

CITY OF DURAND, WISCONSIN
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2020

**CITY OF DURAND, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2020**

INDEPENDENT AUDITORS' REPORT	1
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	4
STATEMENT OF ACTIVITIES	5
BALANCE SHEET – GOVERNMENTAL FUNDS	6
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES	7
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	8
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	10
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	11
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	13
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	14
STATEMENT OF NET POSITION – FIDUCIARY FUNDS	16
STATEMENT OF CHANGES IN NET POSITION – FIDUCIARY FUNDS	17
NOTES TO BASIC FINANCIAL STATEMENTS	18
REQUIRED SUPPLEMENTARY INFORMATION	
1 – BUDGETARY COMPARISON SCHEDULE – GENERAL FUND	54
2 – BUDGETARY COMPARISON SCHEDULE – CDBG FUND	55
3 – SCHEDULE OF PROPORTIONATE SHARE OF WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN (ASSET) LIABILITY – LAST TEN FISCAL YEARS	56
4 – SCHEDULE OF CONTRIBUTIONS TO WISCONSIN RETIREMENT SYSTEM PENSION PLAN – LAST TEN FISCAL YEARS	57

**CITY OF DURAND, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2020**

5 – SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND MULTIEMPLOYER OPEB PLAN – LAST TEN FISCAL YEARS	58
6 – SCHEDULE OF CITY'S CONTRIBUTIONS TO WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND MULTIEMPLOYER OPEB PLAN – LAST TEN FISCAL YEARS	59
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	60
SUPPLEMENTARY INFORMATION	
INDIVIDUAL FUND STATEMENTS AND SCHEDULES	
GENERAL FUND	
B-1 – DETAILED BALANCE SHEET	63
WATER UTILITY ENTERPRISE FUND	
B-2 – STATEMENT OF NET POSITION	64
B-3 – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	66
B-4 – STATEMENT OF CASH FLOWS	67
B-5 – SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES	69
SEWER UTILITY ENTERPRISE FUND	
B-6 – STATEMENT OF NET POSITION	70
B-7 – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	72
B-8 – STATEMENT OF CASH FLOWS	73
B-9 – SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES	75
STORM WATER ENTERPRISE FUND	
B-10 – STATEMENT OF NET POSITION	76
B-11 – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	77
B-12 – STATEMENT OF CASH FLOWS	78

**CITY OF DURAND, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2020**

B-13 – SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES	79
AMBULANCE SERVICE ENTERPRISE FUND	
B-14 – STATEMENT OF NET POSITION	80
B-15 – STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	81
B-16 – STATEMENT OF CASH FLOWS	82
B-17 – SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES	83



INDEPENDENT AUDITORS' REPORT

The City Council
City of Durand
Durand, Wisconsin

Report on the Financial Statements

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

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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' 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 from 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 auditors' 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, each major fund, and the aggregate remaining fund information of the City of Durand, Wisconsin as of December 31, 2020, and the respective changes in the financial position and, where applicable, cash flows, thereof for the year then ended in conformity 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 budgetary comparison information, Wisconsin Retirement System pension schedules, and Wisconsin Local Retiree Life Insurance Fund Multiemployer OPEB Plan information as referenced in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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.

The City has omitted a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this omitted information.

Supplementary Information

Our audit for the year ended December 31, 2020 was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the City's basic financial statements. The individual fund statements and schedules for the year ended December 31, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2020, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2020.

We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City for the year ended December 31, 2019 (not presented herein), and have issued our report dated August 4, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The individual fund statements and schedules for the year ended December 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2019 basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2019.



CliftonLarsonAllen LLP

Eau Claire, Wisconsin
October 28, 2021

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**CITY OF DURAND, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash and Investments	\$ 2,461,708	\$ 534,687	\$ 2,996,395
Taxes Receivable	620,104	36,184	656,288
Accounts Receivable, Net	91,343	179,585	270,928
Due from Other Governmental Units	-	32,500	32,500
Prepayments	16,225	1,025	17,250
Inventories	-	14,141	14,141
Long-Term Receivables	972,641	-	972,641
Internal Balances	54,837	(54,837)	-
Restricted Assets:			
Cash and Investments	-	54,702	54,702
Wisconsin Retirement System Net Pension Asset	80,537	66,250	146,787
Capital Assets:			
Capital Assets Not Being Depreciated	156,075	164,388	320,463
Capital Assets Being Depreciated	11,630,647	12,360,195	23,990,842
Accumulated Depreciation	(6,561,072)	(6,413,941)	(12,975,013)
Total Assets	<u>9,523,045</u>	<u>6,974,879</u>	<u>16,497,924</u>
DEFERRED OUTFLOWS OF RESOURCES			
State Life Insurance Other Postemployment Benefits Related	33,974	27,734	61,708
Wisconsin Retirement System Pension Related Items	192,786	158,489	351,275
Deferred Loss on Refunding	2,608	-	2,608
Total Deferred Outflows of Resources	<u>229,368</u>	<u>186,223</u>	<u>415,591</u>
LIABILITIES			
Vouchers and Accounts Payable	58,406	10,031	68,437
Accrued Interest Payable	10,812	11,315	22,127
Payroll Taxes and Withholdings	812	-	812
Unearned Revenue	-	32,760	32,760
Noncurrent Liabilities:			
Amounts Due Within One Year	199,261	172,548	371,809
Amounts Due in More than One Year	1,433,561	1,853,515	3,287,076
State Life Insurance Net Other Postemployment Benefits Liability	59,945	49,305	109,250
Total Liabilities	<u>1,762,797</u>	<u>2,129,474</u>	<u>3,892,271</u>
DEFERRED INFLOWS OF RESOURCES			
Succeeding Year's Property Taxes	775,754	-	775,754
State Life Insurance Other Postemployment Benefits Related	13,227	10,505	23,732
Wisconsin Retirement System Pension Related Items	242,429	199,374	441,803
Total Deferred Inflows of Resources	<u>1,031,410</u>	<u>209,879</u>	<u>1,241,289</u>
NET POSITION			
Net Investment in Capital Assets	3,617,454	4,127,484	7,744,938
Restricted for:			
Debt Service	-	53,682	53,682
Capital Projects and Plant Replacement	87,090	1,020	88,110
Wisconsin Retirement System Net Pension Asset	80,537	66,250	146,787
Housing/Business Loan Programs	829,302	-	829,302
Library	99,761	-	99,761
Unrestricted	2,244,062	573,313	2,817,375
Total Net Position	<u>\$ 6,958,206</u>	<u>\$ 4,821,749</u>	<u>\$ 11,779,955</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES							
General Government	\$ 257,421	\$ 8,685	\$ 32,908	\$ -	\$ (215,828)	\$ -	\$ (215,828)
Public Safety	651,693	67,764	5,308	-	(578,621)	-	(578,621)
Public Works	437,918	3,093	102,847	-	(331,978)	-	(331,978)
Health and Human Services	15,088	4,020	-	-	(11,068)	-	(11,068)
Culture, Recreation, and Education	212,123	7,870	79,341	-	(124,912)	-	(124,912)
Conservation and Development	87,432	-	-	-	(87,432)	-	(87,432)
Interest and Fiscal Charges	72,525	-	-	-	(72,525)	-	(72,525)
Total Governmental Activities	<u>1,734,200</u>	<u>91,432</u>	<u>220,404</u>	<u>-</u>	<u>(1,422,364)</u>	<u>-</u>	<u>(1,422,364)</u>
BUSINESS-TYPE ACTIVITIES							
Water	444,809	481,783	-	1,193	-	38,167	38,167
Sewer	608,094	529,231	-	4,020	-	(74,843)	(74,843)
Storm Water	144,047	137,456	-	-	-	(6,591)	(6,591)
Ambulance	367,712	206,932	550	-	-	(160,230)	(160,230)
Total Business-Type Activities	<u>1,564,662</u>	<u>1,355,402</u>	<u>550</u>	<u>5,213</u>	<u>-</u>	<u>(203,497)</u>	<u>(203,497)</u>
Total Primary Government	<u>\$ 3,298,862</u>	<u>\$ 1,446,834</u>	<u>\$ 220,954</u>	<u>\$ 5,213</u>	<u>(1,422,364)</u>	<u>(203,497)</u>	<u>(1,625,861)</u>
GENERAL REVENUES							
Taxes:							
Property Taxes, Levied for General Purposes					712,682	-	712,682
Property Taxes, Levied for TIF Districts					47,300	-	47,300
Grants and Contributions not Restricted for a Particular Purpose					488,368	-	488,368
Interest and Investment Earnings					9,629	2,033	11,662
Miscellaneous					83,021	-	83,021
TRANSFERS					58,284	(58,284)	-
Total General Revenues and Transfers					<u>1,399,284</u>	<u>(55,747)</u>	<u>1,343,537</u>
CHANGE IN NET POSITION					(23,080)	(259,244)	(282,324)
Net Position - Beginning of Year					<u>6,981,286</u>	<u>5,080,993</u>	<u>12,062,279</u>
NET POSITION - END OF YEAR					<u>\$ 6,958,206</u>	<u>\$ 4,821,749</u>	<u>\$ 11,779,955</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Major Funds						Total Governmental Funds
	General Fund	CDBG Loan Fund	Debt Service Fund	Tax Incremental District #3 Fund	Library Fund	3rd Ave Reconstruction CDBG Project Funds	
ASSETS							
Treasurer's Cash and Investments	\$ 2,233,841	\$ 92,519	\$ -	\$ 35,210	\$ 100,138	\$ -	\$ 2,461,708
Taxes Receivable	291,170	-	179,310	72,320	77,304	-	620,104
Accounts Receivable	39,463	-	-	51,880	-	-	91,343
Due from Other Funds	107,057	-	-	-	-	-	107,057
Prepayments	16,225	-	-	-	-	-	16,225
Advances to Other Funds	54,837	-	-	-	-	-	54,837
Long-Term Receivables	235,858	736,783	-	-	-	-	972,641
Total Assets	\$ 2,978,451	\$ 829,302	\$ 179,310	\$ 159,410	\$ 177,442	\$ -	\$ 4,323,915
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Vouchers and Accounts Payable	\$ 58,029	\$ -	\$ -	\$ -	\$ 377	\$ -	\$ 58,406
Payroll Withholdings	812	-	-	-	-	-	812
Due to Other Funds	-	-	53,575	-	-	53,482	107,057
Total Liabilities	58,841	-	53,575	-	377	53,482	166,275
DEFERRED INFLOWS OF RESOURCES							
Succeeding Year's Property Taxes	446,820	-	179,310	72,320	77,304	-	775,754
Unavailable Revenue - Long-Term Receivables	-	736,783	-	-	-	-	736,783
Total Deferred Inflows of Resources	446,820	736,783	179,310	72,320	77,304	-	1,512,537
FUND BALANCES							
Nonspendable	313,360	-	-	-	-	-	313,360
Restricted	-	92,519	-	87,090	99,761	-	279,370
Assigned	675,000	-	-	-	-	-	675,000
Unassigned	1,484,430	-	(53,575)	-	-	(53,482)	1,377,373
Total Fund Balances	2,472,790	92,519	(53,575)	87,090	99,761	(53,482)	2,645,103
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,978,451	\$ 829,302	\$ 179,310	\$ 159,410	\$ 177,442	\$ -	\$ 4,323,915

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020**

TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS \$ 2,645,103

Total net position reported for governmental activities in the Statement of Net Position is different because:

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

Land	\$ 91,147	
Construction Work in Progress	64,928	
Land Improvements	431,080	
Buildings	1,775,096	
Equipment and Vehicles	1,964,820	
Infrastructure	7,459,651	
Accumulated Depreciation	<u>(6,561,072)</u>	5,225,650

Some receivables, including special assessments, are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

736,783

Net Wisconsin Retirement System pension plan asset, liability and related deferred outflows and inflows are recorded only on the Statement of Net Position. Balances at year-end are:

Net Pension Plan Asset	80,537	
Deferred Outflows of Resources	192,786	
Deferred Inflows of Resources	<u>(242,429)</u>	30,894

Net State Life Insurance other post-employment plan asset, liability and related deferred outflows and inflows are recorded only on the Statement of Net Position. Balances at year-end are:

Net OPEB Plan Liability	(59,945)	
Deferred Outflows of Resources	33,974	
Deferred Inflows of Resources	<u>(13,227)</u>	(39,198)

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

General Obligation Bonds Payable	445,000	
General Obligation Notes Payable	1,165,804	
Accrued Interest on Long-Term Debt	10,812	
Compensated Absences Payable	<u>22,018</u>	(1,643,634)

Deferred amounts from refunding debt due to the difference between the reacquisition price required to pay refunded debt and the net carrying value of the refunded debt

2,608

Total Net Position of Governmental Activities \$ 6,958,206

**CITY OF DURAND, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Major Funds						Total Governmental Funds
	General Fund	CDBG Loan Fund	Debt Service Fund	Tax Incremental District #3 Fund	Library Fund	3rd Ave Reconstruction CDBG Project Funds	
REVENUES							
Taxes	\$ 451,200	\$ -	\$ 185,033	\$ 47,300	\$ 76,449	\$ -	\$ 759,982
Intergovernmental	628,207	-	-	1,224	62,581	-	692,012
Licenses and Permits	9,015	-	-	-	-	-	9,015
Fines and Forfeits	5,879	-	-	-	-	-	5,879
Public Charges for Services	38,660	-	-	-	-	-	38,660
Intergovernmental Charges for Services	52,839	-	-	-	-	-	52,839
Miscellaneous:							
Interest	9,428	171	-	-	31	-	9,630
Rent	4,725	-	-	-	-	-	4,725
Sale of Property	80	-	-	-	-	-	80
Donations	275	-	-	-	1,800	-	2,075
Loan Repayments	-	55,266	-	-	-	-	55,266
Other	20,412	-	-	-	2,261	-	22,673
Total Revenues	1,220,720	55,437	185,033	48,524	143,122	-	1,652,836
EXPENDITURES							
General Government	249,410	-	-	-	-	-	249,410
Public Safety	603,691	-	-	-	-	-	603,691
Public Works	376,468	-	-	-	-	53,482	429,950
Health and Human Services	14,868	-	-	-	-	-	14,868
Culture, Recreation, and Education	58,850	-	-	-	107,081	-	165,931
Conservation and Development	26,347	23,254	-	990	-	-	50,591
Debt Service:							
Principal	-	-	183,151	-	-	-	183,151
Interest and Fiscal Charges	-	-	67,389	-	-	-	67,389
Total Expenditures	1,329,634	23,254	250,540	990	107,081	53,482	1,764,981

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Major Funds						Total Governmental Funds
	General Fund	CDBG Loan Fund	Debt Service Fund	Tax Incremental District #3 Fund	Library Fund	3rd Ave Reconstruction CDBG Project Funds	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (108,914)	\$ 32,183	\$ (65,507)	\$ 47,534	\$ 36,041	\$ (53,482)	\$ (112,145)
OTHER FINANCING SOURCES (USES)							
Transfers In	58,284	-	74,340	-	-	-	132,624
Transfers Out	-	-	-	(74,340)	-	-	(74,340)
Total Other Financing Sources (Uses)	<u>58,284</u>	<u>-</u>	<u>74,340</u>	<u>(74,340)</u>	<u>-</u>	<u>-</u>	<u>58,284</u>
NET CHANGE IN FUND BALANCES	(50,630)	32,183	8,833	(26,806)	36,041	(53,482)	(53,861)
Fund Balances - Beginning of Year	<u>2,523,420</u>	<u>60,336</u>	<u>(62,408)</u>	<u>113,896</u>	<u>63,720</u>	<u>-</u>	<u>2,698,964</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,472,790</u>	<u>\$ 92,519</u>	<u>\$ (53,575)</u>	<u>\$ 87,090</u>	<u>\$ 99,761</u>	<u>\$ (53,482)</u>	<u>\$ 2,645,103</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	(53,861)
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:</p>		
Capital Outlays Reported in Governmental Fund Statements	\$ 252,712	
Depreciation Expense Reported in the Statement of Activities	<u>(341,025)</u>	(88,313)
<p>In the Statement of Activities, only the gain or loss on the disposal of capital assets is reported whereas in the governmental funds, the proceeds from sales increase, financial resources and trade-ins are not reflected in capital outlays.</p>		
		(8,483)
<p>Receivables not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements.</p>		
		(42,207)
<p>Pension and other postemployment expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on the Statement of Activities are measured by the change in net pension and other post-employment benefit asset, liability and related deferred outflows and inflows of resources.</p>		
		(4,800)
<p>Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consist of:</p>		
General Obligation Bonds Principal Retirement	105,000	
General Obligation Notes Principal Retirement	<u>78,151</u>	183,151
<p>Some items reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:</p>		
Net Change in Accrued Interest Payable	2,451	
Amortization of Debt Refunding Loss	(7,587)	
Net Change in Compensated Absences Payable	<u>(3,431)</u>	<u>(8,567)</u>
Change in Net Position of Governmental Activities	<u>\$</u>	<u>(23,080)</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020**

ASSETS	Business-Type Activities - Enterprise Funds				
	Water Utility	Sewer Utility	Storm Water Utility	Ambulance Fund	Totals
CURRENT ASSETS					
Cash and Investments	\$ 168,369	\$ 120,509	\$ 155,896	\$ 89,913	\$ 534,687
Accounts Receivable:					
Customer/Patient	31,443	59,581	14,120	153,188	258,332
Allowance for Doubtful Accounts	-	-	-	(80,000)	(80,000)
Other Accounts Receivable	-	713	-	540	1,253
Accounts Receivable on Tax Roll	11,238	21,565	3,381	-	36,184
Due from Other Governmental Units	-	-	-	32,500	32,500
Prepayments	-	-	-	1,025	1,025
Inventories	14,141	-	-	-	14,141
Total Current Assets	<u>225,191</u>	<u>202,368</u>	<u>173,397</u>	<u>197,166</u>	<u>798,122</u>
RESTRICTED ASSETS					
Equipment Replacement Fund Investments	-	1,020	-	-	1,020
Wisconsin Retirement System Net Pension Asset	26,914	31,627	7,709	-	66,250
Debt Redemption Fund Investments:					
Revenue Bonds	53,682	-	-	-	53,682
Total Restricted Assets	<u>80,596</u>	<u>32,647</u>	<u>7,709</u>	<u>-</u>	<u>120,952</u>
CAPITAL ASSETS					
Property and Plant in Service	3,870,951	5,374,436	2,585,197	573,751	12,404,335
Less: Accumulated Depreciation	1,918,018	3,023,867	1,254,661	217,395	6,413,941
Net Capital Assets	<u>1,952,933</u>	<u>2,350,569</u>	<u>1,330,536</u>	<u>356,356</u>	<u>5,990,394</u>
Construction Work in Progress	-	108,802	-	11,446	120,248
Total Capital Assets	<u>1,952,933</u>	<u>2,459,371</u>	<u>1,330,536</u>	<u>367,802</u>	<u>6,110,642</u>
Total Assets	<u>2,258,720</u>	<u>2,694,386</u>	<u>1,511,642</u>	<u>564,968</u>	<u>7,029,716</u>
DEFERRED OUTFLOWS OF RESOURCES					
State Life Insurance Other Post-Employment Benefits Related	11,294	13,171	3,269	-	27,734
Wisconsin Retirement System Related Items	64,385	75,663	18,441	-	158,489
Total Deferred Outflows of Resources	<u>75,679</u>	<u>88,834</u>	<u>21,710</u>	<u>-</u>	<u>186,223</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
DECEMBER 31, 2020**

	Business-Type Activities - Enterprise Funds				Totals
	Water Utility	Sewer Utility	Storm Water Utility	Ambulance Fund	
LIABILITIES					
CURRENT LIABILITIES					
Accounts Payable	\$ 764	\$ 6,260	\$ 132	\$ 2,875	\$ 10,031
Accrued Interest	5,789	5,526	-	-	11,315
Unearned Revenue	-	-	-	32,760	32,760
Current Portion of Long-Term Debt:					
Revenue Bonds	46,224	33,776	-	-	80,000
General Obligation Bonds	-	80,000	-	-	80,000
Total Current Liabilities	<u>52,777</u>	<u>125,562</u>	<u>132</u>	<u>35,635</u>	<u>214,106</u>
LONG-TERM LIABILITIES (NET OF CURRENT PORTION)					
Revenue Bonds	898,924	706,076	-	-	1,605,000
General Obligation Bonds	-	200,000	-	-	200,000
Unamortized Debt Premium	9,079	9,079	-	-	18,158
Accrued Compensated Absences	16,654	4,842	19,497	1,912	42,905
State Life Insurance Net Other Post-Employment Benefits Liability	20,030	23,538	5,737	-	49,305
Advances from Other Funds	-	-	54,837	-	54,837
Total Long-Term Liabilities	<u>944,687</u>	<u>943,535</u>	<u>80,071</u>	<u>1,912</u>	<u>1,970,205</u>
Total Liabilities	997,464	1,069,097	80,203	37,547	2,184,311
DEFERRED INFLOWS OF RESOURCES					
State Life Insurance Other Post-Employment Benefits Related	4,244	4,987	1,274	-	10,505
Wisconsin Retirement System Related Items	80,995	95,179	23,200	-	199,374
Total Deferred Inflows of Resources	<u>85,239</u>	<u>100,166</u>	<u>24,474</u>	<u>-</u>	<u>209,879</u>
NET POSITION					
Net Investment in Capital Assets	998,706	1,430,440	1,330,536	367,802	4,127,484
Restricted for Equipment Replacement	-	1,020	-	-	1,020
Restricted for Debt Service	53,682	-	-	-	53,682
Restricted for Wisconsin Retirement System Net Pension Asset	26,914	31,627	7,709	-	66,250
Unrestricted	172,394	150,870	90,430	159,619	573,313
Total Net Position	<u>\$ 1,251,696</u>	<u>\$ 1,613,957</u>	<u>\$ 1,428,675</u>	<u>\$ 527,421</u>	<u>\$ 4,821,749</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DURAND, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020

	Business-Type Activities - Enterprise Funds				Totals
	Water Utility	Sewer Utility	Storm Water Utility	Ambulance Fund	
OPERATING REVENUES					
Charges for Services	\$ 440,210	\$ 526,580	\$ 136,725	\$ 120,386	\$ 1,223,901
Intergovernmental:					
Grants	-	-	-	11,226	11,226
Contracts	-	-	-	53,735	53,735
Other Operating Revenues	41,573	2,651	731	21,585	66,540
Total Operating Revenues	<u>481,783</u>	<u>529,231</u>	<u>137,456</u>	<u>206,932</u>	<u>1,355,402</u>
OPERATING EXPENSES					
Operation and Maintenance	308,737	424,053	75,433	332,411	1,140,634
Depreciation	102,651	146,960	67,113	57,105	373,829
Total Operating Expenses	<u>411,388</u>	<u>571,013</u>	<u>142,546</u>	<u>389,516</u>	<u>1,514,463</u>
OPERATING INCOME (LOSS)	70,395	(41,782)	(5,090)	(182,584)	(159,061)
NONOPERATING REVENUES (EXPENSES)					
Interest Revenue	-	845	-	1,188	2,033
Donations	-	-	-	550	550
Interest Expense	(33,421)	(34,050)	(1,501)	-	(68,972)
Amortization of Debt Discount	-	(3,031)	-	-	(3,031)
Amortization of Debt Premium	504	-	-	-	504
Gain (Loss) on Disposal of Capital Assets	-	-	-	21,804	21,804
Total Nonoperating Revenue (Expenses)	<u>(32,917)</u>	<u>(36,236)</u>	<u>(1,501)</u>	<u>23,542</u>	<u>(47,112)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	37,478	(78,018)	(6,591)	(159,042)	(206,173)
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Capital Contributions - Customers and Grants	1,193	4,020	-	-	5,213
Transfer to Governmental Funds - Property Tax Equivalent	(58,284)	-	-	-	(58,284)
Total Contributions and Transfers	<u>(57,091)</u>	<u>4,020</u>	<u>-</u>	<u>-</u>	<u>(53,071)</u>
CHANGE IN NET POSITION	(19,613)	(73,998)	(6,591)	(159,042)	(259,244)
Net Position - Beginning of Year	1,271,309	1,687,955	1,435,266	686,463	5,080,993
NET POSITION - END OF YEAR	<u>\$ 1,251,696</u>	<u>\$ 1,613,957</u>	<u>\$ 1,428,675</u>	<u>\$ 527,421</u>	<u>\$ 4,821,749</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Business-Type Activities - Enterprise Funds				Totals
	Water Utility	Sewer Utility	Storm Water Utility	Ambulance Fund	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Utility Customers	\$ 348,514	\$ 562,334	\$ 139,888	\$ 117,499	\$ 1,168,235
Cash Received for Public Fire Protection	134,897	-	-	-	134,897
Cash Received (Paid) for Meter Related Charges	10,377	(10,377)	-	-	-
Cash Received for Contracts and Grants	-	-	-	76,777	76,777
Cash Paid to Suppliers for Goods and Services	(143,904)	(202,738)	(21,983)	(84,414)	(453,039)
Cash Paid for Employee Services	(175,448)	(209,342)	(49,722)	(249,808)	(684,320)
Net Cash Provided (Used) by Operating Activities	<u>174,436</u>	<u>139,877</u>	<u>68,183</u>	<u>(139,946)</u>	<u>242,550</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Cash Donations Received	-	-	-	550	550
Working Capital Provided by (Repaid to) General Fund	-	-	(28,112)	-	(28,112)
Cash Payments for Tax Equivalent	(58,284)	-	-	-	(58,284)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(58,284)</u>	<u>-</u>	<u>(28,112)</u>	<u>550</u>	<u>(85,846)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Cash Payments for Capital Assets	(743)	-	-	(8,566)	(9,309)
Cash Payments for Preliminary Construction Costs	-	(108,802)	-	-	(108,802)
Cash Received for Sale of Capital Assets	-	-	-	45,000	45,000
Cash Received from Transfer of Impact Fees	1,193	-	-	-	1,193
Cash Received from Customer Contributions and Grants	-	4,020	-	-	4,020
Principal Paid on Long-Term Debt	(46,727)	(109,281)	-	-	(156,008)
Interest Paid on Long-Term Debt	(33,143)	(35,288)	-	-	(68,431)
Net Cash Used by Capital and Related Financing Activities	<u>(79,420)</u>	<u>(249,351)</u>	<u>-</u>	<u>36,434</u>	<u>(292,337)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on Investments	-	845	-	1,189	2,034
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>36,732</u>	<u>(108,629)</u>	<u>40,071</u>	<u>(101,773)</u>	<u>(133,599)</u>
Cash and Cash Equivalents - Beginning of Year	<u>185,319</u>	<u>230,158</u>	<u>115,825</u>	<u>191,686</u>	<u>722,988</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 222,051</u></u>	<u><u>\$ 121,529</u></u>	<u><u>\$ 155,896</u></u>	<u><u>\$ 89,913</u></u>	<u><u>\$ 589,389</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Business-Type Activities - Enterprise Funds				Totals
	Water Utility	Sewer Utility	Storm Water Utility	Ambulance Fund	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 70,395	\$ (41,782)	\$ (5,090)	\$ (182,584)	\$ (159,061)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	102,651	146,960	67,113	57,105	373,829
Net Change in WRS Net Pension Asset	(26,914)	(31,627)	(7,709)	-	(66,250)
Net Change in WRS Pension Deferred Outflows	15,645	18,382	4,481	-	38,508
Net Change in WRS Net Pension Liability	(29,164)	(34,271)	(8,353)	-	(71,788)
Net Change in WRS Pension Deferred Inflows	40,217	47,259	11,519	-	98,995
Net Change in State Life Insurance Deferred Outflows	(9,301)	(7,892)	(1,982)	-	(19,175)
Net Change in State Life Insurance Liability	8,720	10,247	2,498	-	21,465
Net Change in State Life Insurance Deferred Inflows	2,298	(237)	-	-	2,061
(Increase) Decrease in Assets:					
Customer Accounts Receivable	5,554	13,785	948	(24,472)	(4,185)
Other Accounts Receivable	6,451	1,249	-	-	7,700
Accounts Receivable on Tax Roll	-	18,069	1,484	-	19,553
Inventories	(1,715)	-	-	-	(1,715)
Increase (Decrease) in Liabilities:					
Accounts Payable	(13,115)	(1,106)	132	(1,978)	(16,067)
Compensated Absences	2,714	841	3,142	167	6,864
Unearned Revenues	-	-	-	11,816	11,816
Net Cash Provided (Used) by Operating Activities	<u>\$ 174,436</u>	<u>\$ 139,877</u>	<u>\$ 68,183</u>	<u>\$ (139,946)</u>	<u>\$ 242,550</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS					
Cash and Investments per Statement of Net Position:					
Cash and Investments	\$ 168,369	\$ 120,509	\$ 155,896	\$ 89,913	\$ 534,687
Cash and Investments - Restricted	53,682	1,020	-	-	54,702
Total Cash and Cash Equivalents	<u>\$ 222,051</u>	<u>\$ 121,529</u>	<u>\$ 155,896</u>	<u>\$ 89,913</u>	<u>\$ 589,389</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020**

	Tax Collection Custodial Fund
ASSETS	
Cash and Investments	\$ 595,624
Taxes Receivable	<u>1,046,287</u>
Total Assets	<u>1,641,911</u>
 Deferred Inflows of Resources	
Succeeding Year's Property Taxes	<u>1,641,911</u>
 NET POSITION	
Restricted	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Tax Collection Custodial Fund
ADDITIONS	
Tax Collections for Other Governments	\$ 1,561,190
DEDUCTIONS	
Payments of Taxes to Other Governments	1,561,190
CHANGE IN NET POSITION	-
Net Position - Beginning of Year	-
NET POSITION - END OF YEAR	\$ -

See accompanying Notes to Basic Financial Statements.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Durand (the City) have been prepared in conformity with U.S. generally accepted accounting principles (U.S. GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

A. Reporting Entity

The City of Durand was incorporated on April 12, 1887 under the provisions of the state of Wisconsin. The City is governed by a mayor/council form of government. The council consists of six members and the mayor.

The financial reporting of the City is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

B. Government-Wide and Fund Financial Statements

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

Government-Wide Statements

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

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

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements

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

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

The City reports the following major governmental funds:

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

CDBG Loan Fund – The CDBG Housing Loan Fund, a special revenue fund, accounts for the housing rehabilitation loans and the repayments received that are restricted for the purpose of financing rehabilitation loans.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of governmental funds.

Tax Incremental District #3 Fund – The Tax Incremental District #3 Fund, a capital projects fund, is used to account for revenues and expenditures of the City's Tax Incremental District #3 (TID #3). Transactions of TID #3 are further discussed in Note 2.G.

Library Fund – The Library Fund is a special revenue fund, is used to account for revenues and expenditures of the operating of the City library.

The remaining governmental fund is reported as a nonmajor fund.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Fund Financial Statements

The City reports the following major proprietary funds:

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

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

Storm Water Utility – This fund accounts for the operations of the storm water collection system and related activities.

Ambulance Fund – This fund accounts for the operations of the municipal ambulance department.

Additionally, the City reports the following fiduciary fund:

Custodial Fund – This fund is 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 custodial fund is primarily used to account for the collection of property taxes for other government entities.

C. Measurement Focus and Basis of Accounting

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

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

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. The City considers all revenues to be available if they are collected within 60 days after the end of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, compensated absences, and claims and judgments, which are recognized as expenditures to the extent that they have matured. Proceeds of general long-term debt are reported as other financing sources.

Property taxes, miscellaneous taxes, public charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period.

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

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

1. Deposits and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Deposits and Investments (Continued)

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

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

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

Investment of most trust funds is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures. Investments of the City are stated at fair value.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables

Property Taxes. Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. 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, real property taxes are payable in full on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the Pepin County Treasurer for collection in February. Pepin County subsequently settles in full with the City in August of the same year, including settlement for uncollected delinquent special assessments and special charges. (The County has the option to settle in full for delinquent special assessments and special charges or to remit them to the City as collections are received.) Delinquent personal property taxes are retained by the City for collection. A portion of the general fund balance is classified as nonspendable for the City's investment in delinquent taxes.

Special Assessments. Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. 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. (Installments placed on the 2020 tax roll are recognized as revenue in 2021). Special assessments recorded in proprietary funds are recorded as revenue at the time the assessments are subject to collection procedures.

Accounts Receivable. All accounts receivable are shown at gross amounts with uncollectible accounts recognized under the allowance method. An allowance in the amount of \$80,000 is reported in the Ambulance Fund.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

2. Receivables and Payables (Continued)

Loans Receivable. The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amounts recorded as economic development and housing rehabilitation loans receivable have not been reduced by an allowance for uncollectible accounts. It is the City's policy to record deferred inflows of resources for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

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

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds, if material, are recorded as expenditures when consumed rather than when purchased.

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

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Items meeting the preceding definition and exceeding a cost of \$5,000 are capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The City's policy is to prospectively report infrastructure acquired after adoption of GASB Statement No. 34.

Depreciation methods and estimated useful lives of capital assets reported in the government-wide statements are as follows:

Assets	Depreciation Method	Estimated Useful Life
Land	N/A	N/A
Land Improvements	Straight-Line	10 - 50 Years
Buildings and Improvements	Straight-Line	10 - 50 Years
Machinery and Equipment	Straight-Line	3 - 15 Years
Infrastructure	Straight-Line	20 - 50 Years
Utility Systems	Straight-Line	4 - 100 Years

6. Deferred Outflows of Resources

The City reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. A deferred outflow of resources is reported in these financial statements for pension and other postemployment benefit related items and a deferred loss on refunding.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

7. Deferred Inflows of Resources

The City reports increases in net position or fund equity that relate to future periods as deferred inflows of resources in a separate section of its government-wide and proprietary funds statements of net position. A deferred inflow of resources is reported in these financial statements for pension and other postemployment benefit related items.

In addition to the above pension and other postemployment benefit related deferred inflows, the City also has one other type of deferred inflows of resource, which only arises under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item *unavailable revenue* is reported only in the governmental funds balance sheet. The City has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected more than 60 days after the end of the City's year) under the modified accrual basis of accounting. A deferred inflow of resources is reported in these financial statements for pension and other postemployment benefit related items.

8. Wisconsin Retirement System Pension Plan Benefits

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

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

9. Other Postemployment Benefits (OPEB) – Multiple Employer Plan

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows and 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 LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. Compensated Absences

Employees are granted sick and vacations leave under terms of employment. In the government-wide and proprietary fund financial statements, vested vacation and sick leave pay is accrued when incurred. A liability for these amounts is reported in governmental funds only if they have matured (i.e. signed employee retirement agreements).

11. Long-Term Obligations

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

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

12. Defining Operating Revenues and Expenses

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

13. Use of Restricted Resources

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

14. Equity Classifications

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

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

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

14. Equity Classifications (Continued)

Fund Financial Statements. In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that will never be converted to cash or will not be converted to cash soon enough to affect the current period. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Council.

Unassigned fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. It is the City's policy that at the end of each fiscal year, the City's unassigned portion of fund balance should be at a level between 30% and 50% of general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the Finance Committee prior to each year-end. Based on resolution of the Finance Committee, the City Administrator will have the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the City's policy to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the City's policy to use committed, assigned and finally unassigned fund balance.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Generally accepted accounting principles require the disclosure of individual funds that have deficit balances at year-end. At December 31, 2020, certain funds had deficit balances as shown below:

Debt Service Fund	\$	(53,575)
3rd Ave Reconstruction Project	\$	(53,482)

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

The deficit in the debt service fund will be reduced by future property tax levies as future required principal and interest payments become due.

In the general fund, at December 31, 2020, the expenditures exceeded the budgeted amount for expenditures as shown below:

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
EXPENDITURES				
General Government	\$ 217,540	\$ 217,540	\$ 249,410	\$ (31,870)
Public Safety	551,150	551,150	603,691	(52,541)
Public Works	316,850	316,850	376,468	(59,618)
Health and Human Services	13,760	13,760	14,868	(1,108)

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City's cash and investments balances at December 31, 2020 as shown in the financial statements as follows:

Governmental Funds	\$ 2,461,708
Proprietary Funds	589,389
Fiduciary Funds	595,624
Total	\$ 3,646,721

The above cash and investments balances consisted of the following:

Deposits at Financial Institutions	\$ 3,474,487
Investments in Local Governmental Investment Pool	172,144
Petty Cash	90
Total	\$ 3,646,721

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Deposits at Financial Institutions

The City's balances at individual financial institutions were subject to coverage under federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage for governmental entities of up to \$250,000 for time and savings deposits and an additional \$250,000 for demand deposits. In addition, funds held for others (such as trust funds) are subject to coverage under the name of the party for whom the funds are held. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the City to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that in the event of bank failure, the City's deposits may not be returned. At December 31, 2020, the City's deposits at financial institutions were fully covered by federal and state depository coverage as well as collateral agreements with financial institutions.

Investments

The City's investments at December 31, 2020 consisted of deposits in the following external investment pool:

Deposits in State Local Government Pooled-Investment Fund. The state of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2020 was 30 days.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments (Continued)

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The City's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.D.1.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates farther into the future are more sensitive to changes in market interest rates. The short weighted average maturities of the investments in the above external investment pool mitigates this risk to the City.

B. Loans Receivable

Community Development Block Grant Loans Receivable. At December 31, 2020, the City had outstanding installment loans under the CDBG program totaling \$736,783. These loans are being repaid to the City under terms established through the program. These notes become due and payable in the event that the maker:

- a. no longer continues to occupy the premises securing this note as a full time residence,
- b. or transfers any legal or equitable interest in the mortgaged premises to anyone for any reason.

Receivables have been recorded in the special revenue fund in the amount of the outstanding balances of these loans and are equally offset by deferred inflows of resources recorded therein. Revenue is recognized in the special revenue fund as collections are received on these loans. Proceeds from the collection of the above loans are restricted for financing similar rehabilitation projects.

Economic Development Loan Receivable – At December 31, 2020, the City had outstanding installment loans under an economic development loan fund program totaling \$235,858. These loans are being repaid to the City under terms established through the program. Proceeds from the collection of the above loans are restricted for financing similar economic development projects.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital asset activity for the year ended December 31, 2020 is as follows:

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 91,147	\$ -	\$ -	\$ 91,147
Construction Work in Progress	110,320	53,482	98,874	64,928
Total Capital Assets Not Being Depreciated	201,467	53,482	98,874	156,075
Capital Assets Being Depreciated:				
Land Improvements	425,012	6,068	-	431,080
Buildings	1,766,530	8,566	-	1,775,096
Equipment and Vehicles	1,798,743	216,977	50,900	1,964,820
Infrastructure	7,393,158	66,493	-	7,459,651
Total Capital Assets Being Depreciated	11,383,443	298,104	50,900	11,630,647
Total Capital Assets	11,584,910	351,586	149,774	11,786,722
Accumulated Depreciation:				
Land Improvements	119,932	13,468	-	133,400
Buildings	1,282,198	39,860	-	1,322,058
Equipment and Vehicles	1,336,514	77,469	42,417	1,371,566
Infrastructure	3,523,820	210,228	-	3,734,048
Total Accumulated Depreciation	6,262,464	341,025	42,417	6,561,072
Net Capital Assets - Governmental Activities	<u>\$ 5,322,446</u>	<u>\$ 10,561</u>	<u>\$ 107,357</u>	<u>\$ 5,225,650</u>

Depreciation was charged to governmental functions as follows:

General Government	\$ 4,545
Public Safety	69,228
Public Works	214,995
Culture, Recreation, and Education	52,257
Total Depreciation - Governmental Activities	<u>\$ 341,025</u>

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Water Utility				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 16,563	\$ -	\$ -	\$ 16,563
Capital Assets Being Depreciated:				
Source of Supply	165,411	-	-	165,411
Pumping Plant	344,184	-	-	344,184
Water Treatment	455,423	-	-	455,423
Transmission and Distribution	2,760,460	743	310	2,760,893
General Plant	128,477	-	-	128,477
Total Capital Assets Being Depreciated	3,853,955	743	310	3,854,388
Total Capital Assets	3,870,518	743	310	3,870,951
Less: Accumulated Depreciation	1,815,677	102,651	310	1,918,018
Net Capital Assets - Water Utility	2,054,841	(101,908)	-	1,952,933
Sewer Utility				
Capital Assets Not Being Depreciated:				
Land and Land Rights	27,577	-	-	27,577
Construction Work in Progress	-	108,802	-	108,802
Total Capital Assets Not Being Depreciated	27,577	108,802	-	136,379
Capital Assets Being Depreciated:				
Collection System	1,193,616	-	-	1,193,616
Pumping System	260,183	-	-	260,183
Treatment and Disposal Plant	3,623,331	-	-	3,623,331
General Plant	269,729	-	-	269,729
Total Capital Assets Being Depreciated	5,346,859	-	-	5,346,859
Total Capital Assets	5,374,436	108,802	-	5,483,238
Less: Accumulated Depreciation	2,876,907	146,960	-	3,023,867
Net Capital Assets - Sewer Utility	2,497,529	(38,158)	-	2,459,371
Storm Water Utility				
Capital Assets Being Depreciated:				
Storm Water System	2,380,338	-	-	2,380,338
General Plant	204,859	-	-	204,859
Total Capital Assets Being Depreciated	2,585,197	-	-	2,585,197
Total Capital Assets	2,585,197	-	-	2,585,197
Less: Accumulated Depreciation	1,187,548	67,113	-	1,254,661
Net Capital Assets - Storm Water Utility	1,397,649	(67,113)	-	1,330,536

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Ambulance Fund				
Capital Assets Not Being Depreciated:				
Construction Work in Progress	\$ 11,446	\$ -	\$ -	\$ 11,446
Capital Assets Being Depreciated:				
Vehicles	559,308	-	151,898	407,410
Other Equipment	157,776	8,565	-	166,341
Total Capital Assets Being Depreciated	717,084	8,565	151,898	573,751
Total Capital Assets	728,530	8,565	151,898	585,197
Less: Accumulated Depreciation	256,492	57,105	96,202	217,395
Net Capital Assets - Ambulance Fund	472,038	(48,540)	55,696	367,802
Net Capital Assets - Business-Type Activities	<u>\$ 6,422,057</u>	<u>\$ (255,719)</u>	<u>\$ 55,696</u>	<u>\$ 6,110,642</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 102,651
Sewer	146,960
Storm Water	67,113
Ambulance	57,105
Total Depreciation - Business-Type Activities	<u>\$ 373,829</u>

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of December 31, 2020 was as follows:

Due to/from Other Funds

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Debt Service Fund	\$ 53,575	Cash Flows
General Fund	3rd Ave Reconstruction CDBG Fund	53,482	Cash Flows
Total		<u>\$ 107,057</u>	

Advances From/To Other Funds

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Storm Sewer Utility	\$ 54,837	Capital Asset Financing
Total		<u>\$ 54,837</u>	

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers (Continued)

Interfund Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Purpose
General Fund	Water Utility	\$ 58,284	Property Tax Equivalent
Debt Service Fund	Tax Incremental District #3 Fund	74,340	Finance Current Year Maturities
Total		<u>\$ 132,624</u>	

Interfund balances that are owed within the governmental activities and business-type activities are eliminated in the statement of net position.

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in the long-term obligations of the City for the year ended December 31, 2020 were as follows:

	Balance 1/1/20	Issued	Retired	Balance 12/31/20	Amounts Due Within One Year
Governmental Activities					
General Obligation Bonds, dated 08/07/12, from Direct Borrowings and Direct Payments	\$ 550,000	\$ -	\$ 105,000	\$ 445,000	\$ 105,000
General Obligation Notes, dated 11/23/15, from Direct Borrowings and Direct Payments	559,002	-	53,320	505,682	55,376
General Obligation Notes, dated 02/15/16, from Direct Borrowings and Direct Payments	332,953	-	18,489	314,464	19,216
General Obligation Notes, dated 02/15/18, from Direct Borrowings and Direct Payments	352,000	-	6,342	345,658	12,877
Compensated Absences	18,587	3,431	-	22,018	6,792
Governmental Activities - Long-Term Liabilities	<u>\$ 1,812,542</u>	<u>\$ 3,431</u>	<u>\$ 183,151</u>	<u>\$ 1,632,822</u>	<u>\$ 199,261</u>

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

	Balance 1/1/20	Issued	Retired	Balance 12/31/20	Amounts Due Within One Year
Business-Type Activities					
General Obligation Bonds, dated 08/07/12, from Direct Borrowings and Direct Payments	\$ 355,000	\$ -	\$ 75,000	\$ 280,000	\$ 80,000
Bond Premiums	19,166	-	1,009	18,157	-
Total Bonds Payable	374,166	-	76,009	298,157	80,000
Revenue Bonds	1,765,000	-	80,000	1,685,000	80,000
Compensated Absences	36,041	6,865	-	42,906	12,548
Business-Type Activities - Long-Term Liabilities	<u>\$ 2,175,207</u>	<u>\$ 6,865</u>	<u>\$ 156,009</u>	<u>\$ 2,026,063</u>	<u>\$ 172,548</u>

Security and Default. The outstanding long-term debt obligations of the City contain the following provisions:

The water and sewer system revenue bonds are payable only from and secured by a pledge of the income and revenues to be derived from the operation of the water and sewerage systems. Principal and interest paid for the current year and total customer net revenues were \$81,173 and \$481,783, respectively, in the water utility. Principal and interest paid for the current year and total customer net revenues were \$61,565 and \$529,231, respectively, in the sewer utility.

All general obligation bonds, notes and other long-term obligations are backed by the full faith and credit of the City. General obligation long-term debt will be retired by future tax levies accumulated by the debt service fund. The City's outstanding notes from direct borrowings and direct placements related to governmental activities of \$725,000 contain provisions that in the event of default, outstanding amounts become immediately due if the City is unable to make payment.

The City's outstanding notes from direct borrowings related to governmental activities and business type activities of \$1,165,804 are subject to a statutory provision that in an event of late or non-payment, a one percent per month penalty will be charged and the payment will be collected through a reduction in payments from the state of Wisconsin.

General Obligation Debt. All general obligation bonds and notes payable are backed by the full faith and credit of the City. Bonds and notes payable will be retired by future property tax levies or tax increments accumulated by the debt service fund.

The purpose of the governmental activities general obligation debt is to finance various capital improvements and tax incremental City planned projects.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

Individual general obligation long-term debt issues outstanding at December 31, 2020 are as follows:

	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Amount Outstanding
Governmental Activities:					
General Obligation Bonds:					
Bonds					
Corporate Purpose Bonds					
Series 2012A	8/7/12	10/1/24	.70% - 2.4%	\$ 2,025,000	\$ 445,000
General Obligation Notes:					
State Trust Fund Loan	2/15/16	3/15/33	3.75%	383,500	314,464
State Trust Fund Loan	11/23/15	3/15/28	3.75%	700,000	505,682
State Trust Fund Loan	10/23/18	3/15/38	5.00%	352,000	345,658
Business-Type Activities:					
General Obligation Bonds:					
Corporate Purpose Bonds					
Series 2012A	8/7/12	10/1/24	.70% - 2.4%	2,025,000	<u>280,000</u>
Total					<u>\$ 1,890,804</u>

Annual Requirements for Retirement – The annual requirements for retirement of the above issues, together with the expected funding sources, are shown below:

Year	Governmental Activities					Funding Sources		
	Bonded Debt		Notes from Direct Borrowings and Direct Placements			General Fund	TID #3 Fund	Total
	Principal	Interest	Principal	Interest	Total			
2021	\$ 105,000	\$ 9,870	\$ 87,469	\$ 46,310	\$ 248,649	\$ 174,310	\$ 74,340	\$ 248,650
2022	110,000	7,770	90,847	42,933	251,550	177,210	74,340	251,550
2023	115,000	5,405	94,354	39,426	254,185	179,845	74,340	254,185
2024	115,000	2,760	97,900	35,881	251,541	177,200	74,340	251,540
2025	-	-	101,779	32,001	133,780	59,440	74,340	133,780
2026-2030	-	-	419,492	100,729	520,221	297,202	223,019	520,221
2031-2035	-	-	195,814	39,371	235,185	235,184	-	235,184
2036-2038	-	-	78,148	7,145	85,293	85,295	-	85,295
Total	<u>\$ 445,000</u>	<u>\$ 25,805</u>	<u>\$ 1,165,803</u>	<u>\$ 343,796</u>	<u>\$ 1,980,404</u>	<u>\$ 1,385,686</u>	<u>\$ 594,719</u>	<u>\$ 1,980,405</u>

Year	Business-Type Activities					Funding Sources	
	Bonded Debt		Notes from Direct Borrowings and Direct Placements			Sewer Utility	Total
	Principal	Interest	Principal	Interest	Total		
2021	\$ 80,000	\$ 6,108	\$ -	\$ -	\$ 86,108	\$ 86,108	\$ 86,108
2022	85,000	4,508	-	-	89,508	89,508	89,508
2023	80,000	2,680	-	-	82,680	82,680	82,680
2024	35,000	839	-	-	35,839	35,839	35,839
Total	<u>\$ 280,000</u>	<u>\$ 14,135</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 294,135</u>	<u>\$ 294,135</u>	<u>\$ 294,135</u>

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

General Obligation Debt Limitation. Section 67.03 of the Wisconsin Statutes restricts general obligation debt to 5% of the equalized value of all property in the City. At December 31, 2020, the City's debt limit amounted to \$5,284,610 and long-term indebtedness subject to the limitation totaled \$1,890,804.

Mortgage Revenue Bonds

Sewer and Water system mortgage revenue bonds totaling \$1,185,000 were issued in 2014 to finance the Sewer and water utility system improvements. Future maturities of principal and interest on the bonds at December 31, 2020 are scheduled as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 80,000	\$ 58,008	\$ 138,008
2022	85,000	55,683	140,683
2023	85,000	52,970	137,970
2024	85,000	50,258	135,258
2025	100,000	47,545	147,545
2026-2030	525,000	184,268	709,268
2031-2035	555,000	87,595	642,595
2036-2040	170,000	12,765	182,765
Total	<u>\$ 1,685,000</u>	<u>\$ 549,092</u>	<u>\$ 2,234,092</u>

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2020 consisted of the following:

	<u>Total</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>
Major Funds:					
General Fund:					
Interfund Advances	\$ 54,837	\$ 54,837	\$ -	\$ -	\$ -
Delinquent Taxes	6,440	6,440	-	-	-
Prepaid Items	16,225	16,225	-	-	-
Long-Term Receivables	235,858	235,858	-	-	-
Community Swimming Pool					
Replacement	500,000	-	-	500,000	-
Baseball Field Contribution	175,000	-	-	175,000	-
Unassigned	1,484,430	-	-	-	1,484,430
Subtotal General Fund	<u>2,472,790</u>	<u>313,360</u>	<u>-</u>	<u>675,000</u>	<u>1,484,430</u>
CDBG Loan Fund	92,519	-	92,519	-	-
Debt Service Fund	(53,575)	-	-	-	(53,575)
Tax Incremental District #3	87,090	-	87,090	-	-
Special Revenue Funds:					
Library Fund	99,761	-	99,761	-	-
Nonmajor Funds:					
3rd Ave Reconstruction Project					
CDBG Fund	(53,482)	-	-	-	(53,482)
Total Governmental Fund Balances at December 31, 2020	<u>\$ 2,645,103</u>	<u>\$ 313,360</u>	<u>\$ 279,370</u>	<u>\$ 675,000</u>	<u>\$ 1,377,373</u>

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Tax Incremental Districts

The City has created three tax incremental financing districts (TIF districts or TIDs) in accordance with Section 66.1105 of the *Wisconsin Statutes*. One TID (TID #3) was in existence during 2020. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after creation of the district. The tax on the increased value is called a tax increment.

The resolution creating Tax Incremental District #3 (TID #3) was dated May 2, 2007. The project plans, on file in the City's Administrative offices, detail the proposed projects, the estimated years of construction or site acquisition and the estimated costs of the individual project components. The City has established a separate fund to account for transactions of the district.

Accumulated project costs and revenues from inception to December 31, 2020 are shown below:

	TID #3
Accumulated Project Costs:	
Project Expenditures	\$ 1,037,401
Debt Expenditures:	
Interest Charges	351,177
Total Project Costs	1,388,578
Accumulated Project Revenues:	
Tax Increments	793,765
Intergovernmental Grants and Aids	21,863
Sale of City Property	78,932
Other	75,426
Total Project Revenues	969,986
Future Project Revenues Necessary to Recover Project Costs to Date	\$ 418,592

The preceding summary of transactions is reconcilable to the fund balance in the TID #3 capital projects fund at December 31, 2020 as follows:

	TID #3
Outstanding Long-Term Debt Payable from TID Funds at December 31, 2020	\$ 505,682
Less Unrecovered Costs Above	(418,592)
Fund Balance at December 31, 2020	\$ 87,090

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION

A. Wisconsin Retirement System Pension Plan Benefits

General Information about the Pension Plan

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible state of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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

Benefits Provided. Employees who retire at or after age 65 (54 for protective 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 DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

General Information about the Pension Plan (Continued)

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. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the fiscal reporting period January 1, 2020 through December 31, 2020, the WRS recognized \$51,891 in contributions from the employer.

Contribution rates for 2020 are:

	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	6.75%	6.75%
Executives and Elected Officials	6.75%	6.75%
Protective with Social Security	6.75%	11.65%
Protective without Social Security	6.75%	16.25%

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

<u>Year</u>	<u>Core Fund Adjustment (%)</u>	<u>Variable Fund Adjustment (%)</u>
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Assets, Liability, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the City reported an asset of \$146,787 for its proportionate share of the net pension asset. 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. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. At December 31, 2019, the City's proportion was 0.00455232%, which was an increase of 0.00008018% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the City recognized pension expense of \$56,044. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 139,438
Changes of Assumptions	11,437	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	278,635	300,084
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	3,657	2,281
City Contributions Subsequent to the Measurement Date	57,546	-
Total	<u>\$ 351,275</u>	<u>\$ 441,803</u>

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Assets, Liability, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

\$57,546 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Pension Expense Amount</u>
2021	\$ (44,372)
2022	(32,678)
2023	5,557
2024	(76,581)
2025	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the 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 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 2019 Mortality Table
Postretirement Adjustments	1.9%

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Assets, Liability, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

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

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:

Core Fund Asset Class	Core Asset Allocation		Variable Asset Allocation	
	Target Allocation	Long-Term Expected Nominal Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	N/A	N/A	70.0%	4.6%
International Equity	N/A	N/A	30.0%	0.1
Equities	49.0%	5.3%	N/A	N/A
Fixed Income	25.0%	1.4%	N/A	N/A
Inflation Sensitive Assets	16.0%	1.0%	N/A	N/A
Real Estate	9.0%	3.6%	N/A	N/A
Private Equity/Debt	8.0%	6.5%	N/A	N/A
Multi-Asset	4.0%	3.6%	N/A	N/A
Cash	-10.0%	0.9%	N/A	N/A
Total Core Fund	<u>100.0%</u>		<u>100.0%</u>	

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

Pension Assets, Liability, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long-term bond rate of 5.4%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City'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%, 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%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 378,004	\$ (146,787)	\$ (539,129)

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefits – Multiple Employer Plan

Plan Description. The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible employees. ETF issues a standalone Comprehensive Annual Financial Report, which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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

Contributions. The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member’s working lifetime funds a postretirement 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
50% Postretirement Coverage	40% of Employee Contribution
25% Postretirement Coverage	20% of Employee Contribution

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefits – Multiple Employer Plan (Continued)

Employee 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, 2020 are:

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

During the City’s fiscal year the LRLIF recognized \$463 in contributions from the City.

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

At December 31, 2020, the City reported a liability of \$109,250 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018 and 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 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 0.025658%, which was an increase of 0.001746 from its proportion measured as of December 31, 2018.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefits – Multiple Employer Plan (Continued)

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

For the year ended June 30, 2020, the City recognized OPEB expense of \$11,571. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 4,895
Changes of Assumptions or Other Input	40,306	12,017
Net Difference Between Projected and Actual Earnings on OPEB Investments	2,061	-
Change in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	18,771	6,820
District Contributions Subsequent to the Measurement Date	570	-
Total	<u>\$ 61,708</u>	<u>\$ 23,732</u>

\$570 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction to the net OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>	<u>OPEB Expense Amount</u>
2021	\$ 6,359
2022	6,359
2023	6,137
2024	5,908
2025	5,922
2026	6,650
2027	71

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefits – Multiple Employer Plan (Continued)

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

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:

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

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.

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
U.S. Credit Bonds	Barclays Credit	45.00%	2.12%
U.S. Long Credit Bonds	Barclays Long Credit	5.00%	2.90%
U.S. Mortgages	Barclays MBS	50.00%	1.53%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Other Postemployment Benefits – Multiple Employer Plan (Continued)

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

Single Discount Rate. A single discount rate of 4.22% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.63% for the prior year. The Plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan’s fiduciary net position is projected to be insufficient. The plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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 4.22%, 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 (3.22%) or 1-percentage-point higher (5.22%) than the current rate:

		1% Decrease (1.87%)	Current Discount Rate (2.87%)	1% Increase (3.87%)
Proportionate Share of the Net OPEB Liability (Asset)	12/31/20	\$ 150,865	\$ 109,250	\$ 77,601

C. Vacation and Sick Leave Liability

Under terms of employment, the City employees may accrue sick leave of up to 120 days to be paid out at 50% of the pay rate in existence at the time of separation as determined based on current salary rates and salary related payments. Vacation may be accrued to an amount up to 80 hours. Only benefits considered to be vested are disclosed in these statements. Accumulated sick leave and accumulated vacation is \$64,924.

The estimated liability for unused sick leave and vacation leave payable from governmental activities at December 31, 2020, was \$22,018. The estimated liability for the compensated absences for the business-type activities was \$42,906.

**CITY OF DURAND, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Risk Management

The City is exposed to various risks of loss related to torts; thefts of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three years.

The City routinely receives several claims for damages relating to various matters. These matters are turned over to the City's insurer, where appropriate. The City believes that matters pending at year-end are not material to its financial statements.

NOTE 5 CONTINGENCY

During 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. The full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing.

NOTE 6 SUBSEQUENT EVENT

During 2021, the City issued general obligation bonds for the purpose of financing 2021 capital projects. On August 24, 2021 the City issued \$2,915,000 general obligation bonds. The bonds bear interest rates of 1.50 percent to 4.0 percent and mature on February 1, 2041.

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REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF DURAND, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 461,200	\$ 461,200	\$ 451,200	\$ (10,000)
Special Assessments	6,500	6,500	-	(6,500)
Intergovernmental	598,300	598,300	628,207	29,907
Licenses and Permits	14,200	14,200	9,015	(5,185)
Fines and Forfeits	12,500	12,500	5,879	(6,621)
Public Charges for Services	61,700	61,700	38,660	(23,040)
Intergovernmental Charges for Services	-	-	52,839	52,839
Miscellaneous:				
Interest	19,100	19,100	9,428	(9,672)
Rent	10,200	10,200	4,725	(5,475)
Sale of Property	2,000	2,000	80	(1,920)
Donations	3,000	3,000	275	(2,725)
Other	9,000	9,000	20,412	11,412
Total Revenues	1,197,700	1,197,700	1,220,720	23,020
EXPENDITURES				
General Government	217,540	217,540	249,410	(31,870)
Public Safety	551,150	551,150	603,691	(52,541)
Public Works	316,850	316,850	376,468	(59,618)
Health and Human Services	13,760	13,760	14,868	(1,108)
Culture, Recreation, and Education	106,400	106,400	58,850	47,550
Conservation and Development	27,000	27,000	26,347	653
Total Expenditures	1,232,700	1,232,700	1,329,634	(96,934)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(35,000)	(35,000)	(108,914)	(73,914)
OTHER FINANCING SOURCES (USES)				
Transfers In	35,000	35,000	58,284	23,284
NET CHANGE IN FUND BALANCE	-	-	(50,630)	(50,630)
Fund Balance - Beginning of Year	2,523,420	2,523,420	2,523,420	-
FUND BALANCE - END OF YEAR	\$ 2,523,420	\$ 2,523,420	\$ 2,472,790	\$ (50,630)

See accompanying Notes to Required Supplementary Information.

**CITY OF DURAND, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
CDBG FUND
YEAR ENDED DECEMBER 31, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous:				
Interest	\$ -	\$ -	\$ 171	\$ 171
Loan Repayments	15,000	15,000	55,266	40,266
Other	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>55,437</u>	<u>35,437</u>
EXPENDITURES				
Conservation and Development	<u>20,000</u>	<u>20,000</u>	<u>23,254</u>	<u>(3,254)</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	32,183	32,183
Fund Balance - Beginning of Year	<u>60,336</u>	<u>60,336</u>	<u>60,336</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 60,336</u></u>	<u><u>\$ 60,336</u></u>	<u><u>\$ 92,519</u></u>	<u><u>\$ 32,183</u></u>

**CITY OF DURAND, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF
WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN (ASSET) LIABILITY
LAST TEN FISCAL YEARS**

Measurement Date: December 31,

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City's Proportion of the Net Pension Liability (Asset)	0.004251111%	0.00407723%	0.00430428%	0.00422305%	0.00447214%	0.00455232%
City's Proportionate Share of the Net Pension Liability (Asset)	\$ (104,418)	\$ 66,254	\$ 35,478	\$ (125,350)	\$ 159,105	\$ (146,787)
City's Covered Payroll	\$ 549,681	\$ 493,893	\$ 615,606	\$ 543,760	\$ 595,419	\$ 661,402
City's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-19.00%	13.41%	5.76%	-23.05%	26.72%	-22.19%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	102.74%	98.20%	99.12%	102.93%	96.45%	102.96%

The amounts presented for each fiscal year were determined as of December 31 that occurred within the fiscal year.

**CITY OF DURAND, WISCONSIN
SCHEDULE OF CONTRIBUTIONS TO
WISCONSIN RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS**

Fiscal Year-Ended: December 31,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Contractually Required Contribution	\$ 36,919	\$ 36,645	\$ 45,184	\$ 41,906	\$ 52,255	\$ 51,891
Contributions in Relation to the Contractually Required Contributions	<u>(36,919)</u>	<u>(36,645)</u>	<u>(45,184)</u>	<u>(41,906)</u>	<u>(52,255)</u>	<u>(51,891)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 493,893	\$ 615,606	\$ 543,760	\$ 595,419	\$ 661,402	\$ 685,088
Contributions as a Percentage of Covered Payroll	7.48%	5.95%	8.31%	7.04%	7.90%	7.57%

The amounts presented for each fiscal year were determined December 31 that occurred within the fiscal year.

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

CITY OF DURAND, WISCONSIN
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND
MULTIEMPLOYER OPEB PLAN
(SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

Measurement Date: December 31,	2017	2018	2019
City's Proportion of the Net OPEB Liability (Asset)	0.01661400%	0.02391200%	0.02565800%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ 49,970	\$ 61,701	\$ 109,250
City's Covered-Employee Payroll	\$ 698,666	\$ 773,375	\$ 582,000
 City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of it's Covered-Employee Payroll	 7.15%	 7.98%	 7.98%
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	 44.81%	 44.81%	 44.81%

**CITY OF DURAND, WISCONSIN
 SCHEDULE OF CITY'S CONTRIBUTIONS TO
 WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND
 MULTIEMPLOYER OPEB PLAN
 LAST TEN FISCAL YEARS
 (SCHEDULE IS PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Fiscal Year-Ended: December 31,	<u>2018</u>	<u>2019</u>	<u>2020</u>
Contractually Required Contributions	\$ 477	\$ 612	\$ 463
Contributions in Relation to the Contractually Required Contributions	<u>(477)</u>	<u>(612)</u>	<u>(463)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered-Employee Payroll	\$ 773,375	\$ 582,000	\$ 644,000
Contributions as a Percentage of Covered Payroll	0.06%	0.11%	0.07%

**CITY OF DURAND, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2020**

NOTE 1 BUDGETARY INFORMATION

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

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

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

NOTE 2 EXCESS OF EXPENDITURES OVER BUDGET

Comparisons of actual revenues and expenditures to budgeted amounts for the City's general fund and each major special revenue fund are presented as required supplementary information following the basic financial statements. Expenditures in excess of budgeted amounts at the legally adopted levels for each of these funds are shown in those schedules.

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SUPPLEMENTARY INFORMATION

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**CITY OF DURAND, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019)**

ASSETS	<u>2020</u>	<u>2019</u>
Treasurer's Cash and Investments	\$ 2,233,841	\$ 2,207,783
Taxes Receivable:		
Current Tax Roll	284,730	298,640
Delinquent Personal Property Taxes Held by City	6,440	6,510
Special Assessments Receivable	-	5,341
Accounts Receivable	39,463	4,808
Due from Other Funds	107,057	62,408
Prepayments	16,225	18,458
Advances to Other Funds	54,837	81,448
Long-Term Receivables	<u>235,858</u>	<u>321,919</u>
 Total Assets	 <u>\$ 2,978,451</u>	 <u>\$ 3,007,315</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
 LIABILITIES		
Vouchers and Accounts Payable	\$ 58,029	\$ 24,962
Payroll Withholdings	<u>812</u>	<u>2,392</u>
Total Liabilities	58,841	27,354
 DEFERRED INFLOWS OF RESOURCES		
Tax Roll Items:		
General Property Taxes	446,820	451,200
Unavailable Revenue - Special Assessments	<u>-</u>	<u>5,341</u>
Total Deferred Inflows of Resources	446,820	456,541
 FUND BALANCES		
Nonspendable	313,360	428,335
Assigned	675,000	837,500
Unassigned	<u>1,484,430</u>	<u>1,257,585</u>
Total Fund Balances	<u>2,472,790</u>	<u>2,523,420</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 2,978,451</u>	 <u>\$ 3,007,315</u>

**CITY OF DURAND, WISCONSIN
 WATER UTILITY ENTERPRISE FUND
 STATEMENT OF NET POSITION
 DECEMBER 31, 2020
 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019)**

ASSETS	2020	2019
CURRENT ASSETS		
Cash and Investments	\$ 168,369	\$ 131,637
Customer Accounts Receivable	31,443	36,997
Accounts Receivable on Tax Roll	11,238	17,689
Inventories	14,141	12,426
Total Current Assets	225,191	198,749
RESTRICTED ASSETS		
Debt Redemption Fund Investments:		
Revenue Bonds	53,682	53,682
Wisconsin Retirement System Net Pension Asset	26,914	-
Total Restricted Assets	80,596	53,682
CAPITAL ASSETS		
Utility Plant in Service	3,870,951	3,870,518
Less Accumulated Depreciation	1,918,018	1,815,677
Net Capital Assets	1,952,933	2,054,841
Total Assets	2,258,720	2,307,272
DEFERRED OUTFLOWS OF RESOURCES		
State Life Insurance Other Postemployment Benefits	11,294	1,993
WRS Pension Items	64,385	80,030
Total Deferred Outflows of Resources	75,679	82,023

**CITY OF DURAND, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019)**

LIABILITIES	<u>2020</u>	<u>2019</u>
CURRENT LIABILITIES		
Accounts Payable	\$ 764	\$ 13,879
Accrued Interest Payable	5,789	6,015
Current Portion of Long-Term Debt:		
Revenue Bonds	<u>46,224</u>	<u>46,224</u>
Total Current Liabilities	52,777	66,118
LONG-TERM LIABILITIES (NET OF CURRENT PORTION)		
Revenue Bonds	898,924	945,147
Unamortized Debt Premium	9,079	9,583
Accrued Compensated Absences	16,654	13,940
State Life Insurance Other Postemployment Benefits Liability	20,030	11,310
WRS Net Pension Liability	-	29,164
Total Long-Term Liabilities	<u>944,687</u>	<u>1,009,144</u>
 Total Liabilities	 997,464	 1,075,262
DEFERRED INFLOWS OF RESOURCES		
State Life Insurance Other Postemployment Benefits	4,244	1,946
WRS Pension Items	<u>80,995</u>	<u>40,778</u>
Total Deferred Inflows of Resources	85,239	42,724
NET POSITION		
Net Investment in Capital Assets	998,706	1,053,887
Restricted for Debt Service	53,682	53,682
Restricted for Wisconsin Retirement System Net Pension Asset	26,914	-
Unrestricted	<u>172,394</u>	<u>163,740</u>
 Total Net Position	 <u>\$ 1,251,696</u>	 <u>\$ 1,271,309</u>

CITY OF DURAND, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Sales of Water:		
Residential	\$ 201,037	\$ 194,737
Commercial	57,365	58,560
Industrial	5,888	6,065
Public Authorities	35,179	37,962
Private Fire Protection	5,844	5,844
Public Fire Protection	134,897	134,897
Total Sales of Water	<u>440,210</u>	<u>438,065</u>
Other Operating Revenues:		
Forfeited Discounts	1,202	3,082
Meter Use Charge to Sewer Utility	10,377	10,573
Miscellaneous Operating Revenues	29,994	28,847
Total Other Operating Revenues	<u>41,573</u>	<u>42,502</u>
 Total Operating Revenues	 <u>481,783</u>	 <u>480,567</u>
OPERATING EXPENSES		
Operation and Maintenance:		
Operation	138,706	126,169
Maintenance	40,621	16,999
Administrative and General	129,410	133,354
Total Operation and Maintenance	<u>308,737</u>	<u>276,522</u>
Depreciation	102,651	101,521
 Total Operating Expenses	 <u>411,388</u>	 <u>378,043</u>
OPERATING INCOME	70,395	102,524
NONOPERATING REVENUES (EXPENSES)		
Interest Expense	(33,421)	(34,777)
Amortization of Debt Premium	504	504
Total Nonoperating Revenues (Expenses)	<u>(32,917)</u>	<u>(34,273)</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	37,478	68,251
CAPITAL CONTRIBUTIONS AND TRANSFERS		
Capital Assets Financed by Customers and Grants	1,193	-
Transfer to General Fund - Property Tax Equivalent	(58,284)	(60,464)
Total Contributions and Transfers	<u>(57,091)</u>	<u>(60,464)</u>
CHANGE IN NET POSITION	(19,613)	7,787
Net Position - Beginning of Year	<u>1,271,309</u>	<u>1,263,522</u>
NET POSITION - END OF YEAR	<u>\$ 1,251,696</u>	<u>\$ 1,271,309</u>

**CITY OF DURAND, WISCONSIN
 WATER UTILITY ENTERPRISE FUND
 STATEMENT OF CASH FLOWS
 YEAR ENDED DECEMBER 31, 2020
 (WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Utility Customers	\$ 348,514	\$ 323,232
Cash Received for Public Fire Protection	134,897	134,897
Cash Received for Sewer Share of Meter Related Expenses	10,377	10,573
Cash Payments to Suppliers for Goods and Services	(143,904)	(89,917)
Cash Payments for Employee Services	(175,448)	(170,853)
Net Cash Provided by Operating Activities	<u>174,436</u>	<u>207,932</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Working Capital Provided by (Repaid to) General Fund	-	(75,909)
Transfers Out - Tax Equivalent	(58,284)	(60,464)
Net Cash Used by Noncapital Financing Activities	<u>(58,284)</u>	<u>(136,373)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	(743)	(19,563)
Cash Received from Grants	1,193	6,080
Principal Paid on Long-Term Debt	(46,727)	(46,728)
Interest Paid on Long-Term Debt	(33,143)	(34,499)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(79,420)</u>	<u>(94,710)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	36,732	(23,151)
Cash and Cash Equivalents - Beginning of Year	<u>185,319</u>	<u>208,470</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 222,051</u>	<u>\$ 185,319</u>

CITY OF DURAND, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)

	<u>2020</u>	<u>2019</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 70,395	\$ 102,524
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	102,651	101,521
Net Change in Wisconsin Retirement System Net Pension Asset	(26,914)	22,984
Net Change in Wisconsin Retirement System Pension Deferred Outflows	15,645	(37,300)
Net Change in Wisconsin Retirement System Net Pension Liability	(29,164)	29,164
Net Change in Wisconsin Retirement System Pension Deferred Inflows	40,217	(4,775)
Net Change in State Life Insurance OPEB Deferred Outflows	(9,301)	(933)
Net Change in State Life Insurance OPEB Liability	8,720	2,148
Net Change in State Life Insurance OPEB Deferred Inflows	2,298	120
(Increase) Decrease in Assets:		
Customer Accounts Receivable	5,554	(2,330)
Other Accounts Receivable	6,451	(9,535)
Inventories	(1,715)	(4,304)
Increase (Decrease) in Liabilities:		
Accounts Payable	(13,115)	9,437
Accrued Compensated Absences	2,714	(789)
Net Cash Provided by Operating Activities	<u>\$ 174,436</u>	<u>\$ 207,932</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 168,369	\$ 131,637
Cash and Investments - Restricted	53,682	53,682
Cash and Cash Equivalents	<u>\$ 222,051</u>	<u>\$ 185,319</u>

**CITY OF DURAND, WISCONSIN
 WATER UTILITY ENTERPRISE FUND
 SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES
 YEAR ENDED DECEMBER 31, 2020
 (WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	<u>2020</u>	<u>2019</u>
OPERATION		
Salaries and Wages	\$ 72,331	\$ 72,653
Fuel or Power Purchased for Pumping	31,685	29,318
Chemicals	3,041	1,902
Supplies and Expenses	29,472	19,143
Transportation Expenses	<u>2,177</u>	<u>3,153</u>
Total Operation	138,706	126,169
 MAINTENANCE		
Repairs of Water Plant	40,621	16,999
 ADMINISTRATIVE AND GENERAL		
Administrative and General Salaries	39,379	38,840
Office Supplies and Expenses	9,227	4,672
Outside Services Employed	3,073	7,720
Insurance Expenses	8,516	9,466
Employee Pensions and Benefits	67,953	69,979
Other General Expenses	<u>1,262</u>	<u>2,677</u>
Total Administrative and General	<u>129,410</u>	<u>133,354</u>
 Total Operation and Maintenance Expenses	<u><u>\$ 308,737</u></u>	<u><u>\$ 276,522</u></u>

**CITY OF DURAND, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019)**

ASSETS	<u>2020</u>	<u>2019</u>
CURRENT ASSETS		
Cash and Investments	\$ 120,509	\$ 196,865
Customer Accounts Receivable	59,581	73,366
Other Accounts Receivable	713	713
Accounts Receivable on Tax Roll	21,565	39,634
Total Current Assets	<u>202,368</u>	<u>310,578</u>
RESTRICTED ASSETS		
Equipment Replacement Fund Investments	1,020	1,015
Debt Redemption Fund Investments:		
Revenue Bonds	-	32,278
Wisconsin Retirement System Net Pension Asset	31,627	-
Total Restricted Assets	<u>32,647</u>	<u>33,293</u>
CAPITAL ASSETS		
Utility Plant in Service	5,374,436	5,374,436
Less Accumulated Depreciation	3,023,867	2,876,907
Net Capital Assets	<u>2,350,569</u>	<u>2,497,529</u>
Construction Work in Progress	108,802	-
Total Capital Assets	<u>2,459,371</u>	<u>2,497,529</u>
OTHER ASSETS		
Special Assessments Receivable	-	1,249
Total Assets	<u>2,694,386</u>	<u>2,842,649</u>
DEFERRED OUTFLOWS OF RESOURCES		
State Life Insurance Other Postemployment Benefits	13,171	5,279
Wisconsin Retirement System Pension Related	75,663	94,045
Deferred Loss on Refunding	-	2,286
Total Deferred Outflows of Resources	<u>88,834</u>	<u>101,610</u>

**CITY OF DURAND, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019)**

	2020	2019
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	\$ 6,260	\$ 7,366
Accrued Interest	5,526	6,019
Current Portion of Long-Term Liabilities:		
Revenue Bonds	33,776	33,776
General Obligation Bonds	80,000	75,000
Total Current Liabilities	125,562	122,161
LONG-TERM LIABILITIES (NET OF CURRENT PORTION)		
Revenue Bonds	706,076	739,853
General Obligation Bonds	200,000	280,000
Unamortized Debt Premium	9,079	9,583
Accrued Compensated Absences	4,842	4,001
State Life Insurance Other Postemployment Benefits Liability	23,538	13,291
WRS Pension Items Related Liability	-	34,271
Total Long-Term Liabilities	943,535	1,080,999
 Total Liabilities	 1,069,097	 1,203,160
DEFERRED INFLOWS OF RESOURCES		
State Life Insurance Other Postemployment Benefits	4,987	5,224
Wisconsin Retirement System Pension Related	95,179	47,920
Total Deferred Inflows of Resources	100,166	53,144
NET POSITION		
Net Investment in Capital Assets	1,430,440	1,361,603
Restricted for Equipment Replacement	1,020	1,015
Restricted for Debt Service	-	32,278
Restricted for Wisconsin Retirement System Net Pension Asset	31,627	-
Unrestricted	150,870	293,059
 Total Net Position	 \$ 1,613,957	 \$ 1,687,955

CITY OF DURAND, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Sewerage Revenues:		
Residential	\$ 359,493	\$ 353,119
Commercial	109,526	106,368
Industrial	12,985	13,824
Public Authorities	44,576	51,493
Total Sewerage Revenues	<u>526,580</u>	<u>524,804</u>
Other Operating Revenues:		
Forfeited Discounts	<u>2,651</u>	<u>13,321</u>
Total Operating Revenues	529,231	538,125
OPERATING EXPENSES		
Operation and Maintenance:		
Operation	215,207	214,180
Maintenance	55,991	48,816
Administrative and General	152,855	156,885
Total Operation and Maintenance	<u>424,053</u>	<u>419,881</u>
Depreciation	146,960	147,495
Total Operating Expenses	<u>571,013</u>	<u>567,376</u>
OPERATING LOSS	(41,782)	(29,251)
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	845	3,783
Interest Expense	(34,050)	(36,256)
Amortization of Debt Discount	(3,031)	(1,829)
Total Nonoperating Revenues (Expenses)	<u>(36,236)</u>	<u>(34,302)</u>
LOSS BEFORE CONTRIBUTIONS AND TRANSFERS	(78,018)	(63,553)
CAPITAL CONTRIBUTIONS AND TRANSFERS		
Capital Assets Financed by Customers and Grants	<u>4,020</u>	<u>2,412</u>
CHANGE IN NET POSITION	(73,998)	(61,141)
Net Position - Beginning of Year	<u>1,687,955</u>	<u>1,749,096</u>
NET POSITION - END OF YEAR	<u>\$ 1,613,957</u>	<u>\$ 1,687,955</u>

**CITY OF DURAND, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Utility Customers	\$ 562,334	\$ 516,058
Cash Paid for Sewer Share of Meter Related Expenses	(10,377)	(10,573)
Cash Payments to Suppliers for Goods and Services	(202,738)	(234,678)
Cash Payments for Employee Services	<u>(209,342)</u>	<u>(200,922)</u>
Net Cash Provided by Operating Activities	139,877	69,885
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	-	(14,442)
Cash Payments for Construction in Progress	(108,802)	-
Cash Payments from Grant Receivable	-	1,232
Cash Received from Customer Contributions and Grants	4,020	2,412
Principal Paid on Long-Term Debt	(109,281)	(109,280)
Interest Paid on Long-Term Debt	<u>(35,288)</u>	<u>(36,208)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	(249,351)	(156,286)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	<u>845</u>	<u>3,783</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(108,629)	(82,618)
Cash and Cash Equivalents - Beginning of Year	<u>230,158</u>	<u>312,776</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 121,529</u>	<u>\$ 230,158</u>

CITY OF DURAND, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)

	<u>2020</u>	<u>2019</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Loss	\$ (41,782)	\$ (29,251)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation	146,960	147,496
Net Change in Wisconsin Retirement System Net Pension Asset	(31,627)	27,008
Net Change in Wisconsin Retirement System Pension Deferred Outflows	18,382	(43,830)
Net Change in Wisconsin Retirement System Net Pension Liability	(34,271)	34,271
Net Change in Wisconsin Retirement System Pension Deferred Inflows	47,259	(5,611)
Net Change in State Life Insurance OPEB Deferred Outflows	(7,892)	(4,136)
Net Change in State Life Insurance OPEB Liability	10,247	2,524
Net Change in State Life Insurance OPEB Deferred Outflows	(237)	3,079
(Increase) Decrease in Assets:		
Customer Accounts Receivable	13,785	(3,817)
Other Accounts Receivable	1,249	312
Accounts Receivable on Tax Roll	18,069	(18,562)
Increase (Decrease) in Liabilities:		
Accounts Payable	(1,106)	(27,359)
Accrued Compensated Absences	841	(12,239)
Net Cash Provided by Operating Activities	<u>\$ 139,877</u>	<u>\$ 69,885</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 120,509	\$ 196,865
Cash and Investments - Restricted	1,020	33,293
Total Cash and Cash Equivalents	<u>\$ 121,529</u>	<u>\$ 230,158</u>

**CITY OF DURAND, WISCONSIN
SEWER UTILITY ENTERPRISE FUND
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	2020	2019
OPERATION		
Supervision and Labor	\$ 94,188	\$ 79,470
Power and Fuel for Pumping	30,916	31,779
Chemicals	27,701	29,509
Supplies and Expenses	54,225	63,524
Transportation Expenses	8,177	9,898
Total Operation	215,207	214,180
 MAINTENANCE		
Repairs of Sewer Plant	55,991	48,816
 ADMINISTRATIVE AND GENERAL		
Administrative and General Salaries	38,804	38,933
Office Supplies and Expenses	3,098	2,898
Outside Services Employed	1,746	252
Insurance Expenses	17,032	18,932
Employee Pensions and Benefits	77,306	83,334
Meter Use Charge from Water Utility	10,377	10,573
Other General Expenses	4,492	1,963
Total Administrative and General	152,855	156,885
Total Operation and Maintenance Expenses	\$ 424,053	\$ 419,881

**CITY OF DURAND, WISCONSIN
STORM WATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019)**

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and Investments	\$ 155,896	\$ 115,825
Customer Accounts Receivable	14,120	15,068
Accounts Receivable on Tax Roll	3,381	4,865
Total Current Assets	173,397	135,758
RESTRICTED ASSETS		
Wisconsin Retirement System Net Pension Asset	7,709	-
CAPITAL ASSETS		
Utility Plant in Service	2,585,197	2,585,197
Less: Accumulated Depreciation	1,254,661	1,187,548
Total Capital Assets	1,330,536	1,397,649
Total Assets	1,511,642	1,533,407
DEFERRED OUTFLOWS OF RESOURCES		
State Life Insurance Other Postemployment Benefits Liability	3,269	1,287
Wisconsin Retirement System Pension Related	18,441	22,922
Total Deferred Outflows	21,710	24,209
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	132	-
LONG-TERM LIABILITIES (NET OF CURRENT PORTION)		
Accrued Compensated Absences	19,497	16,355
State Life Insurance Other Postemployment Benefits Liability	5,737	3,239
WRS Pension Related Liability	-	8,353
Advances from Other Funds	54,837	81,448
Total Long-Term Liabilities	80,071	109,395
Total Liabilities	80,203	109,395
DEFERRED INFLOWS OF RESOURCES		
State Life Insurance Other Postemployment Benefits	1,274	1,274
Wisconsin Retirement System Pension Related	23,200	11,681
Total Deferred Inflows of Resources	24,474	12,955
NET POSITION		
Net Investment in Capital Assets	1,330,536	1,397,649
Restricted for Wisconsin Retirement System Net Pension Asset	7,709	-
Unrestricted	90,430	37,617
Total Net Position	\$ 1,428,675	\$ 1,435,266

CITY OF DURAND, WISCONSIN
STORM WATER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)

	2020	2019
OPERATING REVENUES		
Storm Water Revenues:		
Residential	\$ 57,184	\$ 56,609
Commercial	53,070	52,483
Industrial	1,699	1,699
Public Authorities	24,772	25,126
Total Storm Water Revenues	136,725	135,917
Other Operating Revenues:		
Miscellaneous Operating Revenues	731	1,759
Total Operating Revenues	137,456	137,676
 OPERATING EXPENSES		
Operation and Maintenance:		
Operation	23,475	24,232
Maintenance	10,620	5,258
Administrative and General	41,338	54,596
Total Operation and Maintenance	75,433	84,086
Depreciation	67,113	68,574
Total Operating Expenses	142,546	152,660
 OPERATING LOSS	(5,090)	(14,984)
 NONOPERATING REVENUES (EXPENSES)		
Interest Expense	(1,501)	(2,021)
 CHANGE IN NET POSITION	(6,591)	(17,005)
Net Position - Beginning of Year	1,435,266	1,452,271
 NET POSITION - END OF YEAR	\$ 1,428,675	\$ 1,435,266

**CITY OF DURAND, WISCONSIN
STORM WATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Utility Customers	\$ 139,888	\$ 133,596
Cash Payments to Suppliers for Goods and Services	(21,983)	(27,745)
Cash Payments for Employee Services	(49,722)	(51,561)
Net Cash Provided by Operating Activities	68,183	54,290
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Working Capital Provided by (Repaid to) General Fund	(28,112)	(23,277)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	-	(2,108)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	40,071	28,905
Cash and Cash Equivalents - Beginning of Year	115,825	86,920
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 155,896	\$ 115,825
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Loss	\$ (5,090)	\$ (14,984)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation	67,113	68,574
Net Change in Wisconsin Retirement System Net Pension Asset	(7,709)	6,583
Net Change in Wisconsin Retirement System Pension Deferred Outflow	4,481	(10,683)
Net Change in Wisconsin Retirement System Net Pension Liability	(8,353)	8,353
Net Change in Wisconsin Retirement System Pension Deferred Inflow	11,519	(1,367)
Net Change in State Life Insurance OPEB Deferred Outflow	(1,982)	(1,008)
Net Change in State Life Insurance OPEB Liability	2,498	615
Net Change in State Life Insurance OPEB Deferred Inflow	-	751
(Increase) Decrease in Assets:		
Customer Accounts Receivable	948	(2,170)
Accounts Receivable on Tax Roll	1,484	(1,910)
Increase (Decrease) in Liabilities:		
Accounts Payable	132	(10,338)
Accrued Compensated Absences	3,142	11,874
Net Cash Provided by Operating Activities	\$ 68,183	\$ 54,290
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 155,896	\$ 115,825

CITY OF DURAND, WISCONSIN
STORM WATER UTILITY ENTERPRISE FUND
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)

	<u>2020</u>	<u>2019</u>
OPERATION		
Salaries and Wages	\$ 19,199	\$ 19,921
Supplies and Expenses	4,276	4,311
Total Operation	<u>23,475</u>	<u>24,232</u>
 MAINTENANCE		
Repairs of Water Plant	10,620	5,258
 ADMINISTRATIVE AND GENERAL		
Administrative and General Salaries	15,232	23,748
Office Supplies and Expenses	2,961	2,853
Outside Services Employed	-	252
Insurance Expenses	4,258	4,733
Employee Pensions and Benefits	16,438	15,945
Net Wisconsin Retirement System Pension Expense	454	3,244
Other General Expenses	1,995	3,821
Total Administrative and General	<u>41,338</u>	<u>54,596</u>
 Total Operation and Maintenance Expenses	<u>\$ 75,433</u>	<u>\$ 84,086</u>

**CITY OF DURAND, WISCONSIN
AMBULANCE SERVICE ENTERPRISE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019)**

ASSETS	<u>2020</u>	<u>2019</u>
CURRENT ASSETS		
Cash and Investments	\$ 89,913	\$ 191,686
Accounts Receivable:		
Customer/Patient	153,188	128,716
Accumulated Allowance for Doubtful Accounts	(80,000)	(80,000)
Other	540	540
Due from Other Governmental Units	32,500	-
Prepayments	1,025	1,025
Total Current Assets	<u>197,166</u>	<u>241,967</u>
CAPITAL ASSETS		
Ambulance Equipment in Service	573,751	717,083
Less Accumulated Depreciation	<u>217,395</u>	<u>256,491</u>
Net Capital Assets	356,356	460,592
Construction Work in Progress	<u>11,446</u>	<u>11,446</u>
Total Capital Assets	<u>367,802</u>	<u>472,038</u>
 Total Assets	 564,968	 714,005
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	2,875	4,853
Unearned Revenue	<u>32,760</u>	<u>20,944</u>
Total Current Liabilities	35,635	25,797
LONG-TERM LIABILITIES (NET OF CURRENT PORTION)		
Accrued Employee Benefits	<u>1,912</u>	<u>1,745</u>
Total Long-term Liabilities	<u>1,912</u>	<u>1,745</u>
 Total Liabilities	 37,547	 27,542
NET POSITION		
Net Investment in Capital Assets	367,802	472,038
Unrestricted	<u>159,619</u>	<u>214,425</u>
 Total Net Position	 <u>\$ 527,421</u>	 <u>\$ 686,463</u>

CITY OF DURAND, WISCONSIN
AMBULANCE SERVICE ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Patient Revenue:		
Charges	\$ 135,732	\$ 148,417
Less Adjustments for Uncollectible Accounts	(15,346)	(38,096)
Intergovernmental:		
Grants	11,226	5,919
Contracts	53,735	61,398
Miscellaneous Operating Revenues	21,585	6,037
Total Operating Revenues	<u>206,932</u>	<u>183,675</u>
OPERATING EXPENSES		
Operation and Maintenance:		
Operation	305,983	220,346
Maintenance	2,237	1,274
Administrative and General	24,191	43,690
Total Operation and Maintenance	<u>332,411</u>	<u>265,310</u>
Depreciation	57,105	44,664
Total Operating Expenses	<u>389,516</u>	<u>309,974</u>
OPERATING LOSS	(182,584)	(126,299)
NONOPERATING REVENUES		
Interest Revenue	1,188	869
Donations	550	13,222
Gain on Disposal of Capital Assets	21,804	-
Total Nonoperating Revenues	<u>23,542</u>	<u>14,091</u>
CHANGE IN NET POSITION	(159,042)	(112,208)
Net Position - Beginning of Year	<u>686,463</u>	<u>798,671</u>
NET POSITION - END OF YEAR	<u>\$ 527,421</u>	<u>\$ 686,463</u>

**CITY OF DURAND, WISCONSIN
AMBULANCE SERVICE ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers/Patients	\$ 117,499	\$ 126,065
Cash Received for Contracts and Grants	76,777	62,296
Cash Payments for Prepayments	-	(200)
Cash Payments to Suppliers for Goods and Services	(84,414)	(101,540)
Cash Payments for Employee Services	(249,808)	(160,301)
Net Cash Provided (Used) by Operating Activities	<u>(139,946)</u>	<u>(73,680)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Donations Received	550	13,222
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	(8,566)	(256,380)
Cash Received from Sale of Capital Assets	45,000	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>36,434</u>	<u>(256,380)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	<u>1,189</u>	<u>868</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(101,773)	(315,970)
Cash and Cash Equivalents - Beginning of Year	<u>191,686</u>	<u>507,656</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 89,913</u>	<u>\$ 191,686</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Loss	\$ (182,584)	\$ (126,299)
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:		
Depreciation	57,105	44,664
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(24,472)	9,707
Prepayments	-	(200)
Increase (Decrease) in Liabilities:		
Accounts Payable	(1,978)	3,322
Accrued Compensated Absences	167	147
Unearned Revenues	11,816	(5,021)
Net Cash Provided (Used) by Operating Activities	<u>\$ (139,946)</u>	<u>\$ (73,680)</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS		
Cash and Investments per Statement of Net Position:		
Cash and Investments - Unrestricted	<u>\$ 89,913</u>	<u>\$ 191,686</u>

**CITY OF DURAND, WISCONSIN
 AMBULANCE SERVICE ENTERPRISE FUND
 SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES
 YEAR ENDED DECEMBER 31, 2020
 (WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2019)**

	<u>2020</u>	<u>2019</u>
OPERATION OF PLANT		
Salaries and Wages	\$ 205,195	\$ 129,862
Employee Benefits	40,355	29,546
Training	4,425	1,040
Supplies and Expenses	39,781	39,344
Transportation Expenses	1,777	2,854
Rent	14,450	17,700
Total Operation	<u>305,983</u>	<u>220,346</u>
 MAINTENANCE OF PLANT		
Repairs of Vehicles and Equipment	2,237	1,274
 ADMINISTRATIVE AND GENERAL		
Office Supplies and Expenses	1,576	1,411
Outside Services Employed	1,628	1,550
Insurance Expenses	8,516	9,516
Other General Expenses	12,471	31,213
Total Administrative and General	<u>24,191</u>	<u>43,690</u>
 Total Operation and Maintenance Expenses	<u><u>\$ 332,411</u></u>	<u><u>\$ 265,310</u></u>