

**CITY OF BARABOO**

Baraboo, Wisconsin

**FINANCIAL STATEMENTS**

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2019

# CITY OF BARABOO

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# CITY OF BARABOO

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## INDEPENDENT AUDITORS' REPORT

To the City Council  
City of Baraboo  
Baraboo, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Baraboo, Wisconsin, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City of Baraboo'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 over financial reporting relevant to the City of Baraboo'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 City of Baraboo's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Baraboo, Wisconsin, as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note I, the City of Baraboo adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

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

### *Supplementary Information*

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

### **Other Reporting Required by *Government Auditing Standards***

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

*Baker Tilly US, LLP*

Madison, Wisconsin  
August 5, 2020

**City of Baraboo**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended December 31, 2019**

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The management of the City of Baraboo, Wisconsin presents this narrative overview and analysis to facilitate both short and long-term analysis of the financial activities of the City for the fiscal year ended December 31, 2019. This Management Discussion and Analysis (MD&A) is based on currently known facts, decisions, and conditions which existed as of the date of the independent auditors' report. We encourage readers to consider the information presented here in conjunction with the City's financial statements, which follow this section.

## **Financial Highlights**

### **Primary Government**

- Total assets and deferred outflows are roughly \$135.6 million and total liabilities and deferred inflows are roughly \$52 million, resulting in a net position of roughly \$83.6 million. This \$83.6 million increased over prior year by roughly \$1.5 million, or roughly 1.8 percent.
- The net position of roughly \$83.6 million is comprised of approximately \$61.8 million in the City's net investment in capital assets, roughly \$7.6 million for restricted purposes and roughly \$14.2 million is classified as unrestricted – an increase of roughly \$1.5 million.
- Long-term obligations are roughly \$38.2 million which is a decrease over prior year of roughly \$300 thousand, or roughly 0.8 percent. Of the total long-term obligations, bonds, notes, and leases payable new debt was roughly \$2.1 million and retirements was roughly \$4.3 million.

### **Governmental Funds**

- The City's governmental fund balances is a combined balance of roughly \$14.3 million, a decrease of roughly \$1.3 million over prior year. Unassigned fund balance is roughly \$2.5 million, or roughly 18 percent of the combined fund balance.
- The General Fund unassigned fund balance is roughly \$3.7 million. This fund balance is roughly 31 percent of General Fund expenditures. In comparison, the prior year unassigned fund balance was roughly \$3.8 million and roughly 34 percent of General Fund expenditures.

### **Overview of the Financial Statements**

This MD&A is intended to serve as an introduction to the City's basic financial statements. The City's annual report consists of three components: 1) the basic government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required and non-required supplementary information in addition to the basic financial statements.

### **Government-Wide Financial Statements**

The government-wide financial statements report information about the City as a whole, and are designed to provide readers with a broad overview of the City's finances, using accounting methods in a manner similar to a private-sector business.

City of Baraboo  
Management's Discussion and Analysis (Unaudited)  
For the Year Ended December 31, 2019

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## Government-Wide Financial Statements (Continued)

The government-wide financial statements of the City are divided into three categories:

**Governmental Activities** (Primary government) – The governmental activities of the City include general government (general administration), public safety (police, fire and ambulance services), public works (Engineer, street maintenance, street lighting, taxi, airport and garbage collection), health and human services (animal control and cemetery), culture, recreation and education (parks, library, recreation, zoo and UW campus), and conservation and development (forestry, planning, community and economic development). Property and other taxes, intergovernmental revenues, charges for services, and operating and capital grants from Federal and State agencies finance most of these activities.

**Business-type Activities** (Primary government) – The City charges fees to customers to help cover the costs of certain services it provides. The water, sewer and stormwater utilities are reported here.

**Component units** – The City includes two other entities in its report: the Business Improvement District and the Community Development Authority. Although legally separated, these component units are important because the City is financially accountable for them.

The two government-wide statements are as follows:

**Statement of Net Position** – The statement of net position presents financial information on all of the City's assets and deferred outflows of resources, liabilities, and deferred inflows with the difference between them reported as net position. Over time, increases or decreases in net position may serve as one indicator of whether the financial position of the City of Baraboo is improving or deteriorating.

**Statement of Activities** – The statement of activities presents financial information on how the City's net position changed during the current fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of these statements assist assessing the overall condition of the City, but one also needs to consider additional nonfinancial factors such as changes in the City's property tax base and the condition of the City's capital assets (buildings, infrastructure and equipment).

The government-wide financial statements can be found on pages 1 – 2 of this report.

## Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, but not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required to be established by State law and bond covenants. The City also establishes many other funds to help it control and manage resources for particular purposes (e.g., like capital projects, or to show that it is properly using certain taxes (Library), or grants (Community Development, taxi and Health and Human Services).

City of Baraboo  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended December 31, 2019

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**Fund Financial Statements (Continued)**

The City has three types of funds:

**Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Consequently, the governmental fund statements provide a short-term view and help determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, a reconciliation is provided that explains the relationship or differences between the governmental funds and governmental activities. This reconciliation is reported on page 6.

The City maintains 36 individual governmental funds of which three are considered major funds. Information is separately presented for the City's major funds in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. The General Fund, General Debt Service, and Capital Projects are considered the City's major funds.

Financial data from the other 33 governmental funds are combined into a single, aggregated presentation. Individual fund financial data for each of the non-major governmental funds is provided in the form of combining statements in the supplementary information section of this report starting on page 73 and continues to page 79.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided in this MD&A for the General Fund to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 3 - 6.

**Proprietary Funds** – Services, for which the City charges customers a fee, are generally reported in proprietary funds. The City maintains two different types of proprietary funds. **Enterprise funds** are used to report the same functions presented adhoc business-type activities in the government-wide financial statements, only in more detail. The City uses enterprise funds to account for its Water Utility, Sewer Utility and Stormwater Utility Funds, all of which are considered to be major funds of the City. **Internal service funds** are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its liability insurance and unfunded pension liability. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund financial statements can be found on pages 7 – 10 of this report.

**Custodial Funds** – Custodial funds are used to account for the assets controlled by the City for the benefit of another entity for which the City has custodial responsibility and accounts for the flow of assets. The City is the custodian for collection of property taxes within the City for all taxing jurisdictions including the Baraboo School District, MATC and Sauk County. Custodial funds are not reflected in the government-wide financial statements because those funds are not available to support the City's own programs. The accounting used for Custodial funds follows the accrual basis. The City has four Custodial funds, the Tax Collection Fund, UW Campus Fund, Friends of the Library Fund, and the Airport Fund. The City is the custodian for these funds and it is also responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

The Custodial fund financial statements can be found on pages 11 - 12 of this report.

**City of Baraboo**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended December 31, 2019**

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13 - 65 of this report.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Baraboo's general fund budget and the City's progress in funding its obligation to provide retirement and other postemployment benefits to its employees.

Required supplementary information can be found on pages 66 - 72 of this report.

**Financial Analysis**

Net position – As noted earlier, net position may serve as a useful indicator of a government's financial position over time. The City's net position includes the net investment in capital assets, restricted net position, and unrestricted net position.

According to the table below, the 2019 net investment in capital assets was roughly \$62.7 million. These assets reflect the City's investment in capital assets (land, buildings, equipment, other improvements and infrastructure) less any related debt still outstanding used to acquire those assets. The City uses this capital to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents a summary of the City's Net Position at December 31, 2019 and 2018.

**City of Baraboo Net Position**

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 29,945,906	\$ 31,848,133	\$ 7,476,339	\$ 6,574,688	\$ 37,422,245	\$ 38,422,821
Capital assets	66,229,642	65,248,477	27,258,718	27,906,383	93,488,360	93,154,860
<b>Total assets</b>	<b>96,175,548</b>	<b>97,096,610</b>	<b>34,735,057</b>	<b>34,481,071</b>	<b>130,910,605</b>	<b>131,577,681</b>
Deferred outflows of resources	4,151,895	2,481,547	581,706	319,991	4,733,601	2,801,538
<b>Total assets and deferred outflows</b>	<b>100,327,443</b>	<b>99,578,157</b>	<b>35,316,763</b>	<b>34,801,062</b>	<b>135,644,206</b>	<b>134,379,219</b>
Current liabilities	1,519,375	1,329,812	67,967	103,149	1,587,342	1,432,961
Long-term liabilities	33,125,381	33,455,934	5,125,651	5,063,959	38,251,032	38,519,893
<b>Total liabilities</b>	<b>34,644,756</b>	<b>34,785,746</b>	<b>5,193,618</b>	<b>5,167,108</b>	<b>39,838,374</b>	<b>39,952,854</b>
Deferred inflows of resources	11,817,672	11,917,689	346,327	361,564	12,163,999	12,279,253
<b>Total liabilities and deferred inflows</b>	<b>46,462,428</b>	<b>46,703,435</b>	<b>5,539,945</b>	<b>5,528,672</b>	<b>52,002,373</b>	<b>52,232,107</b>
Net investment in capital assets	39,782,248	38,165,294	22,942,238	23,566,209	62,724,486	61,731,503
Restricted	6,414,923	7,359,840	1,154,641	1,303,199	7,569,564	8,663,039
Unrestricted	7,667,844	7,349,588	5,679,939	4,402,982	13,347,783	11,752,570
<b>Total net position</b>	<b>\$ 53,865,015</b>	<b>\$ 52,874,722</b>	<b>\$ 29,776,818</b>	<b>\$ 29,272,390</b>	<b>\$ 83,641,833</b>	<b>\$ 82,147,112</b>

The table above excludes the adjustment of total net position in Note I. D. 11.

City of Baraboo  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended December 31, 2019

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## Financial Analysis (Continued)

### Normal Impacts

There are five basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation:

- Net Results of Activities – If positive, may increase current assets and unrestricted net position. If negative, may decrease current assets and unrestricted net position.
- Borrowing of Capital – will increase current assets and long-term debt.
- Spending Borrowed Proceeds on New Capital – will reduce current assets and increase capital assets. There is a second impact, an increase in the City's investment in capital assets and an increase in related net debt which will not change the net investment in capital assets.
- Principal Payment on Debt – will 1) reduce current assets and reduce long-term debt and 2) reduce unrestricted net position and increase net investment in capital assets.
- Reduction of Capital Assets through Depreciation – will reduce capital assets and net investment in capital assets.

### Current Year Impacts

The City reported positive balances in all three categories of net position. Total primary government net position depicted above was roughly \$83.6 million at December 31, 2019. Total net position increased over prior year by roughly \$1.5 million, or 1.8 percent. The increase was attributed to an increase in deferred outflows of roughly \$1.9 million offset by a decrease in total assets of roughly \$600 thousand and a decrease in total liabilities and deferred inflows of roughly \$200 thousand.

According to the table on the previous page, unrestricted net position, which may be used to finance the day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, was positive, at roughly \$13.3 million, an increase of roughly \$1.6 million. Restricted net position, those restricted for special purposes such as; capital projects, debt service, and various grant related activities, was positive at roughly \$7.6 million, a decrease of roughly \$1.1 million, or 12.6 percent.

**City of Baraboo**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended December 31, 2019**

**Financial Analysis (Continued)**

**Current Year Impacts (Continued)**

A summary of the City's 2019 Changes in Net Position is presented below:

	City of Baraboo Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 1,168,219	\$ 1,249,033	\$ 3,979,615	\$ 4,153,091	\$ 5,147,834	\$ 5,402,124
Operating grants and contributions	1,894,068	2,183,175	-	-	1,894,068	2,183,175
Capital grants and contributions	445,749	463,808	534,420	497,820	980,169	961,628
General revenues:						
Taxes:						
Property taxes	9,625,078	9,637,745	-	-	9,625,078	9,637,745
Other taxes	168,274	175,571	-	-	168,274	175,571
Intergovernmental:						
Revenues not restricted to specific programs	2,652,825	1,811,123	-	-	2,652,825	1,811,123
Investment income	617,350	398,987	98,273	58,661	715,623	457,648
Gain on disposal of assets	-	252,502	-	-	-	252,502
Other	538,217	440,584	663	-	538,880	440,584
<b>Total revenue</b>	<b>17,109,780</b>	<b>16,612,528</b>	<b>4,612,971</b>	<b>4,709,572</b>	<b>21,722,751</b>	<b>21,322,100</b>
<b>Expenses:</b>						
General government	1,681,229	1,457,021	-	-	1,681,229	1,457,021
Public safety	5,628,108	5,088,739	-	-	5,628,108	5,088,739
Public works	4,500,225	4,156,257	-	-	4,500,225	4,156,257
Health and social services	29,879	30,123	-	-	29,879	30,123
Culture, recreation and education	2,607,044	2,890,013	-	-	2,607,044	2,890,013
Conservation and development	1,115,083	1,045,726	-	-	1,115,083	1,045,726
Interest and fiscal charges	865,364	876,009	-	-	865,364	876,009
Water	-	-	1,495,258	1,553,507	1,495,258	1,553,507
Wastewater	-	-	1,760,833	1,307,115	1,760,833	1,307,115
Storm water	-	-	545,007	485,335	545,007	485,335
<b>Total expenses</b>	<b>16,426,932</b>	<b>15,543,888</b>	<b>3,801,098</b>	<b>3,345,957</b>	<b>20,228,030</b>	<b>18,889,845</b>
<b>Increase in net position before transfers and special item</b>	<b>682,848</b>	<b>1,068,640</b>	<b>811,873</b>	<b>1,363,615</b>	<b>1,494,721</b>	<b>2,432,255</b>
<b>Transfers</b>	307,445	312,568	(307,445)	(312,568)	-	-
<b>Special Item: loss on disposal of airport operations</b>	-	(1,805,605)	-	-	-	(1,805,605)
<b>Change in net position</b>	<b>990,293</b>	<b>(424,397)</b>	<b>504,428</b>	<b>1,051,047</b>	<b>1,494,721</b>	<b>626,650</b>
<b>Net position - beginning before restatement</b>	<b>52,874,722</b>	<b>53,299,119</b>	<b>29,272,390</b>	<b>28,221,343</b>	<b>82,147,112</b>	<b>81,520,462</b>
<b>Net Position - beginning restated amount</b>	-	-	-	-	-	-
<b>Net Position - beginning as restated</b>	<b>52,874,722</b>	<b>53,299,119</b>	<b>29,272,390</b>	<b>28,221,343</b>	<b>82,147,112</b>	<b>81,520,462</b>
<b>Net position - ending</b>	<b>\$53,865,015</b>	<b>\$52,874,722</b>	<b>\$29,776,818</b>	<b>\$29,272,390</b>	<b>\$83,641,833</b>	<b>\$82,147,112</b>

There are four basic (normal) factors affecting revenues:

- Economic Conditions – which can reflect a declining, stable, or growing economic environment and has a substantial impact on property, sales, income, utility tax revenues as well as public spending habits for building permits, elective user fees and volumes of consumption.
- Increase/Decrease in the City Approved Rates – while certain tax rates are set by statute for levy limit and expenditure restraint, the City has borrowing authority which does not impact rate limits.

City of Baraboo  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended December 31, 2019

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## Financial Analysis (Continued)

### Current Year Impacts (Continued)

- Changing Patterns in Intergovernmental and Grant Revenue – (both recurring and nonrecurring) – certain recurring revenue (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-date comparison.
- Market Impact on Investment Income – the City's investment portfolio is managed utilizing investments of various maturities. Changes in market conditions will cause investment income to fluctuate due to the related appreciation or depreciation of these assets.

### Revenue Current Year Impacts

Governmental Activities – At December 31, 2019, governmental activities net position was roughly \$53.9 million, an increase of roughly \$1 million, or 1.9 percent over prior year. Total governmental activities' revenue for the current year was roughly \$17.1 million compared to roughly \$16.6 million in 2018, an increase of roughly \$500 thousand, or 3 percent. The increase was attributed to the following:

- Intergovernmental revenues not restricted to specific programs increased over prior year by roughly \$800 thousand, or 46 percent. The increase was offset by a decrease in program revenues operating grants and contributions of roughly \$300 thousand.
- Investment income increased over prior year by roughly \$200 thousand, offset by a decrease in gain on disposal of assets of the same.

Business-type Activities – At December 31, 2019, business-type activities net position was roughly \$29.8 million, an increase of roughly \$500 thousand, or 1.7 percent. Total business-type activities' revenue for the current year was roughly \$4.6 million compared to roughly \$4.7 million in 2018, a decrease of roughly \$100 thousand, or 2.1 percent. The decrease was attributed to the following:

- Charges for services for business-type activities decreased by roughly \$200 thousand, offset by increases in investment income of roughly \$40 thousand and an increase in capital grants and contributions of roughly \$40 thousand

### Expenditure Normal Impacts

There are three basic (normal) factors affecting expenditures:

- Changes in Authorized Personnel – changes in service demand may cause the City to increase/decrease authorized staffing.
- Salary Increase (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the market place.
- Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity-specific increases.

### Expenditure Current Year Impacts

Governmental Activities – At December 31, 2019, total governmental activities' expenditures were roughly \$16.4 million compared to roughly \$15.5 in 2018, an increase of roughly \$900 thousand, or 5.7 percent. The increase was attributed to the following:

City of Baraboo  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended December 31, 2019

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**Financial Analysis (Continued)**

**Expenditure Current Year Impacts (Continued)**

- General government increased over prior year by roughly \$200 thousand, or 1.5 percent.
- Public safety increased over prior year by roughly \$550 thousand, or 10.6 percent.
- Public works increased over prior year by roughly \$350 thousand, or 8.3 percent.
- Conservation and development increased over prior year by roughly \$50 thousand, or 6.6 percent.
- Culture, recreation and education decreased over prior year by roughly \$300, or 9.8 percent.

Business-type Activities – At December 31, 2019, business-type activities' expenditures were roughly \$3.8 million compared to roughly \$3.3 million in 2018, an increase of roughly \$500 thousand, or 13.6 percent. The increase was attributed to the following:

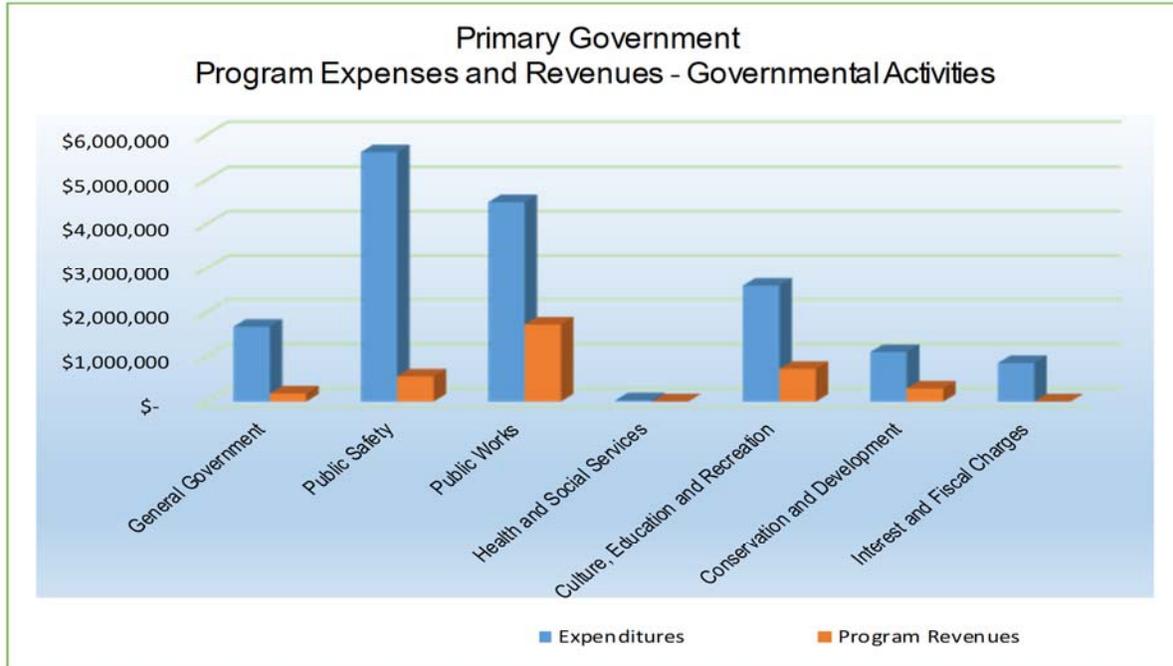
- Overall Wastewater Utility activities increased over prior year by roughly \$450 thousand, or 34.7 percent.
- Overall Storm Water Utility activities increase over prior year by roughly \$50 thousand, or 12.3 percent.
- Overall Water Utility activities decreased over prior year by roughly \$50 thousand, or 3.7 percent.

City of Baraboo  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended December 31, 2019

Financial Analysis (Continued)

Expenditure Current Year Impacts (Continued)

The following graph shows a comparison between the expenses by governmental activity type and the revenues generated that are specific to those activities.



	2019	
	Expenditures	Program Revenues
General Government	\$ 1,681,229	\$ 181,063
Public Safety	5,628,108	566,259
Public Works	4,500,225	1,729,275
Health and Social Services	29,879	-
Culture, Education and Recreation	2,607,044	735,745
Conservation and Development	1,115,083	295,694
Interest and Fiscal Charges	865,364	-
<b>Total</b>	<b>\$ 16,426,932</b>	<b>\$ 3,508,036</b>

City of Baraboo  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended December 31, 2019

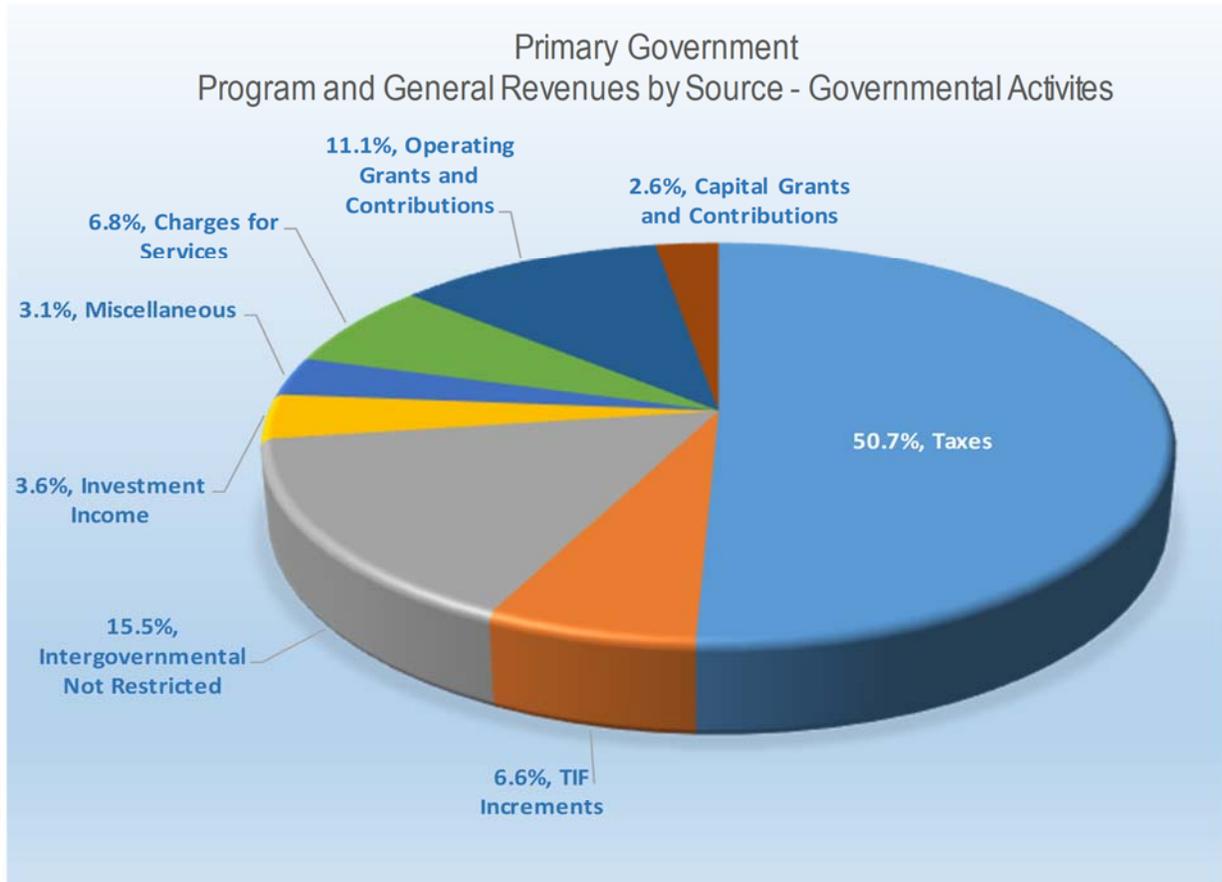
Financial Analysis (Continued)

Expenditure Current Year Impacts (Continued)

The cost of all primary governmental activities this year was roughly \$16.4 million. However, the amount that taxpayers paid for these activities was roughly \$8.6 million. Some of the cost was paid by:

- Those who directly benefited from the programs of roughly \$1.2 million.
- Other governments and organizations that subsidized certain programs with grants of roughly \$2.3 million.

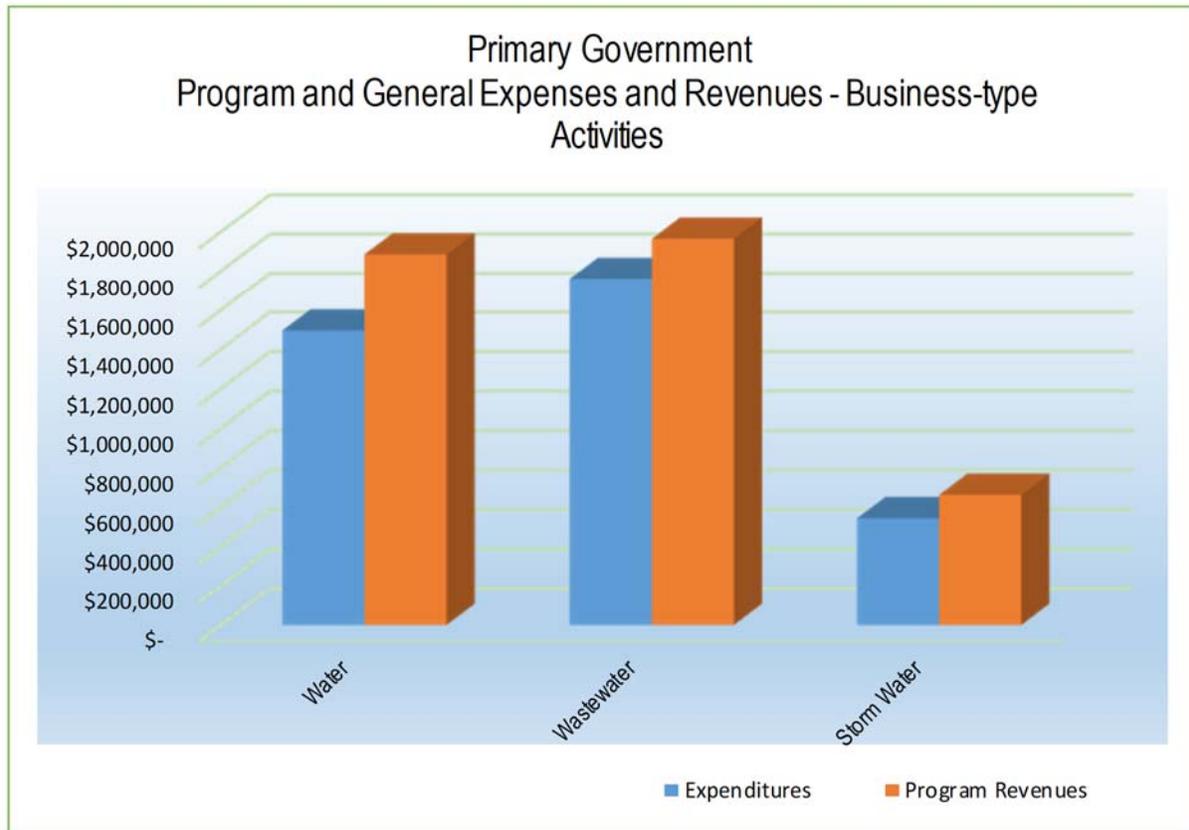
The following pie chart shows the City's revenues by source for the primary government governmental activities for 2019.



Revenue Source	Amount
Taxes	\$ 8,671,735
TIF Increments	1,121,617
Intergovernmental Not Restricted	2,652,825
Investment Income	617,350
Miscellaneous	538,217
Charges for Services	1,168,219
Operating Grants and Contributions	1,894,068
Capital Grants and Contributions	445,749
Total	<u>\$ 17,109,780</u>

**Financial Analysis (Continued)**

The following graph shows a comparison between the expenses by business-type activities and the revenues generated that are specific to those activities.



	<b>2019</b>	
	<b>Expenditures</b>	<b>Program Revenues</b>
Water	\$ 1,495,258	\$ 1,885,502
Wastewater	1,760,833	1,965,194
Storm Water	545,007	663,339
<b>Total</b>	<b>\$ 3,801,098</b>	<b>\$ 4,514,035</b>

The cost of all business-type activities this year was roughly \$3.8 million. Business-type activities are not supported by taxes. The expenditures are supported by:

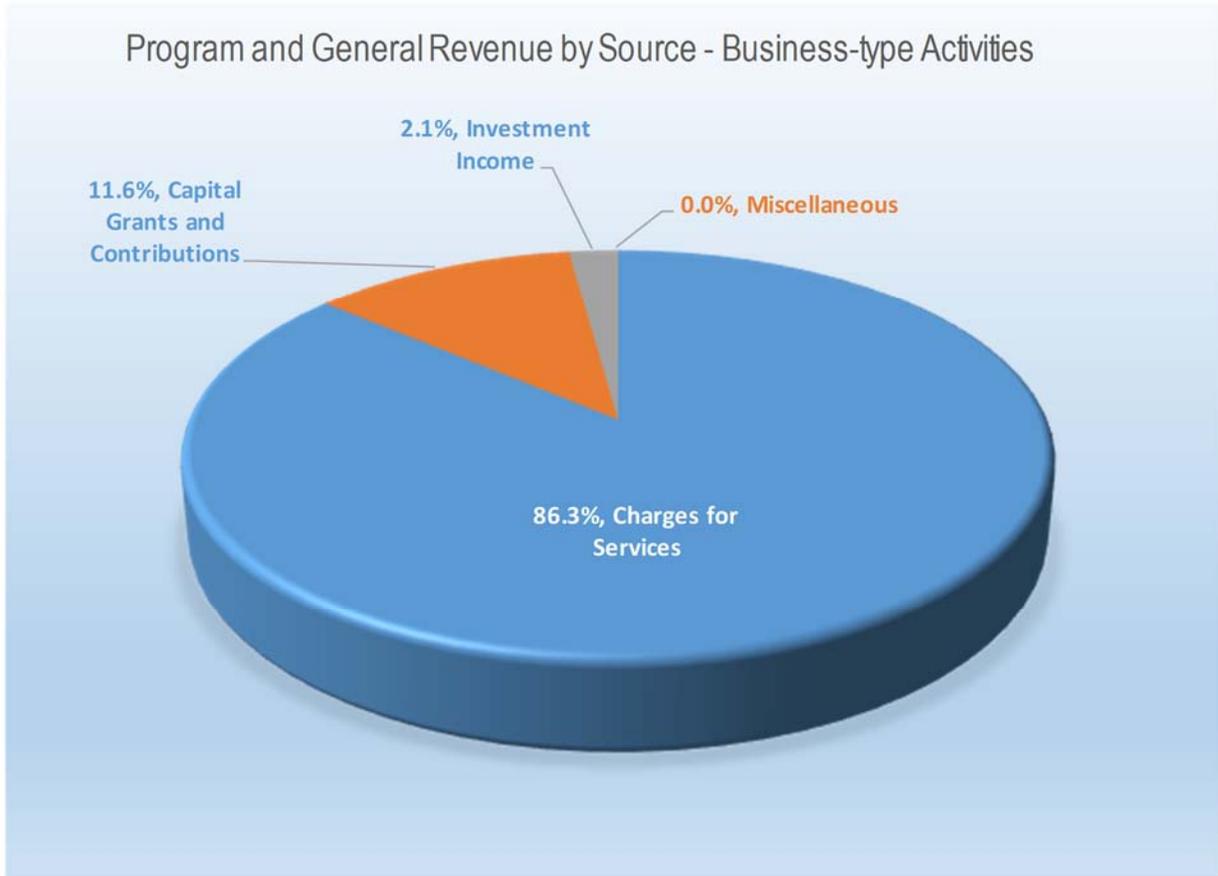
- Those who directly benefited from the programs of roughly \$4 million.
- Other governments and organizations that subsidized certain programs with grants of roughly \$500 thousand.
- Investment income of roughly \$100 thousand

City of Baraboo  
Management's Discussion and Analysis (Unaudited) (Continued)  
For the Year Ended December 31, 2019

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Financial Analysis (Continued)

The following pie chart shows the City's revenues by source for the primary government business-type activities for 2019.

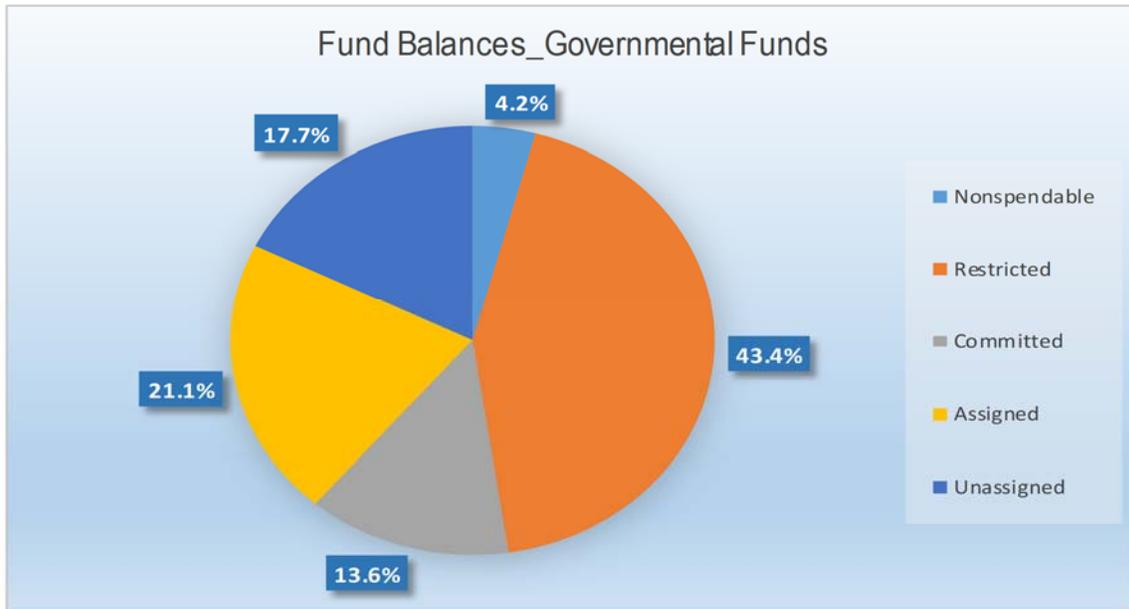


Revenue Source	Amount
Charges for Services	\$ 3,979,615
Capital Grants and Contributions	534,420
Investment Income	98,273
Miscellaneous	663
Total	<u>\$ 4,612,971</u>

City of Baraboo  
 Management's Discussion and Analysis (Unaudited) (Continued)  
 For the Year Ended December 31, 2019

Financial Analysis (Continued)

At December 31, 2019, total fund balance for all governmental funds was \$14,304,991, a decrease of \$1,276,451 over prior year. Below is a pie chart for the fund balance for all governmental funds:



Type	Amount
Nonspendable	\$ 600,257
Restricted	6,210,121
Committed	1,949,113
Assigned	3,013,745
Unassigned	2,531,755
	\$14,304,991

**Financial Analysis of the City's Major Funds**

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

**Governmental funds** – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As the City completed the year 2019, its governmental funds reported a combined fund balance of roughly \$14.3 million, a decrease of roughly \$1.3 million, or 8.2 percent over prior year. Unassigned fund balance was roughly \$2.5 million, and is available for spending at the government's discretion. The remaining roughly \$11.8 million is for nonspendable, restricted, committed and assigned purposes, thus not available for new spending.

The General Fund is the chief operating fund of the City. At December 31, 2019, unassigned fund balance of the General Fund was roughly \$3.7 million. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance to total expenditures. Unassigned fund balance represents 31.3 percent of total General Fund expenditures.

**City of Baraboo**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended December 31, 2019**

**Financial Analysis of the City's Major Funds (Continued)**

The following schedule presents the governmental funds summary of revenues for the years ended December 31, 2019 and 2018:

Revenues by Source	2019	Percent of Total	2018	Amount of Increase/ (Decrease)	Percent of Increase/ (Decrease)
Taxes	9,793,352	58.27	9,813,316	(19,964)	(0.20)
Intergovernmental	4,310,552	25.65	3,725,550	585,002	15.70
Licenses and permits	288,819	1.72	304,229	(15,410)	(5.10)
Fines, forfeits and penalties	92,693	0.55	100,007	(7,314)	(7.30)
Public charges for services	527,172	3.14	652,275	(125,103)	(19.20)
Intergovernmental charges for services	230,582	1.37	228,526	2,056	0.90
Special assessments	254,252	1.51	194,115	60,137	31.00
Investment income	603,826	3.59	224,232	379,594	169.30
Miscellaneous	705,039	4.20	610,920	94,119	15.40
Total revenues	<u>16,806,287</u>	<u>100.00</u>	<u>15,853,170</u>	<u>953,117</u>	<u>6.00</u>

Total revenues increased roughly \$1 million, or 6 percent over prior year. Intergovernmental, special assessments, investment income and miscellaneous make up the increases over prior year of roughly \$1.1 million offset by decreases attributed to taxes, licenses and permits, fines, forfeits and penalties and public charges for services of roughly \$100 thousand.

The following schedule presents the governmental funds summary of expenditures for the years ended December 31, 2019 and 2018:

Expenditure by Function	2019	Percent of Total	2018	Amount of Increase/ (Decrease)	Percent of Increase/ (Decrease)
General government	\$ 1,558,968	7.67	\$ 1,417,353	\$ 141,615	9.99
Public safety	4,938,149	24.31	4,757,227	180,922	3.80
Public works	3,617,347	17.81	3,368,794	248,553	7.38
Health and human services	29,879	0.15	30,123	(244)	(0.81)
Culture, recreation and education	2,732,654	13.45	2,553,872	178,782	7.00
Conservation and development	1,062,504	5.23	956,246	106,258	11.11
Capital outlay	1,944,348	9.57	3,288,247	(1,343,899)	(40.87)
Debt Service:					
Principal	3,574,374	17.60	2,333,474	1,240,900	53.18
Interest and fiscal charges	854,573	4.21	831,224	23,349	2.81
Total expenditures	<u>\$ 20,312,796</u>	<u>100.00</u>	<u>\$ 19,536,560</u>	<u>\$ 776,236</u>	<u>3.97</u>

**City of Baraboo**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended December 31, 2019**

**Financial Analysis of the City's Major Funds (Continued)**

Total expenditures increased by roughly \$800 thousand, or 4 percent over prior year. General government, Public Safety, Public Works, Culture, recreation and education and Conservation and development increased in aggregate of roughly \$900 thousand. This increase was offset by an aggregate decrease of roughly \$1.3 million in Capital outlay and Health and human services. Capital decreased roughly \$1.3 million over prior year primarily due to less spending for capital projects and equipment. Debt Service principal increased over prior year by roughly \$1.2 million due to the new bond issue 2019A.

The Debt Service Fund total fund balance at year-end was roughly \$3 thousand, all of which is restricted for the payment of debt service. The fund balance decreased over prior year by roughly \$105 thousand, or 97 percent.

Capital Projects Fund total fund balance at year-end was roughly \$1.2 million all of which is restricted or assigned for capital projects. The fund balance decreased over prior year by roughly \$1.3 million, or 52 percent.

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

**General Fund Budgetary Highlights**

The following schedule is an overview of the budget. The schedule shows the City's original budget, amended or final budget and compares the final budget to the actual results:

	Original Budget	Amended or Final Budget	Actual	Variance with Final Budget Positive/ (Negative)	Variance with Final Budget Positive/ (Negative) as a Percentage
Revenues	\$ 11,351,222	\$ 11,502,894	\$ 11,531,523	\$ 28,629	100.20
Expenditures	12,089,015	12,602,583	11,836,293	766,290	93.90
Net revenue/(Expenditures)	(737,793)	(1,099,689)	(304,770)	794,919	
Other financing sources and (uses)					
Sales of City property	6,300	28,411	25,653	(2,758)	90.30
Transfers in - tax equivalent	324,500	324,500	321,136	(3,364)	99.00
Transfers in	14,700	119,700	149,564	29,864	124.90
Transfers out	(369,200)	(366,950)	(366,479)	471	99.90
Net change in fund balance	\$ (761,493)	\$ (994,028)	\$ (174,896)	\$ 819,132	

During the year, the City spent 94 percent of the final amount appropriated in the General Fund. Revenues exceeded budget by 0.2 percent.

**Capital Asset and Debt Administration**

**Capital Assets** – The City's investment in capital assets for its governmental and business-type activities as of December 31, 2019, was roughly \$93.5 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings, machinery and equipment, infrastructure and intangibles.

**City of Baraboo**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended December 31, 2019**

**Capital Asset and Debt Administration (Continued)**

The following schedule is the primary government capital assets (net of depreciation) by activity as of December 31, 2019 and 2018:

**Primary Government Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Construction in Progress	\$ 119,864	\$ 514,427	\$ -	\$ 2,755,222	\$ 119,864	\$ 3,269,649
Land	8,184,024	8,138,509	279,834	279,834	8,463,858	8,418,343
Land Improvements	1,510,233	1,459,737	-	-	1,510,233	1,459,737
Buildings	23,187,365	23,119,643	-	-	23,187,365	23,119,643
Machinery and Equipment	6,549,102	6,049,633	8,948,619	6,978,365	15,497,721	13,027,998
Infrastructure	26,679,054	25,966,528	17,966,936	17,829,633	44,645,990	43,796,161
Intangibles	-	-	63,329	63,329	63,329	63,329
<b>Total</b>	<b>\$ 66,229,642</b>	<b>\$ 65,248,477</b>	<b>\$ 27,258,718</b>	<b>\$ 27,906,383</b>	<b>\$ 93,488,360</b>	<b>\$ 93,154,860</b>

The City's capital assets, net of accumulated depreciation, for the governmental activities increased over prior year by roughly \$1 million, or 1.5 percent. The increase was primarily attributed to infrastructure of roughly \$700 thousand and machinery and equipment of roughly \$500 thousand.

The City's business-type activities capital assets decreased by roughly \$650 thousand, or 2.3 percent over prior year. While there was a decrease in construction in progress of roughly \$2.8 million, the decrease was offset by increases in machinery and equipment and infrastructure in aggregate of roughly \$2.1 million.

Major capital asset additions during the current fiscal year included the following:

	Additions		
	Governmental	Business-Type	Total
Land	\$ 45,515	\$ -	\$ 45,515
Construction in progress	768,160	-	768,160
Land improvements	126,470	-	126,470
Buildings	494,602	-	494,602
Machinery and equipment	1,323,374	3,137,507	4,460,881
Infrastructure	1,534,958	365,576	1,900,534
Intangibles	-	-	-
<b>Total</b>	<b>\$ 4,293,079</b>	<b>\$ 3,503,083</b>	<b>\$ 7,796,162</b>

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

**City of Baraboo**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended December 31, 2019**

**Capital Asset and Debt Administration (Continued)**

Long-term Debt – The City's total general obligation and revenue bond debt outstanding at December 31, 2019 was roughly \$21 million. This debt is backed by the full faith and credit of the City. The following schedule is the primary government outstanding debt by issue as of December 31, 2019 and 2018:

			Primary Government Outstanding Debt General Obligation and Revenue Bonds					
			Governmental Activities		Business-type Activities		Total	
Issue			2019	2018	2019	2018	2019	2018
Date	Maturity	Issue						
2011	2021	Baraboo State Bank	\$ 224,671	\$ 349,064	\$ -	\$ -	\$ 224,671	\$ 349,064
2008	2026	Board of Commissioners of Public Lands Trust Fund_2008	14,573	33,194	-	-	14,573	33,194
2006	2026	State of Wisconsin Environmental Improvement Fund_4153-03	-	-	1,180,351	1,333,754	1,180,351	1,333,754
2010	2025	Series 2010B	-	-	-	-	-	-
2010	2030	Series 2010A	-	1,265,000	-	-	-	1,265,000
2012	2026	Series 2012A	2,890,000	3,190,000	245,000	455,000	3,135,000	3,645,000
2013	2023	Community First Bank Note_2013	104,318	129,479	-	-	104,318	129,479
2013	2026	Series 2013A	1,325,000	1,625,000	-	-	1,325,000	1,625,000
2013	2025	Series 2013B	815,000	940,000	-	-	815,000	940,000
2014	2028	Series 2014A	2,215,000	2,430,000	65,000	125,000	2,280,000	2,555,000
2015	2035	Series 2015A	2,530,000	2,650,000	-	-	2,530,000	2,650,000
2016	2035	Series 2016A	2,925,000	3,330,000	330,000	370,000	3,255,000	3,700,000
2017	2022	Baraboo State Bank LOC	510,000	510,000	-	-	510,000	510,000
2018	2038	Series 2018A	1,740,000	1,790,000	250,000	250,000	1,990,000	2,040,000
2018	2037	State of Wisconsin Environmental Improvement Fund_4153-04	-	-	2,306,726	2,024,320	2,306,726	2,024,320
2019	2030	Series 2019A	1,240,000	-	-	-	1,240,000	-
Total			\$ 16,533,562	\$ 18,241,737	\$ 4,377,077	\$ 4,558,074	\$ 20,910,639	\$ 22,799,811

The City of Baraboo's bond rating is Aa3 from Moody's Investors Services.

The State imposes a legal limit of 5 percent of total equalized assessed valuation on the amount of general bond indebtedness. The City further limits their indebtedness, by ordinance, to 60 percent of the State limit. As of December 31, 2019, the City's indebtedness was roughly \$8.6 million less than the City self-imposed limit and \$25.9 million less than the State limit.

Additional information on the City of Baraboo's long-term debt can be found in Note III.F. of this report.

**Economic Factors and Next Year's Budget and Rates**

The City of Baraboo's economy is diversified with manufacturing, retail and food services as its primary base. While the national economy is showing signs of recovery, the local economic environment and the impact it has on the City's available revenue continues to present a challenge. The City must continue to carefully balance its priorities to maintain the quality of services and public infrastructure.

The City's goal in developing the 2020 budget was to continue offering citizens basic services, economic development efforts, and fiscal stability. Development and adoption of the 2020 budget was premised on maintaining staffing and service levels equivalent to 2019 and making significant capital investment.

**City of Baraboo**  
**Management's Discussion and Analysis (Unaudited) (Continued)**  
**For the Year Ended December 31, 2019**

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**Economic Factors and Next Year's Budget and Rates (Continued)**

Budgeted revenues for the General Fund are roughly \$12.8 million, including roughly \$119 thousand for transfers in and roughly \$640 thousand for applied fund balance.

Budgeted expenditures in the General Fund are \$12.8 million, including \$20 thousand for transfers out. Major spending changes by account type for 2020 are:

- Salaries and wages increased roughly \$247 thousand as a result of contract increases and a 2.5% wage increase.
- Fringe Benefits increased roughly \$171 thousand due to increases to wages, insurance and pension funding.
- Contractual and supply accounts decreased roughly \$153 thousand primarily due to a decrease in contractual services, utilities and specialty services.
- Supplies and expenses increased \$61 thousand.
- Capital outlay increased roughly \$261 thousand primarily due to an increase in vehicle and equipment purchases.

In December 2019, the City Council approved the proposed budget. This budget allows the City to maintain the necessary fund and cash balances, as well as allowing the 2021 budget process to begin on a sound financial footing.

Also in December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the City. The City's evaluation of the effects of these events is ongoing; however, we anticipate this situation could impact:

- Investment valuations and decreased investment income;
- Cash flows may be impacted;
- Declines in revenues, such as room tax, state aids, fines or tickets and medical transport services and fees;
- Decline in demand for services, such as library, utilities, transit, recreational activities or permits and licenses;
- Increase in delinquencies or uncollectible accounts receivable or loans receivable;
- Timing or ability to issue bonds as planned or obtain financing (as the market has been disrupted);
- Increased costs related to pensions, OPEBS, insurance, labor (sick time or overtime).

The extent of the impact of COVID-19 on the City's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

**Requests for information**

This financial report is designed to provide a general overview of the City of Baraboo's finances for all those with an interest in the Government's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 101 South Boulevard, Baraboo, Wisconsin, 53913.

**CITY OF BARABOO**

STATEMENT OF NET POSITION  
As of December 31, 2019

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Major	Nonmajor
				Community Development Authority	Business Improvement District
<b>ASSETS</b>					
Cash and investments	\$ 15,416,855	\$ 4,895,918	\$ 20,312,773	\$ 160,760	\$ 69,036
Receivables (net)					
Taxes	9,850,305	-	9,850,305	-	-
Delinquent personal property taxes	78,950	-	78,950	-	-
Accounts	299,324	874,153	1,173,477	38,699	-
Special assessments	86,418	-	86,418	-	7,560
Loans	2,005,073	-	2,005,073	-	-
Lease	-	-	-	12,093,711	-
Accrued interest	66,136	17,790	83,926	111,905	-
Due from other governmental units	427,099	-	427,099	-	-
Due from component units	36,663	-	36,663	-	-
Due from primary government	-	-	-	73	-
Internal balances	(356,885)	356,885	-	-	-
Inventories and prepaid items	153,949	118,644	272,593	-	-
Restricted					
Cash and investments	-	1,166,060	1,166,060	118,309	-
Investment in mutual insurance company	320,000	-	320,000	-	-
Investment in joint ventures	1,562,019	-	1,562,019	-	-
Preliminary survey and investigation	-	46,889	46,889	-	-
Capital assets					
Land and right of way	8,184,024	279,834	8,463,858	201,364	-
Construction in progress	119,864	-	119,864	-	-
Other capital assets, net of accumulated depreciation	57,925,754	26,978,884	84,904,638	2,763,855	-
Total Assets	<u>96,175,548</u>	<u>34,735,057</u>	<u>130,910,605</u>	<u>15,488,676</u>	<u>76,596</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Unamortized loss on debt refunding	292,928	6,403	299,331	-	-
Pension related amounts	3,721,695	556,224	4,277,919	90,883	-
OPEB related amounts	137,272	19,079	156,351	3,714	-
Total Deferred Outflows of Resources	<u>4,151,895</u>	<u>581,706</u>	<u>4,733,601</u>	<u>94,597</u>	<u>-</u>
<b>LIABILITIES</b>					
Accounts payable	783,251	50,790	834,041	26,384	1,960
Accrued liabilities	643,037	17,177	660,214	114,088	-
Liabilities payable from restricted assets	-	-	-	41,767	-
Due to other governmental units	93,014	-	93,014	-	-
Due to component units	73	-	73	-	-
Due to primary government	-	-	-	35,424	1,239
Noncurrent liabilities					
Due within one year	3,228,289	700,704	3,928,993	223,496	-
Due in more than one year	27,158,235	4,047,581	31,205,816	12,080,348	-
Net pension liability	1,375,070	195,741	1,570,811	34,628	-
OPEB liability	1,363,787	181,625	1,545,412	39,278	-
Total Liabilities	<u>34,644,756</u>	<u>5,193,618</u>	<u>39,838,374</u>	<u>12,595,413</u>	<u>3,199</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unearned antenna rent	-	46,236	46,236	-	-
Pension related amounts	1,884,298	284,069	2,168,367	46,711	-
OPEB related amounts	92,443	16,022	108,465	4,211	-
Property taxes levied for next period	9,840,931	-	9,840,931	-	-
Total Deferred Inflows of Resources	<u>11,817,672</u>	<u>346,327</u>	<u>12,163,999</u>	<u>50,922</u>	<u>-</u>
<b>NET POSITION</b>					
Net investment in capital assets	39,782,248	22,942,238	61,829,572	2,896,937	-
Restricted for:					
Debt service	-	178,373	178,373	-	-
Grant activities	2,808,244	-	2,808,244	-	-
Trust activities	1,215,240	-	1,215,240	-	-
Special purposes	2,391,439	-	2,391,439	-	-
Equipment replacement	-	976,268	976,268	-	-
Unrestricted	7,667,844	5,679,939	14,242,697	40,001	73,397
<b>TOTAL NET POSITION</b>	<u>\$ 53,865,015</u>	<u>\$ 29,776,818</u>	<u>\$ 83,641,833</u>	<u>\$ 2,936,938</u>	<u>\$ 73,397</u>

See accompanying notes to financial statements.

**CITY OF BARABOO**

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2019

Functions/Programs	Net (Expenses) Revenues and Changes in Net Position								
	Expenses	Program Revenues			Primary Government			Component Units	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Community Development Authority	Business Improvement District
<b>Primary Government</b>									
Governmental Activities									
General government	\$ 1,681,229	\$ 181,063	\$ -	\$ -	\$ (1,500,166)	\$ -	\$ (1,500,166)	\$ -	\$ -
Public safety	5,628,108	322,420	160,675	83,164	(5,061,849)	-	(5,061,849)	-	-
Public works	4,500,225	304,694	1,062,627	361,954	(2,770,950)	-	(2,770,950)	-	-
Health and human services	29,879	-	-	-	(29,879)	-	(29,879)	-	-
Culture, recreation and education	2,607,044	348,327	387,418	-	(1,871,299)	-	(1,871,299)	-	-
Conservation and development	1,115,083	11,715	283,348	631	(819,389)	-	(819,389)	-	-
Interest and fiscal charges	865,364	-	-	-	(865,364)	-	(865,364)	-	-
Total Governmental Activities	<u>16,426,932</u>	<u>1,168,219</u>	<u>1,894,068</u>	<u>445,749</u>	<u>(12,918,896)</u>	<u>-</u>	<u>(12,918,896)</u>	<u>-</u>	<u>-</u>
Business-type Activities									
Water	1,495,258	1,805,043	-	80,459	-	390,244	390,244	-	-
Sewer	1,760,833	1,511,233	-	453,961	-	204,361	204,361	-	-
Stormwater	545,007	663,339	-	-	-	118,332	118,332	-	-
Total Business-type Activities	<u>3,801,098</u>	<u>3,979,615</u>	<u>-</u>	<u>534,420</u>	<u>-</u>	<u>712,937</u>	<u>712,937</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 20,228,030</u>	<u>\$ 5,147,834</u>	<u>\$ 1,894,068</u>	<u>\$ 980,169</u>	<u>(12,918,896)</u>	<u>712,937</u>	<u>(12,205,959)</u>	<u>-</u>	<u>-</u>
<b>Component Units</b>									
Community Development Authority	\$ 1,075,184	\$ 392,524	\$ 34,033	\$ 167,195	-	-	-	(481,432)	-
Business Improvement District	42,215	48,311	1,150	-	-	-	-	-	7,246
Total Component Units	<u>\$ 1,117,399</u>	<u>\$ 440,835</u>	<u>\$ 35,183</u>	<u>\$ 167,195</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(481,432)</u>	<u>7,246</u>
<b>General Revenues</b>									
Taxes									
Property taxes, levied for general purposes					7,065,236	-	7,065,236	-	-
Property taxes, levied for debt service					1,438,225	-	1,438,225	-	-
Property taxes, levied for TIF district					1,121,617	-	1,121,617	-	-
Other taxes					168,274	-	168,274	-	-
Intergovernmental revenues not restricted to specific programs					2,652,825	-	2,652,825	-	-
Investment income					617,350	98,273	715,623	338,176	-
Miscellaneous					538,217	663	538,880	-	-
Transfers					307,445	(307,445)	-	-	-
Total General Revenues and Transfers					<u>13,909,189</u>	<u>(208,509)</u>	<u>13,700,680</u>	<u>338,176</u>	<u>-</u>
<b>Change in Net Position</b>					<u>990,293</u>	<u>504,428</u>	<u>1,494,721</u>	<u>(143,256)</u>	<u>7,246</u>
NET POSITION - Beginning of Year					<u>52,874,722</u>	<u>29,272,390</u>	<u>82,147,112</u>	<u>3,080,194</u>	<u>66,151</u>
<b>NET POSITION - ENDING</b>					<u>\$ 53,865,015</u>	<u>\$ 29,776,818</u>	<u>\$ 83,641,833</u>	<u>\$ 2,936,938</u>	<u>\$ 73,397</u>

See accompanying notes to financial statements.

**CITY OF BARABOO**

BALANCE SHEET - GOVERNMENTAL FUNDS  
As of December 31, 2019

	<u>General</u>	<u>General Debt Service</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and investments	\$ 5,201,328	\$ 3,132	\$ 1,255,814	\$ 8,845,100	\$ 15,305,374
Receivables					
Taxes	6,988,710	1,740,437	72,200	1,048,958	9,850,305
Delinquent taxes	78,950	-	-	-	78,950
Accounts (net)	122,627	-	8,452	154,721	285,800
Special assessments	-	-	-	86,418	86,418
Loans	-	-	-	2,005,073	2,005,073
Interest	10,744	-	-	55,392	66,136
Due from other funds	285,750	-	294,015	-	579,765
Due from component units	36,663	-	-	-	36,663
Due from other governments	32,948	-	84,562	309,589	427,099
Inventories	140,882	-	-	-	140,882
Prepaid items	13,067	-	-	-	13,067
Advances to other funds	367,358	-	-	-	367,358
<b>TOTAL ASSETS</b>	<b>\$ 13,279,027</b>	<b>\$ 1,743,569</b>	<b>\$ 1,715,043</b>	<b>\$ 12,505,251</b>	<b>\$ 29,242,890</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 250,896	\$ -	\$ 450,555	\$ 64,315	\$ 765,766
Accrued liabilities	420,915	-	-	-	420,915
Due to other governments	46,510	-	-	46,504	93,014
Due to other funds	9,374	-	-	566,929	576,303
Advances from other funds	-	-	-	726,969	726,969
Total Liabilities	<u>727,695</u>	<u>-</u>	<u>450,555</u>	<u>1,404,717</u>	<u>2,582,967</u>
Deferred Inflows of Resources					
Property taxes levied for next period	6,979,336	1,740,437	72,200	1,048,958	9,840,931
Unavailable revenue	60	-	-	2,513,941	2,514,001
Total Deferred Inflows of Resources	<u>6,979,396</u>	<u>1,740,437</u>	<u>72,200</u>	<u>3,562,899</u>	<u>12,354,932</u>
Fund Balances					
Nonspendable	600,257	-	-	-	600,257
Restricted	-	3,132	882,264	5,324,725	6,210,121
Committed	712,133	-	-	1,236,980	1,949,113
Assigned	554,988	-	310,024	2,148,733	3,013,745
Unassigned (deficit)	3,704,558	-	-	(1,172,803)	2,531,755
Total Fund Balances	<u>5,571,936</u>	<u>3,132</u>	<u>1,192,288</u>	<u>7,537,635</u>	<u>14,304,991</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 13,279,027</b>	<b>\$ 1,743,569</b>	<b>\$ 1,715,043</b>	<b>\$ 12,505,251</b>	<b>\$ 29,242,890</b>

See accompanying notes to financial statements.

**CITY OF BARABOO**

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION

As of December 31, 2019

Total fund balances for governmental funds	\$ 14,304,991
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements.	
Land and right of way	8,184,024
Construction in progress	119,864
Other capital assets, net of accumulated depreciation	57,925,754
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	
Special assessments not yet due	239,854
Receivables not available within 60 days after year-end	269,074
Loans receivable	2,005,073
Deferred outflows of resources related to pensions and OPEB do not relate to current financial resources and are not reported in the governmental funds.	3,858,967
Deferred inflows of resources related to pensions and OPEB do not relate to current financial resources and are not reported in the governmental funds.	(1,976,741)
The City's equity interest in joint ventures is reported on the statement of net position.	1,562,019
Governmental funds report premiums and discounts associated with the issuance of long-term debt as other financing sources and uses, but these items are amortized over the life of the debt issue on the statement of activities. Similarly, losses on refundings of debt are recorded as expenditures in the governmental funds, but amortized over the life of the debt issuance on the statement of activities.	
Unamortized loss on debt refunding	292,928
Unamortized premium on debt issuance	(114,897)
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net position.	
Bonds and notes payable	(16,533,562)
Capital lease payable	(12,093,712)
Compensated absences	(1,644,353)
Accrued interest	(222,122)
Net pension liability	(1,375,070)
OPEB liability	(1,363,787)
Less: internal service fund long-term liabilities and accrued interest	226,868
Internal service fund net position is reported in the statement of net position	<u>199,843</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES AS REPORTED ON THE STATEMENT OF POSITION</b>	<b><u>\$ 53,865,015</u></b>

See accompanying notes to financial statements.

**CITY OF BARABOO**

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2019

	General	General Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 7,083,460	\$ 1,438,225	\$ 150,050	\$ 1,121,617	\$ 9,793,352
Intergovernmental	3,208,859	-	25,447	1,076,246	4,310,552
Licenses and permits	288,819	-	-	-	288,819
Fines, forfeitures and penalties	92,693	-	-	-	92,693
Public charges for services	216,704	-	-	310,468	527,172
Intergovernmental charges for services	230,582	-	-	-	230,582
Special assessments	-	-	-	254,252	254,252
Investment income	185,170	-	-	418,656	603,826
Miscellaneous	225,236	41,800	58,452	379,551	705,039
Total Revenues	<u>11,531,523</u>	<u>1,480,025</u>	<u>233,949</u>	<u>3,560,790</u>	<u>16,806,287</u>
<b>EXPENDITURES</b>					
Current					
General government	1,537,889	-	-	21,079	1,558,968
Public safety	4,910,087	-	-	28,062	4,938,149
Public works	2,680,286	-	-	937,061	3,617,347
Health and human services	29,879	-	-	-	29,879
Culture, recreation and education	2,406,570	-	-	326,084	2,732,654
Conservation and development	172,588	-	-	889,916	1,062,504
Capital Outlay	98,994	-	1,558,887	286,467	1,944,348
Debt Service					
Principal	-	2,405,162	190,977	978,235	3,574,374
Interest and fiscal charges	-	377,360	337,234	139,979	854,573
Total Expenditures	<u>11,836,293</u>	<u>2,782,522</u>	<u>2,087,098</u>	<u>3,606,883</u>	<u>20,312,796</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(304,770)</u>	<u>(1,302,497)</u>	<u>(1,853,149)</u>	<u>(46,093)</u>	<u>(3,506,509)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of city property	25,653	-	89,000	57,924	172,577
Debt issued	-	-	510,000	-	510,000
Refunding debt issued	-	1,240,000	-	-	1,240,000
Premium on debt issued	-	36	-	-	36
Transfer in - tax equivalent	321,136	-	-	-	321,136
Transfers in	149,564	-	900	820,952	971,416
Transfers out	(366,479)	(42,014)	(16,395)	(560,219)	(985,107)
Total Other Financing Sources (Uses)	<u>129,874</u>	<u>1,198,022</u>	<u>583,505</u>	<u>318,657</u>	<u>2,230,058</u>
Net Change in Fund Balance	(174,896)	(104,475)	(1,269,644)	272,564	(1,276,451)
FUND BALANCES - Beginning	<u>5,746,832</u>	<u>107,607</u>	<u>2,461,932</u>	<u>7,265,071</u>	<u>15,581,442</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 5,571,936</u>	<u>\$ 3,132</u>	<u>\$ 1,192,288</u>	<u>\$ 7,537,635</u>	<u>\$ 14,304,991</u>

See accompanying notes to financial statements.

**CITY OF BARABOO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2019

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Net change in fund balances - total governmental funds	\$ (1,276,451)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide statements	1,944,348
Some items reported as operating expenditures in the fund financial statements but are capitalized in the government-wide statements	1,798,982
Depreciation is reported in the government-wide statements	(1,828,690)
Net book value of assets retired	(320,501)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements, but are recognized as revenue when earned in the government-wide financial statements.	117,479
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repaid	3,574,374
Debt issued	(1,750,000)

Governmental funds report premiums associated with the issuance of long-term debt as other financing sources and uses, but these items are amortized over the life of the debt issue on the statement of activities. Similarly, losses on debt refundings are recorded as expenditures in the governmental funds, but amortized over the life of the debt issue on the statement of activities.

Amortization of losses on debt refunding	(79,289)
Premium on debt issued	(36)
Amortization of premium on debt	31,274

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

Compensated absences	(120,167)
Accrued interest on debt and capital lease	37,188
Net pension liability/asset	(2,502,877)
Deferred outflows/inflows of resources related to pensions	1,310,083
Deferred outflows/inflows related to OPEBs	55,546
OPEB liability	(89,351)

Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund is reported with governmental activities.	88,381
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<b>NET CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 990,293</u></b>
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**CITY OF BARABOO**

STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
As of December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Stormwater Utility	Total	
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and investments	\$ 2,041,928	\$ 2,074,327	\$ 501,438	\$ 4,617,693	\$ 111,481
Receivables					
Accounts	359,579	351,828	162,746	874,153	13,524
Interest	4,581	12,502	707	17,790	-
Due from other funds	10,811	4,038	16,782	31,631	-
Inventories	54,189	9,384	55,071	118,644	-
Restricted Assets - redemption account	-	189,792	-	189,792	-
Total Current Assets	<u>2,471,088</u>	<u>2,641,871</u>	<u>736,744</u>	<u>5,849,703</u>	<u>125,005</u>
<b>NONCURRENT ASSETS</b>					
Restricted Assets - replacement account	-	976,268	-	976,268	-
Capital Assets					
Land	77,143	72,298	130,393	279,834	-
Property and equipment	16,454,076	15,130,154	10,994,033	42,578,263	-
Accumulated depreciation	(6,762,427)	(6,360,694)	(2,476,258)	(15,599,379)	-
Other Assets					
Depreciation account	-	219,614	-	219,614	-
Replacement account	-	-	58,611	58,611	-
Preliminary survey and investigation	27,097	19,792	-	46,889	-
Advances to other funds	134,013	79,010	146,588	359,611	-
Investment in mutual insurance company	-	-	-	-	320,000
Total Noncurrent Assets	<u>9,929,902</u>	<u>10,136,442</u>	<u>8,853,367</u>	<u>28,919,711</u>	<u>320,000</u>
Total Assets	<u>12,400,990</u>	<u>12,778,313</u>	<u>9,590,111</u>	<u>34,769,414</u>	<u>445,005</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Unamortized loss on debt refunding	-	-	6,403	6,403	-
Pension related amounts	268,876	206,796	80,552	556,224	-
OPEB related amounts	8,635	10,273	171	19,079	-
Total Deferred Outflows	<u>277,511</u>	<u>217,069</u>	<u>87,126</u>	<u>581,706</u>	<u>-</u>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Accounts payable	8,236	11,682	30,872	50,790	17,485
Compensated absences	50,332	43,188	5,116	98,636	-
Accrued interest	916	-	4,842	5,758	2,197
Due to other funds	19,285	12,476	2,596	34,357	736
Due to component units	-	-	-	-	73
Current portion of general obligation debt and notes payable	150,000	-	185,000	335,000	48,443
Liabilities Payable From Restricted Assets					
Current maturities of revenue bonds	-	267,068	-	267,068	-
Accrued interest	-	11,419	-	11,419	-
Total Current Liabilities	<u>228,769</u>	<u>345,833</u>	<u>228,426</u>	<u>803,028</u>	<u>68,934</u>
<b>Noncurrent Liabilities</b>					
Revenue bonds	-	3,220,009	-	3,220,009	-
General obligation debt payable	30,000	-	525,000	555,000	176,228
Compensated absences	129,284	114,969	15,762	260,015	-
Unamortized premium on debt issuance	811	-	11,746	12,557	-
Net pension liability	92,163	74,578	29,000	195,741	-
OPEB liability	83,101	96,114	2,410	181,625	-
Total Noncurrent Liabilities	<u>335,359</u>	<u>3,505,670</u>	<u>583,918</u>	<u>4,424,947</u>	<u>176,228</u>
Total Liabilities	<u>564,128</u>	<u>3,851,503</u>	<u>812,344</u>	<u>5,227,975</u>	<u>245,162</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unearned antenna rent	46,236	-	-	46,236	-
Pension related amounts	133,091	107,068	43,910	284,069	-
OPEB related amounts	6,786	8,613	623	16,022	-
Total Deferred Inflows of Resources	<u>186,113</u>	<u>115,681</u>	<u>44,533</u>	<u>346,327</u>	<u>-</u>
<b>NET POSITION</b>					
Net investment in capital assets	9,587,981	5,354,681	7,999,576	22,942,238	-
Restricted for:					
Debt service	-	178,373	-	178,373	-
Equipment replacement	-	976,268	-	976,268	-
Unrestricted	<u>2,340,279</u>	<u>2,518,876</u>	<u>820,784</u>	<u>5,679,939</u>	<u>199,843</u>
<b>TOTAL NET POSITION</b>	<u>\$ 11,928,260</u>	<u>\$ 9,028,198</u>	<u>\$ 8,820,360</u>	<u>\$ 29,776,818</u>	<u>\$ 199,843</u>

See accompanying notes to financial statements.

**CITY OF BARABOO**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION - PROPRIETARY FUNDS  
For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Stormwater Utility	Total	
<b>OPERATING REVENUES</b>					
Charges for service	\$ 1,709,768	\$ 1,484,577	\$ 656,141	\$ 3,850,486	\$ 166,220
Miscellaneous	91,987	26,656	7,198	125,841	-
Total Operating Revenues	<u>1,801,755</u>	<u>1,511,233</u>	<u>663,339</u>	<u>3,976,327</u>	<u>166,220</u>
<b>OPERATING EXPENSES</b>					
Operation and maintenance	1,019,656	1,005,573	373,071	2,398,300	83,225
Depreciation	394,328	408,166	152,536	955,030	-
Total Operating Expenses	<u>1,413,984</u>	<u>1,413,739</u>	<u>525,607</u>	<u>3,353,330</u>	<u>83,225</u>
Operating Income	<u>387,771</u>	<u>97,494</u>	<u>137,732</u>	<u>622,997</u>	<u>82,995</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Merchandising and jobbing	3,288	-	-	3,288	-
Grant proceeds for lead lateral services	78,526	-	-	78,526	-
Investment income	37,922	51,733	8,618	98,273	13,583
Interest expense	(4,402)	(67,856)	(13,758)	(86,016)	(8,197)
Loss on disposal of asset	-	(279,238)	-	(279,238)	-
Amortization of premium on debt	1,654	-	-	1,654	-
Lead service lateral expenses	(78,526)	-	-	(78,526)	-
Amortization of loss on debt refunding	-	-	(5,642)	(5,642)	-
Total Nonoperating Revenues (Expenses)	<u>38,462</u>	<u>(295,361)</u>	<u>(10,782)</u>	<u>(267,681)</u>	<u>5,386</u>
Income Before Contributions and Transfers	<u>426,233</u>	<u>(197,867)</u>	<u>126,950</u>	<u>355,316</u>	<u>88,381</u>
<b>CONTRIBUTIONS AND TRANSFERS</b>					
Capital contributions	1,933	453,961	-	455,894	-
Sales of fixed assets	-	-	663	663	-
Transfers	(321,136)	-	13,691	(307,445)	-
Total Contributions and Transfers	<u>(319,203)</u>	<u>453,961</u>	<u>14,354</u>	<u>149,112</u>	<u>-</u>
<b>Change in Net Position</b>	<u>107,030</u>	<u>256,094</u>	<u>141,304</u>	<u>504,428</u>	<u>88,381</u>
TOTAL NET POSITION (DEFICIT) - Beginning	<u>11,821,230</u>	<u>8,772,104</u>	<u>8,679,056</u>	<u>29,272,390</u>	<u>111,462</u>
<b>TOTAL NET POSITION - ENDING</b>	<u>\$ 11,928,260</u>	<u>\$ 9,028,198</u>	<u>\$ 8,820,360</u>	<u>\$ 29,776,818</u>	<u>\$ 199,843</u>

See accompanying notes to financial statements.

**CITY OF BARABOO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 For the Year Ended December 31, 2019

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Stormwater Utility	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Received from customers	\$ 1,462,108	\$ 1,504,468	\$ 651,478	\$ 3,618,054	\$ -
Received from city for services	395,376	-	-	395,376	166,298
Paid to suppliers for goods and services	(573,255)	(602,924)	(82,295)	(1,258,474)	(89,419)
Paid to and on behalf of employees for services	(421,525)	(366,269)	(250,267)	(1,038,061)	-
Net Cash Flows From Operating Activities	<u>862,704</u>	<u>535,275</u>	<u>318,916</u>	<u>1,716,895</u>	<u>76,879</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Marketable securities purchased	(329,515)	(1,155,549)	-	-	-
Investments sold and matured	204,323	442,839	-	647,162	-
Investment income	37,252	46,716	8,503	92,471	13,583
Net Cash Flows From Investing Activities	<u>(87,940)</u>	<u>(665,994)</u>	<u>8,503</u>	<u>739,633</u>	<u>13,583</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Debt retired	-	-	-	-	(124,393)
Interest paid	-	-	-	-	(9,413)
Transfers to/from other funds	26,825	-	-	26,825	-
Advances to/from other funds	-	-	-	-	26,181
Grant proceeds from lead service lateral replacements	78,526	-	-	78,526	-
Expenses paid for lead service lateral replacements	(78,526)	-	-	(78,526)	-
Paid to municipality for tax equivalent	(321,136)	-	-	(321,136)	-
Net Cash Flows From Noncapital Financing Activities	<u>(294,311)</u>	<u>-</u>	<u>-</u>	<u>(294,311)</u>	<u>(107,625)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Debt retired	(145,000)	(244,049)	(165,000)	(554,049)	-
Debt issued	-	373,052	-	373,052	-
Interest paid on long-term debt and advances	(5,125)	(67,591)	(18,157)	(90,873)	-
Received from the sale of capital assets	66,181	122,188	-	188,369	-
Acquisition and construction of capital assets	(312,701)	(182,201)	(286,242)	(781,144)	-
Cost of removal of capital assets	-	(105,300)	-	(105,300)	-
Capital contributions	1,933	453,961	13,690	469,584	-
Net Cash Flows From Capital and Related Financing Activities	<u>(394,712)</u>	<u>350,060</u>	<u>(455,709)</u>	<u>(500,361)</u>	<u>-</u>
<b>Net Change in Cash and Cash Equivalents</b>	<b>85,741</b>	<b>219,341</b>	<b>(128,290)</b>	<b>176,792</b>	<b>(17,163)</b>
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>642,953</u>	<u>1,103,887</u>	<u>688,339</u>	<u>2,435,179</u>	<u>128,644</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 728,694</b>	<b>\$ 1,323,228</b>	<b>\$ 560,049</b>	<b>\$ 2,611,971</b>	<b>\$ 111,481</b>

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Stormwater Utility	Total	
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Operating income	\$ 387,771	\$ 97,494	137,732	\$ 622,997	\$ 82,995
Nonoperating revenue	3,288	-	-	3,288	-
Adjustments to Reconcile Operating Income to Net Cash					
Flows from Operating Activities					
Depreciation	394,328	408,166	148,079	950,573	-
Depreciation charged to other funds	38,184	(38,184)	-	-	-
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows					
Accounts receivable	15,267	24,249	162	39,678	78
Due to/from other funds	(20,878)	(4,174)	(14,875)	(39,927)	-
Inventories	2,123	1,468	2,033	5,624	-
Accounts payable	2,600	4,513	28,395	35,508	(6,194)
Compensated absences	142	8,976	1,394	10,512	-
Pension and OPEB related deferrals and liabilities/assets	37,678	32,767	15,996	86,441	-
Unearned revenue	2,201	-	-	2,201	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>\$ 862,704</b>	<b>\$ 535,275</b>	<b>\$ 318,916</b>	<b>\$ 1,716,895</b>	<b>\$ 76,879</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS</b>					
Cash and equivalents	\$ 2,041,928	\$ 2,074,327	\$ 501,438	\$ 4,617,693	\$ 111,481
Redemption account	-	189,792	-	189,792	-
Depreciation account	-	219,614	-	219,614	-
Replacement account	-	976,268	58,611	1,034,879	-
Total Cash and Investments	2,041,928	3,460,001	560,049	6,061,978	111,481
Less: Noncash equivalents	(1,313,234)	(1,806,773)	-	(3,120,007)	-
<b>CASH AND CASH EQUIVALENTS</b>	<b>\$ 728,694</b>	<b>\$ 1,653,228</b>	<b>\$ 560,049</b>	<b>\$ 2,941,971</b>	<b>\$ 111,481</b>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Loss on early disposal of capital assets	\$ -	\$ (279,238)	\$ -		\$ -
Amortization	\$ -	\$ -	\$ (5,642)		\$ -

See accompanying notes to financial statements.

# CITY OF BARABOO

## STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS As of December 31, 2019

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	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and investments	\$ 8,278,472
Taxes receivable	4,278,647
Accounts receivable	2,550
Prepaid items	25,317
Due from other governments	<u>1,098</u>
<b>TOTAL ASSETS</b>	<u>12,586,084</u>
<b>LIABILITIES</b>	
Accounts payable	35,272
Due to component unit	7,560
Due to other governments	<u>12,151,652</u>
<b>TOTAL LIABILITIES</b>	<u>12,194,484</u>
<b>NET POSITION</b>	
<b>RESTRICTED FOR ORGANIZATIONS AND OTHER GOVERNMENTS</b>	<u>\$ 391,600</u>

See accompanying notes to financial statements.

## CITY OF BARABOO

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
FIDUCIARY FUNDS  
As of December 31, 2019

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	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Property taxes collected for county	\$ 2,354,085
Property taxes collected for technical college	490,867
Property taxes collected for school district	4,992,745
Intergovernmental grants	60,795
Intergovernmental charges for services	283,684
Public charges for services	30,741
Investment income	825
Miscellaneous revenues	<u>68,279</u>
<b>TOTAL ADDITIONS</b>	<u>8,282,021</u>
<b>DEDUCTIONS</b>	
Property taxes collected for county	2,354,085
Property taxes collected for technical college	490,867
Property taxes collected for school district	5,184,086
Public works	176,667
Culture, recreation, and education	15,008
Debt service	<u>21,726</u>
<b>TOTAL DEDUCTIONS</b>	<u>8,242,439</u>
<b>Net Increase in Net Position</b>	39,582
NET POSITION - Beginning (as restated)	<u>352,018</u>
<b>NET POSITION - ENDING</b>	<u><u>\$ 391,600</u></u>

# CITY OF BARABOO

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# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

#### **A. REPORTING ENTITY**

This report includes all of the funds of the City. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if: (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blending or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

#### ***Discretely Presented Component Units***

##### ***Community Development Authority***

The government-wide financial statements include the Community Development Authority ("CDA") as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the mayor. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the CDA, and also create a potential financial benefit to or burden on the City. See Note III.I. As a component unit, the CDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2019. The CDA does not issue separate financial statements.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### A. REPORTING ENTITY (cont.)

##### *Discretely Presented Component Units* (cont.)

###### ***Business Improvement District***

The government-wide financial statements include the Business Improvement District ("BID") as a component unit. The BID is a legally separate organization. The board of the BID is appointed by the mayor. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the BID and also create a potential financial benefit to or burden on the City. See Note III.I. As a component unit, the BID's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2019. The Business Improvement District does not issue separate financial statements.

#### B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In January 2017, the GASB issued statement No. 84 – *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities and the accounting and reporting requirements for those fiduciary activities. This standard was implemented January 1, 2019.

In March 2018, the GASB issued statement No. 88 - *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in the notes to financial statements and establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. This standard was implemented January 1, 2019.

##### ***Government-Wide Financial Statements***

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

##### ***Fund Financial Statements***

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

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)**

##### ***Fund Financial Statements (cont.)***

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

- a. Total assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the City believes is particularly important to financial statement users may be reported as a major fund.

Separate financial statements are provided for governmental funds and 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 – accounts for the City's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- General Debt Service – accounts for resources accumulated and payments made for principal and interest on long-term debt other than TID or enterprise fund debt.
- Capital Projects – accounts for the financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

The City reports the following major enterprise funds:

- Water Utility – accounts for operations of the water system
- Sewer Utility – accounts for operations of the sewer system
- Stormwater Utility – accounts for operations of the stormwater system

The City reports the following nonmajor governmental funds:

- Special Revenue Funds - used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Economic Development	Library	Capital Catalyst
Community Development Block Grant	Parks	Economic Development
Park Development Impact Fees	Fire Department Retirement	Revolving Loan
Public Safety Impact Fees	Ochsner Park House	Economic Development Grant
Flood Aid	Library Impact Fees	Wisconsin Community
Lead Service Grant	Façade Improvement Program	Development Block Grant
Taxi Grant	BID Pocket Park	TIF Incentive
Alma Waite	Kuenzi Estate	1979 Community Development
	Library Building	Block Grant

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)**

##### ***Fund Financial Statements (cont.)***

Capital Projects Funds - used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

Tax Incremental District (TID) No. 6	Emergency Management Equipment
Tax Incremental District (TID) No. 7	Special Assessment Projects
Tax Incremental District (TID) No. 8	Urban Development
Tax Incremental District (TID) No. 9	Land Development
Fire Equipment	Capital Equipment

In addition, the City reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

Liability Insurance	Unfunded Pension Liability
---------------------	----------------------------

Custodial funds are a type of fiduciary fund used to account for assets controlled by the City and the assets are for the benefit of individuals, private organizations, and/or other governmental units.

Tax Collection Fund	Friends of the Library
UW Campus	Airport

#### **C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

##### ***Government-Wide Financial Statements***

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. 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. 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 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 City's water and sewer 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 BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)**

##### ***Government-Wide Financial Statements (cont.)***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City, which are not available, are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met and recorded as liabilities. Amounts received in advance of making time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues.

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

Proprietary fund and fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

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

##### ***All Financial Statements***

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

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY***

##### ***1. Deposits and Investments***

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

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

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

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

The City has adopted an investment policy. That policy follows the state statute for allowable investments.

The City's investment policy addresses custodial credit risk. The City's deposits must be collateralized at 102% of the value of the principal and accrued interest. The collateral must be held by an independent third party.

Concentration of credit risk is also addressed by the City's investment policy. With the exception of U.S. Treasury Securities and authorized investment pools, no more than 50% of the City's total investment portfolio will be invested in a single security type with a single financial institution. The City's policy also addresses interest rate risk. The City will not directly invest in securities maturing more than five years from the date of purchase. The City has adopted weighted average maturity limitations (which often range from 90 days to three years).

The other risks disclosed in Note III.A. are not specifically addressed in the City's investment policy.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***1. Deposits and Investments (cont.)***

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

The Wisconsin Local Government Investment Pool ("LGIP") is part of the State Investment Fund ("SIF"), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2019, the fair value of the City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note III.A. for further information.

##### ***2. Receivables***

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

Property Tax Calendar – 2019 Tax Roll:

Lien data and levy date	December 2019
Tax bills mailed	December 2019
Payment in full, or	January 31, 2020
First installment due	January 31, 2020
Second installment due	July 31, 2020
Personal property taxes in full	January 31, 2020
Tax sale - 2019 delinquent real estate taxes	October 2022

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the water, sewer, and stormwater utilities because they have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***2. Receivables (cont.)***

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

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account, which indicates that they do not constitute expendable available financial resources, and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

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 amount recorded as economic development and housing rehabilitation loans receivable has not been reduced by an allowance for uncollectible accounts.

It is the City's policy to record unavailable revenue 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 assigned fund balance in the fund financial statements.

##### ***3. Inventories and Prepaid Items***

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the consumption method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction and/or operation and maintenance expense when used. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

##### ***4. Restricted Assets***

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

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### **5. Capital Assets**

###### ***Government-Wide Statements***

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$3,000 for general capital assets and \$25,000 for infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost, if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired, or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	30 - 75 Years
Land improvements	30 Years
Machinery and equipment	3 - 15 Years
Utility system	15 - 100 Years
Infrastructure	20 - 50 Years

###### ***Fund Financial Statements***

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

##### **6. Other Assets**

Equity interests in joint ventures are presented as assets in the government-wide financial statements. See Note IV.E.

The City has set aside a depreciation account in the sewer utility to fund plant renewals and replacement or to make up potential future deficiencies in the redemption account.

The stormwater utility has a replacement account to set aside funds for future equipment replacement needs.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***7. Deferred Outflows of Resources***

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

##### ***8. Compensated Absences***

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2019, are determined on the basis of current salary rates and include salary related payments.

##### ***9. Long-Term Obligations/Conduit Debt***

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

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

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***9. Long-Term Obligations/Conduit Debt (cont.)***

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the straight-line or effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the statement of net position.

The City has approved the issuance of industrial revenue bonds ("IRB") for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately \$4,675,000, made up of one issue.

##### ***10. Deferred Inflows of Resources***

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and, therefore, will not be recognized as an inflow of resources (revenue) until that future time.

##### ***11. Equity Classifications***

###### ***Government-Wide Statements***

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

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

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

**D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

**11. Equity Classifications (cont.)**

**Government-Wide Statements (cont.)**

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by the debt of the governmental activities column. The amount is a reduction of "net investment in capital assets," and an increase in "unrestricted" net position, shown only in the total column. A reconciliation of this adjustment is as follows:

	Governmental Activities		Business-type Activities		Adjustment		Total
Net investment in capital assets	\$ 39,782,248	\$	22,942,238	\$	(894,914)	\$	61,829,572
Unrestricted	7,667,844		5,679,939		894,914		14,242,697

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

**Fund Statements**

Governmental fund balances are displayed as follows:

- a. Nonspendable – Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted – Consists of fund balances with constraints placed on their use either by:
  - 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or
  - 2) law through constitutional provisions or enabling legislation.
- c. Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. Assigned – Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following:
  - 1) The City has adopted a financial policy authorizing the Director of Finance to assign amounts for a specific purpose and
  - 2) all remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### **D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

##### **11. Equity Classifications (cont.)**

###### **Fund Statements (cont.)**

- e. Unassigned – Includes residual positive fund balance within the general fund, which has not been classified within the other above-mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

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

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

##### **12. Basis for Existing Rates**

###### **Water Utility**

Current water rates were approved by the Public Service Commission of Wisconsin on October 3, 2016, and placed into effect by the water utility on January 1, 2017. The rates were designed to provide a 2% return.

###### **Sewer Utility**

Current sewer rates were approved by the City and placed into effect with the first quarter billing of 2019.

###### **Stormwater Utility**

Current stormwater rates were approved by the City and placed into effect on January 1, 2012.

##### **13. Pension**

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

##### **14. Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the City's health insurance OPEB Plan has been determined on the same basis as reported by the City's OPEB Plan. For this purpose, the City's OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

##### **14. Postemployment Benefits Other Than Pensions (OPEB) (cont.)**

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

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### NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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#### **A. BUDGETARY INFORMATION**

A budget has been adopted for the general fund, general debt service fund, special revenue funds including: taxi, park development, public safety, parks, and Alma Waite, the capital projects fund, and special assessment capital projects fund. Budgets have not been formally adopted for other special revenue and capital projects funds not listed above. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

#### **B. DEFICIT BALANCES**

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end. As of December 31, 2019, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
CDBG	294,010	Excess expenditures over revenues
Tax Incremental District #7	342,536	Excess expenditures over revenues
Tax Incremental District #8	481,365	Excess expenditures over revenues
Urban Development	54,982	Excess expenditures over revenues
Unfunded Pension Liability	191,380	Excess expenses over revenues

These fund deficits are anticipated to be funded with future contributions, general tax revenues, or long-term borrowing.

TID deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of the new districts varies by type of district (20-27 years) and may be extended in some cases.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### **NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)**

#### **C. LIMITATIONS ON THE CITY'S TAX LEVY**

Wisconsin law limits the City's future tax levies. Generally, the City is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the City's equalized value due to new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The City is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

### **NOTE III - DETAILED NOTES ON ALL FUNDS**

#### **A. DEPOSITS AND INVESTMENTS**

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. In addition, investments are separately held by several of the City's funds.

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

	Carrying Value	Bank and Investment Balances	Associated Risks
Deposits	\$ 21,819,823	\$ 22,222,246	Custodial credit
U.S. Agencies – explicitly guaranteed	1,628,663	1,628,663	Custodial credit, interest rate
U.S. Agencies – implicitly guaranteed	866,735	866,735	Custodial credit, credit, interest rate, concentration of credit
Mutual funds – other than bond funds	1,217,868	1,217,868	N/A
Mutual funds – bond funds	161,465	161,465	Credit, interest rate
LGIP	4,061,551	4,061,551	Credit
Petty cash	1,200	-	N/A
Total Deposits and Investments	\$ 29,757,305	\$ 30,158,528	

Reconciliation to financial statements:

Per statement of net position	
Unrestricted cash and investments	\$ 20,312,773
Restricted cash and investments	1,166,060
Per statement of fiduciary net position – Custodial funds	8,278,472
Total Deposits and Investments	\$ 29,757,305

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has been considered in computing custodial credit risk.

The City maintains collateral agreements with its banks. At December 31, 2019, the banks had pledged various government securities in the amount of \$10,993,346 to secure the City's deposits.

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

The valuation methods for recurring fair value measurements are as follows:

- > Mutual funds are readily priced in active markets
- > U.S. Agencies are priced at month-end using "round lot" pricing from similar observable inputs

Investment Type	December 31, 2019			
	Level 1	Level 2	Level 3	Total
U.S. Agencies – explicitly guaranteed	\$ -	\$ 1,628,663	\$ -	\$ 1,628,663
U.S. Agencies – implicitly guaranteed	150,153	716,582	-	866,735
Mutual Funds – other than bond funds	1,217,868	-	-	1,217,868
Mutual Funds – bond funds	161,465	-	-	161,465
<b>Totals</b>	<b>\$ 1,529,486</b>	<b>\$ 2,345,245</b>	<b>\$ -</b>	<b>\$ 3,874,731</b>

#### ***Custodial Credit Risk***

##### **Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the City's deposits may not be returned to the City.

The City does not have any deposits exposed to custodial credit risk.

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**A. DEPOSITS AND INVESTMENTS (cont.)**

**Investments**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The City does not have any investments exposed to custodial credit risk.

**Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

At December 31, 2019, the City's investments were rated as follows:

Investment Type	Moody's Investor Services	Standard and Poor's
U.S. Agencies - implicitly guaranteed	AAA	AA+

The City had investments in mutual bond funds and the external Wisconsin Local Government Investment Pool, which are not rated.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2019, the City's investments were as follows:

Type of Investment	Fair Value	Investment Maturities (in Years)	
		1-4	More Than 4
U.S. Agencies – explicitly guaranteed	\$ 1,628,663	\$ -	\$ 1,628,663
U.S. Agencies – implicitly guaranteed	866,735	150,153	716,582
Mutual funds – bond funds	161,465	-	161,465
Totals	\$ 2,656,863	\$ 150,153	\$ 2,506,710

See Note 1.D.1. for further information on deposit and investment policies.

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**B. RECEIVABLES**

All of the receivables on the balance sheet are expected to be collected within one year with the exception of: delinquent personal property taxes of \$78,950 reported in the general fund and loans of \$2,005,073 reported in nonmajor governmental funds.

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

	Unavailable	Unearned	Total
Property taxes receivable	\$ -	\$ 9,840,931	\$ 9,840,931
Special assessments not yet due	239,854	-	239,854
Loans receivable	2,005,073	-	2,005,073
Other receivables	269,074	-	269,074
 Total Unavailable/Unearned Revenue for Governmental Funds	 \$ 2,514,001	 \$ 9,840,931	 \$ 12,354,932

**C. RESTRICTED ASSETS**

The following represent the balances of the restricted assets:

***Long-Term Debt Accounts***

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

***Equipment Replacement Account***

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

The following is a list of business-type activities restricted cash and investments at December 31, 2019:

	Restricted Assets
Bond redemption	\$ 189,792
Equipment replacement account	976,268
Total Restricted Assets	\$ 1,166,060

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS**

	Beginning Balance	Additions	Disposals	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 8,138,509	\$ 45,515	\$ -	\$ 8,184,024
Construction in progress	514,427	768,160	1,162,723	119,864
Total Capital Assets Not Being Depreciated	<u>8,652,936</u>	<u>813,675</u>	<u>1,162,723</u>	<u>8,303,888</u>
Capital assets being depreciated				
Land improvements	2,581,081	126,470	39,600	2,667,951
Buildings	27,911,796	494,602	31,833	28,374,565
Machinery and equipment	11,060,632	1,323,374	539,615	11,844,391
Infrastructure	38,480,375	1,534,958	387,461	39,627,872
Total Capital Assets Being Depreciated	<u>80,033,884</u>	<u>3,479,404</u>	<u>998,509</u>	<u>82,514,779</u>
Total Capital Assets	<u>88,686,820</u>	<u>4,293,079</u>	<u>2,161,232</u>	<u>90,818,667</u>
Less: Accumulated depreciation for				
Land improvements	(1,121,344)	(72,014)	35,640	(1,157,718)
Buildings	(4,792,153)	(418,346)	23,299	(5,187,200)
Machinery and equipment	(5,010,999)	(666,777)	382,487	(5,295,289)
Infrastructure	(12,513,847)	(671,553)	236,582	(12,948,818)
Total Accumulated Depreciation	<u>(23,438,343)</u>	<u>(1,828,690)</u>	<u>678,008</u>	<u>(24,589,025)</u>
Net Capital Assets Being Depreciated	<u>56,595,541</u>	<u>1,650,714</u>	<u>320,501</u>	<u>57,925,754</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 65,248,477</u>	<u>\$ 2,464,389</u>	<u>\$ 1,483,224</u>	<u>\$ 66,229,642</u>

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

Depreciation expense was charged to functions as follows:

**Governmental Activities**

General governmental	\$ 46,136
Public safety	420,388
Public works, which includes the depreciation of infrastructure	976,613
Culture, education and recreation	<u>385,553</u>
 Total Governmental Activities Depreciation Expense	 <u>\$ 1,828,690</u>

	Beginning Balance	Additions	Disposals	Ending Balance
<b>Business-type Activities</b>				
Capital assets not being depreciated				
Land	\$ 279,834	\$ -	\$ -	\$ 279,834
Construction work in progress	<u>2,755,222</u>	<u>-</u>	<u>2,755,222</u>	<u>-</u>
Total Capital Assets Not Being Depreciated	<u>3,035,056</u>	<u>-</u>	<u>2,755,222</u>	<u>279,834</u>
Capital assets being depreciated				
Machinery and equipment – stormwater	976,390	-	172,797	803,593
Infrastructure – stormwater	9,828,998	365,576	8,094	10,186,480
Source of supply – water	517,881	-	-	517,881
Pumping – water	2,101,732	-	-	2,101,732
Water treatment	82,156	-	2,815	79,341
Transmission and distribution – water	12,925,764	143,112	12,659	13,056,217
Collection system and pumping – sewer	380,179	-	-	380,179
Collecting system – sewer	3,939,120	-	103	3,939,017
Treatment and disposal – sewer	7,825,597	2,613,330	703,524	9,735,403
Intangibles	63,330	-	-	63,330
General	<u>1,707,385</u>	<u>381,065</u>	<u>373,360</u>	<u>1,715,090</u>
Total Capital Assets Being Depreciated	<u>40,348,532</u>	<u>3,503,083</u>	<u>1,273,352</u>	<u>42,578,263</u>
Total Capital Assets	<u>43,383,588</u>	<u>3,503,083</u>	<u>4,028,574</u>	<u>42,858,097</u>
Less: Accumulated depreciation for				
Water, sewer, and stormwater plant	<u>(15,477,205)</u>	<u>(955,030)</u>	<u>832,856</u>	<u>15,599,379</u>
Net Capital Assets Being Depreciated	<u>24,871,327</u>	<u>2,548,053</u>	<u>440,496</u>	<u>26,978,884</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 27,906,383</u>	<u>\$ 2,548,053</u>	<u>\$ 3,195,718</u>	<u>\$ 27,258,718</u>

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

Depreciation expense was charged to functions as follows:

<b>Business-type Activities</b>		
Water	\$	394,328
Sewer		408,166
Stormwater		<u>152,536</u>
 Total Business-type Activities Depreciation Expense	 \$	 <u>955,030</u>

Depreciation expense may be different from business-type capital asset additions because of joint metering, salvage, cost of removal, internal allocations, or costs associated with the disposal of assets.

**E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES, AND TRANSFERS**

***Interfund Receivables/Payables***

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

Receivable Fund	Payable Fund	Amount
General	Nonmajor governmental funds	\$ 251,393
General	Sewer Utility	12,476
Water Utility	Nonmajor governmental funds	8,158
Sewer Utility	General	3,630
Stormwater Utility	General	3,091
General	Stormwater Utility	2,596
Water Utility	General	2,653
General	Water Utility	19,285
Sewer Utility	Nonmajor governmental funds	408
Stormwater Utility	Nonmajor governmental funds	13,691
Capital Projects	Nonmajor governmental funds	<u>294,015</u>
 Total - Fund Financial Statements		 611,396
 Less: Fund eliminations		 (545,408)
Less: Government-wide eliminations		(63,262)
Add: Interfund advances		<u>(359,611)</u>
 Total Internal Balances - Government-Wide Statement of Net Position		 <u>\$ (356,885)</u>
Receivable Fund	Payable Fund	Amount
Governmental Activities	Business-type Activities	\$ 34,357
Business-type Activities	Governmental Activities	<u>(391,242)</u>
 Total Government-Wide Financial Statements		 <u>\$ (356,885)</u>

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

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

***Interfund Receivables/Payables (cont.)***

All amounts are due within one year.

The principal purpose of these interfunds resulted from the time lag between the dates that: (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

***Advances***

The general and utility funds are advancing amounts to TID No. 7 and No. 8 until sufficient TID increments are generated. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the funds' inceptions. No repayment schedules have been established. Various other funds have advances to other funds as detailed below. Interest may be charged on some of these advances. No repayment schedules have been established.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Not Due Within One Year</u>
General	TID No. 8	\$ 152,767	\$ 152,767
General	Urban Development	53,349	53,349
Water Utility	TID No. 7	31,013	31,013
Water Utility	TID No. 8	103,000	103,000
Sewer Utility	TID No. 8	79,010	79,010
Stormwater Utility	TID No. 8	146,588	146,588
General	TID No. 7	<u>161,242</u>	<u>161,242</u>
Total – Fund Financial Statements		726,969	
Less: Fund eliminations		(367,358)	
Less: Government-wide eliminations		<u>(719,222)</u>	
Total – Interfund Advances		<u>\$ (359,611)</u>	

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

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

***Transfers***

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General	Water Utility	\$ 321,136	Tax equivalent
General	Nonmajor Governmental Funds	107,550	Various operating uses
General	General Debt Service	42,014	Reallocate levy
Nonmajor Governmental Funds	General	366,479	Annual contributions to the capital funds; fire benefits
Nonmajor Governmental Funds	Capital Projects	16,395	Contribution for sidewalk reconstruction
Capital Projects	Nonmajor Governmental Funds	900	Pool study contribution
Water utility	Nonmajor Governmental Funds	13,691	Lake St. contribution
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>438,078</u>	Donations
Total - Fund Financial Statements		1,306,243	
Less: Fund eliminations		(972,316)	
Less: Government-wide eliminations		<u>(26,482)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ 307,445</u>	

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

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS**

Long-term obligations activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 17,220,000	\$ 1,240,000	\$ 2,780,000	\$ 15,680,000	\$ 1,860,000
General obligation notes from direct borrowings or direct placements	1,021,737	510,000	678,175	853,562	601,230
Capital Lease Payable	12,334,304	-	240,592	12,093,712	177,000
Premium on debt	146,171	36	31,310	114,897	23,665
Sub-totals	30,722,212	1,750,036	3,730,077	28,742,171	2,661,895
Other Liabilities					
Vested compensated absences	1,524,186	578,123	457,956	1,644,353	566,394
Total Other Liabilities	1,524,186	578,123	457,956	1,644,353	566,394
Total Governmental Activities Long-Term Obligations	\$ 32,246,398	\$ 2,328,159	\$ 4,188,033	\$ 30,386,524	\$ 3,228,289
	Beginning Balance	Increase	Decrease	Ending Balance	Amounts Due Within One Year
<b>Business-type Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 1,200,000	\$ -	\$ 310,000	\$ 890,000	\$ 335,000
Revenue bonds from direct borrowings or direct placements	3,358,074	373,052	244,049	3,487,077	267,068
Premium on debt	18,082	-	5,525	12,557	-
Sub-totals	4,576,156	373,052	559,574	4,389,634	602,068
Other Liabilities					
Vested compensated absences	321,958	126,889	90,196	358,651	98,636
Total Other Liabilities	321,958	126,889	90,196	358,651	98,636
Total Business-type Activities Long-Term Obligations	\$ 4,898,114	\$ 499,941	\$ 649,770	\$ 4,748,285	\$ 700,704

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### F. LONG-TERM OBLIGATIONS (cont.)

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2019, was \$43,276,205. Total general obligation debt outstanding at year-end was \$17,423,562, which includes the \$68,282 state trust fund loan recorded in the CDA.

#### **General Obligation Debt**

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

Governmental Activities General Obligation Debt	Date of Issue	Interest Rates	Date of Maturity	Original Indebtedness	Balance 12/31/19
State trust fund loan *	12/03/08	4.75%	03/15/26	\$ 229,057	\$ 14,573
General obligation refunding bonds	04/19/12	2.00 - 2.65%	04/01/26	4,535,000	2,890,000
General obligation corporate purpose bonds	03/06/13	0.30 - 2.10%	02/01/25	1,545,000	815,000
Taxable general obligation refunding bonds	03/06/13	0.40 - 2.95%	08/01/26	2,660,000	1,325,000
General obligation promissory note *	05/01/13	1.45%	05/01/23	250,000	104,318
General obligation corporate purpose bonds	08/12/14	0.08 - 3.05%	09/01/28	2,795,000	2,215,000
General obligation UW system campus bonds	04/01/15	2.78%	04/01/35	3,040,000	2,530,000
General obligation corporate purpose bonds	07/21/16	2.00 - 2.50%	12/01/35	4,875,000	2,925,000
General obligation promissory note *	12/1/17	2.70%	01/31/22	970,000	510,000
General Obligation Corporate purpose bonds	02/01/18	3.00%	02/01/38	1,790,000	1,740,000
General Obligation Promissory note *	01/24/18	2.95%	09/01/25	411,119	224,671
General Obligation refunding bonds	11/14/19	1.85-2.55%	12/01/30	1,240,000	<u>1,240,000</u>
Total Governmental Activities – General Obligation Debt					<u>\$ 16,533,562</u>

\* Debt issue is a direct borrowing or direct placement

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt (cont.)**

Business-Type Activities General Obligation Debt	Date of Issue	Interest Rates	Date of Maturity	Original Indebtedness	Balance 12/31/19
General obligation refunding bonds	04/19/12	2.00 - 2.65%	03/01/21	\$ 1,630,000	\$ 245,000
General obligation corporate purpose bonds	08/12/14	0.80 - 3.05%	12/01/20	200,000	65,000
General obligation corporate purpose bonds	07/21/16	2.00 - 2.50%	12/01/35	420,000	330,000
General obligation Corporate purpose bonds	02/01/18	3.00%	02/01/38	250,000	<u>250,000</u>
Total Business-Type Activities – General Obligation Debt					<u>\$ 890,000</u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2020	\$ 1,860,000	\$ 336,895	\$ 335,000	\$ 17,288
2021	1,855,000	302,350	110,000	12,778
2022	1,665,000	267,857	70,000	10,340
2023	1,725,000	233,229	70,000	8,840
2024	1,625,000	214,066	70,000	7,340
2025 – 2029	4,165,000	642,968	100,000	25,955
2030 – 2034	2,145,000	302,033	75,000	15,075
2035 – 2038	<u>640,000</u>	<u>52,630</u>	<u>60,000</u>	<u>3,824</u>
Totals	<u>\$ 15,680,000</u>	<u>\$ 2,352,028</u>	<u>\$ 890,000</u>	<u>\$ 101,440</u>

Years	Governmental Activities Notes from Direct Borrowings and Direct Placements	
	Principal	Interest
2020	\$ 601,230	\$ 9,143
2021	78,595	5,939
2022	80,563	3,975
2023	82,508	1,960
2024	<u>10,666</u>	<u>159</u>
Totals	<u>\$ 853,562</u>	<u>\$ 21,176</u>

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**Revenue Debt**

Business-type activities revenue bonds are payable only from revenues derived from the operation of the sewer utility.

The sewer utility has pledged future sewer revenues, net of specified operating expenses, to repay \$3,768,399 in revenue bonds issued in 2006. Proceeds from the bonds provided financing for the sewer utility. The bonds are payable solely from utility revenues and are payable through 2037. Annual principal and interest payments on the bonds are expected to require 13.4% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$3,971,809. Principal and interest paid for the current year and total customer gross revenues were \$311,640 and \$1,562,966 respectively.

Revenue debt payable at December 31, 2019, consists of the following:

**Business-type Activities Revenue Debt –  
direct placement or direct borrowing**

<u>Sewer Utility</u>	<u>Date of Issue</u>	<u>Interest Rates</u>	<u>Date of Maturity</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/19</u>
Clean Water Fund Loan	06/28/06	2.365%	05/01/26	\$ 2,914,814	\$ 1,180,351
Clean Water Fund Loan	04/11/18	1.76%	05/01/37	2,024,320	<u>2,306,726</u>
Total					<u>\$ 3,487,077</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Business-type Activities Revenue Debt</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2020	\$ 267,068	\$ 65,688	\$ 332,756
2021	272,718	59,977	332,695
2022	278,491	54,142	332,633
2023	284,387	48,182	332,569
2024	290,412	42,093	332,505
2025 – 2029	979,018	134,358	1,113,376
2030 – 2034	678,528	68,680	747,208
2035 – 2037	<u>436,455</u>	<u>11,612</u>	<u>448,067</u>
Totals	<u>\$ 3,487,077</u>	<u>\$ 484,732</u>	<u>\$ 3,971,809</u>

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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#### *F. LONG-TERM OBLIGATIONS (cont.)*

##### *Other Debt Information*

Estimated payments of compensated absences, pension and post-employment benefits are not included in the debt service requirement schedules. The compensated absences, pension and OPEB liabilities attributable to governmental activities will be liquidated primarily by the general fund.

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

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

##### *Current Refunding*

On November 14, 2019, the City issued \$1,240,000 in general obligation refunding bonds with an average coupon rate of 2.20% to refund \$1,265,000 of outstanding general obligation corporate purpose bonds with an average coupon rate of 3.93%. The net proceeds along with existing funds of the City were used to prepay the outstanding debt.

The cash flow requirements on the refunded debt prior to the current refunding were \$1,609,635 from 2019 through 2030. The cash flow requirements on the refunding bonds are \$1,409,497 from 2019 through 2030. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$175,932.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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#### **G. LEASE DISCLOSURES**

The City of Baraboo has entered into an agreement with the Community Development Authority of the City of Baraboo (CDA) for the public safety and administration building. In 2018, the CDA issued lease revenue bonds totaling \$12,380,000.

The future minimum lease obligations and the net present value on the minimum lease payments as of December 31, 2019, are as follows:

Years	Governmental Activities	
	Principal	Interest
2020	\$ 177,000	\$ 333,281
2021	182,000	328,345
2022	187,000	323,271
2023	192,300	318,056
2024	197,600	312,695
2025-2029	1,073,800	1,477,685
2030-2034	1,232,200	1,319,117
2035-2039	1,413,700	1,137,756
2040-2044	1,622,100	929,362
2045-2049	1,861,400	690,230
2050-2054	2,135,700	415,850
2055-2058	1,818,912	108,145
Totals	<u>\$ 12,093,712</u>	<u>\$ 7,693,793</u>

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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#### **H. NET POSITION/FUND BALANCES**

Net investment in capital assets reported on the government wide statement of Net Position at December 31, 2019, is calculated as follows:

##### **Governmental Activities**

Net investment in capital assets	
Land	\$ 8,184,024
Construction in progress	119,864
Other capital assets, net of accumulated depreciation	57,925,754
Less: Long-term debt outstanding	(16,533,562)
Less: Capital lease outstanding	(12,093,712)
Less: Unamortized debt premium	(114,897)
Plus: Unamortized loss on debt refunding	292,928
Plus: Unspent capital related debt proceeds	882,264
Plus: Noncapital debt outstanding	<u>1,119,585</u>
Total Net Investment in Capital Assets	<u>\$ 39,782,248</u>

##### **Business-type Activities**

Net Investment in Capital Assets	
Land	\$ 279,834
Plant in service	42,578,263
Less: Accumulated depreciation	(15,599,379)
Less: Capital-related long-term debt outstanding	(4,377,077)
Less: Unamortized premium	(12,557)
Plus: Unamortized loss on debt refunding	6,403
Plus: Unspent proceeds	<u>66,751</u>
Total Net Investment in Capital Assets	<u>\$ 22,942,238</u>

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### H. NET POSITION/FUND BALANCES (cont.)

##### Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2019, include the following:

FUND BALANCES	General	General Debt Service	Capital Projects	Nonmajor Governmental Funds	Totals
<b>Nonspendable:</b>					
Inventories	\$ 140,882	\$ -	\$ -	\$ -	\$ 140,882
Prepaid items	13,067	-	-	-	13,067
Advances	367,358	-	-	-	367,358
Delinquent items	78,950	-	-	-	78,950
Total Nonspendable	<u>600,257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>600,257</u>
<b>Restricted for:</b>					
Debt service	-	3,132	-	-	3,132
Community development block grant	-	-	-	641,257	641,257
Park development impact fees	-	-	-	133,422	133,422
Public safety impact fees	-	-	-	157,661	157,661
Taxi grant	-	-	-	17,335	17,335
Alma Waite	-	-	-	1,264,343	1,264,343
Library	-	-	-	1,979,919	1,979,919
Façade Improvement Program	-	-	-	33,154	33,154
BID pocket park	-	-	-	1,945	1,945
Kuenzi estate	-	-	-	33,012	33,012
Capital catalyst	-	-	-	34,054	34,054
TIF project plans	-	-	-	1,028,623	1,028,623
Capital projects (unspent debt)	-	-	882,264	-	882,264
Total Restricted	<u>-</u>	<u>3,132</u>	<u>882,264</u>	<u>5,324,725</u>	<u>6,210,121</u>
<b>Committed to:</b>					
Economic development	-	-	-	151,585	151,585
Parks	-	-	-	117,203	117,203
Fire department retirement	-	-	-	101,704	101,704
Ochsner Park house	-	-	-	11,833	11,833
Applied to subsequent budget	677,226	-	-	-	677,226
Carryforwards – open contracts	34,907	-	-	-	34,907
Library building	-	-	-	854,655	854,655
Total Committed	<u>712,133</u>	<u>-</u>	<u>-</u>	<u>1,236,980</u>	<u>1,949,113</u>
<b>Assigned to:</b>					
Employee separation	400,097	-	-	-	400,097
Airport operations	41,463	-	-	-	41,463
Bicycle safety	726	-	-	-	726
Police	20,803	-	-	-	20,803
Fire	10,117	-	-	-	10,117
Library	39,964	-	-	-	39,964
Economic development	41,818	-	-	-	41,818
Future capital projects	-	-	310,024	54,513	364,537
Land development	-	-	-	68,856	68,856
Capital equipment	-	-	-	2,025,364	2,025,364
Total Assigned	<u>554,988</u>	<u>-</u>	<u>310,024</u>	<u>2,148,733</u>	<u>3,013,745</u>
<b>Unassigned (deficit):</b>	<u>3,704,558</u>	<u>-</u>	<u>-</u>	<u>(1,172,803)</u>	<u>2,531,755</u>
<b>Total</b>	<u>\$ 5,571,936</u>	<u>\$ 3,132</u>	<u>\$ 1,192,288</u>	<u>\$ 7,537,635</u>	<u>\$ 14,304,991</u>

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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#### I. COMPONENT UNITS

##### **Community Development Authority**

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

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

##### a. Basis of Accounting/Measurement Focus

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

##### b. Deposits and Investments

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 185,798	\$ 204,231	Custodial credit risk
LGIP	92,926	92,926	Credit
Petty cash	345	-	Not applicable
Total Deposits and Investments	<u>\$ 279,069</u>	<u>\$ 297,157</u>	

Reconciliation to statement of net position:

Unrestricted cash and investments	\$ 160,760
Restricted cash and investments	<u>118,309</u>
Total Deposits and Investments	<u>\$ 279,069</u>

##### **Custodial Credit Risk**

###### **Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the CDA's deposits may not be returned to the CDA.

The CDA does not have any deposits exposed to custodial credit risk.

###### **Investments**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the CDA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The CDA does not have any investments exposed to custodial credit risk.

See Note 1.D.1. for further information on deposit and investment policies.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### I. COMPONENT UNITS (cont.)

##### Community Development Authority (cont.)

##### b. Deposits and Investments (cont.)

##### Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

The CDA held investments in the external Wisconsin Local Government Investment Pool, which is not rated.

##### c. Restricted Assets

The CDA has established restricted cash and investment accounts to satisfy statutory and debt requirements. Following is a list of restricted assets at December 31, 2019:

	Donahue Terrace Apartments	Corson Square	Admin Building	Total
Security deposits	\$ 22,178	\$ 19,414	\$ -	\$ 41,592
Reserve account	-	-	76,717	76,717
Totals	\$ 22,178	\$ 19,414	\$ 76,717	\$ 118,309

##### d. Capital Assets

	Beginning Balance	Additions	Disposals	Ending Balance	Useful Lives (Years)
Land	\$ 201,364	\$ -	\$ -	\$ 201,364	N/A
Land Improvements	307,620	-	-	307,620	20
Buildings	5,800,009	53,256	-	5,853,265	70-100
Equipment	613,099	2,052	-	615,151	5-15
Less: Accumulated depreciation	(3,887,697)	(124,484)	-	(4,012,181)	
Totals	\$ 3,034,395	\$ (69,176)	\$ -	\$ 2,965,219	

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**I. COMPONENT UNITS (cont.)**

**Community Development Authority (cont.)**

e. Long-Term Obligations

	Beginning Balance	Increase	Decrease	Ending Balance	Amounts Due Within One Year
Bonds and Notes Payable					
General obligation notes from direct borrowings or direct placements	\$ 100,470	\$ -	\$ 32,188	\$ 68,282	\$ 33,468
Revenue bonds from direct borrowings or direct placements	<u>12,380,000</u>	<u>-</u>	<u>172,200</u>	<u>12,207,800</u>	<u>177,000</u>
Sub-totals	<u>12,480,470</u>	<u>-</u>	<u>204,388</u>	<u>12,276,082</u>	<u>210,468</u>
Other Liabilities					
Compensated absences	<u>20,424</u>	<u>7,338</u>	<u>-</u>	<u>27,762</u>	<u>13,028</u>
Total Other Liabilities	<u>20,424</u>	<u>7,338</u>	<u>-</u>	<u>27,762</u>	<u>13,028</u>
 Total Long-Term Obligations	 <u>\$ 12,500,894</u>	 <u>\$ 7,338</u>	 <u>\$ 204,388</u>	 <u>\$ 12,303,844</u>	 <u>\$ 223,496</u>

**General Obligation Debt From Direct Borrowings or Direct Placements**

The general obligation debt payable of the CDA is made up of one state trust fund loan issued on January 5, 2017. Original indebtedness of the loan was \$160,000 with a 4% interest rate. Final maturity is March 15, 2021. The debt will be retired by future operating revenues of the CDA. Debt service requirements to maturity are as follows:

Years	Principal	Interest
2020	\$ 33,468	\$ 2,739
2021	<u>34,814</u>	<u>1,393</u>
 Totals	 <u>\$ 68,282</u>	 <u>\$ 4,132</u>

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

**I. COMPONENT UNITS (cont.)**

**Community Development Authority (cont.)**

e. Long-Term Obligations (cont.)

**Revenue Bonds from Direct Borrowings or Direct Placements**

The revenue bonds payable for the CDA are made up of one issue through the USDA, dated June 28, 2018. Original indebtedness of the bonds was \$12,380,000 with 2.75% interest rate. Proceeds from the bonds provided financing for the construction of the public safety and administration building. The bonds are payable solely from the lease revenues and are payable through 2058. The total principal and interest remaining to be paid on the bonds is \$19,901,593. Interest paid for the current year was \$337,437. Principal paid for the current year was \$172,200. Total customer net revenues were \$337,437.

Debt service requirements to maturity are as follows:

Years	Principal	Interest
2020	\$ 177,000	\$ 333,281
2021	182,000	328,345
2022	187,000	323,271
2023	192,300	318,056
2024	197,600	312,695
2025-2029	1,073,800	1,477,685
2030-2034	1,232,200	1,319,117
2035-2039	1,413,700	1,137,756
2040-2044	1,622,100	929,362
2045-2049	1,861,400	690,230
2050-2054	2,135,700	415,850
2055-2058	1,933,000	108,145
<b>Totals</b>	<b>\$ 12,207,800</b>	<b>\$ 7,693,793</b>

f. Employee Retirement System

The employees of the City administer the CDA programs and are included in the Wisconsin Retirement System a cost-sharing, multiple-employer, defined benefit, public employee retirement system, as part of the primary government's plan. See Note IV. A.

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

**I. COMPONENT UNITS (cont.)**

**Community Development Authority (cont.)**

g. Net Position

Net Investment in Capital Assets			
Land	\$	201,364	
Other capital assets		6,776,036	
Less: Accumulated depreciation		(4,012,181)	
Less: Capital related debt		<u>(68,282)</u>	
Net Investment in Capital Assets	\$	<u>2,896,937</u>	

**Business Improvement District**

This report contains the Business Improvement District (“BID”), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and statement of activities. In addition to the basic financial statements and the preceding notes to financial statements, which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus

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

b. Deposits and Investments

	<u>Carrying Value</u>	<u>Bank Balances</u>	<u>Associated Risks</u>
Deposits	\$ <u>69,036</u>	\$ <u>69,036</u>	Custodial credit risk

**Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a financial institution failure, the BID's deposits may not be returned to the BID. The BID does not have any deposits exposed to custodial credit risk.

See Note 1.D.1. for further information on deposit and investment policies.

**J. RESTATEMENT OF NET POSITION**

The City’s financial statements include custodial funds, which did not report fiduciary net position under previous accounting standards. As of January 1, 2019, custodial funds are reporting \$352,018 in beginning fiduciary net position as a result of the implementation of GASB Statement No. 84. Refer to Note I.B. for additional information related to this standard.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV - OTHER INFORMATION

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#### **A. EMPLOYEES' RETIREMENT SYSTEM**

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

ETF issues a standalone 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 occupation employees, 62 for elected officials and State executive participants, if hired on or before December 31, 2016) are entitled to retirement benefit based on a formula factor, their average earnings, and creditable services.

Final average earnings is the average of the participant's three highest annual earnings period. Creditable service includes current service and prior service for which a participant received earnings and makes 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 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 BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2009	(2.1)%	(42.0)%
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

**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 and Executives and Elected Officials. Starting January 1, 2017, the Executives and Elected Officials category merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$469,772 in contributions from the City and CDA. For purpose of Note IV.A. when the City is referenced it is intended to include the CDA.

Contribution rates for the plan year reported as of December 31, 2019 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

At December 31, 2019, the City reported a liability of \$1,605,439 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the City's proportion was 0.04512594%, which was an increase of 0.00078985% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension expense of \$1,081,114.

At December 31, 2019, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,250,394	\$ 2,210,247
Changes of actuarial assumptions	270,618	-
Net differences between projected and actual earnings on pension plan investments	2,344,634	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,171	4,831
Employer contributions subsequent to the measurement date	495,985	-
Totals	\$ 4,368,802	\$ 2,215,078

## CITY OF BARABOO

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

#### NOTE IV - OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

\$495,985 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2020	\$ 602,855
2021	151,750
2022	261,819
2023	641,315

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

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Asset	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*:	1.9%

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

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

## CITY OF BARABOO

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

#### NOTE IV - OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	49%	8.1%	5.5%
Fixed Income	24.5	4.0	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.7
 <u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.6	5.0
International Equities	30	8.5	5.9
Total Variable Fund	100	8.0	5.4

New England Pension Consultants Long-Term US CPI (Inflation) Forecast: 2.75%  
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

**Single 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 7.00% and a long-term bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the 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.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the net pension liability (asset)	\$ 6,380,184	\$ 1,605,439	\$ (1,944,953)

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

At December 31, 2019, the City reported a payable to the pension plan of \$108,211, which represents contractually required contributions outstanding as of the end of the year.

#### B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers' compensation; and health care of its employees. The City participates in a public entity risk pool called to provide coverage for losses from torts, errors, and omissions. However, other risks, such as (torts; theft of, damage to, or destruction of assets; errors and omission; workers compensation; and health care of its employees) are accounted for and financed by the City in the general fund.

##### **Public Entity Risk Pool**

##### **Wisconsin Municipal Insurance Commission ("WMIC") Cities and Villages Mutual Insurance Company ("CVMIC")**

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

The CVMIC is a municipal mutual insurance company established on September 19, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages, which make up the membership of the WMIC.

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV - OTHER INFORMATION** (cont.)

**B. RISK MANAGEMENT** (cont.)

**Public Entity Risk Pool** (cont.)

The CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The City's share of such losses is less than 1%.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The City does not exercise any control over the activities of the agencies beyond the election of the officers and board.

Financial statements of WMIC and CVMIC are available from: Cities and Village Mutual Insurance Company, 1250 South Sunnyslope Road, Suite 105, Brookfield, WI 53005.

The initial investment in WMIC is refundable upon withdrawal from the commission and has been reported at the original amount of \$320,000 in the liability insurance internal service fund.

The City pays an annual premium to CVMIC for its general liability insurance, which provides coverage up to \$5,000,000 per occurrence, less the City's retained liability. The City's retained liability is limited to \$25,000 per occurrence and an annual aggregate limit of \$100,000. An actuarially determined estimate has been recorded for this liability, as well as for claims incurred but not reported at December 31, 2019. A total liability of \$15,558 at December 31, 2019, was recorded as claims payable, which is included in the accounts payable balance in the liability insurance internal service fund. Changes in the fund's claims loss liability follow:

Years	Beginning Balance	Incurred Claims	Claims Paid/ Settled	Ending Balance
2019	\$ 23,955	\$ 312,486	\$ 320,883	\$ 15,558
2018	44,765	311,782	332,592	23,955

**C. COMMITMENTS AND CONTINGENCIES**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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

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

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV - OTHER INFORMATION (cont.)

#### C. COMMITMENTS AND CONTINGENCIES (cont.)

The City has active construction projects as of December 31, 2019. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

#### D. OTHER POSTEMPLOYMENT BENEFITS

References to the City within Note IV.D. are intended to include the City and CDA.

##### **General Information About the OPEB Plan**

**Plan description.** The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides health benefit plans for employees and retired former employees (and their dependents) of the City. RBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**Benefits provided.** RBP provides healthcare coverage to active employees and retirees at blended premium rates. This results in another postemployment benefit for the retirees, commonly referred to as an implicit rate subsidy. Retirees participating in the plan contribute 100% of the blended premium. The City, by paying the blended premium for active employees, contributes the difference between the blended premium and the age adjusted premium towards retiree benefits.

**Employees covered by benefit terms.** At December 31, 2019, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	4
Active plan members	89
Total	93

##### **Total OPEB Liability**

The City's total OPEB liability of \$1,335,386 was measured as of December 31, 2019, and was determined by an actuarial valuation as of that date.

**Actuarial assumptions and other inputs.** The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary increases	3.5%
Healthcare cost trend rates	7.5% then decreasing by 0.5% per year to an ultimate rate of 4.0%
Retirees' share of benefit-related costs	100% of blended premium

## CITY OF BARABOO

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

#### NOTE IV - OTHER INFORMATION (cont.)

##### **D. OTHER POSTEMPLOYMENT BENEFITS (OPEB)** (cont.)

##### **Total OPEB Liability** (cont.)

The discount rate was based on 20-year Bond Buyer GO Index.

Mortality rates are based on the Wisconsin 2012 Mortality Table.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period 2012-2014 conducted in 2015 using Wisconsin Retirement Systems (WRS).

##### **Changes in the Total OPEB Liability**

	Total OPEB Liability
Balances at December 31, 2018	\$ 1,116,643
Changes for the year:	
Service cost	83,044
Interest	44,957
Changes in assumptions or other inputs	127,866
Benefit payments	(37,124)
Net Changes	218,743
Balances at December 31, 2019	\$ 1,335,386

Changes of assumptions and other inputs reflect a change in the discount rate from 4.10 percent in 2018 to 2.75 percent in 2019.

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75 percent) or 1-percentage-point higher (3.75 percent) than the current discount rate:

	1% Decrease 1.75%	Discount Rate 2.75%	1% Increase 3.75%
Total OPEB liability	\$ 1,441,403	\$ 1,335,386	\$ 1,236,921

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.0 percent decreasing to 3.0 percent) or 1-percentage-point higher (9.0 percent decreasing to 5.0 percent) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 1,186,180	\$ 1,335,386	\$ 1,513,161

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV - OTHER INFORMATION (cont.)**

**D. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (cont.)**

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

For the year ended December 31, 2019, the City recognized OPEB expense of \$133,862.

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 117,612	\$ 45,990

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

Year Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2020	\$5,861
2021	5,861
2022	5,861
2023	5,861
2024	5,861
Thereafter	42,317

***Local Retiree Life Insurance Fund (LRLIF)***

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

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.

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV - OTHER INFORMATION** (cont.)

**D. OTHER POSTEMPLOYMENT BENEFITS (OPEB)** (cont.)

**Local Retiree Life Insurance Fund (LRLIF)** (cont.)

**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 post-retirement benefit.

Employers are required to pay the following contribution 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 for the plan year reported as of December 31, 2019 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

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 plan year are as listed below:

<b>Life Insurance Employee Contribution Rates for the Plan Year</b>	
Attained Age	Basic
Under 30	\$0.05
30-34	0.06
34-39	0.07
40-44	0.08
45-49	0.12
50-54	0.22
55-59	0.39
60-64	0.49
65-69	0.57

During the reporting period, the LFLIF recognized \$1,540 in contributions from the employer.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV - OTHER INFORMATION (cont.)

#### **D. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (cont.)**

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

At December 31, 2019, the City reported a liability of \$249,304 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. 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, 2018, the City's proportion was 0.09661700%, which was an increase of 0.00005200% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized OPEB expense of \$26,571.

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 12,647
Net differences between projected and actual earnings on pension plan investments	5,958	-
Changes in assumptions	23,788	54,039
Changes in proportion and differences between employer contributions and proportionate share of contributions	10,713	-
Employer contributions subsequent to the measurement date	1,994	-
Totals	\$ 42,453	\$ 66,686

**CITY OF BARABOO**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV - OTHER INFORMATION** (cont.)

**D. OTHER POSTEMPLOYMENT BENEFITS (OPEB)** (cont.)

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

\$1,994 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a \$1,994 of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2020	\$ (2,971)
2021	(2,971)
2022	(2,971)
2023	(3,808)
2024	(4,669)
Thereafter	(8,837)

**Actuarial assumptions.** The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2018
Measurement Date of Net OPEB Liability:	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	4.10%
Long-Term Expected Rate of Return:	5.00%
Discount Rate:	4.22%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV - OTHER INFORMATION (cont.)

#### **D. OTHER POSTEMPLOYMENT BENEFITS (OPEB)** (cont.)

#### **OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs** (cont.)

**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.

#### **Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2018**

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Government Bonds	Barclays Government	1%	1.44%
U.S. Credit Bonds	Barclays Credit	40	2.69
U.S. Long Credit Bonds	Barclays Long Credit	4	3.01
U.S. Mortgages	Barclays MBS	54	2.25
U.S. Municipal Bonds	Bloomberg Barclays Muni	1	1.68
Inflation			2.3
Long-Term Expected Rate of Return			5.0

**Single discount rate.** A single discount rate of 4.22% was used to measure the total OPEB liability. 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.

**Sensitivity of the City's proportionate share of the net OPEB liability to changes in the discount rate.** The following presents the City's proportionate share of the net OPEB liability calculated using the discount rate of 4.22 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22 percent) or 1-percentage-point higher (5.22 percent) than the current rate

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
City's proportionate share of the net OPEB liability	\$ 354,652	\$ 249,304	\$ 168,053

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **D. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (cont.)**

##### ***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (cont.)***

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

#### **E. JOINT VENTURES**

##### ***Baraboo Ambulance District***

The City of Baraboo and seven other villages and towns jointly operate the local EMS District, which is called the Baraboo Ambulance District. The communities share in the annual operation of the district. The 2019 share of operations was:

City of Baraboo	67%
Seven villages and towns	33%

The district adopts its own budget. Net operating costs including debt service are shared by these communities based on the ratio of population. The department is governed by the Baraboo EMS Commission. The board consists of the citizens from each community. City of Baraboo representatives are appointed by the mayor with council approval. The City made a payment to the district in 2019 of \$288,408. Financial information of the district may be obtained directly from the district's office.

The City's equity interest in the EMS District is equal to its percentage share of participation. The equity interest is based on the most recent audited financial statements of the district and is reported in the governmental activities column of the government-wide statement of net position. Changes in the equity interest are reported on the statement of activities.

##### ***UW Campus***

The City of Baraboo and Sauk County jointly own and maintain the buildings of the UW Campus. They share the cost on an annual basis, respectively. The buildings owned by the City of Baraboo are part of the City's capital assets on the statement of net position. The debt outstanding on the purchase of the assets is included in the City's long-term liabilities on the statement of net position. Summary financial information of the joint operation is not available. Total expenditures by the City in 2019 were \$102,500 in the general fund.

##### ***Baraboo-Wisconsin Dells Regional Airport (Airport)***

The City of Baraboo and Village of Lake Delton (Village) jointly own and operate the Airport. The Airport adopts its own budget. The Airport Commission includes representation from each community appointed by the governing bodies of the City and Village. Contributions for operations and capital are contributed in equal amounts on an annual basis. The City does not have an equity interest in the joint venture. The Airport is reported as a custodial fund of the City. Additional financial information of the Airport may be obtained directly from the Airport.

# CITY OF BARABOO

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **F. ECONOMIC DEPENDENCY**

The water utility has one significant customer who was responsible for 20% of operating revenues.

#### **G. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS**

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

- > Statement No. 87, *Leases*
- > Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- > Statement No. 91, *Conduit Debt Obligations*
- > Statement No. 92, *Omnibus*
- > Statement No. 93, *Replacement of Interbank Offered Rates*
- > Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, with the exception of Statement No. 87, which was postponed by one and a half years.

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

#### **H. DEVELOPER AGREEMENT**

The City and Developer entered into a developer agreement that guaranteed specific development values at essential milestones. The debt repayment schedules were timed with anticipated development in order to meet annual debt obligations without use of general tax levy outside of the TID. The developer agreement made provisions for development that fell short of expectations and was insufficient to cover the annual debt payments. The Developer is required to contribute an additional \$153,436 in 2019 toward the scheduled debt payments. Contributions through 2019 related to this agreement were \$534,903.

#### **I. SUBSEQUENT EVENTS**

On July 16, 2020, the city issued \$2,645,000 of general obligation corporate purpose bonds for street and fire projects. The interest rate being charged is 2% with final maturity in 2040.

In March of 2020, the city received a gift of \$2,500,000 to fund an upcoming renovation and expansion of the library. The project will begin in 2021.

On April 13, 2020, a significant water customer filed for Chapter 11 bankruptcy. The customer decreased operations beginning in the second quarter of 2020 and will cease all operations no later than October 26, 2020. The extent of the impact discontinued operations on the Utilities' operational and financial performance will depend on future developments and related regulatory actions.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF BARABOO**

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
<b>TAXES</b>				
Property taxes	\$ 6,915,186	\$ 6,915,186	\$ 6,915,186	\$ -
Managed forest land taxes	42	42	133	91
Mobile home fees	100,018	100,018	96,082	(3,936)
Room tax	8,000	8,000	9,395	1,395
Payment in lieu of taxes	66,481	66,481	62,090	(4,391)
Interest and penalties on taxes	500	500	574	74
Total Taxes	<u>7,090,227</u>	<u>7,090,227</u>	<u>7,083,460</u>	<u>(6,767)</u>
<b>INTERGOVERNMENTAL</b>				
Shared taxes	1,741,549	1,741,549	1,689,501	(52,048)
Exempt computer aid	48,362	48,362	48,371	9
Personal property aid	71,476	71,476	71,476	-
Municipal services	89,425	216,425	217,116	691
DNR grant	1,000	1,000	631	(369)
Police grant	14,120	14,120	37,106	22,986
General highways	627,822	627,822	627,534	(288)
Connecting highways	70,636	70,636	70,636	-
Recycling grant	33,000	33,000	35,127	2,127
Forestry grant	5,500	5,500	-	(5,500)
SCLS aid	283,225	283,225	282,132	(1,093)
Library aid	525	525	660	135
Medical transport aid	-	-	62,181	62,181
Other local government grants	5,000	5,000	5,000	-
Fire grant	55,783	55,783	61,388	5,605
Total Intergovernmental Revenues	<u>3,047,423</u>	<u>3,174,423</u>	<u>3,208,859</u>	<u>34,436</u>
<b>LICENSES AND PERMITS</b>				
Beverage licenses	21,290	21,290	32,403	11,113
Television license	166,000	166,000	159,986	(6,014)
Other licenses	30,770	30,770	33,751	2,981
Permits	78,000	78,000	62,679	(15,321)
Total Licenses and Permits	<u>296,060</u>	<u>296,060</u>	<u>288,819</u>	<u>(7,241)</u>
<b>FINES, FORFEITURES AND PENALTIES</b>				
Court fines and penalties	50,000	50,000	50,562	562
Parking violations	32,000	32,000	42,131	10,131
Total Fines, Forfeitures and Penalties	<u>82,000</u>	<u>82,000</u>	<u>92,693</u>	<u>10,693</u>
<b>PUBLIC CHARGES FOR SERVICES</b>				
General government	6,510	6,510	10,604	4,094
Publication fees	700	700	950	250
Police	4,500	4,500	2,282	(2,218)
Fire protection fees	300	300	1,685	1,385
Weather radios	50	50	154	104
Public works	25,000	27,297	20,487	(6,810)
Dog park fees	5,800	5,800	4,550	(1,250)
Library	27,000	29,544	30,501	957
Parks	11,000	11,000	10,290	(710)
Zoo	5,400	5,400	5,574	174
Development review fees	500	500	250	(250)
Trees	-	4,062	4,062	-
Recreation programs	135,020	135,295	125,315	(9,980)
Total Public Charges for Service	<u>221,780</u>	<u>230,958</u>	<u>216,704</u>	<u>(14,254)</u>

See accompanying notes to required supplementary information and independent auditors' report.

## CITY OF BARABOO

### DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>				
Fire services	\$ 209,630	\$ 209,630	\$ 173,432	\$ (36,198)
General government	21,350	21,350	23,850	2,500
Water utility	11,100	11,100	11,100	-
Sewer utility	11,100	11,100	11,100	-
Stormwater utility	11,100	11,100	11,100	-
Total Intergovernmental Charges for Service	264,280	264,280	230,582	(33,698)
<b>INVESTMENT INCOME</b>				
Interest on investments	178,237	178,237	184,884	6,647
Interest on special assessments	-	-	82	82
Interest on advances to other funds	180	180	204	24
Total Investment Income	178,417	178,417	185,170	6,753
<b>MISCELLANEOUS</b>				
Rent	116,870	116,870	168,131	51,261
Insurance recoveries	12,000	12,407	3,405	(9,002)
Donations	6,165	21,252	19,723	(1,529)
Insurance dividends	25,000	25,000	21,502	(3,498)
Other miscellaneous	11,000	11,000	10,624	(376)
Refund of prior year expenditures	-	-	1,851	1,851
Total Miscellaneous	171,035	186,529	225,236	38,707
Total Revenues	11,351,222	11,502,894	11,531,523	28,629
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
Common Council	40,819	40,619	39,844	775
Mayor	14,065	13,773	12,346	1,427
Attorney	132,963	129,495	123,633	5,862
City Clerk	116,759	112,550	109,788	2,762
Administrator	210,635	255,660	256,304	(644)
Personnel	6,350	27,697	27,055	642
Elections	33,873	23,444	16,975	6,469
Data processing	77,875	84,563	75,291	9,272
Independent auditing	45,450	70,450	69,925	525
Treasurer	97,786	105,172	104,549	623
Finance Director	300,784	307,059	302,020	5,039
Assessment of property	42,648	42,643	41,888	755
Municipal buildings	239,060	278,854	272,319	6,535
Insurance	45,003	82,604	82,604	-
Illegal taxes	863	862	411	451
Other	41,750	41,750	2,937	38,813
Total General Government	1,446,683	1,617,195	1,537,889	79,306
<b>PUBLIC SAFETY</b>				
Police department	2,821,998	2,854,966	2,835,603	19,363
Fire department	658,245	667,631	593,558	74,073
Administration	991,132	946,523	835,737	110,786
Hydrant rental	289,307	289,307	289,307	-
Ambulance	288,408	288,408	288,408	-
Inspection	112,104	111,399	60,860	50,539
Sealer of weights and measures	4,400	4,400	4,400	-
Emergency government	3,634	2,964	2,214	750
Total Public Safety	5,169,228	5,165,598	4,910,087	255,511

See accompanying notes to required supplementary information and independent auditors' report.

## CITY OF BARABOO

### DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>PUBLIC WORKS</b>				
Highway administration	\$ 192,156	\$ 192,926	\$ 179,890	\$ 13,036
Shop operations	410,767	393,943	391,894	2,049
Machinery operation and maintenance	328,891	314,748	312,253	2,495
Buildings	131,144	117,597	84,987	32,610
Street maintenance	308,318	384,088	384,345	(257)
Tree and brush removal	172,286	149,426	137,949	11,477
Snow and ice control	294,737	386,211	358,737	27,474
Garages and sheds	74,111	55,228	50,441	4,787
Street lighting	153,545	158,116	154,567	3,549
Sidewalks, without street reconstruction	56,764	56,747	54,797	1,950
Parking facilities	30,753	22,376	18,016	4,360
Airport	39,342	39,342	39,342	-
Docks and harbors	40,285	41,661	37,810	3,851
Refuse and garbage collection	108,350	116,837	116,953	(116)
Solid waste disposal	213,000	224,180	224,178	2
Recycling	123,108	130,368	127,082	3,286
Weed and nuisance control	10,143	8,199	7,045	1,154
Total Public Works	<u>2,687,700</u>	<u>2,791,993</u>	<u>2,680,286</u>	<u>111,707</u>
<b>HEALTH AND HUMAN SERVICES</b>				
Animal control	2,250	1,650	879	771
Cemetery	29,000	29,000	29,000	-
Total Health and Human Services	<u>31,250</u>	<u>30,650</u>	<u>29,879</u>	<u>771</u>
<b>CULTURE, RECREATION AND EDUCATION</b>				
Library	936,800	943,394	943,830	(436)
Civic center	287,537	305,779	288,211	17,568
Parks	611,833	583,237	549,652	33,585
Recreation	172,330	169,661	148,401	21,260
Zoo	258,307	274,256	235,081	39,175
Pool	113,092	115,284	102,416	12,868
Celebration and entertainment	1,370	1,070	1,136	(66)
UW campus	102,500	102,500	102,500	-
Cable television	32,103	39,343	35,343	4,000
Total Culture, Recreation and Education	<u>2,515,872</u>	<u>2,534,524</u>	<u>2,406,570</u>	<u>127,954</u>
<b>CONSERVATION AND DEVELOPMENT</b>				
Forestry	102,613	100,970	99,645	1,325
Zoning	752	500	414	86
Economic development	113,455	109,556	69,217	40,339
Public Housing	500	500	500	-
Planning	5,707	4,038	2,812	1,226
Total Conservation and Development	<u>223,027</u>	<u>215,564</u>	<u>172,588</u>	<u>42,976</u>
<b>CAPITAL OUTLAY</b>				
Highway and street construction	11,788	243,773	98,350	145,423
Sidewalk construction	3,467	3,286	644	2,642
Total Capital Outlay	<u>15,255</u>	<u>247,059</u>	<u>98,994</u>	<u>148,065</u>
Total Expenditures	<u>12,089,015</u>	<u>12,602,583</u>	<u>11,836,293</u>	<u>766,290</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(737,793)</u>	<u>(1,099,689)</u>	<u>(304,770)</u>	<u>794,919</u>

See accompanying notes to required supplementary information and independent auditors' report.

**CITY OF BARABOO**

DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Sales of city property	\$ 6,300	\$ 28,411	\$ 25,653	\$ (2,758)
Transfer in - tax equivalent	324,500	324,500	321,136	(3,364)
Transfers in	14,700	119,700	149,564	29,864
Transfer out	<u>(369,200)</u>	<u>(366,950)</u>	<u>(366,479)</u>	<u>471</u>
Total Other Financing Sources (Uses)	<u>(23,700)</u>	<u>105,661</u>	<u>129,874</u>	<u>24,213</u>
<b>Net Change in Fund Balance</b>	(761,493)	(994,028)	(174,896)	819,132
FUND BALANCES - Beginning	<u>5,746,832</u>	<u>5,746,832</u>	<u>5,746,832</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 4,985,339</u>	<u>\$ 4,752,804</u>	<u>\$ 5,571,936</u>	<u>\$ 819,132</u>

See accompanying notes to required supplementary information and independent auditors' report.

## CITY OF BARABOO

### SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) (CITY/CDA) - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2019

Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/19	0.04512594%	\$ 1,605,439	\$ 5,821,833	27.58%	96.45%
12/31/18	0.04436090%	(1,316,391)	5,710,373	-23.05%	102.93%
12/31/17	0.04351969%	358,706	5,490,903	6.53%	99.12%
12/31/16	0.04372699%	710,555	5,420,907	13.11%	98.20%
12/31/15	0.04426960%	(1,087,382)	5,317,046	-20.45%	102.74%

### SCHEDULE OF EMPLOYER CONTRIBUTIONS (CITY/CDA) - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2019

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/19	\$ 495,985	\$ 495,985	\$ -	\$ 6,403,603	7.75%
12/31/18	479,299	479,299	-	5,821,834	8.23%
12/31/17	474,123	474,123	-	5,710,374	8.30%
12/31/16	434,001	434,001	-	5,490,903	7.90%
12/31/15	429,434	429,434	-	5,420,907	7.92%

### SCHEDULE OF PROPORTIONATE SHARE OF THE NET LIFE INSURANCE OPEB LIABILITY (CITY/CDA) LOCAL RETIREE LIFE INSURANCE FUND For the Year Ended December 31, 2019

Fiscal Year Ending	Proportion of the Net OPEB Liability	Proportionate Share of the Net OPEB Liability	Covered Payroll	Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/19	0.09661700%	\$ 249,304	\$ 4,572,000	5.45%	48.69%
12/31/18	0.09656500%	290,524	4,060,834	7.15%	44.81%

See accompanying notes to the required supplementary information and independent auditors' report.

## CITY OF BARABOO

### SCHEDULE OF CHANGES IN EMPLOYER'S TOTAL OPEB LIABILITY AND RELATED RATIOS (CITY/CDA) HEALTH INSURANCE

For the Year Ended December 31, 2019

	2019	2018
<b>Total OPEB Liability</b>		
Service cost	\$ 83,044	\$ 88,481
Interest	44,957	36,586
Changes of assumptions	127,866	(54,776)
Benefit payments	(37,124)	(34,374)
<b>Net Change in Total OPEB Liability</b>	218,743	35,917
<b>Total OPEB Liability - Beginning</b>	1,116,643	1,080,726
<b>Total OPEB Liability - Ending</b>	\$ 1,335,386	\$ 1,116,643
<b>Covered payroll</b>	\$ 5,239,979	\$ 5,062,791
<b>Total OPEB liability as a percentage of covered payroll</b>	25.48%	22.06%

**Notes to Schedule:**

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

*Benefit changes.* There were no changes to the benefits.

*Changes of assumptions.* The discount rate was changed from 4.10% to 2.75% for amounts reported as of December 31, 2019.

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

This schedule is to show information for 10 years. However, accounting standards allow the presentation of as many years as are available until 10 years are presented.

# CITY OF BARABOO

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended December 31, 2019

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### ***BUDGETARY INFORMATION***

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I. C.

The budgeted amounts presented include any amendments made. The City may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds council action.

Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were \$589,895. Budgets are adopted at the department level of expenditure.

### ***WISCONSIN RETIREMENT SYSTEM***

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

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

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in Assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015-2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop the Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

### ***LOCAL RETIREE LIFE INSURANCE FUNDS***

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

*Changes in Assumptions.* Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015-2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop the Total OPEB Liability changed, including the discount rate, wage inflation rate, mortality and separation rates.

**SUPPLEMENTARY INFORMATION**

**CITY OF BARABOO**

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
As of December 31, 2019

	Special Revenue Funds									
	Economic Development	Community Development Block Grant	Park Development Impact Fees	Public Safety Impact Fees	Taxi Grant	Alma Waite	Library	Parks	Fire Department Retirement	Ochsner Park House
<b>ASSETS</b>										
Cash and investments	\$ 149,721	\$ 5	\$ 154,727	\$ 157,661	\$ 5,005	\$ 1,175,188	\$ 1,978,490	\$ 123,545	\$ 101,163	\$ 12,037
Receivables										
Taxes	-	-	-	-	-	1,017	-	-	-	-
Accounts	-	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	955	-	-	-	-
Loans	229,253	-	-	-	-	-	-	-	-	-
Interest	1,864	-	-	-	-	6,085	2,726	318	541	-
Due from other governments	-	269,014	-	-	35,228	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 380,838</b>	<b>\$ 269,019</b>	<b>\$ 154,727</b>	<b>\$ 157,661</b>	<b>\$ 40,233</b>	<b>\$ 1,183,245</b>	<b>\$ 1,981,216</b>	<b>\$ 123,863</b>	<b>\$ 101,704</b>	<b>\$ 12,037</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>										
Liabilities										
Accounts payable	\$ -	\$ -	\$ 21,305	\$ -	\$ 22,898	\$ -	\$ 1,297	\$ 6,660	\$ -	\$ 204
Due to other governments	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	294,015	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	294,015	21,305	-	22,898	-	1,297	6,660	-	204
Deferred Inflows of Resources										
Property taxes levied for next period	-	-	-	-	-	1,017	-	-	-	-
Unavailable revenue	229,253	269,014	-	-	-	955	-	-	-	-
Total Deferred Inflows of Resources	229,253	269,014	-	-	-	1,972	-	-	-	-
Fund Balances										
Restricted	-	-	133,422	157,661	17,335	1,181,273	1,979,919	-	-	-
Committed	151,585	-	-	-	-	-	-	117,203	101,704	11,833
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	(294,010)	-	-	-	-	-	-	-	-
Total Fund Balances	151,585	(294,010)	133,422	157,661	17,335	1,181,273	1,979,919	117,203	101,704	11,833
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 380,838</b>	<b>\$ 269,019</b>	<b>\$ 154,727</b>	<b>\$ 157,661</b>	<b>\$ 40,233</b>	<b>\$ 1,183,245</b>	<b>\$ 1,981,216</b>	<b>\$ 123,863</b>	<b>\$ 101,704</b>	<b>\$ 12,037</b>

**CITY OF BARABOO**

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
As of December 31, 2019

	Special Revenue Funds								
	Library Impact Fees	Façade Improvement Program	BID Pocket Park	Kuenzi Estate	Library Building	Capital Catalyst	Economic Development Revolving Loan	Wisconsin Community Development Block Grant	TIF Incentive
<b>ASSETS</b>									
Cash and investments	\$ 83,070	\$ 33,109	\$ 1,945	\$ 32,877	\$ 854,529	\$ 2,269	\$ 89,464	\$ 547,190	\$ 443,652
Receivables									
Taxes	-	-	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-
Loans	-	6,913	-	-	-	82,169	752,199	906,958	27,581
Interest	-	45	-	135	1,209	31,785	3,953	650	93
Due from other governments	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 83,070</b>	<b>\$ 40,067</b>	<b>\$ 1,945</b>	<b>\$ 33,012</b>	<b>\$ 855,738</b>	<b>\$ 116,223</b>	<b>\$ 845,616</b>	<b>\$ 1,454,798</b>	<b>\$ 471,326</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>									
Liabilities									
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 1,083	\$ -	\$ -	\$ -	\$ -
Due to other governments	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	119,786
Advances from other funds	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	1,083	-	-	-	119,786
Deferred Inflows of Resources									
Property taxes levied for next period	-	-	-	-	-	-	-	-	-
Unavailable revenue	-	6,913	-	-	-	82,169	752,199	906,958	27,581
Total Deferred Inflows of Resources	-	6,913	-	-	-	82,169	752,199	906,958	27,581
Fund Balances									
Restricted	83,070	33,154	1,945	33,012	-	34,054	93,417	547,840	323,959
Committed	-	-	-	-	854,655	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-	-	-
Total Fund Balances	83,070	33,154	1,945	33,012	854,655	34,054	93,417	547,840	323,959
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 83,070</b>	<b>\$ 40,067</b>	<b>\$ 1,945</b>	<b>\$ 33,012</b>	<b>\$ 855,738</b>	<b>\$ 116,223</b>	<b>\$ 845,616</b>	<b>\$ 1,454,798</b>	<b>\$ 471,326</b>

**CITY OF BARABOO**

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS  
As of December 31, 2019

	Capital Project Funds										Total Nonmajor Governmental Funds
	Tax Incremental District #6	Tax Incremental District #7	Tax Incremental District #8	Tax Incremental District #9	Fire Equipment	Emergency Management Equipment	Special Assessment Projects	Urban Development	Land Development	Capital Equipment	
<b>ASSETS</b>											
Cash and investments	\$ 714,012	\$ 12	\$ -	\$ 358	\$ 1,542,272	\$ 21,779	\$ 100,107	\$ -	\$ 68,868	\$ 452,045	\$ 8,845,100
Receivables											
Taxes	754,841	222,188	44,583	-	-	-	7,462	18,867	-	-	1,048,958
Accounts	-	153,436	685	-	-	-	-	-	-	600	154,721
Special assessments	1,223	-	-	-	-	-	84,240	-	-	-	86,418
Loans	-	-	-	-	-	-	-	-	-	-	2,005,073
Interest	-	-	-	-	5,988	-	-	-	-	-	55,392
Due from other governments	-	-	2,667	-	2,680	-	-	-	-	-	309,589
<b>TOTAL ASSETS</b>	<b>\$ 1,470,076</b>	<b>\$ 375,636</b>	<b>\$ 47,935</b>	<b>\$ 358</b>	<b>\$ 1,550,940</b>	<b>\$ 21,779</b>	<b>\$ 191,809</b>	<b>\$ 18,867</b>	<b>\$ 68,868</b>	<b>\$ 452,645</b>	<b>\$ 12,505,251</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>											
Liabilities											
Accounts payable	\$ 9,706	\$ -	\$ 517	\$ -	\$ -	\$ -	\$ 633	\$ -	\$ 12	\$ -	\$ 64,315
Due to other governments	-	-	-	-	-	-	44,961	1,543	-	-	46,504
Due to other funds	-	150,293	2,835	-	-	-	-	-	-	-	566,929
Advances from other funds	-	192,255	481,365	-	-	-	-	53,349	-	-	726,969
Total Liabilities	<u>9,706</u>	<u>342,548</u>	<u>484,717</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,594</u>	<u>54,892</u>	<u>12</u>	<u>-</u>	<u>1,404,717</u>
Deferred Inflows of Resources											
Property taxes levied for next period	754,841	222,188	44,583	-	-	-	7,462	18,867	-	-	1,048,958
Unavailable revenue	1,223	153,436	-	-	-	-	84,240	-	-	-	2,513,941
Total Deferred Inflows of Resources	<u>756,064</u>	<u>375,624</u>	<u>44,583</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,702</u>	<u>18,867</u>	<u>-</u>	<u>-</u>	<u>3,562,899</u>
Fund Balances											
Restricted	704,306	-	-	358	-	-	-	-	-	-	5,324,725
Committed	-	-	-	-	-	-	-	-	-	-	1,236,980
Assigned	-	-	-	-	1,550,940	21,779	54,513	-	68,856	452,645	2,148,733
Unassigned (deficit)	-	(342,536)	(481,365)	-	-	-	-	(54,892)	-	-	(1,172,803)
Total Fund Balances	<u>704,306</u>	<u>(342,536)</u>	<u>(481,365)</u>	<u>358</u>	<u>1,550,940</u>	<u>21,779</u>	<u>54,513</u>	<u>(54,892)</u>	<u>68,856</u>	<u>452,645</u>	<u>7,537,635</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 1,470,076</b>	<b>\$ 375,636</b>	<b>\$ 47,935</b>	<b>\$ 358</b>	<b>\$ 1,550,940</b>	<b>\$ 21,779</b>	<b>\$ 191,809</b>	<b>\$ 18,867</b>	<b>\$ 68,868</b>	<b>\$ 452,645</b>	<b>\$ 12,505,251</b>

**CITY OF BARABOO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2019

	Special Revenue Funds								
	Economic Development	Community Development Block Grant	Park Development Impact Fees	Public Safety Impact Fees	Flood Aid	Lead Service Grant	Taxi Grant	Alma Waite	Library
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	12,168	505,513	-	-	58,481	78,526	320,031	-	-
Public charges for services	-	-	12,111	16,515	-	-	278,107	-	-
Special assessments	-	-	-	-	-	-	-	2,270	-
Investment income	10,518	-	2,152	271	-	-	-	24,963	258,257
Miscellaneous	-	-	-	-	-	-	13,962	-	13,474
Total Revenues	<u>22,686</u>	<u>505,513</u>	<u>14,263</u>	<u>16,786</u>	<u>58,481</u>	<u>78,526</u>	<u>612,100</u>	<u>27,233</u>	<u>271,731</u>
<b>EXPENDITURES</b>									
Current									
General government	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	78,526	604,676	-	-
Culture, recreation and education	-	-	29,095	-	-	-	-	22,069	14,070
Conservation and development	12,167	799,528	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-
Debt Service									
Principal	-	-	-	49,615	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>12,167</u>	<u>799,528</u>	<u>29,095</u>	<u>49,615</u>	<u>-</u>	<u>78,526</u>	<u>604,676</u>	<u>22,069</u>	<u>14,070</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>10,519</u>	<u>(294,015)</u>	<u>(14,832)</u>	<u>(32,829)</u>	<u>58,481</u>	<u>-</u>	<u>7,424</u>	<u>5,164</u>	<u>257,661</u>
<b>OTHER FINANCING SOURCES (USES)</b>									
Sale of city property	-	-	-	-	-	-	3,402	-	-
Transfers in	-	-	-	-	-	-	5,000	-	-
Transfers out	-	-	(900)	-	(4,496)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(900)</u>	<u>-</u>	<u>(4,496)</u>	<u>-</u>	<u>8,402</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	10,519	(294,015)	(15,732)	(32,829)	53,985	-	15,826	5,164	257,661
FUND BALANCES (DEFICIT) - Beginning of Year	<u>141,066</u>	<u>5</u>	<u>149,154</u>	<u>190,490</u>	<u>(53,985)</u>	<u>-</u>	<u>1,509</u>	<u>1,176,109</u>	<u>1,722,258</u>
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<u>\$ 151,585</u>	<u>\$ (294,010)</u>	<u>\$ 133,422</u>	<u>\$ 157,661</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,335</u>	<u>\$ 1,181,273</u>	<u>\$ 1,979,919</u>

**CITY OF BARABOO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2019

	Special Revenue Funds								
	Parks	Fire Department Retirement	Ochsner Park House	Library Impact Fees	Façade Improvement Program	BID Pocket Park	Kuenzi Estate	Library Building	Capital Catalyst
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	-
Public charges for services	-	-	-	3,735	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-	-
Investment income	1,498	2,614	76	130	60	3	582	17,643	7,402
Miscellaneous	51,570	-	-	-	-	-	-	94,782	-
<b>Total Revenues</b>	<b>53,068</b>	<b>2,614</b>	<b>76</b>	<b>3,865</b>	<b>60</b>	<b>3</b>	<b>582</b>	<b>112,425</b>	<b>7,402</b>
<b>EXPENDITURES</b>									
Current									
General government	-	-	-	-	-	-	-	-	6
Public safety	-	28,062	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Culture, recreation and education	60,181	-	6,454	-	-	-	590	193,625	-
Conservation and development	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	6,913	-	-	-	-
Debt Service									
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>60,181</b>	<b>28,062</b>	<b>6,454</b>	<b>-</b>	<b>6,913</b>	<b>-</b>	<b>590</b>	<b>193,625</b>	<b>6</b>
Excess (Deficiency) of Revenues Over Expenditures	(7,113)	(25,448)	(6,378)	3,865	(6,853)	3	(8)	(81,200)	7,396
<b>OTHER FINANCING SOURCES (USES)</b>									
Sale of city property	-	-	-	-	-	-	-	-	-
Transfers in	-	16,000	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>16,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(7,113)	(9,448)	(6,378)	3,865	(6,853)	3	(8)	(81,200)	7,396
FUND BALANCES (DEFICIT) - Beginning of Year	124,316	111,152	18,211	79,205	40,007	1,942	33,020	935,855	26,658
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<b>\$ 117,203</b>	<b>\$ 101,704</b>	<b>\$ 11,833</b>	<b>\$ 83,070</b>	<b>\$ 33,154</b>	<b>\$ 1,945</b>	<b>\$ 33,012</b>	<b>\$ 854,655</b>	<b>\$ 34,054</b>

**CITY OF BARABOO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2019

	Special Revenue Funds					Capital Project Funds			
	Economic Development Revolving Loan	Economic Development Grant	Wisconsin Community Development Block Grant	TIF Incentive	1979 Community Development Block Grant	Tax Incremental District #6	Tax Incremental District #7	Tax Incremental District #8	Tax Incremental District #9
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 896,366	\$ 221,075	\$ 4,176	\$ -
Intergovernmental	-	-	-	-	-	21,295	7,287	6,282	14
Public charges for services	-	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	3,668	118,397	-	-
Investment income	29,717	840	10,999	2,446	-	19,803	-	-	11
Miscellaneous	45,707	3,190	146,100	1,166	-	-	-	-	-
<b>Total Revenues</b>	<b>75,424</b>	<b>4,030</b>	<b>157,099</b>	<b>3,612</b>	<b>-</b>	<b>941,132</b>	<b>346,759</b>	<b>10,458</b>	<b>25</b>
<b>EXPENDITURES</b>									
Current									
General government	3,145	-	5,524	8,260	-	2,044	700	700	700
Public safety	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-
Culture, recreation and education	-	-	-	-	-	-	-	-	-
Conservation and development	35,000	-	-	-	-	-	-	43,171	-
Capital Outlay	-	-	14,205	-	-	9,706	-	-	-
Debt Service									
Principal	-	-	-	-	-	365,000	338,620	225,000	-
Interest and fiscal charges	-	-	-	-	-	28,126	57,100	54,753	-
<b>Total Expenditures</b>	<b>38,145</b>	<b>-</b>	<b>19,729</b>	<b>8,260</b>	<b>-</b>	<b>404,876</b>	<b>396,420</b>	<b>323,624</b>	<b>700</b>
Excess (Deficiency) of Revenues Over Expenditures	37,279	4,030	137,370	(4,648)	-	536,256	(49,661)	(313,166)	(675)
<b>OTHER FINANCING SOURCES (USES)</b>									
Sale of city property	-	-	-	-	-	-	-	685	-
Transfers in	56,138	-	-	-	-	-	-	377,444	-
Transfers out	-	(9,758)	-	(112,041)	(46,380)	(377,444)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>56,138</b>	<b>(9,758)</b>	<b>-</b>	<b>(112,041)</b>	<b>(46,380)</b>	<b>(377,444)</b>	<b>-</b>	<b>378,129</b>	<b>-</b>
Net Change in Fund Balances	93,417	(5,728)	137,370	(116,689)	(46,380)	158,812	(49,661)	64,963	(675)
FUND BALANCES (DEFICIT) - Beginning of Year	-	5,728	410,470	440,648	46,380	545,494	(292,875)	(546,328)	1,033
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<b>\$ 93,417</b>	<b>\$ -</b>	<b>\$ 547,840</b>	<b>\$ 323,959</b>	<b>\$ -</b>	<b>\$ 704,306</b>	<b>\$ (342,536)</b>	<b>\$ (481,365)</b>	<b>\$ 358</b>

**CITY OF BARABOO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2019

	Capital Project Funds						Total Nonmajor Governmental Funds
	Fire Equipment	Emergency Management Equipment	Special Assessment Projects	Urban Development	Land Development	Capital Equipment	
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,121,617
Intergovernmental	66,649	-	-	-	-	-	1,076,246
Public charges for services	-	-	-	-	-	-	310,468
Special assessments	-	-	125,759	4,158	-	-	254,252
Investment income	26,057	30	1,846	-	99	639	418,656
Miscellaneous	-	-	-	-	9,600	-	379,551
Total Revenues	<u>92,706</u>	<u>30</u>	<u>127,605</u>	<u>4,158</u>	<u>9,699</u>	<u>639</u>	<u>3,560,790</u>
<b>EXPENDITURES</b>							
Current							
General government	-	-	-	-	-	-	21,079
Public safety	-	-	-	-	-	-	28,062
Public works	-	-	-	-	-	253,859	937,061
Culture, recreation and education	-	-	-	-	-	-	326,084
Conservation and development	-	-	-	-	50	-	889,916
Capital Outlay	66,461	-	189,182	-	-	-	286,467
Debt Service							
Principal	-	-	-	-	-	-	978,235
Interest and fiscal charges	-	-	-	-	-	-	139,979
Total Expenditures	<u>66,461</u>	<u>-</u>	<u>189,182</u>	<u>-</u>	<u>50</u>	<u>253,859</u>	<u>3,606,883</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>26,245</u>	<u>30</u>	<u>(61,577)</u>	<u>4,158</u>	<u>9,649</u>	<u>(253,220)</u>	<u>(46,093)</u>
<b>OTHER FINANCING SOURCES (USES)</b>							
Sale of city property	5,976	-	-	-	-	47,861	57,924
Transfers in	201,000	2,750	29,124	-	-	133,496	820,952
Transfers out	-	-	-	-	-	(9,200)	(560,219)
Total Other Financing Sources (Uses)	<u>206,976</u>	<u>2,750</u>	<u>29,124</u>	<u>-</u>	<u>-</u>	<u>172,157</u>	<u>318,657</u>
Net Change in Fund Balances	233,221	2,780	(32,453)	4,158	9,649	(81,063)	272,564
FUND BALANCES (DEFICIT) - Beginning of Year	<u>1,317,719</u>	<u>18,999</u>	<u>86,966</u>	<u>(59,050)</u>	<u>59,207</u>	<u>533,708</u>	<u>7,265,071</u>
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<u>\$ 1,550,940</u>	<u>\$ 21,779</u>	<u>\$ 54,513</u>	<u>\$ (54,892)</u>	<u>\$ 68,856</u>	<u>\$ 452,645</u>	<u>\$ 7,537,635</u>

**CITY OF BARABOO**

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
As of December 31, 2019

	Liability Insurance	Unfunded Pension Liability	Total
<b>ASSETS</b>			
Current Assets			
Cash and investments	\$ 75,184	\$ 36,297	\$ 111,481
Receivables			
Accounts	13,524	-	13,524
Total Current Assets	88,708	36,297	125,005
Noncurrent Assets			
Other Assets			
Investment in mutual insurance company	320,000	-	320,000
Total Noncurrent Assets	320,000	-	320,000
 Total Assets	 408,708	 36,297	 445,005
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	17,485	-	17,485
Accrued interest	-	2,197	2,197
Due to other funds	-	736	736
Due to component units	-	73	73
Current portion of general obligation debt payable	-	48,443	48,443
Total Current Liabilities	17,485	51,449	68,934
Noncurrent Liabilities			
General obligation debt payable	-	176,228	176,228
Total Noncurrent Liabilities	-	176,228	176,228
 Total Liabilities	 17,485	 227,677	 245,162
<b>NET POSITION</b>			
Unrestricted (deficit)	391,223	(191,380)	199,843
 <b>TOTAL NET POSITION</b>	 \$ 391,223	 \$ (191,380)	 \$ 199,843

## CITY OF BARABOO

### COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - INTERNAL SERVICE FUNDS For the Year Ended December 31, 2019

	<u>Liability Insurance</u>	<u>Unfunded Pension Liability</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for service	\$ 89,464	\$ 76,756	\$ 166,220
<b>OPERATING EXPENSES</b>			
Operation and maintenance	<u>83,225</u>	<u>-</u>	<u>83,225</u>
Operating Income	<u>6,239</u>	<u>76,756</u>	<u>82,995</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	13,524	59	13,583
Interest expense	<u>-</u>	<u>(8,197)</u>	<u>(8,197)</u>
Total Nonoperating Revenues (Expenses)	<u>13,524</u>	<u>(8,138)</u>	<u>5,386</u>
Change in Net Position	19,763	68,618	88,381
TOTAL NET POSITION (DEFICIT) - Beginning	<u>371,460</u>	<u>(259,998)</u>	<u>111,462</u>
<b>TOTAL NET POSITION (DEFICIT) - ENDING</b>	<u>\$ 391,223</u>	<u>\$ (191,380)</u>	<u>\$ 199,843</u>

**CITY OF BARABOO**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
For the Year Ended December 31, 2019

	Liability Insurance	Unfunded Pension Liability	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Received from other funds	\$ 89,542	\$ 76,756	\$ 166,298
Payments to suppliers for goods and services	(89,859)	440	(89,419)
Net Cash Flows From Operating Activities	<u>(317)</u>	<u>77,196</u>	<u>76,879</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income	<u>13,524</u>	<u>59</u>	<u>13,583</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Debt retired	-	(124,393)	(124,393)
Interest paid	-	(9,413)	(9,413)
Received on advances to other funds	-	26,181	26,181
Net Cash Flows From Noncapital Financing Activities	<u>-</u>	<u>(107,625)</u>	<u>(107,625)</u>
<b>Net Change in Cash and Cash Equivalents</b>	13,207	(30,370)	(17,163)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>61,977</u>	<u>66,667</u>	<u>128,644</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 75,184</u>	<u>\$ 36,297</u>	<u>\$ 111,481</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income	\$ 6,239	\$ 76,756	\$ 82,995
Adjustment to reconcile operating income to net cash flows from operating activities			
Change in assets and liabilities			
Accounts receivable	78	-	78
Accounts payable	(6,634)	440	(6,194)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>\$ (317)</u>	<u>\$ 77,196</u>	<u>\$ 76,879</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
None			

**CITY OF BARABOO**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
As of December 31, 2019

	Tax Collection Fund	UW Campus	Friends of the Library	Airport	Total Custodial Funds
<b>ASSETS</b>					
Cash and investments	\$ 7,882,447	\$ 238,873	\$ 24,639	\$ 132,513	\$ 8,278,472
Taxes receivable	4,278,647	-	-	-	4,278,647
Accounts receivable	-	-	-	2,550	2,550
Prepaid items	-	18,688	-	6,629	25,317
Due from other governments	-	-	-	1,098	1,098
<b>TOTAL ASSETS</b>	<u>12,161,094</u>	<u>257,561</u>	<u>24,639</u>	<u>142,790</u>	<u>12,586,084</u>
<b>LIABILITIES</b>					
Accounts payable	1,882	12,960	958	19,472	35,272
Due to component unit	7,560	-	-	-	7,560
Due to other governments	12,151,652	-	-	-	12,151,652
<b>TOTAL LIABILITIES</b>	<u>12,161,094</u>	<u>12,960</u>	<u>958</u>	<u>19,472</u>	<u>12,194,484</u>
<b>NET POSITION</b>					
<b>RESTRICTED FOR ORGANIZATIONS AND OTHER GOVERNMENTS</b>	<u>\$ -</u>	<u>\$ 244,601</u>	<u>\$ 23,681</u>	<u>\$ 123,318</u>	<u>\$ 391,600</u>

**CITY OF BARABOO**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS  
 FIDUCIARY FUNDS  
 As of December 31, 2019

	Tax Collection Fund	UW Campus	Friends of the Library	Airport	Total Custodial Funds
<b>ADDITIONS</b>					
Property taxes collected for county	\$ 2,354,085	\$ -	\$ -	\$ -	\$ 2,354,085
Property taxes collected for technical college	490,867	-	-	-	490,867
Property taxes collected for school district	4,992,745	-	-	-	4,992,745
Intergovernmental grants	-	-	-	60,795	60,795
Intergovernmental charges for services	-	205,000	-	78,684	283,684
Public charges for services	-	-	15,094	15,647	30,741
Investment income	-	551	26	248	825
Miscellaneous revenues	-	3,102	598	64,579	68,279
<b>TOTAL ADDITIONS</b>	<u>7,837,697</u>	<u>208,653</u>	<u>15,718</u>	<u>219,953</u>	<u>8,282,021</u>
<b>DEDUCTIONS</b>					
Property taxes collected for county	2,354,085	-	-	-	2,354,085
Property taxes collected for technical college	490,867	-	-	-	490,867
Property taxes collected for school district	4,992,745	191,341	-	-	5,184,086
Public works	-	-	-	176,667	176,667
Culture, recreation, and education	-	-	15,008	-	15,008
Debt service	-	-	-	21,726	21,726
<b>TOTAL DEDUCTIONS</b>	<u>7,837,697</u>	<u>191,341</u>	<u>15,008</u>	<u>198,393</u>	<u>8,242,439</u>
<b>Net Increase in Net Position</b>	-	17,312	710	21,560	39,582
NET POSITION - Beginning (as restated)	-	227,289	22,971	101,758	352,018
<b>NET POSITION - ENDING</b>	<u>\$ -</u>	<u>\$ 244,601</u>	<u>\$ 23,681</u>	<u>\$ 123,318</u>	<u>\$ 391,600</u>

**CITY OF BARABOO**

STATEMENT OF CASH FLOWS  
 COMPONENT UNITS  
 For the Year Ended December 31, 2019

	<u>Business Improvement District</u>	<u>Community Development Authority</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Received from customers	\$ 51,515	\$ 379,665	\$ 431,180
Payments to suppliers for goods and services	(50,473)	(281,752)	(332,225)
Paid to employees for services	-	(275,832)	(275,832)
Paid to municipality for tax equivalent	-	(27,613)	(27,613)
Net Cash Flows From Operating Activities	<u>1,042</u>	<u>(205,532)</u>	<u>(204,490)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investments sold and matured	-	181	181
Investment income	-	338,821	338,821
Net Cash Flows From Investing Activities	<u>-</u>	<u>339,002</u>	<u>339,002</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Advances repaid	-	-	-
Net Cash Flows From Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Debt retired	-	(204,388)	(204,388)
Interest paid on long term debt and issuance costs	-	(342,101)	(342,101)
Capital lease receivable issued	-	242,091	242,091
Repayments of capital lease	-	-	-
Capital contributions	-	34,033	34,033
Capital grants received	-	167,195	167,195
Acquisition and construction of capital assets	-	(53,326)	(53,326)
Net Cash Flows From Capital and Related Financing Activities	<u>-</u>	<u>(156,496)</u>	<u>(156,496)</u>
<b>Net Change in Cash and Cash Equivalents</b>	1,042	(23,026)	(21,984)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>67,994</u>	<u>260,503</u>	<u>328,497</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 69,036</u>	<u>\$ 237,477</u>	<u>\$ 306,513</u>

	Business Improvement District	Community Development Authority	Totals
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 7,246	\$ (342,203)	\$ (334,957)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities			
Depreciation	-	124,485	124,485
Changes in Assets, Deferred Outflows, Liabilities and Deferred Inflows			
Accounts receivable	750	(12,072)	(11,322)
Accounts payable	(8,601)	1,143	(7,458)
Deposits	-	(1,216)	(1,216)
Due to/from primary government	1,647	(4,184)	(2,537)
Pension related deferrals and liabilities	-	14,779	14,779
Post employment retirement benefit	-	6,398	6,398
Other liabilities	-	7,338	7,338
	<u>-</u>	<u>7,338</u>	<u>7,338</u>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>\$ 1,042</u>	<u>\$ (205,532)</u>	<u>\$ (204,490)</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>			
Cash and investments	\$ 69,036	\$ 160,760	\$ 229,796
Restricted cash and investments	-	118,309	118,309
Total Cash and Investments	<u>69,036</u>	<u>279,069</u>	<u>348,105</u>
Less: Noncash equivalents	<u>-</u>	<u>(41,592)</u>	<u>(41,592)</u>
<b>CASH AND CASH EQUIVALENTS</b>	<u>\$ 69,036</u>	<u>\$ 237,477</u>	<u>\$ 306,513</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
None			

**CITY OF BARABOO**

COMBINING STATEMENT OF NET POSITION  
COMMUNITY DEVELOPMENT AUTHORITY  
As of December 31, 2019

	Major Funds			Total Community Development Authority
	Donahue Terrace Apartments	Corson Square	Admin Building	
<b>ASSETS</b>				
Current Assets				
Cash and investments	\$ 84,032	\$ 37,858	\$ 38,870	\$ 160,760
Accounts receivable	5,476	33,223	-	38,699
Due from primary government	36	37	-	73
Total Current Assets	<u>89,544</u>	<u>71,118</u>	<u>38,870</u>	<u>199,532</u>
Noncurrent Assets				
Restricted Assets				
Cash and investments	22,178	19,414	76,717	118,309
Lease receivable	-	-	12,093,711	12,093,711
Accrued interest	-	-	111,905	111,905
Capital Assets				
Land	44,000	157,364	-	201,364
Capital assets, net of depreciation	<u>781,820</u>	<u>1,982,035</u>	<u>-</u>	<u>2,763,855</u>
Total Noncurrent Assets	<u>847,998</u>	<u>2,158,813</u>	<u>12,282,333</u>	<u>15,289,144</u>
Total Assets	<u>937,542</u>	<u>2,229,931</u>	<u>12,321,203</u>	<u>15,488,676</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related amounts	50,450	40,433	-	90,883
OPEB related amounts	<u>1,857</u>	<u>1,857</u>	<u>-</u>	<u>3,714</u>
Total Deferred Outflows of Resources	<u>52,307</u>	<u>42,290</u>	<u>-</u>	<u>94,597</u>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts payable	13,628	12,756	-	26,384
Accrued interest	2,183	-	111,905	114,088
Due to primary government	16,397	17,529	1,498	35,424
General obligation debt payable	33,468	-	-	33,468
Revenue bonds payable	-	-	177,000	177,000
Current portion of compensated absences	<u>7,753</u>	<u>5,275</u>	<u>-</u>	<u>13,028</u>
Total Current Liabilities	<u>73,429</u>	<u>35,560</u>	<u>290,403</u>	<u>399,392</u>
Noncurrent Liabilities				
Liabilities Payable from Restricted Assets				
Deposits	22,178	19,589	-	41,767
General obligation debt payable	34,814	-	-	34,814
Revenue bonds payable	-	-	12,030,800	12,030,800
Long-term portion of compensated absences	8,809	5,925	-	14,734
Net pension liability	17,485	17,143	-	34,628
OPEB liability	<u>20,975</u>	<u>18,303</u>	<u>-</u>	<u>39,278</u>
Total Noncurrent Liabilities	<u>104,261</u>	<u>60,960</u>	<u>12,030,800</u>	<u>12,196,021</u>
Total Liabilities	<u>177,690</u>	<u>96,520</u>	<u>12,321,203</u>	<u>12,595,413</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related amounts	25,664	21,047	-	46,711
OPEB related amounts	<u>2,138</u>	<u>2,073</u>	<u>-</u>	<u>4,211</u>
Total Deferred Inflows of Resources	<u>27,802</u>	<u>23,120</u>	<u>-</u>	<u>50,922</u>
<b>NET POSITION</b>				
Net investment in capital assets	757,538	2,139,399	-	2,896,937
Unrestricted	<u>26,819</u>	<u>13,182</u>	<u>-</u>	<u>40,001</u>
<b>TOTAL NET POSITION</b>	<u>\$ 784,357</u>	<u>\$ 2,152,581</u>	<u>\$ -</u>	<u>\$ 2,936,938</u>

**CITY OF BARABOO**

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -  
COMMUNITY DEVELOPMENT AUTHORITY  
For the Year Ended December 31, 2019

	Major Funds			Total
	Donahue Terrace Apartments	Corson Square	Admin Building	Community Development Authority
<b>OPERATING REVENUES</b>				
Charges for service	\$ 210,389	\$ 169,271	\$ -	\$ 379,660
Miscellaneous	<u>7,432</u>	<u>5,432</u>	<u>-</u>	<u>12,864</u>
Total Operating Revenues	<u>217,821</u>	<u>174,703</u>	<u>-</u>	<u>392,524</u>
<b>OPERATING EXPENSES</b>				
Legal and administrative	168,894	159,744	-	328,638
Operating expenses	76,265	33,084	-	109,349
Maintenance	96,234	48,408	-	144,642
Depreciation	77,532	46,953	-	124,485
Taxes	<u>13,434</u>	<u>14,179</u>	<u>-</u>	<u>27,613</u>
Total Operating Expenses	<u>432,359</u>	<u>302,368</u>	<u>-</u>	<u>734,727</u>
Operating Loss	<u>(214,538)</u>	<u>(127,665)</u>	<u>-</u>	<u>(342,203)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Intergovernmental revenues	122,357	78,871	-	201,228
Investment income	468	271	337,437	338,176
Interest expense	<u>(3,020)</u>	<u>-</u>	<u>(337,437)</u>	<u>(340,457)</u>
Total Nonoperating Revenues (Expenses)	<u>119,805</u>	<u>79,142</u>	<u>-</u>	<u>198,947</u>
<b>Net Change in Net Position</b>	<u>(94,733)</u>	<u>(48,523)</u>	<u>-</u>	<u>(143,256)</u>
TOTAL NET POSITION - Beginning of Year	<u>879,090</u>	<u>2,201,104</u>	<u>-</u>	<u>3,080,194</u>
<b>TOTAL NET POSITION - ENDING</b>	<u>\$ 784,357</u>	<u>\$ 2,152,581</u>	<u>\$ -</u>	<u>\$ 2,936,938</u>

**CITY OF BARABOO**

COMBINING STATEMENT OF CASH FLOWS  
COMMUNITY DEVELOPMENT AUTHORITY  
For the Year Ended December 31, 2019

	Major Funds			Total Community Development Authority
	Donahue Terrace Apartments	Corson Square	Admin Building	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Received from customers/agencies	\$ 218,445	\$ 161,220	\$ -	\$ 379,665
Payments to suppliers for goods and services	(218,535)	(63,217)	-	(281,752)
Paid to employees for services	(118,238)	(157,594)	-	(275,832)
Paid to municipality for tax equivalent	(13,434)	(14,179)	-	(27,613)
Net Cash Flows From Operating Activities	(131,762)	(73,770)	-	(205,532)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment income	468	271	338,082	338,821
Marketable securities sold	131	50	-	181
Net Cash Flows From Investing Activities	599	321	338,082	339,002
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Debt retired	(32,188)	-	(172,200)	(204,388)
Interest paid on long-term debt and issuance costs	(4,019)	-	(338,082)	(342,101)
Capital lease payments received	-	-	242,091	242,091
Capital contributions	-	34,033	-	34,033
Capital grants received	122,357	44,838	-	167,195
Acquisition and construction of capital assets	(18,605)	(34,721)	-	(53,326)
Net Cash Flows From Capital and Related Financing Activities	67,545	44,150	(268,191)	(156,496)
<b>Net Change in Cash and Cash Equivalents</b>	(63,618)	(29,299)	69,891	(23,026)
CASH AND CASH EQUIVALENTS - Beginning of Year	147,650	67,157	45,696	260,503
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 84,032	\$ 37,858	\$ 115,587	\$ 237,477

	Major Funds			Total Community Development Authority
	Donahue Terrace Apartments	Corson Square	Admin Building	
<b>RECONCILIATION OF OPERATING LOSS TO NET FLOWS FROM OPERATING ACTIVITIES</b>				
Operating loss	\$ (214,538)	\$ (127,665)	\$ -	\$ (342,203)
Adjustments to Reconcile Operating Loss to Net Cash Flows from Operating Activities				
Depreciation	77,532	46,953	-	124,485
Changes in Assets, Deferred Outflows, Liabilities, and Deferred Inflows				
Accounts receivable	885	(12,957)	-	(12,072)
Accounts payable	(6,813)	7,956	-	1,143
Deposits	(450)	(766)	-	(1,216)
Due to/from primary government	(2,463)	(1,721)	-	(4,184)
Pension related deferrals and liabilities/assets	6,993	7,786	-	14,779
OPEB related amounts	2,518	3,880	-	6,398
Other current liabilities	4,574	2,764	-	7,338
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>\$ (131,762)</b>	<b>\$ (73,770)</b>	<b>\$ -</b>	<b>\$ (205,532)</b>

**RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION**

Cash and investments	\$ 84,032	\$ 37,858	\$ 38,870	\$ 160,760
Restricted cash and investments	22,178	19,414	76,717	118,309
Total Cash and Investments	106,210	57,272	115,587	279,069
Less: Noncash equivalents	(22,178)	(19,414)	-	(41,592)
<b>CASH AND CASH EQUIVALENTS</b>	<b>\$ 84,032</b>	<b>\$ 37,858</b>	<b>\$ 115,587</b>	<b>\$ 237,477</b>

**NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES**

None