

VILLAGE OF GREENDALE, WISCONSIN

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2022



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INDEPENDENT AUDITORS' REPORT

Village Board
Village of Greendale
Greendale, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Greendale, Wisconsin (the Village), as of and for the year ended December 31, 2022, and the related notes to the 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, each major fund, and the aggregate remaining fund information of the Village's, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village 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.

Emphasis of Matter

As discussed in Note 1.D. to the financial statements, effective January 1, 2022, the Village adopted new accounting guidance for leases. The guidance requires lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

As described in Note 4.E., the Village recorded a prior period adjustment to decrease assets and net position in the water utility and business-type activities in the amount of \$750,000.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village'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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

Required Supplementary Information

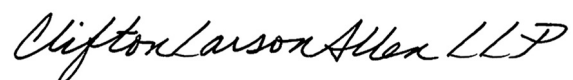
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules relating to pensions and other postemployment benefits as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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 combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 13, 2023, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Village's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sheboygan, Wisconsin
July 13, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

As management of the Village of Greendale, we offer readers of the Village of Greendale's financial statements this narrative overview and analysis of the financial activities of the Village of Greendale for the fiscal year ended December 31, 2022. A comparison with prior year data is also presented.

Financial Highlights

- The assets and deferred outflows of resources of the Village of Greendale exceeded its liabilities and deferred inflows of resources as of December 31, 2022 by \$33,180,688 (net position).
- Net position from governmental activities increased by \$2,965,494 for December 31, 2022.
- Business-type activities reported a change in net position of \$759,707.
- As of the close of the current fiscal year, the Village of Greendale's governmental funds reported a combined ending fund balance of \$14,740,510.
- At the end of the current year, unassigned fund balance for the general fund was \$3,049,481 or approximately 25% of total general fund expenditures compared to \$3,177,735 or approximately 27% at the end of 2021. 2022 general fund revenues were below budgeted amounts by \$212,000. 2022 general fund expenditures came in above budget by \$110,602. The result was a \$621,346 decrease in fund balance.
- The Village of Greendale had \$24,422,0744 in general obligation debt outstanding at year-end.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Village of Greendale's basic financial statements. The Village of Greendale's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements. This report also contains both required supplementary information and supplemental information in addition to the basic financial statements.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Village of Greendale's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all of the Village of Greendale's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village of Greendale is improving or deteriorating.

The *statement of activities* presents information showing how the Village's net position changed during the most recent completed 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, etc.).

Both of the government-wide financial statements distinguish functions of the Village of Greendale that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Village of Greendale include

**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

general government, public safety, public works, health and human services, culture and recreation, and conservation and development. The business-type activities of the Village of Greendale include the Water Utility, Stormwater Utility, and Sewer Utility.

The government-wide financial statements include the activities of the Village of Greendale itself (known as the *primary government*). The Water, Sewer, and Stormwater Utilities, although legally separate, function for all practical purposes as departments of the Village of Greendale, and therefore have been included as integral parts of the primary government.

The government-wide financial statements can be found on pages 17 - 19.

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 Greendale, 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 Greendale 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 the Village's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare 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 Greendale maintains seventeen 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, and the Capital Projects Fund, all of which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on pages 20 - 24.

**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

Proprietary Funds. The Village of Greendale maintains three different proprietary funds. *Enterprise funds* are used to report the same function presented as *business-type activities* in the government-wide financial statements. The Village of Greendale uses enterprise funds to account for its Water Utility, Sewer Utility, and Stormwater Utility.

The basic proprietary fund financial statements can be found on pages 25 - 29.

Fiduciary Funds. The Village reports a custodial fund for property taxes and special charges collected on behalf of other governments.

The basic fiduciary fund financial statements can be found on pages 30 - 31.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 32 - 75.

Required Supplementary Information. A schedule of changes in the total other postemployment benefits liability and related ratios can be seen on page 77.

Additional information related to the Wisconsin Retirement System can be seen on page 78.

Additional information related to the Local Retiree Life Insurance Fund can be seen on page 79.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents the combining statements referred to earlier in connection with nonmajor governmental funds and is presented immediately following the notes to the financial statements.

Combining financial statements can be found on pages 83 - 86.

**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

Government-Wide Financial Analysis. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Greendale, year-end 2022 assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$33,180,688.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and Other Assets	\$ 35,000,125	\$ 32,958,721	\$ 4,814,352	\$ 3,094,626	\$ 39,814,477	\$ 36,053,347
Capital Assets	31,823,060	29,112,619	22,443,371	20,129,814	54,266,431	49,242,433
Total Assets	66,823,185	62,071,340	27,257,723	23,224,440	94,080,908	85,295,780
Deferred Outflows of Resources	11,809,970	8,265,907	549,057	391,607	12,359,027	8,657,514
Long-Term Liabilities	34,294,140	31,363,461	8,345,111	5,899,190	42,639,251	37,262,651
Current Liabilities	2,552,378	1,715,247	590,007	448,740	3,142,385	2,163,987
Total Liabilities	36,846,518	33,078,708	8,935,118	6,347,930	45,781,636	39,426,638
Deferred Inflows of Resources	26,154,743	24,592,139	1,322,868	479,030	27,477,611	25,071,169
Net Position:						
Net Investment in Capital Assets	20,707,811	21,106,096	15,154,283	15,296,900	35,862,094	36,402,996
Restricted	12,487,497	13,084,610	1,030,648	952,935	13,518,145	14,037,545
Unrestricted (Deficit)	(17,563,414)	(21,524,306)	1,363,863	539,252	(16,199,551)	(20,985,054)
Total Net Position	\$ 15,631,894	\$ 12,666,400	\$ 17,548,794	\$ 16,789,087	\$ 33,180,688	\$ 29,455,487

The largest portion of the Village of Greendale's net position reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment, less any related debt used to acquire those assets that is still outstanding). Although the Village of Greendale's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Village of Greendale's net position represents resources that are subject to external restrictions on how they may be used.

Unrestricted net position is negative as the Village has issued debt to provide incentives to developers. Future tax revenues generated by the developments will be used to repay the outstanding debt which will eliminate a portion of the deficit balance.

The Village's change in net position for the current year equaled \$3,725,201.

**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

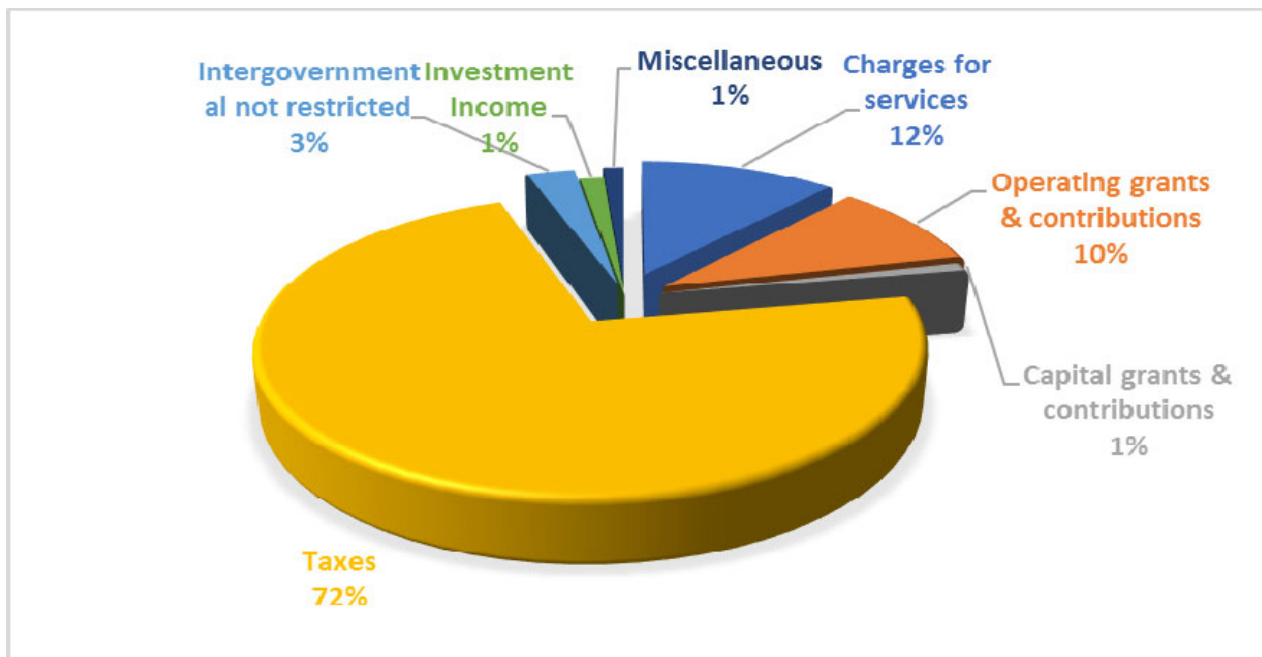
Changes in Net Position. Governmental activities increased the Village of Greendale's net position by \$2,965,494 and business type activities increased net position by \$759,707. Key elements of these changes are as follows:

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues:						
Charges for Services	\$ 2,301,499	\$ 2,439,288	\$ 4,749,250	\$ 4,631,021	\$ 7,050,749	\$ 7,070,309
Operating Grants and Contributions	1,917,076	1,476,933	-	-	1,917,076	1,476,933
Capital Grants and Contributions	174,245	342,047	-	-	174,245	342,047
General Revenues:						
Taxes	14,304,185	13,872,737	-	-	14,304,185	13,872,737
Intergovernmental Revenues not Restricted to Specific Programs	559,197	721,662	-	-	559,197	721,662
Investment Income	269,958	57,049	25,395	-	295,353	57,049
Miscellaneous	242,387	193,510	1,272	-	243,659	193,510
Total Revenues	19,768,547	19,103,226	4,775,917	4,631,021	24,544,464	23,734,247
EXPENSES						
General Government	2,280,813	2,206,971	-	-	2,280,813	2,206,971
Public Safety	7,676,064	7,577,790	-	-	7,676,064	7,577,790
Public Works	2,894,599	2,888,176	-	-	2,894,599	2,888,176
Health and Human Services	841,327	1,053,816	-	-	841,327	1,053,816
Culture and Recreation	924,580	848,975	-	-	924,580	848,975
Conservation and Development	905,372	878,589	-	-	905,372	878,589
Interest and Fiscal Charges	903,326	725,222	-	-	903,326	725,222
Water Utility	-	-	2,105,349	1,950,518	2,105,349	1,950,518
Sewer Utility	-	-	1,587,095	1,471,652	1,587,095	1,471,652
Stormwater Utility	-	-	700,738	566,077	700,738	566,077
Total Expenses	16,426,081	16,179,539	4,393,182	3,988,247	20,819,263	20,167,786
CHANGE IN NET POSITION BEFORE TRANSFERS	3,342,466	2,923,687	382,735	642,774	3,725,201	3,566,461
TRANSFERS	(376,972)	308,684	376,972	(308,684)	-	-
Net Position - Beginning of Year, as Originally Reported	12,666,400	9,434,029	17,539,087	17,204,997	30,205,487	26,639,026
Prior Period Adjustment	-	-	(750,000)	-	(750,000)	-
Net Position - January 1, as Restated	12,666,400	9,434,029	16,789,087	17,204,997	29,455,487	26,639,026
NET POSITION - END OF YEAR	<u>\$ 15,631,894</u>	<u>\$ 12,666,400</u>	<u>\$ 17,548,794</u>	<u>\$ 17,539,087</u>	<u>\$ 33,180,688</u>	<u>\$ 30,205,487</u>

**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

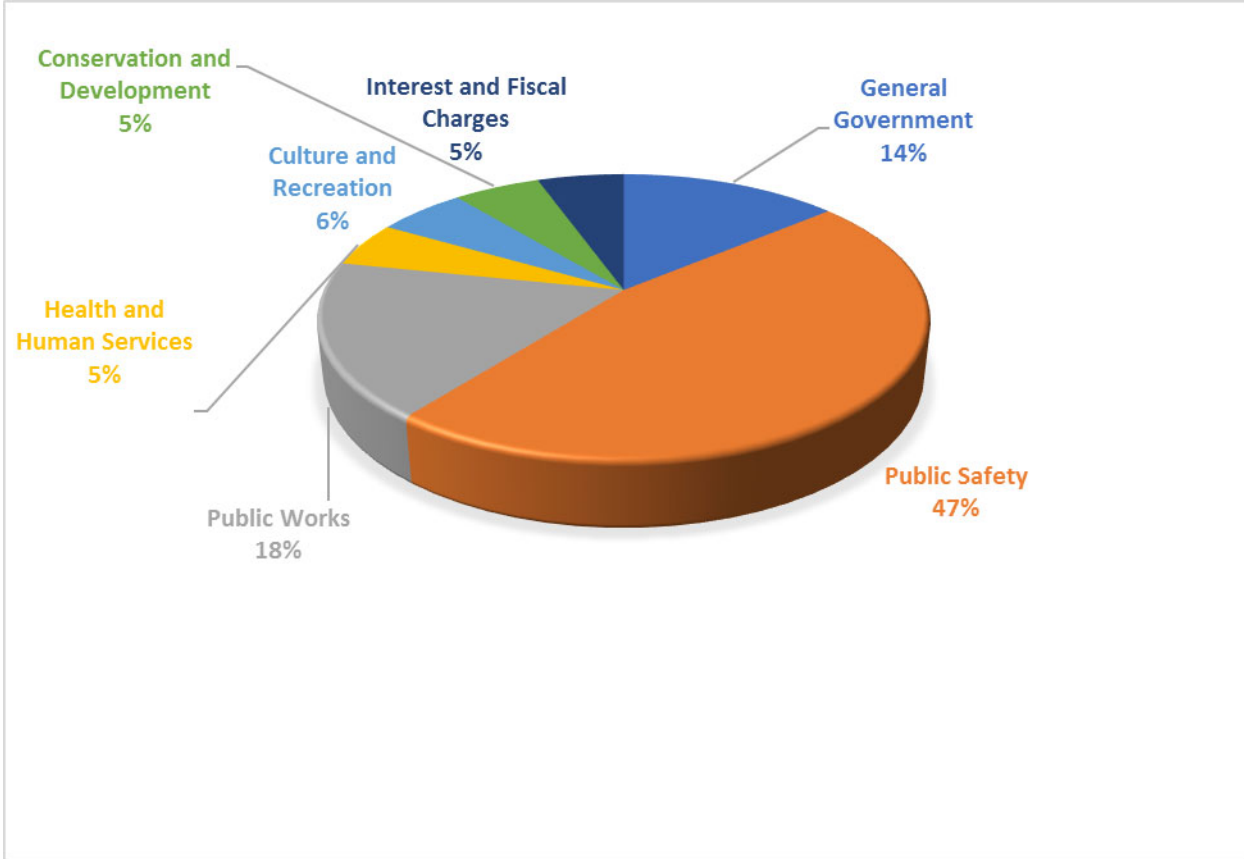
- Property taxes increased \$125,637 due to the 1.2% levy increase. Taxes continue to be the largest revenue source for the governmental activities accounting for approximately 72% of total revenues.
- The Village's proportionate share of the GASB 68 net pension liability/asset resulted in a net pension asset of \$5,573,361 as of December 31, 2022 compared to a net pension asset of \$4,236,353 as of December 31, 2021.
- Interest earnings increased by \$238,304 due to higher interest rates.

Revenues by Source



VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022

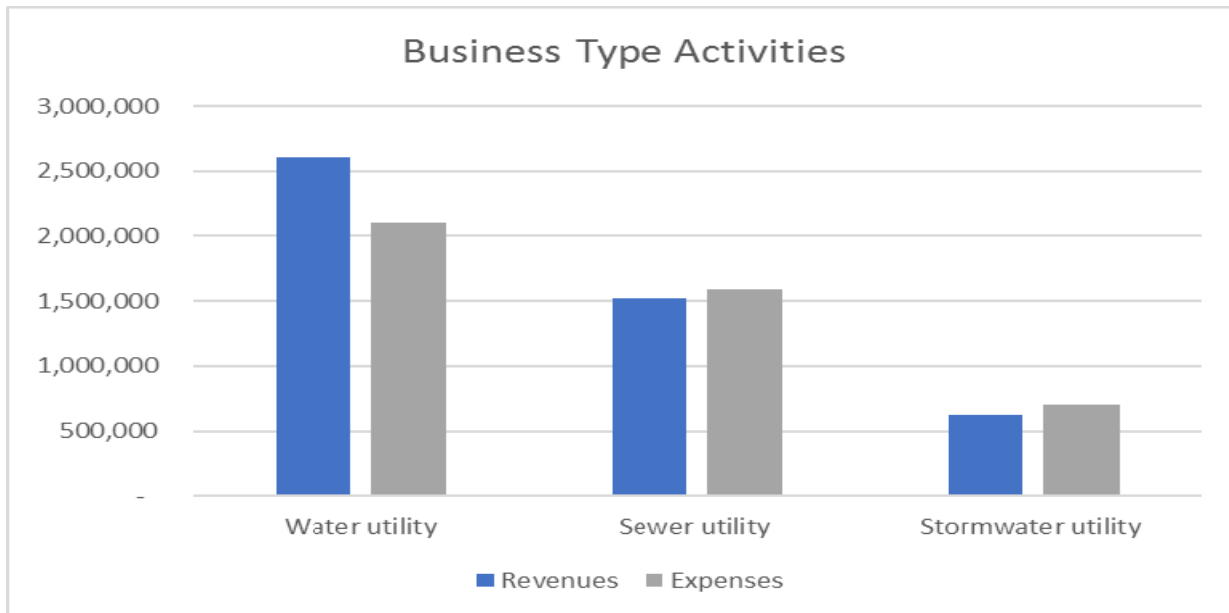
Expenses by Function



**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

Business-Type Activities. Business-type activities increased the Village of Greendale's net position by \$759,707. Key elements of this increase are as follows.

- Net position in the Sewer Utility decreased by \$174,702.
- Net position in the Water Utility increased by \$1,000,512.
- Net position in the Stormwater Utility decreased by \$66,103.



**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

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

Governmental Funds. The focus of the Village of Greendale's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Village's financing requirements. In particular, *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. At the end of 2022, the combined fund balances for the Village's governmental funds was \$14,740,510. Of this total, \$201,743 is nonspendable, \$11,105,911 is restricted, \$233,801 is committed, and \$460,648 is assigned. The balance of unassigned governmental fund balances is \$2,738,407.

Proprietary Funds. The Village of Greendale's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Utility at the end of the year amounted to a deficit \$354,925, those for the Sewer Utility amounted to \$1,671,829, and those for the Stormwater Utility amounted to \$46,959. Other factors concerning the finances of these funds have already been addressed in the discussion of the Village of Greendale's business-type activities.

General Fund Budgetary Highlights. The general fund is the primary operating fund of the Village.

- Actual revenues were under budgeted amounts by \$212,000. Actual expenditures were over the budgeted amounts by \$110,602.
- Unassigned fund balance decreased from \$3,177,735 at December 31, 2021 to \$3,049,481 at December 31, 2022.

Capital Assets and Debt Administration

Capital Assets. The Village of Greendale's investment in capital assets for its governmental and business-type activities as of December 31, 2022 amounts to \$54,266,431 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, system improvements, machinery and equipment, parks facilities, roads, and bridges. The total increase in the Village of Greendale's investment in capital assets for the current fiscal year was 8.5%.

Additional information on the Village of Greendale's capital assets can be found in Note 3.C. on pages 55 - 56 of this report.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Nondepreciable Capital Assets	\$ 1,037,889	\$ 1,037,889	\$ 249,391	\$ 999,391	\$ 1,287,280	\$ 2,037,280
Buildings and System	9,406,107	9,587,122	236,660	252,270	9,642,767	9,839,392
Machinery and Equipment	1,661,022	1,797,989	461,996	571,590	2,123,018	2,369,579
Infrastructure	19,718,042	16,689,619	21,495,324	19,056,563	41,213,366	35,746,182
	<u>\$ 31,823,060</u>	<u>\$ 29,112,619</u>	<u>\$ 22,443,371</u>	<u>\$ 20,879,814</u>	<u>\$ 54,266,431</u>	<u>\$ 49,992,433</u>

**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

Long-Term Debt. At the end of the current fiscal year, the Village of Greendale had \$24,422,074 of bonded debt outstanding and a note anticipation note for \$3,855,000. The Village maintains an "Aa3" rating from Moody's for general obligation debt. The Water Utility also had \$5,067,517 in outstanding Safe Water Drinking Loans.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation Bonds	\$ 21,567,074	\$ 18,993,756	\$ 2,855,000	\$ -	\$ 24,422,074	\$ 18,993,756
Note Anticipation Note	3,855,000	3,855,000	-	-	3,855,000	3,855,000
Revenue Debt	-	-	5,067,517	5,499,489	5,067,517	5,499,489
	<u>\$ 25,422,074</u>	<u>\$ 22,848,756</u>	<u>\$ 7,922,517</u>	<u>\$ 5,499,489</u>	<u>\$ 33,344,591</u>	<u>\$ 28,348,245</u>

State Statutes limit the amount of general obligation debt a government entity may issue up to 5% of its total equalized valuation. The current debt limitation for the Village of Greendale is \$88,921,520 which significantly exceeds the Village's current outstanding general obligation debt of \$24,422,074. Additional information on the Village of Greendale's long-term debt can be found in Note 3.E. on pages 58 - 62 of this report.

Economic Factors and the 2023 Budget and Rates

- The 2023 Budget is supported by a tax levy of \$10,883,162, which is an increase of 1.2% over the 2022 amount.
- The 2023 Budget anticipated a 23.8% increase in Assessed Value while increasing the tax levy by 1.2% from last year's total. The combination increased the 2023 Budget Assessed Tax Rate by approximately one dollar and eighty-four cents (-22.4%) from \$8.21 to \$6.37 per \$1,000 Assessed Value.
- Personnel Cost Increases - Includes increase for anticipated wage and benefit increases for Village personnel including General Government, Health Department, Department of Public Works, Library, School-Police Fund, etc. and Police Department and Fire Department per union contracts.
- Street Rehabilitation Projects (\$490,000) – The Village will continue its annual Street Rehabilitation Program.
- The Village created three (3) Tax Incremental Financing Districts in 2011, in the Southridge Mall area, for which the Community Development Bonds in 2011 were issued. Tax Incremental Financing District No. 3 was closed in 2022. Tax Increments for No. 1 and No. 2 will continue to be realized during 2023 as projected.
- The Village created Tax Incremental Financing District No. 4 in 2015, in the Southridge Mall area, for which the Community Development Bonds of \$1,295,000 were issued in 2016 and \$1,665,000 were issued in 2018. Tax Increments will continue to be realized during 2023 as projected.
- The Village created Tax Incremental Financing District No. 5 in 2018, in the Southridge Mall area, for which the Community Development Bonds of \$2,135,000 were issued in 2018. Tax Increments will continue to be realized during 2023 as projected.

**VILLAGE OF GREENDALE, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
DECEMBER 31, 2022**

- The Village created Tax Incremental Financing District No. 6 effective in 2023, in the Southridge Mall area, for which a Note Anticipation Note of \$3,855,000 was issued in 2021. Tax increments are projected to be realized in 2024.

Requests for Information

This financial report is designed to provide a general overview of the Village of Greendale's finances for all those with an interest in the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Stephanie Hall, Finance Director-Treasurer, Village of Greendale, 6500 Northway, Greendale, WI 53129 or email shall@greendale.org.

BASIC FINANCIAL STATEMENTS

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and Investments	\$ 19,018,655	\$ 1,680,341	\$ 20,698,996
Receivables:			
Taxes and Special Charges	6,139,083	164,216	6,303,299
Delinquent Taxes	39,484	-	39,484
Accounts	567,620	1,245,397	1,813,017
Leases	-	666,722	666,722
Prepaid Supplies and Items	162,259	-	162,259
Assets Held for Resale	3,211,363	-	3,211,363
Restricted Assets:			
Cash and Investments	543,958	802,018	1,345,976
Net Pension Asset	5,317,703	255,658	5,573,361
Capital Assets, Nondepreciable	1,037,889	249,391	1,287,280
Capital Assets, Depreciable	30,785,171	22,193,980	52,979,151
Total Assets	66,823,185	27,257,723	94,080,908
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	10,382,297	498,084	10,880,381
Other Postemployment Benefit Related Amounts	1,427,673	50,973	1,478,646
Total Deferred Outflows of Resources	11,809,970	549,057	12,359,027
LIABILITIES			
Accounts Payable	688,325	552,822	1,241,147
Accrued and Other Current Liabilities	393,855	-	393,855
Accrued Interest Payable	113,163	34,185	147,348
Special Deposits	25,953	3,000	28,953
Unearned Revenues	1,331,082	-	1,331,082
Long-Term Obligations:			
Due Within One Year	2,576,390	558,378	3,134,768
Due in More Than One Year	23,252,219	7,381,211	30,633,430
Net Other Postemployment Benefits Liability:			
Due Within One Year	347,430	16,389	363,819
Due in More than One Year	8,118,101	389,133	8,507,234
Total Liabilities	36,846,518	8,935,118	45,781,636
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Levied for Subsequent Year	12,502,697	-	12,502,697
Lease Related	-	666,722	666,722
Pension Related Amounts	12,520,953	601,966	13,122,919
Other Postemployment Benefit Related Amounts	1,131,093	54,180	1,185,273
Total Deferred Inflows of Resources	26,154,743	1,322,868	27,477,611
NET POSITION			
Net Investment in Capital Assets	20,707,811	15,154,283	35,862,094
Restricted:			
Donations	486,894	-	486,894
Library	11,425	-	11,425
Tax Incremental Districts	1,280,948	-	1,280,948
Capital Projects	4,639,530	-	4,639,530
Pension Benefits	5,317,703	255,658	5,573,361
Equipment Replacement	-	380,117	380,117
Community Dev. Block Grant Activities	35,396	-	35,396
Debt Service	715,601	394,873	1,110,474
Unrestricted	(17,563,414)	1,363,863	(16,199,551)
Total Net Position	\$ 15,631,894	\$ 17,548,794	\$ 33,180,688

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General Government	\$ 2,280,813	\$ 968,878	\$ 62,014	\$ -
Public Safety	7,676,064	1,215,357	583,210	-
Public Works	2,894,599	42,134	815,325	-
Health and Human Services	841,327	54,832	382,485	-
Culture and Recreation	924,580	20,298	74,042	1,252
Conservation and Development	905,372	-	-	172,993
Interest and Fiscal Charges	903,326	-	-	-
Total Governmental Activities	16,426,081	2,301,499	1,917,076	174,245
BUSINESS-TYPE ACTIVITIES				
Water Utility	2,105,349	2,602,738	-	-
Sewer Utility	1,587,095	1,522,820	-	-
Stormwater Utility	700,738	623,692	-	-
Total Business-Type Activities	4,393,182	4,749,250	-	-
Total	\$ 20,819,263	\$ 7,050,749	\$ 1,917,076	\$ 174,245

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Totals
GOVERNMENTAL ACTIVITIES			
General Government	\$ (1,249,921)	\$ -	\$ (1,249,921)
Public Safety	(5,877,497)	-	(5,877,497)
Public Works	(2,037,140)	-	(2,037,140)
Health and Human Services	(404,010)	-	(404,010)
Culture and Recreation	(828,988)	-	(828,988)
Conservation and Development	(732,379)	-	(732,379)
Interest and Fiscal Charges	(903,326)	-	(903,326)
Total Governmental Activities	(12,033,261)	-	(12,033,261)
BUSINESS-TYPE ACTIVITIES			
Water Utility	-	497,389	497,389
Sewer Utility	-	(64,275)	(64,275)
Stormwater Utility	-	(77,046)	(77,046)
Total Business-Type Activities	-	356,068	356,068
Total	(12,033,261)	356,068	(11,677,193)
GENERAL REVENUES AND TRANSFERS			
Taxes:			
Property Taxes	14,304,185	-	14,304,185
Federal and State Grants and Other			
Contributions not Restricted to			
Specific Functions	559,197	-	559,197
Interest and Investment Earnings	269,958	25,395	295,353
Miscellaneous	242,387	1,272	243,659
Transfers	(376,972)	376,972	-
Total General Revenues and Transfers	14,998,755	403,639	15,402,394
CHANGE IN NET POSITION	2,965,494	759,707	3,725,201
Net position - Beginning of Year, as Originally Reported	12,666,400	17,539,087	30,205,487
Prior Period Adjustment	-	(750,000)	(750,000)
Net Position - Beginning of Year, as Restated	12,666,400	16,789,087	29,455,487
NET POSITION - END OF YEAR	<u>\$ 15,631,894</u>	<u>\$ 17,548,794</u>	<u>\$ 33,180,688</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Debt Service	Capital Improvements	Other Governmental Funds	Totals
ASSETS					
Cash and Investments	\$ 7,562,535	\$ 861,688	\$ 1,705,035	\$ 8,889,397	\$ 19,018,655
Restricted Cash and Investments	-	543,958	-	-	543,958
Receivables:					
Taxes and Special Charges	4,154,686	593,859	-	1,390,538	6,139,083
Delinquent Taxes	39,484	-	-	-	39,484
Accounts	435,761	-	-	131,859	567,620
Due from Other Funds	639,739	-	-	-	639,739
Prepaid Supplies and Items	162,259	-	-	-	162,259
Assets Held for Resale	-	-	-	3,211,363	3,211,363
Total Assets	<u>\$ 12,994,464</u>	<u>\$ 1,999,505</u>	<u>\$ 1,705,035</u>	<u>\$ 13,623,157</u>	<u>\$ 30,322,161</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 258,728	\$ -	\$ 276,868	\$ 152,729	\$ 688,325
Accrued and Other Current Liabilities	393,369	-	-	486	393,855
Due to Other Funds	-	-	-	639,739	639,739
Special Deposits	25,953	-	-	-	25,953
Unearned Revenues	754	-	-	1,330,328	1,331,082
Total Liabilities	<u>678,804</u>	<u>-</u>	<u>276,868</u>	<u>2,123,282</u>	<u>3,078,954</u>
DEFERRED INFLOWS OF RESOURCES					
Property Taxes Levied for Subsequent Year	8,603,788	1,170,741	-	2,728,168	12,502,697
FUND BALANCES					
Nonspendable	201,743	-	-	-	201,743
Restricted	-	828,764	1,428,167	8,848,980	11,105,911
Committed	-	-	-	233,801	233,801
Assigned	460,648	-	-	-	460,648
Unassigned	3,049,481	-	-	(311,074)	2,738,407
Total Fund Balances	<u>3,711,872</u>	<u>828,764</u>	<u>1,428,167</u>	<u>8,771,707</u>	<u>14,740,510</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 12,994,464</u>	<u>\$ 1,999,505</u>	<u>\$ 1,705,035</u>	<u>\$ 13,623,157</u>	<u>\$ 30,322,161</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances as Shown on Previous Page \$ 14,740,510

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

Capital assets used in governmental activities are not current
financial resources and therefore are not reported in the funds. 31,823,060

Long-term assets are not current financial resources and; therefore
are not reported in the funds.
Net Pension Asset 5,317,703

Some deferred outflows and inflows of resources are not
reported in the funds.

Deferred Outflows Related to Pensions	10,382,297
Deferred Inflows Related to Pensions	(12,520,953)
Deferred Outflows Related to Other Postemployment Benefits	1,427,673
Deferred Inflows Related to Other Postemployment Benefits	(1,131,093)

Long-term liabilities are not due and payable in the current period
and, therefore, are not reported in the funds.

Bonds and Notes Payable	(25,422,074)
Premium on Debt	(112,270)
Compensated Absences	(294,265)
Net Other Postemployment Benefit Liability	(8,465,531)
Accrued Interest on Long-Term Obligations	(113,163)

Net Position of Governmental Activities as Reported on the Statement
of Net Position

\$ 15,631,894

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	General	Debt Service	Capital Improvements	Other Governmental Funds	Totals
REVENUES					
Taxes	\$ 7,718,562	\$ 1,132,907	\$ 800,000	\$ 4,652,716	\$ 14,304,185
Intergovernmental	1,289,104	-	-	684,298	1,973,402
Licenses and Permits	528,539	-	-	-	528,539
Fines and Forfeits	329,521	-	-	-	329,521
Public Charges for Services	1,063,183	-	-	235,195	1,298,378
Intergovernmental Charges for Services	101,583	-	-	175,269	276,852
Miscellaneous	324,583	-	15,130	819,807	1,159,520
Total Revenues	11,355,075	1,132,907	815,130	6,567,285	19,870,397
EXPENDITURES					
Current:					
General Government	2,348,521	-	-	-	2,348,521
Public Safety	7,756,316	-	-	278,418	8,034,734
Public Works	1,970,311	-	-	366,375	2,336,686
Health and Human Services	35	-	-	629,381	629,416
Culture and Recreation	122,741	-	-	674,371	797,112
Conservation and Development	-	-	-	731,849	731,849
Debt Service:					
Principal	-	2,261,682	-	-	2,261,682
Interest and Fiscal Charges	-	766,035	124,427	-	890,462
Capital Outlay	-	-	4,037,396	313,690	4,351,086
Total Expenditures	12,197,924	3,027,717	4,161,823	2,994,084	22,381,548
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(842,849)	(1,894,810)	(3,346,693)	3,573,201	(2,511,151)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	-	4,835,000	-	4,835,000
Premium on Debt Issued	-	35,090	-	-	35,090
Proceeds from Sale of Capital Assets	-	-	-	53,751	53,751
Transfers In	274,452	2,145,671	-	52,949	2,473,072
Transfers Out	(52,949)	-	-	(2,797,095)	(2,850,044)
Total Other Financing Sources (Uses)	221,503	2,180,761	4,835,000	(2,690,395)	4,546,869
NET CHANGE IN FUND BALANCES	(621,346)	285,951	1,488,307	882,806	2,035,718
Fund Balances - Beginning of Year	4,333,218	542,813	(60,140)	7,888,901	12,704,792
FUND BALANCES - END OF YEAR	<u>\$ 3,711,872</u>	<u>\$ 828,764</u>	<u>\$ 1,428,167</u>	<u>\$ 8,771,707</u>	<u>\$ 14,740,510</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances as Shown on Previous Page \$ 2,035,718

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 Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Assets Reported as Expenditures in Governmental Fund Statements	5,042,325
Depreciation Expense Reported in the Statement of Activities	(1,916,033)
Net Book Value of Disposals	(415,851)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.	(157,096)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Long-Term Debt Issued	(4,835,000)
Premium on Debt Issued	(35,090)
Principal Repaid	2,261,682

Some expenses reported 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:

Accrued Interest on Long-Term Debt	(32,086)
Amortization of Debt Premium	19,222
Compensated Absences	(9,207)
Net Pension Asset	1,270,594
Deferred Outflows of Resources Related to Pensions	3,611,220
Deferred Inflows of Resources Related to Pensions	(3,660,613)
Net Other Postemployment Benefits Liability	(332,286)
Deferred Outflows of Resources Related to Other Postemployment Benefits	(67,157)
Deferred Inflows of Resources Related to Other Postemployment Benefits	185,152

Change in Net Position of Governmental Activities as Reported in the Statement of Activities	\$ 2,965,494
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See accompanying Notes to Basic Financial Statements.

VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2022

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 7,718,562	\$ 7,718,562	\$ 7,718,562	\$ -
Intergovernmental	1,528,076	1,528,076	1,289,104	(238,972)
Licenses and Permits	592,660	592,660	528,539	(64,121)
Fines and Forfeits	400,000	400,000	329,521	(70,479)
Public Charges for Services	1,021,205	1,021,205	1,063,183	41,978
Intergovernmental Charges for Services	100,000	100,000	101,583	1,583
Miscellaneous	206,572	206,572	324,583	118,011
Total Revenues	11,567,075	11,567,075	11,355,075	(212,000)
EXPENDITURES				
Current:				
General Government	2,245,308	2,245,308	2,348,521	(103,213)
Public Safety	7,951,395	7,951,395	7,756,316	195,079
Public Works	1,788,244	1,788,244	1,970,311	(182,067)
Health and Human Services	-	-	35	(35)
Culture and Recreation	102,375	102,375	122,741	(20,366)
Total Expenditures	12,087,322	12,087,322	12,197,924	(110,602)
EXCESS OF REVENUES UNDER EXPENDITURES	(520,247)	(520,247)	(842,849)	(322,602)
OTHER FINANCING SOURCES (USES)				
Transfers In	335,000	335,000	274,452	(60,548)
Transfers Out	-	-	(52,949)	(52,949)
Total Other Financing Sources (Uses)	335,000	335,000	221,503	(113,497)
NET CHANGE IN FUND BALANCE	(185,247)	(185,247)	(621,346)	(436,099)
Fund Balance - Beginning of Year	4,333,218	4,333,218	4,333,218	-
FUND BALANCE - END OF YEAR	<u>\$ 4,147,971</u>	<u>\$ 4,147,971</u>	<u>\$ 3,711,872</u>	<u>\$ (436,099)</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022**

	Water Utility	Sewer Utility	Stormwater Utility	Totals
ASSETS				
Current Assets:				
Cash and Investments	\$ -	\$ 1,270,432	\$ 409,909	\$ 1,680,341
Receivables:				
Taxes and Special Charges	89,379	58,154	16,683	164,216
Customer Accounts	656,414	418,244	170,739	1,245,397
Leases	69,841	-	-	69,841
Due from Other Funds	-	276,070	-	276,070
Total Current Assets	<u>815,634</u>	<u>2,022,900</u>	<u>597,331</u>	<u>3,435,865</u>
Noncurrent Assets:				
Restricted Assets:				
Cash and Investments	421,901	380,117	-	802,018
Other Assets:				
Leases Receivable	596,881	-	-	596,881
Net Pension Asset	<u>123,666</u>	<u>53,058</u>	<u>78,934</u>	<u>255,658</u>
Total Other Assets	720,547	53,058	78,934	852,539
Capital Assets:				
Nondepreciable	249,391	-	-	249,391
Depreciable	<u>12,354,983</u>	<u>3,347,615</u>	<u>6,491,382</u>	<u>22,193,980</u>
Total Capital Assets	<u>12,604,374</u>	<u>3,347,615</u>	<u>6,491,382</u>	<u>22,443,371</u>
Total Assets	14,562,456	5,803,690	7,167,647	27,533,793
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Amounts	243,255	102,694	152,135	498,084
Other Postemployment Related Amounts	<u>24,565</u>	<u>10,592</u>	<u>15,816</u>	<u>50,973</u>
Total Deferred Outflows of Resources	267,820	113,286	167,951	549,057

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS**

	Water Utility	Sewer Utility	Stormwater Utility	Totals
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 279,725	\$ 243,878	\$ 29,219	\$ 552,822
Accrued Interest Payable	27,028	-	7,157	34,185
Due to Other Funds	276,070	-	-	276,070
Special Deposits	3,000	-	-	3,000
Current Portion of Long-Term Debt	497,589	-	60,789	558,378
Current Portion of Net Other Postemployment Benefits Liability	8,012	3,278	5,099	16,389
Total Current Liabilities	<u>1,091,424</u>	<u>247,156</u>	<u>102,264</u>	<u>1,440,844</u>
Long-Term Obligations:				
Less Current Portion				
General Obligation Debt	1,423,429	-	1,387,854	2,811,283
Revenue Bonds	4,569,928	-	-	4,569,928
Net Other Postemployment Benefits Liability	187,278	81,010	120,845	389,133
Total Long-Term Liabilities	<u>6,180,635</u>	<u>81,010</u>	<u>1,508,699</u>	<u>7,770,344</u>
Total Liabilities	7,272,059	328,166	1,610,963	9,211,188
DEFERRED INFLOWS OF RESOURCES				
Lease Related	666,722	-	-	666,722
Pension Related Amounts	291,180	124,929	185,857	601,966
Other Postemployment Related Amounts	26,090	11,262	16,828	54,180
Total Deferred Inflows of Resources	<u>983,992</u>	<u>136,191</u>	<u>202,685</u>	<u>1,322,868</u>
NET POSITION				
Net Investment in Capital Assets	6,410,611	3,347,615	5,396,057	15,154,283
Restricted:				
Pension Benefits	123,666	53,058	78,934	255,658
Equipment Replacement	-	380,117	-	380,117
Debt Service	394,873	-	-	394,873
Unrestricted	<u>(354,925)</u>	<u>1,671,829</u>	<u>46,959</u>	<u>1,363,863</u>
Total Net Position	<u><u>\$ 6,574,225</u></u>	<u><u>\$ 5,452,619</u></u>	<u><u>\$ 5,521,950</u></u>	<u><u>\$ 17,548,794</u></u>

See accompanying Notes to Basic Financial Statements.

VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022

	Water Utility	Sewer Utility	Stormwater Utility	Totals
OPERATING REVENUES				
Charges for Services	\$ 2,602,738	\$ 1,522,820	\$ 624,964	\$ 4,750,522
OPERATING EXPENSES				
Operation and Maintenance	1,597,736	1,419,309	483,060	3,500,105
Depreciation	320,900	167,786	155,157	643,843
Total Operating Expenses	<u>1,918,636</u>	<u>1,587,095</u>	<u>638,217</u>	<u>4,143,948</u>
OPERATING INCOME (LOSS)	684,102	(64,275)	(13,253)	606,574
NONOPERATING REVENUES (EXPENSES)				
Interest Income	15,724	-	9,671	25,395
Interest and Fiscal Charges	<u>(186,713)</u>	<u>-</u>	<u>(62,521)</u>	<u>(249,234)</u>
Total Nonoperating Revenues (Expenses)	<u>(170,989)</u>	<u>-</u>	<u>(52,850)</u>	<u>(223,839)</u>
INCOME (LOSS) BEFORE TRANSFERS	513,113	(64,275)	(66,103)	382,735
Transfers In	750,000	-	-	750,000
Transfers Out	<u>(262,601)</u>	<u>(110,427)</u>	<u>-</u>	<u>(373,028)</u>
CHANGE IN NET POSITION	<u>1,000,512</u>	<u>(174,702)</u>	<u>(66,103)</u>	<u>759,707</u>
Net Position - Beginning of Year, as Originally Reported	6,323,713	5,627,321	5,588,053	17,539,087
Prior Period Adjustment	<u>(750,000)</u>	<u>-</u>	<u>-</u>	<u>(750,000)</u>
Net Position - Beginning of Year, as Restated	<u>5,573,713</u>	<u>5,627,321</u>	<u>5,588,053</u>	<u>16,789,087</u>
NET POSITION - END OF YEAR	<u><u>\$ 6,574,225</u></u>	<u><u>\$ 5,452,619</u></u>	<u><u>\$ 5,521,950</u></u>	<u><u>\$ 17,548,794</u></u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Water Utility	Sewer Utility	Stormwater Utility	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 2,471,819	\$ 1,432,057	\$ 607,755	\$ 4,511,631
Cash Paid for Employee Wages and Benefits	(355,516)	(145,754)	(198,179)	(699,449)
Cash Paid to Suppliers	(1,303,385)	(1,301,539)	(282,583)	(2,887,507)
Net Cash Provided (Used) by Operating Activities	812,918	(15,236)	126,993	924,675
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Due to/from Other Funds	(518,975)	(197,673)	(33,352)	(750,000)
Transfer In (Out)	487,399	(110,427)	-	376,972
Net Cash Used by Noncapital Financing Activities	(31,576)	(308,100)	(33,352)	(373,028)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(1,658,335)	-	(1,086,682)	(2,745,017)
Lease Payments Received	67,824	-	-	67,824
Proceeds from Revenue Bonds	1,415,000	-	1,440,000	2,855,000
Premium issued on Long-Term Debt	8,799	-	9,023	17,822
Principal Paid on Long-Term Debt	(431,971)	-	-	(431,971)
Interest Paid on Long-Term Debt	(182,422)	-	(55,744)	(238,166)
Net Cash Provided (Used) by Capital and Related Financing Activities	(781,105)	-	306,597	(474,508)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	15,724	-	9,671	25,395
CHANGE IN CASH AND CASH EQUIVALENTS	15,961	(323,336)	409,909	102,534
Cash and Cash Equivalents - Beginning of Year	405,940	1,973,885	-	2,379,825
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 421,901</u>	<u>\$ 1,650,549</u>	<u>\$ 409,909</u>	<u>\$ 2,482,359</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Water Utility	Sewer Utility	Stormwater Utility	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 684,102	\$ (64,275)	\$ (13,253)	\$ 606,574
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	320,900	167,786	155,157	643,843
Depreciation Charged to Sewer Utility	52,172	(52,172)	-	-
Change in WRS Pension Liability/Asset	(36,011)	(10,914)	(19,489)	(66,414)
Change in WRS Deferred Outflows	(96,321)	(32,090)	(51,195)	(179,606)
Change in WRS Deferred Inflows	99,276	32,663	55,714	187,653
Change in Other Postemployment Benefits Liability	16,277	(1,012)	(9,444)	5,821
Change in Other Postemployment Benefits Liability - Deferred Outflows	8,288	5,075	8,793	22,156
Change in Other Postemployment Benefits Liability - Deferred Inflows	(2,885)	(2,544)	(5,108)	(10,537)
Change in Deferred Inflows from Leases	(67,824)	-	-	(67,824)
Change in Operating Assets and Liabilities:				
Accounts Receivables	(78,256)	(38,591)	(17,209)	(134,056)
Accounts Payable	(82,874)	(15,963)	24,781	(74,056)
Accrued and Other Current Liabilities	(2,926)	(3,199)	(1,754)	(7,879)
Special Deposits	(1,000)	-	-	(1,000)
Net Cash Provided (Used) by Operating Activities	<u>\$ 812,918</u>	<u>\$ (15,236)</u>	<u>\$ 126,993</u>	<u>\$ 924,675</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION				
Cash and Cash Equivalents in Current Assets	\$ -	\$ 1,270,432	\$ 409,909	\$ 1,680,341
Cash and Cash Equivalents in Restricted Assets	421,901	380,117	-	802,018
Total Cash and Cash Equivalents	<u>\$ 421,901</u>	<u>\$ 1,650,549</u>	<u>\$ 409,909</u>	<u>\$ 2,482,359</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Related Accounts Payable	<u>\$ 212,383</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,383</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2022**

	<u>Custodial Fund</u>
ASSETS	
Cash and Investments	\$ 12,681,131
Receivables:	
Taxes	<u>13,054,314</u>
Total Assets	<u>25,735,445</u>
 DEFERRED INFLOWS OF RESOURCES	
Property Taxes Levied for Subsequent Year	<u>25,735,445</u>
 NET POSITION	
Restricted for Other Governments	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
YEAR ENDED DECEMBER 31, 2022**

	<u>Custodial Fund</u>
ADDITIONS	
Taxes and Special Charges Collected for Other Governments	\$ 25,906,315
DEDUCTIONS	
Payment to Other Taxing Entities	<u>25,906,315</u>
CHANGE IN NET POSITION	-
Net Position - Beginning of Year	<u>-</u>
NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Village is a municipal corporation governed by an elected seven member board. In accordance with GAAP, the basic financial statements are required to include the Village and any separate component units that have a significant operational or financial relationship with the Village. The Village has identified the following component units that are required to be included in the basic financial statements in accordance with standards.

Village of Greendale Community Development Authority

The government-wide financial statements include the Village of Greendale Community Development Authority (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the Village board. Wisconsin Statutes provide for circumstances whereby the Village can impose its will on the CDA, and also create a potential financial benefit to or burden on the Village. The CDA is part of the reporting entity of the Village of Greendale. However, the CDA had no financial transactions during 2022 which are material to these financial statements. Also, the CDA does not own any assets nor is it liable for any debt. Therefore, no financial statements are presented in this report. The CDA does not issue separate financial statements.

Business Improvement District of the Village of Greendale

The government-wide financial statements include the Business Improvement District of the Village of Greendale (BID) as a component unit. The BID is a legally separate organization. The board of the BID is appointed by the Village board. Wisconsin Statutes provide for circumstances whereby the Village can impose its will on the BID, and also create a potential financial benefit to or burden on the Village. The BID is part of the reporting entity of the Village. However, the BID had no financial transactions during 2022 which are material to these financial statements. Also, the BID does not own any assets nor is it liable for any debt. Therefore, no financial statements are presented in this report. The BID does not issue separate financial statements.

B. Government-Wide and Fund Financial Statements

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

General Fund

This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Debt Service Fund

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of government funds.

Capital Improvements Fund

This fund is used to account for other capital projects of the Village

The Village reports the following major enterprise funds:

Water Utility Fund

This fund accounts for the provision of water service to Village residents, public authorities, and business entities.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Sewer Utility Fund

This fund accounts for the provision of sewer service to Village residents, public authorities, and business entities.

Stormwater Utility Fund

This fund accounts for the operations of the Village's stormwater system.

The Village also reports the following fiduciary fund:

Custodial Fund

The custodial fund accounts for property taxes and specials charges collected on behalf of other governments.

Additionally, the Village reports the following fund types:

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes.

Capital projects funds account for financial resources to be used for the acquisition or construction of major capital facilities or equipment other than those financed by proprietary funds.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers ambulance revenues to be available if they are collected within 90 days and all other revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

2. Property Taxes and Special Charges/Receivable

Property taxes and special charges consist of taxes on real estate and personal property and user charges assessed against Village properties. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes and special charges are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in three equal installments on or before January 31, April 30, and July 31. Real estate taxes not paid by July 31 are purchased by the County as part of the August tax settlement. Delinquent personal property taxes remain the collection responsibility of the Village. Special charges not paid by January 31 are held in trust by the County and remitted to the Village, including interest, when collected by the County.

In addition to its levy, the Village also levies and collects taxes for the Greendale School District, Milwaukee County, Milwaukee Area Technical College and the Milwaukee County Metro Sewer District. Collections and remittances of taxes for other entities are accounted for in the custodial fund.

3. Accounts Receivable

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

4. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Noncurrent portions of the interfund receivables for the general fund are classified as nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

5. Prepaid Supplies and Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are expensed in the periods benefitted. Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

6. Leases

The Village determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statement of net position and fund financial statements.

Lease receivables represent the Village's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

The Village recognizes payments received for short-term leases with a lease term of 12 months or less, including options to extend, as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Village has elected to use their incremental borrowing rate to calculate the present value of expected lease payments.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Village are depreciated using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities	Business-Type Activities
	Years	
Buildings and Improvements	30 to 40	20 to 80
Machinery and Equipment	3 to 20	4 to 17
Infrastructure	15 to 50	20 to 80

8. Compensated Absences

It is the Village's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

9. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net assets by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may also report deferred inflows of resources for unavailable revenues. The Village reports unavailable revenues for special assessments and accounts receivable. These inflows are recognized as revenues in the government-wide financial statements.

10. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Pensions

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

12. Other Postemployment Benefits Other than Pensions (OPEB)

Defined Benefit Plan

Qualifying employees are provided with other postemployment benefits. The OPEB is a single employer defined benefit plan administered by the Village. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the Village has used values provided by their actuary. Benefit payments are recognized when due and payable in accordance with the benefit terms.

Local Retiree Life Insurance Fund

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

13. Fund Equity

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted Fund Balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance.** Amounts that are constrained for specific purposes by action of the Village Board. These constraints can only be removed or changed by the Village Board using the same action that was used to create them.

VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

13. Fund Equity (Continued)

Governmental Fund Financial Statements (Continued)

- **Assigned Fund Balance.** Amounts that are constrained for specific purposes by action of Village management. The Village Board, through adoption of the fund balance policy, has authorized the Finance Director/Treasurer to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned Fund Balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The Village has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide and Proprietary Fund Statements

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

- **Net Investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed 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.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

E. Use of Estimates

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Village adopted the requirements of the guidance effective January 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption.

NOTE 2 STEWARDSHIP AND COMPLIANCE

A. Budgets and Budgetary Accounting

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

1. Prior to November, Village management submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Village Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, certain special revenue and capital project, and debt service funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the general fund, equipment replacement fund, School D.A.R.E fund, debt service fund, recycling fund, library fund, community development block grant fund, and the capital improvement fund. Amendments to the budget during the year are initially reviewed by management and are subsequently authorized by the Village Board. Management does not have authority to amend the legally adopted budget. Supplemental amendments were necessary during the year, but were not material relation to the original appropriation.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

4. Expenditures may not exceed appropriations provided at the function level of the Village. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Village Board.

The Village's total General Fund expenditures for the year ended December 31, 2022 exceed budget by \$110,602.

B. Excess of Expenditures Over Budget Appropriations

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2022 as follows:

Fund	Excess Expenditures
General Fund:	
General Government	\$ 103,213
Public Works	182,067
Health and Human Services	35
Culture and Recreation	20,366

C. Deficit Fund Equity

The following funds had deficit fund balance as of December 31, 2022:

Funds	Deficit Fund Balance
School - Police Fund	\$ 37,432
Recycling	65,469
Tax Incremental District No. 4	208,173

The Village anticipates funding the above deficits from future revenues of the funds.

D. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2022 and 2023 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the Village's January 1 equalized value as a result of net new construction. The actual limit for the Village for the 2022 budget was 0.20%. The actual limit for the Village for the 2023 budget was 0.03%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The Village maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and Investments".

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the Village's cash and investments totaled \$34,726,103 on December 31, 2022 as summarized below:

Petty Cash and Cash on Hand	\$ 5,853
Deposits with Financial Institutions	14,981,284
Investments:	
Municipal Bonds	365,860
Wisconsin Investment Series Cooperative	2,164,474
Local Government Investment Pool	15,816,262
Negotiable Certificates of Deposit	378,342
US Treasury Notes	1,000,000
Money Market Mutual Funds	14,028
Total	<u><u>\$ 34,726,103</u></u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 20,698,996
Restricted Cash and Investments	1,345,976
Statement of Fiduciary Net Position:	
Cash and Investments	12,681,131
Total	<u><u>\$ 34,726,103</u></u>

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements

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 observable inputs; Level 3 inputs are significant unobservable inputs. The Village has the following fair value measurements as of December 31, 2022:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
US Treasury Notes	\$ -	\$ 1,000,000	\$ -
Municipal Bonds	-	365,860	-
Money Market Mutual Funds	14,028	-	-
Negotiable Certificates of Deposit	-	378,342	-
Total	<u>\$ 14,028</u>	<u>\$ 1,744,202</u>	<u>\$ -</u>

Deposits and investments of the Village are subject to various risks. Presented below is a discussion of the Village's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Village does not have an additional custodial credit policy.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk (Continued)

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

As of December 31, 2022, \$13,988,301 of the Village's deposits with financial institutions were in excess of federal and state depository insurance limits. Of this amount, \$10,808,765 was collateralized with securities held by the pledging financial institution or its trust department or agent but not in the Village's name.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
US Treasury Notes	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ -
Municipal Bonds	365,860	-	98,174	267,686	-
Money Market Mutual Funds	14,028	-	-	-	14,028
Wisconsin Investment Securities Cooperative	2,164,474	-	2,164,474	-	-
Negotiable Certificates of Deposit	378,342	-	-	-	378,342
Wisconsin Local Government Investment Pool	15,816,262	-	-	-	15,816,262
Totals	<u>\$ 19,738,966</u>	<u>\$ -</u>	<u>\$ 3,262,648</u>	<u>\$ 267,686</u>	<u>\$ 16,208,632</u>

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. In accordance with its investment policy, to the extent possible, the Village will attempt to match its investments with anticipated cash flow liquidity requirements. Unless matched to a specific cash flow, the Village will not invest in securities maturing more than five years from the date of purchase. Reserve funds may be invested in securities exceeding five years if the maturity of such investment is made to coincide as nearly as practicable with the expected use of funds. In no event will the Village invest in securities with maturities exceeding seven years. Because of the inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as Local Government Investment Pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

Information about the sensitivity of the fair values of the Village's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Village's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
US Treasury Notes	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -
Municipal Bonds	365,860	365,860	-	-	-
Money Market Mutual Funds	14,028	14,028	-	-	-
Wisconsin Investment Securities Cooperative	2,164,474	2,164,474	-	-	-
Negotiable Certificates of Deposit	378,342	378,342	-	-	-
Wisconsin Local Government Investment Pool	15,816,262	15,816,262	-	-	-
Totals	<u>\$ 19,738,966</u>	<u>\$ 19,738,966</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Investments in Wisconsin Local Government Investment Pool

The Village has investments in the Wisconsin Local Government Investment Pool of \$15,816,262 at year-end. The 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 December 31, 2022, the fair value of the Village's share of the LGIP's assets was substantially equal to the carrying value.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Investment in Wisconsin Investment Series Cooperative

The Village has investments in the Wisconsin Investment Series Cooperative (WISC) of \$2,164,474 at year-end all of which was invested in the Investment Series. The Investment Series requires a 14 day minimum investment period and one business day withdrawal notice, and the average dollar weighted maturity is 120 days or less. The Investment Series and Cash management Series have received a credit rating of AAA by a nationally recognized statistical rating organization.

WISC is organized by and operated exclusively for Wisconsin public schools, technical colleges, and municipal entities. WISC is not registered with the Securities and Exchange Commission, but operates under Wisconsin intergovernmental Cooperation Statute, Wisconsin Statutes, Section 66.0301. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests District funds in accordance with Wisconsin law. WISC investments are valued at amortized cost, which approximates market value.

B. Restricted Assets

Restricted assets on December 31, 2022 totaled \$1,345,976 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Governmental Funds:		
Debt Service Fund		
Debt Retirement	\$ 543,958	To be used for the repayment of the Note Anticipation Note
Enterprise:		
Water Utility:		
Debt Retirement	421,901	To account for retirement of waterworks system revenue bonds.
Sewer Utility:		
DNR Replacement	<u>380,117</u>	To be used for the replacement of certain assets for the sewer utility.
Total	<u>\$ 1,345,976</u>	

C. Leases Receivable

The Village, acting as lessor, leases cell tower and ground lease space under long-term, noncancelable lease agreements. The leases expire at various dates through 2040. The agreements do not include a stated interest rate, therefore, the Village has elected to use their incremental borrowing rate to calculate the present value of the expected lease payments.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Leases Receivable (Continued)

Total future minimum lease payments to be received under the terms of the lease agreements are as follows:

Year Ended December 31,	Business-Type Activities		Total
	Principal	Interest	
2023	\$ 69,841	\$ 6,092	\$ 75,933
2024	52,803	5,440	58,243
2025	55,055	4,894	59,949
2026	24,343	4,622	28,965
2027	24,588	4,377	28,965
2028-2032	138,454	17,956	156,410
2033-2037	177,751	9,940	187,691
2038-2040	123,887	1,240	125,127
Total	<u>\$ 666,722</u>	<u>\$ 54,561</u>	<u>\$ 721,283</u>

D. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 1,037,889	\$ -	\$ -	\$ 1,037,889
Capital Assets, Depreciable:				
Buildings and Improvements	16,198,661	269,729	-	16,468,390
Machinery and Equipment	9,360,366	232,524	103,869	9,489,021
Infrastructure	42,553,009	4,540,072	1,578,931	45,514,150
Subtotals	68,112,036	5,042,325	1,682,800	71,471,561
Less: Accumulated Depreciation for:				
Buildings and Improvements	6,611,539	450,744	-	7,062,283
Machinery and Equipment	7,562,377	359,928	94,306	7,827,999
Infrastructure	25,863,390	1,105,361	1,172,643	25,796,108
Subtotals	40,037,306	1,916,033	1,266,949	40,686,390
Total Capital Assets, Depreciable, Net	28,074,730	3,126,292	415,851	30,785,171
Governmental Activities Capital Assets, Net	<u>\$ 29,112,619</u>	<u>\$ 3,126,292</u>	<u>\$ 415,851</u>	31,823,060
Less: Capital Related Debt				(11,843,661)
Less: Capital Related Accounts Payable				(209,255)
Less: Debt Premium				(112,270)
Add: Unspent Bond Proceeds				1,049,937
Net Investment in Capital Assets				<u>\$ 20,707,811</u>

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 249,391	\$ -	\$ -	\$ 249,391
Intangible Assets	750,000	-	750,000	-
Total Capital Assets, Nondepreciable	999,391	-	750,000	249,391
Capital Assets, Depreciable:				
Buildings and Improvements	487,800	-	-	487,800
Machinery and Equipment	1,958,277	598	-	1,958,875
Infrastructure	30,812,463	2,956,802	142,959	33,626,306
Subtotals	33,258,540	2,957,400	142,959	36,072,981
Less: Accumulated Depreciation for:				
Buildings and Improvements	235,530	15,610	-	251,140
Machinery and Equipment	1,386,687	110,192	-	1,496,879
Infrastructure	11,755,900	518,041	142,959	12,130,982
Subtotals	13,378,117	643,843	142,959	13,879,001
Total Capital Assets, Depreciable, Net	19,880,423	2,313,557	-	22,193,980
Business-Type Activities Capital Assets, Net	<u>\$ 20,879,814</u>	<u>\$ 2,313,557</u>	<u>\$ 750,000</u>	22,443,371
Less: Capital Related Debt				(7,939,589)
Less: Capital Related Accounts Payable				(212,383)
Add: Unspent Bond Proceeds				862,884
Net Investment in Capital Assets				<u>\$ 15,154,283</u>

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

Governmental Activities:	
General Government	\$ 43,157
Public Safety	464,824
Public Works	1,287,099
Culture and Recreation	120,953
Total Depreciation Expense - Governmental Activities	<u>\$ 1,916,033</u>
Business-Type Activities:	
Water Utility	\$ 320,900
Sewer Utility	167,786
Stormwater Utility	155,157
Total Depreciation Expense - Business-Type Activities	<u>\$ 643,843</u>

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the Village, as reported in the fund financial statements, as of December 31, 2022 are detailed below:

Fund	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance		
Operating Cash Deficits:		
Governmental Funds:		
General	\$ 639,739	\$ -
Capital Projects	-	550,820
Nonmajor Funds:		
School - Police Fund	-	6,942
Recycling	-	81,977
Proprietary Funds:		
Water Utility	-	276,070
Sewer Utility	276,070	-
Totals	<u>\$ 915,809</u>	<u>\$ 915,809</u>

Interfund transfers for the year ended December 31, 2022 were as follows:

Fund	Transfer In	Transfer Out
Governmental Funds:		
General	\$ 274,452	\$ 52,949
Debt Service	2,145,671	-
Capital Projects	-	82,160
Tax Incremental District No. 2	-	1,907,950
Nonmajor Funds		
Tax Incremental District No. 1	-	233,637
Tax Incremental District No. 4	-	365,500
Tax Incremental District No. 5	-	216,848
Health Grants Fund	52,949	-
Enterprise Funds:		
Water Utility	750,000	262,601
Sewer Utility	-	110,427
Total	<u>\$ 3,223,072</u>	<u>\$ 3,232,072</u>

Interfund transfers are used to: (1) move restricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (3) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service funds as debt service payments become due.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Obligations

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

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	\$ 17,665,000	\$ 4,835,000	\$ 2,065,000	\$ 20,435,000	\$ 2,340,000
Notes from Direct Borrowings	1,328,756	-	196,682	1,132,074	182,073
Total General Obligation Debt	18,993,756	4,835,000	2,261,682	21,567,074	2,522,073
Direct Borrowing					
Note Anticipation Notes	3,855,000	-	-	3,855,000	-
Debt Premium	96,402	35,090	19,222	112,270	19,248
Compensated Absences	285,058	9,207	-	294,265	35,069
Governmental Activities Long-Term Obligations	<u>\$ 23,230,216</u>	<u>\$ 4,879,297</u>	<u>\$ 2,280,904</u>	<u>\$ 25,828,609</u>	<u>\$ 2,576,390</u>
Business-Type Activities:					
General Obligation Debt:					
Bonds	\$ -	\$ 2,855,000	\$ -	\$ 2,855,000	\$ 115,000
Revenue Bonds	2,090,000	-	180,000	1,910,000	185,000
Revenue Bonds from Direct Borrowings	3,409,489	-	251,972	3,157,517	256,822
Debt Premium	-	17,822	750	17,072	1,556
Business-Type Activities Long-term obligations	<u>\$ 5,499,489</u>	<u>\$ 2,872,822</u>	<u>\$ 432,722</u>	<u>\$ 7,939,589</u>	<u>\$ 558,378</u>

Total interest paid during the year on long-term debt totaled \$874,676.

State Trust Fund Loan

The Village's outstanding notes from direct borrowings related to governmental activities of \$1,132,074 are subject to a statutory provision that in an event of late or nonpayment, a 1% per month penalty will be charged and the payment will be collected through a reduction in payments from the state of Wisconsin.

Safe Drinking Water Loan Program

The Village's outstanding notes from direct borrowings related to business type activities of \$3,157,517 contain the following provisions in the event of a default: 1) Wisconsin Department of Administration can deduct amounts due from any state payments due to the Village or add the amounts due as a special charge to the property taxes apportioned; 2) may appoint a receiver for the Program's benefit; 3) may declare the principal amount immediately due and payable; 4) may enforce any right or obligation under the financing agreement including the right to seek specific performance or mandamus; and 5) may increase the interest rate set forth in the financing agreement to the market interest rate.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Obligations (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/22
General Obligation Bonds	8/23/11	12/1/30	2.75-5.25%	\$ 2,150,000	\$ 1,305,000
General Obligation Bonds	8/23/11	12/1/26	2.40-4.40%	13,200,000	5,145,000
General Obligation Bonds	5/11/16	11/1/31	2.00-2.10%	7,760,000	4,875,000
General Obligation Bonds	12/29/16	12/1/36	2.15-4.00%	1,295,000	1,025,000
General Obligation Bonds	7/10/18	6/1/36	2.85-4.00%	1,665,000	1,400,000
General Obligation Bonds	12/20/18	12/1/33	3.20-3.85%	2,135,000	1,850,000
State Trust Fund Note	3/29/19	3/15/27	4.25%	700,000	348,923
State Trust Fund Note	3/26/21	3/15/30	3.00%	986,000	783,151
General Obligation Bonds	5/11/22	5/1/42	3.00-3.125%	7,690,000	7,690,000
Total Outstanding General Obligation Debt					<u>\$ 24,422,074</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$24,422,074 on December 31, 2022 are detailed below:

Year Ending December 31,	Governmental Activities				Total
	Bonded Debt		Notes from Direct Borrowing		
	Principal	Interest	Principal	Interest	
2023	\$ 2,340,000	\$ 666,241	\$ 182,073	\$ 38,324	\$ 3,226,638
2024	2,435,000	587,899	188,574	31,823	3,243,296
2025	2,495,000	504,256	195,491	24,905	3,219,652
2026	2,595,000	414,514	167,634	17,817	3,194,965
2027	1,260,000	317,594	103,549	11,949	1,693,092
2028-2032	5,665,000	1,034,954	294,753	16,858	7,011,565
2033-2037	2,685,000	338,361	-	-	3,023,361
2038-2042	960,000	63,653	-	-	1,023,653
Total	\$ 20,435,000	\$ 3,927,472	\$ 1,132,074	\$ 141,676	\$ 25,636,222

Year Ending December 31,	Business Activities		
	Bonded Debt		Total
	Principal	Interest	
2023	\$ 115,000	\$ 84,356	199,356
2024	120,000	80,831	200,831
2025	120,000	77,231	197,231
2026	125,000	73,556	198,556
2027	130,000	69,731	199,731
2028-2032	665,000	289,781	954,781
2033-2037	745,000	184,631	929,631
2038-2042	835,000	65,553	900,553
Total	<u>\$ 2,855,000</u>	<u>\$ 925,670</u>	<u>\$ 3,780,670</u>

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Obligations (Continued)

For governmental activities, the other long-term liabilities are generally funded by the general fund.

Legal Margin for New Debt

The Village's legal margin for creation of additional general obligation debt on December 31, 2022 was \$64,499,446 as follows:

Equalized Valuation of the Village	\$ 1,778,430,400
Statutory Limitation Percentage	(x) 5%
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	88,921,520
Total Outstanding General Obligation Debt Applicable to Debt Limitation	24,422,074
Legal Margin for New Debt	<u>\$ 64,499,446</u>

Note Anticipation Note

Note anticipation notes outstanding on December 31, 2022 were comprised of the following issue:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/22
Taxable Note Anticipation Note from Direct Borrowing	12/20/21	12/1/26	2.25%	\$ 3,855,000	<u>\$ 3,855,000</u>

Annual principal and interest maturities of the outstanding anticipation note debt of \$3,855,000 on December 31, 2022 are detailed below:

Year Ending December 31,	Note from Direct Borrowing		
	Principal	Interest	Total
2022	\$ -	\$ 82,160	\$ 82,160
2023	-	86,738	86,738
2024	-	86,738	86,738
2025	-	86,737	86,737
2026	3,855,000	86,737	3,941,737
Total	<u>\$ 3,855,000</u>	<u>\$ 429,110</u>	<u>\$ 4,284,110</u>

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Long-Term Obligations (Continued)

Revenue Bonds

Revenue bonds outstanding on December 31, 2022 totaled \$5,067,517 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/22
Safe Water Drinking Loan	6/26/13	5/1/33	1.93%	\$ 4,279,516	\$ 2,678,450
Safe Water Drinking Loan	5/28/14	5/1/34	1.93%	711,888	479,067
Water System Revenue Bonds	7/10/18	5/1/31	3.00-3.50%	2,600,000	1,910,000
Total Outstanding Revenue Bonds					<u>\$ 5,067,517</u>

Annual principal and interest maturities of the outstanding revenue bonds of \$5,067,517 on December 31, 2022 are detailed below:

Year Ending December 31,	Business-Type Activities					
	Revenue Bonds		Direct Placement		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 185,000	\$ 57,755	\$ 256,822	\$ 58,310	\$ 441,822	\$ 116,065
2024	195,000	52,055	261,766	53,319	456,766	105,374
2025	200,000	46,130	266,805	48,231	466,805	94,361
2026	205,000	40,055	271,941	43,046	476,941	83,101
2027	210,000	33,778	277,176	37,761	487,176	71,539
2028-2032	915,000	63,552	1,467,997	105,895	2,382,997	169,447
2033-2037	-	-	355,010	4,269	355,010	4,269
Total	<u>\$ 1,910,000</u>	<u>\$ 293,325</u>	<u>\$ 3,157,517</u>	<u>\$ 350,831</u>	<u>\$ 5,067,517</u>	<u>\$ 644,156</u>

Utility Revenues Pledged

The Village has pledged future water customer revenues, net of specified operating expenses, to repay the water system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the system. The bonds are payable solely from water customer net revenues and are payable through 2034. The total principal and interest remaining to be paid on the bonds is \$5,711,673. Principal and interest paid for the current year and total customer net revenues were \$558,409 and \$1,005,002, respectively.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Pension Plan

1. Plan Description

The Wisconsin Retirement System (WRS) is a cost-sharing, multiple-employer, defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible state of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

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.

Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Pension Plan (Continued)

1. Plan Description (Continued)

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

The WRS also provides death and disability benefits for employees.

2. Postretirement Adjustments

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2012	-7.0%	-7%
2013	-9.6%	9%
2014	4.7%	25%
2015	2.9%	2%
2016	0.5%	-5%
2017	2.0%	4%
2018	2.4%	17%
2019	0.0%	-10%
2020	1.7%	21%
2021	5.1%	13%

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Pension Plan (Continued)

3. Contributions

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

During the year ended December 31, 2022, the WRS recognized \$825,045 in contributions from the Village.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Including Teachers, Executives, and Elected Officials)	6.50%	6.50%
Protective with Social Security	6.50%	12.00%
Protective without Social Security	6.50%	16.40%

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

At December 31, 2022, the Village reported an asset of \$5,573,361 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.06914683%, which was an increase of 0.00129068% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized pension revenue of \$478,261.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Pension Plan (Continued)

4. Pension Assets, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 9,003,482	\$ 649,248
Net Differences Between Projected and Actual		
Earnings on Pension Plan Investments	-	12,468,071
Changes in Assumptions	1,039,799	-
Changes in Proportion and Differences Between		
Employer Contributions and Proportionate Share		
of Contributions	12,055	5,600
Employer Contributions Subsequent to the		
Measurement Date	825,045	-
Total	<u>\$ 10,880,381</u>	<u>\$ 13,122,919</u>

\$825,045 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Expense</u>
2023	\$ (256,074)
2024	(1,508,485)
2025	(664,449)
2026	(638,575)
Total	<u>\$ (3,067,583)</u>

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Pension Plan (Continued)

5. 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, 2020
Measurement Date of Net Pension Liability(Asset):	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.80%
Discount Rate:	6.80%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.70%

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

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

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

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Global Equities	52.0%	6.8%	4.2%
Fixed Income	25.0%	4.3%	1.8%
Inflation Sensitive Assets	19.0%	2.7%	0.2%
Real Estate	7.0%	5.6%	3.0%
Private Equity/Debt	12.0%	9.7%	7.0%
Cash	-15.0%	0.9%	N/A
Total Core Fund	<u>100.0%</u>	6.6%	4.0%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0%	6.3%	3.7%
International Equities	30.0%	7.2%	4.6%
Total Variable Fund	<u>100.0%</u>	6.8%	4.2%

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

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

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

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

Sensitivity of the Village's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8%, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8%) or 1-percentage-point higher (7.8%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
Village's Proportionate Share of the Net Pension Liability (Asset)	\$ 3,954,695	\$ (5,573,361)	\$ (12,431,789)

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

6. Payables to the Pension Plan

At December 31, 2022, the Village reported a payable of \$151,450 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2022.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Other Postemployment Benefits

The Village reports OPEB related balances at December 31, 2022 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Local Retiree Life Insurance Fund (LRLIF)	\$ 673,221	\$ 248,656	\$ 78,211
Single-Employer Defined OPEB Plan	8,197,832	1,229,990	1,107,062
Total Pension Liability	\$ 8,871,053	\$ 1,478,646	\$ 1,185,273

1. Single-Employer Defined Postemployment Benefit Plan

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the Village. The plan provides health care insurance coverage for eligible retirees and spouses. Benefit provisions are established through personnel policy guidelines. The plan does not issue a publicly available financial report. No assets have been accumulated in an irrevocable trust.

Contribution requirements are established through personnel policy guidelines and may be amended by the action of the governing body. Retired plan members and beneficiaries are required to contribute specified amounts monthly towards the cost of health care insurance premiums depending on the employee classification and years of service.

Benefits Provided

The Village provides medical benefits (including prescription drugs) for retired employees through the Village's group insurance plans.

Employees Covered by Benefit Terms

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefit Payments	35
Active Employees	84
Total	119

Contributions

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of insurance premiums based on the employee group and their years of service.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Other Postemployment Benefits (Continued)

1. Single-Employer Defined Postemployment Benefit Plan (Continued)

Total OPEB Liability

The Village's total OPEB liability was measured as of December 31, 2021 and the total OPEB liability was determined by an actuarial valuation as of December 31, 2021.

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

Inflation:	3.0%
Salary Increases:	3.0%
Healthcare Cost Trend Rates:	5.0% for 2022 Decreasing to 4.9% for 2023, and Decreasing to Ultimate Rate of 3.7%

Mortality rates are the same as those used in the December 2018 Wisconsin Retirement System's annual report.

The actuarial assumptions used in the December 31, 2021 valuation were based on the "Wisconsin Retirement System 2018 - 2020 Experience Study".

Discount Rate. The discount rate used to measure the total OPEB liability was 2.06%, as opposed to a discount rate of 2.12% for the prior year. The discount rate was based on the 20-year Bond Buyer GO Index.

Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balance at January 1, 2021	\$ 7,954,056
Changes for the Year:	
Service Cost	484,741
Interest	174,120
Effect of Economic/Demographic Gains or Losses	38,443
Benefit Payments	(453,528)
Net Changes	243,776
Balance at December 31, 2021	\$ 8,197,832

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Other Postemployment Benefits (Continued)

1. Single-Employer Defined Postemployment Benefit Plan (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the Village, 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 (1.06%) or 1-percentage-point higher (3.06%) than the current rate:

	1% Decrease to Discount Rate (1.06%)	Current Discount Rate (2.06%)	1% Increase to Discount Rate (3.06%)
Total OPEB Liability	\$ 8,865,651	\$ 8,197,832	\$ 7,580,879

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.2% decreasing to 2.7%) or 1-percentage-point higher (6.2% decreasing to 4.7%) than the current healthcare cost trend rates:

	1% Decrease (4.2% Decreasing to 2.7%)	Healthcare Cost Trend Rates (5.2% Decreasing to 3.7%)	1% Increase (6.2% Decreasing to 4.7%)
Total OPEB Liability	\$ 7,357,145	\$ 8,197,832	\$ 9,187,733

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

For the year ended December 31, 2022, the Village recognized OPEB expense of \$622,138. At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 275,652	\$ 521,337
Changes in Assumptions	590,156	585,725
Village Benefit Payments Subsequent to the Measurement Date	364,182	-
Total	<u>\$ 1,229,990</u>	<u>\$ 1,107,062</u>

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Other Postemployment Benefits (Continued)

1. Single-Employer Defined Postemployment Benefit Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

\$364,182 reported as deferred outflows of resources related to OPEB resulting from Village benefit payments made subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the measurement period ended December 31, 2022, and reported in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in other postemployment benefits expense as follows:

<u>Year Ending December 31,</u>	<u>Expense</u>
2023	\$ (36,723)
2024	(36,723)
2025	(36,723)
2026	(36,723)
2027	(55,134)
Thereafter	(39,230)
Total	<u>\$ (241,256)</u>

2. Local Retiree Life Insurance Fund

Plan Description

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

OPEB Plan Fiduciary Net Position

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>. Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found using the link above.

Benefits Provided

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

Contributions

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

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

Contribution rates as of December 31, 2022 are:

Coverage Type	Employer Contribution
50% Postretirement Coverage	40% of Member Contribution
25% Postretirement Coverage	20% of Member Contribution

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

Life Insurance Member Contribution Rates for the Year Ended December 31, 2021	
Attained Age	Basic
Under 30	\$0.05
30 - 34	0.06
35 - 39	0.07
40 - 44	0.08
45 - 49	0.12
50 - 54	0.22
55 - 59	0.39
60 - 64	0.49
65 - 69	0.57

During the reporting period, the LRLIF recognized \$2,249 in contributions from the employer.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

At December 31, 2022, the Village reported a liability of \$673,221 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.11390500%, which was an increase of 0.00866600% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized OPEB expense of \$87,676.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 34,246
Net Differences Between Projected and Actual		
Earnings on OPEB Plan Investments	8,759	-
Changes in Assumptions	203,403	32,631
Changes in Proportion and Differences Between		
Employer Contributions and Proportionate Share		
of Contributions	36,494	11,334
Total	<u>\$ 248,656</u>	<u>\$ 78,211</u>

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

<u>Year Ending December 31,</u>	<u>Expense</u>
2023	\$ 36,992
2024	35,976
2025	32,905
2026	41,185
2027	18,773
Thereafter	4,614
Total	<u>\$ 170,445</u>

Actuarial Assumptions. The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

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

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

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

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Other Postemployment Benefits (Continued)

2. Local Retiree Life Insurance Fund (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

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

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

	1% Decrease to Discount Rate (1.17%)	Current Discount Rate (2.17%)	1% Increase to Discount Rate (3.17%)
Village's Proportionate Share of the Net OPEB Liability (Asset)	\$ 913,318	\$ 673,221	\$ 492,558

Payable to the OPEB Plan

At December 31, 2022, the Village did not report a payable for the outstanding amount of contribution to the Plan required for the year ended December 31, 2022.

VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

I. Deferred Compensation Plan

The Village offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457. The Plan, available to all Village employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Contributions to this plan are entirely from employee voluntary contributions. The Village makes no employer contributions to this plan.

J. Fund Equity

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2022, nonspendable fund balance was as follows:

General Fund:

Nonspendable:

Prepaid Supplies and Items	\$ 162,259
Delinquent Personal Property Taxes	39,484
Total Nonspendable Fund Balance	<u>\$ 201,743</u>

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2022, restricted fund balance was as follows:

Special Revenue Funds:

Restricted for:

Library Operations	\$ 11,425
Donations	486,894
Community Dev. Block Grant Activities	35,396
Total	<u>533,715</u>

Debt Service Fund:

Restricted for Debt Service	828,764
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Capital Projects Funds:

Restricted for:

Capital Improvements	4,639,530
Tax Incremental District Activities	5,668,795
Total	<u>10,308,325</u>

Total Restricted Fund Balance	<u>\$ 11,670,804</u>
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**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Fund Equity (Continued)

Committed Fund Balance

Portions of governmental fund balances have been committed by Village board action. At December 31, 2022, fund balance was committed as follows:

Capital Projects Funds:

Committed for:

Equipment Replacement	<u>\$ 233,801</u>
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Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2022, fund balance was assigned as follows:

General Fund:

Assigned for Subsequent Years Budget	<u>\$ 460,648</u>
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NOTE 4 OTHER INFORMATION

A. Tax Incremental Financing Districts

The Village has established separate capital projects funds for Tax Incremental District (TID) No. 1, No. 2, No. 3, No. 4 and No. 5 which were created by the Village in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the District was created, the property tax base within the District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the Village to finance such improvements.

Since creation of the above Districts, the Village has provided various financing sources to the TID. The foregoing amounts are not recorded as liabilities in the TID capital project fund but can be recovered by the Village from any future excess tax increment revenues. As of December 31, 2022, the Village can recover \$5,264,378 from future excess tax increment revenues of the following:

	Recoverable Costs
TID No. 1	\$ 192,696
TID No. 2	757,153
TID No. 3	-
TID No. 4	2,633,173
TID No. 5	1,681,356

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Tax Incremental Financing Districts (Continued)

The intent of the Village is to recover the above amounts from future TID surplus funds, if any, prior to termination of the respective Districts. Unless terminated by the Village prior thereto, each TID has a statutory termination year as follows:

	Termination Year
TID No. 1	2030
TID No. 2	2030
TID No. 3	2022
TID No. 4	2043
TID No. 5	2046

B. Tax Abatements

The Village has created tax incremental financing districts (the Districts) in accordance with Wisconsin State Statute 66.1105, *Tax Increment Law*. As part of the project plan for the Districts, the Village entered into agreements with developers for a creation of tax base within the Districts. The agreements require the Village to make annual repayments of property taxes collected within the Districts to the developers, based upon the terms of the agreements. As tax abatements, those developer payments and the related property tax revenues are not reported as revenues or expenditures in the financial statements.

For the year ended December 31, 2022, the Village abated property taxes totaling \$88,263 to a developer within Tax Incremental District No. 4.

C. Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Village completes an annual review of its insurance coverage to ensure adequate coverage. Settled claim have not exceeded coverage in any of the past three years. A description of the Village's risk management programs is presented below:

Public Entity Risk Pool

The Village is a member of the Wisconsin Municipal Insurance Commission (WMIC) and Cities and Villages Mutual Insurance Company (CVMIC).

The WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August, 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC, and has numerous cities and villages as members.

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Risk Management (Continued)

The CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC. The CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The Village does not exercise any control over the activities of the agencies beyond the election of the officers and board. Financial statements of WMIC and CVMIC can be obtained directly from CVMIC's offices.

D. Contingencies

From time to time, the Village is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management 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.

E. Prior Period Adjustment

The Village recorded a prior period adjustment to decrease assets and net position in the water utility and business-type activities in the amount of \$750,000.

	<u>Water</u> <u>Utility</u>
Net position - Beginning of Year, as Originally Reported	\$ 17,539,087
Prior Period Adjustment	<u>(750,000)</u>
Net Position - Beginning of Year, as Restated	<u><u>\$ 16,789,087</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF GREENDALE, WISCONSIN
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
SINGLE EMPLOYER DEFINED OPEB PLAN
LAST 10 FISCAL YEARS *

	2022	2021	2020	2019
Total OPEB Liability:				
Service Cost	\$ 484,741	\$ 450,090	\$ 372,448	\$ 454,922
Interest	174,120	228,611	309,829	272,049
Effect of Plan Changes	-	72,376	-	-
Economic/Demographic Gains or Losses	-	(671,147)	-	497,056
Changes of Assumptions	38,443	203,826	460,847	(1,056,187)
Benefit Payments	(453,528)	(443,192)	(423,684)	(450,739)
Net Change in Total OPEB Liability	243,776	(159,436)	719,440	(282,899)
Total OPEB Liability - Beginning of Year	7,954,056	8,113,492	7,394,052	7,676,951
Total OPEB Liability - End of Year	<u>\$ 8,197,832</u>	<u>\$ 7,954,056</u>	<u>\$ 8,113,492</u>	<u>\$ 7,394,052</u>
Covered-Employee Payroll	\$ 6,568,439	\$ 6,799,872	\$ 6,609,139	\$ 6,609,139
Village's Total OPEB Liability as a Percentage of Covered-Employee Payroll	124.81%	116.97%	122.76%	111.88%

* The amounts presented for each fiscal year were determined as of the current fiscal year end. Data is being accumulated annually to present 10 years of the reported information. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

See accompanying Notes to Required Supplementary Information.

**VILLAGE OF GREENDALE, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST 10 MEASUREMENT PERIODS**

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (Plan Year)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.06181192%	\$ (1,518,270)	\$ 6,283,656	24.16%	102.74%
12/31/15	0.06254747%	1,016,379	6,577,938	15.45%	98.20%
12/31/16	0.06259620%	515,942	6,491,236	7.95%	99.12%
12/31/17	0.06371292%	(1,891,712)	6,617,740	28.59%	102.93%
12/31/18	0.06483247%	2,306,536	6,880,340	33.52%	96.45%
12/31/19	0.06666927%	(2,149,721)	7,159,638	30.03%	102.96%
12/31/20	0.06785615%	(4,236,353)	7,316,377	57.90%	105.26%
12/31/21	0.06914683%	(5,573,361)	7,590,205	73.43%	106.02%

**SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 610,788	\$ 610,788	\$ -	\$ 6,577,938	9.29%
12/31/16	591,087	591,087	-	6,491,236	9.11%
12/31/17	665,295	665,295	-	6,617,740	10.05%
12/31/18	772,837	772,837	-	6,880,340	11.23%
12/31/19	785,939	785,939	-	7,159,638	10.98%
12/31/20	829,104	829,104	-	7,316,377	11.33%
12/31/21	844,511	844,511	-	7,590,205	11.13%
12/31/22	825,045	825,045	-	7,857,172	10.50%

See accompanying Notes to Required Supplementary Information.

**VILLAGE OF GREENDALE, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 MEASUREMENT PERIODS**

Measurement Period Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered- Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered- Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.10732100%	\$ 322,885	\$ 6,617,740	4.88%	44.81%
12/31/18	0.10413400%	268,701	6,880,340	3.91%	48.69%
12/31/19	0.10844800%	461,793	7,159,638	6.45%	37.58%
12/31/20	0.10523900%	578,890	6,789,000	8.53%	31.36%
12/31/21	0.11390500%	673,221	6,976,000	9.65%	29.57%

**SCHEDULE OF CONTRIBUTIONS
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
12/31/18	\$ 2,010	\$ 2,010	\$ -	\$ 6,880,340	0.03%
12/31/19	2,006	2,006	-	7,159,638	0.03%
12/31/20	2,111	2,111	-	6,789,000	0.03%
12/31/21	2,276	2,276	-	6,976,000	0.03%
12/31/22	2,249	2,249	-	7,857,172	0.03%

See accompanying Notes to Required Supplementary Information.

VILLAGE OF GREENDALE, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2022

NOTE 1 LOCAL RETIREE LIFE INSURANCE FUND

The Village is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

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

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

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

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

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

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

NOTE 2 WISCONSIN RETIREMENT SYSTEM

The Village is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

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

**VILLAGE OF GREENDALE, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2022**

NOTE 2 WISCONSIN RETIREMENT SYSTEM (CONTINUED)

Changes of assumptions:

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

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

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

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

SUPPLEMENTARY INFORMATION

**VILLAGE OF GREENDALE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	Special Revenue						Community Dev. Block Grant Fund
	School - Police Fund	Recycling	Health Grants	Donations and Grants	Library	Tourism and Events	
ASSETS							
Cash and Investments	\$ -	\$ -	\$ 22,972	\$ 1,817,901	\$ 328,929	\$ 106,041	\$ 35,396
Receivables:							
Taxes and Special Charges	31,387	6,674	101,399	-	320,407	109,161	-
Accounts	-	39,612	79,729	-	-	-	-
Assets Held for Resale	-	-	-	-	-	-	-
Total Assets	<u>\$ 31,387</u>	<u>\$ 46,286</u>	<u>\$ 204,100</u>	<u>\$ 1,817,901</u>	<u>\$ 649,336</u>	<u>\$ 215,202</u>	<u>\$ 35,396</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable	\$ -	\$ 29,778	\$ 4,200	\$ 679	\$ 5,771	\$ -	\$ -
Accrued and Other Current Liabilities	-	-	-	-	486	-	-
Due to Other Funds	6,942	81,977	-	-	-	-	-
Unearned Revenues	-	-	-	1,330,328	-	-	-
Total Liabilities	<u>6,942</u>	<u>111,755</u>	<u>4,200</u>	<u>1,331,007</u>	<u>6,257</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES							
Property Taxes Levied for Subsequent Year	61,877	-	199,900	-	631,654	215,202	-
FUND BALANCES							
Restricted	-	-	-	486,894	11,425	-	35,396
Committed	-	-	-	-	-	-	-
Unassigned	(37,432)	(65,469)	-	-	-	-	-
Total Fund Balances	<u>(37,432)</u>	<u>(65,469)</u>	<u>-</u>	<u>486,894</u>	<u>11,425</u>	<u>-</u>	<u>35,396</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 31,387</u>	<u>\$ 46,286</u>	<u>\$ 204,100</u>	<u>\$ 1,817,901</u>	<u>\$ 649,336</u>	<u>\$ 215,202</u>	<u>\$ 35,396</u>

**VILLAGE OF GREENDALE, WISCONSIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	Capital Projects							
	Equipment Replacement	Capital Projects	Tax Incremental District No. 1	Tax Incremental District No. 2	Tax Incremental District No. 3	Tax Incremental District No. 4	Tax Incremental District No. 5	Totals
ASSETS								
Cash and Investments	\$ 221,283	\$ -	\$ 1,222,090	\$ 4,646,162	\$ 3,965	\$ 143,086	\$ 341,572	\$ 8,889,397
Receivables:								
Taxes and Special Charges	-	-	111,472	264,373	-	269,191	176,474	1,390,538
Accounts	12,518	-	-	-	-	-	-	131,859
Assets Held for Resale	-	3,211,363	-	-	-	-	-	3,211,363
Total Assets	\$ 233,801	\$ 3,211,363	\$ 1,333,562	\$ 4,910,535	\$ 3,965	\$ 412,277	\$ 518,046	\$ 13,623,157
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ -	\$ 14,073	\$ 1,500	\$ 1,500	\$ 3,965	\$ 89,763	\$ 1,500	\$ 152,729
Accrued and Other Current Liabilities	-	-	-	-	-	-	-	486
Due to Other Funds	-	550,820	-	-	-	-	-	639,739
Unearned Revenues	-	-	-	-	-	-	-	1,330,328
Total Liabilities	-	564,893	1,500	1,500	3,965	89,763	1,500	2,123,282
DEFERRED INFLOWS OF RESOURCES								
Property Taxes Levied for Subsequent Year	-	-	219,758	521,188	-	530,687	347,902	2,728,168
FUND BALANCES								
Restricted	-	2,646,470	1,112,304	4,387,847	-	-	168,644	8,848,980
Committed	233,801	-	-	-	-	-	-	233,801
Unassigned	-	-	-	-	-	(208,173)	-	(311,074)
Total Fund Balances	233,801	2,646,470	1,112,304	4,387,847	-	(208,173)	168,644	8,771,707
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 233,801	\$ 3,211,363	\$ 1,333,562	\$ 4,910,535	\$ 3,965	\$ 412,277	\$ 518,046	\$ 13,623,157

VILLAGE OF GREENDALE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	Special Revenue						
	School - Police Fund	Recycling	Health Grants	Donations and Grants	Library	Tourism and Events	Community Dev. Block Grant
REVENUES							
Taxes	\$ 32,000	\$ -	\$ 191,697	\$ -	\$ 607,360	\$ -	\$ -
Intergovernmental	-	-	384,735	30,607	-	-	172,993
Public Charges for Services	-	196,826	-	2,683	35,686	-	-
Intergovernmental Charges for Services	175,269	-	-	-	-	-	-
Miscellaneous	-	-	-	575,016	23,684	-	-
Total Revenues	207,269	196,826	576,432	608,306	666,730	-	172,993
EXPENDITURES							
Current:							
Public Safety	239,042	-	-	39,376	-	-	-
Public Works	-	228,053	-	138,322	-	-	-
Health and Human Services	-	-	629,381	-	-	-	-
Culture and Recreation	-	-	-	21,352	653,019	-	-
Conservation and Development	-	-	-	-	-	-	138,583
Capital Outlay	-	-	-	-	33,493	-	-
Total Expenditures	239,042	228,053	629,381	199,050	686,512	-	138,583
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(31,773)	(31,227)	(52,949)	409,256	(19,782)	-	34,410
OTHER FINANCING SOURCES (USES)							
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-
Transfers In	-	-	52,949	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	52,949	-	-	-	-
NET CHANGE IN FUND BALANCES	(31,773)	(31,227)	-	409,256	(19,782)	-	34,410
Fund Balances - Beginning of Year	(5,659)	(34,242)	-	77,638	31,207	-	986
FUND BALANCES - END OF YEAR	<u>\$ (37,432)</u>	<u>\$ (65,469)</u>	<u>\$ -</u>	<u>\$ 486,894</u>	<u>\$ 11,425</u>	<u>\$ -</u>	<u>\$ 35,396</u>

**VILLAGE OF GREENDALE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Capital Projects							
	Equipment Replacement	Capital Projects	Tax Incremental District No. 1	Tax Incremental District No. 2	Tax Incremental District No. 3	Tax Incremental District No. 4	Tax Incremental District No. 5	Totals
REVENUES								
Taxes	\$ 275,000	\$ -	\$ 279,481	\$ 2,085,949	\$ 267,783	\$ 585,760	\$ 327,686	\$ 4,652,716
Intergovernmental	52,883	-	300	37,517	5,263	-	-	684,298
Public Charges for Services	-	-	-	-	-	-	-	235,195
Intergovernmental Charges for Services	-	-	-	-	-	-	-	175,269
Miscellaneous	80,951	-	25,483	107,028	-	2,548	5,097	819,807
Total Revenues	408,834	-	305,264	2,230,494	273,046	588,308	332,783	6,567,285
EXPENDITURES								
Current:								
Public Safety	-	-	-	-	-	-	-	278,418
Public Works	-	-	-	-	-	-	-	366,375
Health and Human Services	-	-	-	-	-	-	-	629,381
Culture and Recreation	-	-	-	-	-	-	-	674,371
Conservation and Development	-	482,850	18,961	12,696	47,549	18,515	12,695	731,849
Capital Outlay	280,197	-	-	-	-	-	-	313,690
Total Expenditures	280,197	482,850	18,961	12,696	47,549	18,515	12,695	2,994,084
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	128,637	(482,850)	286,303	2,217,798	225,497	569,793	320,088	3,573,201
OTHER FINANCING SOURCES (USES)								
Proceeds from Sale of Capital Assets	53,751	-	-	-	-	-	-	53,751
Transfers In	-	-	-	-	-	-	-	52,949
Transfers Out	-	(82,160)	(233,637)	(1,907,950)	-	(356,500)	(216,848)	(2,797,095)
Total Other Financing Sources (Uses)	53,751	(82,160)	(233,637)	(1,907,950)	-	(356,500)	(216,848)	(2,690,395)
NET CHANGE IN FUND BALANCES	182,388	(565,010)	52,666	309,848	225,497	213,293	103,240	882,806
Fund Balances - Beginning of Year	51,413	3,211,480	1,059,638	4,077,999	(225,497)	(421,466)	65,404	7,888,901
FUND BALANCES - END OF YEAR	<u>\$ 233,801</u>	<u>\$ 2,646,470</u>	<u>\$ 1,112,304</u>	<u>\$ 4,387,847</u>	<u>\$ -</u>	<u>\$ (208,173)</u>	<u>\$ 168,644</u>	<u>\$ 8,771,707</u>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Village Board
Village of Greendale
Greendale, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Greendale (the Village), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated July 13, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2022-001 and 2022-003 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses as item 2022-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Village of Greendale, Wisconsin's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Village's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Sheboygan, Wisconsin
July 13, 2023

**VILLAGE OF GREENDALE, WISCONSIN
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2022**

Section I – Internal Control Over Financial Reporting

FINDING NO.	CONTROL DEFICIENCIES
2022-001	Preparation of Annual Financial Report
Type of Finding:	Material Weakness in Internal Control over Financial Reporting
Condition:	Current Village staff maintains accounting records which reflect the Village's financial transactions; however, preparing the Village's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The Village contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. However, as independent auditors, CLA cannot be considered part of its internal control system. As part of its internal control over preparation of its financial statements, including disclosures, the Village had implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate.
Criteria or Specific Requirement:	The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes.
Effect:	Without our involvement, the Village may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.
Cause:	Village management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.
Repeat Finding:	Repeat of Finding 2021-001
Recommendation:	We recommend the Village continue reviewing the annual financial report. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the Village's activities and operations. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the Village is necessary to obtain a complete and adequate understanding of the Village's annual financial report.
Views of Responsible Officials and Planned Corrective Action:	Village management is aware of this condition and has reviewed and approved the financial reports prior to issuance.

**VILLAGE OF GREENDALE, WISCONSIN
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section I – Internal Control Over Financial Reporting (Continued)

FINDING NO.	CONTROL DEFICIENCIES
2022-002	Segregation of Duties
Type of Finding:	Significant Deficiency in Internal Control over Financial Reporting
Condition:	The Village has a limited number of employees to essentially complete all financial and recordkeeping duties of the general Village's operations. Accordingly, this does not allow for a proper segregation of duties for internal control purposes.
Criteria or Specific Requirement:	Segregation of duties is an internal control intended to prevent or decrease the occurrence of errors or intentional fraud. Segregation of duties ensures that no single employee has control over all phases of a transaction.
Effect:	Errors or intentional fraud could occur and not be detected timely by other employees in the normal course of their responsibilities as a result of the lack of segregation of duties.
Cause:	The lack of segregation of duties is due to the limited number of employees and the size of the Village's operations. In addition, the Village has not completed a risk assessment and review of internal controls to identify additional mitigating and compensating controls which could be implemented to reduce the risk of errors or intentional fraud.
Repeat Finding:	Repeat of Finding 2021-002
Recommendation:	We recommend the Village Board continue to monitor the transactions and the financial records of the Village. We further recommend the Village complete a risk assessment and analysis of its internal controls to identify opportunities to strengthen and enhance controls over financial reporting.
Views of Responsible Officials and Planned Corrective Action:	Management and the Board are conscious of the Village's staffing limitations. The Village Board will continue to monitor the transactions and financial records of the Village.

**VILLAGE OF GREENDALE, WISCONSIN
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section I – Internal Control Over Financial Reporting (Continued)

FINDING NO.	CONTROL DEFICIENCIES
2022-003	Adjustments to the Village's Financial Records
Type of Finding:	Material Weakness in Internal Control over Financial Reporting
Condition:	As part of our audit, we proposed adjusting journal entries that were material to the Village's financial statements.
Criteria or Specific Requirement:	Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.
Effect:	Year-end financial records prepared by the Village may contain material misstatements.
Cause:	While Village staff maintains financial records which accurately report revenues and expenditures throughout the year, CLA did identify and propose material year-end closing entries.
Repeat Finding:	Repeat of Finding 2021-003
Recommendation:	We recommend that Management of the Village continue reviewing any adjusting entries proposed as part of the audit process. A thorough review of this information by appropriate staff of the Village is necessary to obtain an adequate understanding of the Village's financial reports.
Views of Responsible Officials and Planned Corrective Action:	There is no disagreement with the audit finding. Management has reviewed and approved all entries proposed by CLA.

