

Village of Shorewood, Wisconsin

Annual Comprehensive Financial Report

For the Fiscal Year Ended
December 31, 2021



VILLAGE OF SHOREWOOD

Shorewood, Wisconsin

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Including Independent Auditor's Report

As of and For the Year Ended

December 31, 2021

Prepared by:

Finance Department

Mark Emanuelson, CPFO
Finance Director

VILLAGE OF SHOREWOOD

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INTRODUCTORY
SECTION



AT THE EDGE OF THE CITY AND
THE HEART OF EVERYTHING

May 6, 2022

To the Village Board and the Citizens of the Village of Shorewood, Wisconsin:

The Annual Comprehensive Financial Report of the Village of Shorewood as of and for the year, ended December 31, 2021, is herein submitted.

Management assumes full responsibility for the completeness and reliability of all of the information presented in this report based upon a comprehensive internal control framework that has been established for this purpose. As the cost of internal controls should not outweigh their benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Sikich LLP has issued an unmodified ("clean") opinion on the Village of Shorewood's financial statements for the year ended December 31, 2021. The independent auditor's report is located at the front of the financial section of this report. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

COMMUNITY PROFILE

The Village of Shorewood is located in Milwaukee County and is the first suburb north of the City of Milwaukee on Lake Michigan. Shorewood, at just over 1.5 square miles, is bounded by the Milwaukee River on the west and the Village of Whitefish Bay to the north.

Incorporated as the Village of East Milwaukee (with a population of 300) in August of 1900, Shorewood is the fourth oldest suburb in the Milwaukee area. In 1917, the name of the Village was changed to Shorewood to more accurately reflect the beautifully unique environment that bordered Lake Michigan on the east, which attracted both business and professional people to the Village of Shorewood; an exclusive community separated from the City of Milwaukee, but close to its many convenient resources.

Shorewood operates under a manager form of government. Under this form of government, a six-member Board of Trustees is elected at large and on a non-partisan basis. The Village President, who is also elected at large and on a non-partisan basis, presides at Village Board meetings and votes on all matters. The Village President has no veto power. Annual elections are held in April. The terms of office are 3 years but are overlapping so that the Village is provided with a continuity of knowledge in the Village business and legislative matters.

The Board is responsible for enacting ordinances, resolutions, and regulations governing the Village as well as the appointment of members of various statutory and advisory boards and the Village Manager. The manager is the chief executive officer who is the head of the administrative branch of the Village and is accountable to the Board for the proper administration of all affairs of the Village.

The Village provides a range of services including police, library, refuse, recycling, snow and leaf removal, on and off street parking, building inspections, licenses and permits, water and sewer services. Health services are provided by the North Shore Health Department and fire services are provided by the North Shore Fire Department.

The Village is required to adopt an annual budget during the preceding year. This budget serves as the foundation of the Village's financial planning and control. The budget is prepared by fund and department. Department heads may use resources within a department. The Village Board would need to approve any budget amendments.

LOCAL ECONOMY

Located along the shores of Lake Michigan just north of Milwaukee, the Village of Shorewood is a demographically and economically vital and diverse community. The Village continues to be a desirable place to reside due to excellent services, high quality schools, parks, and exclusive shops and businesses, which all contribute to the perceived "high quality of life." Shorewood's employment base represents an excellent mix of service and retail establishments. Moreover, its proximity to downtown Milwaukee (just 5 miles south) enables residents to commute for employment.

The Village's property base is roughly 80% residential and 20% commercial with no industrial properties. Tax exempt properties are excluded from these totals. The Village is considered to be mostly built out in that very few vacant properties still exist within our boundaries. The Village's single-family housing was constructed almost entirely in the period from 1915 to 1945, and can be characterized as being in the middle to upper-middle price range in the Milwaukee area market. The Village also has a substantial number of multifamily housing units, consisting of rental and condominium units, which occupy the same middle to upper-middle market niche.

The Village is also in close proximity to the University of Wisconsin Milwaukee's campus (within about 1 mile). Many residents within the Village are students, professors or administrative personnel at the University.

LONG RANGE PLANNING AND FINANCIAL POLICIES

Annually, the Village Board reviews the long range Financial Management Plan which looks forward 10 years. This plan focuses on significant capital needs, on-going capital maintenance requirements, and projects future annual operating budgets, potential property values, tax levy needs, debt service levels and future budget gaps. The Village's overall budget process begins with a look at this plan and how we stand in relation to our financial targets.

The long range financial plan discusses the financial policy guidelines. One such guideline relates to General Fund, fund balances. The plan targets General Fund, fund balance at 30% of revenues and limits the reasons for using fund balance to capital, one-time, or investment in the community uses.

Due to the Village's strong history of financial planning and our healthy local economy, the Village has been able to both achieve its infrastructure and other capital related objectives, and has maintained a credit rating of Aa2 from Moody's Investor Service.

ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank all Village departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Village President, Village Manager and the Village Board for their unfailing support for maintaining the highest standards of professionalism in the management of the Village of Shorewood's finances.

The Village would like to recognize the Sikich LLP, audit management team, for their dedication and expertise, which contributed significantly to the report quality and adherence to professional accounting standards.

Respectfully submitted,

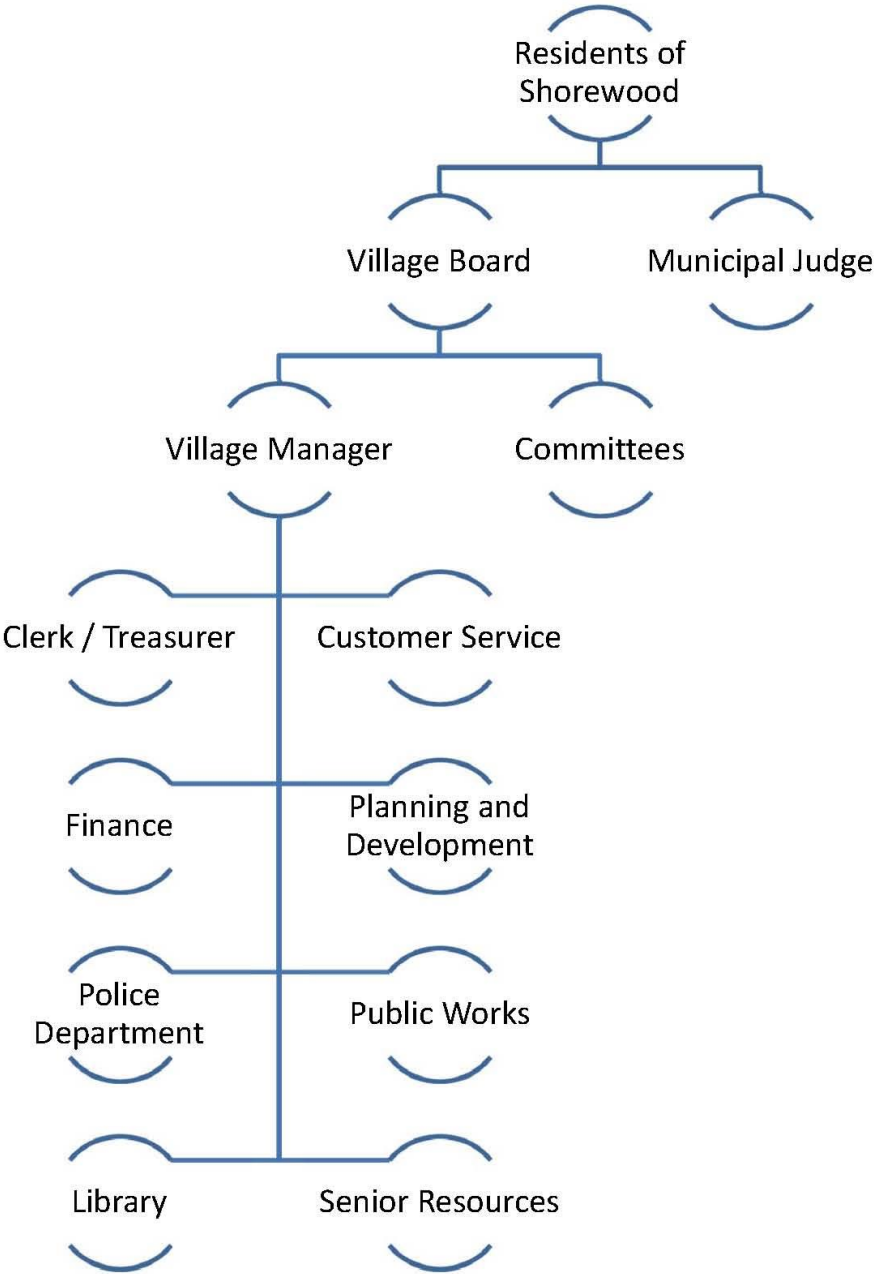


Rebecca Ewald
Village Manager



Mark Emanuelson, CPFO
Finance Director

Village of Shorewood, Wisconsin Organizational Chart



VILLAGE OF SHOREWOOD

Directory of Village Officials

Members of the Village Board

Ann McCullough McKaig	Village President
Jim Arndorfer	Village Trustee
Tammy Bockhorst	Village Trustee
Arthur Ircink	Village Trustee
Melissa Moore Baldauff	Village Trustee
Kathy Stokebrand	Village Trustee
Wesley Warren	Village Trustee

Administrators

Rebecca Ewald	Village Manager
Tyler Burkart	Assistant Village Manager
Sara Bruckman	Village Clerk
Mark Emanuelson	Finance Director / Treasurer
Bart Griepentrog	Planning and Zoning Administrator
Leeann Butschlick	Director of Public Works
Joel Kolste	Assistant Public Works Director
Peter Nimmer	Chief of Police
Rachel Collins	Library Director

FINANCIAL
SECTION

13400 Bishops Lane, Suite 300
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INDEPENDENT AUDITOR'S REPORT

Members of the Board of Trustees
Village of Shorewood
Shorewood, Wisconsin

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Shorewood, Wisconsin (the Village), as of and for the year ended December 31, 2021, and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Shorewood, Shorewood, Wisconsin as of December 31, 2021, 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 these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which

consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

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

Other Information

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

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

Sikich LLP

Brookfield, Wisconsin
May 6, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and For the Year Ended December 31, 2021
(Unaudited)

The Village of Shorewood's management offers this narrative overview and analysis of the Village's financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found preceding the independent auditor's report.

FINANCIAL HIGHLIGHTS

- The overall assets of the Village of Shorewood governmental funds exceeded their liabilities as of December 31, 2021, by \$8.4 million (*net position*). However, due to significant non-capital related debt, the village's unrestricted net position is (\$14.1 million). This is due primarily to the difference between current assets and the long-term non-capital debt outstanding. The village currently has about \$17.3 million in non-capital debt outstanding at year end, with about \$13 million of that amount related to TIF debt. More than 95% of the village's liabilities are related to long term debt.
- The deferred outflows of the village are mostly related to the actuarial liabilities for the village's pension and OPEB post-retirement benefits. Similarly, these items are also reflected in the deferred inflows section and are updated each year based on new actuarial estimates. However the most significant component of deferred inflows is the property taxes that the village has levied for the subsequent year budget.
- As of December 31, 2021 the Village of Shorewood's governmental funds reported combined ending fund balances of \$19.4 million an increase of \$531,000 million or 2.8% from the prior year. Approximately 41.4% of this total, or \$8.0 million, is available for spending at the government's discretion (*committed, assigned, and unassigned fund balance*).
- The total General Fund unassigned balance at year end was \$4.8 million or approximately 40.1% of 2021 general fund revenues. The first 30% of these reserves is, by village board policy, used for operating cash flow needs and to provide the ability of the village to respond to unforeseen contingencies and opportunities that may not have been known at the time of budget preparation. The remainder is planned to be used to manage the rate of growth of the property taxes that will be needed to meet debt service needs over the next several years.

Net position, as referred to above, results when revenues exceed expenses. When expenses exceed revenues, the result is a decrease in net position. You can think of this relationship between revenues and expenses as the Village's operating results. However, the Village's goal is to provide services that improve the quality of life for our residents, not to generate profits. For this reason, you need to consider many other non-financial factors when assessing the overall financial health of our Village.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Both of these financial statements distinguish functions of the Village of Shorewood that are principally supported by taxes (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees (business-type activities). The governmental activities of the Village include general government, public safety, public works, health, culture and recreation, and conservation and development. The business-type activities of the Village include the Water, Sewer, and Parking Utilities. The Community Development Authority (CDA) is a component unit of the Village and is presented separately as discrete column in the Statement of Net Position and Statement of Activities.

STATEMENT OF NET POSITION

The following table summarizes the Village's Statements of Net Position from 2021 and 2020.

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 40,912,388	\$ 38,668,743	\$ 3,974,128	\$ 3,732,012	\$ 44,886,516	\$ 42,400,755
Net Capital assets	30,154,116	30,301,179	27,234,784	24,921,463	57,388,900	55,222,642
Total assets	71,066,504	68,969,922	31,208,912	28,653,475	102,275,416	97,623,397
Deferred outflows	4,010,727	3,049,067	445,636	337,384	4,456,363	3,386,451
Long-term debt	41,568,787	45,966,217	15,483,720	13,633,184	57,052,507	59,599,401
Other liabilities	2,739,436	814,957	604,615	702,812	3,344,051	1,517,769
Total liabilities	44,308,223	46,781,174	16,088,335	14,335,996	60,396,558	61,117,170
Deferred inflows	22,383,687	21,855,533	626,718	404,574	23,010,405	22,260,107
Net investment capital assets	10,535,756	10,529,643	14,026,943	13,995,403	22,477,315	22,198,231
Restricted	11,947,302	11,946,999	-	-	11,947,302	11,946,999
Unrestricted (deficit)	(14,097,737)	(19,094,360)	912,552	254,886	(11,099,801)	(16,512,659)
Net position	\$ 8,385,321	\$ 3,382,282	\$ 14,939,495	\$ 14,250,289	\$ 23,324,816	\$ 17,632,571

Changes in capital assets and long term debt are described in more detail in those sections of this report.

Governmental Activities – Statement of Net Position

Current and other assets for governmental activities primarily represent cash, investments, taxes receivable, prepaid items, internal balances and loans receivable. Total current and other assets increased by \$2,243,645 or 5.8% in 2021. This increase was largely due to \$680,000 federal APRA grant, an accumulation of an additional \$465,000 in TID cash reserves, and a \$1.1 million increase in net pension assets in 2021.

Deferred outflows are related to the village's OPEB and WRS obligations which are now reported under GASB 68.

Long Term Debt decreased by \$4.4 million in 2021. This is the net impact of spending down the remaining bond proceeds from the village's 2020 bonds and the scheduled 2021 debt service principal payments.

Other liabilities include accounts payable, accrued payroll, and other accrued liabilities. These increased \$1.9 million from the previous year. This is due to unspent federal ARPA grant funding and certain capital related project costs that remained payable at the end of 2021.

Deferred inflows primarily represent unearned revenue for taxes levied in December 2021. These taxes represent revenue for the 2022 fiscal year and are not considered to be revenue in 2021.

The net investment in capital assets represents the Village's equity in its capital assets which was 35% of the historical cost of assets. This can be thought of as the Village's ownership in those capital assets. This percentage increased from 34.8% in 2020.

A portion of the Village's net position also represents resources that are subject to external restrictions on how they may be used. Restricted net position consists of amounts with grant or donor restrictions. The remaining unrestricted net position may be used to meet ongoing obligations to citizens and creditors. It is not unusual for municipal unrestricted net position to be negative as certain expenses included in the Statement of Activities are reported on a full accrual model, such as unmatured long term debt, accrued interest payable, compensated absences and the unfunded portion of other postemployment benefits. However, these expenses are not currently due, and therefore, will be funded with future years' revenues. This timing difference between the recognition of liabilities (as incurred) and when liabilities will be paid (which determines when the Village will levy taxes for these liabilities) creates the deficit unrestricted net position.

Business-Type Activities – Statement of Net Position

Business-type activities current and other assets consist mainly of cash, accounts receivable and internal balances. These assets increased by \$242,116 in 2021 due to positive operating results which was partially offset by a decrease of restricted bond reserve balances as these projects continued in 2021.

Deferred outflows are related to WRS net pension assets now recorded under GASB 68.

Long term debt increased by \$1.8 Million in 2021 due a new \$2.6 million debt issue reduced by the ongoing debt service principal payments.

Other liabilities are similar to those found within the governmental activities and include accounts payable and accrued payroll liabilities. There was about a \$100,000 decrease in accounts payable and other liabilities in 2021.

The net investment in capital assets represents the Village's equity in its capital assets which was 51.5% of the historical cost of assets for the village's business-type activities. This can be thought of as the Village's ownership in those capital assets. This percentage decreased from 56.2% in 2021 as the additional debt issued in 2021 exceeded the ongoing debt service principal payments which would otherwise reduce overall capital related debt.

STATEMENT OF ACTIVITIES

The Statement of Activities presents information showing how the government's net position changed during the 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 leave). The table below summarizes the Statements of Activities for 2021 and 2020.

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues						
Charges for services	\$ 1,835,861	\$ 1,638,163	\$ 4,803,007	\$ 4,640,106	\$ 6,638,868	\$ 6,278,269
Operating grants & contributions	1,277,098	1,227,958	-	-	1,277,098	1,227,958
Capital grants & contributions	372,152	10,988	-	-	372,152	10,988
General revenues						
Property taxes	17,850,048	16,332,509	-	-	17,850,048	16,332,509
Other revenues	<u>1,211,550</u>	<u>1,402,245</u>	<u>8,351</u>	<u>22,896</u>	<u>1,219,901</u>	<u>1,425,141</u>
Total revenues	<u>22,546,709</u>	<u>20,611,863</u>	<u>4,811,358</u>	<u>4,663,002</u>	<u>27,358,067</u>	<u>25,274,865</u>
Expenses						
General government	\$1,521,239	\$1,666,588	-	-	\$1,521,239	\$1,666,588
Public safety	7,376,451	8,337,331	-	-	7,376,451	8,337,331
Public works	4,214,545	3,815,540	-	-	4,214,545	3,815,540
Health and social services	280,609	290,347	-	-	280,609	290,347
Culture & recreation	1,392,401	1,522,113	-	-	1,392,401	1,522,113
Conservation & development	1,946,621	461,089	-	-	1,946,621	461,089
Interest on long-term debt	1,001,992	1,142,573	-	-	1,001,992	1,142,573
Parking	-	-	95,348	136,731	95,348	136,731
Water	-	-	1,756,669	1,577,876	1,756,669	1,577,876
Sewer	-	-	<u>2,079,945</u>	<u>2,140,712</u>	<u>2,079,945</u>	<u>2,140,712</u>
Total expenses	<u>17,733,858</u>	<u>17,235,581</u>	<u>3,931,962</u>	<u>3,855,319</u>	<u>21,665,820</u>	<u>21,090,900</u>
Change in Net Position						
Before Transfers	4,812,851	3,376,282	879,396	807,683	5,692,247	4,183,965
Transfers	<u>190,190</u>	<u>138,436</u>	<u>(190,190)</u>	<u>(138,436)</u>	-	-
Total Change in Net Position	5,003,041	3,514,718	689,206	669,247	5,692,247	4,183,965
Net position, Jan 1	<u>3,382,280</u>	<u>1,529,696</u>	<u>14,250,289</u>	<u>13,581,042</u>	<u>17,632,569</u>	<u>15,110,738</u>
Prior Period Adjustment	-	(1,662,132)	-	-	-	(1,662,132)
Beginning Net Position Restated	<u>3,382,280</u>	<u>(132,436)</u>	<u>14,250,289</u>	<u>13,581,042</u>	<u>17,632,569</u>	<u>13,448,606</u>
Net position, Dec 31	<u>\$ 8,385,321</u>	<u>\$ 3,382,282</u>	<u>\$ 14,939,495</u>	<u>\$ 14,250,289</u>	<u>\$ 23,324,816</u>	<u>\$ 17,632,571</u>

Overall, the Village's governmental activities increased net position by \$ 5,003,041 and business type activities increased by \$689,206 in 2021.

Significant Changes in Governmental Activities

Governmental Activities – Revenues

Program revenues are those revenues that can be directly related to a particular activity, whereas general revenues represent revenues that are not directly related to one specific function. Charges for services are primarily made up of licenses, permits, fees for service and fines. The Village’s main operating grants are State resources received for highway maintenance and recycling programs. Capital grants fluctuate annually and are received to assist the Village with capital asset purchases. The table below compares governmental activities’ revenues for 2021 and 2020 and significant changes are discussed below the table.

Revenues	Governmental activities			
	2021	2020	Chg	% chg
Program revenues				
Charges for services	\$ 1,835,861	\$ 1,638,163	\$ 197,698	12.1%
Operating grants	1,277,098	1,227,958	49,140	4.0%
Capital grants	372,152	10,988	361,164	3286.9%
General revenues				
Property taxes	17,850,048	16,332,509	1,517,539	9.3%
Other revenues	<u>1,211,550</u>	<u>1,402,245</u>	<u>(190,695)</u>	<u>-13.6%</u>
Total revenues	<u>\$ 22,546,709</u>	<u>\$ 20,611,863</u>	<u>\$ 1,934,846</u>	<u>9.4%</u>

Charges for services increased by 12.1% in 2021. The largest factor in this change was an increase in the special assessments for sidewalks in 2021 as this program is typically only active every other year in odd numbered years as well as an increase in on-street parking permit sales as this new program begins to mature.

Operating grants increased by 4.0% due to an increase of about \$50,000 in grants to the library.

Capital grants and contributions fluctuate annual depending on the capital projects and are typically non-recurring revenues. In 2020 there was only one small grant but in 2021 there were 2 grants totaling \$372,152.

In 2021, property tax revenue, which includes TIF tax incremental revenues, increased by 9.3%. Of this amount \$1.4 million was due to increases in TIF revenues. Property taxes accounted for 79.2% of the total governmental activities revenues in 2021.

Other revenues decreased by 13.6% in 2021 due to normal fluctuations in these items.

Governmental Activities – Expenses

Governmental activities expenses are broken down into various functions. General government includes costs of general village administration. Costs associated with the Village’s police department, planning and building inspection, and contributions for fire and dispatch services are shown within the public safety function. The public works function includes expenses for street maintenance, winter operations, refuse, recycling, and yard waste, as well as building maintenance. Health and social services include expenses incurred for providing health programs to the general public such as health clinics as well as senior programming. Culture and recreation expenses include the costs of park maintenance, and library services. Conservation and development expenses include forestry services and economic development activities within the Village’s tax incremental financing districts.

The table below compares 2021 and 2020 expense by function. The reasons for fluctuations of more than \$100,000 and 5% of the previous year are described following the section.

Expenses	Governmental activities				
	2021	2020	Chg	% chg	
General government	\$ 1,521,239	\$ 1,666,588	\$ (145,349)	-8.7%	
Public safety	7,376,451	8,337,331	(960,880)	-11.5%	
Public works	4,214,545	3,815,540	399,005	10.5%	
Health and social services	280,609	290,347	(9,738)	-3.4%	
Culture & recreation	1,392,401	1,522,113	(129,712)	-8.5%	
Conservation & development	1,946,621	461,089	1,485,532	322.2%	
Interest on long-term debt	1,001,992	1,142,573	(140,581)	-12.3%	
Total Expenses	<u>\$ 17,733,858</u>	<u>\$ 17,235,581</u>	<u>\$ 498,277</u>	<u>2.9%</u>	

General government had a \$40,000 general increase in expenditures which was offset by a \$40,000 decrease in capital outlay and a \$145,000 year-to year decrease in the non-cash reporting of OPEB and WRS pension costs in 2021 compared to 2020.

Public safety had a \$100,000 general increase in expenditures which was offset by a \$580,000 decrease in NSFD debt contributions and a \$350,000 year-to year decrease in the non-cash reporting of OPEB and WRS pension costs in 2021 compared to 2020.

Public works had a \$180,000 general increase in expenditures with \$60,000 of that increase related to street lighting costs. They also had a \$100,000 year-to year decrease in the non-cash reporting of OPEB and WRS pension costs in 2021 compared to 2020, as well as a \$340,000 increase in capital outlay and depreciation in 2021.

Culture and recreation had a \$30,000 decrease in base expenditures and an \$85,000 year-to year decrease in the non-cash reporting of OPEB and WRS pension costs in 2021 compared to 2020.

Conservation and development had an increase TID expenditures including over \$1 million related to the TID #1 closure in 2021.

Business-Type Activities – Revenues

Unlike the governmental activities, the Village’s business-type activities are financed primarily by user charges. The Village bills water and sewer fees to its customers on a quarterly basis. Any utility bill not paid by the tax levy date is placed on the property owner’s tax bill. Parking Utility revenues are derived from the sale of monthly parking passes. A summary of these charges are shown below.

Revenues	Business-type activities			
	2021	2020	Chg	% Chg
Program revenues				
Parking	\$ 80,238	\$ 155,675	\$ (75,437)	-48.5%
Water	2,162,870	2,074,526	88,344	4.3%
Sewer	<u>2,559,629</u>	<u>2,409,905</u>	<u>149,724</u>	6.2%
Charges for services	4,802,737	4,640,106	162,631	3.5%
Other revenues	<u>8,351</u>	<u>22,896</u>	<u>(14,545)</u>	<u>-63.5%</u>
Total revenues	<u>\$ 4,811,088</u>	<u>\$ 4,663,002</u>	<u>\$ 148,086</u>	<u>3.2%</u>

Parking revenues decreased due to a reorganization of activities. Water and Sewer utility revenues reflect a slight increase in consumption in 2021.

Other revenues include investment income and other nominal miscellaneous revenues.

Business-Type Activities – Expenses

The table below compares the Village’s business-type activities’ expenses from 2021 to 2020.

Expenses	Business-type activities			
	2021	2020	Chg	% Chg
Parking	\$ 95,348	\$ 136,731	\$ (41,383)	-30.3%
Water	1,756,669	1,577,876	178,793	11.3%
Sewer	<u>2,079,945</u>	<u>2,140,712</u>	<u>(60,767)</u>	<u>-2.8%</u>
Total expenses	<u>\$ 3,931,962</u>	<u>\$ 3,855,319</u>	<u>\$ 76,643</u>	<u>2.0%</u>

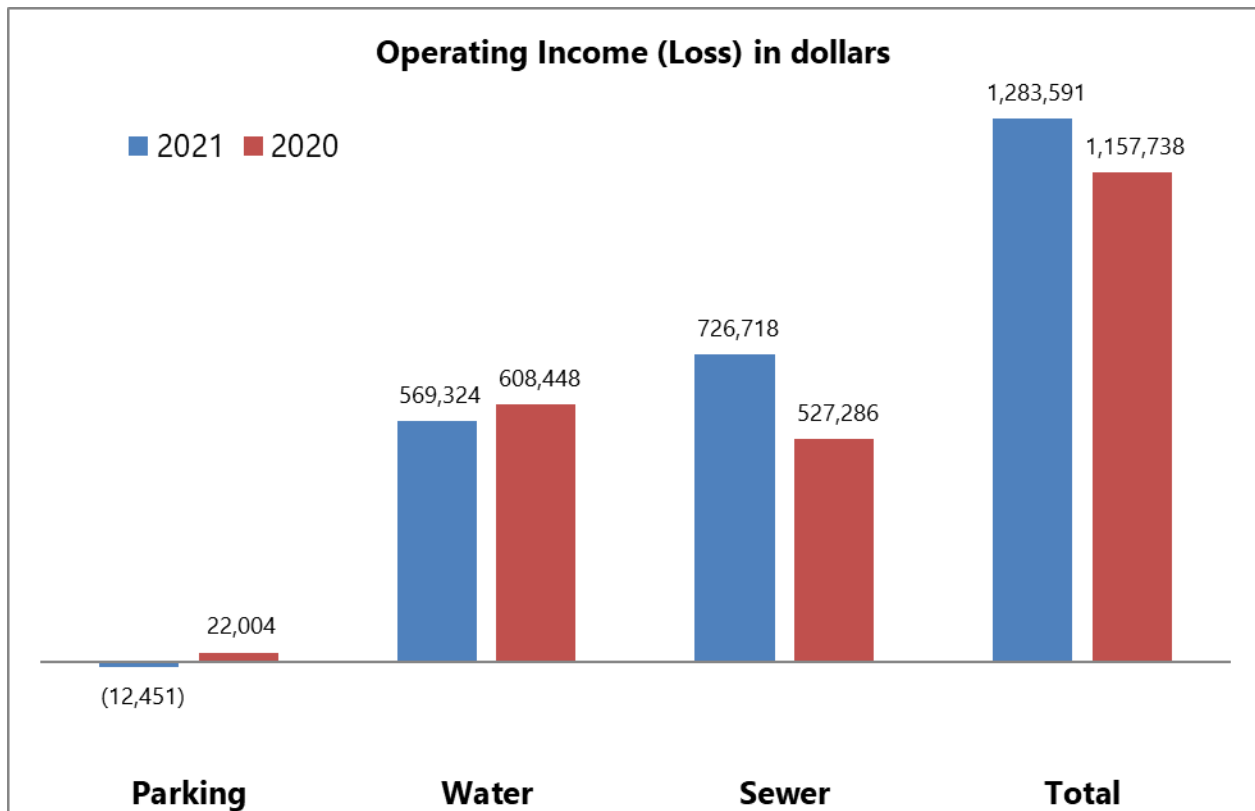
Parking expenses were reduced largely due to a reorganization of activities.

Water Utility expenses include all costs necessary to provide water to the homes and businesses within the Village. Water is purchased from the City of Milwaukee’s Water Utility, Milwaukee Water Works, so internal expenses relate chiefly to maintenance of infrastructure. Overall, the Water Utility operating costs saw an increase in activity related to the 2021-2022 meter replacement project.

Sewer Utility expenses include all costs necessary to provide services to the homes and businesses within the Village. Waste water is conveyed from the village to the Milwaukee Metropolitan Sewer District (MMSD) for treatment, so internal expenses relate chiefly to maintenance of infrastructure. Overall, the Water Utility operating costs remained relatively unchanged in 2021.

Business-Type Activities – Operating Income

It may also be useful to compare the operating income and losses for each segment between the two years. The graph below summarizes operating results as a percentage of expenses.



The Parking utility change is largely due to a reorganization of activities. The Water utility is fairly consistent with the prior year. The Sewer utility had a general rate increase in 2020 in preparation for a large infrastructure project over the next several years which carried forward into 2021.

Please also consider that this income is used to make the principal payments on the Utility’s outstanding debt as well as to support various equipment and other capital project costs. The total Utility principal payments in 2021 were \$625,000. Net equipment and capital costs were just over \$225,000 in 2021.

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 of Shorewood, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Shorewood 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 the 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 Shorewood maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, General Capital Projects Fund, and the Tax Incremental Financing Districts 1, 3, 4 and 5 Funds, all of which are considered to be major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The focus of the Village of Shorewood'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 of Shorewood's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

GOVERNMENTAL FUNDS – FUND BALANCE

The Village of Shorewood’s governmental funds reported combined ending fund balances of \$19.4 Million, a \$531,000 or 2.8% increase from the prior year.

The General Fund is the chief operating fund of the Village. At year end, total fund balance in the General Fund was \$6.2 million of which \$4.8 million was unassigned. The General Fund unassigned fund balance represents 40.1% of total General Fund revenues. This was a nominal decrease from a total unassigned fund balance of \$4.95 million or 42.0% in 2020. Unassigned fund balance can be thought of as the residual fund balance category within the General Fund. The General Fund’s overall fund balance decreased in 2021 by \$163,000.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village of Shorewood adopts an annual budget for its General Fund. A budgetary comparison schedule can be found later in this report. There was one budget amendment completed during the year related to the North Shore Fire Department.

Overall the General Fund excess of revenues over expenditures was (\$151,150) in 2021. Other significant changes between budget and actual results are addressed below:

Revenues and Other Financing Sources

- Licenses and Permit revenues were about 22,000 less than anticipated due to a modest decrease in licensing fees.
- Fine revenues were about \$19,000 less than budgetary expectations. This is mostly related to slightly less than expected court fine revenues.
- Charges for services were about \$171,000 more than budget due primarily to increase on-street parking permit sales and \$95,000 in special assessment charges.
- Investment income was \$147,000 under budget in 2021 due to the continued low interest rates available for the village’s invested funds as well as a negative year-end mark-to-market adjustment of about \$101,000 due to short term rises in current interest rates.
- Other revenues exceeded budget by \$53,000 due a general increase in activity.
- Overall actual General Fund revenues in 2021 were \$68,000 more than budgeted.

Expenditures and Other Financing Uses

- Overall, General Fund expenditures were at 98.5% of budget. This represents about a \$179,000 favorable outcome.
- General Government: These departments were all very close to budget in almost all areas except for normal budget variances. The Clerk division was about \$56,000 under budget which was largely due to a department reorganization and vacant staff positions.
- Public Safety: The total costs within the Police department were more than \$200,000 under budget.
- Public Works: This division came in slightly over budget in 2021. There were some budget overages in the municipal garage and street lighting divisions due to increase contracted services. The refuse division was also over budget due to increased activity. The streets and alley division was significantly under budget due to mild winter conditions.

PROPRIETARY FUNDS

The Village uses one type of Proprietary fund, called Enterprise funds to report the same functions presented as business-type activities in the government-wide financial statement. The Village of Shorewood uses enterprise funds to account for its Water, Sewer and Parking Utilities.

The proprietary funds financial statements provide the same type of information as the government-wide financial statements, only in more detail. These statements also provide separate information for each utility. The basic proprietary fund financial statements can be found later in this report.

Utility Funds

The net position of the Parking, Water, and Sewer Utilities at the end of the year was \$685,000, \$3.6 million, and \$10.6 million respectively. The total net position of the Water and Sewer Utilities are much higher than the Parking Utility as those Utilities are capital intensive. This means more of their net position is included in the category net investment in capital assets. Unrestricted net position for the Parking, Water, and Sewer Utilities were \$391,000, \$284,000, and \$237,000 respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the Village's business-type activities.

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 of Shorewood's own programs. The Village maintains one fiduciary fund, the Tax Collection Fund which records the tax roll and tax collection for other taxing jurisdictions within the Village of Shorewood.

The fiduciary fund financial statement can be found later in this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found immediately following this section of the report. The information provided below on capital assets and long-term debt can also be found within the footnotes to the financial statements.

CAPITAL ASSETS

The Village's capital asset activity for 2021 and 2020 is summarized below.

Description	Governmental Activities		Business-type Activities	
	2021	2020	2021	2020
Land and right of way	\$ 3,499,333	\$ 3,499,333	\$ 233,345	\$ 233,345
Artwork	330,000	330,000	-	-
Construction in progress (CIP)	124,293	57,954	346,012	418,341
Machinery and equipment	5,405,396	5,032,596	1,243,657	1,250,163
Intangibles	69,793	69,793	-	-
Building and improvements	13,538,601	13,491,292	-	-
Infrastructure	<u>35,716,648</u>	<u>34,644,899</u>	<u>32,064,473</u>	<u>29,323,084</u>
Total Capital Assets	<u>58,684,064</u>	<u>57,125,867</u>	<u>33,887,487</u>	<u>31,224,933</u>
Less accumulated depreciation	<u>(28,529,948)</u>	<u>(26,824,688)</u>	<u>(6,652,703)</u>	<u>(6,303,470)</u>
Capital assets, net of depreciation	<u>\$ 30,154,116</u>	<u>\$ 30,301,179</u>	<u>\$ 27,234,784</u>	<u>\$ 24,921,463</u>

Significant projects in excess of \$100,000 undertaken during the year include the following:

- \$430,000 Public works vehicles and equipment
- \$1.2 million on local roads
- \$1.6 million in Water Utility infrastructure
- \$1.3 million in Sewer Utility infrastructure

Additional information on the Village's capital assets can be found in Note III-D of this report.

LONG-TERM DEBT

Wisconsin state statutes limit the amount of general obligation debt a governmental entity may issue to 5% of its total equalized valuation. The current debt limitation for the Village of Shorewood is \$89,462,470 which exceeds the Village's current outstanding general obligation debt of \$50,387,708 by \$39,074,762. This debt is entirely backed by the full faith and credit of the government. At year end the outstanding debt equaled 56.3% of the Village's state authorized debt limit.

Total general obligation debt for governmental activities decreased by \$3.7 million during the year. The Village issued no new debt in 2021 and made annual debt payments in accordance with the debt repayment schedules totaling \$3.7 million in 2021.

The total bonded debt for business-type activities increased by \$1.9 million during the year. This includes 2.6 million of new water utility debt, offset by \$700,000 in annual debt principal payments made in accordance with the debt repayment schedules in 2021.

The table below summarizes the ending balances of all long-term debt for 2021 and 2020.

	Governmental Activities		Business-type Activities	
	2021	2020	2021	2020
General obligation debt	\$ 38,706,364	\$ 42,466,032	\$ 11,206,115	\$ 9,191,489
Revenue Bonds	-	-	3,970,000	4,070,000
OPEB	2,476,522	3,069,428	275,208	341,086
Compensated absences	351,848	396,884	28,563	25,206
Retiree sick leave	34,053	33,873	3,825	5,403
Total	<u>\$ 41,568,787</u>	<u>\$ 45,966,217</u>	<u>\$ 15,483,711</u>	<u>\$ 13,633,184</u>

Additional information on the Village's long-term debt can be found in Notes III-F and G of this report.

Other Information

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to required supplementary.

Economic Factors and Next Year's Budgets and Rates

General Economic Conditions

The Village of Shorewood is located just north of Milwaukee along the shores of Lake Michigan. The village is predominantly a residential based community and has maintained strong property values due to its proximity to both downtown Milwaukee, and the University of Wisconsin Milwaukee campus which is located on the village's southern border.

Unemployment rates for the Village of Shorewood specifically are not available but would be included within Milwaukee County's unemployment rates. The largest city within Milwaukee County is the City of Milwaukee which had an unemployment rate higher than the County total. Because the City's rate is higher than the total County rate, it is estimated that the Village's unemployment rate would be lower than the County total. Historical unemployment information can be summarized as follows:

Region	2017	2018	2019	2020	2021
City of Milwaukee	2.7%	3.7%	4.0%	6.2%	3.8%
Milwaukee County	3.1%	3.5%	3.6%	8.2%	2.8%
State of Wisconsin	2.7%	2.6%	3.3%	6.3%	2.0%
United States	4.1%	3.9%	3.5%	6.7%	3.9%

* All percentages are seasonally adjusted December unemployment rates

2022 Budget

The 2022 budget includes the following major changes from 2020:

- A property tax levy increase of 0.93% or \$109,035 in 2021. The significant portions of this change can be attributed to a decrease of \$313,000 for general fund operating costs and increases of \$46,000 for debt service needs and \$359,000 for capital funding.
- The increase in the capital funding tax levy was used to restore annual funding support to anticipated long term sustainable levels. Capital tax levy funding in 2021 was \$146,000.
- The Sewer Utility also had a rate increase of approximately 25% in 2022 in order to prepare for a major infrastructure project which will be beginning in 2023.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Shorewood's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Director, 3930 N. Murray Avenue, Shorewood, WI 53211.

General information relating to the Village of Shorewood, Wisconsin, can be found at the Village's website, <http://www.villageofshorewood.org>.

VILLAGE OF SHOREWOOD

STATEMENT OF NET POSITION

As of December 31, 2021

	Primary Government			CDA Component Unit
	Governmental Activities	Business- Type Activities	Totals	
ASSETS				
Cash and cash equivalents	\$ 6,633,854	\$ 1,239,518	\$ 7,873,372	\$ 711,237
Investments	7,152,590	-	7,152,590	-
Receivables	10,302,889	909,328	11,212,217	-
Inventories	-	36,177	36,177	-
Prepaid items	42,962	-	42,962	-
Restricted asset - cash and cash equivalents	11,171,130	1,840,766	13,011,896	-
Internal balances	300,639	(300,639)	-	-
Loans receivable	3,067,517	-	3,067,517	-
Net Pension Asset	2,240,807	248,978	2,489,785	-
Capital Assets				
Land	3,499,333	233,345	3,732,678	-
Artwork	330,000	-	330,000	-
Construction in progress	124,293	346,012	470,305	-
Other capital assets, net of depreciation	26,200,490	26,655,427	52,855,917	-
Total Assets	<u>71,066,504</u>	<u>31,208,912</u>	<u>102,275,416</u>	<u>711,237</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related deferred outflows	3,711,574	412,396	4,123,970	-
OPEB related deferred outflows	299,153	33,240	332,393	-
Total Deferred Outflows of Resources	<u>4,010,727</u>	<u>445,636</u>	<u>4,456,363</u>	<u>-</u>
LIABILITIES				
Accounts payable and accrued expenses	1,755,719	478,750	2,234,469	-
Unearned revenues	680,457	-	680,457	-
Accrued interest payable	303,260	125,874	429,134	-
Noncurrent Liabilities				
Due within one year	4,315,332	936,958	5,252,290	-
Due in more than one year	37,253,455	14,546,753	51,800,208	-
Total Liabilities	<u>44,308,223</u>	<u>16,088,335</u>	<u>60,396,558</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Taxes levied for subsequent year's budget	16,743,238	-	16,743,238	-
Pension related deferred inflows	4,909,495	545,500	5,454,995	-
OPEB related deferred inflows	730,954	81,218	812,172	-
Total Deferred Inflows of Resources	<u>22,383,687</u>	<u>626,718</u>	<u>23,010,405</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	10,535,756	14,024,433	22,474,805	-
Restricted for:				
Pension Benefits	1,042,886	248,978	1,291,864	-
Capital Projects	9,142,442	-	9,142,442	-
Library Bequests	183,417	-	183,417	-
CDA Grant Activities	-	-	-	711,237
Unrestricted (deficit)	<u>(12,519,180)</u>	<u>666,084</u>	<u>(9,767,712)</u>	<u>-</u>
TOTAL NET POSITION	<u>\$ 8,385,321</u>	<u>\$ 14,939,495</u>	<u>\$ 23,324,816</u>	<u>\$ 711,237</u>

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

(continued)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 1,521,239	\$ 649,642	\$ -	\$ 122,000
Public safety	7,376,451	749,500	102,185	-
Public works	4,214,545	381,291	892,454	250,152
Health and social services	280,609	4,944	45,337	-
Culture and recreation	1,392,401	50,484	237,122	-
Conservation and development	1,946,621	-	-	-
Interest and fiscal charges	1,001,992	-	-	-
Total Governmental Activities	<u>17,733,858</u>	<u>1,835,861</u>	<u>1,277,098</u>	<u>372,152</u>
Business-Type Activities				
Parking	95,348	80,238	-	-
Water	1,756,669	2,162,870	-	-
Sewer	2,079,945	2,559,899	-	-
Total Business-Type Activities	<u>3,931,962</u>	<u>4,803,007</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 21,665,820</u>	<u>\$ 6,638,868</u>	<u>\$ 1,277,098</u>	<u>\$ 372,152</u>
Component Unit				
Community Development Authority	\$ 18,700	\$ -	\$ -	\$ -
Total Component Units	<u>\$ 18,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(concluded)

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			CDA Component Unit
	Governmental Activities	Business-Type Activities	Totals	
	\$ (749,597)	\$ -	\$ (749,597)	\$ -
	(6,524,766)	-	(6,524,766)	-
	(2,690,648)	-	(2,690,648)	-
	(230,328)	-	(230,328)	-
	(1,104,795)	-	(1,104,795)	-
	(1,946,621)	-	(1,946,621)	-
	(1,001,992)	-	(1,001,992)	-
	<u>(14,248,747)</u>	<u>-</u>	<u>(14,248,747)</u>	<u>-</u>
	-	(15,110)	(15,110)	-
	-	406,201	406,201	-
	-	479,954	479,954	-
	-	<u>871,045</u>	<u>871,045</u>	<u>-</u>
	<u>(14,248,747)</u>	<u>871,045</u>	<u>(13,377,702)</u>	<u>-</u>
	-	-	-	(18,700)
	-	-	-	(18,700)
General Revenues				
Taxes				
Property taxes, levied for general purposes	15,925,313	-	15,925,313	-
Property taxes, levied for debt service	1,924,735	-	1,924,735	-
Intergovernmental revenues				
not restricted to specific programs	620,582	-	620,582	-
Investment income	210,069	8,351	218,420	360
Miscellaneous	355,675	-	355,675	1,380
Sale of assets	25,224	-	25,224	-
Transfers	190,190	(190,190)	-	-
Total General Revenues and Transfers	<u>19,251,788</u>	<u>(181,839)</u>	<u>19,069,949</u>	<u>1,740</u>
Change in Net Position	5,003,041	689,206	5,692,247	(16,960)
NET POSITION - BEGINNING OF YEAR	<u>3,382,280</u>	<u>14,250,289</u>	<u>17,632,569</u>	<u>728,197</u>
NET POSITION - END OF YEAR	<u>\$ 8,385,321</u>	<u>\$ 14,939,495</u>	<u>\$ 23,324,816</u>	<u>\$ 711,237</u>

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2021

	<u>General</u>	<u>Debt Service</u>	<u>General Capital Projects</u>
ASSETS			
Cash and cash equivalents	\$ 2,327,218	\$ 1,916,777	\$ 1,824,065
Investments	7,152,590	-	-
Taxes and delinquent personal property taxes receivable (net of uncollectibles allowance)	4,977,949	1,164,314	344,888
Other receivables	116,984	-	159,109
Prepaid items	3,544	-	39,418
Restricted asset - cash and cash equivalents	-	-	1,578,557
Loans and long-term receivable	282,517	-	-
Advances to other funds	300,639	-	-
TOTAL ASSETS	<u>\$ 15,161,441</u>	<u>\$ 3,081,091</u>	<u>\$ 3,946,037</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 337,210	\$ -	\$ 61,867
Accrued liabilities	252,618	-	-
Other unearned revenues	9,540	-	802,457
Total Liabilities	<u>599,368</u>	<u>-</u>	<u>864,324</u>
 DEFERRED INFLOWS OF RESOURCES			
Taxes levied for subsequent year's budget	<u>8,337,185</u>	<u>1,970,975</u>	<u>505,000</u>
Total Deferred Inflows of Resources	<u>8,337,185</u>	<u>1,970,975</u>	<u>505,000</u>
 FUND BALANCES			
Nonspendable - prepaids	3,544	-	39,418
Nonspendable - long-term receivables (net of current)	402,461	-	-
Restricted	-	-	1,578,557
Committed	-	1,110,116	-
Assigned	1,028,007	-	958,738
Unassigned (deficit)	4,790,876	-	-
Total Fund Balances	<u>6,224,888</u>	<u>1,110,116</u>	<u>2,576,713</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	 <u>\$ 15,161,441</u>	 <u>\$ 3,081,091</u>	 <u>\$ 3,946,037</u>

Capital Projects TID No. 1	Capital Projects TID No. 3	Capital Projects TID No. 4	Capital Projects TID No. 5	Nonmajor Governmental Funds	Totals
\$ -	\$ -	\$ -	\$ -	\$ 565,794	\$ 6,633,854
-	-	-	-	-	7,152,590
1,173,759	611,258	266,031	826,920	625,108	9,990,227
-	925	1,322	4,284	30,038	312,662
-	-	-	-	-	42,962
1,872,807	1,194,488	1,497,340	4,844,521	183,417	11,171,130
-	-	2,785,000	-	-	3,067,517
-	-	-	-	-	300,639
<u>\$ 3,046,566</u>	<u>\$ 1,806,671</u>	<u>\$ 4,549,693</u>	<u>\$ 5,675,725</u>	<u>\$ 1,404,357</u>	<u>\$ 38,671,581</u>
\$ 1,059,603	\$ -	\$ -	\$ 2,248	\$ 29,059	\$ 1,489,987
-	-	-	-	13,114	265,732
-	351	502	1,626	-	814,476
<u>1,059,603</u>	<u>351</u>	<u>502</u>	<u>3,874</u>	<u>42,173</u>	<u>2,570,195</u>
1,986,963	1,034,750	450,343	1,399,827	1,058,195	16,743,238
<u>1,986,963</u>	<u>1,034,750</u>	<u>450,343</u>	<u>1,399,827</u>	<u>1,058,195</u>	<u>16,743,238</u>
-	-	-	-	-	42,962
-	-	-	-	-	402,461
-	771,570	4,098,848	4,272,024	183,417	10,904,416
-	-	-	-	120,572	1,230,688
-	-	-	-	-	1,986,745
-	-	-	-	-	4,790,876
<u>-</u>	<u>771,570</u>	<u>4,098,848</u>	<u>4,272,024</u>	<u>303,989</u>	<u>19,358,148</u>
<u>\$ 3,046,566</u>	<u>\$ 1,806,671</u>	<u>\$ 4,549,693</u>	<u>\$ 5,675,725</u>	<u>\$ 1,404,357</u>	<u>\$ 38,671,581</u>

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

RECONCILIATION OF THE BALANCE SHEET TO THE
STATEMENT OF NET POSITION
For the Year Ended December 31, 2019

Fund balances - total governmental funds	\$ 19,358,148
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	
Land	3,499,333
Artwork	330,000
Construction in progress	124,293
Machinery and equipment	5,405,396
Intangibles	69,793
Buildings and building improvements	13,538,601
Infrastructure	35,716,648
Less: accumulated depreciation	<u>(28,529,948)</u>
Total adjustment for capital assets	<u>30,154,116</u>
Net pension assets are not current financial resources and, therefore, are not reported in the governmental funds	
	2,240,807
Deferred outflows are not current financial resources and, therefore, are not reported in the governmental funds	
Pension	3,711,574
OPEB	299,153
Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	
	134,019
Deferred inflows are not current financial resources and, therefore, are not reported in the governmental funds	
Pension	(4,909,495)
OPEB	(730,954)
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. The details of this adjustment are as follows:	
General obligation debt	(38,002,859)
(Discounts)/premiums	(703,505)
Other post employment benefits	(2,476,522)
Compensated absences	(351,848)
Retiree sick leave	(34,053)
Accrued interest on debt	<u>(303,260)</u>
Total adjustment for long-term obligations	<u>(41,872,047)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 8,385,321</u>

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

(continued)

	General	Debt Service	General Capital Projects
REVENUES			
Taxes	\$ 8,650,005	\$ 1,924,735	\$ 146,000
Intergovernmental	1,441,254	-	355,099
Licenses and permits	437,121	-	-
Fines	537,850	-	-
Charges for services	609,830	-	94,250
Investment income	91,657	-	-
Other revenues	165,780	-	129,000
Total Revenues	<u>11,933,497</u>	<u>1,924,735</u>	<u>724,349</u>
EXPENDITURES			
Current			
General government	1,421,526	-	-
Public safety	7,404,565	-	-
Public works	2,454,116	-	-
Health and social services	126,730	-	-
Culture and recreation	209,005	-	-
Conservation and development	295,481	-	-
Capital Outlay	-	-	2,409,295
Debt Service			
Principal retirement	-	3,674,995	-
Interest and fiscal charges	-	1,097,194	-
Total Expenditures	<u>11,911,423</u>	<u>4,772,189</u>	<u>2,409,295</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>22,074</u>	<u>(2,847,454)</u>	<u>(1,684,946)</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from the sale of capital assets	-	-	32,750
Transfers in	250,689	3,860,048	593,094
Transfers out	(423,913)	-	-
Total Other Financing Sources (Uses)	<u>(173,224)</u>	<u>3,860,048</u>	<u>625,844</u>
Net Change in Fund Balance	(151,150)	1,012,594	(1,059,102)
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	<u>6,376,038</u>	<u>97,522</u>	<u>3,635,815</u>
FUND BALANCES - END OF YEAR	<u>\$ 6,224,888</u>	<u>\$ 1,110,116</u>	<u>\$ 2,576,713</u>

(concluded)

Capital Projects TID No. 1	Capital Projects TID No. 3	Capital Projects TID No. 4	Capital Projects TID No. 5	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,666,607	\$ 1,199,829	\$ 488,968	\$ 1,732,324	\$ 1,041,580	\$ 17,850,048
62,988	4,567	141	1,327	-	1,865,376
-	-	-	-	-	437,121
-	-	-	-	-	537,850
-	-	-	-	143,394	847,474
3,171	1,948	93,316	7,957	-	198,049
46,431	20,000	-	-	290,337	651,548
<u>2,779,197</u>	<u>1,226,344</u>	<u>582,425</u>	<u>1,741,608</u>	<u>1,475,311</u>	<u>22,387,466</u>
-	-	-	-	91,192	1,512,718
-	-	-	-	-	7,404,565
-	-	-	-	-	2,454,116
-	-	-	-	161,312	288,042
-	-	-	-	1,062,361	1,271,366
1,062,096	521,826	2,113	85,573	-	1,967,089
-	-	-	-	-	2,409,295
-	-	-	-	-	3,674,995
-	-	-	-	-	1,097,194
<u>1,062,096</u>	<u>521,826</u>	<u>2,113</u>	<u>85,573</u>	<u>1,314,865</u>	<u>22,079,380</u>
<u>1,717,101</u>	<u>704,518</u>	<u>580,312</u>	<u>1,656,035</u>	<u>160,446</u>	<u>308,086</u>
-	-	-	-	-	32,750
-	-	-	-	-	4,703,831
<u>(2,694,238)</u>	<u>(384,400)</u>	<u>(514,694)</u>	<u>(435,897)</u>	<u>(60,499)</u>	<u>(4,513,641)</u>
<u>(2,694,238)</u>	<u>(384,400)</u>	<u>(514,694)</u>	<u>(435,897)</u>	<u>(60,499)</u>	<u>222,940</u>
(977,137)	320,118	65,618	1,220,138	99,947	531,026
<u>977,137</u>	<u>451,452</u>	<u>4,033,230</u>	<u>3,051,886</u>	<u>204,042</u>	<u>18,827,122</u>
<u>\$ -</u>	<u>\$ 771,570</u>	<u>\$ 4,098,848</u>	<u>\$ 4,272,024</u>	<u>\$ 303,989</u>	<u>\$ 19,358,148</u>

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

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

For the Year Ended December 31, 2021

Net change in fund balances - total governmental funds	\$	531,026
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives with depreciation expense reported in the statement of activities		
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		2,409,295
Some items reported as capital outlay were not capitalized		
Miscellaneous non-capitalized capital outlay		(575,519)
Depreciation is reported in the government-wide statements		(1,973,313)
Net book value of assets retired		(7,526)
Net change in net pension assets and deferred outflows/inflows are not current financial resources and, therefore, are not reported in the government-wide financial statement		639,231
Net change in net OPEB deferred outflows/inflows of resources are not current financial resources and, therefore, are not reported in the government-wide financial statement		(562,131)
Receivables not currently available are reported as unearned revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statement		134,019
The issuance of debt provides current financial resources to governmental funds, but increases long-term liabilities in the statement of net position. Repayments of debt is an expenditure in the governmental funds, but the reduces debt in the statement of net position.		
Principal repaid		3,674,995
Amortization of the loss on advanced refunding		(12,619)
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Amortization of discounts/premiums		84,673
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Compensated absences		45,036
Net OPEB liability		592,906
Retiree insurance		(180)
Accrued interest on debt		23,148
		23,148
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	5,003,041

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
As of December 31, 2021

	Business-Type Activities Enterprise Funds			Totals
	Parking (non-Major)	Water Utility	Sewer Utility	
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 437,557	\$ 510,391	\$ 291,570	\$ 1,239,518
Receivables	427	382,081	526,820	909,328
Restricted asset - cash and cash equivalents	-	1,091,849	748,917	1,840,766
Current portion of advance	22,230	-	-	22,230
Inventories	-	36,177	-	36,177
Total Current Assets	<u>460,214</u>	<u>2,020,498</u>	<u>1,567,307</u>	<u>4,048,019</u>
Noncurrent Assets				
Net Pension Asset	-	124,489	124,489	248,978
Capital Assets				
Land	233,345	-	-	233,345
Construction in progress	-	-	346,012	346,012
Other capital assets, net of depreciation	60,508	8,154,045	18,440,874	26,655,427
Long-term portion of advances	70,596	-	-	70,596
Total Noncurrent Assets	<u>364,449</u>	<u>8,278,534</u>	<u>18,911,375</u>	<u>27,554,358</u>
Total Assets	<u>824,663</u>	<u>10,299,032</u>	<u>20,478,682</u>	<u>31,602,377</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related deferred outflows	-	206,198	206,198	412,396
OPEB related deferred outflows	-	16,620	16,620	33,240
Total Deferred Outflows	<u>-</u>	<u>222,818</u>	<u>222,818</u>	<u>445,636</u>
Total Assets and Deferred Outflows	<u>824,663</u>	<u>10,521,850</u>	<u>20,701,500</u>	<u>32,048,013</u>
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities	7,714	369,646	101,390	478,750
Accrued interest payable	1,116	39,477	85,281	125,874
Current portion of debt	20,752	279,043	637,163	936,958
Current portion of advances	-	115,000	66,691	181,691
Total Current Liabilities	<u>29,582</u>	<u>803,166</u>	<u>890,525</u>	<u>1,723,273</u>
Noncurrent Liabilities				
General obligation debt	107,258	5,619,690	4,783,709	10,510,657
Revenue Bonds	-	-	3,765,000	3,765,000
Advances from other funds	-	-	211,774	211,774
Other postemployment benefits (OPEB)	-	122,604	122,604	245,208
Retiree sick leave	-	2,325	-	2,325
Compensated absences	2,829	10,367	10,367	23,563
Total Noncurrent Liabilities	<u>110,087</u>	<u>5,754,986</u>	<u>8,893,454</u>	<u>14,758,527</u>
Total Liabilities	<u>139,669</u>	<u>6,558,152</u>	<u>9,783,979</u>	<u>16,481,800</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related deferred Inflows	-	272,750	272,750	545,500
OPEB related deferred Inflows	-	40,609	40,609	81,218
Total Deferred Inflows	<u>-</u>	<u>313,359</u>	<u>313,359</u>	<u>626,718</u>
NET POSITION				
Net investment in capital assets	291,342	3,365,902	10,367,189	14,024,433
Restricted for Pension & OPEB Benefits	-	124,489	124,489	248,978
Unrestricted (deficit)	393,652	159,948	112,484	666,084
TOTAL NET POSITION	<u>\$ 684,994</u>	<u>\$ 3,650,339</u>	<u>\$ 10,604,162</u>	<u>\$ 14,939,495</u>

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION - PROPRIETARY FUNDS
For the Year Ended December 31, 2021

	Business-Type Activities Enterprise Funds			Totals
	Parking (non-Major)	Water Utility	Sewer Utility	
OPERATING REVENUES				
Charges for services	\$ 79,792	\$ 2,096,618	\$ 2,494,162	\$ 4,670,572
Miscellaneous revenues	446	66,252	65,737	132,435
Total Operating Revenues	<u>80,238</u>	<u>2,162,870</u>	<u>2,559,899</u>	<u>4,803,007</u>
OPERATING EXPENSES				
Operation and maintenance	87,189	1,406,299	1,417,263	2,910,751
Depreciation	5,500	187,247	415,918	608,665
Total Operating Expenses	<u>92,689</u>	<u>1,593,546</u>	<u>1,833,181</u>	<u>3,519,416</u>
Operating Income (loss)	<u>(12,451)</u>	<u>569,324</u>	<u>726,718</u>	<u>1,283,591</u>
NONOPERATING REVENUES (EXPENSES)				
Investment income	4,193	1,573	2,585	8,351
Interest expense	(2,659)	(163,123)	(246,764)	(412,546)
Total Nonoperating Revenues (Expenses)	<u>1,534</u>	<u>(161,550)</u>	<u>(244,179)</u>	<u>(404,195)</u>
Income (Loss) Before Transfers	(10,917)	407,774	482,539	879,396
TRANSFERS OUT	<u>(19,500)</u>	<u>(166,053)</u>	<u>(4,637)</u>	<u>(190,190)</u>
Change in Net Position	(30,417)	241,721	477,902	689,206
TOTAL NET POSITION - BEGINNING OF YEAR	<u>715,411</u>	<u>3,408,618</u>	<u>10,126,260</u>	<u>14,250,289</u>
TOTAL NET POSITION - END OF YEAR	<u>\$ 684,994</u>	<u>\$ 3,650,339</u>	<u>\$ 10,604,162</u>	<u>\$ 14,939,495</u>

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

STATEMENT OF CASH FLOWS -
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2021

	Business-Type Activities Enterprise Funds			Totals
	Parking (non-Major)	Water Utility	Sewer Utility	
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 80,238	\$ 2,137,807	\$ 2,487,033	\$ 4,705,078
Paid to suppliers for goods and services	(65,612)	(1,162,458)	(1,333,219)	(2,561,289)
Paid to employees for services	(27,187)	(317,008)	(208,145)	(552,340)
Net Cash Flows From Operating Activities	(12,561)	658,341	945,669	1,591,449
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Paid to village for tax equivalent	(19,500)	(166,053)	(4,637)	(190,190)
Payments received on advances	21,610	-	-	21,610
Payments made on advances	-	(115,000)	(64,831)	(179,831)
Interest received on advances	3,284	-	-	3,284
Interest paid on advances	-	(7,475)	(9,852)	(17,327)
Net Cash Flows From Noncapital Financing Activities	5,394	(288,528)	(79,320)	(362,454)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	1,093	1,986	2,015	5,094
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	(1,616,350)	(1,305,905)	(2,922,255)
Proceeds on long-term debt	-	2,585,000	-	2,585,000
Premium on long-term debt	-	96,905	-	96,905
Debt issuance costs	-	(69,823)	-	(69,823)
Payments of long-term debt	(20,000)	(237,646)	(468,350)	(725,996)
Interest paid on long-term debt	(3,078)	(92,119)	(244,289)	(339,486)
Net Cash Flows From Capital and Related Financing Activities	(23,078)	665,967	(2,018,544)	(1,375,655)
Net Change in Cash and Cash Equivalents	\$ (29,152)	\$ 1,037,766	\$ (1,150,180)	\$ (141,566)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	466,709	564,474	2,190,667	3,221,850
TOTAL CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 437,557	\$ 1,602,240	\$ 1,040,487	\$ 3,080,284

(This statement is continued on the following page.)

	Business-Type Activities Enterprise Funds			Totals
	Parking (non-Major)	Water Utility	Sewer Utility	
Ending Total Cash and Cash Equivalents are comprised of:				
Cash and cash equivalents	\$ 437,557	\$ 510,391	\$ 291,570	\$ 1,239,518
Restricted - cash and cash equivalents	-	1,091,849	748,917	1,840,766
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 437,557</u>	<u>\$ 1,602,240</u>	<u>\$ 1,040,487</u>	<u>\$ 3,080,284</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES				
Operating income	\$ (12,451)	\$ 569,324	\$ 726,718	\$ 1,283,591
Adjustments to reconcile operating income to net cash provided from operating activities				
Noncash items included in income				
Depreciation	5,500	187,247	415,918	608,665
Depreciation charged to other accounts	-	24,703	(24,703)	-
Changes in assets and liabilities				
Accounts receivable	-	(25,063)	(72,866)	(97,929)
Inventories	-	(5,106)	-	(5,106)
Prepayments	-	-	-	-
Accounts payable and accrued liabilities	(5,610)	(53,966)	(62,176)	(121,752)
OPEB Related deferred inflows / outflows	-	(6,465)	(4,888)	(11,353)
Pension Related deferred inflows / outflows	-	(32,333)	(32,334)	(64,667)
Net Cash Flows From Operating Activities	<u>\$ (12,561)</u>	<u>\$ 658,341</u>	<u>\$ 945,669</u>	<u>\$ 1,591,449</u>

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

STATEMENT OF FIDUCIARY NET POSITION -
FIDUCIARY FUND
As of December 31, 2021

	Tax Collection Agency Fund
ASSETS	
Cash and cash equivalents	\$ 13,857,283
Property taxes receivable	<u>19,714,481</u>
 TOTAL ASSETS	 <u>\$ 33,571,764</u>
LIABILITIES	
Accounts payable	\$ 180,612
Due to other taxing units	<u>33,391,152</u>
 TOTAL LIABILITIES	 <u>\$ 33,571,764</u>

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
FIDUCIARY FUND
As of December 31, 2021

	Tax Collection Agency Fund
REVENUES	
Tax collection	\$ 34,446,259
Other revenues	<u>10,832</u>
TOTAL REVENUES	<u>\$ 34,457,091</u>
EXPENSES	
Tax distributions	\$ 34,446,259
Other expenses	<u>10,832</u>
TOTAL EXPENSES	<u>\$ 34,457,091</u>
Change in Net Position	-
TOTAL NET POSITION - BEGINNING OF YEAR	<u>-</u>
TOTAL NET POSITION - END OF YEAR	-

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD

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NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Shorewood, Wisconsin conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

The accompanying financial statements include all of the funds of the Village of Shorewood (the Village) and its component units, entities for which the Village is considered to be financially accountable. Blended component units are, in substance, part of the Village's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the Village. The Village does not report any blended component units. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government.

Discretely Presented Component Units

The Village of Shorewood Business Improvement District ("BID") was established in 1999 by the Village. The BID is a legally separate organization whose board is appointed by the Village president. The BID does not provide a financial benefit or burden to the Village as the Village cannot access the BID's resources, and is not obligated for any deficits or debt issued by the BID. Wisconsin Statutes provide for circumstances whereby the Village can impose its will on the BID as the Village board approves the BID's annual budget and changes to the BID's assessment methods. Wisconsin Statutes were amended to allow the Village to exclude the BID from these financial statements and are therefore not included in the government-wide financial statements.

Separately issued financial statements of the Village of Shorewood Business Improvement District may be obtained from the BID's office.

The Shorewood Community Development Authority ("CDA") was established by the Village in 1993 as the Village's housing and redevelopment authority. The board of the CDA is appointed by the Village president. The CDA does not provide a financial benefit or burden to the Village as the Village cannot access the CDA's resources, and is not obligated for any deficits or debt issued by the CDA. The Village is not able to impose its will on the CDA under the criteria included in GASB standards. While the CDA may not meet the tests to be considered a component unit of the Village, management has determined that the exclusion of the CDA from the Village's reporting entity would be misleading. Therefore, the CDA is considered to be a component unit of the Village and any financial activity or net position of the CDA would be discretely presented. The CDA does not issue financial statements separate from the Village of Shorewood.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Village and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the Village is financially accountable.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the Village's enterprise funds. 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. As discussed earlier, the Village's component unit is shown as a separate column in the government-wide financial statements.

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

Fund Financial Statements

The fund financial statements provide information about the Village's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

General Fund - accounts for the Village's primary operating activities. It is used to account for and report all financial resources not accounted for and reported in another fund.

Debt Service Fund - is used to account for and report resources that are restricted, committed, or assigned to expenditure for principal and interest.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION (continued)

Fund Financial Statements (continued)

Capital Projects Funds - are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The Village reports the following major capital projects funds:

General Capital Projects Fund - is used to account for and report financial resources restricted, committed, or assigned to expenditures for Village-wide capital outlay.

Tax Incremental District (TID) No. 1 Fund - is used to account for and report financial resources restricted, committed, or assigned to expenditures outlined in the TID project plan which are primarily capital related.

Tax Incremental District (TID) No. 3 Fund - is used to account for and report financial resources restricted, committed, or assigned to expenditures outlined in the TID project plan which are primarily capital related.

Tax Incremental District (TID) No. 4 Fund - is used to account for and report financial resources restricted, committed, or assigned to expenditures outlined in the TID project plan which are primarily capital related.

Tax Incremental District (TID) No. 5 Fund - is used to account for and report financial resources restricted, committed, or assigned to expenditures outlined in the TID project plan which are primarily capital related.

The Village reports the following major enterprise funds:

Water Utility - accounts for operations of the water system.

Sewer Utility - accounts for operations of the sewer system.

In addition, the Village uses fiduciary funds to account for fiduciary activities (e.g., assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units). The Village reports its Tax Collection Fund as a Custodial Fund. This fund primarily accounts for property tax collections made on behalf of other organizations.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION (continued)

Fund Financial Statements (continued)

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

In the governmental fund financial statements, advances to other funds are offset equally by nonspendable fund balance, within the General Fund, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation. When the proceeds of a noncurrent receivable are restricted, committed, or assigned, as is typically the case with receivable outside of the General Fund, the long-term portion is shown as restricted, committed, or assigned, rather than as nonspendable.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (continued)

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for reimbursement based grants and similar items which are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt are reported as other financing sources.

Property taxes are considered to be revenue for the fiscal year they are intended to finance. Interest on investments is recognized as revenue when earned and received within the period of availability (within 90 days of year-end). Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 90 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 90 days of year-end). All other revenue items are considered to be measurable and available only when cash is received.

The proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

1. Cash, Cash Equivalents, and Investments

For purposes of the statement of cash flows, the Village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash and cash equivalents.

Investment of Village funds is restricted by Wisconsin state statutes. To protect itself against credit risk exposure, the Village's investment policy regarding investment instruments follows Wisconsin statutes. Available investments are limited to:

- a. Time deposits in any credit union, bank, savings bank, or trust company maturing in three years or less.
- b. Bonds or securities of any county, city, drainage district, technical college district, Village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or by the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions, and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

Custodial Credit Risk

The Village's investment policy requires all deposits above Federal Depository Insurance limits to be collateralized by securities specifically pledged to the Village. The collateral shall be in U.S. Treasuries, U.S. government agencies, U.S. government guaranteed securities, or general obligations of states or municipalities and held by the Village's agent in the Village's name. Collateral for time deposits or certificates of deposit shall be valued at market value at least monthly and be at least 105% of the investment after the effect of FDIC and state guarantee fund coverage.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

1. Cash, Cash Equivalents, and Investments (continued)

Interest Rate Risk

The Village's investment policy restricts investments to those with a maturity date less than five years. The investment of reserve funds will also be laddered so that the securities mature to meet the cash requirements of the Village, thereby avoiding the need to sell securities on the open market prior to maturity in order to meet cash flow needs.

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At year end the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note-III-A for further information.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

2. Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the Village, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying custodial fund statement of fiduciary net position.

Property tax calendar - 2019 tax roll:

Lien date and levy date	December 2020
Tax bills mailed	December 2020
Payment in full, or	January 31, 2021
First installment due	January 31, 2021
Second installment due	March 31, 2021
Third installment due	May 31, 2021
Personal property taxes in full	January 31, 2021
Tax sale - 2020 delinquent real estate taxes	October 2023

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the water, sewer, and parking utilities because they have the right by law to place substantially all delinquent bills on the tax roll.

3. Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for operations and maintenance work. They are not for resale. The proprietary fund inventories are expensed as consumed, and are valued using the first-in/first-out (FIFO) method.

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. Capital Assets

Capital assets include property, plant, equipment, intangibles, and infrastructure assets (e.g. roads, alleys, street lights, and similar items), and are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 for general capital assets, \$20,000 for infrastructure assets, and an estimated useful life in excess of two (2) years. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their acquisition value at the date of donation.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

4. Capital Assets (continued)

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. The cost of renewals and betterments relating to retirement units is added to plant accounts. The 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.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. The Water utility depreciation methodology has been established by the Public Service Commission of Wisconsin which regulates the utility. Their method of depreciation uses that average plant in service during the year and applies a depreciation factor to the various plant classifications based on their standards to expense depreciation costs. For all other capital assets, depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

	<u>Years</u>
Buildings and improvements	10-50
Infrastructure	20-50
Intangibles	5-10
Machinery and equipment	5-20
Utility system	14-100

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 the same way as in the government-wide statements.

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Village has items that qualify for reporting in this category, the amounts related to pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

5. *Deferred Outflows/Inflows of Resources* (continued)

The Village reports deferred inflows of resources for property taxes levied but supporting the subsequent years' budget. These deferred inflows are reports on both the governmental fund and the government-wide financial statements. Additionally, the Village reports unavailable revenue, within its governmental funds balance sheet. The governmental funds report unavailable revenues for revenues which are earned and measurable but not available. These amounts are recognized as an inflow of resources in the period that the amounts become available. 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 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.

6. *Compensated Absences*

Under terms of employment, employees are granted sick pay benefits and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at year end are determined on the basis of current salary rates and include salary related payments.

The Village allows employees to earn vacation time during the year which would be eligible for payment upon separation from Village service. The liability for vacation time is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental fund financial statements only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefit where applicable.

The Village also recognizes a liability for active employees' sick leave earned which may be paid out in the future. This liability is reported as vested compensated absences in either the governmental activities or the business-type activities, as appropriate.

7. *Retiree Sick Leave Bank*

Employees earn sick leave at various rates. Employees hired before January 1, 2013 who retire under Wisconsin Retirement System rules, can choose to have 50% of their accumulated sick leave either paid out to them or held by the Village to pay for their portion of health insurance premiums. The maximum amount of sick leave that can be accumulated varies depending on the employee's years of service. The Village funds these benefits on a pay-as-you-go basis and funding generally comes from the Village's General Fund. The remaining unused sick leave bank for these retirees is reported as a government-wide liability.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

8. Other Postemployment Benefits

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts.

The Village will pay a portion of health insurance premiums for employees retiring under certain conditions until the employee reaches age 65. Some employees retiring over the age of 65 are allowed to remain on the Village's health insurance plan, with Medicare primary; however, the retiree must pay the cost of the premium. Exact eligibility and benefit provisions are based on contractual agreements with employee groups, local ordinances, or employee benefit policies.

The Village funds these benefits on a pay-as-you-go basis and funding is expected to come primarily from the Village's General Fund and Water and Sewer Utilities. The Village has obtained an actuarial evaluation to determine the cost of these benefits. A liability is reported on the government-wide financial statements as a governmental activities or the business-type activities liability, as appropriate.

9. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable and accrued compensated absences.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debt (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the straight-line method. The balance at year end for premiums/discounts, as applicable, is shown as an increase or decrease in the liability section of the statement of net position.

The Village may approve the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. In 2012, the Village's component unit, CDA issued \$2,800,000 of subordinate redevelopment revenue bonds. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the Village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

10. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. Refer to Note-IV-F on commitments and contingencies.

11. Equity Classifications

Government-Wide Statements

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

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

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

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable - includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally of contractually required to be maintained intact.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

11. Equity Classifications (continued)

Fund Statements (continued)

- Restricted - fund balance is reported as restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Village's highest level of decision making authority. This action must occur prior to year end. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

The Village's highest level of decision making authority is the Village Board and commitments made by the Village Board are done through the adoption of a resolution passed by the majority of the seven member board.

- Assigned- includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing board itself or (b) a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. Further, assigned fund balance includes all remaining amounts (excluding negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable, restricted, or committed.

The Village Board adopted Resolution No. 2011-43, *To Establish a Fund Balance Policy*, which authorized the Village Manager to assign amounts to a specific purpose.

- Unassigned - fund balance is the residual classification for the General Fund and negative fund balances within other governmental funds.

The Village's fund balance policy also specifies that when multiple classifications of fund balance are available, that fund balance shall be spent in the following order: restricted, committed, assigned then unassigned.

The Village's fund balance policy includes a minimum fund balance policy. This policy states that the Village shall maintain its unassigned fund balance at a minimum of 30% of total General Fund annual revenues. The purpose of the first 25% of this balance is to provide adequate cash flow during the year. Any use of these funds would require a two thirds vote of the Village Board. The additional 5% is to provide the ability of the Village to respond to unforeseeable contingencies and opportunities that may not have been known at the time of budget preparation. Any use of the 5% fund balance referred to above must be replenished during the next budget process. These uses are subject to approval by the Village Board.

Proprietary fund equity is classified the same as in the government-wide statements.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

12. Program Revenues

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

13. Proprietary Fund Revenues

The proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewer, and parking utilities are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Current water rates were approved by the Public Service Commission of Wisconsin (PSCW) and effective November 15, 2021. Current sewer rates were approved by the Village Board and effective January 1, 2022. Current monthly parking rates were approved by the Village Board and effective January 1, 2021.

14. Adoption of Accounting Standards

The Village has elected to implement GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance, which was issued to provide temporary relief to governments and other stakeholders due to the COVID-19 pandemic. This provides for the postponement of the implementation of GASB Statement No. 87, Leases.

NOTE II – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

LIMITATIONS ON THE VILLAGE'S TAX LEVY

The State of Wisconsin's legislature has acted to limit the Village's future tax levies. Generally, the Village's non-debt tax levy is limited to its prior year tax levy dollar amount (excluding TID Districts), plus the percentage change in the Village's equalized value due to new construction and any decrease in our debt service payments for debt issued prior to July 2005. There is no cap on taxes required to be levied for debt service.

Municipalities can carry forward up to ½ of one percent of their prior year unused capacity with a majority vote of the Village Board or up to 1½ percent of their prior year unused capacity with a super majority vote of the Village Board.

The State of Wisconsin's legislature can amend these limits at any time. Current regulations allowing for the conversion of pre-July 2005 debt service levy from debt to operating may not continue to be in effect for future years. Other changes to the levy limit calculation could also impact the Village in future years.

NOTE III – DETAILED NOTES ON ALL FUNDS

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and cash equivalents and/or investments.

The Village's deposits and investments at year end were comprised of the following:

	Statement Balance	Carrying Value	Associated Risks
Petty cash	\$ -	\$ 1,491	N/A
Demand deposits / Money Market funds	9,934,502	9,934,502	Custodial credit risk
LGIP	25,517,794	25,517,794	Credit risk
Municipal bonds	6,389,708	6,389,708	Custodial credit, credit risk, concentration of credit. and interest rate
Certificates of deposit	<u>762,883</u>	<u>762,883</u>	Custodial credit, and concentration of credit risk
	<u>\$ 42,604,887</u>	<u>\$ 42,606,378</u>	

Reconciliation to financial statements

Per statement of net position

Cash and cash equivalents	\$7,873,372
Investments	7,152,590
Restricted cash and cash equivalents	13,011,896
Cash held for component unit (CDA)	711,237

Per statement of net position - Fiduciary Fund

Cash and cash equivalents	<u>13,857,283</u>
Total cash and investments	<u>\$ 42,606,378</u>

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Village has the following recurring fair value measurements: U.S agency securities and municipal bonds are valued using a matrix pricing model (Level 2 inputs).

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts), and \$250,000 for interest bearing demand deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. Due to the relatively small size of the Guarantee Fund in relationship to total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to the Village. The Village does not have any deposits exposed to custodial credit risk as all are either insured or collateralized, held by the Village's agent in the name of the Village.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2021, all of the Village's investments that were not covered by SIPC were exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investments are restricted in accordance with Wisconsin Statutes section 66.0603. As of December 31, 2021, the Village's investments were rated as follows:

Moody's Investors	
<u>Services Rating</u>	<u>Municipal Bonds</u>
Aaa	\$ -
Aa1	244,100
Aa2	2,048,735
Aa3	1,613,431
A1	677,104
A2	330,218
Unrated	-
Total	<u>\$ 4,913,588</u>

The Village also held funds in the Local Government Investment Pool (LGIP) which is not rated.

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. As of December 31, 2021, the Village's investments were as follows:

Investment Type	Fair Value	Maturity (in years)				
		< 1 year	1 - 2	2 - 3	3 - 4	4 - 5
Municipal bonds	\$ 4,913,588	\$1,274,331	\$ 1,118,814	\$1,470,694	\$ 1,049,749	\$ -
U.S. agencies	<u>1,476,120</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>488,135</u>	<u>987,985</u>
Total	<u>\$ 6,389,708</u>	<u>\$1,274,331</u>	<u>\$ 1,118,814</u>	<u>\$1,470,694</u>	<u>\$ 1,537,884</u>	<u>\$ 987,985</u>

Maturities represented above assume that all investments are held until the final maturity date.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. As of December 31, 2021, the Village had no investments that exposed it to concentration of credit risk.

See Note I-D-1. for the Village's investment policy and further information on deposits and investments.

B. RECEIVABLES

Delinquent personal property taxes have been shown net of an allowance for uncollectible accounts. All other receivables on the balance sheet are expected to be collected within one year.

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows reported in the governmental funds were as follows:

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

B. RECEIVABLES (continued)

Deferred Inflows	Unavailable	Unearned	Total
Property taxes levied for subsequent year's budget	\$ -	\$ 16,743,238	\$ 16,743,238
Revenues earned but not available	134,019	-	134,019
Unearned Revenues	-	680,457	680,457
Total Deferred Inflows for Governmental Funds	<u>\$ 134,019</u>	<u>\$ 17,423,695</u>	<u>\$ 17,557,714</u>

Loans Receivable

Loans outstanding at year-end are as follows:

Program	Amount Approved	Beginning Balance	Additions	Deletions	Ending Balance	Current Portion
Neighborhood Loan Program	535,000	218,330	-	41,463	176,867	3,750
Private Lead Lateral Program	150,000	82,548	63,000	39,898	105,650	36,575
Other Loans Lighthorse	<u>3,535,000</u>	<u>2,885,000</u>	<u>-</u>	<u>100,000</u>	<u>2,785,000</u>	<u>105,000</u>
Total	<u>\$ 4,220,000</u>	<u>\$ 3,185,878</u>	<u>\$ 63,000</u>	<u>\$ 181,361</u>	<u>\$ 3,067,517</u>	<u>\$ 145,325</u>

Individual loan programs and terms are described below.

The Neighborhood Loan Program is designed to assist residents in purchasing or making certain improvements to homes within the Village. All loans are noninterest bearing. Loans issued prior to 2016 are only due upon refinancing or sale of the property, Loans issued after 2016 have a 2 year payment deferral followed by an 8 year repayment schedule. The maximum loan amount is \$20,000. As of December 31, 2021, there were 11 loans outstanding at year-end.

The Private Lead Lateral Program is designed to assist residents in replacing the lead water service laterals in conjunction with municipal utility projects. All loans are noninterest bearing, and are repaid over a 5 year period through special assessments levied on the property. As of December 31, 2021, there were 28 participants with outstanding balances at year-end.

Other Loans Receivable is a loan to the developer totaling \$3,535,000. This loan bears interest of 2.0%-3.5% which is due bi-annually. Interest payments began in 2012; annual principal payments of between \$100,000 and \$125,000 are due beginning December 2015 through December 2027. The remaining balance on the loan of \$2,145,000 is due on December 1, 2028. This loan will be repaid through revenues generated by the completed project and is additionally secured through a second mortgage on the property. Funding for this loan was obtained through a debt issuance completed in 2012.

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

C. RESTRICTED ASSETS

As of December 31, 2021, the Village reported restricted cash and cash equivalents for the following purposes and funds:

<u>Fund</u>	<u>Restricted cash & equivalent</u>	<u>Restricted Fund Balance</u>
General Capital Projects Fund		
Unspent bond proceeds for capital purposes	<u>1,578,557</u>	<u>1,578,557</u>
Capital Projects - TID No.1		
Restricted for special purposes	<u>1,872,807</u>	<u>-</u>
Capital Projects - TID No.3		
Restricted for special purposes	<u>1,194,488</u>	<u>771,570</u>
Capital Projects - TID No.4		
Restricted for special purposes	<u>1,497,340</u>	<u>4,098,848</u>
Capital Projects - TID No.5		
Restricted for special purposes	<u>4,844,521</u>	<u>4,272,024</u>
Nonmajor Governmental Funds		
Restricted for special purposes	<u>183,417</u>	<u>183,417</u>
Total Governmental Activities	<u>\$ 11,171,130</u>	<u>\$ 10,904,416</u>
Water Utility		
Unspent bond proceeds for capital purposes	<u>\$ 1,091,549</u>	<u>\$ -</u>
Sewer Utility		
Unspent bond proceeds for capital purposes	<u>748,917</u>	<u>-</u>
Total Business-Type Activities	<u>\$ 1,840,466</u>	<u>\$ -</u>

Any liabilities payable from restricted assets represent payments which will be paid from the restricted cash balances.

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021 was as follows:

Governmental Activities	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 3,499,333	\$ -	\$ -	\$ 3,499,333
Artwork	330,000	-	-	330,000
Construction in progress	<u>57,954</u>	<u>103,239</u>	<u>36,900</u>	<u>124,293</u>
Total Capital Assets Not Being Depreciated	<u>3,887,287</u>	<u>103,239</u>	<u>36,900</u>	<u>3,953,626</u>
Capital Assets Being Depreciated				
Machinery and equipment	5,032,596	479,957	107,157	5,405,396
Intangible assets software	69,793	-	-	69,793
Buildings and improvements	13,491,292	47,309	-	13,538,601
Infrastructure	<u>34,644,899</u>	<u>1,240,171</u>	<u>168,422</u>	<u>35,716,648</u>
Total Capital Assets Being Depreciated	<u>53,238,580</u>	<u>1,767,437</u>	<u>275,579</u>	<u>54,730,438</u>
Total Capital Assets	<u>57,125,867</u>	<u>1,870,676</u>	<u>312,479</u>	<u>58,684,064</u>
Less: Accumulated Depreciation for				
Machinery and equipment	3,013,889	353,960	99,631	3,268,218
Intangible assets software	69,793	-	-	69,793
Buildings and improvements	4,641,989	346,887	-	4,988,876
Infrastructure	<u>19,099,017</u>	<u>1,272,466</u>	<u>168,422</u>	<u>20,203,061</u>
Total Accumulated Depreciation	<u>26,824,688</u>	<u>1,973,313</u>	<u>268,053</u>	<u>28,529,948</u>
Net Depreciable Assets	<u>26,413,892</u>			<u>26,200,490</u>
Total Governmental Activities	<u>\$ 30,301,179</u>			<u>\$ 30,154,116</u>

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 59,454
Public safety	176,793
Health and social services	704
Public works, which includes the depreciation of infrastructure	1,523,059
Culture and recreation	<u>213,303</u>
Total Governmental Activities Depreciation Expense	<u>\$ 1,973,313</u>

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

D. CAPITAL ASSETS (continued)

Business-Type Activities	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$ 233,345	\$ -	\$ -	\$ 233,345
Construction in progress	418,341	55,300	127,629	346,012
Total Capital Assets				
Not Being Depreciated	651,686	55,300	127,629	579,357
Capital Assets Being Depreciated				
Water utility system	8,543,635	1,616,349	194,182	9,965,802
Sewer collection system	20,277,880	1,319,222	-	21,597,102
Parking improvements	501,569	-	-	501,569
Machinery and equipment	1,250,163	58,744	65,250	1,243,657
Total Capital Assets Being Depreciated	30,573,247	2,994,315	259,432	33,308,130
Total Capital Assets	31,224,933	3,049,615	387,061	33,887,487
Less: Accumulated Depreciation for				
Water utility system	1,902,288	201,212	194,182	1,909,318
Sewer collection system	3,257,765	346,037	-	3,603,802
Parking improvements	435,562	5,500	-	441,062
Machinery and equipment	707,855	55,916	65,250	698,521
Total Accumulated Depreciation	6,303,470	608,665	259,432	6,652,703
Net Depreciable Assets	24,269,777			26,655,427
Total Business-Type Activities	\$ 24,921,463			\$ 27,234,784

Depreciation expense was charged to functions as follows:

Business-Type Activities	
Water	\$ 211,950
Sewer	391,215
Parking	5,500
Total Business-type Activities Depreciation Expense	\$ 608,665

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES, AND TRANSFERS

Interfund Receivables/Payables

The purpose of these interfunds is to fund cash overdrafts. For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated. There were no interfund receivables as of December 31, 2021.

Advances

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Non Current
General Fund	Water Utility	\$ 115,000	\$ -
General Fund	Sewer Utility	185,639	141,178
Subtotal General Fund		300,639	141,178
Parking Utility	Sewer Utility	92,826	70,596
Total - Fund Financial Statements		393,465	<u>\$ 211,774</u>
Less: Fund eliminations		<u>(92,826)</u>	
Total Internal Balances - Statement of Net Position		300,639	

Payment schedules have been established and interest is being charged on all of the advances. Interfund advances are due as follows:

Years	Governmental Activities Advances to						Business-Type Advances	
	Water Utility		Sewer Utility		Total		Parking Utility to Sewer Utility	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	115,000	3,738	44,461	5,328	159,461	9,066	22,230	2,664
2023	-	-	45,737	4,052	45,737	4,052	22,868	2,026
2024	-	-	47,050	2,739	47,050	2,739	23,524	1,370
2025	-	-	48,391	1,398	48,391	1,398	24,204	690
2026	-	-	-	-	-	-	-	-
Total	<u>\$ 115,000</u>	<u>\$ 3,738</u>	<u>\$ 185,639</u>	<u>\$ 13,517</u>	<u>\$ 300,639</u>	<u>\$ 17,255</u>	<u>\$ 92,826</u>	<u>\$ 6,750</u>

The purpose of these advances was to provide for sufficient operating cash flow. These advances will be repaid through future user fees. All current advances will be repaid in full by 2025.

For the statement of net position, interfund advances which are owed within the governmental activities or business-type activities are netted and eliminated.

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES, AND TRANSFERS (continued)

Transfers

The following is a schedule of interfund transfers:

<u>Transferred To</u>	<u>Transferred From</u>	<u>Amount</u>	<u>Purpose</u>
General Fund	Water Utility	\$ 166,053	Payment in lieu of taxes
General Fund	Sewer Utility	4,637	Payment in lieu of taxes
General Fund	Parking Utility	19,500	Payment in lieu of taxes
General Fund	Library	<u>60,499</u>	Administration allocation
Subtotal General Fund		<u>250,689</u>	
Debt Service Fund	General Fund	198,913	Debt service
Debt Service Fund	TID No. 1	2,326,144	Debt service
Debt Service Fund	TID No. 3	384,399	Debt service
Debt Service Fund	TID No. 4	514,694	Debt service
Debt Service Fund	TID No. 5	<u>435,898</u>	Debt service
Subtotal Debt Service Fund		<u>3,860,048</u>	
Capital Fund	General Fund	225,000	Capital Projects
Capital Fund	TID No. 1	<u>368,094</u>	Capital Projects
Subtotal Debt Service Fund		<u>593,094</u>	
Total - Fund Financial Statements		<u>4,703,831</u>	
Less: Fund Eliminations		<u>(4,513,641)</u>	
Total Transfer - Government-Wide			
Statement of Activities		<u>\$ 190,190</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 40,988,354	\$ -	\$ 3,576,495	\$ 37,411,859	\$ 3,624,052
General obligation note - Direct placement	\$ 689,500	\$ -	\$ 98,500	\$ 591,000	\$ 98,500
(Discounts)/premiums	788,178	-	84,673	703,505	62,780
Total General Obligation Debt	<u>42,466,032</u>	<u>-</u>	<u>3,759,668</u>	<u>38,706,364</u>	<u>3,785,332</u>
Other Liabilities					
Other postemployment benefits	3,069,428	-	592,906	2,476,522	270,000
Compensated absences	396,884	230,272	275,308	351,848	250,000
Retiree sick leave	33,873	8,797	8,617	34,053	10,000
Total Other Liabilities	<u>3,500,185</u>	<u>239,069</u>	<u>876,831</u>	<u>2,862,423</u>	<u>530,000</u>
Total Governmental Activities	<u>\$ 45,966,217</u>	<u>\$ 239,069</u>	<u>\$ 4,636,499</u>	<u>\$ 41,568,787</u>	<u>\$ 4,315,332</u>
Business-Type Activities					
Bonds and Notes Payable					
General obligation debt	\$ 8,709,854	\$ 2,585,000	\$ 625,996	\$ 10,668,858	\$ 654,175
(Discounts)/premiums	481,635	96,905	41,283	537,257	41,283
Total General Obligation Debt	<u>9,191,489</u>	<u>2,681,905</u>	<u>667,279</u>	<u>11,206,115</u>	<u>695,458</u>
Total Revenue Bonds	4,070,000	-	100,000	3,970,000	205,000
Total Debt	<u>13,261,489</u>	<u>2,681,905</u>	<u>767,279</u>	<u>15,176,115</u>	<u>900,458</u>
Other Liabilities					
Other postemployment benefits	341,086	-	65,878	275,208	30,000
Compensated absences	25,048	5,252	1,737	28,563	5,000
Retiree sick leave	5,403	-	1,578	3,825	1,500
Total Other Liabilities	<u>371,695</u>	<u>5,252</u>	<u>69,193</u>	<u>307,596</u>	<u>36,500</u>
Total Business-Type Activities	<u>\$ 13,633,184</u>	<u>\$ 2,687,157</u>	<u>\$ 836,472</u>	<u>\$ 15,483,711</u>	<u>\$ 936,958</u>

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the Debt Service Fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

The village's 2017 Promissory Notes were a direct placement with a local bank.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2021, was \$94,285,370. Total general obligation debt outstanding at year-end was \$48,671,717. This leaves a remaining legal debt margin of \$45,613,653.

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

F. LONG-TERM OBLIGATIONS (continued)

General Obligation Debt (continued)

General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance Outstanding
Governmental Activities					
Taxable issues					
Community Dev Bonds	3/8/2012	12/1/2031	2.00-3.25%	6,165,000	4,600,000
Corp Purpose Bonds	3/16/2020	5/1/2025	4.00%	709,324	580,356
Tax-exempt issues					
Community Dev Bonds	3/8/2012	12/1/2028	2.00-3.50%	1,990,000	1,415,000
Corp Purpose Bonds	8/7/2012	8/1/2032	2.00-3.00%	4,065,000	1,880,000
Refunding Bonds	12/30/2013	12/30/2022	2.00-3.00%	5,290,000	635,000
Corp Purpose Bonds	10/23/2014	4/1/2034	2.00-3.00%	4,070,000	2,880,000
Community Dev Bonds	1/22/2015	5/1/2022	2.10-3.00%	8,050,000	5,785,000
Corp Purpose Bonds	8/10/2016	7/1/2036	2.00-3.00%	8,640,000	6,320,000
Promissory Notes	8/22/2017	9/1/2027	2.25%	985,000	591,000
Corp Purpose Bonds	8/23/2018	8/1/2038	3.00-3.50%	5,275,000	4,845,000
Corp Purpose Bonds	3/16/2020	3/1/2026	2.00%	2,280,822	1,945,786
Corp Purpose Bonds	8/3/2020	3/1/1940	1.5-2.0%	5,875,000	5,710,000
NSFD Note Payables					
Whitefish Bay	9/1/2002	4/1/2022	2.00-3.00%	897,184	60,300
Bayside	8/1/2003	8/1/2023	0.80-2.30%	468,050	56,236
Whitefish Bay	5/1/2019	5/1/2039	1.80-3.50%	116,641	116,641
Whitefish Bay	1/22/2020	5/1/2039	2.25-4.0%	582,540	582,540
Total Governmental Activities General Obligation Debt					<u>\$ 38,002,859</u>
Business-type Activities					
Taxable Corp Purp Bonds	3/16/2020	5/1/2025	4.00%	\$ 60,676	\$ 49,644
Tax-exempt issues					
Corp Purpose Bonds	8/7/2012	8/1/2032	2.00-3.00%	5,400,000	3,580,000
Corp Purpose Bonds	10/23/2014	4/1/2034	2.00-3.00%	1,990,000	1,410,000
Corp Purpose Bonds	8/10/2016	7/1/2036	2.00-3.00%	1,280,000	1,010,000
Corp Purpose Bonds	8/23/2018	8/1/2038	3.00-3.50%	1,085,000	960,000
Corp Purpose Bonds	3/16/2020	3/1/2026	2.00%	1,259,178	1,074,214
Corp Purpose Bonds	9/2/2021	3/1/1941	1.20-2.00%	2,585,000	2,585,000
Total Business-Type Activities General Obligation Debt					<u>\$ 10,668,858</u>
Total General Obligation Debt					<u>\$ 48,671,717</u>
Business-type Activities					
Revenue Bonds	8/10/2016	7/1/2036	2.00-3.00%	2,285,000	\$ 1,895,000
Revenue Bonds	12/22/2020	7/1/2036	2.00-5.00%	2,075,000	\$ 2,075,000
Total Business-Type Activities Revenue Bonds					<u>\$ 3,970,000</u>

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

F. LONG-TERM OBLIGATIONS (continued)

General Obligation Debt (continued)

Debt service requirements to maturity are as follows:

Year	Governmental Activities				Business-Type Activities	
	G.O. Bonds and Notes Payable		Direct Placement Notes Payable		G.O. Bonds and Notes Payable	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	3,624,052	1,002,736	98,500	13,451	654,175	254,927
2023	2,628,778	915,880	98,500	11,235	805,299	238,379
2024	2,502,724	849,663	98,500	9,013	828,200	220,233
2025	2,503,265	782,871	98,500	6,741	868,536	201,333
2026	2,575,029	716,074	98,500	4,494	927,648	181,409
2027 - 2031	13,086,732	2,447,228	98,500	2,247	3,580,000	630,775
2032 - 2036	8,256,668	875,140	-	-	2,115,000	221,244
2037 - 2042	2,234,611	91,828	-	-	890,000	45,250
Totals	<u>\$ 37,411,859</u>	<u>\$ 7,681,420</u>	<u>\$ 591,000</u>	<u>\$ 47,181</u>	<u>\$ 10,668,858</u>	<u>\$ 1,993,550</u>

Revenue Debt

Business-Type activities revenue bonds are payable only from revenues pledged when issuing revenue bonds.

The sewer utility has pledged future sewer revenues, net of specified operating expenses, to repay revenue bonds issued in 2016 and 2020 for sewer infrastructure projects. The current remaining balances on these bonds are \$3.97 million, with payments of principal and interest due through 2036. These payments are generally expected to be about 20% of the sewer utility net cash flow from operating activities. In 2021 these payments represented 22.8% of those amounts.

Debt service requirements to maturity are as follows:

Year	Business-Type Activities	
	Revenue Bonds Payable	
	Principal	Interest
2022	205,000	122,238
2023	215,000	113,888
2024	220,000	105,213
2025	230,000	96,213
2026	235,000	87,463
2027 - 2031	1,335,000	299,281
2032 - 2036	1,530,000	95,750
2037 - 2042	-	-
Totals	<u>\$ 3,970,000</u>	<u>\$ 920,046</u>

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

F. LONG-TERM OBLIGATIONS (continued)

Other Debt Information

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the General Fund.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes that it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

Other Long-term Payables Information

As part of a development agreement in TID#3 the village has contingency commitments to make principal and interest payment on a \$5.5 million PayGo loan as of 2017. These commitments are limited to the incremental revenues generated by that development through the life of the TID. This loan carries a current interest rate of 5.33%. The mandatory close date of the TID is in 2035. The current balance on this commitment is \$5.9 million with accumulated interest

G. LEASE DISCLOSURES

Lessor - Operating Leases

In 2010, the Village entered into a lease agreement with a local restaurant owner to lease out the Hubbard Park Lodge. The property is included in the Village's capital assets with a historical cost of \$80,800. The term of the lease continues until the end of 2029. The lease also requires the lessee to make annual capital improvements of at least \$10,000 to the property.

The future minimum rentals for this property are \$40,000 per year with a 3% annual increase from 2020-2029. Actual rental payments will be either the annual minimum payment, or 4% of the prior year's gross revenues for the property, whichever is higher.

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

H. NET POSITION AND FUND BALANCES

Net Position

Net position reported on the government-wide statement of net position at December 31, 2021 includes the following:

Net Investment in Capital Assets	Governmental Activities	Business-Type Activities
Capital Assets		
Capital assets not being depreciated	\$ 3,953,626	\$ 579,357
Capital assets being depreciated	54,730,438	33,308,130
Accumulated depreciation	<u>(28,529,948)</u>	<u>(6,652,703)</u>
Total Capital Assets	<u>30,154,116</u>	<u>27,234,784</u>
Capital Related Debt		
General Obligation (G.O.) Debt	(38,002,650)	(10,668,858)
Revenue Bond Debt		(3,970,000)
Discounts (Premiums) on Capital related debt	(511,413)	(534,749)
Less Noncapital Related Debt Issuances		
2002 Whitefishbay	60,091	-
2012 Bayside debt	56,236	-
2012 Community Development Bonds	4,600,000	-
2012 Taxable Community Development Bonds	1,415,000	-
2012 Corp Purpose Bonds	934,219	-
2013 Refunding Bonds	528,716	-
2014 Corp Purpose Bonds	1,404,619	125,000
2015 Taxable Community Development Bonds	5,785,000	-
2019 Whitefish Bay Note	116,641	-
2020 Whitefish Bay Note	582,540	-
2020A Corp Purpose Bonds	1,253,728	-
2020B Taxable G.O. Bonds	<u>580,356</u>	<u>-</u>
Total Capital Related Debt	<u>(21,196,917)</u>	<u>(15,048,607)</u>
Unspent Capital Related Bond Proceeds	1,578,557	1,840,766
Deferred loss on refunding	<u>-</u>	<u>-</u>
Net Investment in Capital Assets	<u>\$ 10,535,756</u>	<u>\$ 14,026,943</u>

A portion of governmental activities borrowings are considered to be noncapital for the governmental activities column, but are considered to be capital related for the total column in the statement of net position. The amount of this adjustment is \$2,085,384 which represents governmental activities borrowing for capital assets of the business-type activities. The total column of the statement of net position for the net investment in capital assets has been adjusted for this difference.

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

H. NET POSITION AND FUND BALANCES (continued)

Fund Balances

Fund balances reported on the governmental fund financial statements as of December 31, 2021 within the restricted, committed, and assigned classifications can be further detailed as follows:

Classification/Fund	Amount	Purpose
Restricted		
Capital Projects Fund	1,578,557	Unspent Bond proceeds
TID No. 1 Fund	-	TID plan purposes
TID No. 3 Fund	771,570	TID plan purposes
TID No. 4 Fund	4,098,848	TID plan purposes
TID No. 5 Fund	4,272,024	TID plan purposes
Nonmajor Funds	183,417	Library grants
Total Restricted	<u>\$ 10,904,416</u>	
Committed		
Debt Service Fund	1,110,116	Debt service activities
Nonmajor Funds	60,077	Library activities
Nonmajor Funds	48,283	Senior Services activities
Nonmajor Funds	12,212	Shorewood Today magazine
Total Nonmajor Funds	<u>120,572</u>	
Total Committed	<u>\$ 1,230,688</u>	
Assigned		
General Fund	321,520	Neighborhood loan program
General Fund	57,447	Future retirement costs
General Fund	16,000	Marketing & Communications
General Fund	633,040	Next year budget transfers
Total General Fund	<u>1,028,007</u>	
Capital Projects Fund	958,738	Future capital projects and equipment
Total Assigned	<u>\$ 1,986,745</u>	

NOTE III – DETAILED NOTES ON ALL FUNDS (continued)

I. SPECIAL ITEMS

Significant transactions that are within the control of management that are either unusual in nature or infrequent in occurrence for the reporting entity are considered to be special items. There were no special items to report in 2021.

J. COMPONENT UNIT

Community Development Authority

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

NOTE IV – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM – UPDATED FOR 2021

Summary of Significant Accounting Policies

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

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, and expected to work at least 1200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>

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

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

NOTE IV – OTHER INFORMATION (continued)

A. EMPLOYEES' RETIREMENT SYSTEM (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 (%)
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0

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

During the reporting period, the WRS recognized \$466,728 in contributions from the employer

Contribution rates as of December 31, 2020 are:

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

NOTE IV – OTHER INFORMATION (continued)**A. EMPLOYEES' RETIREMENT SYSTEM (continued)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2021, the Village of Shorewood reported an asset of \$2,489,785 for its proportionate share of the Net Pension Liability (Asset). The Net Pension Liability (Asset) was measured as of December 31, 2020, and the Total Pension Liability used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village of Shorewood's proportion of the Net Pension Liability (Asset) was based on the Village of Shorewood's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the Village of Shorewood's proportion was 0.03988037%, which was a decrease of 0.00064166% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Village of Shorewood recognized pension expense of (\$263,172).

At December 31, 2021, the Village of Shorewood reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$3,603,485	(\$776,184)
Net differences between projected and actual earnings on pension plan investments	\$0.00	(\$4,674,372)
Changes in assumptions	\$56,473	\$0.00
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$15,638	(\$4,439)
Employer contributions subsequent to the measurement date	\$448,374	\$0.00
Total	\$4,123,970	(\$5,454,995)

NOTE IV – OTHER INFORMATION (continued)**A. EMPLOYEES' RETIREMENT SYSTEM (continued)**

\$448,3769 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 (asset) in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30:	Deferred Outflow of Resources	Deferred Inflows of Resources
2021	\$1,996,400	(\$2,077,788)
2022	\$1,309,902	(\$1,560,562)
2023	\$576,754	(\$1,279,541)
2024	\$240,915	(\$537,104)
Thereafter	\$0.00	\$0.00

Actuarial assumptions. The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset)	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*	1.9%

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

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total Pension Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

NOTE IV – OTHER INFORMATION (continued)**A. EMPLOYEES' RETIREMENT SYSTEM (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 arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns**As of December 31, 2020**

<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.1
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	115	6.6	4.1
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%

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

NOTE IV – OTHER INFORMATION (continued)

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

Single Discount rate. A single discount rate of 7.00% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.0% (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, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the 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 of Shorewood's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the Village of Shorewood's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0 percent, as well as what the Village of Shorewood's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
Village of Shorewood's proportionate share of the Net Pension Liability (Asset)	\$2,369,932	(\$2,489,785)	(\$6,059,214)

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>

NOTE IV – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

In addition to providing the pension benefits described, The Village administers a single employer defined benefit healthcare plan. The plan allows eligible retirees to remain on the Village's health care plan which covers both active and retired members. Under certain conditions the Village also directly pays for a portion of retiree health care premiums.

Benefit provisions were established through collective bargaining agreements and by Village policy for non-represented employees. Police union employee benefits may only be amended through negotiations between the Village and the union. All other employees' benefits may be changed through Village Board action. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The Village funds these benefits on a pay-as-you-go basis and funding is expected to come primarily from the Village's General Fund and Water and Sewer Utilities. The Village has obtained an actuarial evaluation to determine the cost of these benefits. A liability is reported on the government-wide financial statements as a governmental activities or the business-type activities liability, as appropriate.

Benefits Provided

The Village makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees during the year. The Village contributes 50% for a family plan and 100% for a single plan, towards the health insurance premium for general employees hired before January 1, 2002. For employees hired between January 1, 2002 and October 31, 2012, the Village contributes 50% single plans or 25% for family plans. Employees hired after October 31, 2012 are not eligible for employer contributions towards post-retirement health care.

The Village's contribution is capped at the amount the premium was when the employee retires. Any premium increases are contributed by the retiree. To be eligible for these benefits the retiree must have retired under the provisions of the System, with 20 years of service to the Village if hired before January 1, 2002, or 25 years of service if hired after January 1, 2002, and is not currently eligible for Medicare.

Membership

At December 31, 2021, membership consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	22
Inactive Employees Entitled to but not yet Receiving Benefit Payments	-
Eligible Active Employees	<u>30</u>
TOTAL	<u><u>52</u></u>

NOTE IV – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (continued)

Total OPEB Liability

The Village's total OPEB liability of \$2,751,730 was measured as of December 31, 2021 determined by an actuarial valuation as of December 31, 2020.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry-age
Actuarial Value of Assets	N/A
Inflation	2.0%
Salary Increases	N/A
Discount Rate	2.00%
Healthcare Cost Trend Rates	6.40% Initial 5.00% Ultimate
Retirees Share of Benefit-Related Costs	100% Regular Plan

The discount rate was based on the Bond Buyer GO 20-Year AA Bond Index published by the Federal Reserve for the week at the beginning of the measurement period.

Mortality rates were based on the Wisconsin 2018 Mortality Table.

The actuarial assumptions used are based on an experience study conducted in 2018 using Wisconsin Retirement System (WRS) experience from 2015-17.

NOTE IV – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (continued)

<u>Changes in the Total OPEB Liability</u>	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2021	<u>\$3,410,514</u>
Changes for the Period	
Service Cost	168,289
Interest	76,284
Difference Between Expected and Actual Experience	(529,015)
Changes in Benefit Terms	-
Changes in Assumptions	(165,790)
Benefit Payments	<u>(208,552)</u>
Net Changes	<u>(658,714)</u>
BALANCES AT DECEMBER 31, 2021	<u>\$2,751,730</u>

Per Actuarial valuation "Changes in assumptions in 2021 related to extending WRS retirement decrements to age 75, an updated assumed discount rate, assumed number of dependents covered under family coverage in calculating the expected per capita claims cost and claims cost development beyond age 65"

Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 2.0% as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.0%) or 1 percentage point higher (3.0%) than the current rate:

	1% Decrease (1.0%)	Current Discount Rate (2.0%)	1% Increase (3.0%)
Total OPEB Liability	\$2,961,655	\$2,751,730	\$2,555,135

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 5.00% to 6.4% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (4.00% to 5.4%) or 1 percentage point higher (6.00% to 7.4%) than the current rate:

	1% Decrease (5.4% to 4.0%)	Current Healthcare Rate (5.0% to 6.4%)	1% Increase (6.0% to 7.4%)
Total OPEB Liability	\$2,498,807	\$2,751,730	\$3,047,713

NOTE IV – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2021, the Village of Shorewood reported deferred outflows of resources and deferred inflows of resources related to other postemployment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$621,324
Changes in assumptions	\$332,393	\$190,848
Total	\$332,393	\$812,712

Amounts reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in expense as follows:

Year ended December 31:	Deferred Outflows/ Inflows of Resources
2022	(\$70,214)
2023	(\$70,214)
2024	(\$70,213)
2025	(\$54,953)
2026	(\$54,956)
Thereafter	(\$159,230)

NOTE IV – OTHER INFORMATION (continued)

C. JOINT VENTURES

North Shore Public Safety Communications Commission

The Villages of Shorewood and Whitefish Bay and the City of Glendale jointly operate the local public safety dispatch center, which is called the North Shore Public Safety Communications Commission (NSPSCC) and provides central emergency police, fire, and ambulance dispatching services. The governing body of NSPSCC is made up of citizens from each community and has authority to adopt its own budget and control the financial affairs of the commission. Local representatives are appointed by the governing body of each community. The fiscal agent for the commission is the Village of Whitefish Bay. Costs are shared between the three communities based on population, equalized valuation, and number of municipalities involved.

For 2021, the Village's financial responsibility towards this service was \$393,075. The Village believes that the commission will continue to provide these services in the future at similar rates. Financial information of the NSPSCC is available directly from the NSPSCC's office at 5300 N. Marlborough Drive, Whitefish Bay, WI 53217.

North Shore Fire Department

The City of Glendale and the Villages of Fox Point, Bayside, Brown Deer, River Hills, Shorewood, and Whitefish Bay jointly operate the North Shore Fire Department (NSFD) under an agreement dated December 31, 1994. The NSFD furnishes fire and emergency medical services. The North Shore Fire Department is operated by a Board of Directors consisting of seven members which includes one representative and one alternative member from each community. Only one member may vote from each municipality.

The powers of the Board of Directors include authorizing repair, maintenance and renewal of physical assets, and recommending adoption of the department's budget. The capital and operating budget of the department must receive approval of at least five of the seven participating municipalities. Also established by the agreement is a Joint Fire Commission that has the powers related to appointments, promotions, suspensions, removals, dismissals, reemployment, compensation, rest days, etc.

For 2021, the Village's financial responsibility towards this service was \$2,353,842. The Village believes that the NSFD will continue to provide these services in the future at similar rates.

In addition, the Village is also obligated to make certain debt service payments related to the NSFD's acquisition of facilities and equipment from the member municipalities dating back to 2002. For 2021, the Village's financial responsibility towards these payments was \$92,221 and will continue at similar rates through 2022, at which time those obligations will be satisfied.

Additional debt service payments related to bonding done in 2019 and 2020 for facilities improvements are expected to result in approximately \$52,000 per year of commitments beginning in 2023/2024 after the previous commitments have been satisfied.

Financial information for the NSFD can be obtained from the Department at 4401 West River Lane, Brown Deer, WI 53223.

NOTE IV - OTHER INFORMATION (continued)

C. JOINT VENTURES (continued)

North Shore Health Department

During 2011, the Village signed an agreement to join the North Shore Health Department, now comprised of the Villages of Bayside, Brown Deer, Fox Point, River Hills, Shorewood and Whitefish Bay, and the City of Glendale. The Village of Brown Deer, on behalf of the North Shore Health Department (NSHD), began providing public health services to residents of the Village on January 1, 2012. The NSHD Board of Health is comprised of one member representative from each community, as appointed by each municipality's Village President.

NSHD costs are allocated to individual communities based on a formula incorporating direct hours used and population. The Village paid \$126,730 to NSHD for 2021 services. The Village believes that the NSHD will continue to provide these services in the future at similar rates.

The agreement is for a three year term that automatically renews. The Village of Brown Deer performs substantially all of the services of the NSHD. Financial information for the NSHD can be obtained from the Village of Brown Deer at 4800 West Green Brook Drive, Brown Deer, WI 53223.

D. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

E. COMMITMENTS AND CONTINGENCIES

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

From time to time, the Village may receive federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

REQUIRED
SUPPLEMENTARY
INFORMATION

VILLAGE OF SHOREWOOD

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

For the Year Ended December 31, 2021

(continued)

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes	\$ 8,650,005	\$ 8,650,005	\$ -
Intergovernmental	1,408,470	1,441,254	32,784
Licenses and permits	459,200	437,121	(22,079)
Fines	557,000	537,850	(19,150)
Charges for services	438,880	609,830	170,950
Investment income	239,045	91,657	(147,388)
Other revenues	112,870	165,780	52,910
TOTAL REVENUES	<u>11,865,470</u>	<u>11,933,497</u>	<u>68,027</u>
EXPENDITURES			
General Government			
Board	50,835	69,105	(18,270)
Court	62,715	72,792	(10,077)
Manager	390,825	390,916	(91)
Clerk	355,135	299,103	56,032
Finance	230,045	218,206	11,839
Other general administration	387,120	371,404	15,716
Total General Government	<u>1,476,675</u>	<u>1,421,526</u>	<u>55,149</u>
Public Safety			
Police department	3,973,235	3,771,701	201,534
Planning and building inspection	364,385	365,528	(1,143)
Fire and other public safety	3,316,495	3,267,336	49,159
Total Public Safety	<u>7,654,115</u>	<u>7,404,565</u>	<u>249,550</u>
Public Works			
Public Works			
Public works administration	416,280	409,516	6,764
Building maintenance	224,610	237,192	(12,582)
Municipal garage	346,565	376,130	(29,565)
Street and alley	201,325	151,945	49,380
Street lighting	198,610	248,760	(50,150)
Winter maintenance	147,185	150,960	(3,775)
Refuse disposal	663,570	708,824	(45,254)
Yard waste/leaf collection	167,050	170,789	(3,739)
Total Public Works	<u>2,365,195</u>	<u>2,454,116</u>	<u>(88,921)</u>

(This schedule is continued on the following page.)

VILLAGE OF SHOREWOOD

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

For the Year Ended December 31, 2021

(concluded)

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES (continued)			
Health Department	\$ 126,730	\$ 126,730	\$ -
Culture and Recreation			
Parks and beautification	<u>205,480</u>	<u>209,005</u>	<u>(3,525)</u>
Total Culture and Recreation	<u>205,480</u>	<u>209,005</u>	<u>(3,525)</u>
Conservation and Development			
Forestry	<u>262,275</u>	<u>295,481</u>	<u>(33,206)</u>
Total Conservation and Development	<u>262,275</u>	<u>295,481</u>	<u>(33,206)</u>
TOTAL EXPENDITURES	<u>12,090,470</u>	<u>11,911,423</u>	<u>179,047</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(225,000)</u>	<u>22,074</u>	<u>247,074</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	225,000	250,689	25,689
Transfers out	<u>-</u>	<u>(423,913)</u>	<u>(423,913)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>225,000</u>	<u>(173,224)</u>	<u>(398,224)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ (151,150)</u>	<u>\$ (151,150)</u>
FUND BALANCES - BEGINNING OF YEAR		<u>6,376,038</u>	
FUND BALANCES - END OF YEAR		<u>\$ 6,224,888</u>	

(See independent auditor's report.)

VILLAGE OF SHOREWOOD

**REQUIRED SUPPLEMENTARY INFORMATION
WISCONSIN RETIREMENT SYSTEM**

PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021
Village of Shorewood's proportion of the net pension liability (asset)	0.04098%	0.04051%	0.03967%	0.03936%	0.03938%	0.03924%	0.03988%
Village of Shorewood's proportionate share of the net pension liability (asset)	(\$1,006,498)	\$658,229	\$326,948	(\$1,168,755)	\$1,400,916	(\$1,265,235)	(\$2,489,785)
Village of Shorewood's covered payroll	\$4,792,475	\$4,848,954	\$4,763,410	\$4,732,568	\$4,885,910	\$4,897,479	\$5,284,718
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.74%	98.20%	99.12%	102.93%	96.45%	102.96%	105.26%

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

**The amounts presented are intended to show information for 10 years, additional years of information will be displayed as it becomes available.

SCHEDULE OF VILLAGE OF SHOREWOOD CONTRIBUTIONS

Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021
Contractually required contributions	\$397,114	\$384,052	\$369,128	\$400,172	\$409,635	\$402,102	\$466,728
Contributions in relation to the contractually required contributions	(\$397,114)	(\$384,052)	(\$369,128)	(\$400,172)	(\$409,635)	(\$402,102)	(\$466,728)
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Village of Shorewood's covered payroll	\$4,792,475	\$4,848,954	\$4,763,410	\$4,732,568	\$4,885,910	\$4,897,479	\$5,284,718
Contributions as a percentage of covered payroll	8.29%	7.92%	7.75%	8.46%	8.38%	8.21%	8.83%

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

**The amounts presented are intended to show information for 10 years, additional years of information will be displayed as it becomes available.

(See independent auditor's report.)

VILLAGE OF SHOREWOOD

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS

OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2017	2018	2019	2020	2021
TOTAL OPEB LIABILITY					
Service Cost	\$ 114,721	\$ 114,721	\$ 104,635	\$ 154,154	\$ 168,289
Interest	116,504	115,739	125,384	89,419	76,284
Differences Expected to Actual Experience	-	-	(253,497)	(246,639)	(529,015)
Changes of Benefit Terms	-	-	-	-	-
Changes of Assumptions	-	(106,826)	392,926	-	(165,790)
Benefit Payments	(232,181)	(273,839)	(307,797)	115,752	(208,552)
Net Change in Total OPEB Liability	(956)	(150,205)	61,651	112,686	(658,784)
Total OPEB Liability - Beginning	3,387,338	3,386,382	3,236,177	3,297,828	3,410,514
TOTAL OPEB LIABILITY - ENDING	\$ 3,386,382	\$ 3,236,177	\$ 3,297,828	\$ 3,410,514	\$ 2,751,730
Covered Payroll	\$ 2,982,357	\$ 2,982,357	\$ 4,746,505	\$ 4,746,505	\$ 4,714,457
Employer's Total OPEB Liability as a Percentage of Covered Payroll	113.55%	108.51%	69.48%	71.85%	58.37%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Per Actuarial valuation "Changes in assumptions in 2021 related to extending WRS retirement decrements to age 75, an updated assumed discount rate, assumed number of dependents covered under family coverage in calculating the expected per capita claims cost and claims cost development beyond age 65"

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available. 2017 was the first year of implementation under these new standards.

(See independent auditor's report.)

VILLAGE OF SHOREWOOD

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
As of and For the Year Ended December 31, 2021

A. Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

A budget has been adopted for the General Fund, Debt Service, General Capital Projects, TID No.'s 1, 3, 4, and 5, and the following Special Revenue Funds: Library, Senior Resource Center, and Shorewood Today Funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds levying a general property tax.

Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the department level of expenditure for the General Fund and the fund total for all other funds. The budgeted amounts presented include any amendments adopted during the year. No amendments were approved during the year. Transfers between departments and changes to the overall budget must be approved by a two-thirds Village Board action.

B. Excess Expenditures Over Appropriations

The excess of expenditures over appropriations were financed with current year revenue sources and available fund balances.

Fund	Department / Division	Final Budget	Expenditures	Excess
General Fund	Board	\$ 50,835	\$ 69,105	\$ 18,270
	Court	62,715	72,792	10,077
	Manager	390,825	390,916	91
	Planning	364,385	365,528	1,143
	Public works			
	Building maintenance	224,610	237,192	12,582
	Municipal garage	346,565	376,130	29,565
	Street lighting	198,610	248,760	50,150
	Winter maintenance	147,185	150,960	3,775
	Refuse disposal	663,570	708,824	45,254
	Yard waste/leaf collection	167,050	170,789	3,739
	Parks and Beautification	205,480	209,005	3,525
	Forestry	262,275	295,481	33,206
Other Funds	TID #1	\$ 4,265	\$ 1,062,096	\$ 1,057,831

VILLAGE OF SHOREWOOD

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2021

(concluded)

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Library	Senior Services	Shorewood Today	
ASSETS				
Cash and cash equivalents	\$ 484,320	\$ 69,262	\$ 12,212	\$ 565,794
Taxes receivable	558,190	66,918	-	625,108
Accounts receivable	-	30,038	-	30,038
Restricted assets - cash and cash equivalents	183,417	-	-	183,417
TOTAL ASSETS	\$ 1,225,927	\$ 166,218	\$ 12,212	\$ 1,404,357
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 25,704	\$ 3,355	\$ -	\$ 29,059
Accrued liabilities	11,814	1,300	-	13,114
Total Liabilities	37,518	4,655	-	42,173
Deferred Inflows of Resources				
Taxes levied for subsequent year's budget	944,915	113,280	-	1,058,195
Total Deferred Inflows of Resources	944,915	113,280	-	1,058,195
Fund Balances (Deficits)				
Restricted	183,417	-	-	183,417
Committed	60,077	48,283	12,212	120,572
Total Fund Balances (Deficit)	243,494	48,283	12,212	303,989
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,225,927	\$ 166,218	\$ 12,212	\$ 1,404,357

(See independent auditor's report.)

VILLAGE OF SHOREWOOD

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Library	Senior Services	Shorewood Today	
REVENUES				
Taxes	\$ 928,950	\$ 112,630	\$ -	\$ 1,041,580
Charges for services	50,484	4,944	87,966	143,394
Other revenues	242,510	47,827	-	290,337
Total Revenues	1,221,944	165,401	87,966	1,475,311
EXPENDITURES				
Current				
General government	-	-	91,192	91,192
Health and social services	-	161,312	-	161,312
Culture and recreation	1,062,361	-	-	1,062,361
Total Expenditures	1,062,361	161,312	91,192	1,314,865
Excess (Deficiency) of Revenues Over (Under) Expenditures	159,583	4,089	(3,226)	160,446
OTHER FINANCING SOURCES (USES)				
Transfers out	(60,499)	-	-	(60,499)
Total Other Financing Sources (Uses)	(60,499)	-	-	(60,499)
Net Change in Fund Balance	99,084	4,089	(3,226)	99,947
FUND BALANCES (DEFICIT) - Beginning of Year	144,410	44,194	15,438	204,042
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 243,494	\$ 48,283	\$ 12,212	\$ 303,989

(See independent auditor's report.)

VILLAGE OF SHOREWOOD
SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended December 31, 2021

(continued)

	Library			Senior Services		
	Original and Final Budget	Actual	Variance with Final Budget	Original and Final Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ 928,950	\$ 928,950	\$ -	\$ 112,630	\$ 112,630	\$ -
Charges for services	59,000	50,484	(8,516)	7,500	4,944	(2,556)
Other revenues	<u>236,624</u>	<u>242,510</u>	<u>5,886</u>	<u>61,890</u>	<u>47,827</u>	<u>(14,063)</u>
Total Revenues	<u>1,224,574</u>	<u>1,221,944</u>	<u>(2,630)</u>	<u>182,020</u>	<u>165,401</u>	<u>(16,619)</u>
EXPENDITURES						
Current						
Health and social services	-	-	-	182,020	161,312	20,708
Culture and recreation	<u>1,224,574</u>	<u>1,062,361</u>	<u>162,213</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,224,574</u>	<u>1,062,361</u>	<u>162,213</u>	<u>182,020</u>	<u>161,312</u>	<u>20,708</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>159,583</u>	<u>159,583</u>	<u>-</u>	<u>4,089</u>	<u>4,089</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	<u>-</u>	<u>(60,499)</u>	<u>(60,499)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(60,499)</u>	<u>(60,499)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>99,084</u>	<u>\$ 99,084</u>	<u>\$ -</u>	<u>4,089</u>	<u>\$ 4,089</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR		<u>144,410</u>			<u>44,194</u>	
FUND BALANCES (DEFICIT) - END OF YEAR		<u>\$ 243,494</u>			<u>\$ 48,283</u>	

(This schedule is continued on the following page.)

VILLAGE OF SHOREWOOD

SPECIAL REVENUE FUNDS
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	Shorewood Today		
	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Charges for services	92,500	87,966	(4,534)
Total Revenues	92,500	87,966	(4,534)
EXPENDITURES			
Current			
General government	96,500	91,192	5,308
Total Expenditures	96,500	91,192	5,308
Net Change in Fund Balance	\$ (4,000)	(3,226)	\$ 774
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR		15,438	
FUND BALANCES (DEFICIT) - END OF YEAR		\$ 12,212	

(See independent auditor's report.)

VILLAGE OF SHOREWOOD

DEBT SERVICE FUND
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES			
Taxes	\$ 1,924,735	\$ 1,924,735	\$ -
Total Revenues	<u>1,924,735</u>	<u>1,924,735</u>	<u>-</u>
EXPENDITURES			
Debt Service			
Principal retirement	3,675,204	3,674,995	209
Interest and fiscal charges	<u>1,098,519</u>	<u>1,097,194</u>	<u>1,325</u>
Total Expenditures	<u>4,773,723</u>	<u>4,772,189</u>	<u>1,534</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,848,988)</u>	<u>(2,847,454)</u>	<u>1,534</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>2,848,988</u>	<u>3,860,048</u>	<u>1,011,060</u>
Total Other Financing Sources (Uses)	<u>2,848,988</u>	<u>3,860,048</u>	<u>1,011,060</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>1,012,594</u>	<u>\$ 1,012,594</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR		<u>97,522</u>	
FUND BALANCE - END OF YEAR		<u>\$ 1,110,116</u>	

(See independent auditor's report.)

VILLAGE OF SHOREWOOD

CAPITAL PROJECTS FUNDS
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the Year Ended December 31, 2021

(continued)

	General Capital Projects		
	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes	\$ 146,000	\$ 146,000	\$ -
Intergovernmental	405,000	355,099	(49,901)
Charges for services	150,000	94,250	(55,750)
Other Income	120,000	129,000	9,000
Total Revenues	821,000	724,349	(96,651)
EXPENDITURES			
Current			
Capital Outlay	4,200,750	2,409,295	1,791,455
Total Expenditures	4,200,750	2,409,295	1,791,455
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,379,750)	(1,684,946)	1,694,804
OTHER FINANCING SOURCES (USES)			
Proceeds from the sale of capital assets	20,000	32,750	12,750
Transfers in	3,259,750	593,094	(2,666,656)
Total Other Financing Sources (Uses)	3,279,750	625,844	(2,653,906)
Net Change in Fund Balance	\$ (100,000)	(1,059,102)	\$ (959,102)
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR		3,635,815	
FUND BALANCES (DEFICIT) - END OF YEAR		\$ 2,576,713	

(This schedule is continued on the following pages.)

VILLAGE OF SHOREWOOD
CAPITAL PROJECTS FUNDS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended December 31, 2021

(continued)

	TID No. 1			TID No. 3		
	Original and Final Budget	Actual	Variance with Final Budget	Original and Final Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ 2,500,000	\$ 2,666,607	\$ 166,607	\$ 1,150,000	\$ 1,199,829	\$ 49,829
Intergovernmental	40,000	62,988	22,988	3,000	4,567	1,567
Investment income	15,000	3,171	(11,829)	10,000	1,948	(8,052)
Other revenues	-	46,431	46,431	20,400	20,000	(400)
Total Revenues	<u>2,555,000</u>	<u>2,779,197</u>	<u>177,766</u>	<u>1,183,400</u>	<u>1,226,344</u>	<u>42,944</u>
EXPENDITURES						
Current						
Conservation and development	4,265	1,062,096	(1,057,831)	553,730	521,826	31,904
Total Expenditures	<u>4,265</u>	<u>1,062,096</u>	<u>(1,057,831)</u>	<u>553,730</u>	<u>521,826</u>	<u>31,904</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,550,735</u>	<u>1,717,101</u>	<u>(880,065)</u>	<u>629,670</u>	<u>704,518</u>	<u>74,848</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	(1,235,080)	(2,694,238)	(1,459,158)	(384,400)	(384,400)	-
Total Other Financing Sources (Uses)	<u>(1,235,080)</u>	<u>(2,694,238)</u>	<u>(1,459,158)</u>	<u>(384,400)</u>	<u>(384,400)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 1,315,655</u>	<u>(977,137)</u>	<u>\$(2,339,223)</u>	<u>\$ 245,270</u>	<u>320,118</u>	<u>\$ 74,848</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR		<u>977,137</u>			<u>451,452</u>	
FUND BALANCES (DEFICIT) - END OF YEAR		<u>\$ -</u>			<u>\$ 771,570</u>	

(This schedule is continued on the following page.)

VILLAGE OF SHOREWOOD
CAPITAL PROJECTS FUNDS
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Year Ended December 31, 2021

(concluded)

	TID No. 4			TID No. 5		
	Original and Final Budget	Actual	Variance with Final Budget	Original and Final Budget	Actual	Variance with Final Budget
REVENUES						
Taxes	\$ 470,000	\$ 488,968	\$ 18,968	\$ 1,650,000	\$ 1,732,324	\$ 82,324
Intergovernmental	250	141	(109)	1,900	1,327	(573)
Investment income	110,662	93,316	(17,346)	40,000	7,957	(32,043)
Total Revenues	<u>580,912</u>	<u>582,425</u>	<u>1,513</u>	<u>1,691,900</u>	<u>1,741,608</u>	<u>49,708</u>
EXPENDITURES						
Current						
Conservation and development	<u>23,265</u>	<u>2,113</u>	<u>21,152</u>	<u>173,265</u>	<u>85,573</u>	<u>87,692</u>
Total Expenditures	<u>23,265</u>	<u>2,113</u>	<u>21,152</u>	<u>173,265</u>	<u>85,573</u>	<u>87,692</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>557,647</u>	<u>580,312</u>	<u>22,665</u>	<u>1,518,635</u>	<u>1,656,035</u>	<u>137,400</u>
OTHER FINANCING SOURCES (USES)						
Transfers out	<u>(514,695)</u>	<u>(514,694)</u>	<u>1</u>	<u>(435,900)</u>	<u>(435,897)</u>	<u>3</u>
Total Other Financing Sources (Uses)	<u>(514,695)</u>	<u>(514,694)</u>	<u>1</u>	<u>(435,900)</u>	<u>(435,897)</u>	<u>3</u>
Net Change in Fund Balance	<u>\$ 42,952</u>	<u>65,618</u>	<u>\$ 22,666</u>	<u>\$ 1,082,735</u>	<u>1,220,138</u>	<u>\$ 137,403</u>
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR		<u>4,033,230</u>			<u>3,051,886</u>	
FUND BALANCES (DEFICIT) - END OF YEAR		<u>\$ 4,098,848</u>			<u>\$ 4,272,024</u>	

(See independent auditor's report.)

STATISTICAL
SECTION

VILLAGE OF SHOREWOOD

STATISTICAL SECTION

This part of the Village of Shorewood's annual comprehensive financial report presents detailed information as a framework for understanding what the information in the financial statements note disclosures, and required supplementary information says about the overall financial well-being of the Village.

Contents	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	96-103
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	105-109
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue new debt in the future.	110-111
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	112-114
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	115-117

Sources: Unless otherwise noted, the information in these schedules is obtained from the annual comprehensive financial reports for the given year.

VILLAGE OF SHOREWOOD

NET POSITION BY COMPONENT
Last Ten Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net investment in										
capital assets	\$13,704,213	\$ 9,865,669	\$10,437,085	\$ 12,984,428	\$ 12,756,515	\$ 13,391,262	\$ 12,448,913	\$ 12,333,819	\$ 10,529,643	\$ 10,535,756
Restricted	74,174	3,739,908	74,263	1,898,339	6,468,419	4,646,643	6,733,914	7,129,163	11,946,999	11,947,302
Unrestricted	<u>(7,115,016)</u>	<u>(8,209,666)</u>	<u>(10,297,407)</u>	<u>(17,859,982)</u>	<u>(23,448,513)</u>	<u>(23,682,357)</u>	<u>(21,079,052)</u>	<u>(17,933,286)</u>	<u>(19,094,360)</u>	<u>(14,097,737)</u>
Total	<u>6,663,371</u>	<u>5,395,911</u>	<u>213,941</u>	<u>(2,977,215)</u>	<u>(4,223,579)</u>	<u>(5,644,452)</u>	<u>(1,896,225)</u>	<u>1,529,696</u>	<u>3,382,282</u>	<u>8,385,321</u>
Business-Type Activities										
Net investment in										
capital assets	8,271,762	8,661,975	10,832,813	11,343,978	11,473,611	12,400,425	12,615,165	12,990,982	13,995,403	14,026,943
Restricted	-	-	-	155,945	105,800	-	89,244	-	-	-
Unrestricted	<u>(951,552)</u>	<u>(877,131)</u>	<u>(927,021)</u>	<u>(291,278)</u>	<u>334,335</u>	<u>8,971</u>	<u>628,449</u>	<u>590,060</u>	<u>254,886</u>	<u>912,282</u>
Total	<u>7,320,210</u>	<u>7,784,844</u>	<u>9,905,792</u>	<u>11,208,645</u>	<u>11,913,746</u>	<u>12,409,396</u>	<u>13,332,858</u>	<u>13,581,042</u>	<u>14,250,289</u>	<u>14,939,225</u>
Primary Government										
Net investment in										
capital assets	20,207,996	16,859,756	17,989,483	21,162,204	21,295,293	25,791,687	22,511,854	22,983,830	22,198,231	22,477,315
Restricted	74,174	3,739,908	74,263	2,054,284	6,574,219	4,646,643	7,400,925	7,129,163	11,946,999	11,947,302
Unrestricted	<u>(6,298,589)</u>	<u>(7,418,909)</u>	<u>(7,944,013)</u>	<u>(14,985,058)</u>	<u>(20,179,345)</u>	<u>(23,673,386)</u>	<u>(19,086,263)</u>	<u>(15,002,255)</u>	<u>(16,512,659)</u>	<u>(11,099,801)</u>
Total	<u>\$13,983,581</u>	<u>\$13,180,755</u>	<u>\$10,119,733</u>	<u>\$ 8,231,430</u>	<u>\$ 7,690,167</u>	<u>\$ 6,764,944</u>	<u>\$ 10,826,516</u>	<u>\$ 15,110,738</u>	<u>\$ 17,632,571</u>	<u>\$ 23,324,816</u>

A portion of governmental activities borrowings are considered to be noncapital for the governmental activities net investment in capital assets, but are considered to be capital related for the primary government as a whole. This adjustment for 2021 is \$2,085,384, 2020 was \$2,326,815, 2019 was \$2,340,971, 2018 was \$2,552,224, 2017 was \$2,745,656, 2016 was \$2,934,883, 2015 was \$3,166,202, 2014 was \$3,280,415, 2013 was \$1,667,888, and 2012 was \$1,767,979 which represents the remaining principal balances on these borrowings.

VILLAGE OF SHOREWOOD

CHANGES IN NET POSITION
Last Ten Years

(continued)

	Fiscal Year				
	2012	2013	2014	2015	2016
Expenses					
Governmental Activities:					
General government	\$ 1,305,008	\$ 1,210,825	\$ 1,540,429	\$ 1,399,764	\$ 1,611,764
Public safety	6,988,644	7,039,505	7,032,842	7,301,364	7,667,815
Public works	3,422,047	4,134,351	4,122,520	4,371,002	4,183,787
Health and social services	299,287	300,698	303,352	308,447	312,138
Culture and recreation	1,283,662	1,345,701	1,486,916	1,612,283	1,578,342
Conservation and development	1,110,846	2,250,391	3,157,765	6,125,523	3,237,457
Interest and fiscal charges	1,367,838	1,078,014	1,037,714	1,225,924	1,311,193
Total Government Activities Expenses	<u>15,777,332</u>	<u>17,359,485</u>	<u>18,681,538</u>	<u>22,344,307</u>	<u>19,902,496</u>
Business-Type Activities:					
Parking	184,432	174,076	164,586	199,908	218,774
Water Utility	1,390,015	1,330,211	1,599,591	1,603,882	1,524,528
Sewer Utility	1,624,196	1,547,718	1,569,920	1,589,821	1,725,130
Total Business-Type Activities Expenses	<u>3,198,643</u>	<u>3,052,005</u>	<u>3,334,097</u>	<u>3,393,611</u>	<u>3,468,432</u>
Total Primary Government Expenses	<u>18,975,975</u>	<u>20,411,490</u>	<u>22,015,635</u>	<u>25,737,918</u>	<u>23,370,928</u>
Program Revenues					
Governmental Activities:					
Charges for services	1,319,962	1,459,202	1,549,691	1,465,825	1,553,588
Operating grants and contributions	1,025,336	1,030,409	1,122,171	1,151,164	1,093,729
Capital grants and contributions	200,913	484,729	506,550	471,375	610,015
Total Governmental Activities Program Revenues	<u>2,546,211</u>	<u>2,974,340</u>	<u>3,178,412</u>	<u>3,088,364</u>	<u>3,257,332</u>
Business-Type Activities:					
Charges for services	3,286,396	3,627,146	3,708,421	4,200,498	4,287,202
Capital grants and contributions	275,000	-	-	-	-
Total Business-Type Activities Program Revenues	<u>3,561,396</u>	<u>3,627,146</u>	<u>3,708,421</u>	<u>4,200,498</u>	<u>4,287,202</u>
Total Primary Government Program Revenues	<u>6,107,607</u>	<u>6,601,486</u>	<u>6,886,833</u>	<u>7,288,862</u>	<u>7,544,534</u>

VILLAGE OF SHOREWOOD

CHANGES IN NET POSITION
Last Ten Years

(continued)

	Fiscal Year				
	2012	2013	2014	2015	2016
Net (Expense)/Revenue					
Governmental Activities	\$ (14,385,145)	\$ (14,385,145)	\$ (19,255,943)	\$ (16,645,164)	\$ (14,958,147)
Business-Type Activities	575,141	575,141	806,887	818,770	967,751
Total Primary Government Net Expenses	<u>(13,810,004)</u>	<u>(13,810,004)</u>	<u>(18,449,056)</u>	<u>(15,826,394)</u>	<u>(13,990,396)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property taxes	12,122,900	12,061,130	10,956,764	12,708,645	13,413,950
Intergovernmental revenues not restricted to specific programs	590,495	495,365	700,965	573,762	569,611
Investment income	246,596	225,305	212,176	297,035	275,045
Miscellaneous	173,987	189,940	182,287	176,983	307,437
Transfers	159,760	145,945	(1,731,036)	168,345	175,091
Total Governmental Activities	<u>13,293,738</u>	<u>13,117,685</u>	<u>10,321,156</u>	<u>13,924,770</u>	<u>14,741,134</u>
Business-Type Activities:					
Intergovernmental revenues not restricted to specific programs	53,994	30,225	-	-	-
Investment income	12,227	5,213	15,588	21,936	24,478
Special item	(300,000)	-	-	-	-
Transfers	(159,760)	(145,945)	1,731,036	(168,345)	(175,091)
Total Business-Type Activities	<u>(393,539)</u>	<u>(110,507)</u>	<u>1,746,624</u>	<u>(146,409)</u>	<u>(150,613)</u>
Total Primary Government	<u>12,900,199</u>	<u>13,007,178</u>	<u>12,067,780</u>	<u>13,778,361</u>	<u>14,590,521</u>
Change in Net Position					
Governmental Activities	(1,091,407)	(1,267,460)	(8,934,787)	(2,720,394)	(217,013)
Business-Type Activities	181,602	464,634	2,553,511	672,361	817,138
Total Primary Government	<u>\$ (909,805)</u>	<u>\$ (802,826)</u>	<u>\$ (6,381,276)</u>	<u>\$ (2,048,033)</u>	<u>\$ 600,125</u>

(1) Past year's revenues and expenses have not been adjusted for restatements or reclassifications made in future years.

Total property taxes decreased in 2014 due to the suppression of TID No. 1 equalized value as part of the State of Wisconsin's ongoing correction process relating to the 2011 assessment reporting error of the TID No. 1 assessed values. In 2012 and 2013 the Village took special mitigating action to offset the impact of these adjustments, but these measures were not available in 2014.

VILLAGE OF SHOREWOOD

CHANGES IN NET POSITION
Last Ten Years

(continued)

	Fiscal Year				
	2017	2018	2019	2020	2021
Expenses					
Governmental Activities:					
General government	\$ 1,585,415	\$ 1,445,646	\$ 1,593,432	\$ 1,666,588	\$ 1,521,239
Public safety	8,199,914	7,185,719	7,984,911	8,337,331	7,376,451
Public works	4,374,017	4,453,920	4,560,933	3,815,540	4,214,545
Health and social services	344,223	306,536	319,740	290,347	280,609
Culture and recreation	1,721,925	1,334,591	1,548,357	1,522,113	1,392,401
Conservation and development	812,343	608,272	381,562	461,089	1,946,621
Interest and fiscal charges	1,229,811	1,276,625	1,166,509	1,142,573	1,001,992
Total Government Activities Expenses	<u>18,267,648</u>	<u>16,611,308</u>	<u>17,555,444</u>	<u>17,235,581</u>	<u>17,733,858</u>
Business-Type Activities:					
Parking	219,571	189,629	150,287	136,731	95,348
Water Utility	1,565,458	1,572,118	1,579,499	1,577,876	1,756,669
Sewer Utility	1,764,716	1,876,380	2,130,322	2,140,712	2,079,945
Total Business-Type Activities Expenses	<u>3,549,745</u>	<u>3,638,127</u>	<u>3,860,108</u>	<u>3,855,319</u>	<u>3,931,962</u>
Total Primary Government Expenses	<u>21,817,393</u>	<u>20,249,435</u>	<u>21,415,552</u>	<u>21,090,900</u>	<u>21,665,820</u>
Program Revenues					
Governmental Activities:					
Charges for services	1,644,030	1,437,388	1,816,934	1,638,163	1,835,861
Operating grants and contributions	1,002,938	1,057,494	1,007,746	1,227,958	1,277,098
Capital grants and contributions	662,533	140,564	418,196	10,988	372,152
Total Governmental Activities Program Revenues	<u>3,309,501</u>	<u>2,635,446</u>	<u>3,242,876</u>	<u>2,877,109</u>	<u>3,485,111</u>
Business-Type Activities:					
Charges for services	4,517,496	4,607,838	4,269,757	4,640,106	4,803,007
Capital grants and contributions	-	-	-	-	-
Total Business-Type Activities Program Revenues	<u>4,517,496</u>	<u>4,607,838</u>	<u>4,269,757</u>	<u>4,640,106</u>	<u>4,803,007</u>
Total Primary Government Program Revenues	<u>7,826,997</u>	<u>7,243,284</u>	<u>7,512,633</u>	<u>7,517,215</u>	<u>8,288,118</u>

VILLAGE OF SHOREWOOD

CHANGES IN NET POSITION
Last Ten Years

(concluded)

	Fiscal Year				
	2017	2018	2019	2020	2021
Net (Expense)/Revenue					
Governmental Activities	\$ (14,958,147)	\$ (13,975,862)	\$ (14,312,568)	\$ (14,358,472)	\$ (14,248,747)
Business-Type Activities	967,751	969,711	409,649	784,787	871,045
Total Primary Government Net Expenses	<u>(13,990,396)</u>	<u>(13,006,151)</u>	<u>(13,902,919)</u>	<u>(13,573,685)</u>	<u>(13,377,702)</u>
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Property taxes	14,876,565	15,501,813	16,014,057	16,332,509	17,850,048
Intergovernmental revenues not restricted to specific programs	570,246	766,460	570,603	593,029	620,582
Investment income	230,548	378,951	663,244	432,731	210,069
Miscellaneous	291,538	290,671	283,061	376,485	380,899
Transfers	191,920	199,635	207,524	138,436	190,190
Total Governmental Activities	<u>16,160,817</u>	<u>17,137,530</u>	<u>17,738,489</u>	<u>17,873,190</u>	<u>19,251,788</u>
Business-Type Activities:					
Intergovernmental revenues not restricted to specific programs	-	-	-	-	-
Investment income	26,852	31,630	46,059	22,896	8,351
Special item	-	-	-	-	-
Transfers	(191,920)	(199,635)	(207,524)	(138,436)	(190,190)
Total Business-Type Activities	<u>(165,068)</u>	<u>(168,005)</u>	<u>(161,465)</u>	<u>(115,540)</u>	<u>(181,839)</u>
Total Primary Government	<u>15,995,749</u>	<u>16,969,525</u>	<u>17,577,024</u>	<u>17,757,650</u>	<u>19,069,949</u>
Change in Net Position					
Governmental Activities	1,202,670	3,161,668	3,425,921	3,514,718	5,003,041
Business-Type Activities	802,683	801,706	248,184	669,247	689,206
Total Primary Government	<u>\$ 2,005,353</u>	<u>\$ 3,963,374</u>	<u>\$ 3,674,105</u>	<u>\$ 4,183,965</u>	<u>\$ 5,692,247</u>

(1) Past year's revenues and expenses have not been adjusted for restatements or reclassifications made in future years.

VILLAGE OF SHOREWOOD

FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 889,565	\$ 1,650,448	\$ 1,802,801	\$ 1,570,536	\$ 1,473,157	\$ 1,110,023	\$ 955,335	\$ 865,417	\$ 608,853	\$ 406,005
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	118,264	115,768	10,846	-	-	-	-	-	-	-
Assigned	444,898	372,554	199,907	399,282	418,826	573,544	536,975	576,226	813,266	1,028,007
Unassigned	3,002,031	3,967,631	4,267,073	4,310,950	4,527,892	4,626,132	4,525,892	4,905,219	4,953,919	4,790,876
Total General Fund	<u>4,454,758</u>	<u>6,106,401</u>	<u>6,280,627</u>	<u>6,280,768</u>	<u>6,419,875</u>	<u>6,309,699</u>	<u>6,018,202</u>	<u>6,346,862</u>	<u>6,376,038</u>	<u>6,224,888</u>
All Other Governmental Funds										
Non-spendable	1,660	3,896,674	29,657	33,000	9,434	-	-	-	-	39,418
Restricted	13,477,045	8,610,058	5,473,327	6,564,952	5,442,228	4,908,456	7,026,914	6,615,510	11,543,343	10,904,416
Committed	12,551	30,527	117,643	117,053	392,723	234,560	172,675	126,702	205,750	1,230,688
Assigned	417,810	692,566	654,489	437,028	699,265	119,431	429,413	121,951	701,991	958,738
Unassigned (deficit)	(163,238)	(232,831)	(700,565)	-	(115,486)	(314,724)	(128,451)	-	-	-
Total	<u>13,745,828</u>	<u>12,996,994</u>	<u>5,574,551</u>	<u>7,152,033</u>	<u>6,428,164</u>	<u>4,947,723</u>	<u>7,500,551</u>	<u>6,864,163</u>	<u>12,451,084</u>	<u>13,133,260</u>
Total Fund Balances	<u>\$18,200,586</u>	<u>\$19,103,395</u>	<u>\$11,855,178</u>	<u>\$13,432,801</u>	<u>\$12,848,039</u>	<u>\$11,257,422</u>	<u>\$13,518,753</u>	<u>\$13,211,025</u>	<u>\$18,827,122</u>	<u>\$19,358,148</u>

VILLAGE OF SHOREWOOD

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Years

(continued)

	Fiscal Year				
	2012	2013	2014	2015	2016
Revenues					
Taxes	\$ 12,122,900	\$ 12,061,129	\$ 10,956,762	\$ 12,708,644	\$ 13,413,950
Intergovernmental revenue	1,738,798	1,459,011	2,142,252	1,843,614	1,853,652
Regulation and compliance	575,283	512,054	550,610	579,720	517,085
Fines	518,088	481,800	459,720	448,231	478,605
Charges for services	455,532	710,439	717,431	722,921	446,312
Investment income	258,836	225,409	209,163	284,905	282,564
Other revenues	289,235	261,956	335,638	317,792	812,062
Total Revenues	<u>15,958,672</u>	<u>15,711,798</u>	<u>15,371,576</u>	<u>16,905,827</u>	<u>17,804,230</u>
Expenditures					
Current					
General government	1,187,425	1,098,506	1,395,216	1,216,710	1,343,321
Public safety	6,659,581	6,696,353	6,697,663	6,842,776	6,867,306
Public works	1,872,165	2,012,248	2,105,901	2,196,481	2,156,768
Health and social services	322,481	305,189	309,231	307,053	313,375
Culture and recreation	1,078,581	1,155,021	1,259,898	1,395,324	1,343,612
Conservation and development	1,107,020	2,246,565	3,153,342	6,108,624	3,209,468
Capital Outlay	3,782,267	2,045,445	3,449,689	1,693,001	6,274,662
Debt Service					
Principal	1,620,382	1,951,186	5,659,845	2,595,165	4,910,250
Interest and fiscal charges	1,254,978	1,148,822	1,002,471	1,225,769	1,308,986
Total Expenditures	<u>18,884,880</u>	<u>18,659,335</u>	<u>25,033,256</u>	<u>23,580,903</u>	<u>27,727,748</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(2,926,208)	(2,947,537)	(9,661,680)	(6,675,076)	(9,923,518)
Other Financing Sources (Uses)					
Transfers in	1,548,631	7,691,962	1,774,524	2,357,288	4,898,289
Transfers out	(1,414,800)	(7,546,017)	(3,505,560)	(2,188,943)	(4,723,199)
General obligation debt issued	12,220,000	5,290,000	4,070,000	8,050,000	8,640,000
Premium on bonds issued	120,998	197,040	69,064	-	501,351
Insurance recoveries	-	-	-	-	-
Payment on current refunding	-	-	-	-	-
Payment on advanced refunding	-	(1,800,947)	-	-	-
Payment of unfunded pension liability	-	-	-	-	-
Sale of property	41,889	18,309	5,375	34,354	22,315
Total Other Financing Sources (Uses)	<u>12,516,718</u>	<u>3,850,347</u>	<u>2,413,403</u>	<u>8,252,699</u>	<u>9,338,756</u>
Net Change in Fund Balances	<u>\$ 9,590,510</u>	<u>\$ 902,810</u>	<u>\$ (7,248,277)</u>	<u>\$ 1,577,623</u>	<u>\$ (584,762)</u>
Debt Service as a percentage of noncapital expenditures	17.46%	17.33%	29.49%	16.48%	27.73%

Past year's revenues and expenditures have not been adjusted for restatements made in future years.

VILLAGE OF SHOREWOOD

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Years

(concluded)

	Fiscal Year				
	2017	2018	2019	2020	2021
Revenues					
Taxes	\$ 14,876,565	\$ 15,501,813	\$16,014,054	\$16,332,509	\$17,850,048
Intergovernmental revenue	1,997,303	1,952,309	1,793,333	1,622,511	1,865,376
Regulation and compliance	515,585	467,034	490,860	573,114	437,121
Fines	595,696	510,570	592,697	475,095	537,850
Charges for services	593,025	406,012	801,628	683,111	847,474
Investment income	229,379	376,729	649,864	432,731	198,049
Other revenues	465,492	386,006	331,714	496,193	651,548
Total Revenues	<u>19,273,045</u>	<u>19,600,473</u>	<u>20,674,150</u>	<u>20,615,264</u>	<u>22,387,466</u>
Expenditures					
Current					
General government	1,364,520	1,392,937	1,350,769	1,473,802	1,512,718
Public safety	7,153,461	7,257,277	7,246,308	7,984,339	7,404,565
Public works	2,151,909	2,298,665	2,383,712	2,271,704	2,454,116
Health and social services	342,829	305,598	310,319	289,952	288,042
Culture and recreation	1,359,761	1,204,130	1,255,664	1,303,948	1,271,366
Conservation and development	764,274	631,891	362,982	460,142	1,967,089
Capital Outlay	4,479,858	4,796,295	2,079,224	3,793,178	2,409,295
Debt Service					
Principal	3,182,474	3,717,560	4,973,137	6,491,541	3,674,995
Interest and fiscal charges	1,281,606	1,307,978	1,251,345	1,285,026	1,097,194
Total Expenditures	<u>22,080,692</u>	<u>22,912,331</u>	<u>21,213,460</u>	<u>25,353,632</u>	<u>22,079,380</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(2,807,647)	(3,311,858)	(539,310)	(4,738,368)	308,086
Other Financing Sources (Uses)					
Transfers in	2,958,647	3,364,751	4,557,543	3,064,525	4,703,831
Transfers out	(2,766,728)	(3,165,117)	(4,350,019)	(2,926,089)	(4,513,641)
General obligation debt issued	985,000	5,275,000	-	9,447,686	-
Premium on bonds issued	-	71,928	-	242,698	-
Insurance recoveries	-	-	-	-	-
Payment on current refunding	-	-	-	-	-
Payment on advanced refunding	-	-	-	-	-
Payment of unfunded pension liability	-	-	-	-	-
Sale of property	40,111	26,627	24,058	525,645	32,750
Total Other Financing Sources (Uses)	<u>1,217,030</u>	<u>5,573,189</u>	<u>231,582</u>	<u>10,354,465</u>	<u>222,940</u>
Net Change in Fund Balances	<u>\$ (1,590,617)</u>	<u>\$ 2,261,331</u>	<u>\$ (307,728)</u>	<u>\$ 5,616,097</u>	<u>\$ 531,026</u>
Debt Service as a percentage of noncapital expenditures	23.93%	25.80%	31.19%	35.40%	23.57%

Past year's revenues and expenditures have not been adjusted for restatements made in future years.

VILLAGE OF SHOREWOOD

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Years

Valuation Year	Collection Year	Residential Property	Commercial Property	Industrial Property	Personal Property	Total Taxable Assessed Value	Total Taxable Equalized Value	Ratio of Assessed to Equalized Value
2012	2013	\$ 1,239,108,900	\$ 229,699,100	\$ -	\$ 10,394,300	\$ 1,479,202,300	\$ 1,300,467,300	113.74%
2013	2014	1,237,362,500	234,546,000	-	9,633,700	1,481,542,200	1,330,875,300	111.32%
2014	2015	1,240,487,400	251,441,200	-	9,698,500	1,501,627,100	1,431,921,200	104.87%
2015	2016	1,226,305,145	263,511,300	-	8,512,700	1,498,329,145	1,497,728,300	100.04%
2016	2017	1,243,069,000	291,094,900	-	9,641,200	1,543,805,100	1,567,602,300	98.48%
2017	2018	1,291,525,800	305,679,100	-	12,821,000	1,610,025,900	1,634,825,200	98.48%
2018	2019	1,294,342,900	314,288,500	-	9,604,000	1,618,235,400	1,714,159,900	94.40%
2019	2020	1,359,659,400	361,267,900	-	9,871,500	1,730,798,800	1,755,222,400	98.61%
2020	2021	1,359,204,000	373,905,600	-	9,191,000	1,742,300,600	1,789,249,400	97.38%
2021	2022	1,469,743,300	359,125,300	-	10,561,200	1,839,429,800	1,885,707,400	97.55%

Source: Wisconsin Department of Revenue

Assessed values are as of January 1 of a given year and are used for the following year's tax revenue. For example: assessed values on January 1, 2019 are used for the 2019 tax levy which is collected and shown as revenue in 2020.

Total Taxable Assessed Value does not include tax exempt properties; Tax exempt properties are not assigned values.

The Village does not have any industrial or agricultural property.

VILLAGE OF SHOREWOOD

PROPERTY TAX RATES (PER \$1,000 OF ASSESSED VALUE)
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Tax Year Collection Year	2012 2013	2013 2014	2014 2015	2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022
Direct Rates										
General Fund	\$ 6.39	\$ 5.28	\$ 5.33	\$ 5.42	\$ 5.27	\$ 5.07	\$ 5.11	\$ 4.86	\$ 4.97	\$ 5.02
Debt Service Fund	0.68	0.90	1.01	1.06	1.08	1.08	1.13	1.06	1.10	1.19
Capital Projects Fund	0.17	0.36	0.27	0.24	0.29	0.34	0.23	0.22	0.08	0.30
Library Fund	0.53	0.54	0.54	0.55	0.56	0.55	0.56	0.53	0.54	0.57
Senior Services	0.06	0.07	0.07	0.07	0.07	0.05	0.07	0.06	0.06	0.07
Total Direct Rate	<u>7.85</u>	<u>7.17</u>	<u>7.25</u>	<u>7.37</u>	<u>7.29</u>	<u>7.09</u>	<u>7.10</u>	<u>6.73</u>	<u>6.75</u>	<u>7.15</u>
Overlapping Rates										
Shorewood School District	12.19	12.44	12.67	13.13	13.02	12.93	13.39	12.94	12.79	11.78
Whitefish Bay School	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State School Levy Credit	(1.97)	(1.96)	(1.94)	(2.23)	(2.20)	(2.37)	(2.38)	(2.29)	(2.31)	(2.17)
Milwaukee Area Technical College	1.86	1.91	1.16	1.19	1.18	1.17	1.18	1.09	1.04	0.93
Milwaukee County	4.43	4.61	4.65	4.86	4.78	4.71	4.73	4.40	4.17	3.96
Milwaukee Metropolitan Sewerage District	1.43	1.53	1.57	1.65	1.64	1.61	1.63	1.52	1.44	1.38
State Of Wisconsin	0.15	0.15	0.16	0.17	0.17	-	-	-	-	-
TID's	0.05	0.03	1.22	1.57	2.28	2.47	2.75	2.70	3.49	2.65
Effective Rate	<u>\$ 25.99</u>	<u>\$ 25.88</u>	<u>\$ 26.75</u>	<u>\$ 27.72</u>	<u>\$ 28.16</u>	<u>\$ 27.61</u>	<u>\$ 28.40</u>	<u>\$ 27.09</u>	<u>\$ 27.37</u>	<u>\$ 25.68</u>

Source: Village Records

Section 66.0602 of the Wisconsin State Statutes imposes a limit on property tax levies.

Generally, the levies are limited to the prior year's tax levy plus the change in debt service, and any increase in net new construction. For some years presented the limit also included an inflationary factor or a carryforward provision. Some other specific adjustments to the limits are also allowed.

VILLAGE OF SHOREWOOD

PRINCIPAL PROPERTY TAXPAYERS
 Nine Years Ago and Current Year

2012					2021				
Taxpayer	Type of Business	Total Assessed Valuation	Rank	% of Total Assessed Valuation	Taxpayer	Type of Business	Total Assessed Valuation	Rank	% of Total Assessed Valuation
Estabrook Homes	Apartments	\$ 15,202,800	1	1.02%	MDC Coastal 7, LLC	Commercial	\$ 38,370,000	1	2.09%
Sobczak, LLC / Eastmore	Commercial	12,755,700	2	0.86%	Capital group / Eastmore	Commercial	25,353,300	2	1.38%
Katz Properties	Commercial	12,619,200	3	0.75%	General Capital LLC	Commercial	20,310,300	3	1.10%
River Park Development	Commercial	11,187,100	4	0.55%	CHP Shorewood	Commercial	19,907,400	4	1.03%
Oakland Ave Property LP	Commercial	9,648,000	5	0.40%	Eastbrook Homes	Apartments	19,037,900	5	0.75%
Fountainview	Apartments	8,253,700	6	0.65%	River Park Development	Commercial	13,779,300	6	0.73%
Exchequer LLC	Commercial/Mix	7,646,000	7	0.41%	Shorewood Senior Apts.	Apartments	13,400,000	7	0.67%
Blankstein Enterprises	Commercial	6,030,900	8	0.51%	Kenmore Place	Commercial	12,353,600	8	0.49%
Shoreline Realty	Commercial	5,961,600	9	0.85%	Exchequer LLC	Commercial/Mix	9,034,400	9	1.08%
Robinson Family	Apartments	5,001,500	10	0.34%	Fountain View	Apartments	8,808,000	10	0.48%
Total		<u>\$ 94,306,500</u>		<u>6.33%</u>	Total		<u>\$ 180,354,200</u>		<u>9.80%</u>

Based on total Assessed Value as of January 1,

2011 \$ 1,488,713,000

2021 \$ 1,839,429,800

VILLAGE OF SHOREWOOD

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Levy Year	Collection Year	Total Tax Levy	Total Uncollected	Collected within the Fiscal Year of the Levy	
				Amount	% of Levy
2012	2013	\$ 12,061,129	\$ 10,587	\$ 12,050,542	99.91%
2013	2014	10,776,128	3,830	10,772,298	99.96%
2014	2015	10,882,218	5,911	10,876,307	99.95%
2015	2016	11,046,002	9,716	11,036,286	99.91%
2016	2017	11,250,022	6,477	11,243,545	99.94%
2017	2018	11,418,306	6,675	11,411,631	99.94%
2018	2019	11,485,740	7,098	11,478,642	99.94%
2019	2020	11,648,361	2,269	11,646,092	99.98%
2020	2021	11,762,320	2,447	11,759,873	99.98%
2021	2022	11,871,354	7,012,765	4,858,589	40.93%

Tax bills are generated by December 15 of the levy year and are due January 31 of the following year, or in installments through May 31. After August 15 of the collection year Milwaukee County takes over any remaining delinquent balances, excluding delinquent personal property taxes, and pays the Village. Thus any residual uncollected balances are typically very low.

The most recent year only includes taxes collected through 12/31 of the reporting year.

VILLAGE OF SHOREWOOD

RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business Activities		Total Primary Government	AGI	% of Adjusted Gross Income	Debt Per Capita
	General Obligation Bonds/Notes	General Obligation Bonds/Notes	General Obligation Bonds/Notes	General Obligation Bonds/Notes				
2012	\$ 34,984,686	\$ 9,374,397	\$ 44,359,083	\$ 451,006,230	9.84%	\$ 3,368.19		
2013	36,623,500	8,860,374	45,483,874	466,673,290	9.75%	3,453.60		
2014	35,033,656	10,410,687	45,444,343	473,332,660	9.60%	3,449.55		
2015	40,488,491	9,698,275	50,186,766	540,231,149	9.29%	3,807.80		
2016	43,923,241	10,441,889	54,365,130	541,122,800	10.05%	4,125.45		
2017	42,020,769	9,766,117	51,786,886	546,186,776	9.48%	3,914.94		
2018	43,578,206	10,062,264	53,640,470	602,872,805	8.90%	4,055.07		
2019	38,721,709	9,272,905	47,994,614	620,101,285	7.74%	3,604.55		
2020	41,677,854	8,709,854	50,387,708	734,479,311	6.86%	3,738.24		
2021	38,706,364	11,206,115	49,912,479	725,000,000	6.88%	3,697.22		

Current year adjusted gross income (AGI) data is estimated.

VILLAGE OF SHOREWOOD

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years**

Fiscal Year	Total General Bonded Debt	Restricted Funds for Debt Service	Net General Bonded Debt	Total Taxable Equalized Value	Ratio of General Bonded Debt to Equalized Property Value	Population	General Bonded Debt Per Capita
2012	\$ 44,359,083	\$ 44,951	\$ 44,314,132	\$ 1,300,467,300	3.41%	13,170	\$ 3,368
2013	45,483,874	3,705,261	41,778,613	1,330,875,300	3.42%	13,174	3,452.55
2014	45,444,343	26,313	45,418,030	1,431,921,200	3.17%	13,180	3,447.98
2015	50,186,766	26,313	50,160,453	1,497,728,300	3.35%	13,178	3,808.38
2016	54,365,130	26,313	54,338,817	1,567,602,300	3.47%	13,134	4,139.27
2017	51,786,886	26,313	51,760,573	1,634,825,200	3.17%	13,228	3,914.94
2018	53,640,470	26,313	53,614,157	1,714,159,900	3.13%	13,315	4,028.57
2019	47,994,614	26,314	47,968,300	1,755,222,400	2.73%	13,479	3,560.70
2020	50,387,708	26,315	50,361,393	1,789,249,400	2.82%	13,472	3,740.18
2021	49,912,479	80,000	49,832,479	1,885,707,400	2.65%	13,500	3,697.22

Current year population is an estimate based on municipal expectations.

VILLAGE OF SHOREWOOD

LEGAL DEBT MARGIN INFORMATION Last Ten Fiscal Years

Year	Total Taxable Equalized Value	General Obligation Debt Limit	Debt Applicable to Limit	Legal Debt Margin	Net Debt as a % of Limit
2012	\$ 1,300,467,300	\$ 65,023,365	\$ 44,359,083	\$ 20,664,282	68.22%
2013	1,330,875,300	66,543,765	45,483,874	21,059,891	68.35%
2014	1,431,921,200	71,596,060	45,444,343	26,151,717	63.47%
2015	1,497,728,300	74,886,415	50,186,766	24,699,649	67.02%
2016	1,567,602,300	78,380,115	54,365,130	24,014,985	69.36%
2017	1,634,825,200	81,741,260	51,786,886	29,954,374	63.35%
2018	1,714,159,900	85,707,995	53,640,470	32,067,525	62.59%
2019	1,755,222,400	87,761,120	47,994,614	39,766,506	54.69%
2020	1,789,249,400	89,462,470	50,387,708	39,074,762	56.32%
2021	1,885,707,400	94,285,370	49,912,479	44,372,891	52.94%

Per Wisconsin State Statutes, municipalities are limited to 5% of the total equalized value.

VILLAGE OF SHOREWOOD

COMPUTATION OF DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of December 31, 2021

Governmental Unit	General Obligation Bonded Debt Outstanding	Percentage Applicable to Village	Amount Applicable to Village
Village of Shorewood	\$ 38,002,650	100%	\$ 38,002,650
Milwaukee Area Technical College	99,875,000	1.88%	1,877,650
Milwaukee County	473,200,000	2.35%	11,120,200
Shorewood School District	39,985,000	100.0%	39,985,000
Whitefish Bay School District	5,628,000	0.03%	1,688
Milwaukee Metropolitan Sewage District	654,837,085	2.39%	15,650,606
Total Overlapping	<u>1,273,525,085</u>		<u>68,635,145</u>
 Total Direct and Overlapping Debt	 <u>\$ 1,311,527,735</u>		 <u>\$ 106,637,795</u>

Source: Outstanding debt obtained from each taxing unit. Percentage applicable is from the DOR report used for apportionment of county levies and tax levy certifications.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This table estimates the portion of the outstanding debt of these overlapping governments that is borne by the taxpayers of the Village through the taxes levied by these government agencies.

General obligation debt of the Village's business-type activities are not included above as those are anticipated to be repaid through user fees, rather than property taxes.

VILLAGE OF SHOREWOOD

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	Population	Adjusted Gross Income	Per Capita Adjusted Gross Income			Unemployment Rates	
			Village of Shorewood	Milwaukee County	State of Wisconsin	Milwaukee County	State of Wisconsin
2012	13,170	\$ 451,006,230	\$ 34,245	\$ 21,433	\$ 26,271	8.00%	6.60%
2013	13,174	466,673,290	35,424	22,406	26,963	7.90%	6.30%
2014	13,180	473,322,660	35,912	22,507	27,671	6.00%	4.50%
2015	13,178	540,231,149	40,995	23,939	29,145	5.10%	4.20%
2016	13,134	541,122,800	41,200	24,327	29,711	4.40%	3.70%
2017	13,228	546,186,776	41,290	24,269	30,182	3.10%	2.70%
2018	13,315	602,872,805	45,278	25,780	31,962	3.50%	2.60%
2019	13,479	620,101,285	46,005	27,220	32,564	3.60%	3.30%
2020	13,472	734,479,311	54,519	26,953	33,086	8.20%	6.30%
2021	13,500	725,000,000	53,704	26,455	34,043	2.80%	2.00%

Sources: Adjusted Gross Income for the Village, County and State from the Wisconsin Dept of Revenue
Population from the Wisconsin Department of Administration.
Unemployment rates from the Wisconsin Department of Workforce Development

Note:

Unemployment data specific to the Village of Shorewood is not available.
Current and prior year Adjusted Gross Income (AGI) and population data is estimated.

VILLAGE OF SHOREWOOD

PRINCIPAL EMPLOYERS
 Nine Years Ago and Current Year

(continued)

Employer	Type of Business	2021		
		Number of Employees (1)	Rank	% of Total County Employment
Metro Market	Retail/Grocery	400	1	0.09%
School District of Shorewood	Education	300	2	0.07%
Village of Shorewood	Municipal government	105	3	0.02%
St. Roberts Parish	Education	60	4	0.01%
Walgreens	Retail/Pharmacy	40	5	0.01%
Corner Bakery	Restaurant	33	6	0.01%
Ladea Medical Aesthetics-Laseer	Medical	25	7	0.01%
Shorewood Animal Hospital	Veterinary Care	22	8	0.00%
Culver's	Restaurant	20	9	0.00%
City Market	Restaurant	20	10	0.00%
Total		1,025		0.23%
Total employment Milwaukee County				447,528

Sources include:

- Prior year's Village Official Statements
- Wisconsin Department of Workforce Development

VILLAGE OF SHOREWOOD

PRINCIPAL EMPLOYERS
 Nine Years Ago and Current Year

(concluded)

Employer	Type of Business	Number of Employees (1)	2012	
			Rank	% of Total County Employment
School District of Shorewood	Education	348	1	0.08%
Village of Shorewood	Government	104	2	0.02%
Culvers	Restaurant	54	3	0.01%
Ab Data LTD	Data Services	50	4	0.01%
Catholic Family Life Insurance	Insurance	45	5	0.01%
Baker's Square	Restaurant	33	6	0.01%
North Shore Bank	Financial Institution	23	7	0.01%
Total		657		0.16%
Total employment Milwaukee County				420,200

Sources include:

- Prior year's Village Official Statements
- Wisconsin Department of Workforce Development

VILLAGE OF SHOREWOOD

VILLAGE EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Village Employees (1)										
General Government										
Village manager	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Clerk/Customer Service	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00	4.00	3.00
Finance	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Planning and development	5.00	5.00	5.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00
Municipal court	1.00	1.00	1.00	1.00	1.00	1.00	0.75	0.75	0.75	1.00
Public safety - police	31.90	31.80	31.80	31.80	29.00	29.00	29.00	29.00	29.00	29.00
Public works	21.85	21.85	21.95	21.95	21.95	21.95	21.95	21.95	21.25	22.00
Culture and Recreation										
Library	13.46	13.25	13.25	13.25	13.25	13.40	13.40	13.40	13.40	13.40
Senior resource center	0.90	1.10	1.10	1.10	1.20	1.35	1.35	1.35	1.35	1.35
Total	<u>83.11</u>	<u>83.00</u>	<u>83.10</u>	<u>83.10</u>	<u>80.40</u>	<u>80.70</u>	<u>80.45</u>	<u>79.45</u>	<u>78.75</u>	<u>78.75</u>

(1) Information from Village Budget documents

Note: In 2012, the Village consolidated its health department with North Shore Health Department.

VILLAGE OF SHOREWOOD

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol vehicles	5	5	5	6	6	6	6	6	6	6
Fire stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (sq feet)	4,676,027	4,676,027	4,676,027	4,676,027	4,726,808	4,726,808	4,726,808	4,726,808	4,726,808	4,726,808
Streets (miles length)	28.04	28.04	28.04	28.04	28.46	28.46	28.46	28.46	28.46	28.46
Culture and recreation										
Number of parks	5	5	5	5	5	5	5	5	5	5
Acreage of parkland	63	63	63	63	63	63	63	63	63	63
Water, Sewer, and Parking										
Feet of water main	169,746	169,746	169,746	169,746	169,746	169,746	169,746	169,746	169,796	169,796
Number of hydrants	310	310	310	310	312	312	312	312	313	313
Municipal owned parking lots	5	5	5	5	5	5	5	5	5	5
Feet of sewer pipe	268,763	268,763	268,763	268,763	268,763	268,763	268,763	268,763	268,763	268,763

VILLAGE OF SHOREWOOD

OPERATING INDICATORS BY FUNCTION / PROGRAM
Last Ten Fiscal Years

	Fiscal Year								
	2012	2013	2014	2015	2016	2017	2019	2020	2021
General Government									
Building permits issued	606	671	674	632	669	641	526	587	614
Valuation of building permits	\$ 47,446,093	\$ 9,905,000	\$ 24,433,513	\$ 19,512,673	\$ 10,577,466	\$ 30,934,419	\$ 20,535,350	\$ 57,482,500	\$ 15,234,500
Public Safety - Police									
Homicides	-	1	-	-	-	-	-	-	-
Forcible rape	-	2	-	-	1	1	1	1	1
Robbery	12	14	19	13	8	9	7	9	3
Assault	21	23	13	13	9	11	23	18	21
Total crimes against persons	33	40	32	26	18	21	31	28	25
Burglary	28	31	37	31	26	26	28	20	9
Theft	332	323	223	170	207	260	188	195	178
Motor vehicle thefts	14	23	17	14	26	33	10	27	81
Total crimes against property	374	377	277	215	259	319	226	242	268
Total Crimes Reported	407	417	309	241	277	340	257	270	293
DPW									
Tons of refuse	2,455	2,535	2,655	2,559	2,529	2,488	2,930	2,835	2,819
Tons of recycling	955	1,276	1,190	1,241	1,207	1,130	1,224	1,318	1,254
Library									
Visitors to the library	187,202	203,373	207,196	198,214	187,759	187,075	183,508	86,224	90,822
Items added (books)	7,477	7,241	7,268	7,423	8,104	7,390	5,862	4,748	4,408
Items owned (all)	159,357	166,499	257,293	277,522	292,445	315,038	316,733	323,173	353,306
Items checked out	350,603	356,862	365,777	327,489	320,337	314,562	299,789	234,981	274,333
Registered borrowers	9,191	10,068	10,949	11,645	9,843	7,462	7,362	6,539	6,315
Reference questions	16,310	13,158	13,004	14,005	14,688	17,437	18,553	13,013	14,853
Computer users	46,337	44,966	39,128	38,660	38,972	36,287	35,883	12,617	11,922
Electronic Media uses	6,475	5,220	8,112	10,775	14,000	17,324	8,455	9,444	4,992
Program attendance	8,053	7,040	5,472	11,191	10,008	10,282	9,420	1,815	3,585
Water Utility									
Meters in service	3,535	3,522	3,534	3,534	3,533	3,521	3,520	3,524	3,526
Gallons sold (1,000's)	367,313	342,671	328,604	329,006	322,368	317,714	305,699	301,986	299,803

Source: Various Village departments provided the information shown above.