\$ 2,523
Legal	9,000	10,821	(1,821)
Clerk-Treasurer	110,047	105,521	4,526
Elections	6,200	9,252	(3,052)
IT Services	3,000	5,812	(2,812)
Assessor	7,800	7,798	2
Village Office Building	101,388	104,339	(2,951)
Insurance	19,238	19,508	(270)
Other General Expenses	2,700	7,588	(4,888)
Engineering Services	-	1,929	(1,929)
Total General Government	270,331	281,003	(10,672)
<b>Public Safety:</b>			
Law Enforcement	370,793	394,139	(23,346)
Fire Protection	61,268	61,556	(288)
Ambulance	82,956	78,729	4,227
Total Public Safety	515,017	534,424	(19,407)
<b>Public Works:</b>			
Machinery and Equipment	16,630	30,138	(13,508)
Garage and Shop	17,795	19,135	(1,340)
Street Maintenance	97,580	104,404	(6,824)
Snow and Ice Control	39,776	54,602	(14,826)
Street Lighting	25,200	28,634	(3,434)
Capital Outlay	15,500	6,428	9,072
Airport	6,640	8,618	(1,978)
Trash Collection	115,200	122,561	(7,361)
Recycling	1,750	2,355	(605)
Total Public Works	336,071	376,875	(40,804)
<b>Health and Social Services:</b>			
Cemetery	17,502	16,431	1,071
<b>Culture, Recreation, and Education:</b>			
Community Center	10,243	8,039	2,204
Community Events	13,306	16,884	(3,578)
Fairgrounds	800	883	(83)
Pool Operations	69,684	92,956	(23,272)
Golf Course	32,800	41,651	(8,851)
Skating Rink	500	733	(233)
Memory Lake Dam	100	270	(170)
Park	22,665	26,096	(3,431)
Campground	44,574	62,688	(18,114)
Total Culture, Recreation, and Education	194,672	250,200	(55,528)

**VILLAGE OF GRANTSBURG**  
**GENERAL FUND**  
**DETAILED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL (Continued)**  
**Year Ended December 31, 2021**

	2022		Variance Positive (Negative)
	Final Budget	Actual	
Expenditures (Continued):			
Debt Service:			
Principal Long-Term	\$ 119,616	\$ 120,359	\$ (743)
Interest	25,005	25,113	(108)
Total Debt Service	<u>144,621</u>	<u>145,472</u>	<u>(851)</u>
Total Expenditures	1,478,214	1,604,405	(126,191)
Excess (Deficiency) of Revenues			
Over Expenditures	(13,413)	(102,689)	(89,276)
Other Financing Sources (Uses):			
Sale of Village Property	-	-	-
Transfer In - Tax Equivalent	71,071	54,195	(16,876)
Issuance of Lease Obligation	5,600	5,297	(303)
Transfer Out	<u>(72,400)</u>	<u>(72,400)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>4,271</u>	<u>(12,908)</u>	<u>(17,179)</u>
Net Change in Fund Balance	(9,142)	(115,597)	(106,455)
Fund Balance, January 1, As Previously Stated	<u>293,989</u>	<u>293,989</u>	<u>-</u>
Prior Period Adjustment	<u>(65,425)</u>	<u>(65,425)</u>	<u>-</u>
Fund Balance, January 1, As Restated	<u>228,564</u>	<u>228,564</u>	<u>-</u>
Fund Balance, December 31	<u>\$ 219,422</u>	<u>\$ 112,967</u>	<u>\$ (106,455)</u>

**VILLAGE OF GRANTSBURG**  
**WATER UTILITY**  
**BUDGET TO ACTUAL COMPARISON**  
**Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues	\$ 374,707	\$ 374,707	\$ 367,002	\$ (7,705)
Operating Expenses:				
Operation	95,329	96,838	99,969	(3,131)
Maintenance	5,000	5,000	22,705	(17,705)
Administrative and General	84,565	91,909	86,233	5,676
Total Operation and Maintenance	<u>184,894</u>	<u>193,747</u>	<u>208,907</u>	<u>(15,160)</u>
Depreciation	64,755	64,755	91,915	(27,160)
Total Operating Expenses	<u>249,649</u>	<u>258,502</u>	<u>300,822</u>	<u>(42,320)</u>
Operating Income	125,058	116,205	66,180	(50,025)
Nonoperating Revenues (Expenses):				
Interest Income	300	300	207	(93)
Interest on Long-Term Debt	(12,827)	(12,827)	(12,037)	790
Total Nonoperating Revenues (Expenses)	<u>(12,527)</u>	<u>(12,527)</u>	<u>(11,830)</u>	<u>697</u>
Income Before Transfers	112,531	103,678	54,350	(49,328)
Transfers:				
Transfer to General Fund - Tax Equivalents	(71,071)	(71,071)	(54,195)	16,876
Transfers In	-	-	1,879	1,879
Total Capital Contributions and Transfers	<u>(71,071)</u>	<u>(71,071)</u>	<u>(52,316)</u>	<u>18,755</u>
Change in Net Position	41,460	32,607	2,034	(30,573)
Net Position, January 1	<u>2,818,160</u>	<u>2,818,160</u>	<u>2,818,160</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,859,620</u>	<u>\$ 2,850,767</u>	<u>\$ 2,820,194</u>	<u>\$ (30,573)</u>

**VILLAGE OF GRANTSBURG**  
**STORMWATER UTILITY**  
**BUDGET TO ACTUAL COMPARISON**  
**Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues	\$ 72,630	\$ 72,630	\$ 72,019	\$ (611)
Operating Expenses:				
Operation	10,811	2,937	2,759	178
Administrative and General	23,580	22,667	19,391	3,276
Total Operation and Maintenance	<u>34,391</u>	<u>25,604</u>	<u>22,150</u>	<u>3,454</u>
Depreciation	32,098	32,098	32,097	1
Total Operating Expenses	<u>66,489</u>	<u>57,702</u>	<u>54,247</u>	<u>3,455</u>
Operating Income	6,141	14,928	17,772	2,844
Nonoperating Revenues (Expenses):				
Interest Income	50	50	20	(30)
Interest on Long-Term Debt	(5,497)	(5,497)	(5,475)	22
Total Nonoperating Revenues (Expenses)	<u>(5,447)</u>	<u>(5,447)</u>	<u>(5,455)</u>	<u>(8)</u>
Income Before Transfers	694	9,481	12,317	2,836
Transfers	<u>3,540</u>	<u>3,540</u>	<u>3,540</u>	<u>-</u>
Change in Net Position	4,234	13,021	15,857	2,836
Net Position, January 1	<u>451,683</u>	<u>451,683</u>	<u>451,683</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 455,917</u>	<u>\$ 464,704</u>	<u>\$ 467,540</u>	<u>\$ 2,836</u>

**VILLAGE OF GRANTSBURG**  
**SEWER UTILITY**  
**BUDGET TO ACTUAL COMPARISON**  
**Year Ended December 31, 2022**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Operating Revenues	\$ 241,700	\$ 241,700	\$ 244,183	\$ 2,483
Operating Expenses:				
Operation	121,128	108,128	130,830	(22,702)
Maintenance	5,000	5,000	7,109	(2,109)
Administrative and General	84,501	82,215	88,351	(6,136)
Total Operation and Maintenance	<u>210,629</u>	<u>195,343</u>	<u>226,290</u>	<u>(30,947)</u>
Depreciation	76,300	76,300	77,152	(852)
Total Operating Expenses	<u>286,929</u>	<u>271,643</u>	<u>303,442</u>	<u>(31,799)</u>
Operating Income	(45,229)	(29,943)	(59,259)	(29,316)
Nonoperating Revenues (Expenses):				
Interest Income	800	800	530	(270)
Interest on Long-Term Debt	(11,714)	(11,714)	(11,626)	88
Total Nonoperating Revenues (Expenses)	<u>(10,914)</u>	<u>(10,914)</u>	<u>(11,096)</u>	<u>(182)</u>
Income Before Transfers	(56,143)	(40,857)	(70,355)	(29,498)
Transfers:	<u>182</u>	<u>182</u>	<u>183</u>	<u>1</u>
Change in Net Position	(55,961)	(40,675)	(70,172)	(29,497)
Net Position, January 1	<u>1,263,904</u>	<u>1,263,904</u>	<u>1,263,904</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,207,943</u>	<u>\$ 1,223,229</u>	<u>\$ 1,193,732</u>	<u>\$ (29,497)</u>