



JOHNSON BLOCK

CPAs



City of

WHITEWATER

AUDITED FINANCIAL STATEMENTS

For the Year Ended December 31, 2020

City of Whitewater

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December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Whitewater
Whitewater, Wisconsin

We have audited the accompanying financial statements of the governmental activities, business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Whitewater, Wisconsin, as of and for the year ended December 31, 2020, which collectively comprise the City's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Whitewater, Wisconsin's financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

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

The schedules of long-term debt payments have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
May 25, 2021

**MANAGEMENT'S DISCUSSION
AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2020**



CITY OF WHITEWATER

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

The management of the City of Whitewater ("City") offers all persons interested in the financial condition of the City to review this narrative overview and analysis of the City's financial performance during the fiscal year ending December 31, 2020. This section should be read in conjunction with the financial statements and the accompanying notes that follow. It should also be noted that the information contained here will focus primarily on the governmental operations of the city.

FINANCIAL HIGHLIGHTS

The City's total net position increased \$2,399,592, or 3.75% from the prior year. The net position for governmental activities increased \$2,047,208, while net position of the business-type activities increased by \$352,384. The Community Development Authority ("CDA") a component unit of the city, net position decreased by \$119,084.

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources as of December 31, 2020, by \$66,396,953 (net position). Of this amount, \$6,331,119 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. The breakout of the unrestricted net position is \$3,284,630 and \$3,046,489 for governmental and business-type activities, respectively.

As of December 31, 2020, the City's governmental funds reported combined ending fund balances of \$6,505,566, an increase of \$281,231 in comparison with the prior year. Approximately 27% of this total, or \$1,737,822 (unassigned fund balance), is available for spending at the government's discretion.

The City's Water Utility had an operating income in 2020 of \$308,052. Unrestricted net position was \$1,444,731. The Water Utility's total net position decreased by \$62,938 to \$11,166,328. The approved Rate of Return is 4.9%. For 2020, the Rate of Return equaled 2.69%. The Utility filed a Simplified Rate Case application with the Wisconsin PSC in April, 2014. The 2014 approved rate factor is 3.0%. The increase was approved and was effective with water usage after June 26, 2014. The Utility did not file a Simplified Rate Case for 2015, 2016, or 2017. A Simplified Rate Case was filed for 2018 and the new rates became effective on June 28, 2018. The City filed an application with the PSC on May 22, 2019 for a Full Rate Case, in which the regulator reviews rates in depth. New rates went into effect August 27, 2020.

The Wastewater Utility had an operating income of \$895,409 in 2020. The Utility's total net position increased by \$397,328. The Wastewater Utility increased rates by 3% effective March 1, 2004; by 7% on December 1, 2004; by 5% effective December 1, 2005; by 7% effective December 1, 2006; by 7% effective on September 1, 2007; by 7% on September 1, 2008 and by 5.0% on December 1, 2009; by 7% on December 31, 2010 and by 13.65% on July 1, 2011. No rate adjustment was made in 2012. Rates were increased by 3% on March 1, 2013; by 3% on June 26, 2014. A Clean Water Fund project of approximately \$24.358 million in plant improvements was started in 2016. Of this, \$21.628 million is to be financed with a Clean Water Fund loan. In addition, there will be \$2.0 million in utility cash applied and \$730 thousand in a principal forgiveness grant. Rates were adjusted on December 29, 2015, in anticipation of this project. The rate increase for the average residential user equaled 31%. No rate adjustments were made in 2017 or 2018. As a result of a Utility Rate Study, Wastewater rates were increased effective June 27, 2019. The rate for the average residential user increased 17.96% or \$9.09 per month.

CITY OF WHITEWATER

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

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. The governmental fund statements tell how general government services like public safety and public works were financed in the short-term as well as what remains for future spending.

These financial statements also include notes that explain some of the information in the financial statements and provide more detail data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The remainder of this overview section (Management's Discussion and Analysis) explains the structure and contents of each of the statements.

Government-Wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net Position, the difference between the City's assets and liabilities and deferred inflows of resources, is one way to measure the City's financial health, or position. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating. To assess the overall health of the City you need to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

The government-wide financial statements include not only the City of Whitewater itself (known as the primary government), but also the City of Whitewater Community Development Authority (component unit). The CDA does not issue separate financial statements.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods.

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 City, 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 City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

CITY OF WHITEWATER

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

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City maintains 21 individual governmental funds. Several of the funds are included with the General Fund. 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 TIF District #4 Fund, all of which are considered to be major funds. Data from the other governmental funds are split between the non-major special revenue funds and the non-major capital project funds. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary Funds – The City maintains 3 different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Proprietary Enterprise Funds are the Water, Wastewater, and Stormwater Utilities. The Stormwater Utility was established in the 4th quarter of 2007.

Fiduciary Funds – Used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City is a trustee, or fiduciary, for the collection of all property taxes within the City for all taxing jurisdictions including the Whitewater Unified School District, Walworth and Jefferson counties, Gateway and Madison Area Technical College, and the State of Wisconsin. The accounting used for fiduciary funds is much like that used for proprietary funds.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

An analysis of the City's financial position begins with a review of the Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position. These two statements report the City's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations.

The largest portion of the City's (governmental and business-type activities) net position (approximately 81%) represents its investments in capital assets, less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

future spending. Although the City'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.

CITY OF WHITEWATER'S NET POSITION

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total</u> | |
|---|--------------------------------|----------------------|---------------------------------|----------------------|-----------------------|-----------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Current and Other Assets | \$ 14,962,108 | \$ 13,617,459 | \$ 8,779,350 | \$ 9,082,784 | \$ 23,741,458 | \$ 22,700,243 |
| Capital Assets | <u>39,146,208</u> | <u>39,496,127</u> | <u>57,251,358</u> | <u>56,125,748</u> | <u>96,397,566</u> | <u>95,621,875</u> |
| Total Assets | <u>\$ 54,108,316</u> | <u>\$ 53,113,586</u> | <u>\$ 66,030,708</u> | <u>\$ 65,208,532</u> | <u>\$ 120,139,024</u> | <u>\$ 118,322,118</u> |
| Deferred Outflows of Resources | <u>\$ 2,692,710</u> | <u>\$ 3,251,876</u> | <u>\$ 553,663</u> | <u>\$ 711,900</u> | <u>\$ 3,246,373</u> | <u>\$ 3,963,776</u> |
| Non-Current Liabilities | \$ 12,506,890 | \$ 14,612,044 | \$ 30,023,495 | \$ 28,404,934 | \$ 42,530,385 | \$ 43,016,978 |
| Other Liabilities | <u>1,869,485</u> | <u>3,101,441</u> | <u>2,293,754</u> | <u>3,952,076</u> | <u>4,163,239</u> | <u>7,053,517</u> |
| Total Liabilities | <u>\$ 14,376,375</u> | <u>\$ 17,713,485</u> | <u>\$ 32,317,249</u> | <u>\$ 32,357,010</u> | <u>\$ 46,693,624</u> | <u>\$ 50,070,495</u> |
| Deferred Inflows of Resources | <u>\$ 9,582,585</u> | <u>\$ 7,857,119</u> | <u>\$ 712,235</u> | <u>\$ 360,919</u> | <u>\$ 10,294,820</u> | <u>\$ 8,218,038</u> |
| Net Position: | | | | | | |
| Net Investment in Capital Assets | \$ 27,106,377 | \$ 25,728,189 | \$ 26,730,420 | \$ 25,165,677 | \$ 53,836,797 | \$ 50,893,866 |
| Restricted | 2,451,059 | 2,313,986 | 3,777,978 | 3,454,979 | 6,229,037 | 5,768,965 |
| Unrestricted | <u>3,284,630</u> | <u>2,752,683</u> | <u>3,046,489</u> | <u>4,581,847</u> | <u>6,331,119</u> | <u>7,334,530</u> |
| TOTAL NET POSITION | <u>\$ 32,842,066</u> | <u>\$ 30,794,858</u> | <u>\$ 33,554,887</u> | <u>\$ 33,202,503</u> | <u>\$ 66,396,953</u> | <u>\$ 63,997,361</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & NET POSITION | <u>\$ 56,801,026</u> | <u>\$ 56,365,462</u> | <u>\$ 66,584,371</u> | <u>\$ 65,920,432</u> | <u>\$ 123,385,397</u> | <u>\$ 122,285,894</u> |

NET POSITION: The City's combined net position increased 3.75% between fiscal years 2019 and 2020 to \$66,396,953. 50.5% of the 2020 net position are business-type activities of the City's Water, Wastewater, and Stormwater Utilities. The governmental activities had an increase in net position of \$2,047,208 for the year, while the business-type activities experienced an increase of \$352,384.

ASSETS: Governmental Activities: Taxes Receivable decreased by \$153,425. Accounts Receivables, and Other Receivables increased by \$41,034. Due from Other Governmental Units increased by \$114,079. Net Capital Assets decreased by \$349,919 to a total of \$39,146,208. Deferred outflows of resources decreased by \$559,166 between years due to the reporting for employee pensions and other postemployment benefits.

LIABILITIES: Governmental Activities: Non-Current Liabilities decreased by \$2,105,154. Deferred inflows of resources increased by \$1,725,466. Due to Component Unit equals \$250,000 which represents the advance from the CDA Fund 910 for the building of the Innovation Center. The Innovation Center is an asset of the CDA.

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

**CITY OF WHITEWATER
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

| | Governmental Activities | | Business-type Activities | | Combined-Total | |
|--|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for Services | \$ 920,239 | \$ 1,613,427 | \$ 6,324,923 | \$ 6,089,042 | \$ 7,245,162 | \$ 7,702,469 |
| Operating grants and contributions | 1,789,770 | 1,514,503 | - | 25,000 | 1,789,770 | 1,539,503 |
| Capital grants and contributions | 51,962 | 54,898 | 50,529 | 39,018 | 102,491 | 93,916 |
| General Revenues: | | | | | | |
| Property Taxes | 6,100,555 | 5,728,805 | - | - | 6,100,555 | 5,728,805 |
| Other Taxes | 106,845 | 151,518 | - | - | 106,845 | 151,518 |
| Intergovernmental | 3,942,964 | 3,767,725 | - | - | 3,942,964 | 3,767,725 |
| Investment Income | 98,969 | 267,612 | 18,694 | 95,933 | 117,663 | 363,545 |
| Miscellaneous | 130,867 | 162,099 | 81,213 | 3,387 | 212,080 | 165,486 |
| Total Revenues | \$ 13,142,171 | \$ 13,260,587 | \$ 6,475,359 | \$ 6,252,380 | \$ 19,617,530 | \$ 19,512,967 |
| Expenses: | | | | | | |
| General government | \$ 1,745,433 | \$ 1,690,965 | \$ - | \$ - | \$ 1,745,433 | \$ 1,690,965 |
| Public Safety | 4,119,426 | 4,444,652 | - | - | 4,119,426 | 4,444,652 |
| Public Works | 2,759,700 | 2,835,242 | - | - | 2,759,700 | 2,835,242 |
| Leisure activities | 2,259,573 | 2,652,794 | - | - | 2,259,573 | 2,652,794 |
| Conservation and Development | 45,816 | 4,677 | - | - | 45,816 | 4,677 |
| Interest and fiscal charges | 459,309 | 476,613 | 724,123 | 741,607 | 1,183,432 | 1,218,220 |
| Water Utility | - | - | 1,715,104 | 1,466,324 | 1,715,104 | 1,466,324 |
| Sewer Utility | - | - | 2,867,930 | 2,583,035 | 2,867,930 | 2,583,035 |
| Stormwater Utility | - | - | 444,524 | 392,506 | 444,524 | 392,506 |
| Total Expenses | \$ 11,389,257 | \$ 12,104,943 | \$ 5,751,681 | \$ 5,183,472 | \$ 17,140,938 | \$ 17,288,415 |
| Increases in net position before transfers | \$ 1,752,914 | \$ 1,155,644 | \$ 723,678 | \$ 1,068,908 | \$ 2,476,592 | \$ 2,224,552 |
| Transfers | 294,294 | 183,586 | (371,294) | (361,880) | (77,000) | (178,294) |
| Increase in net position | <u>\$ 2,047,208</u> | <u>\$ 1,339,230</u> | <u>\$ 352,384</u> | <u>\$ 707,028</u> | <u>\$ 2,399,592</u> | <u>\$ 2,046,258</u> |
| NET Position-January 1 | \$ 30,794,858 | \$ 29,455,628 | \$ 33,202,503 | \$ 32,495,475 | \$ 63,997,361 | \$ 61,951,103 |
| Net Position-December 31 | \$ 32,842,066 | \$ 30,794,858 | \$ 33,554,887 | \$ 33,202,503 | \$ 66,396,953 | \$ 63,997,361 |

CITY OF WHITEWATER

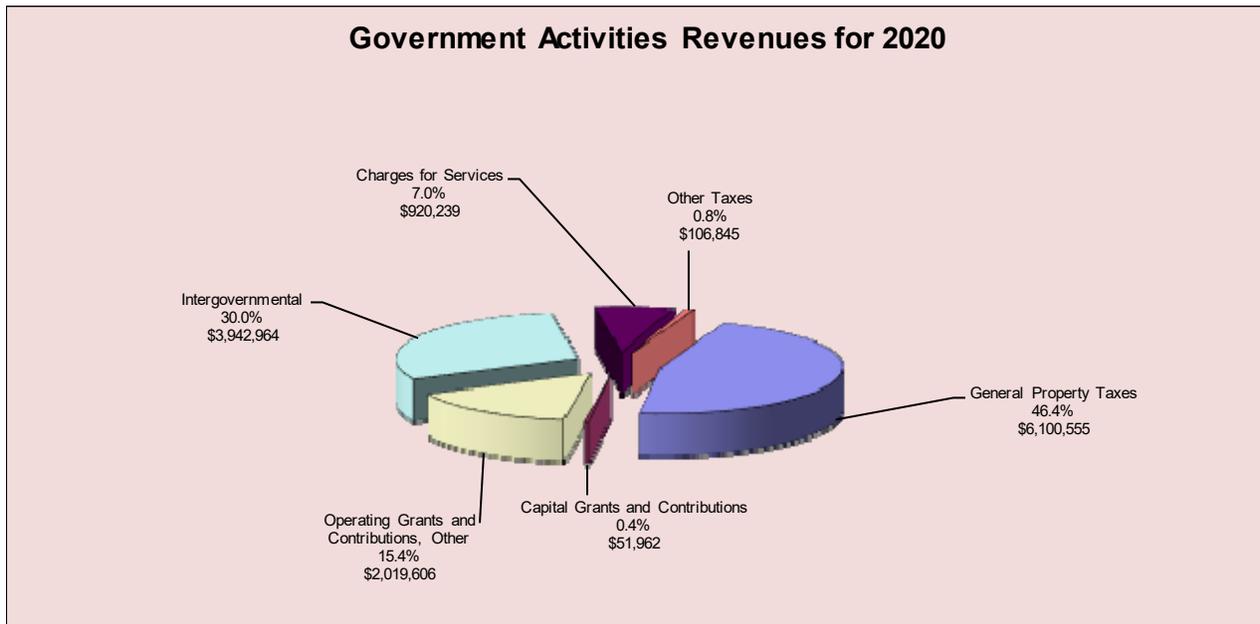
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities

Change in Net Position: The City's 2020 revenues for both governmental and business-type activities total \$19,617,530 and expenses total \$17,140,938. These totals plus transfers resulted in an increase in net position of \$2,399,592. Net position increased by \$2,047,208 for governmental activities. One cause of the increase was due to expenses decreasing by \$715,686. The largest single driver to this is the cancellation of the Parks and Recreational Programs due to the Coronavirus Public Health Emergency. Program revenues decreased by \$194,594, while total expenses decreased by \$151,985.

Revenues for the City's governmental activities total \$13,142,171 with intergovernmental revenues (largely state shared-revenues) accounting for 30% (\$3,942,964) of total revenues. Taxes have been broken out into two categories, debt service property taxes and general property taxes. The tax collected for debt service property taxes, which is 6.7% (\$892,438) of total revenues, were collected to pay for the principal and interest due in 2020. General property taxes accounted for 39.6% (\$5,208,117) of governmental revenues in 2020. Charges for services contributed 7% (\$920,239) and dropped by \$693,188 mainly due to COVID -19; operating/capital grants, other taxes, interest income, contributed 16.5% (\$2,178,413) of the total revenues. Capital grants were \$51,962 of revenues.



Total Revenues = \$13,142,171

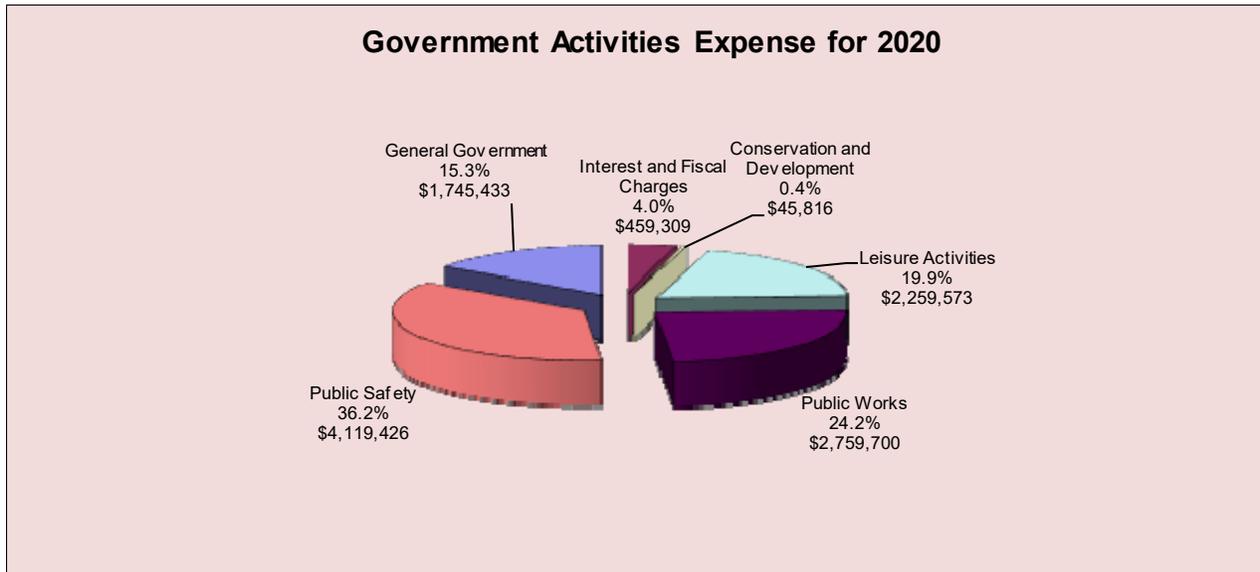
CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities (Continued)

Governmental activities expenditures total \$11,389,257. Public Safety activities amount for 36% (\$4,119,626), or the largest single portion of expenditures. Public Safety includes Police, Fire, Rescue, Crash and Building Inspections. Public Works, General Government and Leisure activities account for 24.2% (\$2,759,700), 15.3% (\$1,745,433), and 19.8% (\$2,259,573), respectively, of total expenditures for 2020. Conservation/Development—0.4% (\$45,816); Interest/Fiscal Charges—4.0% (\$1,183,432).



Total Expenses = \$11,389,257

CITY OF WHITEWATER

**MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities (Continued)

The following table presents the total cost of each of the City's activities as well as their net cost. The net costs are the total costs less fees generated by the activities plus operating and capital grants and contributions. The net cost shows the financial burden placed on City taxpayers or indirect revenue sources by each of these activities. The cost of all governmental activities during 2020 was \$11,389,257. However, the amount paid through the City's property tax was only \$6,100,555. The breakout of property taxes is \$3,093,547 (General Properties); \$892,438 (Debt Service); \$2,114,570 (TIF Districts). Some of the costs were paid by:

- Those directly benefiting from the programs - Charges for Service/Fees/Permits - (\$920,239)
- State of Wisconsin Shared Revenue-Aidable - (\$2,836,916)
- Utility Shared Revenues-State of Wisconsin - (\$371,011)
- State Aids-Roads/Highways - (\$664,597)

| | <u>Cost of Services</u> | <u>Charges for Services, Operating & Capital Grants, Contributions</u> | <u>Net Cost of Services</u> |
|------------------------------|-----------------------------|--|---------------------------------|
| General Government | \$ 1,745,433 | \$ 153,773 | \$ 1,591,660 |
| Public Safety | 4,119,426 | 609,107 | 3,510,319 |
| Public Works | 2,759,700 | 985,936 | 1,773,764 |
| Culture and Recreation | 2,259,573 | 697,576 | 1,561,997 |
| Conservation and Development | 45,816 | 315,579 | (269,763) |
| Interest and Fiscal Charges | 459,309 | - | 459,309 |
| Total | <u>\$ 11,389,257</u> | <u>\$ 2,761,971</u> | <u>\$ 8,627,286</u> |

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

General Fund – Is the primary operating fund of the City. The General Fund’s fund balance increased \$379,620 to \$4,072,859. Of that amount, \$2,076,612, is unassigned. which represents 23.7% of the expenditures and transfers out for calendar/budget year 2020.

Debt Service Fund – Accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

TIF District #4 - Capital Projects – This fund's purpose is to generate a tax increment to be used to cover the project plan expenditures. The expenditure period for TID # 4 closed on September 12, 2012. TID 4 will be closed in 2021 with an extension into 2022 for low-income housing.

Other Capital Projects Fund – Accounts for the acquisition and construction of major capital facilities and projects.

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

WATER, WASTEWATER, AND STORMWATER UTILITY

The **Water Utility** earned a 2.69% return on its rate base in 2020 compared to 3.60% in 2019. The Water Utility's (GAAP Basis) operating revenues increased by \$129,161 to \$2,023,156 and the operating expenses increased by \$248,780 to \$1,715,104. The City had more repairs and maintenance in 2020.

The **Wastewater Utility** operating revenue increased by \$90,818 in 2020 to \$3,763,339. Operating expenses increased by \$284,895 to \$2,867,930. Depreciation of the new plant accounted for the majority of the increase. Wastewater rates were adjusted by 17.6% (average residential user) on June 27, 2019. The increase provided funding for the debt service costs of the wastewater treatment plant project.

The **Stormwater Utility** operating revenues increased by \$15,902 to \$538,428. The operating income was \$93,904 in 2020. The monthly charge is \$6.17 per ERU (Equivalent Runoff Unit), which was increased as of December 29, 2015, to provide funding for the debt service costs of George Street and Center Street reconstruction projects. Most residential properties equal 1.0 ERU.

| | Operating Revenues | | Operating Expenses | | Operating Income (Loss) | |
|--------------------|--------------------|-----------|--------------------|--------------|-------------------------|------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Water Utility | \$ 2,023,156 | 1,893,995 | \$ 1,715,104 | \$ 1,466,324 | \$ 308,052 | \$ 427,671 |
| Wastewater Utility | 3,763,339 | 3,672,521 | 2,867,930 | 2,583,035 | 895,409 | 1,089,486 |
| Stormwater Utility | 538,428 | 522,526 | 444,524 | 392,506 | 93,904 | 130,020 |

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

| Governmental Activities | | | |
|--|----------------------|----------------------|---------------------|
| | 2020 | 2019 | Total Change |
| Land/Right of Way/Improvements | \$ 9,775,494 | \$ 9,775,494 | \$ - |
| Construction in Progress | - | 346,163 | (346,163) |
| Traffic and street lights | 774,439 | 791,042 | (16,603) |
| Buildings and Improvements | 7,595,001 | 7,639,847 | (44,846) |
| Machinery & Equipment | 2,434,308 | 2,312,117 | 122,191 |
| Streets/Sidewalks/Curb & Gutter | 18,566,966 | 18,631,464 | (64,498) |
| Capital Assets, Net of Depreciation | \$ 39,146,208 | \$ 39,496,127 | \$ (349,919) |

In the governmental-wide financial statement, fixed assets are accounted for as capital assets. Capital assets are defined as assets with an initial cost of more than \$5,000 for general assets and infrastructure assets. Prior to January 2003, infrastructure assets of the City's governmental activities were not capitalized. The City has retroactively reported significant infrastructure networks acquired by its governmental activities for streets (including curb and gutter) and sidewalks, lighting and easements. The dams were considered to be immaterial to the government-wide financial statements. Storm sewers have been retroactively reported in 2007.

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

The City (Primary Government) had capital assets of \$39,146,208 in the governmental activities and \$57,251,358 in the business-like activities for a total of \$96,397,566 at the end of 2020. The largest investment in capital assets was infrastructure, including streets, curb & gutter, sidewalks, storm sewers, sewer mains, sewer laterals, water mains and hydrants. Of the total City of Whitewater capital assets, the governmental activities account for 40.6% and the business-type activities total 59.4%. The business-type activities represent the Water Utility with 24.5%, the Wastewater Utility having 64.8%, and the Stormwater Utility 10.7% of the capital assets.

| <u>BUSINESS-TYPE ACTIVITIES</u> | | | |
|--|-----------------------------|-----------------------------|----------------------------|
| | <u>2020</u> | <u>2019</u> | <u>Change</u> |
| Water | | | |
| Land and Land Rights | \$ 6,727 | 6,727 | \$ - |
| Source of Supply | 705,364 | 705,364 | - |
| Pumping | 939,089 | 1,212,857 | (273,768) |
| Water Treatment | 1,458,742 | 1,458,742 | - |
| Transmission and Distribution | 17,934,789 | 16,905,580 | 1,029,209 |
| General | 845,101 | 552,083 | 293,018 |
| Construction in Progress | - | 3,827 | (3,827) |
| Less: Accumulated Depreciation | <u>(7,830,952)</u> | <u>(7,953,794)</u> | <u>122,842</u> |
| Net Assets-Water Utility Plant | <u>14,058,860</u> | <u>12,891,386</u> | <u>1,167,474</u> |
| Wastewater | | | |
| Land and Land Rights | 4,498,925 | 4,498,925 | - |
| Collection System | 16,523,966 | 15,789,851 | 734,115 |
| Treatment and Disposal | 37,820,626 | 37,785,171 | 35,455 |
| General | 1,062,751 | 863,936 | 198,815 |
| Construction in Progress | - | 57,206 | (57,206) |
| Less: Accumulated Depreciation | <u>(22,818,199)</u> | <u>(21,585,039)</u> | <u>(1,233,160)</u> |
| Net Assets-Wastewater Utility Plant | <u>37,088,069</u> | <u>37,410,050</u> | <u>(321,981)</u> |
| Stormwater | | | |
| Capital Assets | 6,814,742 | 6,384,840 | 429,902 |
| Construction in Progress | - | 67,866 | (67,866) |
| Less: Accumulated Depreciation | <u>(710,313)</u> | <u>(628,394)</u> | <u>(81,919)</u> |
| Net Assets-Stormwater Utility Plant | <u>6,104,429</u> | <u>5,824,312</u> | <u>280,117</u> |
| Total Utility's Capital Assets | <u>\$ 57,251,358</u> | <u>\$ 56,125,748</u> | <u>\$ 1,125,610</u> |

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2020**

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Long-term Debt

All general obligation notes and bonds payable are backed by full faith and credit of the City. Notes and bonds payable by the governmental funds will be retired by future property tax levies or TID tax increments accumulated by the Debt Service Fund or from the utility portion of the State Shared Revenues. Business-type activities debt is payable by revenues from user fees of those funds. In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the equalized value of taxable property within the city's jurisdiction. The debt limit as of December 31, 2020, was \$37,040,120. Total general obligation debt outstanding at year end was \$20,949,831, which represents 56.6% of the allowable debt limit.

| | Comparison of Outstanding Debt by Activity | | | | | |
|--------------------------|--|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | Governmental Activities | | Business-type Activities | | TOTAL | |
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| General Obligation | | | | | | |
| Bonds and Notes | \$ 12,039,831 | \$ 14,224,888 | \$ 9,311,000 | \$ 7,566,500 | \$ 21,350,831 | \$ 21,791,388 |
| Revenue Bond/Notes | - | - | 22,268,708 | 23,711,735 | 22,268,708 | 23,711,735 |
| Total Outstanding | \$ 12,039,831 | \$ 14,224,888 | \$ 31,579,708 | \$ 31,278,235 | \$ 43,619,539 | \$ 45,503,123 |

The total outstanding **general obligation debt** of \$21,350,831 is distributed:

| | |
|-----------------------------|-------------|
| City-CIP | \$9,979,831 |
| TID'S (#4 & #6) | \$2,060,000 |
| Utility (Water/Sewer/Storm) | \$9,311,000 |

| | AMOUNTS DUE WITHIN ONE YEAR | | |
|--------------------|-----------------------------|-----------------------------|--------------------------------|
| | Governmental Activities | Business-type Activities | Amounts Due Within One Year |
| General Obligation | | | |
| Bonds and Notes | \$ 901,459 | \$ 485,500 | \$ 1,386,959 |
| Revenue Bonds | - | 1,482,726 | 1,482,726 |
| Totals | \$ 901,459 | \$ 1,968,226 | \$ 2,869,685 |

BASIC FINANCIAL STATEMENTS

**City of Whitewater
Whitewater, WI**

**Statement of Net Position
December 31, 2020**

| | <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Primary Government</u> | <u>Component Unit</u> |
|--|------------------------------------|-------------------------------------|-------------------------------|-----------------------|
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and Cash Equivalents | \$ 9,510,827 | \$ 2,621,247 | \$ 12,132,074 | \$ 1,474,294 |
| Receivables | | | | |
| Taxes and special assessments | 3,840,287 | - | 3,840,287 | - |
| Accounts | - | 611,610 | 611,610 | - |
| Other | 130,934 | - | 130,934 | - |
| Due from Other Governments | 103,522 | - | 103,522 | - |
| Loans | | | | |
| Internal Balances | 24,794 | (24,794) | - | - |
| Due From Agency Fund | 107 | - | 107 | - |
| Due From Component Unit | 74,677 | - | 74,677 | - |
| Inventories | - | 22,500 | 22,500 | - |
| Prepaid Expenses | 139,593 | 39,939 | 179,532 | - |
| Total Current Assets | <u>13,824,741</u> | <u>3,270,502</u> | <u>17,095,243</u> | <u>1,474,294</u> |
| Noncurrent Assets: | | | | |
| Restricted Assets | | | | |
| Cash and Cash Equivalents | - | 5,271,155 | 5,271,155 | - |
| Net Pension Asset | 1,088,681 | 237,693 | 1,326,374 | 7,521 |
| Other Assets | | | | |
| Special Assessment Receivable | 48,686 | - | 48,686 | - |
| Loans Receivable | - | - | - | 1,291,479 |
| Due From City | - | - | - | 250,000 |
| Capital Assets | | | | |
| Land, Improvements, and Construction in Progress | 9,775,494 | 4,505,652 | 14,281,146 | 481,816 |
| Other Capital Assets, net of depreciation | 29,370,714 | 52,745,706 | 82,116,420 | 5,007,907 |
| Net Capital Assets | <u>39,146,208</u> | <u>57,251,358</u> | <u>96,397,566</u> | <u>5,489,723</u> |
| Total Noncurrent Assets | <u>40,283,575</u> | <u>62,760,206</u> | <u>103,043,781</u> | <u>7,038,723</u> |
| Total Assets | <u>54,108,316</u> | <u>66,030,708</u> | <u>120,139,024</u> | <u>8,513,017</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred Pension Outflows | 2,535,881 | 553,663 | 3,089,544 | 17,520 |
| Deferred OPEB Outflows | 156,829 | - | 156,829 | - |
| Total Deferred Outflows of Resources | <u>2,692,710</u> | <u>553,663</u> | <u>3,246,373</u> | <u>17,520</u> |
| Total Assets and Deferred Outflows of Resources | <u>\$ 56,801,026</u> | <u>\$ 66,584,371</u> | <u>\$ 123,385,397</u> | <u>\$ 8,530,537</u> |
| LIABILITIES | | | | |
| Current Liabilities: | | | | |
| Accounts Payable and Accrued Expenses | \$ 711,859 | \$ 151,614 | \$ 863,473 | \$ 14,697 |
| Payable to Other Governments | 67,681 | - | 67,681 | 74,677 |
| Accrued Interest | 96,611 | 156,438 | 253,049 | - |
| Current Portion of Long-Term Liabilities | 993,334 | 1,985,702 | 2,979,036 | - |
| Total Current Liabilities | <u>1,869,485</u> | <u>2,293,754</u> | <u>4,163,239</u> | <u>89,374</u> |
| Noncurrent Liabilities: | | | | |
| Due to Component Unit | 250,000 | - | 250,000 | - |
| Unamortized Debt Premium | 187,756 | 285,183 | 472,939 | - |
| Net OPEB Liability | 393,070 | - | 393,070 | - |
| Bonds and Direct Borrowings | 11,138,372 | 29,611,482 | 40,749,854 | - |
| Compensated Absences | 537,692 | 126,830 | 664,522 | - |
| Total Noncurrent Liabilities | <u>12,506,890</u> | <u>30,023,495</u> | <u>42,530,385</u> | <u>-</u> |
| Total Liabilities | <u>14,376,375</u> | <u>32,317,249</u> | <u>46,693,624</u> | <u>89,374</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| 2019 Tax Apportionment | 6,246,247 | - | 6,246,247 | - |
| Deferred Pension Inflows | 3,262,179 | 712,235 | 3,974,414 | 22,538 |
| Deferred OPEB Inflows | 74,159 | - | 74,159 | - |
| Total Deferred Inflows of Resources | <u>9,582,585</u> | <u>712,235</u> | <u>10,294,820</u> | <u>22,538</u> |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 27,106,377 | 26,730,420 | 53,836,797 | 5,489,723 |
| Restricted | | | | |
| CDA Programs | - | - | - | 2,819,933 |
| Debt Service | 43,298 | 1,407,570 | 1,450,868 | - |
| Capital | - | 2,370,408 | 2,370,408 | - |
| TIF | 1,129,406 | - | 1,129,406 | - |
| Special Revenue Activity | 1,278,355 | - | 1,278,355 | - |
| Unrestricted | 3,284,630 | 3,046,489 | 6,331,119 | 108,968 |
| Total Net Position | <u>32,842,066</u> | <u>33,554,887</u> | <u>66,396,953</u> | <u>8,418,624</u> |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | <u>\$ 56,801,026</u> | <u>\$ 66,584,371</u> | <u>\$ 123,385,397</u> | <u>\$ 8,530,536</u> |

See accompanying notes to the basic financial statements

City of Whitewater
Whitewater, WI

Statement of Activities
For the Year Ended December 31, 2020

| Functions/Programs | Expenses | Program Revenue | | | Net (Expense) Revenue and Changes in Net Position | | | |
|--|-------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|----------------------|---------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Primary Government | Component Unit |
| Primary Government | | | | | | | | |
| Governmental Activities | | | | | | | | |
| General Government | \$ 1,745,433 | \$ 108,773 | \$ 45,000 | \$ - | \$ (1,591,660) | | \$ (1,591,660) | |
| Public Safety | 4,119,426 | 461,350 | 147,757 | - | (3,510,319) | | (3,510,319) | |
| Public Works | 2,759,700 | 251 | 984,619 | 1,066 | (1,773,764) | | (1,773,764) | |
| Culture and Recreation | 2,259,573 | 349,580 | 297,100 | 50,896 | (1,561,997) | | (1,561,997) | |
| Conservation and Development | 45,816 | 285 | 315,294 | - | 269,763 | | 269,763 | |
| Interest on Long-Term Debt | 459,309 | - | - | - | (459,309) | | (459,309) | |
| Total Governmental Activities | <u>11,389,257</u> | <u>920,239</u> | <u>1,789,770</u> | <u>51,962</u> | <u>(8,627,286)</u> | | <u>(8,627,286)</u> | |
| Business-Type Activities | | | | | | | | |
| Water | 1,837,050 | 2,023,156 | - | 10,400 | - | \$ 196,506 | 196,506 | |
| Wastewater | 3,413,773 | 3,763,339 | - | 40,129 | - | 389,695 | 389,695 | |
| Storm Sewer | 500,858 | 538,428 | - | - | - | 37,570 | 37,570 | |
| Total Business-Type Activities | <u>5,751,681</u> | <u>6,324,923</u> | <u>-</u> | <u>50,529</u> | <u>-</u> | <u>623,771</u> | <u>623,771</u> | |
| Total Primary Government | <u>17,140,938</u> | <u>7,245,162</u> | <u>1,789,770</u> | <u>102,491</u> | <u>(8,627,286)</u> | <u>623,771</u> | <u>(8,003,515)</u> | |
| Component Unit | | | | | | | | |
| Community Development Authority | 479,188 | 158,256 | 175 | - | | | | \$ (320,757) |
| Total Component Units | <u>\$ 479,188</u> | <u>\$ 158,256</u> | <u>\$ 175</u> | <u>\$ -</u> | | | | <u>(320,757)</u> |
| General Revenues: | | | | | | | | |
| Taxes: | | | | | | | | |
| Property Taxes, Levied for General Purposes | | | | | 5,208,117 | - | 5,208,117 | - |
| Property Taxes, Levied for Debt Service | | | | | 892,438 | - | 892,438 | - |
| Other Taxes | | | | | 106,845 | - | 106,845 | - |
| Grants and Contributions Not Restricted to Specific Programs | | | | | 3,942,964 | - | 3,942,964 | - |
| Unrestricted Investment Earnings | | | | | 98,969 | 18,694 | 117,663 | 47,219 |
| Public Gifts and Grants | | | | | 51,174 | - | 51,174 | - |
| Miscellaneous | | | | | 70,373 | 81,213 | 151,586 | 77,454 |
| Special Item - Gain (Loss) on Retirement of Asset(s) | | | | | 9,320 | - | 9,320 | - |
| Transfers to/from CDA | | | | | (77,000) | - | (77,000) | 77,000 |
| Transfers | | | | | 371,294 | (371,294) | - | - |
| Total General Revenues, Transfers, and Special Items | | | | | <u>10,674,494</u> | <u>(271,387)</u> | <u>10,403,107</u> | <u>201,673</u> |
| Change in Net Position | | | | | 2,047,208 | 352,384 | 2,399,592 | (119,084) |
| Net Position - Beginning | | | | | 30,794,858 | 33,202,503 | 63,997,361 | 8,537,708 |
| Net Position - Ending | | | | | <u>\$ 32,842,066</u> | <u>\$ 33,554,887</u> | <u>\$ 66,396,953</u> | <u>\$ 8,418,624</u> |

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Balance Sheet
Governmental Funds
December 31, 2020**

| | <u>General Fund</u> | <u>Debt Service</u> | <u>TIF 4</u> | <u>Capital Projects Fund</u> | <u>Non-Major Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|---------------------|---------------------|---------------------|----------------------------------|---|---|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 5,713,399 | \$ 40,318 | \$ 2,030,838 | \$ 315,549 | \$ 1,410,721 | \$ 9,510,825 |
| Receivables: | | | | | | |
| Taxes | 2,459,983 | - | 1,315,962 | - | 58,495 | 3,834,440 |
| Delinquent Personal Property Taxes | 5,847 | - | - | - | - | 5,847 |
| Special Assessments | 48,686 | - | - | - | - | 48,686 |
| Other | 50,817 | 2,980 | 26,319 | 50,000 | 818 | 130,934 |
| Due from Other Governments | 74,677 | - | - | 91,667 | 11,855 | 178,199 |
| Due from Other Funds | 25,250 | - | - | - | 144 | 25,394 |
| Prepaid Expenses | 138,578 | - | - | - | 1,015 | 139,593 |
| Advances Receivable | 311,905 | - | - | - | - | 311,905 |
| Total Assets | <u>\$ 8,829,142</u> | <u>\$ 43,298</u> | <u>\$ 3,373,119</u> | <u>\$ 457,216</u> | <u>\$ 1,483,048</u> | <u>\$ 14,185,823</u> |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ 212,179 | \$ - | \$ - | \$ 45,111 | \$ 63,672 | \$ 320,962 |
| Accrued Liabilities | 364,014 | - | - | - | 26,883 | 390,897 |
| Due to Other Funds | - | - | - | - | 493 | 493 |
| Due to Other Governments | 67,681 | - | - | - | - | 67,681 |
| Advance Payable to CDA | - | - | 250,000 | - | - | 250,000 |
| Advances Payable | - | - | - | - | 311,905 | 311,905 |
| Total Liabilities | <u>643,874</u> | <u>-</u> | <u>250,000</u> | <u>45,111</u> | <u>402,953</u> | <u>1,341,938</u> |
| DEFERRED INFLOWS OF RESOURCES | <u>4,112,409</u> | <u>-</u> | <u>2,028,288</u> | <u>91,667</u> | <u>105,955</u> | <u>6,338,319</u> |
| FUND BALANCE | | | | | | |
| Nonspendable | 456,330 | - | - | - | - | 456,330 |
| Restricted | - | 43,298 | 1,094,831 | 320,438 | 1,312,930 | 2,771,497 |
| Assigned | 1,539,917 | - | - | - | - | 1,539,917 |
| Unassigned (Deficit) | 2,076,612 | - | - | - | (338,790) | 1,737,822 |
| Total Fund Balance | <u>4,072,859</u> | <u>43,298</u> | <u>1,094,831</u> | <u>320,438</u> | <u>974,140</u> | <u>6,505,566</u> |
| Total Liabilities, Deferred Inflows and Fund Balance | <u>\$ 8,829,142</u> | <u>\$ 43,298</u> | <u>\$ 3,373,119</u> | <u>\$ 457,216</u> | <u>\$ 1,483,048</u> | <u>\$ 14,185,823</u> |

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2020**

| | | |
|---|----|---------------|
| Total fund balance, governmental funds | \$ | 6,505,566 |
| <p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p> | | |
| <p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.</p> | | 39,146,208 |
| <p>The net pension asset (liability) is not a current financial resource and is, therefore, not reported in the fund statements.</p> | | 1,088,681 |
| <p>The net OPEB asset (liability) is not a current financial obligation and is, therefore, not reported in the fund statements.</p> | | (393,070) |
| <p>Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension and OPEB plans. These items are reflected in the Statement of Net Position and are being amortized with pension and OPEB expense in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund financial statements.</p> | | (643,626) |
| <p>Deferred inflows of resources are reported in the fund financial statement, but are already recognized as earned in the Statement of Position.</p> | | 92,072 |
| <p>Some liabilities, (such as General Obligation Debt, Long-Term Compensated Absences, and Leases Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.</p> | | |
| Long-term debt current portion | \$ | 901,459 |
| Long-term debt non-current portion | | 11,138,372 |
| Unamortized premium on debt | | 187,756 |
| Compensated absences current portion | | 91,875 |
| Compensated absences long-term portion | | 537,692 |
| Accrued interest | | 96,611 |
| Net Position of Governmental Activities in the Statement of Net Position | | \$ 32,842,066 |

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020**

| | <u>General Fund</u> | <u>Debt Service</u> | <u>TIF 4</u> | <u>Capital Projects Fund</u> | <u>Non-Major Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|---------------------|---------------------|---------------------|----------------------------------|---|---|
| REVENUES | | | | | | |
| Property Taxes | \$ 3,211,448 | \$ 892,438 | \$ 2,028,041 | \$ - | \$ 86,528 | \$ 6,218,455 |
| Other Taxes | - | - | 111,250 | - | - | 111,250 |
| Special Assessment Revenue | 1,523 | - | - | - | - | 1,523 |
| Intergovernmental | 4,989,271 | - | 121,565 | 25,500 | 520,540 | 5,656,876 |
| License and Permits | 49,695 | - | - | - | - | 49,695 |
| Fines, Forfeits and Penalties | 262,438 | - | - | - | 2,349 | 264,787 |
| Public Charges for Services | 71,842 | - | - | - | 356,399 | 428,241 |
| Intergovernmental Charges for Services | - | - | - | - | 268 | 268 |
| Interest Income | 80,710 | - | - | 1,188 | 4,491 | 86,389 |
| Miscellaneous Income | 101,960 | 6,328 | - | 50,000 | 102,114 | 260,402 |
| Total Revenues | <u>8,768,887</u> | <u>898,766</u> | <u>2,260,856</u> | <u>76,688</u> | <u>1,072,689</u> | <u>13,077,886</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General Government | 1,561,707 | - | - | - | - | 1,561,707 |
| Public Safety | 3,871,290 | - | - | - | 18,032 | 3,889,322 |
| Public Works | 1,771,236 | - | - | - | 191,816 | 1,963,052 |
| Culture, Recreation and Education | 635,407 | - | - | - | 1,374,868 | 2,010,275 |
| Conservation and Development | - | - | 150 | - | 7,025 | 7,175 |
| Capital Outlay | 151,454 | - | 35,129 | 842,508 | 7,415 | 1,036,506 |
| Debt Service: | | | | | | |
| Principal Repayment | - | 3,635,057 | - | - | - | 3,635,057 |
| Interest Expense | - | 496,790 | - | 5,470 | - | 502,260 |
| Total Expenditures | <u>7,991,094</u> | <u>4,131,847</u> | <u>35,279</u> | <u>847,978</u> | <u>1,599,156</u> | <u>14,605,354</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>777,793</u> | <u>(3,233,081)</u> | <u>2,225,577</u> | <u>(771,290)</u> | <u>(526,467)</u> | <u>(1,527,468)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Proceeds from Long-Term Debt | 11,133 | 987,307 | - | 451,560 | - | 1,450,000 |
| Debt Premium | - | - | - | 64,407 | - | 64,407 |
| Transfers In | 378,544 | 2,245,774 | - | 97,500 | 635,500 | 3,357,318 |
| Transfers Out | (787,850) | - | (2,037,718) | - | (137,458) | (2,963,026) |
| Transfers Out to CDA | - | - | (75,000) | - | (25,000) | (100,000) |
| Total Other Financing Sources and Uses | <u>(398,173)</u> | <u>3,233,081</u> | <u>(2,112,718)</u> | <u>613,467</u> | <u>473,042</u> | <u>1,808,699</u> |
| Net Change in Fund Balances | 379,620 | - | 112,859 | (157,823) | (53,425) | 281,231 |
| Fund Balances (Deficits) - Beginning | 3,693,239 | 43,298 | 981,972 | 478,261 | 1,027,565 | 6,224,335 |
| Fund Balances - Ending | <u>\$ 4,072,859</u> | <u>\$ 43,298</u> | <u>\$ 1,094,831</u> | <u>\$ 320,438</u> | <u>\$ 974,140</u> | <u>\$ 6,505,566</u> |

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2020**

Net change in fund balances - total governmental funds: \$ 281,231

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

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

This is the amount by which capital additions \$1,261,332 were less than depreciation of \$1,604,229 in the current period. (342,897)

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports the gain or (loss) on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold. (7,020)

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. This represents revenues which were recorded on the government-wide financial statements in the current year but not yet recognized in the fund financial statements. 71,306

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

| | |
|-------------------------------------|-------------|
| Proceeds of general obligation debt | (1,450,000) |
| Proceeds of debt premium | (64,407) |
| Debt repayment - general obligation | 3,635,057 |

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

| | |
|---|----------|
| Adjustment for accrued interest not reflected on Governmental Funds | 29,505 |
| Adjustment for increase in compensated absences | (51,168) |
| Adjustment for amortization expense not reflected on Governmental Funds | 13,446 |

Pension and OPEB expense reported in the governmental funds represents current year required contributions into the defined benefit pension and OPEB plans. Pension and OPEB expense in the Statement of Activities are actuarially determined by the defined benefit pension and OPEB plans as differences between net pension asset/net OPEB liability from the prior year to the current year, with some adjustments (67,845)

| | |
|---|--------------|
| Change in net position of governmental activities | \$ 2,047,208 |
|---|--------------|

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Net Position
Proprietary Funds
December 31, 2020**

| | Enterprise Funds | | | |
|---|-------------------------|-------------------|-------------------|---------------|
| | Water | Wastewater | Stormwater | Total |
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and Cash Equivalents | \$ 1,298,481 | \$ 1,014,116 | \$ 308,650 | \$ 2,621,247 |
| Receivables | | | | |
| Accounts | 201,653 | 360,053 | 49,904 | 611,610 |
| Inventories | 22,500 | - | - | 22,500 |
| Prepaid Expenses | 10,945 | 28,994 | - | 39,939 |
| Total Current Assets | 1,533,579 | 1,403,163 | 358,554 | 3,295,296 |
| Restricted Assets: | | | | |
| Restricted Cash | 777,772 | 4,493,383 | - | 5,271,155 |
| Net Pension Asset | 85,534 | 118,792 | 33,367 | 237,693 |
| Total Restricted Assets | 863,306 | 4,612,175 | 33,367 | 5,508,848 |
| Capital Assets: | | | | |
| Land | 6,727 | 4,498,925 | - | 4,505,652 |
| Utility Plant | 21,883,085 | 55,407,343 | 6,814,742 | 84,105,170 |
| Less Accumulated Depreciation | (7,830,952) | (22,818,199) | (710,313) | (31,359,464) |
| Net Capital Assets | 14,058,860 | 37,088,069 | 6,104,429 | 57,251,358 |
| Total Assets | 16,455,745 | 43,103,407 | 6,496,350 | 66,055,502 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred Pension Outflows | 199,236 | 276,704 | 77,723 | 553,663 |
| Total Deferred Outflows of Resources | 199,236 | 276,704 | 77,723 | 553,663 |
| Total Assets and Deferred Outflows of Resources | \$ 16,654,981 | \$ 43,380,111 | \$ 6,574,073 | \$ 66,609,165 |

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Net Position
Proprietary Funds
December 31, 2020**

Enterprise Funds

| | <u>Water</u> | <u>Wastewater</u> | <u>Stormwater</u> | <u>Total</u> |
|--|----------------------|----------------------|---------------------|----------------------|
| LIABILITIES | | | | |
| Current Liabilities: | | | | |
| Accounts Payable | \$ 32,922 | \$ 68,929 | \$ 4,660 | \$ 106,511 |
| Accrued Liabilities | 16,626 | 23,460 | 5,017 | 45,103 |
| Accrued Interest Payable | 38,773 | 100,451 | 17,214 | 156,438 |
| Due to Other Funds | 24,794 | - | - | 24,794 |
| Compensated Absences | 4,726 | 8,673 | 4,077 | 17,476 |
| Current Portion of Long-Term Debt | 331,300 | 1,501,926 | 135,000 | 1,968,226 |
| Total Current Liabilities | <u>449,141</u> | <u>1,703,439</u> | <u>165,968</u> | <u>2,318,548</u> |
| Non-Current Liabilities: | | | | |
| Long-Term Debt | | | | |
| Notes Payable | 250,400 | 105,100 | 300,000 | 655,500 |
| Bonds and Loans Payable | 4,345,000 | 23,170,982 | 1,440,000 | 28,955,982 |
| Unamortized Debt Premium | 139,562 | 116,120 | 29,501 | 285,183 |
| Total Long-Term Debt | <u>4,734,962</u> | <u>23,392,202</u> | <u>1,769,501</u> | <u>29,896,665</u> |
| Other Liabilities: | | | | |
| Compensated Absences | 48,252 | 54,665 | 23,913 | 126,830 |
| Total Other Liabilities | <u>48,252</u> | <u>54,665</u> | <u>23,913</u> | <u>126,830</u> |
| Total Non-Current Liabilities | <u>4,783,214</u> | <u>23,446,867</u> | <u>1,793,414</u> | <u>30,023,495</u> |
| Total Liabilities | <u>5,232,355</u> | <u>25,150,306</u> | <u>1,959,382</u> | <u>32,342,043</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Pension Inflows | 256,298 | 355,953 | 99,984 | 712,235 |
| Total Deferred Inflows of Resources | <u>256,298</u> | <u>355,953</u> | <u>99,984</u> | <u>712,235</u> |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 9,260,031 | 13,270,461 | 4,199,928 | 26,730,420 |
| Restricted | | | | |
| Debt | 461,566 | 946,004 | - | 1,407,570 |
| Capital | - | 2,370,408 | - | 2,370,408 |
| Unrestricted | 1,444,731 | 1,286,979 | 314,779 | 3,046,489 |
| Total Net Position | <u>11,166,328</u> | <u>17,873,852</u> | <u>4,514,707</u> | <u>33,554,887</u> |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | <u>\$ 16,654,981</u> | <u>\$ 43,380,111</u> | <u>\$ 6,574,073</u> | <u>\$ 66,609,165</u> |

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020**

| | Enterprise Funds | | | |
|--|-------------------------|-------------------|-------------------|---------------|
| | Water | Wastewater | Stormwater | Total |
| OPERATING REVENUES | | | | |
| Charges for Services | \$ 2,023,156 | \$ 3,763,339 | \$ 523,428 | \$ 6,309,923 |
| Other Operating Revenues | - | - | 15,000 | 15,000 |
| Total Operating Revenues | 2,023,156 | 3,763,339 | 538,428 | 6,324,923 |
| OPERATING EXPENSES | | | | |
| Operation and Maintenance | 1,331,043 | 1,578,429 | 362,606 | 3,272,078 |
| Depreciation | 384,061 | 1,289,501 | 81,918 | 1,755,480 |
| Total Operating Expenses | 1,715,104 | 2,867,930 | 444,524 | 5,027,558 |
| Operating Income (Loss) | 308,052 | 895,409 | 93,904 | 1,297,365 |
| NON-OPERATING REVENUES (EXPENSES) | | | | |
| Interest and Investment Revenue | 3,751 | 14,749 | 194 | 18,694 |
| Miscellaneous Non-Operating Revenues | 79,483 | - | 1,730 | 81,213 |
| Interest Expense | (121,946) | (545,843) | (56,334) | (724,123) |
| Total Non-Operating Revenue (Expenses) | (38,712) | (531,094) | (54,410) | (624,216) |
| Income (Loss) Before Contributions and Transfers | 269,340 | 364,315 | 39,494 | 673,149 |
| Capital Contributions | 10,400 | 40,129 | - | 50,529 |
| Transfers Out | (342,678) | (7,116) | (21,500) | (371,294) |
| Change in Net Position | (62,938) | 397,328 | 17,994 | 352,384 |
| Total Net Position - Beginning | 11,229,266 | 17,476,524 | 4,496,713 | 33,202,503 |
| Total Net Position - Ending | \$ 11,166,328 | \$ 17,873,852 | \$ 4,514,707 | \$ 33,554,887 |

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020**

| | <u>Water</u> | <u>Wastewater</u> | <u>Stormwater</u> | <u>Totals 2020</u> |
|--|---------------------|---------------------|-------------------|------------------------|
| <u>Cash Flows From Operating Activities:</u> | | | | |
| Receipts from customers | \$ 1,979,267 | \$ 3,787,512 | \$ 536,836 | \$ 6,303,615 |
| Payments to suppliers | (691,613) | (817,969) | (132,031) | (1,641,613) |
| Payments to employees | (654,623) | (863,869) | (253,084) | (1,771,576) |
| Taxes paid | (342,678) | - | - | (342,678) |
| Net cash provided (used) by operating activities | <u>290,353</u> | <u>2,105,674</u> | <u>151,721</u> | <u>2,547,748</u> |
| <u>Cash Flows From Capital and Related Financing Activities:</u> | | | | |
| Acquisition and construction of plant assets | (1,558,691) | (669,466) | (362,035) | (2,590,192) |
| Proceeds of debt | 1,730,000 | 1,802,574 | 220,000 | 3,752,574 |
| Principal payments on long-term debt | (1,061,300) | (2,274,801) | (115,000) | (3,451,101) |
| Interest paid | (79,860) | (500,597) | (57,357) | (637,814) |
| Net cash provided (used) by capital and related financing activities | <u>(969,851)</u> | <u>(1,642,290)</u> | <u>(314,392)</u> | <u>(2,926,533)</u> |
| <u>Cash Flows From Investing Activities:</u> | | | | |
| Interest on investments | 8,231 | 16,308 | 194 | 24,733 |
| Net cash provided (used) by investing activities | <u>8,231</u> | <u>16,308</u> | <u>194</u> | <u>24,733</u> |
| Net increase (decrease) in cash and equivalents | (671,267) | 479,692 | (162,477) | (354,052) |
| Cash and equivalents - beginning of year | <u>2,747,520</u> | <u>5,027,807</u> | <u>471,127</u> | <u>8,246,454</u> |
| Cash and equivalents - end of year | <u>\$ 2,076,253</u> | <u>\$ 5,507,499</u> | <u>\$ 308,650</u> | <u>\$ 7,892,402</u> |

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020**

| | Water | Wastewater | Stormwater | Totals 2020 |
|--|-------------|--------------|------------|----------------|
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities | | | | |
| Operating income (loss) | \$ 308,052 | \$ 895,409 | \$ 93,904 | \$ 1,297,365 |
| Adjustments to Reconcile Operating Income (Loss): | | | | |
| Other | - | - | 1,730 | 1,730 |
| Joint meter | 17,556 | (17,556) | - | - |
| Cash Provided (Used) by Operating Activities: | | | | |
| Tax equivalent | (342,678) | (7,116) | - | (349,794) |
| Amortization | 79,483 | - | - | 79,483 |
| Depreciation | 384,061 | 1,289,501 | 81,918 | 1,755,480 |
| Transfer out | - | - | (21,500) | (21,500) |
| Pension expense | 5,204 | 5,006 | 57 | 10,267 |
| Changes in Assets and Liabilities: | | | | |
| Customer accounts receivable | (43,889) | 24,173 | (1,592) | (21,308) |
| Due from/to other funds | 1,914 | - | - | 1,914 |
| Prepayments | (10,945) | (28,994) | - | (39,939) |
| Accounts payable | (92,629) | (70,624) | (7,181) | (170,434) |
| Accrued liabilities | (15,776) | 15,875 | 4,385 | 4,484 |
| Net cash provided (used) by operating activities | \$ 290,353 | \$ 2,105,674 | \$ 151,721 | \$ 2,547,748 |
| Reconciliation of cash and cash equivalents to statement of net position accounts | | | | |
| Cash and cash equivalents | \$ 798,481 | \$ 514,116 | \$ 308,650 | \$ 1,621,247 |
| Restricted Cash | 1,277,772 | 4,993,383 | - | 6,271,155 |
| Total cash and investments | \$2,076,253 | \$ 5,507,499 | \$ 308,650 | \$ 7,892,402 |

See accompanying notes to basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2020**

| | Tax Custodial Fund |
|---------------------------|-------------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 3,967,356 |
| Receivables: | |
| Taxes Receivable | 6,037,370 |
| Total Assets | <u>\$ 10,004,726</u> |
| LIABILITIES | |
| Accounts Payable | \$ 18 |
| Due to Other Funds | 107 |
| Due to Other Governments | 10,004,602 |
| Total Liabilities | <u>\$ 10,004,727</u> |

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2020**

| | <u>Tax Custodial Fund</u> |
|---|--------------------------------------|
| ADDITIONS | |
| Property tax collections for other governments | \$ 7,195,827 |
| Total additions | <u>7,195,827</u> |
| DEDUCTIONS | |
| Payments of taxes to other governments | <u>7,195,827</u> |
| Total deductions | 7,195,827 |
| Net increase (decrease) in fiduciary net position | - |
| Net position - Beginning | - |
| Net position - Ending | <u><u>\$ -</u></u> |

See accompanying notes to the basic financial statements

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies

The accounting policies of the City of Whitewater, Wisconsin, conform to generally accepted accounting principles as applicable to governmental units.

A. Reporting Entity

This report includes all of the funds of the City of Whitewater (the “City”). The reporting entity for the City consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization’s governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government.

Discretely Presented Component Unit

The government-wide financial statements include the City of Whitewater Community Development Authority (“CDA”) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the city council. Wisconsin Statutes provide for circumstances whereby the City can impose their will on the CDA, and also create a potential financial benefit to or burden on the City. See Note 15. As a component unit, the CDA’s financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended 2020. The CDA does not issue separate financial statements.

Excluded Component Unit

The City considered the potential of the Whitewater Volunteer Fire Department (the “Department”) as a component unit, but excluded it since the City does not control the Department nor can it access its financial resources. See Note 13.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

“Government-wide” financial statements are basic financial statements required for all governmental units. The statement of net position and the statement of activities are the two required statements. Both statements are prepared on the full accrual basis. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

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

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

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

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

Fund Financial Statements

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

Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

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

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

Major Governmental Funds

The City reports the following major governmental funds:

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

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

Tax Incremental Financing District No. 4 (TID No. 4) – Transactions of the City’s tax incremental districts are accounted for in capital projects funds along with capital outlay projects for which the City borrowed money.

Other Capital Projects Fund – Accounts for the acquisition and construction of major capital facilities other than those financed by proprietary funds and those that are not associated with tax incremental financing districts.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

Major and Non-Major Enterprise Funds

The City reports the following major and non-major enterprise funds:

Enterprise Funds – Used to account for operations (1) that are financed and operated in a manner similar to private business enterprise – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The following enterprise funds are included in these statements:

Water Utility – Accounts for the operations of the water system. (Major Fund)

Wastewater Utility – Accounts for the operations of the sewer system. (Major Fund)

Stormwater Utility – Accounts for the operations of the stormwater system (Non-Major Fund)

Non-Major Governmental Funds

The City reports the following non-major governmental funds:

Special Revenue Funds – Used to account for the proceeds of specific revenue sources (other than major capital projects) that is legally restricted to expenditures for specific purposes. Non-major special revenue funds included in these statements are the following:

Cable TV Fund

Library Special Revenue Fund

Taxicab Grant Program Fund

Parkland Acquisition Fund

Parkland Development Fund

Forestry Fund

Rescue Squad Equipment/Education Fund

Parking Permit Fund

Police Department Trust Fund

Parks and Recreation Fund

Field of Dreams Fund

Aquatic Center Fund

Capital Projects Funds – Used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). Non-major capital projects funds included in these statements are the following:

Tax Incremental Districts No. 5, 6, 7, 8 and 9 (TID 5, TID 6, TID 7, TID 8 and TID 9)

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

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

The City reports the following fiduciary funds:

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Deferred outflows of resources represent a consumption of resources that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of resources that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue when earned.

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements

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

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

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

Special assessments are recognized as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows of resources.

Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the General Fund.

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

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting and do not have a measurement focus.

The proprietary funds follow all pronouncements of the Governmental Accounting Standards Board ("GASB"). The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer Utilities are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Assets, Liabilities, and Net Position or Equity

Cash and Cash Equivalents/Investments

Investment of City funds is restricted by State statutes. Available investments are limited to:

- (1) Deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in this State if the time deposits mature in not more than three years.
- (2) Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government.
- (3) Bonds or securities of any county, drainage district, VTAE district, village, city, town, district or school district of this State.
- (4) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investor Service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
- (5) Bonds or securities issued under the authority of the municipality.
- (6) The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Cash and Cash Equivalents/Investments (Continued)

- (7) Agreements in which a public depository agrees to repay funds advanced to it by the City plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.
- (8) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- (9) Repurchase agreements with public depositories, with certain conditions.
- (10) Bonds issued by the University of Wisconsin Hospital and Clinics Authority.
- (11) Deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in this State if the time deposits mature in not more than three years.
- (12) Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government.
- (13) Bonds or securities of any county, drainage district, VTAE district, village, city, town, district or school district of this State.
- (14) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investor Service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
- (15) Bonds or securities issued under the authority of the municipality.
- (16) The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes.
- (17) Agreements in which a public depository agrees to repay funds advanced to it by the City plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.
- (18) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- (19) Repurchase agreements with public depositories, with certain conditions.
- (20) Bonds issued by the University of Wisconsin Hospital and Clinics Authority.

The City has adopted an investment policy. That policy follows the State statute for allowable investments, but does not specifically address the risk described in Note 2.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in-transit. See Note 2 for additional information.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Cash and Cash Equivalents/Investments (Continued)

Proprietary Cash and Equivalents

For purposes of the proprietary fund statement of cash flows, the City considers all highly liquid investments, with a maturity of less than three months, when purchased, to be cash equivalents. This consists of current cash and investments.

Taxes Receivable

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach as an enforceable lien as of January 1. The City's portion of taxes is recorded as a receivable in the General Fund. The County acts as the collecting agency for all City taxes. Since City property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted therefore. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar – 2020 tax roll

| | |
|---|------------------|
| Lien date and levy date | December, 2020 |
| Tax Bills mailed | December, 2020 |
| Payment in full, or | January 31, 2021 |
| First installment due | January 31, 2021 |
| Second installment due | July 31, 2021 |
| Personal property taxes in full | January 31, 2021 |
| Tax sale – 2020 delinquent real estate taxes | October, 2023 |

Allowance for Uncollectible Accounts

General Fund accounts receivable have been adjusted for all known uncollectible accounts. No allowance is necessary at year-end. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for delinquent Water and Sewer billings because the utilities have the right by law to place delinquent bills on tax roll and other delinquent bills are not significant.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Interfund Transactions

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as “due to and from other funds”. Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds”. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

In the governmental fund financial statements, advances to other funds are offset equally by a fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Special Assessments

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

Uncollected installments placed on prior year tax rolls are held for collection by the County and are remitted to the City upon collection by the County. These delinquent installments are financed by the General Fund.

Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction, operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction or operation and maintenance expense when used.

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

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Capital Assets

Government-Wide Statements

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

Prior to January 2003, infrastructure assets of governmental funds were not capitalized. The City has retroactively reported all infrastructure acquired by its governmental fund types.

General Fixed Assets – Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund from which the disbursements are made. Generally accepted accounting principles require that these fixed assets be capitalized at cost in the government-wide financial statements. Contributed fixed assets are to be recorded in the government-wide financial statements at fair market value at the time received. Interest incurred during construction is not capitalized.

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

Proprietary Fund Fixed Assets - Assets in the enterprise fund are capitalized at cost or fair value at date of contribution or acquisition. Normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining lives of the related assets. Net interest costs incurred for long-term debt issued for construction purposes is capitalized during the period of construction. Net interest cost consists of interest expense on long-term debt proceeds. No interest was capitalized in 2020.

Depreciation is charged over the estimated service life of the assets using the straight-line method. Annual depreciation charges are determined using the average utility plant in service and rates ranging from 1.0% to 6.0% for the Water Utility and 1.32% for the Wastewater Utility, depending on the various classes of property, in the respective utilities. The Stormwater Utility assets are depreciated straight-line over useful lives ranging from 40-85 years.

Fund Financial Statements

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Debt Issuance Costs

Debt issuance costs are recognized in the current period for the government-wide, proprietary, and governmental fund statements.

Deferred charges are recorded in the enterprise fund for extraordinary repairs. Costs are amortized over the estimated life of repair.

Compensated Absences

Governmental Funds

Under terms of employment, employees are granted sick leave and vacations in varying amounts. The entire accumulation is recorded in the statement of net assets. See Note 7.

All Funds

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2020 are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations/Conduit Debt

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

All short term and long-term obligations expected to be financed from proprietary fund type operations are accounted for as those fund liabilities.

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

For the government-wide statements and the proprietary fund statements, bond premiums and discounts amortized over the life of the issue using the straight-line method. Gains or losses on prior refunding are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year-end for both premiums/discounts and gains/losses, as applicable, is shown in the deferred outflows of resources or inflows of resources sections of the balance sheet.

The City had approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB’s are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB’s outstanding at the end of the year is zero.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Claims and Judgments

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

Equity Classifications

Government-Wide Statements

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

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

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

Fund Financial Statements

Government fund equity is classified as fund balance.

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

1. Nonspendable – Resources which cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
2. Restricted – Resources with constraints placed on the use of resources are either (1) externally imposed by the creditors (such as through debt covenants), grantors, contributors, or law and regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Equity Classifications (Continued)

Fund Financial Statements(Continued)

3. Committed – Resources which are subject to limitations the government imposes upon itself through formal action of the City Council, and that remain binding unless removed in the same manner.
4. Assigned – Resources neither restricted nor committed for which a government has stated intended use for a specific purpose. This intent can be expressed through the City Council or through the City Council delegating this responsibility to the City Finance Director through the budgetary process.
5. Unassigned – Resources which cannot be properly classified in one of the other four categories. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

E. Utility Rates

Current water rates were approved by the City effective August 27, 2020. Current wastewater rates were approved by the City Council on June 27, 2019 and stormwater rates were approved by the City Council on December 29, 2015.

F. Income Taxes

The City of Whitewater Water, Wastewater, and Stormwater Utilities are municipal utilities. Municipal utilities are exempt from income taxes and therefore no income tax liability is recorded.

G. Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end. As of December 31, 2020, the following individual funds held a deficit balance:

| Fund | Amount | Reason |
|--|---------------|-------------------------------------|
| TID 7 | \$ (1,562) | Project costs in excess of revenues |
| Parks and Recreation Aquatic Center | \$(3,122) | Reduction in revenues |
| Fund | \$(334,106) | Operating loss |

The TID 7 deficit is anticipated to be replenished with future increments. The Parks and Recreation Fund will be replenished with future revenues. The Aquatic Center Fund deficit is financed internally and will be monitored over the next few years.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

H. Tax Incremental Financing District

The City has 6 Tax Incremental Districts (TID's). The transactions of TID 4 are shown as a major fund. TIDs 5, 6, 7, 8 and 9 are shown as non-major funds. TID's are authorized by Section 66.1105 of the Wisconsin Statutes. It is a method by which the City can recover its project costs in the designated district of the City. Those costs are recovered through tax increments, which are placed on the tax rolls. The City has approved terminating the Districts in 2021. TID 4 will receive increment into 2022 with the increment ear-marked for low-income housing.

I. Capital Contributions

Capital contributions represent the value of infrastructure contributed or paid by developers for plant. They are recorded as additions to net position in the government-wide statements and proprietary fund statements. These amounts are not subject to repayment.

J. Advances to Other Funds

Non-current portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

K. Pensions

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

L. Other Post-Employment Benefits

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 other postemployment benefits ("OPEB") liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, 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 employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

1. Summary of Significant Accounting Policies (Continued)

M. Deferred Outflows of Resources and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until then. The City has two items that qualify for reporting in this category. The deferred outflows of resources are for the WRS pension system and the LRLIF.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statements element represents an acquisition of net position which applies to a future period and will not be recognized as an inflow of resources (revenue) until then. The City has three items that qualify for reporting in the category. The deferred inflows of resources are related to the deferred property tax revenue to be received in 2021, along with the WRS pension system and the LRLIF.

2. Cash and Investments

As previously discussed, cash for all City funds is pooled for investment purposes. At December 31, 2020, the cash and investments consist of the following:

| | Carrying Value | Bank Balance | Associated Risk |
|---|-----------------------------|-----------------------------|--|
| | <u> </u> | <u> </u> | |
| Deposits in financial institutions - City | \$ 15,460,414 | \$ 15,563,701 | Custodial credit risk, interest rate risk |
| Deposits in financial institutions - CDA | 1,353,130 | 1,339,024 | Custodial credit risk, interest rate risk |
| LGIP | <u>6,031,335</u> | <u>6,031,335</u> | Credit risk, interest rate risk |
| Total Cash and Investments | <u><u>\$ 22,844,879</u></u> | <u><u>\$ 22,934,060</u></u> | |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

2. Cash and Investments (Continued)

| | |
|--|-----------------------------|
| Reconciliation to financial statements | |
| Per statement of net position | |
| Primary government | |
| Cash and Cash Equivalents | \$ 12,132,074 |
| Restricted Cash and Cash Equivalents | 5,271,155 |
| Component unit | 1,474,294 |
| Per statement of net position - | |
| Fiduciary Funds | |
| Agency | <u>3,967,356</u> |
| Total Cash and Investments | <u><u>\$ 22,844,879</u></u> |

A. 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. As of December 31, 2020, the Local Government Investment Pool (“LGIP”) investments have an average maturity of 39 days and a fair value of \$6,031,335.

B. 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. The City has no investment policy that would further limit its investments choices.

The LGIP is part of the State Investment Fund (“SIF”), and is managed by the State of Wisconsin Investment Board (SWIB). 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. All investments are valued at amortized cost by the SIF for purposes of calculating earnings to each participant. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool’s investments. Detailed information about the SIF is available in separately issued financial statements available at <https://doa.wi.gov/Pages/StateFinances/LGIP.aspx>.

Participants in the LGIP have the right to withdraw their funds in total on one day’s notice. At December 31, 2020, the fair value of the City’s share of the LGIP’s assets was substantially equal to the amount reported above. Information on derivatives was not available to the City.

Investment allocation in the LGIP as of December 31, 2020, was: 86.76% in U.S. Government Securities, 2.39% in Certificates of Deposit and Bankers’ Acceptances and 10.85% in Commercial Paper and Corporate Notes. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

2. Cash and Investments (Continued)

C. Custodial Credit Risk

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

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings deposit accounts and \$250,000 for demand deposit accounts. Deposits in credit unions are insured by the National Credit Union Administration in the amount of \$250,000 for all share draft accounts, and \$250,000 for all share certificate and regular share accounts.

Bank accounts, credit union accounts, and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual municipalities. This has been considered when determining custodial credit risk.

The City's uninsured deposits in financial institutions are collateralized by various instruments. These include depository bonds and collateralized investments.

As of December 31, 2020, the City's deposits with financial institutions in excess of federal depository insurance limits that were exposed to custodial credit risk are listed below:

| | |
|--|----------------------------|
| Uninsured and collateralized by depository bond | <u><u>\$ 5,283,252</u></u> |
| Uninsured and collateral held by the pledging financial institution's trust department or agent not in the City's name | <u><u>\$ 8,957,172</u></u> |
| Uninsured and uncollateralized | <u><u>\$ -</u></u> |

D. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

3. Receivables

The following accounts receivable amounts are not expected to be collected within one year:

| | <u>General</u> |
|------------------------------------|----------------|
| Delinquent personal property taxes | \$ 5,847 |
| Special assessments | 5,786 |
| Total | \$ 11,633 |

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

| | <u>Unavailable</u> | <u>Unearned</u> | <u>Total</u> |
|---|--------------------|-----------------|--------------|
| Property taxes receivable for subsequent year | \$ - | \$ 6,197,834 | \$ 6,197,834 |
| Special assessments not yet due | 405 | - | 405 |
| Other items | - | 32,618 | 32,618 |
| Tournament fees | - | 15,795 | 15,795 |
| Construction reimbursement | - | 91,667 | 91,667 |
| Total Deferred Inflows of Resources For Governmental Funds | \$ 405 | \$ 6,337,914 | \$ 6,338,319 |

4. Restricted Assets

The following represent the balances of the restricted cash and cash equivalents:

Long-Term Debt Accounts

Redemption – Used to segregate resources accumulated for debt service payments over the next twelve months.

Depreciation – Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

Reserve – Used to report resources set aside to make up potential future deficiencies in the redemption account.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

4. Restricted Assets (Continued)

Equipment Replacement Account

The Wastewater Utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Clean Water Fund Loan Account

The Wastewater Utility established this account in order to track clean water fund loan proceeds and reimbursements.

Following is a list of the restricted cash and cash equivalents at December 31, 2020:

| | <u>Water Utility</u> | <u>Wastewater Utility</u> | <u>Totals</u> |
|-------------------------|--------------------------|-------------------------------|---------------------|
| Restricted Assets | | | |
| Redemption account | \$ 500,339 | \$ 1,046,455 | \$ 1,546,794 |
| Depreciation account | - | 26,112 | 26,112 |
| Reserve account | 277,433 | 1,076,520 | 1,353,953 |
| Connection account | - | 322,296 | 322,296 |
| DNR Replacement account | - | 2,022,000 | 2,022,000 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Restricted Assets | <u>\$ 777,772</u> | <u>\$ 4,493,383</u> | <u>\$ 5,271,155</u> |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

5. Capital Assets

Capital asset activity in the governmental activities for the year ended December 31, 2020, was as follows:

| | 1/1/2020 Beginning Balance | Additions | Deletions | 12/31/2020 Ending Balance |
|---|----------------------------------|------------------|-------------------|---------------------------------|
| Governmental Activities | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Construction in Progress | \$ 346,163 | \$ - | \$ 346,163 | \$ - |
| Land | 3,054,920 | - | - | 3,054,920 |
| Right of way | 1,879,406 | - | - | 1,879,406 |
| Land improvements | 4,841,168 | - | - | 4,841,168 |
| Total Capital Assets Not Being Depreciated | <u>10,121,657</u> | <u>-</u> | <u>346,163</u> | <u>9,775,494</u> |
| Capital Assets Being Depreciated | | | | |
| Land Improvements | 937,187 | 52,865 | - | 990,052 |
| Buildings | 12,696,259 | 244,862 | - | 12,941,121 |
| Traffic and Street Lights | 1,174,814 | 5,810 | - | 1,180,624 |
| Machinery and Equipment | 10,022,125 | 541,211 | 636,445 | 9,926,891 |
| Streets | 27,398,811 | 762,747 | - | 28,161,558 |
| Sidewalks | 1,110,054 | - | - | 1,110,054 |
| Curb and Gutter | 826,219 | - | - | 826,219 |
| Total Capital Assets Being Depreciated | <u>54,165,469</u> | <u>1,607,495</u> | <u>636,445</u> | <u>55,136,519</u> |
| Accumulated Depreciation | | | | |
| Land improvements | 437,240 | 36,669 | - | 473,909 |
| Buildings | 5,556,359 | 305,904 | - | 5,862,263 |
| Traffic and street lights | 383,772 | 22,413 | - | 406,185 |
| Machinery and equipment | 7,710,008 | 411,998 | 629,423 | 7,492,583 |
| Streets | 10,215,837 | 781,813 | - | 10,997,650 |
| Sidewalks | 281,311 | 24,777 | - | 306,088 |
| Curb and gutter | 206,472 | 20,655 | - | 227,127 |
| Total Accumulated Depreciation | <u>24,790,999</u> | <u>1,604,229</u> | <u>629,423</u> | <u>25,765,805</u> |
| Capital Assets, Net of Depreciation | <u>\$ 39,496,127</u> | <u>\$ 3,266</u> | <u>\$ 353,185</u> | <u>\$ 39,146,208</u> |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

5. Capital Assets (Continued)

Depreciation expense for the governmental activities is as follows:

| | | |
|---|----|-------------------------|
| Government Activities | | |
| General Government | \$ | 142,002 |
| Public Safety | | 224,893 |
| Public Works, which includes the depreciation of streets (including curb and gutter) and sidewalks | | 1,003,580 |
| Culture, Recreation and Education | | <u>233,754</u> |
| Total Governmental Activities Depreciation Expense | \$ | <u><u>1,604,229</u></u> |

Capital asset activity in the business-type activities for the year ended December 31, 2020, was as follows:

| <u>Water</u> | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balance</u> |
|---|------------------------------|----------------------------|-------------------------|-----------------------------|
| Capital Assets Not Being Depreciated | | | | |
| Construction in progress | \$ 3,827 | \$ - | \$ 3,827 | \$ - |
| Land and land rights | <u>6,727</u> | <u>-</u> | <u>-</u> | <u>6,727</u> |
| Total Capital Assets Not Being Depreciated | <u>10,554</u> | <u>-</u> | <u>3,827</u> | <u>6,727</u> |
| Capital Assets Being Depreciated | | | | |
| Source of supply | 705,364 | - | - | 705,364 |
| Pumping | 1,212,857 | - | 273,768 | 939,089 |
| Water treatment | 1,458,742 | - | - | 1,458,742 |
| Transmission and distribution | 16,905,581 | 1,100,612 | 71,404 | 17,934,789 |
| Administrative and general assets | <u>552,082</u> | <u>528,434</u> | <u>235,415</u> | <u>845,101</u> |
| Total Capital Assets Being Depreciated | <u>20,834,626</u> | <u>1,629,046</u> | <u>580,587</u> | <u>21,883,085</u> |
| Total Capital Assets | <u>20,845,180</u> | <u>1,629,046</u> | <u>584,414</u> | <u>21,889,812</u> |
| Less: Accumulated depreciation | <u>7,953,794</u> | <u>384,061</u> | <u>506,903</u> | <u>7,830,952</u> |
| Net Capital Assets | <u><u>\$ 12,891,386</u></u> | <u><u>\$ 1,244,985</u></u> | <u><u>\$ 77,511</u></u> | <u><u>\$ 14,058,860</u></u> |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

5. Capital Assets (Continued)

| | Beginning Balance | Additions | Deletions | Ending Balance |
|---|----------------------|---------------------|------------------|----------------------|
| <u>Wastewater</u> | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Construction in progress | \$ 57,206 | \$ - | \$ 57,206 | \$ - |
| Land and land rights | 4,498,925 | - | - | 4,498,925 |
| Total Capital Assets Not Being Depreciated | 4,556,131 | - | 57,206 | 4,498,925 |
| Capital Assets Being Depreciated | | | | |
| Collection system | 15,789,851 | 762,819 | 28,704 | 16,523,966 |
| Treatment and disposal | 37,785,171 | 35,455 | - | 37,820,626 |
| General | 863,937 | 201,220 | 2,406 | 1,062,751 |
| Total Capital Assets Being Depreciated | 54,438,959 | 999,494 | 31,110 | 55,407,343 |
| Total Capital Assets | 58,995,090 | 999,494 | 88,316 | 59,906,268 |
| Less: Accumulated depreciation | 21,585,039 | 1,264,270 | 31,110 | 22,818,199 |
| Net Capital Assets | <u>\$ 37,410,051</u> | <u>\$ (264,776)</u> | <u>\$ 57,206</u> | <u>\$ 37,088,069</u> |
| | Beginning Balance | Additions | Deletions | Ending Balance |
| <u>Stormwater</u> | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Construction in progress | \$ 67,866 | \$ - | \$ 67,866 | \$ - |
| Total Capital Assets Not Being Depreciated | 67,866 | - | 67,866 | - |
| Capital Assets Being Depreciated | | | | |
| Infrastructure | 6,384,840 | 429,902 | - | 6,814,742 |
| Less: Accumulated depreciation | 628,395 | 81,918 | - | 710,313 |
| Net Capital Assets | <u>\$ 5,824,311</u> | <u>\$ 347,984</u> | <u>\$ 67,866</u> | <u>\$ 6,104,429</u> |

Listed below is the depreciation expense for the utilities.

| | |
|---|---------------------|
| Business Type Activities | |
| Water Utility | \$ 384,061 |
| Wastewater Utility | 1,264,270 |
| Stormwater Utility | 81,918 |
| Total Business-Type Activities Depreciation Expense | <u>\$ 1,730,249</u> |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

6. Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts in the governmental funds:

| Receivable Fund | Payable Fund | Amount |
|--------------------------------------|------------------------------|-------------|
| General Fund | Police Department Trust Fund | \$ 349 |
| General Fund | Water Utility | 24,794 |
| General Fund | Tax Collection Fund | 107 |
| Subtotal - General Fund | | 25,250 |
| TID 8 | TID 7 | 144 |
| Subtotal - Other Funds | | 144 |
| Subtotal - Fund Financial Statements | | 25,394 |
| Less: Fund Eliminations | | (600) |
| Total - Government-Wide Statements | | \$ 24,794 |
| Receivable Fund | Payable Fund | Amount |
| Governmental Activity | Business-type Activity | \$ (24,794) |
| Business-type Activity | Governmental Activity | 24,794 |
| | Total | \$ - |

The principal purpose of these interfunds is due to commingled cash. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All amounts are due within one year.

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

6. Interfund Receivables/Payables, Advances and Transfers (Continued)

Advances

In 2010, the CDA Fund advanced \$750,000 to TID 4 Fund to be used for construction costs for an innovation center. The advance to the TID 4 Fund from the CDA Fund is being repaid. The TIF repaid \$250,000 in 2019 and 2020. An additional \$250,000 is scheduled to be repaid in 2021.

The following is a schedule of interfund advances:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> | <u>Amount Due Within One Year</u> |
|------------------------|---------------------|-------------------|---|
| CDA Fund | TID 4 | <u>\$ 250,000</u> | <u>\$ 250,000</u> |
| General Fund | Aquatic Center | 310,705 | - |
| General Fund | TID 7 | <u>1,200</u> | <u>-</u> |
| Advances Receivable | Governmental Funds | <u>\$ 311,905</u> | <u>\$ -</u> |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

6. Interfund Receivables/Payables, Advances and Transfers (Continued)

Transfers

The following is a schedule of interfund transfers:

| <u>Fund Transferred To</u> | <u>Fund Transferred From</u> | <u>Amount</u> | <u>Principal Purpose</u> |
|---|------------------------------|--------------------|--------------------------|
| General Fund | Parking Permit Fund | \$ 2,250 | Administrative |
| General Fund | Field of Dreams | 5,000 | Administrative |
| General Fund | Water and Sewer Utility | 349,794 | Tax equivalent |
| DPW Equipment | Stormwater Utility | 21,500 | Capital equipment |
| Subtotal - General Fund | | <u>378,544</u> | |
| Debt Service Fund | General Fund | 77,849 | Debt service payment |
| Debt Service Fund | TID 4 | 2,037,718 | Debt service payment |
| Debt Service Fund | TID 6 | 130,207 | Debt service payment |
| Subtotal - Debt Service Fund | | <u>2,245,774</u> | |
| Capital Projects | General Fund | <u>97,500</u> | Appropriation |
| Cable TV Fund | CDA | 23,000 | Appropriation |
| Aquatic Center Fund | Other Capital Projects | 50,000 | Capital improvements |
| Aquatic Center Fund | General Fund | 78,000 | Appropriation |
| Library Special Revenue Fund | General Fund | 470,000 | Appropriation |
| Forestry Fund | General Fund | 6,000 | Appropriation |
| Parks and Recreation | General Fund | 8,500 | Appropriation |
| Subtotal - Non-Major Funds | | <u>635,500</u> | |
| Sub-Total – Fund Financial Statements | | 3,357,318 | |
| Less: Fund Eliminations | | <u>(2,986,024)</u> | |
| Total – Government-Wide Statement of Activities - Primary Government | | <u>\$ 371,294</u> | |
| CDA | TIF 4 | \$ 75,000 | Economic development |
| CDA | TIF 6 | 25,000 | Economic development |
| Cable TV Fund | CDA | <u>(23,000)</u> | |
| Total – Government-Wide Statement of Activities - Component Unit | | <u>\$ 77,000</u> | |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

6. Interfund Receivables/Payables, Advances and Transfers (Continued)

Transfers (Continued)

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

7. Long-Term Obligations

The following is a summary of long-term debt transactions of the City for the year ended December 31, 2020.

| | Beginning Balance | Increases | Decreases | Ending Balance | Amounts Due Within One Year |
|---|----------------------|---------------------|---------------------|----------------------|-----------------------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| Bonds and Notes Payable | | | | | |
| General Obligation Bonds | \$ 13,345,000 | \$ 1,450,000 | \$ 3,490,000 | \$ 11,305,000 | \$ 755,000 |
| Notes from Direct Borrowings | 879,888 | - | 145,057 | 734,831 | 146,459 |
| Sub-Total | <u>14,224,888</u> | <u>1,450,000</u> | <u>3,635,057</u> | <u>12,039,831</u> | <u>901,459</u> |
| Other Liabilities | | | | | |
| Vested Compensated Absences | 578,399 | 51,168 | - | 629,567 | 91,875 |
| Total Other Liabilities | <u>578,399</u> | <u>51,168</u> | <u>-</u> | <u>629,567</u> | <u>91,875</u> |
| Total Governmental Activities Long-Term Liabilities | <u>\$ 14,803,287</u> | <u>\$ 1,501,168</u> | <u>\$ 3,635,057</u> | <u>\$ 12,669,398</u> | <u>\$ 993,334</u> |
| BUSINESS-TYPE ACTIVITIES | | | | | |
| Bonds and Notes Payable | | | | | |
| General Obligation Notes and Bonds | \$ 5,876,500 | \$ 3,745,000 | \$ 310,500 | \$ 9,311,000 | \$ 485,500 |
| Bonds from Direct Borrowings | 23,561,736 | 7,574 | 2,920,602 | 20,648,708 | 1,257,726 |
| Revenue Bonds | 1,840,000 | - | 220,000 | 1,620,000 | 225,000 |
| Total Long-Term Debt | <u>31,278,236</u> | <u>3,752,574</u> | <u>3,451,102</u> | <u>31,579,708</u> | <u>1,968,226</u> |
| Other Liabilities | | | | | |
| Vested Compensated Absences | 147,110 | - | 2,804 | 144,306 | 17,476 |
| Total Other Liabilities | <u>147,110</u> | <u>-</u> | <u>2,804</u> | <u>144,306</u> | <u>17,476</u> |
| Total Business-type Activities Long-Term Liabilities | <u>\$ 31,425,346</u> | <u>\$ 3,752,574</u> | <u>\$ 3,453,906</u> | <u>\$ 31,724,014</u> | <u>\$ 1,985,702</u> |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

7. Long-Term Obligations (Continued)

A. Governmental Activities – General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. Notes and bonds will be retired by future property tax levies. Proprietary fund debt is payable by revenues from user fees of those funds, or if the revenues are not sufficient, by future tax levies.

The City's general obligation debt limit is equal to 5% of the City's total equalized value. The City's debt limit as of December 31, 2020, is \$37,040,120. Debt subject to the limit is \$21,350,831.

The following table outlines the governmental debt:

| | <u>Date Of Issue</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance 12/31/20</u> | <u>Current Portion</u> |
|--|----------------------|-----------------------|-----------------------|------------------------------|-------------------------|------------------------|
| Governmental Activities | | | | | | |
| 2010 Taxable GO Bonds | 2/9/2010 | 12/1/2029 | 2.8-6.05% | \$ 3,290,000 | \$ 2,060,000 | \$ 195,000 |
| 2012 GO Refunding Bonds | 5/17/2012 | 9/1/2031 | .85-3.25% | \$ 5,020,000 | 3,335,000 | 270,000 |
| 2014 Taxable GO Bonds | 6/10/2014 | 9/1/2029 | 0.5-3.0% | \$ 2,645,000 | 1,990,000 | 145,000 |
| 2017 Taxable GO Notes | 2/15/2017 | 2/15/2022 | 2.45-2.46% | \$ 287,000 | 119,006 | 58,784 |
| 2018 Taxable GO Bonds | 4/11/2018 | 9/1/2037 | 2.0-5.0% | \$ 2,535,000 | 2,470,000 | 65,000 |
| 2019 GO Promissory Notes | 7/23/2019 | 7/23/2029 | 2.49% | \$ 703,500 | 615,825 | 87,675 |
| 2020 Taxable GO Bonds | 7/8/2020 | 6/1/2040 | 2.0-2.1% | \$ 1,450,000 | <u>1,450,000</u> | <u>80,000</u> |
| Total Governmental Activities -- General Obligation Debt | | | | | <u>\$ 12,039,831</u> | <u>\$ 901,459</u> |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

7. Long-Term Obligations (Continued)

A. Governmental Activities – General Obligation Debt (Continued)

Debt service requirements to maturity are as follows:

| <u>Years</u> | <u>Governmental Activities</u> | | | |
|--------------|---------------------------------|-----------------|-------------------------------------|-----------------|
| | <u>General Obligation Bonds</u> | | <u>Notes from Direct Borrowings</u> | |
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| 2021 | \$ 755,000 | \$ 376,257 | \$ 146,459 | \$ 18,277 |
| 2022 | 850,000 | 341,150 | 147,897 | 14,641 |
| 2023 | 930,000 | 315,209 | 87,675 | 10,968 |
| 2024 | 945,000 | 285,183 | 64,050 | 8,809 |
| 2025 | 985,000 | 254,341 | 57,750 | 7,190 |
| 2026-2030 | 4,525,000 | 787,502 | 231,000 | 21,578 |
| 2031-2035 | 1,650,000 | 220,738 | - | - |
| 2036-2040 | 665,000 | 31,327 | - | - |
| Totals | \$ 11,305,000 | \$ 2,611,704 | \$ 734,831 | \$ 81,462 |

B. Business-Type Debt

The following is business-type debt outstanding:

| | <u>Date of Issuance</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance 12/31/20</u> | <u>Current Portion</u> |
|-----------------------------|-------------------------|-----------------------|-----------------------|------------------------------------|-------------------------|------------------------|
| <u>Water Utility</u> | | | | | | |
| 2011 Mortgage Revenue Bonds | 6/7/2011 | 10/1/2026 | 1.6-4.0% | \$ 940,000 | \$ 440,000 | \$ 65,000 |
| 2012 Mortgage Revenue Bonds | 5/17/2012 | 10/1/2027 | .85-2.85% | \$ 855,000 | 435,000 | 60,000 |
| | | | | | 875,000 | 125,000 |
| 2014 Taxable GO Bonds | 6/10/2014 | 9/1/2029 | 0.5-3.0% | \$ 510,000 | 335,000 | 35,000 |
| 2018 Taxable GO Bonds | 4/11/2018 | 9/1/2037 | 2.0-5.0% | \$ 1,850,000 | 1,705,000 | 80,000 |
| 2019 GO Promissory Notes | 7/23/2019 | 7/23/2029 | 2.49% | \$ 313,000 | 281,700 | 31,300 |
| 2020 GO Taxable Bonds | 7/8/2020 | 6/1/2040 | 2.0-2.1% | \$ 1,730,000 | 1,730,000 | 60,000 |
| | | | | Total Water Utility G.O. Debt | 4,051,700 | 206,300 |
| | | | | Total Water Utility Long-Term Debt | 4,926,700 | 331,300 |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

7. Long-Term Obligations (Continued)

B. Business-Type Debt (Continued)

| | Date of Issuance | Final Maturity | Interest Rates | Original Indebtedness | Balance 12/31/20 | Current Portion |
|--------------------------------|---------------------|----------------|-------------------|---|---------------------|--------------------|
| <u>Wastewater Utility</u> | | | | | | |
| 2009 Clean Water Fund Loan | 12/9/2009 | 5/1/2029 | 2.91% | \$ 50,000 | 1,530,888 | 151,245 |
| 2011 Clean Water Fund Loan | 7/27/2011 | 5/1/2031 | 2.40% | \$ 115,954 | 387,206 | 31,177 |
| 2012 Mortgage Revenue Bonds | 5/17/2012 | 11/1/2027 | .85-2.85% | \$ 1,485,000 | 745,000 | 100,000 |
| 2016 Clean Water Fund Loan | 4/13/2016 | 5/1/2035 | 2.10% | \$ 8,829,926 | 18,730,614 | 1,075,304 |
| | | | | Total Wastewater Utility Revenue Bonds | 21,393,708 | 1,357,726 |
| 2014 Taxable GO Bonds | 6/10/2014 | 9/1/2029 | 0.5-3.0% | \$ 220,000 | 140,000 | 15,000 |
| 2018 Taxable GO Bonds | 4/11/2018 | 9/1/2037 | 2.0-5.0% | \$ 1,355,000 | 1,330,000 | 55,000 |
| 2019 GO Promissory Notes | 7/23/2019 | 7/23/2029 | 2.49% | \$ 133,500 | 119,300 | 14,200 |
| 2020 GO Taxable Bonds | 7/8/2020 | 6/1/2040 | 2.0-2.1% | \$ 1,795,000 | 1,795,000 | 60,000 |
| | | | | Total Wastewater Utility G.O. Debt | 3,384,300 | 144,200 |
| | | | | Total Wastewater Utility Long-Term Debt | 24,778,008 | 1,501,926 |
| <u>Stormwater Utility</u> | | | | | | |
| 2012 GO Refunding Bonds | 5/17/2012 | 9/1/2031 | .85-3.25% | \$ 455,000 | 330,000 | 30,000 |
| 2014 Taxable GO Bonds | 6/10/2014 | 9/1/2029 | 0.5-3.0% | \$ 905,000 | 590,000 | 60,000 |
| 2018 Taxable GO Bonds | 4/11/2018 | 9/1/2037 | 2.0-5.0% | \$ 800,000 | 735,000 | 35,000 |
| 2020 GO Taxable Bonds | 7/8/2020 | 6/1/2040 | 2.0-2.1% | \$ 220,000 | 220,000 | 10,000 |
| | | | | Total Stormwater Utility G.O. Debt | 1,875,000 | 135,000 |
| | | | | Total Business-type Activities Long-Term Debt | \$ 31,579,708 | \$ 1,968,226 |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

7. Long-Term Obligations (Continued)

B. Business-Type Debt (Continued)

Debt service requirements on business-type debt to maturity are as follows:

| <u>Years</u> | <u>General Obligation Bonds and</u> | | <u>Business-Type Activities</u> | | <u>Revenue Bonds</u> | |
|--------------|-------------------------------------|---------------------|---------------------------------|---------------------|----------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Bonds from Direct</u> | <u>Borrowings</u> | <u>Principal</u> | <u>Interest</u> |
| 2021 | \$ 485,500 | \$ 277,509 | \$ 1,257,726 | \$ 443,304 | \$ 225,000 | \$ 44,948 |
| 2022 | 525,500 | 235,342 | 1,285,456 | 414,130 | 230,000 | 39,123 |
| 2023 | 530,500 | 220,452 | 1,313,807 | 384,329 | 240,000 | 32,941 |
| 2024 | 555,500 | 205,077 | 1,342,793 | 353,905 | 240,000 | 26,285 |
| 2025 | 558,800 | 188,633 | 1,372,427 | 322,787 | 250,000 | 19,408 |
| 2026-2030 | 2,840,200 | 703,350 | 7,134,617 | 1,126,909 | 435,000 | 15,159 |
| 2031-2035 | 2,280,000 | 321,704 | 6,941,882 | 407,919 | - | - |
| 2036-2037 | 1,535,000 | 73,796 | - | - | - | - |
| Totals | <u>\$ 9,311,000</u> | <u>\$ 2,225,864</u> | <u>\$ 20,648,708</u> | <u>\$ 3,453,283</u> | <u>\$ 1,620,000</u> | <u>\$ 177,863</u> |

C. Current Refunding

During 2020, the City issued GO Bonds of \$5,195,000. A portion of these bonds were used to refinance 2010 GO corporate purpose notes. The refunding reduced future debt service by \$1,134,965 before application of \$1,055,000 in funds on hand. This resulted in a net present value savings of \$79,965.

D. Other Debt

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributed to governmental activities will be liquidated primarily by the sick leave payout fund.

A statutory mortgage lien upon the utility's system and any additions, improvements and extensions thereto is created by Section 66.066 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The City's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

7. Long-Term Obligations (Continued)

D. Other Debt (Continued)

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

8. Commitments and Contingencies

Federal Grant Programs

The City participates in several federal and state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies. Therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectability of any related receivable at December 31, 2020, may be impaired. In the opinion of management, no material adjustments will result from any such audits.

9. Net Position/Fund Balances

Governmental Activities

Net position reported on the government-wide statement of net position at December 31, 2020, includes the following:

| | |
|--|---------------|
| Capital Assets net of depreciation | \$ 39,146,208 |
| Less: long-term debt outstanding | (12,039,831) |
| Total Net Investment in Capital Assets | \$ 27,106,377 |
| Restricted | |
| Cable TV Fund | 69,658 |
| Library Special Revenue Fund | 686,858 |
| Taxicab Grant Program Fund | 62,542 |
| Parkland Acquisition Fund | 53,169 |
| Parkland Development Fund | 19,666 |
| Forestry Fund | 12,367 |
| Rescue Squad Equipment/Education Fund | 149,067 |
| Parking Permit Fund | 86,010 |
| Police Dept. Trust Fund | 87,625 |
| Field of Dreams Fund | 51,393 |
| Special revenue Funds | 1,278,355 |
| TIF districts | 1,129,406 |
| Debt service | 43,298 |
| Total Restricted | 2,451,059 |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

9. Net Position/Fund Balances (Continued)

Governmental Activities (Continued)

Fund balances as of December 31, 2020, include the items in the following tables:

Major Funds

| <u>General Fund</u> | <u>Nonspendable</u> | <u>Restricted</u> | <u>Assigned</u> | <u>Unassigned</u> |
|---|----------------------------|--------------------------|------------------------|--------------------------|
| Delinquent personal property tax | \$ 5,847 | \$ - | \$ - | \$ - |
| Prepaid expenses | 138,578 | - | - | - |
| Advances | 311,905 | - | - | - |
| 27th Payroll | - | - | - | 45,776 |
| Fire Department Equipment | - | - | 383,390 | - |
| DPW Equipment Revolving Fund | - | - | 129,858 | - |
| Police Vehicle Revolving Fund (deficit) | - | - | 76,150 | - |
| Building Repair Fund | - | - | 52,692 | - |
| Skate Park Fund | - | - | 2,433 | - |
| Solid Waste/Recycling Fund | - | - | 33,762 | - |
| Sick Leave Severance Fund (deficit) | - | - | 65,119 | - |
| Lakes Improvements Fund | - | - | 475 | - |
| Street Repair Revolving Fund | - | - | 678,415 | - |
| Insurance Fund | - | - | 114,527 | - |
| Elections Fund | - | - | 3,096 | - |
| Unassigned | - | - | - | 2,030,836 |
| Total General Fund | <u>\$ 456,330</u> | <u>\$ -</u> | <u>\$ 1,539,917</u> | <u>\$ 2,076,612</u> |

Debt Service Fund

 Restricted for other debt \$ 43,298

TID 4 Capital Projects Fund

 TIF fund \$ 1,094,831

Other Capital Projects Fund

 Excess expenses over revenues \$ 320,438

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

9. Net Position/Fund Balances (Continued)

Governmental Activities (Continued)

| <u>Non-Major Funds</u> | <u>Nonspendable</u> | <u>Restricted</u> | <u>Assigned</u> | <u>Unassigned</u> |
|---------------------------------------|---------------------|---------------------|-----------------|---------------------|
| Special Revenue Funds | | | | |
| Cable TV Fund | \$ - | \$ 69,658 | \$ - | \$ - |
| Library Special Revenue Fund | - | 686,858 | - | - |
| Taxicab Grant Program Fund | - | 62,542 | - | - |
| Parkland Acquisition Fund | - | 53,169 | - | - |
| Parkland Development Fund | - | 19,666 | - | - |
| Forestry Fund | - | 12,367 | - | - |
| Rescue Squad Equipment/Education Fund | - | 149,067 | - | - |
| Parking Permit Fund | - | 86,010 | - | - |
| Police Dept. Trust Fund | - | 87,625 | - | - |
| Parks and Recreation Fund (deficit) | - | - | - | (3,122) |
| Field of Dreams Fund | - | 51,393 | - | - |
| Aquatic Center (deficit) | - | - | - | (334,106) |
| Capital Projects Funds | | | | |
| TID 5 (deficit) | - | 4,058 | - | - |
| TID 6 | - | 4,080 | - | - |
| TID 7 (deficit) | - | - | - | (1,562) |
| TID 8 | - | 22,673 | - | - |
| TID 9 | - | 3,764 | - | - |
| Total Non-Major Funds | <u>\$ -</u> | <u>\$ 1,312,930</u> | <u>\$ -</u> | <u>\$ (338,790)</u> |

The Aquatic Center deficit is currently financed by a long-term advance from the General Fund.

Business-Type Activities

The following calculation supports the Water, Wastewater, and Stormwater Utilities' balance of net investment in capital assets:

| | |
|---|---------------------|
| | <u>2020</u> |
| Water Utility | |
| Capital Assets net of depreciation | \$ 14,048,860 |
| Less: related long-term debt outstanding | (5,066,262) |
| Total Invested in Capital Assets | <u>8,982,598</u> |
| Reserve from borrowing | 277,433 |
| Total Net Position - Net Investment in Capital Assets | <u>\$ 9,260,031</u> |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

9. Net Position/Fund Balances (Continued)

Business-Type Activities (Continued)

| | 2020 |
|---|---------------|
| Wastewater Utility | |
| Capital Assets net of depreciation | \$ 37,088,069 |
| Less: related long-term debt outstanding | (24,894,128) |
| Total Invested in Capital Assets | 12,193,941 |
| Reserve from borrowing | 1,076,520 |
| Total Net Position - Net Investment in Capital Assets | \$ 13,270,461 |
| | |
| | 2020 |
| Stormwater Utility | |
| Capital Assets net of depreciation | \$ 6,104,429 |
| Less: related long-term debt outstanding | (1,904,501) |
| Total Net Position - Net Investment in Capital Assets | \$ 4,199,928 |

The following calculation supports the Water, Wastewater, and Stormwater Utilities' balance of restricted net position as of December 31, 2020:

| | Water | Wastewater |
|--|------------|--------------|
| Restricted Assets | | |
| Redemption account | \$ 500,339 | \$ 1,046,455 |
| Reserve account | 277,433 | 1,076,520 |
| Depreciation account | - | 26,112 |
| Connection account | - | 322,296 |
| Replacement account | - | 2,022,000 |
| Total Restricted Assets | 777,772 | 4,493,383 |
| Less: Restricted Assets Not Funded by Revenues | | |
| Reserve from borrowing | (277,433) | (1,076,520) |
| Less: Current Liabilities Payable From Restricted Assets | (38,773) | (100,451) |
| Total Restricted Net Position as Calculated | \$ 461,566 | \$ 3,316,412 |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

10. Defined Benefit Pension Plan

A. Plan Description

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (“ETF”). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (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 Comprehensive Annual Financial Report (“CAFR”), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

B. Vesting

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

C. Benefits Provided

Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

10. Defined Benefit Pension Plan (Continued)

D. Post-Retirement Adjustments

The ETF 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> |
|-------------|-----------------------------|---------------------------------|
| 2010 | (1.3%) | 22% |
| 2011 | (1.2) | 11 |
| 2012 | (7.0) | (7) |
| 2013 | (9.6) | 9 |
| 2014 | 4.7 | 25 |
| 2015 | 2.9 | 2 |
| 2016 | 0.5 | (5) |
| 2017 | 2.0 | 4 |
| 2018 | 2.4 | 17 |
| 2019 | 0.0 | (10) |

E. Contributions

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

During the reporting period, the WRS recognized \$434,659 in contributions from the municipality.

Contribution rates as of December 31, 2020, are:

| <u>Employee Category</u> | <u>Employee</u> | <u>Employer</u> |
|------------------------------------|-----------------|-----------------|
| General | 6.75% | 6.75% |
| Protective with Social Security | 6.75% | 11.65% |
| Protective without Social Security | 6.75% | 16.25% |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

10. Defined Benefit Pension Plan (Continued)

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

At December 31, 2020, the City reported a liability (asset) of (\$1,333,895) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018, rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the City's proportion was 0.04136795%, which was an increase of 0.00057065% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the City recognized pension expense of \$510,249.

Pension amounts have been allocated to the proprietary and CDA funds and business-type activities. Allocations were based on the proportionate share of current year contributions to the pension plan made by the proprietary and CDA funds and business-type activities relative to the total contributions made by the City.

At December 31, 2020, the City 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 projected and actual experience | \$ 2,532,033 | \$ (1,267,120) |
| Changes of assumptions | 103,944 | - |
| Net difference between projected and actual earnings on pension plan investments | - | (2,726,947) |
| Changes in proportion and difference between Employer contributions and proportionate share of contributions | 7,326 | (2,884) |
| Employer contributions subsequent to the measurement date | 463,761 | - |
| Total | \$ 3,107,064 | \$ (3,996,951) |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

10. Defined Benefit Pension Plan (Continued)

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

\$463,761 reported as deferred outflows of resources related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| Year Ended December 31: | Net Deferred Outflows (Inflows) of Resources |
|----------------------------|--|
| 2021 | \$ (401,361) |
| 2022 | (300,124) |
| 2023 | 49,024 |
| 2024 | (701,181) |
| 2025 | - |

G. Actuarial Assumptions

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

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

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

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

10. Defined Benefit Pension Plan (Continued)

H. Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns
As of December 31, 2019

| <u>Core Fund Asset Class</u> | <u>Asset Allocation</u> % | <u>Long-Term</u> <u>Expected Nominal</u> <u>Rate of Return %</u> | <u>Long-Term Expected</u> <u>Real Rate of Return %</u> |
|----------------------------------|------------------------------|--|---|
| Global Equities | 49.0% | 8.0% | 5.1% |
| Fixed Income | 24.5% | 4.9% | 2.1% |
| Inflation Sensitive Assets | 15.5% | 4.0% | 1.2% |
| Real Estate | 9.0% | 6.3% | 3.5% |
| Private Equity/Debt | 8.0% | 10.6% | 7.6% |
| Multi-Asset | 4.0% | 6.9% | 4.0% |
| Total Core Fund | 110.0% | 7.5% | 4.6% |
| | | | |
| <u>Variable Fund Asset Class</u> | | | |
| U.S. Equities | 70.0% | 7.5% | 4.6% |
| International Equities | 30.0% | 8.2% | 5.3% |
| Total Variable Fund | 100.0% | 7.8% | 4.9% |

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%

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

I. Single Discount Rate

Single Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability (asset) for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.75% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2019. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

10. Defined Benefit Pension Plan (Continued)

I. Single Discount Rate (Continued)

The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

J. Sensitivity of the City of Whitewater’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

| | 1% Decrease to Discount Rate (6.00%) | Current Discount Rate (7.00%) | 1% Increase to Discount Rate (8.00%) |
|---|---|--|---|
| City's proportionate share of the net pension liability (asset) | \$ 3,435,009 | \$ (1,333,895) | \$ (4,899,193) |

K. Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan

A. OPEB Plan Fiduciary Net Position

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the Net OPEB Liability, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Postemployment Benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

11. Other Post-Employment Benefits Plan (Continued)

B. General Information about the Postemployment Benefits

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

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

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at <https://etfonline.wi.gov/ETFGASBPublicWeb/gasb75Local.do>

C. Benefits Provided

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

D. Contributions

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

Employers are required to pay the following contributions based on employee 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 employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2020, are:

| Coverage Type | Employer Contribution |
|------------------------------|------------------------------|
| 25% Post Retirement Coverage | 20% of employee 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 employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2019 are as listed below:

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

11. Other Post-Employment Benefits Plan (Continued)

D. Contributions (Continued)

| <u>Attained Age</u> | <u>Basic</u> | <u>Supplemental</u> |
|---------------------|--------------|---------------------|
| Under 30 | \$ 0.05 | \$ 0.05 |
| 30-34 | 0.06 | 0.06 |
| 35-39 | 0.07 | 0.07 |
| 40-44 | 0.08 | 0.08 |
| 45-49 | 0.12 | 0.12 |
| 50-54 | 0.22 | 0.22 |
| 55-59 | 0.39 | 0.39 |
| 60-64 | 0.49 | 0.49 |
| 65-69 | 0.57 | 0.57 |

During the reporting period, the LRLIF recognized \$1,668 in contributions from the employer.

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

At December 31, 2020, the LRLIF Employer reported a liability (asset) of \$393,070 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2018, rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2019, the City's proportion was 0.09230900%, which was a decrease of 0.000089% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the City recognized OPEB expense of \$39,641.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

11. Other Post-Employment Benefits Plan (Continued)

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

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Differences between expected and actual experience | \$ - | \$ (17,609) |
| Changes of assumptions | 145,005 | (43,235) |
| Net differences between projected and actual earnings on OPEB plan investments | 7,414 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 2,676 | (13,315) |
| Employer contributions subsequent to the measurement date | 1,734 | - |
| Totals | \$ 156,829 | \$ (74,159) |

\$1,844 reported as deferred outflows related to OPEB resulting from the City employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| | Net Outflows (Inflows) of Resources |
|-------------------------|--|
| Year ended December 31: | |
| 2021 | \$ 13,674 |
| 2022 | 13,674 |
| 2023 | 12,875 |
| 2024 | 12,051 |
| 2025 | 9,292 |
| Thereafter | 19,370 |
| Total | \$ 80,936 |

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

11. Other Post-Employment Benefits Plan (Continued)

F. Actuarial Assumptions

The total OPEB liability in the January 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|--------------------------------|
| Actuarial Valuation Date: | January 1, 2019 |
| Measurement Date of Net OPEB Liability (Asset): | December 31, 2019 |
| Actuarial Cost Method: | Entry Age Normal |
| 20 Year Tax-Exempt Municipal Bond Yield: | 2.74% |
| Long-Term Expected Rate of Return: | 4.25% |
| Discount Rate | 2.87% |
| Salary Increases: | |
| Inflation | 3.00% |
| Seniority/Merit | 0.1% - 5.6% |
| Mortality: | Wisconsin 2018 Mortality Table |

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The Total OPEB Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 actuarial valuation.

G. 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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

11. Other Post-Employment Benefits Plan (Continued)

G. Long-Term Expected Return on Plan Assets (Continued)

Asset Allocation Targets and Expected Returns

As of December 31, 2019

| <u>Asset Class</u> | <u>Index</u> | <u>Target Allocation</u> | <u>Long-Term Expected Geometric Real Rate of Return</u> |
|-----------------------------------|----------------------|------------------------------|---|
| US Government Bonds | Barclays Government | 1% | 1.44% |
| US Credit Bonds | Barclays Credit | 45% | 2.12% |
| US Long Credit Bonds | Barclays Long Credit | 5% | 2.90% |
| US Mortgages | Barclays MBS | 50% | 1.53% |
| Inflation | | | 2.20% |
| Long-Term Expected Rate of Return | | | 4.25% |

H. Single Discount Rate

A single discount rate of 2.87% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 4.22% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 4.10% as of December 31, 2018 to 2.74% as of December 31, 2019. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

11. Other Post-Employment Benefits Plan (Continued)

I. Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the City’s proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.87 percent, as well as what the City’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 (1.87 percent) or 1-percentage-point higher (3.27 percent) than the current rate:

| | 1% Decrease to Discount Rate (1.87%) | Current Discount Rate (2.87%) | 1% Increase to Discount Rate (3.87%) |
|--|---|--|---|
| District's proportionate share of the net OPEB liability (asset) | \$ 542,763 | \$ 393,070 | \$ 279,182 |

J. OPEB Plan Fiduciary Net Position

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

12. Risk Management

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

13. Joint Venture – Whitewater Fire Department

The City and the Whitewater Volunteer Fire Department (the “Department”) have a mutual understanding regarding the providing of fire and emergency medical services. The Department currently provides fire and emergency medical services to the City as well as some rural townships.

The Department has been operating as a separate organization. The Department Chief and assistant chiefs are elected by the Fire Department membership. Even though the Department has operated as a separate entity, the City may be liable for actions undertaken by the Department.

The City has provided payroll billing and accounting services for the Department. The City’s financial statements do not include financial transactions related to the Department other than the City’s portion of fire costs.

The City reviews and the City provides funding as set forth in the budget. The determination of the amount of the City’s contribution to the Fire Department is vested with the City council.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

14. Aquatic Center Lease and Operating Agreement

The City and the Whitewater Unified School District (the “District”) have a lease and operating agreement for the Aquatic Center (the “Center”). The Center is owned by the District and leased by the City for \$1 annually. The agreement provides for the operation of the Center at the end of the prior agreement dated December 14, 2016. The previous agreement required the City and District to fund and manage construction of the Center and create an operating entity to manage the Center.

The new agreement specifies that the City of Whitewater Park Board will assume responsibility for the operation and management of the Center. The effective date is July 1, 2016 for an initial five-year term expiring June 30, 2021.

The budget for the Center will be separate. The parties will split all Center expenses equally to the extent they are not covered by revenues generated by the Park Board. The City shall contribute \$128,000 toward the Center costs and the District shall contribute \$70,500 each July 1 and \$50,000 each January 1 for Center costs.

As of December 31, 2020, the aquatic center fund had a deficit of \$334,106.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

15. Component Unit

This report contains the City of Whitewater Community Development Authority (“CDA”), which is included as a component unit. Financial information is presented as a discrete column in the statement of net assets and the statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

A. Basis of Accounting/Measurement Focus

The CDA follows the full accrual basis of accounting and the flow of economic resources measurement focus.

B. Deposits and Investments

The CDA’s cash and investments at year end were comprised of the following:

| | Carrying Value | Bank Balance | Associated Risk |
|-----------------|-------------------|-----------------|--|
| Demand deposits | \$ 1,474,294 | \$ 1,474,294 | Custodial Credit Risk, Interest Rate risk |

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

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

Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the CDA’s deposits may not be returned to the CDA. As of December 31, 2020, the total bank balance of \$1,474,294 was exposed to custodial credit as outlined in Note 2. The City’s and the CDA deposits had FDIC and State Deposit Guarantee Fund insurance as well as collateralized investments held in the bank’s name. \$18,263 of City and CDA investments were uninsured and uncollateralized. No breakdown was given between the City and the CDA.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

15. Component Unit (Continued)

C. Economic Development and Housing Rehabilitation Loans Receivable

The CDA has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The CDA records a loan receivable when the loan has been made and funds have been disbursed. It is the CDA's policy to record revenue when the initial loan is made from the federal and state grant funds. Interest received from loan repayments is recognized as revenue when received in cash. The following receivable amounts are not expected to be collected within one year:

Loan receivable, net \$1,291,479

D. Capital Assets

| | Beginning Balance | Additions | Deletions | Ending Balance | Useful Lives (Years) |
|--------------------------|----------------------|-------------------|-------------|---------------------|-------------------------|
| Land | \$ 275,172 | \$ 206,644 | \$ - | \$ 481,816 | N/A |
| Equipment | 6,990 | - | - | 6,990 | 5-10 |
| Buildings | 6,087,994 | 137,562 | - | 6,225,556 | 35-40 |
| Accumulated Depreciation | | | | | |
| Equipment | (6,842) | (148) | - | (6,990) | |
| Buildings | (1,095,839) | (121,810) | - | (1,217,649) | |
| Totals | <u>\$ 5,267,475</u> | <u>\$ 222,248</u> | <u>\$ -</u> | <u>\$ 5,489,723</u> | |

E. Employee Retirement System

All eligible authority employees participate in the WRS, a cost-sharing defined benefit multiple-employer public employee retirement system (PERS). Activity related to the CDA's involvement in the system is included with the City in Note 10. No allocation was made to the CDA of any pension related activity since it is not material.

F. Transfers In

The CDA recorded net transfers recorded from the City of \$100,000.

G. Due from City

The CDA has a long-term advance receivable from the City as disclosed in Note 6.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2020

16. Economic Dependency

One of the City's Water Utility customers provides approximately 23% of the water revenue.

17. Contingencies

From time to time, the City 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 City's financial position or results of operations.

18. Subsequent Events

The City's CDA paid back the Department of Administration \$525,0938 as part of the discontinuance of the CDBG revolving loan program. This occurred in January 2021.

The City also was awarded a CDBG grant for up to \$859,366 in 2021 for the purpose of constructing an elevated tank and water tower. The City is in the design phase of this project.

19. Effect of New Accounting Standards on Current Period Financial Statements

Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 87, *Leases*. When this becomes effective, application of this standard may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

City of Whitewater
Whitewater, WI
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (with Budget to GAAP Differences)
General Fund
For the year ended December 31, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Budget to</u> | <u>Actual</u> |
|---|-------------------------|---------------------|---|-----------------------------------|--------------------------------------|
| | <u>Original</u> | <u>Final</u> | <u>Amounts,</u> <u>Budgetary</u> <u>Basis</u> | <u>GAAP</u> <u>Differences</u> | <u>Amounts,</u> <u>GAAP Basis</u> |
| REVENUES | | | | | |
| Taxes | \$ 3,255,797 | 3,255,797 | \$ 3,211,448 | \$ - | \$ 3,211,448 |
| Special Assessment Revenue | 909 | 909 | 1,523 | - | 1,523 |
| Intergovernmental | 4,609,017 | 4,609,017 | 4,851,368 | 137,903 | 4,989,271 |
| License and Permits | 137,387 | 137,387 | 49,695 | - | 49,695 |
| Fines, Forfeits and Penalties | 382,016 | 382,016 | 262,438 | - | 262,438 |
| Public Charges for Services | 74,089 | 74,089 | 71,591 | 251 | 71,842 |
| Interest Income | 70,900 | 70,900 | 78,769 | 1,941 | 80,710 |
| Miscellaneous Income | 41,572 | 41,572 | 72,952 | 29,008 | 101,960 |
| Total Revenues | <u>8,571,687</u> | <u>8,571,687</u> | <u>8,599,784</u> | <u>169,103</u> | <u>8,768,887</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General Government | 1,671,677 | 1,641,953 | 1,491,062 | 70,645 | 1,561,707 |
| Public Safety | 4,070,690 | 4,087,402 | 3,824,357 | 46,933 | 3,871,290 |
| Public Works | 998,707 | 1,004,151 | 1,085,876 | 685,360 | 1,771,236 |
| Culture, Recreation and Education | 700,787 | 708,355 | 617,959 | 17,448 | 635,407 |
| Capital Outlay | - | - | - | 151,454 | 151,454 |
| Total Expenditures | <u>7,441,861</u> | <u>7,441,861</u> | <u>7,019,254</u> | <u>971,840</u> | <u>7,991,094</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>1,129,826</u> | <u>1,129,826</u> | <u>1,580,530</u> | <u>(802,737)</u> | <u>777,793</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Other financing sources | 14,626 | - | - | - | - |
| Transfers In | 384,292 | 349,770 | 357,044 | 21,500 | 378,544 |
| Transfers Out | (1,528,744) | (1,729,706) | (1,729,706) | 941,856 | (787,850) |
| Total Other Financing Sources and Uses | <u>(1,129,826)</u> | <u>(1,379,936)</u> | <u>(1,372,662)</u> | <u>974,489</u> | <u>(398,173)</u> |
| Net Change in Fund Balances | - | (250,110) | 207,868 | 171,752 | 379,620 |
| Fund Balances - Beginning | <u>2,279,298</u> | <u>2,279,298</u> | <u>2,279,298</u> | <u>1,413,941</u> | <u>3,693,239</u> |
| Fund Balances - Ending | <u>\$ 2,279,298</u> | <u>\$ 2,029,188</u> | <u>\$ 2,487,166</u> | <u>\$ 1,585,693</u> | <u>\$ 4,072,859</u> |

See accompanying notes to the required supplementary information

**CITY OF WHITEWATER
WISCONSIN RETIREMENT SYSTEM SCHEDULES
December 31, 2020**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
AS OF THE MEASUREMENT DATE**

| Year ended December 31, | Proportion of the net pension liability (asset) | Proportionate share of the net pension liability (asset) | Covered- employee payroll | Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll | Plan fiduciary net position as a percentage of the total pension liability (asset) |
|----------------------------|---|---|---------------------------------|--|--|
| 2019 | 0.04136795% | \$ (1,333,891) | \$ 5,512,700 | (24.20%) | 102.96% |
| 2018 | 0.04079730% | \$ 1,451,440 | \$ 5,370,806 | 27.02% | 96.45% |
| 2017 | -0.04050154% | \$ (1,202,538) | \$ 5,085,067 | (23.65%) | 102.93% |
| 2016 | 0.04009691% | \$ 330,494 | \$ 5,007,766 | 6.60% | 99.12% |
| 2015 | 0.04036951% | \$ 655,997 | \$ 5,156,137 | 12.72% | 98.20% |
| 2014 | -0.04072418% | \$ (1,000,022) | \$ 4,826,161 | (20.72%) | 102.74% |

**SCHEDULE OF CITY'S CONTRIBUTIONS
FOR THE YEAR ENDED**

| Year ended December 31, | Contractually required contributions | relation to the contractually required contributions | Contribution deficiency (excess) | Covered-employee payroll | Contributions as a percentage of covered- employee payroll |
|----------------------------|--|---|--|-----------------------------|---|
| 2020 | \$ 463,761 | \$ (463,761) | \$ - | \$ 5,494,005 | 8.44% |
| 2019 | \$ 434,659 | \$ (434,659) | \$ - | \$ 5,512,701 | 7.88% |
| 2018 | \$ 431,432 | \$ (431,432) | \$ - | \$ 5,370,806 | 8.03% |
| 2017 | \$ 421,690 | \$ (421,690) | \$ - | \$ 5,085,068 | 8.29% |
| 2016 | \$ 385,047 | \$ (385,047) | \$ - | \$ 5,008,036 | 7.69% |
| 2015 | \$ 435,190 | \$ (435,190) | \$ - | \$ 5,156,137 | 8.44% |

See accompanying notes to the required supplementary information

**CITY OF WHITEWATER
LOCAL RETIREE LIFE INSURANCE SCHEDULES
December 31, 2020**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
AS OF THE MEASUREMENT DATE**

| Year ended December 31, | 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 its covered- employee payroll | Plan fiduciary net position as a percentage of the total OPEB liability (asset) |
|----------------------------|--|--|---------------------------------|---|---|
| 2019 | 0.09230900% | \$ 393,070 | \$ 4,303,000 | 9.13% | 37.58% |
| 2018 | 0.09298000% | \$ 238,418 | \$ 4,172,000 | 5.71% | 48.69% |
| 2017 | 0.09906500% | \$ 298,045 | \$ 4,165,967 | 7.15% | 44.81% |

**SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED**

| Year ended December 31, | 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 |
|----------------------------|--|---|--|---------------------------------|---|
| 2020 | \$ 1,736 | \$ (1,736) | \$ - | \$ 4,514,655 | 0.04% |
| 2019 | \$ 1,668 | \$ (1,668) | \$ - | \$ 4,303,000 | 0.04% |
| 2018 | \$ 1,773 | \$ (1,773) | \$ - | \$ 4,172,000 | 0.04% |

See accompanying notes to the required supplementary information

CITY OF WHITEWATER
Notes to the Required Supplementary Information
December 31, 2020

1. Budgetary Information

Budgets

A budget has been adopted for all funds of the City. The City's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. Budgetary expenditure control is exercised at the individual account level. The budgetary comparison schedule is presented for the general fund only. The debt service levy and transfer out to debt service of \$818,822 was added to the actual totals budgetary basis. These were eliminated on the fund statements.

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

Excess Expenditures over Appropriations

Budgetary expenditure control is exercised at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

The City's General Fund had expenditures in excess of budget as follows:

| | Budgeted Amounts | | Actual Amounts, Budgetary Basis | Variance with Final budget |
|--------------|-------------------------|--------------|--|---|
| | <u>Original</u> | <u>Final</u> | | |
| Public Works | 1,012,707 | 1,004,151 | 1,085,876 | (81,725) |

Revenues were sufficient to cover the expenditures.

2. Wisconsin Retirement System Schedules

Governmental Accounting Standards Board Statement No. 68 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 5 preceding years.

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

Changes of assumptions: No significant change in assumptions were noted from the prior year.

CITY OF WHITEWATER
Notes to the Required Supplementary Information
December 31, 2020

3. Local Retiree Life Insurance Fund Schedules

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 8 preceding years.

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

Changes of assumptions: Several actuarial assumptions changed from the prior year, including the single discount rate, long-term expected rate of return and expected inflation. Please refer to the actuarial assumptions section H of Note 11.

OTHER SUPPLEMENTAL INFORMATION

City of Whitewater
Whitewater, WI
Balance Sheet
Combining General Fund
December 31, 2020

| | General Fund | 27th Payroll | Fire Dept. Equipment Fund | DPW Equipment Revolving Fund | Police Vehicle Revolving Fund | Building Repair Fund | Skate Park Fund | Solid Waste Recycling Fund | Sick Leave Severance Fund | Lakes Improvement Fund | Street Repair Rev. Fund | Insurance Reserve | Elections Fund | Total General Fund |
|--|---------------------|------------------|---------------------------------|------------------------------------|-------------------------------------|-------------------------|--------------------|-------------------------------|------------------------------|------------------------------|-------------------------------|----------------------|-------------------|-----------------------|
| ASSETS | | | | | | | | | | | | | | |
| Cash and Cash Equivalents | \$ 4,137,310 | \$ 45,776 | \$ 383,390 | \$ 129,858 | \$ 76,150 | \$ 40,025 | \$ 2,433 | \$ 35,163 | \$ 65,119 | \$ 475 | \$ 678,415 | \$ 116,147 | \$ 3,138 | \$ 5,713,399 |
| Receivables: | | | | | | | | | | | | | | |
| Taxes | 2,459,983 | - | - | - | - | - | - | - | - | - | - | - | - | 2,459,983 |
| Delinquent Personal Property Taxes | 5,847 | - | - | - | - | - | - | - | - | - | - | - | - | 5,847 |
| Special Assessments | 48,686 | - | - | - | - | - | - | - | - | - | - | - | - | 48,686 |
| Other | 38,150 | - | - | - | - | 12,667 | - | - | - | - | - | - | - | 50,817 |
| Due from Other Governments | 74,677 | - | - | - | - | - | - | - | - | - | - | - | - | 74,677 |
| Due from Other Funds | 25,250 | - | - | - | - | - | - | - | - | - | - | - | - | 25,250 |
| Prepaid Expenses | 138,578 | - | - | - | - | - | - | - | - | - | - | - | - | 138,578 |
| Advances receivable | 311,905 | - | - | - | - | - | - | - | - | - | - | - | - | 311,905 |
| Total Assets | <u>\$ 7,240,386</u> | <u>\$ 45,776</u> | <u>\$ 383,390</u> | <u>\$ 129,858</u> | <u>\$ 76,150</u> | <u>\$ 52,692</u> | <u>\$ 2,433</u> | <u>\$ 35,163</u> | <u>\$ 65,119</u> | <u>\$ 475</u> | <u>\$ 678,415</u> | <u>\$ 116,147</u> | <u>\$ 3,138</u> | <u>\$ 8,829,142</u> |
| LIABILITIES | | | | | | | | | | | | | | |
| Liabilities: | | | | | | | | | | | | | | |
| Accounts Payable | \$ 209,116 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,401 | \$ - | \$ - | \$ - | \$ 1,620 | \$ 42 | \$ 212,179 |
| Accrued Liabilities | 364,014 | - | - | - | - | - | - | - | - | - | - | - | - | 364,014 |
| Payable to Other Governments | 67,681 | - | - | - | - | - | - | - | - | - | - | - | - | 67,681 |
| Total Liabilities | <u>640,811</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,401</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,620</u> | <u>42</u> | <u>643,874</u> |
| DEFERRED INFLOWS OF RESOURCES | <u>4,112,409</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,112,409</u> |
| FUND BALANCE | | | | | | | | | | | | | | |
| Nonspendable | 456,330 | - | - | - | - | - | - | - | - | - | - | - | - | 456,330 |
| Assigned | - | - | 383,390 | 129,858 | 76,150 | 52,692 | 2,433 | 33,762 | 65,119 | 475 | 678,415 | 114,527 | 3,096 | 1,539,917 |
| Unassigned | 2,030,836 | 45,776 | - | - | - | - | - | - | - | - | - | - | - | 2,076,612 |
| Total Fund Balance | <u>2,487,166</u> | <u>45,776</u> | <u>383,390</u> | <u>129,858</u> | <u>76,150</u> | <u>52,692</u> | <u>2,433</u> | <u>33,762</u> | <u>65,119</u> | <u>475</u> | <u>678,415</u> | <u>114,527</u> | <u>3,096</u> | <u>4,072,859</u> |
| Total Liabilities, Deferred Inflows and Fund Balance | <u>\$ 7,240,386</u> | <u>\$ 45,776</u> | <u>\$ 383,390</u> | <u>\$ 129,858</u> | <u>\$ 76,150</u> | <u>\$ 52,692</u> | <u>\$ 2,433</u> | <u>\$ 35,163</u> | <u>\$ 65,119</u> | <u>\$ 475</u> | <u>\$ 678,415</u> | <u>\$ 116,147</u> | <u>\$ 3,138</u> | <u>\$ 8,829,142</u> |

City of Whitewater
Whitewater, WI

Statement of Revenues, Expenditures and Changes in Fund Balance:
Combining General Fund
For the Year Ended December 31, 2020

| | General Fund | 27th Payroll | Fire Dept. Equipment Fund | DPW Equipment Revolving Fund | Police Vehicle Revolving Fund | Building Repair Fund | Skate Park Fund | Solid Waste Recycling Fund | Sick Leave Severance Fund | Lakes Improvement Fund | Street Repair Rev. Fund | Insurance Reserve | Elections Fund | Total General Fund |
|---|---------------------|---------------|---------------------------|------------------------------|-------------------------------|----------------------|-----------------|----------------------------|---------------------------|------------------------|-------------------------|-------------------|-----------------|---------------------|
| REVENUES | | | | | | | | | | | | | | |
| Property Taxes | \$ 3,211,448 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,211,448 |
| Special Assessment Revenue | 1,523 | - | - | - | - | - | - | - | - | - | - | - | - | 1,523 |
| Intergovernmental | 4,851,368 | - | - | - | - | - | - | 31,731 | - | - | 106,172 | - | - | 4,989,271 |
| License and Permits | 49,695 | - | - | - | - | - | - | - | - | - | - | - | - | 49,695 |
| Fines, Forfeits and Penalties | 262,438 | - | - | - | - | - | - | - | - | - | - | - | - | 262,438 |
| Public Charges for Services | 71,591 | - | - | - | - | - | - | 251 | - | - | - | - | - | 71,842 |
| Interest Income | 78,769 | 4 | 282 | 355 | - | - | - | - | - | - | 1,300 | - | - | 80,710 |
| Miscellaneous Income | 72,951 | - | - | 13,872 | 2,470 | 12,667 | - | - | - | - | - | - | - | 101,960 |
| Total Revenues | <u>8,599,783</u> | <u>4</u> | <u>282</u> | <u>14,227</u> | <u>2,470</u> | <u>12,667</u> | <u>-</u> | <u>31,982</u> | <u>-</u> | <u>-</u> | <u>107,472</u> | <u>-</u> | <u>-</u> | <u>8,768,887</u> |
| EXPENDITURES | | | | | | | | | | | | | | |
| Current: | | | | | | | | | | | | | | |
| General Government | 1,491,062 | - | - | - | - | - | - | - | 16,223 | - | - | - | 54,422 | 1,561,707 |
| Public Safety | 3,824,357 | - | - | - | 46,933 | - | - | - | - | - | - | - | - | 3,871,290 |
| Public Works | 1,085,876 | - | - | 24,934 | - | - | - | 455,481 | - | - | 204,945 | - | - | 1,771,236 |
| Culture, Recreation and Education | 617,959 | - | - | - | - | - | 5,000 | - | - | - | - | 12,448 | - | 635,407 |
| Capital Outlay | - | - | - | 147,249 | - | 4,205 | - | - | - | - | - | - | - | 151,454 |
| Total Expenditures | <u>7,019,254</u> | <u>-</u> | <u>-</u> | <u>172,183</u> | <u>46,933</u> | <u>4,205</u> | <u>5,000</u> | <u>455,481</u> | <u>16,223</u> | <u>-</u> | <u>204,945</u> | <u>12,448</u> | <u>54,422</u> | <u>7,991,094</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>1,580,529</u> | <u>4</u> | <u>282</u> | <u>(157,956)</u> | <u>(44,463)</u> | <u>8,462</u> | <u>(5,000)</u> | <u>(423,499)</u> | <u>(16,223)</u> | <u>-</u> | <u>(97,473)</u> | <u>(12,448)</u> | <u>(54,422)</u> | <u>777,793</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | | | |
| Proceeds from Long-Term Debt | - | - | 11,133 | - | - | - | - | - | - | - | - | - | - | 11,133 |
| Transfers In | 357,044 | - | - | 21,500 | - | - | - | - | - | - | - | - | - | 378,544 |
| Transfers Out | (1,729,707) | 15,000 | - | 85,000 | 95,000 | 31,651 | - | 427,890 | 42,000 | - | 182,782 | 25,000 | 37,534 | (787,850) |
| Total Other Financing Sources and Uses | <u>(1,372,663)</u> | <u>15,000</u> | <u>11,133</u> | <u>106,500</u> | <u>95,000</u> | <u>31,651</u> | <u>-</u> | <u>427,890</u> | <u>42,000</u> | <u>-</u> | <u>182,782</u> | <u>25,000</u> | <u>37,534</u> | <u>(398,173)</u> |
| Net Change in Fund Balances | 207,866 | 15,004 | 11,415 | (51,456) | 50,537 | 40,113 | (5,000) | 4,391 | 25,777 | - | 85,309 | 12,552 | (16,888) | 379,620 |
| Fund Balances (Deficit) - Beginning | 2,279,300 | 30,772 | 371,975 | 181,314 | 25,613 | 12,579 | 7,433 | 29,371 | 39,342 | 475 | 593,106 | 101,975 | 19,984 | 3,693,239 |
| Fund Balances - Ending | <u>\$ 2,487,166</u> | <u>45,776</u> | <u>\$ 383,390</u> | <u>\$ 129,858</u> | <u>\$ 76,150</u> | <u>\$ 52,692</u> | <u>\$ 2,433</u> | <u>\$ 33,762</u> | <u>\$ 65,119</u> | <u>\$ 475</u> | <u>\$ 678,415</u> | <u>\$ 114,527</u> | <u>\$ 3,096</u> | <u>\$ 4,072,859</u> |

**City of Whitewater
Whitewater, WI**

**Balance Sheet
Non-Major Governmental Funds
December 31, 2020**

| | <u>Non-Major Special Revenue Funds</u> | <u>Non-Major Capital Projects Funds</u> | <u>Non-Major Governmental Funds</u> |
|--|--|---|---|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 1,345,661 | \$ 65,060 | \$ 1,410,721 |
| Receivables: | | | |
| Taxes | - | 58,495 | 58,495 |
| Other | - | 818 | 818 |
| Prepaid Expenses | 1,015 | - | 1,015 |
| Due from Other Funds | - | 144 | 144 |
| Due from Other Governments | 11,855 | - | 11,855 |
| Total Assets | <u>\$ 1,358,531</u> | <u>\$ 124,517</u> | <u>\$ 1,483,048</u> |
| LIABILITIES | | | |
| Accounts Payable | \$ 63,672 | \$ - | \$ 63,672 |
| Accrued Liabilities | 26,883 | - | 26,883 |
| Due to Other Funds | 349 | 144 | 493 |
| Advances Payable | 310,705 | 1,200 | 311,905 |
| Total Liabilities | <u>401,609</u> | <u>1,344</u> | <u>402,953</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred Inflows | <u>15,795</u> | <u>90,160</u> | <u>105,955</u> |
| FUND BALANCE | | | |
| Restricted | 1,278,355 | 34,575 | 1,312,930 |
| Unassigned (Deficit) | <u>(337,228)</u> | <u>(1,562)</u> | <u>(338,790)</u> |
| Total Fund Balance | <u>941,127</u> | <u>33,013</u> | <u>974,140</u> |
| Total Liabilities, Deferred Inflows and Fund Balance | <u>\$ 1,358,531</u> | <u>\$ 124,517</u> | <u>\$ 1,483,048</u> |

**City of Whitewater
Whitewater, WI**

**Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2020**

| | Non-Major Special Revenue Funds | Non-Major Capital Project Funds | Non-Major Governmental Funds |
|--|--|--|---|
| REVENUES | | | |
| Property Taxes | \$ - | \$ 86,528 | \$ 86,528 |
| Intergovernmental | 516,019 | 4,521 | 520,540 |
| Fines, Forfeits and Penalties | 2,349 | - | 2,349 |
| Public Charges for Services | 356,399 | - | 356,399 |
| Intergovernmental Charges for Services | 268 | - | 268 |
| Interest Income | 4,363 | 128 | 4,491 |
| Miscellaneous Income | 102,114 | - | 102,114 |
| Total Revenues | <u>981,512</u> | <u>91,177</u> | <u>1,072,689</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Public Safety | 18,032 | - | 18,032 |
| Public Works | 191,816 | - | 191,816 |
| Culture, Recreation and Education | 1,374,868 | - | 1,374,868 |
| Conservation and Development | 6,275 | 750 | 7,025 |
| Capital Outlay | 7,415 | - | 7,415 |
| Total Expenditures | <u>1,598,406</u> | <u>750</u> | <u>1,599,156</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(616,894)</u> | <u>90,427</u> | <u>(526,467)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers In | 635,500 | - | 635,500 |
| Transfers Out | (7,250) | (130,208) | (137,458) |
| Transfers Out to CDA | - | (25,000) | (25,000) |
| Total Other Financing Sources and Uses | <u>628,250</u> | <u>(155,208)</u> | <u>473,042</u> |
| Net Change in Fund Balances | 11,356 | (64,781) | (53,425) |
| Fund Balances - Beginning | 929,771 | 97,794 | 1,027,565 |
| Fund Balances - Ending | <u>\$ 941,127</u> | <u>\$ 33,013</u> | <u>\$ 974,140</u> |

City of Whitewater
Whitewater, WI

Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2020

| | Cable TV Fund | Library Special Revenue Fund | Taxicab Grant Program Fund | Parkland Acquisition Fund | Parkland Development Fund | Forestry Fund | Rescue Squad Equipment/ Educ. Fund |
|--|------------------|---------------------------------------|-------------------------------|------------------------------|---------------------------------|------------------|--|
| ASSETS | | | | | | | |
| Cash and Cash Equivalents | \$ 72,265 | \$ 718,835 | \$ 75,620 | \$ 53,169 | \$ 19,666 | \$ 18,367 | \$ 149,067 |
| Prepaid Expenses | - | 1,015 | - | - | - | - | - |
| Due from Other Governments | - | - | 11,855 | - | - | - | - |
| Total Assets | <u>\$ 72,265</u> | <u>\$ 719,850</u> | <u>\$ 87,475</u> | <u>\$ 53,169</u> | <u>\$ 19,666</u> | <u>\$ 18,367</u> | <u>\$ 149,067</u> |
| LIABILITIES | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts Payable | \$ 910 | \$ 15,031 | \$ 24,933 | \$ - | \$ - | \$ 6,000 | \$ - |
| Accrued Liabilities | 1,697 | 17,961 | - | - | - | - | - |
| Advances Payable | - | - | - | - | - | - | - |
| Total Liabilities | <u>2,607</u> | <u>32,992</u> | <u>24,933</u> | <u>-</u> | <u>-</u> | <u>6,000</u> | <u>-</u> |
| FUND BALANCE | | | | | | | |
| Restricted | 69,658 | 686,858 | 62,542 | 53,169 | 19,666 | 12,367 | 149,067 |
| Total Fund Balance | <u>69,658</u> | <u>686,858</u> | <u>62,542</u> | <u>53,169</u> | <u>19,666</u> | <u>12,367</u> | <u>149,067</u> |
| Total Liabilities, Deferred Inflows and Fund Balance | <u>\$ 72,265</u> | <u>\$ 719,850</u> | <u>\$ 87,475</u> | <u>\$ 53,169</u> | <u>\$ 19,666</u> | <u>\$ 18,367</u> | <u>\$ 149,067</u> |

**City of Whitewater
Whitewater, WI**

**Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2020**

| | <u>Parking Permit Fund</u> | <u>Police Dept. Trust Fund</u> | <u>Parks and Recreation Fund</u> | <u>Field of Dreams Fund</u> | <u>Aquatic Center Fund</u> | <u>Non-Major Special Revenue Funds</u> |
|--|--------------------------------|------------------------------------|--|---------------------------------|--------------------------------|--|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 86,260 | \$ 87,974 | \$ (2,750) | \$ 67,188 | \$ - | \$ 1,345,661 |
| Prepaid Expenses | - | - | - | - | - | 1,015 |
| Due from Other Governments | - | - | - | - | - | 11,855 |
| Total Assets | <u>\$ 86,260</u> | <u>\$ 87,974</u> | <u>\$ (2,750)</u> | <u>\$ 67,188</u> | <u>\$ -</u> | <u>\$ 1,358,531</u> |
| LIABILITIES | | | | | | |
| Liabilities: | | | | | | |
| Accounts Payable | \$ 250 | \$ - | \$ (2) | \$ - | \$ 16,550 | \$ 63,672 |
| Accrued Liabilities | - | - | 374 | - | 6,851 | 26,883 |
| Due to Other Funds | - | 349 | - | - | - | 349 |
| Advances Payable | - | - | - | - | 310,705 | 310,705 |
| Total Liabilities | <u>250</u> | <u>349</u> | <u>372</u> | <u>-</u> | <u>334,106</u> | <u>401,609</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Deferred Inflows | - | - | - | 15,795 | - | 15,795 |
| FUND BALANCE (DEFICIT) | | | | | | |
| Restricted | 86,010 | 87,625 | - | 51,393 | - | 1,278,355 |
| Unassigned (Deficit) | - | - | (3,122) | - | (334,106) | (337,228) |
| Total Fund Balance (Deficit) | <u>86,010</u> | <u>87,625</u> | <u>(3,122)</u> | <u>51,393</u> | <u>(334,106)</u> | <u>941,127</u> |
| Total Liabilities, Deferred Inflows and Fund Balance | <u>\$ 86,260</u> | <u>\$ 87,974</u> | <u>\$ (2,750)</u> | <u>\$ 67,188</u> | <u>\$ -</u> | <u>\$ 1,358,531</u> |

City of Whitewater
Whitewater, WI

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended December 31, 2020**

| | <u>Cable TV Fund</u> | <u>Library Special Revenue Fund</u> | <u>Taxicab Grant Program Fund</u> | <u>Parkland Acquisition Fund</u> | <u>Parkland Development Fund</u> | <u>Forestry Fund</u> | <u>Rescue Squad Equipment/ Educ. Fund</u> |
|--|----------------------|---|---------------------------------------|--------------------------------------|--|----------------------|---|
| REVENUES | | | | | | | |
| Intergovernmental | \$ - | \$ 218,100 | \$ 169,919 | \$ - | \$ - | \$ - | \$ - |
| Fines, Forfeits and Penalties | - | 2,349 | - | - | - | - | - |
| Public Charges for Services | 82,979 | 6,065 | - | - | 896 | 285 | - |
| Intergovernmental Charges for Services | - | - | - | - | - | - | 268 |
| Interest Income | 241 | 3,133 | - | - | - | 7 | 706 |
| Miscellaneous Income | 9,556 | 32,911 | 11,500 | 4,480 | - | - | - |
| Total Revenues | <u>92,776</u> | <u>262,558</u> | <u>181,419</u> | <u>4,480</u> | <u>896</u> | <u>292</u> | <u>974</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| Public Safety | - | - | - | - | - | - | 2,955 |
| Public Works | - | - | 191,816 | - | - | - | - |
| Culture, Recreation and Education | 84,209 | 712,373 | - | - | - | - | - |
| Conservation and Development | - | - | - | - | - | 6,275 | - |
| Capital Outlay | - | 5,044 | - | - | 2,371 | - | - |
| Total Expenditures | <u>84,209</u> | <u>717,417</u> | <u>191,816</u> | <u>-</u> | <u>2,371</u> | <u>6,275</u> | <u>2,955</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>8,567</u> | <u>(454,859)</u> | <u>(10,397)</u> | <u>4,480</u> | <u>(1,475)</u> | <u>(5,983)</u> | <u>(1,981)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers In | 23,000 | 470,000 | - | - | - | 6,000 | - |
| Total Other Financing Sources and Uses | <u>23,000</u> | <u>470,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>6,000</u> | <u>-</u> |
| Net Change in Fund Balances | 31,567 | 15,141 | (10,397) | 4,480 | (1,475) | 17 | (1,981) |
| Fund Balances - Beginning | 38,091 | 671,717 | 72,939 | 48,689 | 21,141 | 12,350 | 151,048 |
| Fund Balances - Ending | <u>\$ 69,658</u> | <u>\$ 686,858</u> | <u>\$ 62,542</u> | <u>\$ 53,169</u> | <u>\$ 19,666</u> | <u>\$ 12,367</u> | <u>\$ 149,067</u> |

**City of Whitewater
Whitewater, WI**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended December 31, 2020**

| | <u>Parking Permit Fund</u> | <u>Police Dept. Trust Fund</u> | <u>Parks and Recreation Fund</u> | <u>Field of Dreams Fund</u> | <u>Aquatic Center Fund</u> | <u>Non-Major Special Revenue Funds</u> |
|---|--------------------------------|------------------------------------|--|---------------------------------|--------------------------------|--|
| REVENUES | | | | | | |
| Intergovernmental | \$ - | \$ - | \$ - | \$ - | \$ 128,000 | \$ 516,019 |
| Fines, Forfeits and Penalties | - | - | - | - | - | 2,349 |
| Public Charges for Services | 32,885 | - | 58,531 | - | 174,758 | 356,399 |
| Intergovernmental Charges for Services | - | - | - | - | - | 268 |
| Interest Income | 145 | 29 | - | - | 102 | 4,363 |
| Miscellaneous Income | - | 42,923 | 744 | - | - | 102,114 |
| Total Revenues | <u>33,030</u> | <u>42,952</u> | <u>59,275</u> | <u>-</u> | <u>302,860</u> | <u>981,512</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Public Safety | 4,195 | 10,882 | - | - | - | 18,032 |
| Public Works | - | - | - | - | - | 191,816 |
| Culture, Recreation and Education | - | - | 70,897 | 3,574 | 503,815 | 1,374,868 |
| Conservation and Development | - | - | - | - | - | 6,275 |
| Capital Outlay | - | - | - | - | - | 7,415 |
| Total Expenditures | <u>4,195</u> | <u>10,882</u> | <u>70,897</u> | <u>3,574</u> | <u>503,815</u> | <u>1,598,406</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>28,835</u> | <u>32,070</u> | <u>(11,622)</u> | <u>(3,574)</u> | <u>(200,955)</u> | <u>(616,894)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | - | - | 8,500 | - | 128,000 | 635,500 |
| Transfers Out | (2,250) | - | - | (5,000) | - | (7,250) |
| Total Other Financing Sources and Uses | <u>(2,250)</u> | <u>-</u> | <u>8,500</u> | <u>(5,000)</u> | <u>128,000</u> | <u>628,250</u> |
| Net Change in Fund Balances | 26,585 | 32,070 | (3,122) | (8,574) | (72,955) | 11,356 |
| Fund Balances - Beginning | 59,425 | 55,555 | - | 59,967 | (261,151) | 929,771 |
| Fund Balances (Deficit) - Ending | <u>\$ 86,010</u> | <u>\$ 87,625</u> | <u>\$ (3,122)</u> | <u>\$ 51,393</u> | <u>\$ (334,106)</u> | <u>\$ 941,127</u> |

**City of Whitewater
Whitewater, WI**

**Combining Balance Sheet
Non-Major Capital Project Funds
December 31, 2020**

| | <u>TID #5</u> | <u>TID #6</u> | <u>TID #7</u> | <u>TID #8</u> | <u>TID #9</u> | <u>Non-Major Capital Project Funds</u> |
|--|------------------|------------------|-----------------|------------------|-----------------|--|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 8,944 | \$ 28,758 | \$ (218) | \$ 23,597 | \$ 3,979 | \$ 65,060 |
| Receivables: | | | | | | |
| Taxes | 9,023 | 47,102 | - | 1,972 | 398 | 58,495 |
| Other | - | 818 | - | - | - | 818 |
| Due from Other Funds | - | - | - | 144 | - | 144 |
| Total Assets | <u>\$ 17,967</u> | <u>\$ 76,678</u> | <u>\$ (218)</u> | <u>\$ 25,713</u> | <u>\$ 4,377</u> | <u>\$ 124,517</u> |
| LIABILITIES | | | | | | |
| Due to Other Funds | \$ - | \$ - | \$ 144 | \$ - | \$ - | \$ 144 |
| Advances Payable | - | - | 1,200 | - | - | 1,200 |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>1,344</u> | <u>-</u> | <u>-</u> | <u>1,344</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| 2019 Tax Apportionment | <u>13,909</u> | <u>72,598</u> | <u>-</u> | <u>3,040</u> | <u>613</u> | <u>90,160</u> |
| FUND BALANCE (DEFICIT) | | | | | | |
| Restricted | 4,058 | 4,080 | - | 22,673 | 3,764 | 34,575 |
| Unassigned (Deficit) | - | - | (1,562) | - | - | (1,562) |
| Total Fund Balance (Deficit) | <u>4,058</u> | <u>4,080</u> | <u>(1,562)</u> | <u>22,673</u> | <u>3,764</u> | <u>33,013</u> |
| Total Liabilities, Deferred Inflows and Fund Balance | <u>\$ 17,967</u> | <u>\$ 76,678</u> | <u>\$ (218)</u> | <u>\$ 25,713</u> | <u>\$ 4,377</u> | <u>\$ 124,517</u> |

**City of Whitewater
Whitewater, WI**

**Non-Major Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2020**

| | <u>TID #5</u> | <u>TID #6</u> | <u>TID #7</u> | <u>TID #8</u> | <u>TID #9</u> | <u>Non-Major Capital Projects Funds</u> |
|--|-----------------|------------------|-------------------|------------------|-----------------|---|
| REVENUES | | | | | | |
| Property Taxes | \$ 12,118 | \$ 72,202 | \$ - | \$ 1,637 | \$ 571 | \$ 86,528 |
| Intergovernmental | 447 | 4,074 | - | - | - | 4,521 |
| Interest Income | - | 31 | - | 97 | - | 128 |
| Total Revenues | <u>12,565</u> | <u>76,307</u> | <u>-</u> | <u>1,734</u> | <u>571</u> | <u>91,177</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| Conservation and Development | <u>150</u> | <u>150</u> | <u>150</u> | <u>150</u> | <u>150</u> | <u>750</u> |
| Total Expenditures | <u>150</u> | <u>150</u> | <u>150</u> | <u>150</u> | <u>150</u> | <u>750</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>12,415</u> | <u>76,157</u> | <u>(150)</u> | <u>1,584</u> | <u>421</u> | <u>90,427</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers Out | - | (130,208) | - | - | - | (130,208) |
| Transfers Out to CDA | - | (25,000) | - | - | - | (25,000) |
| Total Other Financing Sources and Uses | <u>-</u> | <u>(155,208)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(155,208)</u> |
| Net Change in Fund Balances | 12,415 | (79,051) | (150) | 1,584 | 421 | (64,781) |
| Fund Balances (Deficit) - Beginning | (8,357) | 83,131 | (1,412) | 21,089 | 3,343 | 97,794 |
| Fund Balances (Deficit) - Ending | <u>\$ 4,058</u> | <u>\$ 4,080</u> | <u>\$ (1,562)</u> | <u>\$ 22,673</u> | <u>\$ 3,764</u> | <u>\$ 33,013</u> |

**City of Whitewater
Whitewater, WI
Combining Statement of Net Position
Component Unit
December 31, 2020**

| | Community Development Authority (Operating) | Community Development Authority (Program) | Innovation Center | Total |
|---|--|--|----------------------|---------------------|
| ASSETS | | | | |
| Current Assets: | | | | |
| Cash and Investments | \$ 61,578 | \$ 1,353,131 | \$ 59,585 | \$ 1,474,294 |
| Total Current Assets | <u>61,578</u> | <u>1,353,131</u> | <u>59,585</u> | <u>1,474,294</u> |
| Noncurrent Assets: | | | | |
| Restricted Assets | | | | |
| Other Assets | | | | |
| Net Pension Asset | 7,521 | - | - | 7,521 |
| Loans Receivable | - | 1,291,479 | - | 1,291,479 |
| Advance Receivable from City | - | 250,000 | - | 250,000 |
| Capital Assets | | | | |
| Land, Improvements, and Construction in Progress | - | 481,816 | - | 481,816 |
| Other Capital Assets, Net of Depreciation | - | 5,007,907 | - | 5,007,907 |
| Total Capital Assets | <u>-</u> | <u>5,489,723</u> | <u>-</u> | <u>5,489,723</u> |
| Total Noncurrent Assets | <u>7,521</u> | <u>7,031,202</u> | <u>-</u> | <u>7,038,723</u> |
| Total Assets | <u>69,099</u> | <u>8,384,333</u> | <u>59,585</u> | <u>8,513,017</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred Pension Outflows | 17,520 | - | - | 17,520 |
| Total Deferred Outflows of Resources | <u>17,520</u> | <u>-</u> | <u>-</u> | <u>17,520</u> |
| Total Assets and Deferred Outflows of Resources | <u>\$ 86,619</u> | <u>\$ 8,384,333</u> | <u>\$ 59,585</u> | <u>\$ 8,530,537</u> |
| LIABILITIES | | | | |
| Current Liabilities: | | | | |
| Accounts Payable and Accrued Expenses | \$ 8,712 | \$ - | \$ 5,985 | \$ 14,697 |
| Due to Other CDA Funds | - | 74,677 | - | 74,677 |
| Total Current Liabilities | <u>8,712</u> | <u>74,677</u> | <u>5,985</u> | <u>89,374</u> |
| Total Liabilities | <u>8,712</u> | <u>74,677</u> | <u>5,985</u> | <u>89,374</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Pension Inflows | 22,538 | - | - | 22,538 |
| Total Deferred Inflows of Resources | <u>22,538</u> | <u>-</u> | <u>-</u> | <u>22,538</u> |
| NET POSITION | | | | |
| Net Investment in Capital Assets | - | 5,489,723 | - | 5,489,723 |
| Restricted | - | 2,819,933 | - | 2,819,933 |
| Unrestricted | 55,368 | - | 53,600 | 108,968 |
| Total Net Position | <u>55,368</u> | <u>8,309,656</u> | <u>53,600</u> | <u>8,418,624</u> |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | <u>\$ 86,618</u> | <u>\$ 8,384,333</u> | <u>\$ 59,585</u> | <u>\$ 8,530,536</u> |

**City of Whitewater
Whitewater, WI**

**Combining Statement of Revenues, Expenses and Changes in Net Position
Component Unit
For the Year Ended December 31, 2020**

| | Community Development Authority (Operating) | Community Development Authority (Program) | Innovation Center | Total |
|-----------------------------------|--|--|----------------------|---------------------|
| Operating Revenues | \$ - | \$ 21,123 | \$ 137,133 | \$ 158,256 |
| Operating Expenses | | | | |
| Operating Expenses | 108,741 | 139,177 | 222,837 | 470,755 |
| Depreciation | 148 | 121,810 | - | 121,958 |
| Total Operating Expenses | <u>108,889</u> | <u>260,987</u> | <u>222,837</u> | <u>592,713</u> |
| Operating Income (Loss) | <u>(108,889)</u> | <u>(239,864)</u> | <u>(85,704)</u> | <u>(434,457)</u> |
| Non-Operating Revenues (Expenses) | | | | |
| Investment Income | - | 47,219 | - | 47,219 |
| Miscellaneous | - | - | 77,454 | 77,454 |
| Intergovernmental and Other | - | 175 | - | 175 |
| Total Non Operating Revenues | <u>-</u> | <u>47,394</u> | <u>77,454</u> | <u>124,848</u> |
| Transfer In from City | 100,000 | - | - | 100,000 |
| Transfer Out to City | (23,000) | - | - | (23,000) |
| Gain on Sale of Land | <u>-</u> | <u>113,525</u> | <u>-</u> | <u>113,525</u> |
| Change in Net Position | (31,889) | (78,945) | (8,250) | (119,084) |
| Total Net Position - Beginning | <u>87,257</u> | <u>8,388,601</u> | <u>61,850</u> | <u>8,537,708</u> |
| Total Net Position - Ending | <u>\$ 55,368</u> | <u>\$ 8,309,656</u> | <u>\$ 53,600</u> | <u>\$ 8,418,624</u> |

**City of Whitewater
Whitewater, WI**

**Combining Statement of Cash Flows
Component Unit
For the Year Ended December 31, 2020**

| | Community Development Authority (Operating) | Community Development Authority (Program) | Innovation Center | Total |
|--|--|--|----------------------|--------------|
| Cash Flows From Operating Activities | | | | |
| Received from customers | \$ - | \$ 21,298 | \$ 137,133 | \$ 158,431 |
| Loans repaid | - | 65,701 | - | 65,701 |
| New loans issued | - | (195,135) | - | (195,135) |
| Paid to suppliers for goods and services | (101,986) | (25,377) | (155,933) | (283,296) |
| Net cash flows from operating activities | (101,986) | (133,513) | (18,800) | (254,299) |
| Cash Flows From Investing Activities | | | | |
| Investment income | - | 47,219 | - | 47,219 |
| Net cash flows from investing activities | - | 47,219 | - | 47,219 |
| Cash Flows From Capital Related Financing Activities | | | | |
| Acquisition and construction of capital assets | - | (344,206) | - | (344,206) |
| Proceeds from sale of capital assets held for resale | - | 113,525 | - | 113,525 |
| Net cash flow from noncapital financing activities | - | (230,681) | - | (230,681) |
| Cash Flows From Non-Capital Financing Activities | | | | |
| Short-term advance from City | - | 74,677 | - | 74,677 |
| Transfers in from City | 100,000 | - | - | 100,000 |
| Transfers out to City | (23,000) | - | - | (23,000) |
| Advance repayments | - | 250,000 | - | 250,000 |
| Net cash flow from noncapital financing activities | 77,000 | 324,677 | - | 401,677 |
| Net increase (decrease) in cash and cash equivalents | (24,986) | 7,702 | (18,800) | (36,084) |
| Cash And Cash Equivalents - Beginning Of Year | 86,564 | 1,345,429 | 78,385 | 1,510,378 |
| Cash And Cash Equivalents - End Of Year | \$ 61,578 | \$ 1,353,131 | \$ 59,585 | \$ 1,474,294 |
| Reconciliation Of Operating Income (Loss) To Net Cash Flows From Operating Activities | | | | |
| Operating income (loss) | \$ (108,889) | \$ (239,864) | \$ (85,704) | \$ (434,457) |
| Adjustments to reconcile operating income (loss) to net cash flows from operating activities | | | | |
| Miscellaneous | - | 175 | 77,454 | 77,629 |
| Noncash items included in income (loss) | | | | |
| Depreciation | 148 | 121,810 | - | 121,958 |
| Pension expense | (24) | - | - | (24) |
| Loans receivable | - | (15,634) | - | (15,634) |
| Accounts payable and accrued expenses | 6,779 | - | (10,550) | (3,771) |
| Net Cash Flows From Operating Activities | \$ (101,986) | \$ (133,513) | \$ (18,800) | \$ (254,299) |

City of Whitewater

**Schedule of Long-Term Debt Principal Payments - Governmental Activities
December 31, 2020**

| Year | Totals | 2010 Taxable | 2012 | 2014 | 2017 | 2018 | 2019 | 2020 |
|---------------|----------------------|--|---|---|---|---|---|---|
| | | General Obligation Community Development Bonds | General Obligation Refunding Bonds | Taxable General Obligation Bonds | Taxable General Obligation Notes | Taxable General Obligation Bonds | Taxable General Obligation Notes | Taxable General Obligation Bonds |
| 2021 | \$ 901,459 | \$ 195,000 | \$ 270,000 | \$ 145,000 | \$ 58,784 | \$ 65,000 | \$ 87,675 | \$ 80,000 |
| 2022 | 997,897 | 205,000 | 275,000 | 150,000 | 60,222 | 60,000 | 87,675 | 160,000 |
| 2023 | 1,017,675 | 210,000 | 280,000 | 150,000 | - | 120,000 | 87,675 | 170,000 |
| 2024 | 1,009,050 | 220,000 | 290,000 | 155,000 | - | 110,000 | 64,050 | 170,000 |
| 2025 | 1,042,750 | 230,000 | 295,000 | 285,000 | - | - | 57,750 | 175,000 |
| 2026 | 1,017,750 | 235,000 | 300,000 | 385,000 | - | - | 57,750 | 40,000 |
| 2027 | 1,047,750 | 245,000 | 305,000 | 400,000 | - | - | 57,750 | 40,000 |
| 2028 | 1,037,750 | 255,000 | 315,000 | 160,000 | - | 210,000 | 57,750 | 40,000 |
| 2029 | 1,062,750 | 265,000 | 325,000 | 160,000 | - | 210,000 | 57,750 | 45,000 |
| 2030 | 590,000 | - | 335,000 | - | - | 210,000 | - | 45,000 |
| 2031 | 600,000 | - | 345,000 | - | - | 210,000 | - | 45,000 |
| 2032 | 255,000 | - | - | - | - | 210,000 | - | 45,000 |
| 2033 | 260,000 | - | - | - | - | 215,000 | - | 45,000 |
| 2034 | 270,000 | - | - | - | - | 215,000 | - | 55,000 |
| 2035 | 265,000 | - | - | - | - | 210,000 | - | 55,000 |
| 2036 | 270,000 | - | - | - | - | 215,000 | - | 55,000 |
| 2037 | 265,000 | - | - | - | - | 210,000 | - | 55,000 |
| 2038 | 55,000 | - | - | - | - | - | - | 55,000 |
| 2039 | 55,000 | - | - | - | - | - | - | 55,000 |
| 2040 | 20,000 | - | - | - | - | - | - | 20,000 |
| Totals | \$ 12,039,831 | \$ 2,060,000 | \$ 3,335,000 | \$ 1,990,000 | \$ 119,006 | \$ 2,470,000 | \$ 615,825 | \$ 1,450,000 |

City of Whitewater

**Schedule of Long-Term Debt Interest Payments - Governmental Activities
December 31, 2020**

| Year | Totals | 2010 Taxable | 2012 | 2014 | 2017 | 2018 | 2019 | 2020 |
|---------------|---------------------|--|---|---|---|---|---|---|
| | | General Obligation Community Development Bonds | General Obligation Refunding Bonds | Taxable General Obligation Bonds | Taxable General Obligation Notes | Taxable General Obligation Bonds | Taxable General Obligation Notes | Taxable General Obligation Bonds |
| 2021 | \$ 394,534 | \$ 114,812 | \$ 87,550 | \$ 49,360 | \$ 2,943 | \$ 84,788 | \$ 15,334 | \$ 39,747 |
| 2022 | 355,790 | 105,062 | 81,475 | 46,605 | 1,490 | 82,188 | 13,151 | 25,820 |
| 2023 | 326,176 | 94,608 | 75,288 | 43,605 | - | 79,188 | 10,968 | 22,520 |
| 2024 | 293,991 | 83,582 | 68,988 | 40,305 | - | 73,188 | 8,809 | 19,120 |
| 2025 | 261,530 | 71,702 | 62,463 | 36,818 | - | 67,688 | 7,190 | 15,670 |
| 2026 | 231,553 | 58,938 | 55,678 | 29,978 | - | 67,688 | 5,752 | 13,520 |
| 2027 | 198,741 | 45,542 | 48,478 | 20,000 | - | 67,688 | 4,314 | 12,720 |
| 2028 | 164,036 | 31,332 | 40,853 | 9,360 | - | 67,688 | 2,884 | 11,920 |
| 2029 | 127,390 | 16,032 | 32,663 | 4,800 | - | 61,388 | 1,438 | 11,070 |
| 2030 | 87,358 | - | 22,100 | - | - | 55,088 | - | 10,170 |
| 2031 | 68,746 | - | 11,213 | - | - | 48,263 | - | 9,270 |
| 2032 | 49,808 | - | - | - | - | 41,438 | - | 8,370 |
| 2033 | 42,083 | - | - | - | - | 34,613 | - | 7,470 |
| 2034 | 34,095 | - | - | - | - | 27,625 | - | 6,470 |
| 2035 | 26,008 | - | - | - | - | 20,638 | - | 5,370 |
| 2036 | 18,083 | - | - | - | - | 13,813 | - | 4,270 |
| 2037 | 9,995 | - | - | - | - | 6,825 | - | 3,170 |
| 2038 | 2,070 | - | - | - | - | - | - | 2,070 |
| 2039 | 970 | - | - | - | - | - | - | 970 |
| 2040 | 210 | - | - | - | - | - | - | 210 |
| Totals | \$ 2,693,167 | \$ 621,610 | \$ 586,749 | \$ 280,831 | \$ 4,433 | \$ 899,788 | \$ 69,839 | \$ 229,917 |