

Annual Comprehensive Financial Report of the Village of Germantown

December 31, 2022

Department Issuing Report

Prepared by Village Administrator and
Clerk-Treasurer Department
Member of the Government Finance Officers
Association of the United States and Canada

Village of Germantown

Table of Contents
December 31, 2022

	<u>Page</u>
Introductory Section	
Letter of Transmittal	i
List of Principal Officers	vi
Organizational Chart	vii
Location Map	viii
History	ix
Financial Section	
Independent Auditors' Report	x
Required Supplementary Information	
Management's Discussion and Analysis	xiii
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements	
Balance Sheet - Governmental Funds	3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	5
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
Statement of Net Position - Proprietary Funds	7
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	9
Statement of Cash Flows - Proprietary Funds	10
Statement of Fiduciary Net Position	12
Statement of Changes in Fiduciary Net Position	13
Index to Notes to Financial Statements	14
Notes to Financial Statements	15

Village of Germantown

Table of Contents
December 31, 2022

	<u>Page</u>
Required Supplementary Information	
General Fund	
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	48
Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System	50
Schedule of Employer Contributions - Wisconsin Retirement System	50
Notes to Required Supplementary Information	51
Supplementary Information	
Debt Service Fund	
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	52
Major Capital Projects Fund	
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Capital Projects	53
Nonmajor Governmental Funds	
Combining Balance Sheet - Nonmajor Governmental Funds	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	58
Detailed Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Police Impact Fee Fund	62
Fire Impact Fee Fund	63
Library Impact Fee Fund	64
Park and Recreation Impact Fee Fund	65
Senior Van Replacement Fund	66
Police Asset Forfeiture Fund	67
Police Canine Fund	68
Police Honor Guard Fund	69
Historic Preservation Fund	70
Library Fund	71
Facility Fees Fund	72

Village of Germantown

Table of Contents
December 31, 2022

	<u>Page</u>
TID No. 6 Capital Projects Fund	73
TID No. 7 Capital Projects Fund	74
TID No. 8 Capital Projects Fund	75
Internal Service Funds	
Combining Statement of Net Position - Internal Service Funds	76
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	77
Combining Statement of Cash Flows - Internal Service Funds	78
STATISTICAL SECTION	
Table 1 - Statement of Net Position by Component - Last Ten Fiscal Years	79
Table 2 - Changes in Net Position - Last Ten Fiscal Years	80
Table 3 - Fund Balances, Governmental Funds - Last Ten Fiscal Years	81
Table 4 - Changes in Fund Balances, Total Governmental Funds - Last Ten Fiscal Years	82
Table 5 - Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	83
Table 6 - Direct and Overlapping Property Tax Rates (per \$1,000 of assessed value), before State School Credits - Last Ten Fiscal Years	84
Table 7 - Principal Property Tax Payers - Current Year and Nine Years Ago	85
Table 8 - Property Tax Levies and Collections - Last Ten Fiscal Years	86
Table 9 - Water & Sewer Utility - Customer Count - Last Ten Fiscal Years	87
Table 10 - Water Utility Customer Summary - Last Ten Fiscal Years	88
Table 11 - Water Utility Customer Rates - Last Ten Fiscal Years	89
Table 12 - Sewer Utility Customer Summary - Last Ten Fiscal Years	90
Table 13 - Sewer Utility Customer Rates - Last Ten Fiscal Years	91
Table 14 - Ratio of Outstanding Debt - Last Ten Fiscal Years	92
Table 15 - Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years	93
Table 16 - Direct and Overlapping Governmental Activities Debt - As of December 31, 2017	94
Table 17 - Legal Debt Margin Information - Last Ten Fiscal Years	95
Table 18 - Pledged - Revenue Coverage - Utility - Last Ten Fiscal Years	96
Table 19 - Demographic and Economic Indicators - Last Ten Fiscal Years	97
Table 20 - Principal Employers - Current Year and Nine Years Ago	98

Village of Germantown

Table of Contents
December 31, 2022

	<u>Page</u>
Table 21 - Full-time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years	99
Table 22 - Operating Indicators by Function/Program - Last Ten Fiscal Years	100
Table 23 - Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	101
Table 24 - Building Permits - Last Ten Fiscal Years	102



Clerk/Treasurer
Department

PO Box 337

Germantown WI 53022

December 18, 2023

To: Citizens of the Village of Germantown
Members of the Board of Trustees

The *Annual Comprehensive Financial Report* for the Village of Germantown, Wisconsin for fiscal year ending December 31, 2022, is prepared to provide the Board, our citizens, our bondholders, and other interested persons, detailed information concerning the financial condition of the Village government. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the village government. The report was prepared by the Village's Administration and Finance departments and contains representations concerning the finances of the Village. We believe the data, as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Village as measured by financial activity of its various funds; and that all disclosures necessary to enable the reader to gain reasonable understanding of its financial affairs have been included.

The Village retained the services of Baker Tilly US, LLP to perform its audit. Based upon standard audit procedures, Baker Tilly US, LLP has issued an unmodified opinion on the Village's financial statements for the year ended December 31, 2022. The auditor's opinion is located at the front of the financial section of this report.

Report Format

The *Annual Comprehensive Financial Report* is presented in three main sections: introductory, financial and statistical. The introductory section contains this transmittal letter, the Village's organizational chart, a list of principal officials, and other information. The financial section contains the independent auditors report, management's discussion and analysis (MD&A), government-wide financial statements, notes to the financial statements and more detailed fund financial statements. A third section provides selected statistical and general information presented on a multi-year comparative basis.

Reporting Entity

This report includes all funds of the Village of Germantown. The criteria used in determining the reporting entity are consistent with criteria established by the Governmental Accounting Standards Board (GASB) as outlined in the Codification of Governmental Accounting and Financial Reporting Standards. This report includes the General Fund, which accounts for the general administration of the Village, Special Revenue funds relating to Economic Development, and long-term Capital Projects funds and Internal Service Funds. The report also includes the Village's Enterprise funds that account for the Water and Wastewater Utilities. Internal service funds provide information on the health and dental protection plans of the Village's employees.

Village Profile

Located 25 miles northwest of Milwaukee, Germantown encompasses 34 square miles in the southeast corner of Washington County. Germantown is one of the largest villages in geographical area in the State of Wisconsin. The Village's current population, as of the 2020 census, is 20,917, a 5.8% increase over the prior ten year's period. The 2022 estimated population is 21,015. The Village operates under a council-manager form of government. There are nine members on the Germantown

Village Board. Eight of the members are elected from four trustee districts and the Village President is elected at large. Board members are elected to three-year terms. The appointed Village Administrator is responsible for the day-to-day operations of the Village, the appointment of administrative staff members, and the supervision of all employees.

The area offers a pleasing, small-town character enhanced by all the modern amenities of a first-class suburb. Germantown residents take advantage of exceptional schools, modern healthcare providers, attractive real estate, well-maintained parks and facilities as well as unique shops and local restaurants. While the village has worked hard to provide its residents with the finest in big-city conveniences, it has worked equally hard to maintain its rich German heritage and beautiful architecture.

The Village provides typical municipal services including: police, fire, emergency dispatch and ambulance services; public works activities such as highway and street maintenance, and recycling; recreational activities such as parks, recreation programs, public library and senior activity center; community development activities including planning and zoning enforcement, economic development, and general administrative and financial services. The Village operates a Water and Wastewater Utility as enterprise funds.

Accounting Systems and Budgetary Control

The Village's accounting records for governmental and custodial funds are based upon the modified accrual basis, with revenues recorded when available and measurable and expenditures recorded when the services and goods are received, and the liabilities incurred. Accounting records for the Village's utilities are maintained on an accrual basis.

In developing the Village's overall accounting system, consideration was given to the adequacy of the internal accounting control structure. Internal controls are designed to provide reasonable but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial resources for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognized that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgements by management. We believe that the Village's internal accounting controls adequately safeguard assets and provides reasonable assurance of proper recording of financial transactions.

Village Board policy provides for adoption of an annual budget prepared by management. The budget, as adopted by the Board, is intended to appropriate expenditures on a program or functional basis. The Village Administrator is granted authority to make mid-year adjustments within budgeted accounts of a department. Budget amendments which change a departmental budget appropriation or are transfers between departments or funds must be approved by a 2/3 majority of the Village Board.

The Village Board's updated Fund Balance Policy establishes a minimum unassigned Fund Balance. It states that the Village will maintain a minimum unassigned fund balance in its General Fund ranging from 16% to 25% of the subsequent year's budgeted expenditures. This minimum fund balance is to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment. The 2022 unassigned fund balance is 36% of the subsequent year's expenditure budget, changing from \$7.43 million in 2021 compared to \$6.73 million in 2022. When an unassigned fund balance of the General Fund exceeds 20%, the Village may consider such fund balance surpluses for one-time expenditures that are nonrecurring in nature, and which will not require additional staffing or recurring expenditures. The excess unassigned fund balance may be used to offset future borrowing costs for a new public works facility in 2023.

Economic Conditions and Outlook

The Village's 3,555,243,900 property tax base of equalized value is primarily residential (67%) but has a sizeable commercial (23%) and manufacturing (8%) presence as well. The Village had 41 new

single-family housing starts, and 9 commercial/industrial starts or large-scale expansions. The total number of building permits issued in 2022 was 2,064 with an estimated valuation of \$48,437,210.

The Village's overall equalized value increased by 13%, following an increase of 9% the previous year. The average unemployment rate for Washington county in 2022 was 2.2%, which is lower than the Wisconsin state average of 2.9%. With the use of a variety of financing tools such as impact fees, tax incremental financing incentives, and close partnerships with local business, the Village will be able to maintain current services to our constituents. We have been able to balance the community with a mixture of agricultural, residential, commercial and industrial/office development. Germantown's fine school system and parks and recreational activities are also helpful in acquiring and keeping our residential base.

Tax Incremental District No. 6 (Willow Creek Business Park) is a Mixed-Use District, that is bounded by Appleton Avenue, Lannon Road, and Maple Road. Current construction includes Discount Ramps, Metro Cigars and Ryan Companies. The base value was \$2,796,000 and has grown to \$37,986,700 in 2022. The TID is projected to close in 2033.

Tax Incremental District No. 7 is designated as an Industrial TID. The TID was amended in 2021 in order to add territory. This district was created to capture economic growth related to JW Speaker and so far the development has not created sufficient increment to cover the District's expenses. In 2021, the TID was amended to add territory and account for the Planned Capstone Quadrangle industrial park development. The area included in the District encompasses 144.2 acres owned by the J.W. Speaker Corporation, located on Freistadt Road and by North Goldendale Rd and Capstone Quadrangle property along Goldendale Road. The project allowed for extension of 16" public watermain and the 18" public sanitary sewer interceptor from their current terminus approximately 2,400 feet north along Goldendale Road. The extension facilitated growth within the district and allowed for utility connection through to Tax Increment District No. 8. The amendment includes properties on Goldendale Road. The base value was \$9,642,400 and has grown to \$16,726,100 in 2022. The TID projected closure of 2031.

In July 2018 the Village created Tax Increment District No. 8. The district is an industrial TID, encompassing 224.8 acres which is broken into two development areas, the property controlled by Zilber Property Group (approximately 151.3 acres) and the remaining 73.5 acres to be developed in later phases. The Village anticipates making total project expenditures of approximately \$14.2 million, with completion in phases as development requires. Construction in 2019 included a 706,800 square foot Briggs & Stratton warehouse facility, with two other multi-tenant industrial buildings constructed by Zilber Property Group, plus a 100,000 square foot manufacturing facility for Dielectric. The Village had three TID No. 8 related bond issues in 2019, \$6,725,000 G.O. Community Development Bonds, \$1,755,000 Taxable G.O. Community Development Bonds, and \$7,850,000 G.O. Corporate Purpose bonds. The taxable issue will reimburse Zilber Property Group to cover their costs for internal infrastructure improvements, the other two issues have funded the expansion of water and sewer main to the development as well as road reconstruction costs. The issues also provide the initial funding to construct Well #12 and Water Tower #4, in conjunction with the Water Utility. We anticipate having the well and tower online and serving the village by 2022. The base value was \$ 640,700 and has grown to \$124,620,300 in 2022. The TID is projected to close in 2031.

The Water Utility currently operates six wells; three deep and three shallow; with a capacity of 4,416,000 gallons per day plus three elevated tank water towers, two at 125 feet and one at 190 feet. The 2022 average daily water pumped for customer consumption was 1,7,01,898 gallons. The village is moving forward with a seventh well and fourth elevated tower, completed construction by the end of 2023. The Public Service Commission approved a significant rate increase for the utility during 2021 that took effect at the beginning of 2022.

The Sewer Utility maintains 109.93 miles of sewer main, seven lift stations and one metering station. The Village contracts with Milwaukee Metropolitan Sewerage District (MMSD) for its sewage treatment, the charges from MMSD for treatment and its annual capital charge remain the utility's largest expenditure. Wrenwood subdivision, a major housing development proposed for the North East side of the Village has required an extension of interceptor sewer main, with an abandonment and

construction of a new lift station completed in 2020.

The Village continues to follow basic short-term and long-term planning policies. The Village's philosophy strives for manageable conservative budgets that allow for stable financial futures, keeping taxes and utility user rates as low as possible while guaranteeing that funds will be available to protect village infrastructure and services. The Village board is committed to maintaining a positive General Fund balance. This positive balance provides the Village with a cushion for unanticipated emergencies. The COVID-19 pandemic is a perfect example of this.

By necessity, long range planning includes assessment of future debt issuance in conjunction with current debt service requirements. Village debt policies are designed to comply with requirements of Wisconsin State Statutes and bond covenants, while maintaining the highest bond rating possible. Management reviews capital planning and resultant bond issuance in conjunction with its resources on hand and monitoring the effects on future cash flows. The Village maintains a solid Aa2 general obligation bond rating from Moody's Investors Service, based upon its healthy fund balance, conservative financial management and aggressive debt repayment schedules.

As required by State Law, comprehensive "smart growth" plans are intended to be the community's guide for future growth and development. These plans must address nine specific elements: land use; housing; transportation; utilities and community facilities; agricultural, natural and cultural resources; economic development; intergovernmental cooperation; issues and opportunities; and implementation. The Village began the process of updating the current 2020 Comprehensive Plan in 2019 with assistance from GRAEF consulting. Public workshops, meetings and hearings concerning the required components of the new 2050 Comprehensive Plan were conducted in 2020-2022. The 2050 Comprehensive Plan will include all required elements but will reflect current trends and policy decisions made over the last decade. The 2050 Comprehensive Plan overall planning process is expected to take over 24 months to complete and included an extensive "public participation program" that will provide many different opportunities for property owners, residents and other stakeholders to be part of the process. The 2050 Comprehensive Plan was adopted in 2022.

As in the past several years, development in the Village, be it residential, commercial, or industrial in nature, has been of the high quality necessary to provide the diversified tax base and tax rate necessary to provide services expected by the residents of Germantown. The Village of Germantown intends to maintain an adequate financial reserve in addition to a low tax rate to provide the citizen's excellent municipal services.

For the Future

Overall, the amount and value of new development in 2022 was less than in 2021. Residential development in the Village included forty-one (41) new single-family homes completed or under construction during 2022 with a total value of \$20,573,000 (about 50 percent of the eighty new homes with a value of \$35,000,000 in 2021).

New commercial, office, and industrial development in the Village in 2022 included seven (7) new commercial/industrial projects that were completed or under construction in 2022 with a total value of \$48,487,000. Development within the Germantown Gateway Corporate Park and other land within Tax Increment District (TID) No. 8 continued in 2022, including: completion of a 233,000 sqft multi-tenant industrial building on Gateway Crossing by the Zilber Property Group (Zilber No. 5), completion of the 173,000 sqft pet food manufacturing facility by the Dickman Company for Golden Pet on Gateway Court, and completion of a separate 130,000 sqft multi-tenant industrial building by the Dickman Company nearby on Goldendale Road. Development started in the new Capstone 41 Corporate Park (Holy Hill Road east of US41) with completion of the 203,000 sqft multi-tenant industrial building. In addition, forty-four (44) additions or alterations to existing commercial sites were completed or under construction in 2022 with another \$15,100,000 in total value.

Looking ahead to 2023, the Village approved final subdivision plats for two new single-family residential neighborhoods, including Heritage Park North (35 ¼-acre lots served by municipal water & sewer) and Wrenwood North (Phase 1 with 46 ¼-acre lots served by municipal water & sewer).

Home construction in both subdivisions started in late 2022 and will continue into 2023 and beyond. With respect to new commercial and industrial development in 2023 and beyond, the Village approved the creation and expansion of Tax Increment District No. 9 located in the southeast corner of the Village (Donges Bay road @ Wasaukee Road). TID 9 is 100 acres in total area and will accommodate development of a new 375,000 sqft multi-tenant industrial building by the F-Street Group and a new 34-acre pre-cast concrete panel storage facility for Stonecast Products.

Finally, in September 2022, the Village approved the 2050 Comprehensive Plan to guide future land use and development in the Village. The 2050 Plan replaces the former 2020 Plan with updated land use and development policies based on a “place-based” approach to guiding future land use and development in thirty-two (32) separate Neighborhoods, Districts and Corridors that comprise the Village.

Vision Statement: Germantown's ethnic heritage, high quality of life based on its rural and suburban character, and desirable location in the greater metropolitan area create our competitive advantage. Our people will work together, with respect for each other, to ensure that development is consistent with Germantown's future as a neighborly and safe place to live, work and play.

Mission Statement: The Village of Germantown is responsive to our citizens and businesses, embracing our heritage while working together to provide quality services in a fiscally responsible manner that will enhance the quality of life in our community.

INDEPENDENT AUDIT

Included in the financial section is the independent auditor's report which is a significant part of the Annual Comprehensive Financial Report (ACFR). In this report, Baker Tilly US, LLP, Certified Public Accountants, express their opinion that the financial statements are presented fairly in conformity with generally accepted accounting principles and comment on the scope of the examination. The opinion is unmodified and signifies a substantial level of achievement.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Immediately following the independent auditor's report is *Management's Discussion and Analysis* which provides a narrative introduction, overview, and analysis of the basic financial statements.

Acknowledgments

The preparation of this report was made possible by the dedicated services of the entire staff of the Village of Germantown Finance Department and Administration Department, and the advice of the Village's independent auditors, Baker Tilly US, LLP. Appreciation is expressed to Village employees throughout the organization, especially those employees who were instrumental in the successful completion of this report. Additional appreciation is expressed to Alex Claerbaut for the significant time, energy, and work he dedicated towards the completion of this report.

Respectfully submitted,

Matthew Uselding

Matthew Uselding, Finance Director

Steven R. Kreklaw

Steven R. Kreklaw, Administrator



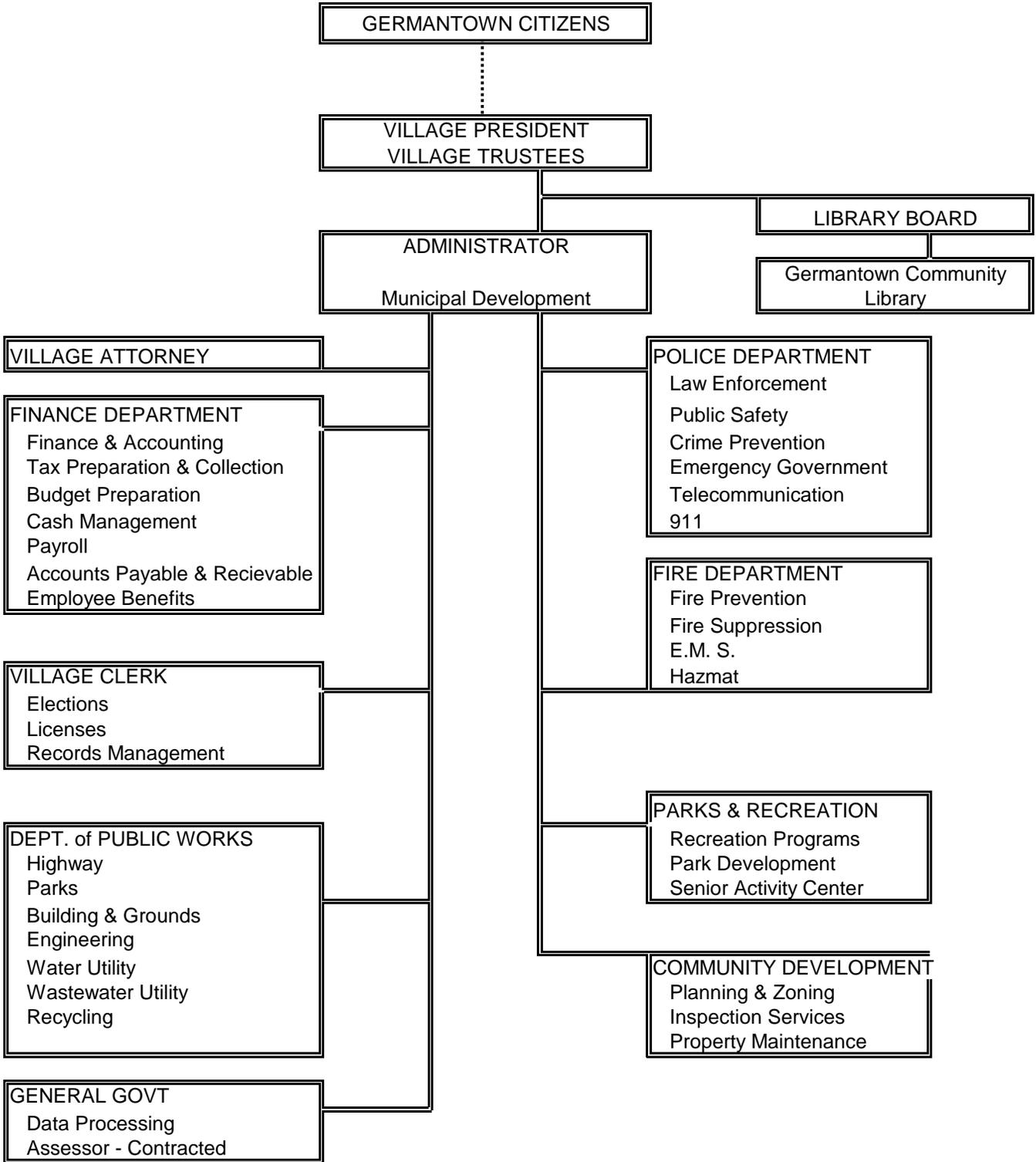
LIST OF PRINCIPAL OFFICIALS as of December 31, 2022
ELECTED OFFICIALS

TITLE	NAME
Village President	Dean Wolter
Village Trustee - District 1	David Baum
Village Trustee - District 1	Terri Kaminski
Village Trustee - District 2	Bill Neurether
Village Trustee - District 2	Rick Miller
Village Trustee - District 3	Jolene Pieper
Village Trustee - District 3	Dennis Myers
Village Trustee - District 4	Jan Miller
Village Trustee - District 4	Phil Hudson

APPOINTED OFFICIALS

Village Administrator	Steven R. Kreklow
Village Attorney	Brian Sajdak; Wesolowski, Reidenbach & Sajdak SC
Village Assessor - Contract Service	Associated Appraisal Consultants, Inc
Village Clerk/Treasurer	Deanna L. Braunschweig
Community Development/Planning & Inspection	Jeffrey W. Retzlaff
Director of Public Works	Lawrence Ratayczak
Village Engineer	Vaccant
Police Chief	Michael Snow
Fire Chief	John Delain
Library Director	Patricia Smith
Recreation Director	Guilford Standridge
Police & Fire Commission Chairperson	Scott Scheife
Park & Recreation Commission Chair	Scott Coulthurst
Library Board President	Joyce Nelson

VILLAGE OF GERMANTOWN ORGANIZATIONAL CHART



Brief History of the Village of Germantown

The Village of Germantown is located in southeastern Wisconsin, in the southeastern corner of Washington County. The City of Mequon, in Ozaukee County, borders the Village on the east, and the Village of Menomonee Falls, in Waukesha County, borders it on the south. The Village is contiguous with the City of Milwaukee and Milwaukee County at its southeast corner. In Washington County, the Town of Jackson borders it to the north, and the Village of Richfield shares its western border. At 35 square miles, the Village of Germantown is one of the largest village's in geographical area in the State of Wisconsin.

The Village's current population is estimated to be 20,590. A majority of its residential, commercial and industrial development is concentrated in the suburban-like central-southern half of the village. It is in this portion, served by the Milwaukee Metropolitan Sewerage District (MMSD), and supplied with water by municipal wells, that most of Germantown's development has occurred.

The half of the village north of Freistadt Road is rural in nature, and is predominately agricultural. Current extensions of municipal water and sewer main has opened this section to some commercial and industrial development.

In 1839, a group of German immigrants, seeking greater religious freedom and the promise of rich, abundant farmland, founded the settlement of Freistadt (translated "Free City") just east of the present day Village of Germantown. Today, Freistadt Road bisects the Village of Germantown from east to west. In 1839, Anton Wiesner and Levi Ostrander became the first permanent settlers in the Town of Germantown. By 1845, all of the Town of Germantown had been taken for homesteads, mostly by German immigrants.

On 11 March 1927 South Germantown became the Village of Germantown. Eleven citizens of South Germantown had petitioned the Washington County Circuit Court for incorporation of 300 acres in section 22. The petitioners were: Father Banholzer, Adam Diefenthaler, Benn C. Duerrwaechter, Alvin Gronemeyer, Edward Rintelman, Joe Rosecky, Arthur Schmidt, Charles A. Schuster, John A. Schwalbach, Joseph J. Siegl, and Aaron Walterlin. Population of South Germantown, now Germantown, was 243

The Village of Germantown was incorporated at the Fond du Lac Avenue and Main Street area. In the early 1960's, the City of Milwaukee annexed 15 acres in the southeastern corner of the Town of Germantown. Fears over further annexations prompted the Town of Germantown to merge with the smaller Village of Germantown in 1964. Most of the Town of Germantown, except for four small "islands" totaling approximately two square miles in the northwestern portion, was included in the merger.

The Village operates under a council-manager form of government. Under this form of government, a nine member Board of Trustees is elected to exercise the legislative power of the Village and to determine matters of policy. All are elected to three year terms. The Village President, who is elected at large, is the trustee who presides at all Village Board meetings and votes on all matters. The Village President has no veto power. A Village Administrator is appointed by the Village Board to serve as manager. The administrator is the chief administrative officer and is responsible to the Board of Trustees for the proper administration of all Village affairs.

Independent Auditors' Report

To the Village Board of
Village of Germantown

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Germantown (the Village), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Germantown, Wisconsin, as of December 31, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the Village adopted the provisions of GASB Statement No. 87, *Leases*, effective January 1, 2022. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The supplementary information 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 Information

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

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

Baker Tilly US, LLP

Madison, Wisconsin
December 18, 2023

Village of Germantown

Statement of Net Position
December 31, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets and Deferred Outflows of Resources			
Assets			
Cash and investments	\$ 51,264,459	\$ 9,307,547	\$ 60,572,006
Receivables (net):			
Taxes	18,128,184	-	18,128,184
Accounts	1,371,786	2,898,143	4,269,929
Special assessments	4,685	-	4,685
Delinquent taxes	68,505	-	68,505
Accrued interest	12,799	19,760	32,559
Leases	1,295,360	198,198	1,493,558
Due from other governmental units	13,264	-	13,264
Internal balances	(7,770,226)	7,770,226	-
Prepaid items	4,985	-	4,985
Restricted assets:			
Cash and investments	321,142	1,451,010	1,772,152
Accrued interest	2,866	1,066	3,932
Net pension asset	4,829,556	452,141	5,281,697
Land held for resale	2,317,208	-	2,317,208
Capital assets:			
Land	15,629,920	175,599	15,805,519
Construction in progress	8,962,331	3,134,668	12,096,999
Capital assets, net of depreciation	<u>69,924,323</u>	<u>88,787,846</u>	<u>158,712,169</u>
Total assets	<u>166,381,147</u>	<u>114,196,204</u>	<u>280,577,351</u>
Deferred Outflows of Resources			
Pension related amounts	<u>9,332,998</u>	<u>930,991</u>	<u>10,263,989</u>
Total deferred outflows of resources	<u>9,332,998</u>	<u>930,991</u>	<u>10,263,989</u>
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Accounts payable and accrued expenses	2,381,018	627,453	3,008,471
Accrued interest	692,601	156,131	848,732
Due to fiduciary fund	530,076	-	530,076
Unearned revenues	1,571,852	-	1,571,852
Noncurrent liabilities:			
Due within one year	4,275,888	1,040,877	5,316,765
Due in more than one year	<u>76,476,761</u>	<u>16,127,511</u>	<u>92,604,272</u>
Total liabilities	<u>85,928,196</u>	<u>17,951,972</u>	<u>103,880,168</u>
Deferred Inflows of Resources			
Property taxes levied for subsequent year	18,158,781	-	18,158,781
Pension related amounts	11,280,386	1,170,049	12,450,435
Lease related amounts	<u>1,295,360</u>	<u>198,198</u>	<u>1,493,558</u>
Total deferred inflows of resources	<u>30,734,527</u>	<u>1,368,247</u>	<u>32,102,774</u>
Net Position			
Net investment in capital assets	48,158,074	88,124,204	125,014,112
Restricted for:			
Debt service	-	608,395	608,395
Impact fees	511,322	333,675	844,997
Library	92,641	-	92,641
Pensions	4,829,556	452,141	5,281,697
Equipment replacement	-	397,185	397,185
TIF purposes	2,190,803	-	2,190,803
Unrestricted	<u>3,269,026</u>	<u>5,891,376</u>	<u>20,428,568</u>
Total net position	<u>\$ 59,051,422</u>	<u>\$ 95,806,976</u>	<u>\$ 154,858,398</u>

See notes to financial statements

Village of Germantown

Statement of Activities

Year Ended December 31, 2022

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 3,112,666	\$ 460,997	\$ 533,661	\$ -	\$ (2,118,008)	\$ -	\$ (2,118,008)
Public safety	9,309,120	1,721,568	326,425	63,984	(7,197,143)	-	(7,197,143)
Public works	6,105,881	418,564	1,198,627	3,819,920	(668,770)	-	(668,770)
Culture, education and recreation	3,786,339	1,062,539	373,334	35,595	(2,314,871)	-	(2,314,871)
Conservation and development	3,236,532	26,748	12,250	-	(3,197,534)	-	(3,197,534)
Interest and fiscal charges	1,941,603	-	-	-	(1,941,603)	-	(1,941,603)
Total governmental activities	<u>27,492,141</u>	<u>3,690,416</u>	<u>2,444,297</u>	<u>3,919,499</u>	<u>(17,437,929)</u>	<u>-</u>	<u>(17,437,929)</u>
Business-type activities:							
Water Utility	2,963,851	3,569,948	-	1,627,987	-	2,234,084	2,234,084
Sewer Utility	6,950,114	7,037,371	-	2,300,469	-	2,387,726	2,387,726
Total business-type activities	<u>9,913,965</u>	<u>10,607,319</u>	<u>-</u>	<u>3,928,456</u>	<u>-</u>	<u>4,621,810</u>	<u>4,621,810</u>
Total	<u>\$ 37,406,106</u>	<u>\$ 14,297,735</u>	<u>\$ 2,444,297</u>	<u>\$ 7,847,955</u>	<u>(17,437,929)</u>	<u>4,621,810</u>	<u>(12,816,119)</u>
General Revenues							
Taxes:							
Property taxes, levied for general purposes					10,533,130	-	10,533,130
Property taxes, levied for debt service					3,136,071	-	3,136,071
Property taxes, levied for TIF districts					2,296,924	-	2,296,924
Other taxes					610,316	-	610,316
Intergovernmental revenues not restricted to specific programs					1,220,875	-	1,220,875
Investment income (loss)					(26,902)	(213,829)	(240,731)
Miscellaneous					315,747	72,249	387,996
Total general revenues					<u>18,086,161</u>	<u>(141,580)</u>	<u>17,944,581</u>
Transfers					<u>626,310</u>	<u>(626,310)</u>	<u>-</u>
Change in net position					1,274,542	3,853,920	5,128,462
Net Position, Beginning					<u>57,776,880</u>	<u>91,953,056</u>	<u>149,729,936</u>
Net Position, Ending					<u>\$ 59,051,422</u>	<u>\$ 95,806,976</u>	<u>\$ 154,858,398</u>

See notes to financial statements

Village of Germantown

Balance Sheet
Governmental Funds
December 31, 2022

	General Fund	Debt Service Fund	General Capital Projects	Nonmajor Governmental Funds	Total
Assets					
Cash and investments	\$ 4,298,572	\$ 382,095	\$ 44,677,005	\$ 1,364,614	\$ 50,722,286
Receivables (net):					
Taxes	10,698,722	4,845,716	-	2,583,746	18,128,184
Special assessments	4,685	-	-	-	4,685
Accounts	627,405	-	737,423	-	1,364,828
Leases	1,295,360	-	-	-	1,295,360
Delinquent taxes	68,505	-	-	-	68,505
Accrued interest	6,791	-	1,016	1,080	8,887
Due from other governments	13,264	-	-	-	13,264
Due from other funds	7,030,625	104,282	-	5,644,850	12,779,757
Prepaid items	4,985	-	-	-	4,985
Restricted assets:					
Cash and investments	-	-	-	321,142	321,142
Accrued interest	-	-	-	2,866	2,866
Land held for resale	-	-	-	2,317,208	2,317,208
Total assets	<u>\$ 24,048,914</u>	<u>\$ 5,332,093</u>	<u>\$ 45,415,444</u>	<u>\$ 12,235,506</u>	<u>\$ 87,031,957</u>
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 557,442	\$ -	\$ 534,412	\$ 176,984	\$ 1,268,838
Accrued liabilities	758,999	-	-	4,462	763,461
Unearned revenues	-	-	-	1,571,852	1,571,852
Deposits	254,392	-	-	-	254,392
Due to other funds	2,046,018	302,402	12,350,625	4,603,001	19,302,046
Advances from other funds	-	-	-	1,220,000	1,220,000
Due to fiduciary funds	530,076	-	-	-	530,076
Total liabilities	<u>4,146,927</u>	<u>302,402</u>	<u>12,885,037</u>	<u>7,576,299</u>	<u>24,910,665</u>
Deferred Inflows of Resources					
Property taxes levied for subsequent year	10,729,319	4,845,716	-	2,583,746	18,158,781
Lease related amounts	1,295,360	-	-	-	1,295,360
Unavailable revenues	262,215	-	737,423	-	999,638
Total deferred inflows of resources	<u>12,286,894</u>	<u>4,845,716</u>	<u>737,423</u>	<u>2,583,746</u>	<u>20,453,779</u>
Fund Balances					
Nonspendable	78,175	-	-	-	78,175
Restricted	-	183,975	26,188,441	2,794,766	29,167,182
Committed	-	-	-	53,695	53,695
Assigned	764,079	-	5,604,543	-	6,368,622
Unassigned (deficit)	6,772,839	-	-	(773,000)	5,999,839
Total fund balances	<u>7,615,093</u>	<u>183,975</u>	<u>31,792,984</u>	<u>2,075,461</u>	<u>41,667,513</u>
Total liabilities and fund balance	<u>\$ 24,048,914</u>	<u>\$ 5,332,093</u>	<u>\$ 45,415,444</u>	<u>\$ 12,235,506</u>	<u>\$ 87,031,957</u>

See notes to financial statements

Village of Germantown

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2022

Total Fund Balances, Governmental Funds \$ 41,667,513

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.

Land	15,629,920
Construction in progress	8,962,331
Other capital assets	130,076,947
Less accumulated depreciation	(60,152,624)

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. 999,638

The net pension asset does not relate to current financial resources and is not reported in the governmental funds. 4,829,556

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. 9,332,998

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. (11,280,386)

Internal service funds are reported in the statement of net position as governmental activities. 487,014

Internal service fund internal payable between governmental and business-type activities. (56,235)

Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds and notes payable	(76,795,000)
Compensated absences	(1,156,252)
Accrued interest	(692,601)
Unamortized debt premium	(2,801,397)

Net Position of Governmental Activities \$ 59,051,422

Village of Germantown

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds Year Ended December 31, 2022

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>General Capital Projects</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues					
Taxes	\$ 10,963,687	\$ 3,136,071	\$ -	\$ 2,296,924	\$ 16,396,682
Special assessments	-	-	75	-	75
Intergovernmental	3,002,101	-	-	533,661	3,535,762
Regulation and compliance	1,379,642	-	-	-	1,379,642
Public charges for services	2,130,249	-	-	123,431	2,253,680
Intergovernmental charges for services	116,065	-	-	-	116,065
Investment income (loss)	(166,259)	6,032	97,749	35,563	(26,915)
Miscellaneous	180,969	-	5,000	11,018	196,987
Total revenues	<u>17,606,454</u>	<u>3,142,103</u>	<u>102,824</u>	<u>3,000,597</u>	<u>23,851,978</u>
Expenditures					
Current:					
General government	2,276,320	-	-	238,932	2,515,252
Public safety	9,587,237	-	-	64,492	9,651,729
Public works	3,648,296	-	-	-	3,648,296
Culture and recreation	3,304,153	-	-	80,885	3,385,038
Conservation and development	348,417	-	-	3,059,721	3,408,138
Capital outlay	74,557	-	7,669,998	3,734,742	11,479,297
Debt service:					
Principal	-	3,520,000	-	-	3,520,000
Interest and fiscal charges	-	1,252,977	-	-	1,252,977
Debt issuance costs	-	8,000	530,294	78,929	617,223
Total expenditures	<u>19,238,980</u>	<u>4,780,977</u>	<u>8,200,292</u>	<u>7,257,701</u>	<u>39,477,950</u>
Excess (deficiency) of revenues over expenditures	<u>(1,632,526)</u>	<u>(1,638,874)</u>	<u>(8,097,468)</u>	<u>(4,257,104)</u>	<u>(15,625,972)</u>
Other Financing Sources (Uses)					
General obligation debt issued	-	-	33,505,000	4,980,000	38,485,000
Premium on debt issued	-	104,282	1,527,713	29,491	1,661,486
Proceeds from debt refunding	-	-	1,435,000	-	1,435,000
Transfers in	626,310	1,551,101	100,000	-	2,277,411
Transfers out	(100,000)	-	-	(1,551,101)	(1,651,101)
Total other financing sources (uses)	<u>526,310</u>	<u>1,655,383</u>	<u>36,567,713</u>	<u>3,458,390</u>	<u>42,207,796</u>
Net change in fund balances	(1,106,216)	16,509	28,470,245	(798,714)	26,581,824
Fund Balances, Beginning	<u>8,721,309</u>	<u>167,466</u>	<u>3,322,739</u>	<u>2,874,175</u>	<u>15,085,689</u>
Fund Balances, Ending	<u>\$ 7,615,093</u>	<u>\$ 183,975</u>	<u>\$ 31,792,984</u>	<u>\$ 2,075,461</u>	<u>\$ 41,667,513</u>

See notes to financial statements

Village of Germantown

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2022

Net Change in Fund Balances, Total Governmental Funds \$ 26,581,824

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 financial statements	11,479,297
Some items reported as capital outlay were not capitalized	(431,719)
Contributed capital assets are reported as revenues in the government-wide financial statements	3,128,420
Depreciation is reported in the government-wide financial statements	(3,158,302)
Net book value of assets retired	(381,658)

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.

884,749

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.

Debt issued	(39,920,000)
Principal repaid	3,520,000
Change in lease liability	75,503

Governmental funds report debt premiums and discounts as other financing sources (uses) or financing sources or uses. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.

Premium on debt issued	(1,645,130)
Amortization of debt premium	168,690

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	(271,682)
Accrued interest on debt	(256,447)
Net pension asset/liability	1,238,682
Deferred outflows of resources related to pensions	3,404,811
Deferred inflows of resources related to pensions	(3,417,118)

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 reported with governmental activities

274,622

Change in Net Position of Governmental Activities \$ 1,274,542

Village of Germantown

Statement of Net Position
Proprietary Funds
December 31, 2022

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>	
Assets				
Current assets:				
Cash and investments	\$ 4,202,331	\$ 4,424,416	\$ 8,626,747	\$ 542,173
Accounts receivable	1,041,588	1,856,555	2,898,143	6,958
Accrued interest	4,951	14,809	19,760	3,912
Due from other funds	5,050,371	5,072,453	10,122,824	50,917
Lease receivable, current	24,489	-	24,489	-
Restricted assets:				
Redemption account	<u>255,560</u>	<u>-</u>	<u>255,560</u>	<u>-</u>
Total current assets	<u>10,579,290</u>	<u>11,368,233</u>	<u>21,947,523</u>	<u>603,960</u>
Noncurrent assets:				
Restricted assets:				
Reserve account	414,000	-	414,000	-
Depreciation account	50,590	-	50,590	-
Equipment replacement account	-	397,185	397,185	-
Impact fees	333,675	-	333,675	-
Accrued interest receivable	1,066	-	1,066	-
Net pension asset	246,723	205,418	452,141	-
Capital assets:				
Land	140,450	35,149	175,599	-
Construction in progress	107,945	3,026,723	3,134,668	-
Plant in service	51,763,418	72,615,035	124,378,453	-
Less accumulated depreciation	(16,824,388)	(18,766,219)	(35,590,607)	-
Other assets:				
Water tower account	680,800	-	680,800	-
Lease receivable	173,709	-	173,709	-
Advances to other funds	<u>1,220,000</u>	<u>-</u>	<u>1,220,000</u>	<u>-</u>
Total noncurrent assets	<u>38,307,988</u>	<u>57,513,291</u>	<u>95,821,279</u>	<u>-</u>
Total assets	<u>48,887,278</u>	<u>68,881,524</u>	<u>117,768,802</u>	<u>603,960</u>
Deferred Outflows of Resources				
Pension related amounts	<u>507,799</u>	<u>423,192</u>	<u>930,991</u>	<u>-</u>
Total deferred outflows of resources	<u>507,799</u>	<u>423,192</u>	<u>930,991</u>	<u>-</u>

See notes to financial statements

Village of Germantown

Statement of Net Position
 Proprietary Funds
 December 31, 2022

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>	
Liabilities				
Current liabilities:				
Accounts payable	\$ 45,520	\$ 525,139	\$ 570,659	\$ 94,327
Accrued wages	29,281	27,513	56,794	-
Accrued interest	16,858	43,310	60,168	-
Due to other funds	2,871,742	757,091	3,628,833	22,619
Current portion of general obligation debt	315,000	460,000	775,000	-
Current portion of compensated absences	13,738	8,398	22,136	-
Liabilities payable from restricted assets:				
Current portion of revenue bonds payable	243,741	-	243,741	-
Accrued interest payable	95,963	-	95,963	-
Total current liabilities	3,631,843	1,821,451	5,453,294	116,946
Noncurrent liabilities:				
Long-term debt:				
Revenue bonds payable	4,228,069	-	4,228,069	-
General obligation debt payable	4,165,000	6,975,000	11,140,000	-
Unamortized premium	332,893	319,359	652,252	-
Other liabilities:				
Compensated absences	48,051	59,139	107,190	-
Total noncurrent liabilities	8,774,013	7,353,498	16,127,511	-
Total liabilities	12,405,856	9,174,949	21,580,805	116,946
Deferred Inflows of Resources				
Pension related amounts	625,760	544,289	1,170,049	-
Lease related amounts	198,198	-	198,198	-
Total deferred inflows of resources	823,958	544,289	1,368,247	-
Net Position				
Net investment in capital assets	33,895,422	54,228,782	88,124,204	-
Restricted for:				
Debt service	608,395	-	608,395	-
Impact fees	333,675	-	333,675	-
Pensions	246,723	205,418	452,141	-
Equipment replacement	-	397,185	397,185	-
Unrestricted	1,081,048	4,754,093	5,835,141	487,014
Total net position	\$ 36,165,263	\$ 59,585,478	95,750,741	\$ 487,014
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds.			56,235	
Net position business-type activities			\$ 95,806,976	

See notes to financial statements

Village of Germantown

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Utility	Sewer Utility	Total	
Operating Revenues				
Charges for services	\$ -	\$ 7,037,371	\$ 7,037,371	\$ -
Sale of water	3,502,811	-	3,502,811	-
Other	67,137	-	67,137	2,236,975
Total operating revenues	<u>3,569,948</u>	<u>7,037,371</u>	<u>10,607,319</u>	<u>2,236,975</u>
Operating Expenses				
Operation and maintenance	1,761,927	5,983,422	7,745,349	1,927,383
Depreciation	985,410	881,973	1,867,383	-
Total operating expenses	<u>2,747,337</u>	<u>6,865,395</u>	<u>9,612,732</u>	<u>1,927,383</u>
Operating income	<u>822,611</u>	<u>171,976</u>	<u>994,587</u>	<u>309,592</u>
Nonoperating Revenues (Expenses)				
Investment income (loss)	18,503	(232,332)	(213,829)	11
Miscellaneous	61,748	10,501	72,249	-
Interest expense	(121,174)	(87,869)	(209,043)	-
Debt issuance costs	(116,333)	(10,836)	(127,169)	-
Total nonoperating revenues (expenses)	<u>(157,256)</u>	<u>(320,536)</u>	<u>(477,792)</u>	<u>11</u>
Income (loss) before contributions and transfers	<u>665,355</u>	<u>(148,560)</u>	<u>516,795</u>	<u>309,603</u>
Contributions and Transfers				
Capital contributions	1,627,987	2,300,469	3,928,456	-
Transfers out, tax equivalent	(626,310)	-	(626,310)	-
Total contributions and transfers	<u>1,001,677</u>	<u>2,300,469</u>	<u>3,302,146</u>	<u>-</u>
Change in net position	1,667,032	2,151,909	3,818,941	309,603
Net Position, Beginning	<u>34,498,231</u>	<u>57,433,569</u>	<u>91,931,800</u>	<u>177,411</u>
Net Position, Ending	<u>\$ 36,165,263</u>	<u>\$ 59,585,478</u>	<u>\$ 95,750,741</u>	<u>\$ 487,014</u>
Change in net position of proprietary funds			\$ 3,818,941	
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds			<u>34,979</u>	
Change in net position of business- type activities			<u>\$ 3,853,920</u>	

See notes to financial statements

Village of Germantown

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2022

	<u>Business-Type Activities - Enterprise Funds</u>			Governmental
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>	Activities - Internal Service Funds
Cash Flows From Operating Activities				
Received from customers	\$ 2,652,760	\$ 7,688,820	\$ 10,341,580	\$ -
Received from other funds for services	576,763	-	576,763	2,247,239
Paid to suppliers for goods and services	(2,251,383)	(5,539,251)	(7,790,634)	(2,333,849)
Paid to employees for services	(630,015)	(464,150)	(1,094,165)	-
Net cash flows from operating activities	<u>348,125</u>	<u>1,685,419</u>	<u>2,033,544</u>	<u>(86,610)</u>
Cash Flows From Investing Activities				
Investments sold and matured	2,976,320	5,259,271	8,235,591	-
Investment income (loss)	18,503	(232,332)	(213,829)	11
Investments purchased	(6,357,057)	(4,618,085)	(10,975,142)	-
Net cash flows from investing activities	<u>(3,362,234)</u>	<u>408,854</u>	<u>(2,953,380)</u>	<u>11</u>
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	(626,358)	-	(626,358)	-
Net cash flows from noncapital financing activities	<u>(626,358)</u>	<u>-</u>	<u>(626,358)</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities				
Acquisition and construction of capital assets	(2,923,591)	(7,745,951)	(10,669,542)	-
Capital contributions received	-	122,498	122,498	-
Special assessments received	10,942	-	10,942	-
Debt retired	(357,603)	(115,000)	(472,603)	-
Interest paid	(16,765)	(77,481)	(94,246)	-
Proceeds from debt issue	8,958,504	5,083,289	14,041,793	-
Debt issuance costs	(116,333)	(10,836)	(127,169)	-
Advances to other funds	(1,220,000)	-	(1,220,000)	-
Net cash flows from capital and related financing activities	<u>4,335,154</u>	<u>(2,743,481)</u>	<u>1,591,673</u>	<u>-</u>
Net change in cash and cash equivalents	694,687	(649,208)	45,479	(86,599)
Cash and Cash Equivalents, Beginning	<u>600,881</u>	<u>1,753,776</u>	<u>2,354,657</u>	<u>628,772</u>
Cash and Cash Equivalents, Ending	<u>\$ 1,295,568</u>	<u>\$ 1,104,568</u>	<u>\$ 2,400,136</u>	<u>\$ 542,173</u>

See notes to financial statements

Village of Germantown

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2022

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Funds</u>
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>	
Reconciliation of Operating Income to Net Cash Flows From Operating Activities				
Operating income	\$ 822,611	\$ 171,976	\$ 994,587	\$ 309,592
Nonoperating revenue	47,654	10,501	58,155	-
Adjustments to reconcile operating income to net cash flows from operating activities:				
Depreciation	985,410	881,973	1,867,383	-
Depreciation charged to other funds	65,355	-	65,355	-
Changes in assets and liabilities:				
Accounts receivable	(505,235)	82,505	(422,730)	(990)
Due from other funds	(774,531)	558,443	(216,088)	(408,930)
Lease receivables	(198,198)	-	(198,198)	-
Accounts payable	(273,158)	15,754	(257,404)	13,718
Due to other funds	-	(34,477)	(34,477)	-
Compensated absences	24,123	6,888	31,011	-
Other current liabilities	(9,305)	(6,155)	(15,460)	-
Lease related deferrals	198,198	-	198,198	-
Pension related deferrals and liabilities	(34,799)	(1,989)	(36,788)	-
Net cash flows from operating activities	<u>\$ 348,125</u>	<u>\$ 1,685,419</u>	<u>\$ 2,033,544</u>	<u>\$ (86,610)</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds				
Unrestricted cash and investments	\$ 4,883,131	\$ 4,424,416	\$ 9,307,547	\$ 542,173
Restricted cash and investments	<u>1,053,825</u>	<u>397,185</u>	<u>1,451,010</u>	<u>-</u>
Total cash and investments	5,936,956	4,821,601	10,758,557	542,173
Less noncash equivalents	<u>(4,641,388)</u>	<u>(3,717,033)</u>	<u>(8,358,421)</u>	<u>-</u>
Cash and cash equivalents	<u>\$ 1,295,568</u>	<u>\$ 1,104,568</u>	<u>\$ 2,400,136</u>	<u>\$ 542,173</u>
Noncash Capital and Related Financing Activities				
Developer additions to utility plant	<u>\$ 1,627,987</u>	<u>\$ 2,177,971</u>		
Amortization of debt premium	<u>\$ 5,611</u>	<u>\$ 6,328</u>		

See notes to financial statements

Village of Germantown

Statement of Fiduciary Net Position

Fiduciary Fund

December 31, 2022

	Custodial Fund
	Tax Collection Fund
Assets	
Cash and investments	\$ 21,482,569
Tax roll receivable	15,194,272
Due from village funds	<u>530,076</u>
Total assets	<u>37,206,917</u>
Liabilities	
Accounts payable	28,407
Due to other governments	<u>37,178,510</u>
Total liabilities	<u>37,206,917</u>
Net Position	
Total net position	<u>\$ -</u>

See notes to financial statements

Village of Germantown

Statement of Changes in Fiduciary Net Position

Fiduciary Fund

Year Ended December 31, 2022

	<u>Custodial Fund Tax Collection Fund</u>
Additions	
Tax collections	\$ 27,703,590
Total additions	<u>27,703,590</u>
Deductions	
Tax distributions	<u>27,703,590</u>
Total deductions	<u>27,703,590</u>
Change in fiduciary net position	-
Net Position, Beginning	<u>-</u>
Net Position, Ending	<u>\$ -</u>

See notes to financial statements

Village of Germantown

Index to Notes to Financial Statements

December 31, 2022

	<u>Page</u>
1. Summary of Significant Accounting Policies	15
Reporting Entity	15
Government-Wide and Fund Financial Statements	15
Measurement Focus, Basis of Accounting and Financial Statement Presentation	17
Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity	19
Deposits and Investments	19
Receivables	20
Prepaid Items	21
Restricted Assets	21
Capital Assets	21
Deferred Outflows of Resources	22
Compensated Absences	22
Long-Term Obligations/Conduit Debt	22
Leases	14
Deferred Inflows of Resources	22
Equity Classifications	23
Pension	24
Basis for Existing Rates	24
2. Stewardship, Compliance and Accountability	25
Budgetary Information	25
Excess Expenditures and Other Financing Uses Over Budget	25
Deficit Balances	25
Limitations on the Village's Tax Levy	25
3. Detailed Notes on All Funds	26
Deposits and Investments	26
Receivables	28
Restricted Assets	29
Capital Assets	30
Interfund Receivables/Payables, Advances and Transfers	32
Short-Term Debt Activity	34
Long-Term Obligations	34
Lease Disclosures	38
Net Position/Fund Balances	38
4. Other Information	40
Employees' Retirement System	40
Risk Management	45
Commitments and Contingencies	46
Effect of New Accounting Standards on Current-Period Financial Statements	47

Village of Germantown

Notes to Financial Statements
December 31, 2022

1. Summary of Significant Accounting Policies

The accounting policies of the Village of Germantown, Wisconsin (the Village) 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).

Reporting Entity

This report includes all of the funds of the Village. The reporting entity for the Village 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 Village has not identified any organizations that meet this criteria.

Government-Wide and Fund Financial Statements

In June 2017, the GASB issued Statement No. 87, *Leases*. This Statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under the Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, which enhances the relevance and consistency of information about the Village's leasing activities. This standard was implemented January 1, 2022.

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.

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 Village 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 Village 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 expenditures/expenses.

Village of Germantown

Notes to Financial Statements
December 31, 2022

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 Village 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 Village believes is particularly important to financial statement users may be reported as a major fund.

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

The Village reports the following major governmental funds:

General Fund

General Fund accounts for the Village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Debt Service Fund

Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs, other than TID or enterprise debt.

Capital Projects Fund

General Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets for the capital projects program.

Enterprise Funds

The Village reports the following major enterprise funds:

Water Utility accounts for operations of the water system

Sewer Utility accounts for operations of the sewer system

Village of Germantown

Notes to Financial Statements
December 31, 2022

The Village reports the following nonmajor governmental funds:

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Police Impact Fee Fund	Fire Impact Fee Fund
Library Impact Fee Fund	Park and Recreation Impact Fee Fund
Senior Van Replacement Fund	Police Asset Forfeiture Fund
Police Canine Fund	Historic Preservation Fund
Library Fund	Facility Fees Fund
Police Honor Guard Fund	Fire Explorer Fund
American Rescue Plan Act (ARPA) Fund	

Capital Projects Funds

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

Tax Incremental District (TID) No. 6	Tax Incremental District (TID) No. 8
Tax Incremental District (TID) No. 7	Tax Incremental District (TID) No. 9

In addition, the Village reports the following fund types:

Internal Service Funds

Internal Service Funds are used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the Village, or to other governmental units, on a cost-reimbursement basis.

Health Insurance Fund
Dental Insurance Fund

Custodial Funds

Custodial Fund is used to account for and report assets controlled by the Village and the assets are for the benefit of individuals, private organizations and/or other governmental units.

Tax Collection Fund

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.

Village of Germantown

Notes to Financial Statements
December 31, 2022

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. 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 Village 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 inflows. 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 Village is entitled to the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting 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 and Fiduciary Funds

Proprietary and fiduciary fund 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 and sewer funds 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.

Village of Germantown

Notes to Financial Statements
December 31, 2022

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources 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.

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

Deposits and Investments

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

Investment of Village 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.

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

The Village's investment policy allows for demand deposits and certificates of deposit at several designated depositories without restriction as to amount of deposit or collateralization. For other financial institutions, the policy limits certificates of deposit to \$500,000 unless collateralized with certain investments. All governmental bonds and securities purchased as collateral must be placed in a segregated account in the Village's name.

The investment policy addresses credit risk and concentration of credit risk by limiting investments to the types of securities listed in the policy, which follows state statutes. The Village will pre-qualify financial institutions, brokers/dealers, intermediaries and advisors before doing business with them. In addition, the Village's investment portfolio will be diversified so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

Village of Germantown

Notes to Financial Statements
December 31, 2022

The Village's investment policy also addresses interest rate risk by requiring investment in securities that mature to meet cash flow requirements, funds that are primarily made up of shorter-term securities, money market mutual funds or similar investment pools and limiting weighted average maturity of portfolios to three years.

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 3. 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, 2022, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 3 for further information.

Receivables

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

Property tax calendar - 2022 tax roll:

Lien date and levy date	December 2022
Tax bills mailed	December 2022
Payment in full, or	January 31, 2023
First installment due	January 31, 2023
Second installment due	July 31, 2023
Personal property taxes in full	January 31, 2023
Tax sale - 2022 delinquent real estate taxes	October 2025

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 and sewer 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.

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.

Village of Germantown

Notes to Financial Statements
December 31, 2022

Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant.

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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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.

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, plant and equipment (including right-to-use lease assets), are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 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 acquisition 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 and overhead. 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. The range of estimated useful lives by type of asset is as follows:

Buildings	40-50 Years
Land Improvements	25 Years
Machinery and Equipment	5-20 Years
Utility System	20-100 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.

Village of Germantown

Notes to Financial Statements
December 31, 2022

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.

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.

Employees who retire and are eligible to draw a Wisconsin Retirement Annuity will have 50%, or other collectively bargained percentage, of their unused accumulated sick leave converted into dollars at the time of their retirement and forwarded to ICMA Retirement Corporation to open a VantageCare Retirement Health Savings Plan (RHS). The RHS is a tax-advantaged investment plan dedicated to funding health care costs. The employee has ownership of the funds and may use the dollars to remain on the Village health care plan until age 65. Funding for the RHS contribution are provided out of the current operating budget of the Village. The contributions are financed on a pay-as-you-go basis. The total expenditure for the year was \$133,185.

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, 2022, are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations/Conduit Debt

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

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

The Village 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 Village. 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 \$31,645,017, made up of 9 issues.

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.

Village of Germantown

Notes to Financial Statements
December 31, 2022

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 positions that do not meet the definitions of *restricted* or *net investment in capital assets*.

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:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Adjustment</u>	<u>Total</u>
Net investment in capital assets	\$ 48,158,074	\$ 88,124,204	\$ (11,268,166)	\$ 125,014,112
Unrestricted	3,269,026	5,891,376	11,268,166	20,428,568

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

Fund Statements

Governmental fund 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 Village Board. 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 Village Board that originally created the commitment.

Village of Germantown

Notes to Financial Statements
December 31, 2022

- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Village Board has, by resolution, adopted a financial policy authorizing the Director of Finance to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- 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 Village 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 Village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Village has a formal minimum fund balance policy. That policy is to maintain a working capital fund of 16-25% of the Village's subsequent year general fund expenditure budget. The balance at year-end was \$6,772,839 or 36%, and is included in unassigned general fund balance.

See Note 3 for further information.

Pension

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

Basis for Existing Rates

Water Utility

Current water rates were approved by the Public Service Commission of Wisconsin, effective January 1, 2022.

Sewer Utility

Current sewer rates were approved by the Village Board with an effective date of December 15, 2014.

Village of Germantown

Notes to Financial Statements
December 31, 2022

2. Stewardship, Compliance and Accountability

Budgetary Information

A budget has been adopted for the all funds except the Fire Explorer Fund, ARPA Fund, and TID No. 9 Capital Projects Fund. A budget has not been formally adopted for the funds listed, as they were created after the respective budgets were adopted. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

Excess Expenditures and Other Financing Uses Over Budget

<u>Funds</u>	<u>Budgeted Expenditures and Other Financing Uses</u>	<u>Actual Expenditures and Other Financing Uses</u>	<u>Excess Expenditures and Other Financing Uses Over Budget</u>
Police Canine Fund	\$ 5,000	\$ 63,600	\$ 58,600
Library Fund	500	3,788	3,288
Facility Fees Fund	20,000	75,972	55,972
TID No. 6 Capital Projects Fund	460,132	525,511	65,379

The Village controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village's year-end budget to actual report.

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end.

As of December 31, 2022, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Historic Preservation	\$ 156	Expenditures exceeded revenues
Facility Fees	1,143	Expenditures exceeded revenues
TID No. 8 Capital Projects	771,701	Expenditures exceeded revenues

TIF district 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 new districts varies by type of district (20-27 years) and may be extended in some cases. The Historic Preservation and Facilities Fee deficits are anticipated to be funded with future charges for services and donations.

Limitations on the Village's Tax Levy

Wisconsin law limits the Village's future tax levies. Generally the Village is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the Village's equalized value due to net new construction or 0%. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The Village 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.

Village of Germantown

Notes to Financial Statements
December 31, 2022

3. Detailed Notes on All Funds

Deposits and Investments

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

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

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Deposits	\$ 31,490,700	\$ 32,315,425	Custodial credit
U.S. agencies, implicitly guaranteed	18,096,116	18,096,116	Custodial credit, interest rate, credit, concentration of credit
U.S. treasuries	24,702,835	24,702,835	Custodial credit, interest rate
State and local bonds	2,570,012	2,570,012	Credit, custodial credit, concentration of credit, interest rate
LGIP	3,342,587	3,342,587	Credit
Certificates of deposit (negotiable)	3,372,216	3,372,216	Custodial credit risk, credit, concentration of credit, interest rate
Corporate bonds	250,071	250,081	Custodial credit, interest rate, credit, concentration of credit
Petty cash	2,190	-	N/A
Total deposits and investments	<u>\$ 83,826,727</u>	<u>\$ 84,649,272</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 60,572,006		
Restricted cash and investments	1,772,152		
Per statement of net position, fiduciary fund:			
Cash and investments	<u>21,482,569</u>		
Total deposits and investments	<u>\$ 83,826,727</u>		

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 not been considered in computing custodial credit risk.

Village of Germantown

Notes to Financial Statements
December 31, 2022

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government).

SIPC membership provides account protection up to a maximum of \$500,000 per customer, of which \$100,000 may be in cash. \$500,000 of the Village's investments are covered by SIPC.

The Village maintains collateral agreements with its banks. At December 31, 2022, the banks had pledged various government securities in the amount of \$25,000,000 to secure the Village's deposits.

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

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

- Quoted market prices

Investment Type	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Certificates of deposit (negotiable)	\$ -	\$ 3,372,216	\$ -	\$ 3,372,216
U.S. agencies, implicitly guaranteed	-	18,096,116	-	18,096,116
State & local bonds	-	2,570,012	-	2,570,012
U.S. treasuries	-	24,702,835	-	24,702,835
Corporate bonds	-	250,071	-	250,071
Total	<u>\$ -</u>	<u>\$ 48,991,250</u>	<u>\$ -</u>	<u>\$ 48,991,250</u>

Custodial Credit Risk

Deposits

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

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

Investments

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

All investments that are subject to custodial credit risk have collateral held by the pledging financial institution.

Credit Risk

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

Village of Germantown

Notes to Financial Statements
December 31, 2022

As of December 31, 2022, the Village's investments were rated as follows:

<u>Investment Type</u>	<u>Standard & Poors</u>	<u>Moody's Investors Services</u>
Certificates of deposit (negotiable)	A+, A, Not rated	A1, Aa1, Aa3, A2
U.S. agencies, implicitly guaranteed	AA+, A-1+	Aaa
State & local bonds	AAA, AA+, AA, AA-	Aa1, Aa2, Aa3, Aaa

The Village also held investments in the following external pool which is not rated:

Local Government Investment Pool

Concentration of Credit Risk

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

At December 31, 2022, the Village's investment portfolio was concentrated as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage of Portfolio</u>
Federal Home Loan Banks	U.S. agencies, implicitly guaranteed	12.11 %
Federal Nation Mortgage Association	U.S. agencies, implicitly guaranteed	9.73
Federal Farm Credit Banks Funding Corp	U.S. agencies, implicitly guaranteed	6.48
Federal Home Loan Mortgage Corp	U.S. agencies, implicitly guaranteed	5.88

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, 2022, the Village's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity (In Years)</u>	
		<u>Less than 1 year</u>	<u>1-5 years</u>
Certificates of deposit (negotiable)	\$ 3,372,216	\$ 1,256,034	\$ 2,116,182
U.S. agencies, implicitly guaranteed	18,096,116	12,136,658	5,959,458
State & local bonds	2,570,012	2,189,403	380,609
US Treasuries	24,702,835	18,408,197	6,294,638
Corporate bonds	250,071	250,071	-
Total	<u>\$ 48,991,250</u>	<u>\$ 34,240,363</u>	<u>\$ 14,750,887</u>

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

Receivables

All of the receivables on the balance sheet are expected to be collected within one year, except for special assessments and delinquent taxes.

Village of Germantown

Notes to Financial Statements
December 31, 2022

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:

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 18,158,781	\$ -
Payment in lieu of taxes receivable	-	209,649
Special assessments not yet due	-	4,685
Developer receivable not yet due	-	47,881
Accounts receivable due from developer	-	45,923
Receivable due from other government	-	691,500
Grant received not yet earned	<u>1,571,852</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 19,730,633</u>	<u>\$ 999,638</u>
Unearned revenue included in liabilities	\$ 1,571,852	
Unearned revenue included in deferred inflows	<u>18,158,781</u>	
Total unearned revenue for governmental funds	<u>\$ 19,730,633</u>	

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 12 months.

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

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

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.

Impact Fee Account

The Village has received impact fees which must be spent in accordance with the local ordinance and state statutes. Any unspent funds must be refunded to the current property owner.

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

Village of Germantown

Notes to Financial Statements
December 31, 2022

Following is a list of restricted assets at December 31, 2022:

	Restricted Assets
Governmental activities:	
Impact fee accounts	\$ 321,142
Accrued interest	2,866
Net pension asset	4,829,556
Business-type activities:	
Water impact fees	333,675
Accrued interest	1,066
Sewer equipment replacement account	397,185
Water redemption account	255,560
Water reserve account	414,000
Water depreciation account	50,590
Net pension asset	452,141
	<u>452,141</u>
Total	<u>\$ 7,057,781</u>

Capital Assets

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

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 13,577,807	\$ 2,052,113	\$ -	\$ 15,629,920
Construction in progress	<u>3,222,602</u>	<u>5,739,729</u>	<u>-</u>	<u>8,962,331</u>
Total capital assets not being depreciated	<u>16,800,409</u>	<u>7,791,842</u>	<u>-</u>	<u>24,592,251</u>
Capital assets being depreciated:				
Buildings and improvements	19,270,779	104,150	-	19,374,929
Machinery and equipment	13,228,926	1,194,644	528,655	13,894,915
Roads	58,604,224	4,097,135	420,401	62,280,958
Storm sewers	22,798,398	534,359	-	23,332,757
Street lighting	3,365,760	414,913	-	3,780,673
Bridges	<u>7,392,610</u>	<u>38,955</u>	<u>18,850</u>	<u>7,412,715</u>
Total capital assets being depreciated	<u>124,660,697</u>	<u>6,384,156</u>	<u>967,906</u>	<u>130,076,947</u>
Total capital assets	<u>141,461,106</u>	<u>14,175,998</u>	<u>967,906</u>	<u>154,669,198</u>
Less accumulated depreciation for:				
Buildings and improvements	(9,968,261)	(541,106)	-	(10,509,367)
Machinery and equipment	(7,764,785)	(682,908)	427,226	(8,020,467)
Roads	(20,602,934)	(1,231,719)	156,811	(21,677,842)
Storm sewers	(13,076,462)	(461,312)	-	(13,537,774)
Street lighting	(2,590,248)	(95,471)	-	(2,685,719)
Bridges	<u>(3,577,880)</u>	<u>(145,786)</u>	<u>2,211</u>	<u>(3,721,455)</u>
Total accumulated depreciation	<u>(57,580,570)</u>	<u>(3,158,302)</u>	<u>586,248</u>	<u>(60,152,624)</u>
Net capital assets being depreciated	<u>67,080,127</u>	<u>3,225,854</u>	<u>381,658</u>	<u>69,924,323</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 83,880,536</u>	<u>\$ 11,017,696</u>	<u>\$ 381,658</u>	<u>\$ 94,516,574</u>

Village of Germantown

Notes to Financial Statements
December 31, 2022

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 72,620
Public safety	512,609
Public works, including infrastructure	2,179,940
Leisure	377,788
Conservation and development	<u>15,345</u>
Total governmental activities depreciation expense	<u>\$ 3,158,302</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 175,599	\$ -	\$ -	\$ 175,599
Construction in progress	<u>107,945</u>	<u>3,026,723</u>	<u>-</u>	<u>3,134,668</u>
Total capital assets not being depreciated	<u>283,544</u>	<u>3,026,723</u>	<u>-</u>	<u>3,310,267</u>
Capital assets being depreciated:				
Buildings and improvements	5,747,697	17,165	-	5,764,862
Machinery and equipment	7,507,875	129,309	12,750	7,624,434
Water system	43,784,488	2,005,528	-	45,790,016
Sewer system	<u>63,000,414</u>	<u>2,198,727</u>	<u>-</u>	<u>65,199,141</u>
Total capital assets being depreciated	<u>120,040,474</u>	<u>4,350,729</u>	<u>12,750</u>	<u>124,378,453</u>
Total capital assets	<u>120,324,018</u>	<u>7,377,452</u>	<u>12,750</u>	<u>127,688,720</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,630,878)	(162,075)	-	(1,792,953)
Machinery and equipment	(4,583,288)	(295,073)	12,750	(4,865,611)
Water system	(12,206,278)	(805,231)	-	(13,011,509)
Sewer system	<u>(15,250,176)</u>	<u>(670,358)</u>	<u>-</u>	<u>(15,920,534)</u>
Total accumulated depreciation	<u>(33,670,620)</u>	<u>(1,932,737)</u>	<u>12,750</u>	<u>(35,590,607)</u>
Net capital assets being depreciated	<u>86,369,854</u>	<u>2,417,992</u>	<u>-</u>	<u>88,787,846</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 86,653,398</u>	<u>\$ 5,444,715</u>	<u>\$ -</u>	<u>\$ 92,098,113</u>

Depreciation expense was charged to functions as follows:

Business-Type Activities

Water	\$ 985,410
Sewer	<u>881,973</u>
Total business-type activities depreciation expense	<u>\$ 1,867,383</u>

Additions to accumulated depreciation include depreciation expense as well as salvage on retired assets and joint metering and may not equal depreciation expense. Accumulated depreciation by asset on sewer utility assets is not available.

Village of Germantown

Notes to Financial Statements
December 31, 2022

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:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	General capital projects	\$ 61,227
General	Debt service	302,402
General	Nonmajor governmental	4,603,001
General	Water utility	1,651,742
General	Sewer utility	389,634
General	Health insurance	22,619
Debt service	General capital projects	104,282
Water utility	General capital projects	4,682,914
Water utility	Sewer utility	367,457
Sewer utility	General capital projects	5,072,453
Nonmajor governmental funds	General	1,995,101
Nonmajor governmental funds	General capital projects	2,429,749
Nonmajor governmental funds	Water utility	1,220,000
Dental Insurance	General	<u>50,917</u>
Total, fund financial statements		22,953,498
		(9,936,755)
Less fund eliminations		(9,936,755)
Less interfund receivables created with internal service fund eliminations		(56,235)
Less government-wide eliminations		(19,510,734)
Less interfund advances		<u>(1,220,000)</u>
Total internal balances, government-wide statement of net position		<u>\$ (7,770,226)</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 3,261,376
Business-type activities	Governmental activities	<u>(11,031,602)</u>
Total government-wide financial statements		<u>\$ (7,770,226)</u>

All amounts are due within one year.

Interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Advances

The water utility is advancing funds to TID No. 6 capital projects fund and TID No. 7 capital projects fund. The amount advanced is equal to the TID No. 6 and TID No. 7 related debt issued during 2022. The repayment schedule of the advances is included in the repayment schedule of the 2022 Water Revenue Bonds.

Village of Germantown

Notes to Financial Statements
December 31, 2022

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>
Water utility	TID No. 6 capital projects	\$ 555,000	\$ 530,000
Water utility	TID No. 7 capital projects	<u>665,000</u>	665,000
Total		<u>\$ 1,220,000</u>	

The principal purpose of these interfunds is to prepay principal on debt.

<u>Years</u>	<u>TID No 6</u>		<u>TID No. 7</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 25,000	\$ 29,100	\$ -	\$ 34,967
2024	30,000	18,775	-	24,069
2025	40,000	17,375	30,000	23,469
2026	40,000	15,775	55,000	21,769
2027	40,000	14,175	60,000	19,469
2028-2032	230,000	45,169	310,000	62,203
2033-2035	<u>150,000</u>	<u>7,719</u>	<u>210,000</u>	<u>10,805</u>
Total	<u>\$ 555,000</u>	<u>\$ 148,088</u>	<u>\$ 665,000</u>	<u>\$ 196,751</u>

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	\$ 626,310	Payment in lieu of taxes
Debt service fund	Nonmajor governmental funds	1,551,101	Debt service
General capital projects	General fund	<u>100,000</u>	Contribution to police vehicle
Total, fund financial statements		2,277,411	
Less fund eliminations		<u>(1,651,101)</u>	
Total transfers, government-wide statement of activities		<u>\$ 626,310</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.

Village of Germantown

Notes to Financial Statements
December 31, 2022

Short-Term Debt Activity

On May 17, 2022, the Village issued short-term debt in the form of note anticipation notes in the amount of \$4,525,000. The short-term debt was refunded on December 1, 2022, with the issuance of general obligation corporate purpose bonds in the amount of \$42,380,000.

Short-term debt activity for the year ended December 31, 2022, was as follows:

	<u>Beginning Balance</u>		<u>Issued</u>		<u>Redeemed</u>		<u>Ending Balance</u>
Note Anticipation Note	\$ -		\$ 4,525,000		\$ 4,525,000		\$ -

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 40,395,000	\$ 39,920,000	\$ 3,520,000	\$ 76,795,000	\$ 4,110,000
(Discounts)/Premiums	1,324,957	1,645,130	168,690	2,801,397	-
Total bonds and notes payable	<u>41,719,957</u>	<u>41,565,130</u>	<u>3,688,690</u>	<u>79,596,397</u>	<u>4,110,000</u>
Other liabilities:					
Vested compensated absences	884,570	308,931	37,249	1,156,252	165,888
Leases	75,503	-	75,503	-	-
Total other liabilities	<u>960,073</u>	<u>308,931</u>	<u>112,752</u>	<u>1,156,252</u>	<u>165,888</u>
Total governmental activities long-term liabilities	<u>\$ 42,680,030</u>	<u>\$ 41,874,061</u>	<u>\$ 3,801,442</u>	<u>\$ 80,752,649</u>	<u>\$ 4,275,888</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 2,700,000	\$ 9,330,000	\$ 115,000	\$ 11,915,000	\$ 775,000
Revenue debt from direct borrowings and direct placements	374,414	-	42,604	331,810	43,741
Revenue bonds	315,000	4,140,000	315,000	4,140,000	200,000
(Discounts)/Premiums:					
Premiums(Discounts)	92,398	571,793	11,939	652,252	-
Subtotal	<u>3,481,812</u>	<u>14,041,793</u>	<u>484,543</u>	<u>17,039,062</u>	<u>1,018,741</u>
Other liabilities:					
Vested compensated absences	98,315	40,847	9,836	129,326	22,136
Total other liabilities	<u>98,315</u>	<u>40,847</u>	<u>9,836</u>	<u>129,326</u>	<u>22,136</u>
Total business-type activities long-term liabilities	<u>\$ 3,580,127</u>	<u>\$ 14,082,640</u>	<u>\$ 494,379</u>	<u>\$ 17,168,388</u>	<u>\$ 1,040,877</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2022, was \$177,762,195. Total general obligation debt outstanding at year-end was \$88,710,000.

Village of Germantown

Notes to Financial Statements
December 31, 2022

General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the Village. Debt 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.

<u>Governmental Activities</u>					<u>Balance</u>
<u>General Obligation Debt</u>	<u>Date of</u>	<u>Final</u>	<u>Interest</u>	<u>Original</u>	<u>December 31,</u>
	<u>Issue</u>	<u>Maturity</u>	<u>Rates</u>	<u>Indebtedness</u>	<u>2022</u>
GO Promissory Note GO Community Development Bonds, TID No. 6	05/08/2013	2023	0.30-1.60%	\$ 1,905,000	\$ 195,000
GO Promissory note	10/01/2014	2034	3.00-4.00	5,405,000	4,825,000
GO Promissory Note	05/14/2014	2024	2.00-3.00	2,645,000	600,000
GO Promissory Note	3/24/2015	2025	2.00	2,655,000	800,000
GO Promissory Note	5/11/2016	2026	2.00	2,670,000	1,060,000
GO Promissory Note	03/29/2017	2027	2.00-2.55	2,805,000	1,400,000
GO Promissory Note	04/05/2018	2028	2.4855	2,795,000	1,680,000
GO Community Development Bonds, TID No. 7	06/06/2018	2033	3.0764	2,480,000	2,240,000
GO Community Development Bonds, TID No. 8	02/05/2019	2038	3.00-5.00	6,725,000	6,525,000
Taxable GO Community Development Bonds, TID No. 8	02/05/2019	2029	3.00-3.30	1,710,000	1,565,000
GO Promissory Note	05/02/2019	2029	3.00-4.00	3,040,000	2,300,000
GO Corporate Purpose Bond, TID No. 8	12/11/2019	2039	2.25-4.00	7,850,000	7,630,000
GO Promissory Note	04/23/2020	2030	2.00-4.00	3,875,000	3,190,000
GO Promissory Note	06/30/2021	2031	1.00-3.00	3,165,000	2,865,000
GO Promissory Note	05/18/2022	2032	3.00-4.00	4,320,000	4,320,000
Taxable GO Promissory Notes	05/18/2022	2032	3.25-3.35	2,550,000	2,550,000
GO Corporate Purpose Bond	12/01/2022	2042	4.00-5.00	33,050,000	<u>33,050,000</u>
Total governmental activities, general obligation debt					<u>\$ 76,795,000</u>
<u>Business-Type Activities</u>					<u>Balance</u>
<u>General Obligation Debt</u>	<u>Date of</u>	<u>Final</u>	<u>Interest</u>	<u>Original</u>	<u>December 31,</u>
	<u>Issue</u>	<u>Maturity</u>	<u>Rates</u>	<u>Indebtedness</u>	<u>2022</u>
GO Corporate Purpose Bond	12/11/2019	2039	2.25-4.00%	\$ 3,005,000	\$ 2,585,000
GO Corporate Purpose Bond	12/01/2022	2042	4.00-5.00	9,330,000	<u>9,330,000</u>
Total business-type activities, general obligation debt					<u>\$ 11,915,000</u>

Village of Germantown

Notes to Financial Statements
December 31, 2022

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 4,110,000	\$ 2,432,949	\$ 775,000	\$ 372,356
2024	4,275,000	2,585,292	485,000	447,356
2025	4,655,000	2,420,832	425,000	425,831
2026	4,355,000	2,258,078	445,000	405,356
2027	4,310,000	2,109,677	465,000	383,931
2028-2032	22,835,000	8,297,873	2,670,000	1,584,647
2033-2037	17,215,000	4,497,491	3,295,000	964,525
2038-2042	<u>15,040,000</u>	<u>1,430,219</u>	<u>3,355,000</u>	<u>318,594</u>
Total	<u>\$ 76,795,000</u>	<u>\$ 26,032,411</u>	<u>\$ 11,915,000</u>	<u>\$ 4,902,596</u>

Revenue Debt

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

The Village has pledged future water revenues to repay revenue bonds issued in 2009 and 2022. Proceeds from the bonds provided financing for the construction of water plant. The bonds are payable solely from water revenues and are payable through 2035. Annual principal and interest payments on the bonds are expected to require 11.73% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$5,602,095. Principal and interest paid for the current year and total customer gross revenues were \$52,025 and \$3,673,495, respectively.

Revenue debt payable at December 31, 2022, consists of the following:

Business-Type Activities Revenue Debt

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2022</u>
Water Utility					
Direct borrowing/direct placement, Safe Drinking Water Loan	11/12/2009	05/01/2029	2.67%	\$ 773,293	\$ 331,810 (2)
Water system revenue bonds	05/18/2022	05/01/2035	3.00-4.00	4,140,000	<u>4,140,000</u>
Total business-type activities, revenue debt					<u>\$ 4,471,810</u>

(2) - The utility was authorized to issue \$971,470 of water system Safe Drinking Water Loan revenue bonds. The original amount reported above has been issued as of December 31, 2022. The repayment schedule is for the amount issued.

Village of Germantown

Notes to Financial Statements
December 31, 2022

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-Type Activities Revenue Debt	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 200,000	\$ 216,913
2024	235,000	139,363
2025	300,000	128,663
2026	300,000	116,663
2027	310,000	104,463
2028-2032	1,675,000	334,141
2033-2035	<u>1,120,000</u>	<u>58,163</u>
Total	<u>\$ 4,140,000</u>	<u>\$ 1,098,369</u>

<u>Years</u>	Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 43,741	\$ 8,269
2024	44,908	7,087
2025	46,106	5,873
2026	47,336	4,626
2027	48,599	3,346
2028-2029	<u>101,120</u>	<u>2,715</u>
Total	<u>\$ 331,810</u>	<u>\$ 31,916</u>

Current Refunding

On May 18, 2022, the water utility issued \$4,140,000 in revenue bonds with an average coupon rate of 3.71% to refund \$160,000 of outstanding bonds with an average coupon rate of 3.87%. The net proceeds along with existing funds of the water utility were used to prepay the outstanding debt.

The cash flow requirements on the refunded debt prior to the current refunding was \$261,315 from 2023 through 2025. The cash flow requirements on the 2022 refunding bonds are \$172,698 from 2023 through 2025. 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 \$88,617.

Village of Germantown

Notes to Financial Statements
December 31, 2022

Lease Disclosures

Lessor - Lease Receivables

<u>Governmental Activities</u>				Receivable Balance December 31, 2022
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
General Fund - Ground and Structure Leases	2002 - 2012	2027 - 2037	3.37%	\$ 1,295,360
Total governmental activities				<u>\$ 1,295,360</u>
<u>Business-Type Activities</u>				Receivable Balance December 31, 2022
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
Water Utility - Tower Lease	2004	2029	3.37%	\$ 198,198
Total business-type activities				<u>\$ 198,198</u>

The Village recognized \$97,204 of lease revenue during the fiscal year.

The Village recognized \$53,370 of interest revenue during the fiscal year.

Net Position/Fund Balances

Net position reported on the government-wide statement of net position at December 31, 2022, includes the following:

Governmental Activities

Net investment in capital assets:

Land	\$ 15,629,920
Construction in progress	8,962,331
Other capital assets, net of accumulated depreciation	69,924,323
Less long-term debt outstanding	(76,795,000)
Plus unspent capital related debt proceeds	28,412,897
Plus noncapital debt proceeds	4,825,000
Less unamortized debt premium	<u>(2,801,397)</u>
Total net investment in capital assets	<u>\$ 48,158,074</u>

Village of Germantown

Notes to Financial Statements
December 31, 2022

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2022, include the following:

	<u>General Fund</u>	<u>Debt Service</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances					
Nonspendable:					
Prepaid items	\$ 4,985	\$ -	\$ -	\$ -	\$ 4,985
Noncurrent receivables	<u>73,190</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,190</u>
Subtotal	<u>78,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,175</u>
Restricted for:					
Debt service	-	183,975	-	-	183,975
Capital projects	-	-	26,188,441	-	26,188,441
TID projects	-	-	-	2,190,803	2,190,803
Police projects	-	-	-	143,851	143,851
Fire projects	-	-	-	114,278	114,278
Library projects	-	-	-	59,126	59,126
Parks	-	-	-	194,067	194,067
Library	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,641</u>	<u>92,641</u>
Subtotal	<u>-</u>	<u>183,975</u>	<u>26,188,441</u>	<u>2,794,766</u>	<u>29,167,182</u>
Committed to:					
Senior van replacement	-	-	-	37,007	37,007
Police	-	-	-	15,061	15,061
Fire explorer program	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,627</u>	<u>1,627</u>
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,695</u>	<u>53,695</u>
Assigned to:					
Payment in lieu of tax	626,310	-	-	-	626,310
Tourism	137,769	-	-	-	137,769
Capital projects	<u>-</u>	<u>-</u>	<u>5,604,543</u>	<u>-</u>	<u>5,604,543</u>
Subtotal	<u>764,079</u>	<u>-</u>	<u>5,604,543</u>	<u>-</u>	<u>6,368,622</u>
Unassigned (deficit)	<u>6,772,839</u>	<u>-</u>	<u>-</u>	<u>(773,000)</u>	<u>5,999,839</u>
Total fund balances	<u>\$ 7,615,093</u>	<u>\$ 183,975</u>	<u>\$ 31,792,984</u>	<u>\$ 2,075,461</u>	<u>\$ 41,667,513</u>

Business-Type Activities

Net investment in capital assets:

Land	\$ 175,599
Construction in progress	3,134,668
Other capital assets, net of accumulated depreciation	88,787,846
Less long-term debt outstanding	(16,386,810)
Plus unspent capital related debt proceeds	13,065,153
Less unamortized debt premium	<u>(652,252)</u>

Total net investment in capital assets \$ 88,124,204

Village of Germantown

Notes to Financial Statements
December 31, 2022

4. Other Information

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, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

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 executive service retirement participants, if hired on or before 12/31/2016) are entitled to retirement benefit based on a formula factor, their average earnings and creditable service.

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 made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at 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.

Village of Germantown

Notes to Financial Statements
December 31, 2022

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:

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0

Contributions

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

During the reporting period, the WRS recognized \$768,133 in contributions from the Village.

Contribution rates for the plan year reported as of December 31, 2022 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.75 %	6.75 %
Protective with Social Security	6.75 %	11.75 %
Protective without Social Security	6.75 %	16.35 %

Village of Germantown

Notes to Financial Statements
December 31, 2022

Pension Liability (asset), Pension Expense (Revenue), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the Village reported an liability (asset) of \$(5,281,697) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability (asset) was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.06552825%, which was an increase of 0.00177440% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized pension expense of \$(593,368).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experience	\$ 8,532,315	\$ 615,272
Changes in assumptions	985,384	-
Net differences between projected and actual earnings on pension plan investments	-	11,815,596
Changes in proportion and differences between employer contributions and proportionate share of contributions	27,452	19,567
Employer contributions subsequent to the measurement date	<u>718,838</u>	<u>-</u>
Total	<u>\$ 10,263,989</u>	<u>\$ 12,450,435</u>

\$718,838 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Years Ending December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (Net)
2023	\$ (238,315)
2024	(1,427,302)
2025	(631,982)
2026	(607,685)

Village of Germantown

Notes to Financial Statements
December 31, 2022

Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net Pension Liability (Asset):	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-Retirement Adjustments*:	1.7%

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

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

Village of Germantown

Notes to Financial Statements
December 31, 2022

Long-Term Expected Return on Plan Assets

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

Asset Allocation Targets and Expected Returns* As of December 31, 2021			
Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %**
Global Equities	52	6.8	4.2
Fixed Income	25	4.3	1.8
Inflation Sensitive	19	2.7	0.2
Real Estate	7	5.6	3
Private Equity/Debt	12	9.7	7
Total Core Fund***	115	6.6	4
Variable Fund Asset			
U.S. Equities	70	6.3	3.7
International Equities	30	7.2	4.6
Total Variable Fund	100	6.8	4.2

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

** *New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%*

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

Village of Germantown

Notes to Financial Statements
December 31, 2022

Single Discount Rate

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

Sensitivity of the Village's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	<u>1% Decrease to Discount Rate (5.8%)</u>	<u>Current Discount Rate (6.8%)</u>	<u>1% Increase to Discount Rate (7.8%)</u>
Village's proportionate share of the net pension liability (asset)	<u>\$ 3,747,738</u>	<u>\$ (5,281,697)</u>	<u>\$ (11,781,211)</u>

Pension Plan Fiduciary Net Position

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

At December 31, 2022, the Village reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The Village purchases commercial insurance to provide coverage for losses from torts; theft of, damage to or destruction of assets; errors and omission; and workers compensation. However, other risks, such as health and dental care of its employees are accounted for and financed by the Village in the health insurance and dental insurance internal service funds.

Village of Germantown

Notes to Financial Statements
December 31, 2022

Self Insurance

For health claims, the uninsured risk of loss is \$45,000 per incident and \$2,000,000 in the aggregate for a policy year. The Village has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

All funds of the Village participate in the risk management program. Accounts payable in the internal service funds are based on estimates of the amounts necessary to pay prior and current year claims. That reserve was \$448,659 at year-end and is reported in unrestricted net position of the internal service funds

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The Village does not allocate overhead costs or other nonincremental costs to the claims liability.

Claims Liability

	<u>Prior Year</u>	<u>Current Year</u>
Unpaid Claims, Beginning	\$ 147,159	\$ 80,609
Current year claims and changes in estimates	1,677,697	1,183,470
Claim payments	<u>(1,744,247)</u>	<u>(1,169,752)</u>
Unpaid Claims, Ending	<u>\$ 80,609</u>	<u>\$ 94,327</u>

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.

The Village 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.

The Village has active construction projects as of December 31, 2022. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

In 2018, the Village issued a municipal revenue obligation as part of a development agreement. The amount of the obligation was \$1,000,000, and is payable to the developer solely from tax increments collected from a specific portion of the development in TID No. 8.

Payments are scheduled through the year 2033, and carry an interest rate of 3.75%. The obligation does not constitute a charge upon any funds of the Village. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the Village. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements. The balance of the commitment outstanding at year-end was \$940,347.

Village of Germantown

Notes to Financial Statements
December 31, 2022

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 99, *Omnibus 2022*
- Statement No. 100, *Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*

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

REQUIRED SUPPLEMENTARY INFORMATION

GENERAL FUND

The general fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes			
General property taxes	\$ 10,533,130	\$ 10,533,130	\$ -
Other taxes	581,170	430,557	(150,613)
Special assessments	4,685	-	(4,685)
Intergovernmental	2,878,191	3,002,101	123,910
Regulation and compliance	1,333,009	1,379,642	46,633
Public charges for services	1,989,811	2,130,249	140,438
Intergovernmental charges for services	-	116,065	116,065
Investment income (loss)	138,500	(166,259)	(304,759)
Miscellaneous	<u>39,063</u>	<u>180,969</u>	<u>141,906</u>
Total revenues	<u>17,497,559</u>	<u>17,606,454</u>	<u>108,895</u>
Expenditures			
General Government			
Village board	134,300	181,707	(47,407)
General administrator	233,650	240,039	(6,389)
Village clerk	80,500	76,680	3,820
Treasurer/accounting	352,327	312,072	40,255
Assessor	104,294	103,064	1,230
Data processing	159,393	275,482	(116,089)
General government	257,645	195,471	62,174
Buildings and ground maintenance	<u>1,014,216</u>	<u>891,805</u>	<u>122,411</u>
Total general government	<u>2,336,325</u>	<u>2,276,320</u>	<u>60,005</u>
Public Safety			
Police protection	5,366,012	5,836,651	(470,639)
Fire protection	2,546,236	3,195,139	(648,903)
Emergency government	17,212	18,804	(1,592)
Protective inspections	<u>526,606</u>	<u>536,643</u>	<u>(10,037)</u>
Total public safety	<u>8,456,066</u>	<u>9,587,237</u>	<u>(1,131,171)</u>
Public Works			
Engineer/director	252,830	327,520	(74,690)
Highway and street maintenance and construction	3,009,155	2,921,487	87,668
Solid waste recycling	<u>411,909</u>	<u>399,289</u>	<u>12,620</u>
Total public works	<u>3,673,894</u>	<u>3,648,296</u>	<u>25,598</u>

See notes to required supplementary information

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2022

	Budgeted Amounts		
	Original and Final Budget	Actual	Variance With Final Budget
Culture and Recreation			
Library	\$ 962,781	\$ 1,069,193	\$ (106,412)
Recreation	1,304,534	1,432,314	(127,780)
Senior center	119,484	119,269	215
Parks	<u>882,646</u>	<u>683,377</u>	<u>199,269</u>
Total culture and recreation	<u>3,269,445</u>	<u>3,304,153</u>	<u>(34,708)</u>
Conservation and Development			
Planning and zoning	286,929	279,289	7,640
Municipal development	<u>81,900</u>	<u>69,128</u>	<u>12,772</u>
Total conservation and development	<u>368,829</u>	<u>348,417</u>	<u>20,412</u>
Capital Outlay	<u>120,000</u>	<u>74,557</u>	<u>45,443</u>
Total expenditures	<u>18,224,559</u>	<u>19,238,980</u>	<u>(1,014,421)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(727,000)</u>	<u>(1,632,526)</u>	<u>(905,526)</u>
Other Financing Sources (Uses)			
Transfers in	620,000	626,310	6,310
Transfers out	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
Total other financing sources (uses)	<u>620,000</u>	<u>526,310</u>	<u>(93,690)</u>
Net change in fund balance	(107,000)	(1,106,216)	(999,216)
Fund Balance, Beginning	<u>8,721,309</u>	<u>8,721,309</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 8,614,309</u>	<u>\$ 7,615,093</u>	<u>\$ (999,216)</u>

See notes to required supplementary information

Village of Germantown

Schedule of Proportionate Share of the Net Pension Liability (Asset) -
 Wisconsin Retirement System
 Year Ended December 31, 2022

WRS 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
12/31/22	0.06355283 %	\$ (5,281,697)	\$ 8,410,935	62.80 %	106.02 %
12/31/21	0.06375385 %	(3,980,241)	8,273,949	48.11 %	105.26 %
12/31/20	0.06104707 %	(1,968,436)	8,083,395	24.35 %	102.96 %
12/31/19	0.05861313 %	2,085,271	7,386,989	28.23 %	96.45 %
12/31/18	0.05745337 %	(1,705,858)	6,970,047	24.47 %	102.93 %
12/31/17	0.05815135 %	479,306	6,998,756	6.85 %	99.12 %
12/31/16	0.05959839 %	968,226	6,919,994	13.99 %	98.20 %
12/31/15	0.06091924 %	(1,496,343)	7,018,809	21.32 %	102.74 %

Schedule of Employer Contributions - Wisconsin Retirement System
 Year Ended December 31, 2022

Village 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
12/31/22	\$ 718,838	\$ (718,838)	\$ -	\$ 9,157,347	7.85 %
12/31/21	669,795	(669,795)	-	8,411,759	7.96 %
12/31/20	653,360	(653,360)	-	8,277,783	7.89 %
12/31/19	670,516	(670,516)	-	8,083,395	8.29 %
12/31/18	609,915	(609,915)	-	7,386,990	8.26 %
12/31/17	577,241	(577,241)	-	6,970,048	8.28 %
12/31/16	550,442	(550,442)	-	6,992,283	7.87 %
12/31/15	554,307	(554,307)	-	6,919,432	8.01 %

See notes to required supplementary information

Village of Germantown

Notes to Required Supplementary Information
Year Ended December 31, 2022

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 1.

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

Appropriations lapse at year-end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the department level of expenditure.

Wisconsin Retirement System

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

The Village is required to present the last ten 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 (WRS).

Changes of assumptions:

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

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

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

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

SUPPLEMENTARY INFORMATION

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Debt Service Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes	\$ 3,136,071	\$ 3,136,071	\$ -
Investment income	3,000	6,032	3,032
Total revenues	<u>3,139,071</u>	<u>3,142,103</u>	<u>3,032</u>
Expenditures			
Debt service:			
Principal	3,635,000	3,520,000	115,000
Interest and fiscal charges	1,243,853	1,252,977	(9,124)
Debt issuance costs	<u>3,800</u>	<u>8,000</u>	<u>(4,200)</u>
Total expenditures	<u>4,882,653</u>	<u>4,780,977</u>	<u>101,676</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,743,582)</u>	<u>(1,638,874)</u>	<u>104,708</u>
Other Financing Sources			
Premium on debt issued	-	104,282	104,282
Transfers in	<u>1,743,582</u>	<u>1,551,101</u>	<u>(192,481)</u>
Total other financing sources	<u>1,743,582</u>	<u>1,655,383</u>	<u>(88,199)</u>
Net change in fund balance	-	16,509	16,509
Fund Balance, Beginning	<u>167,466</u>	<u>167,466</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 167,466</u>	<u>\$ 183,975</u>	<u>\$ 16,509</u>

MAJOR CAPITAL PROJECTS FUND

General Capital Projects Fund – This fund accounts for the acquisition and construction of major capital facilities and equipment used in general Village operations. This fund does not include capital facilities and equipment used in the village's enterprise funds.

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Capital Projects
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Special assessments	\$ -	\$ 75	\$ 75
Investment income	15,000	97,749	82,749
Miscellaneous	-	5,000	5,000
Total revenues	<u>15,000</u>	<u>102,824</u>	<u>87,824</u>
Expenditures			
Capital outlay	27,127,077	7,669,998	19,457,079
Debt service:			
Debt issuance costs	<u>80,000</u>	<u>530,294</u>	<u>(450,294)</u>
Total expenditures	<u>27,207,077</u>	<u>8,200,292</u>	<u>19,006,785</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(27,192,077)</u>	<u>(8,097,468)</u>	<u>19,094,609</u>
Other Financing Sources			
Premium on long-term debt	-	1,527,713	1,527,713
Issuance of general obligation notes	3,501,000	34,940,000	31,439,000
Transfers in	<u>260,000</u>	<u>100,000</u>	<u>(160,000)</u>
Total other financing sources	<u>3,761,000</u>	<u>36,567,713</u>	<u>32,806,713</u>
Net change in fund balance	(23,431,077)	28,470,245	51,901,322
Fund Balance, Beginning	<u>3,322,739</u>	<u>3,322,739</u>	<u>-</u>
Fund Balance, Ending	<u>\$ (20,108,338)</u>	<u>\$ 31,792,984</u>	<u>\$ 51,901,322</u>

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The special revenue fund is used to account for specific revenues that are restricted or committed to expenditures for particular purposes.

Police Impact Fee Fund – This fund accounts for assets used for the construction of police facilities in the village. Revenues are primarily raised through an impact fee on new residential and commercial development.

Fire Impact Fee Fund – This fund accounts for assets used for the construction of fire facilities in the village. Revenues are primarily raised through an impact fee on new residential and commercial development.

Library Impact Fee Fund – This fund accounts for assets used for the construction of library facilities in the village. Revenues are primarily raised through an impact fee on new residential development.

Park and Recreation Impact Fee Fund – This fund accounts for assets used for the construction of park and recreation facilities in the village. Revenues are primarily raised through an impact fee on new residential development.

Senior Van Replacement Fund – This fund accounts for assets to be used for eventual replacement of a van used by the village's Senior Center to provide transportation to senior citizens. Revenues are primarily raised from user fees collected from those using the service.

Police Asset Forfeiture Fund – This fund accounts for receipt and use of funds received from assets seized during drug related arrests.

Police Canine Fund – This fund accounts for Canine expense incurred with training and care of police canines.

Police Honor Guard Fund – This fund accounts for receipts and uses of funds to support events in which honor guards are present.

Historic Preservation Fund – This fund account for receipts and uses of funds in relation to the Historical Preservation program.

Library Fund – This fund accounts for receipt and use of funds received from library donations. Funds are used for furniture and equipment.

Facility Fees Fund – This fund accounts for the receipt and use of funds for the Park and Recreation Department program fees and donations. Funds are used to assist with the maintenance and improvement of any indoor or outdoor facility used by the Park and Recreation Department.

Fire Explorer Fund – This fund accounts for receipt and use of funds received from donations. Funds are used for services, equipment and supplies for the Fire Department Explorer Program.

ARPA Fund – This fund accounts for receipt and use of funds received from the American Rescue Plan Act passed by the federal government in 2021 to respond to COVID-19 public health emergency and negative economic impacts.

Village of Germantown

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2022

	Special Revenue Funds			
	Police Impact Fee Fund	Fire Impact Fee Fund	Library Impact Fee Fund	Park and Recreation Impact Fee Fund
Assets				
Cash and investments	\$ -	\$ -	\$ -	\$ -
Due from other funds	27,355	40,124	33,158	86,677
Receivables:				
Taxes receivable	-	-	-	-
Accrued interest	-	-	-	-
Restricted assets:				
Cash and investments	115,898	73,758	25,795	105,691
Accrued interest receivable	598	396	173	1,699
Land held for resale	-	-	-	-
Total assets	<u>\$ 143,851</u>	<u>\$ 114,278</u>	<u>\$ 59,126</u>	<u>\$ 194,067</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unearned revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)				
Restricted	143,851	114,278	59,126	194,067
Committed	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>143,851</u>	<u>114,278</u>	<u>59,126</u>	<u>194,067</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 143,851</u>	<u>\$ 114,278</u>	<u>\$ 59,126</u>	<u>\$ 194,067</u>

Special Revenue Funds

<u>Senior Van Replacement Fund</u>	<u>Police Asset Forfeiture Fund</u>	<u>Police Canine Fund</u>	<u>Police Honor Guard</u>	<u>Historic Preservation Fund</u>	<u>Library Fund</u>	<u>Facility Fees Fund</u>
\$ 31,913	\$ 1,060	\$ 75,975	\$ 9,377	\$ 352	\$ 92,641	\$ 43,923
4,955	533	-	665	-	-	-
-	-	-	-	-	-	-
139	-	644	39	9	-	249
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 37,007</u>	<u>\$ 1,593</u>	<u>\$ 76,619</u>	<u>\$ 10,081</u>	<u>\$ 361</u>	<u>\$ 92,641</u>	<u>\$ 44,172</u>
\$ -	\$ -	\$ 718	\$ -	\$ -	\$ -	\$ 26,867
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	72,514	-	517	-	18,448
-	-	-	-	-	-	-
-	-	73,232	-	517	-	45,315
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	92,641	-
37,007	1,593	3,387	10,081	-	-	-
-	-	-	-	(156)	-	(1,143)
<u>37,007</u>	<u>1,593</u>	<u>3,387</u>	<u>10,081</u>	<u>(156)</u>	<u>92,641</u>	<u>(1,143)</u>
<u>\$ 37,007</u>	<u>\$ 1,593</u>	<u>\$ 76,619</u>	<u>\$ 10,081</u>	<u>\$ 361</u>	<u>\$ 92,641</u>	<u>\$ 44,172</u>

Village of Germantown

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2022

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>	
	<u>Fire Explorer Fund</u>	<u>ARPA Fund</u>	<u>TID No. 6 Capital Projects Fund</u>	<u>TID No. 7 Capital Projects Fund</u>
Assets				
Cash and investments	\$ 2,891	\$ -	\$ 23,094	\$ 51,910
Due from other funds	-	1,578,537	778,097	1,365,000
Receivables:				
Taxes receivable	-	-	547,715	106,364
Accrued interest	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Accrued interest receivable	-	-	-	-
Land held for resale	-	-	-	-
Total assets	<u>\$ 2,891</u>	<u>\$ 1,578,537</u>	<u>\$ 1,348,906</u>	<u>\$ 1,523,274</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ 6,685	\$ 1,500	\$ 1,500
Accrued liabilities	-	-	524	1,454
Unearned revenues	-	1,571,852	-	-
Due to other funds	1,264	-	-	286,311
Advances from other funds	-	-	555,000	665,000
Total liabilities	<u>1,264</u>	<u>1,578,537</u>	<u>557,024</u>	<u>954,265</u>
Deferred Inflows of Resources				
Unearned revenues	-	-	547,715	106,364
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>547,715</u>	<u>106,364</u>
Fund Balances (Deficit)				
Restricted	-	-	244,167	462,645
Committed	1,627	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>1,627</u>	<u>-</u>	<u>244,167</u>	<u>462,645</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,891</u>	<u>\$ 1,578,537</u>	<u>\$ 1,348,906</u>	<u>\$ 1,523,274</u>

Capital Projects Funds		
TID No. 8 Capital Projects Fund	TID No. 9 Capital Projects Fund	Total Nonmajor Governmental Funds
\$ 1,031,478	\$ -	\$ 1,364,614
-	1,729,749	5,644,850
1,929,667	-	2,583,746
-	-	1,080
-	-	321,142
-	-	2,866
-	2,317,208	2,317,208
<u>\$ 2,961,145</u>	<u>\$ 4,046,957</u>	<u>\$ 12,235,506</u>
\$ 126,714	\$ 13,000	\$ 176,984
2,484	-	4,462
-	-	1,571,852
1,673,981	2,549,966	4,603,001
-	-	1,220,000
<u>1,803,179</u>	<u>2,562,966</u>	<u>7,576,299</u>
<u>1,929,667</u>	<u>-</u>	<u>2,583,746</u>
<u>1,929,667</u>	<u>-</u>	<u>2,583,746</u>
-	1,483,991	2,794,766
-	-	53,695
<u>(771,701)</u>	<u>-</u>	<u>(773,000)</u>
<u>(771,701)</u>	<u>1,483,991</u>	<u>2,075,461</u>
<u>\$ 2,961,145</u>	<u>\$ 4,046,957</u>	<u>\$ 12,235,506</u>

Village of Germantown

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2022

	Special Revenue Funds			
	Police Impact Fee Fund	Fire Impact Fee Fund	Library Impact Fee Fund	Park and Recreation Impact Fee Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Public charges for services	21,294	42,690	9,835	25,760
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>21,294</u>	<u>42,690</u>	<u>9,835</u>	<u>25,760</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Conservation and development	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>21,294</u>	<u>42,690</u>	<u>9,835</u>	<u>25,760</u>
Other Financing Sources (Uses)				
Transfers out	(12,000)	(30,000)	-	-
General obligation debt issued	-	-	-	-
Premium on debt issued	-	-	-	-
Total other financing sources (uses)	<u>(12,000)</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	9,294	12,690	9,835	25,760
Fund Balances, Beginning	<u>134,557</u>	<u>101,588</u>	<u>49,291</u>	<u>168,307</u>
Fund Balances (Deficit), Ending	<u>\$ 143,851</u>	<u>\$ 114,278</u>	<u>\$ 59,126</u>	<u>\$ 194,067</u>

Special Revenue Funds

<u>Senior Van Replacement Fund</u>	<u>Police Asset Forfeiture Fund</u>	<u>Police Canine Fund</u>	<u>Police Honor Guard</u>	<u>Historic Preservation Fund</u>	<u>Library Fund</u>	<u>Facility Fees Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
2,311	-	-	-	-	-	21,541
-	-	-	-	-	269	-
-	42	7,495	175	-	1,742	-
<u>2,311</u>	<u>42</u>	<u>7,495</u>	<u>175</u>	<u>-</u>	<u>2,011</u>	<u>21,541</u>
-	-	-	-	-	-	-
-	-	63,600	-	-	-	-
-	-	-	-	517	3,788	75,972
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	63,600	-	517	3,788	75,972
<u>2,311</u>	<u>42</u>	<u>(56,105)</u>	<u>175</u>	<u>(517)</u>	<u>(1,777)</u>	<u>(54,431)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,311	42	(56,105)	175	(517)	(1,777)	(54,431)
<u>34,696</u>	<u>1,551</u>	<u>59,492</u>	<u>9,906</u>	<u>361</u>	<u>94,418</u>	<u>53,288</u>
<u>\$ 37,007</u>	<u>\$ 1,593</u>	<u>\$ 3,387</u>	<u>\$ 10,081</u>	<u>\$ (156)</u>	<u>\$ 92,641</u>	<u>\$ (1,143)</u>

Village of Germantown

Combining Statement of Revenues, Expenditures and Changes
in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2022

	<u>Special Revenue Funds</u>		<u>Capital Project Funds</u>	
	<u>Fire Explorer Fund</u>	<u>ARPA Fund</u>	<u>TID No. 6 Capital Projects Fund</u>	<u>TID No. 7 Capital Projects Fund</u>
Revenues				
Taxes	\$ -	\$ -	\$ 512,046	\$ 72,291
Intergovernmental	-	533,661	-	-
Public charges for services	-	-	-	-
Investment income	-	-	363	821
Miscellaneous	1,564	-	-	-
Total revenues	<u>1,564</u>	<u>533,661</u>	<u>512,409</u>	<u>73,112</u>
Expenditures				
Current:				
General government	-	238,932	-	-
Public safety	892	-	-	-
Culture and recreation	-	608	-	-
Conservation and development	-	54,458	73,998	2,533,930
Capital outlay	-	239,663	-	-
Debt service	-	-	-	75,031
Total expenditures	<u>892</u>	<u>533,661</u>	<u>73,998</u>	<u>2,608,961</u>
Excess (deficiency) of revenues over expenditures	<u>672</u>	<u>-</u>	<u>438,411</u>	<u>(2,535,849)</u>
Other Financing Sources (Uses)				
Transfers out	-	-	(451,513)	(190,350)
General obligation debt issued	-	-	-	3,260,000
Premium on debt issued	-	-	-	18,220
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(451,513)</u>	<u>3,087,870</u>
Net change in fund balances	672	-	(13,102)	552,021
Fund Balances, Beginning	<u>955</u>	<u>-</u>	<u>257,269</u>	<u>(89,376)</u>
Fund Balances (Deficit), Ending	<u>\$ 1,627</u>	<u>\$ -</u>	<u>\$ 244,167</u>	<u>\$ 462,645</u>

<u>Capital Project Funds</u>		
<u>TID No. 8 Capital Projects Fund</u>	<u>TID No. 9 Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 1,712,587	\$ -	\$ 2,296,924
-	-	533,661
-	-	123,431
34,110	-	35,563
-	-	11,018
<u>1,746,697</u>	<u>-</u>	<u>3,000,597</u>
-	-	238,932
-	-	64,492
-	-	80,885
159,329	238,006	3,059,721
3,489,703	5,376	3,734,742
-	3,898	78,929
<u>3,649,032</u>	<u>247,280</u>	<u>7,257,701</u>
<u>(1,902,335)</u>	<u>(247,280)</u>	<u>(4,257,104)</u>
(867,238)	-	(1,551,101)
-	1,720,000	4,980,000
-	11,271	29,491
<u>(867,238)</u>	<u>1,731,271</u>	<u>3,458,390</u>
(2,769,573)	1,483,991	(798,714)
1,997,872	-	2,874,175
<u>\$ (771,701)</u>	<u>\$ 1,483,991</u>	<u>\$ 2,075,461</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Police Impact Fee Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Public charges for services	\$ 18,800	\$ 21,294	\$ 2,494
Investment income	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Total revenues	<u>19,800</u>	<u>21,294</u>	<u>1,494</u>
Other Financing Uses			
Transfers out	<u>(12,000)</u>	<u>(12,000)</u>	<u>-</u>
Total other financing uses	<u>(12,000)</u>	<u>(12,000)</u>	<u>-</u>
Net change in fund balance	7,800	9,294	1,494
Fund Balance, Beginning	<u>134,557</u>	<u>134,557</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 142,357</u>	<u>\$ 143,851</u>	<u>\$ 1,494</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Fire Impact Fee Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Fire protection fees	\$ 20,260	\$ 42,690	\$ 22,430
Investment income	800	-	(800)
Total revenues	<u>21,060</u>	<u>42,690</u>	<u>21,630</u>
Other Financing Uses			
Transfers out	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Total other financing uses	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Net change in fund balance	(8,940)	12,690	21,630
Fund Balance, Beginning	<u>101,588</u>	<u>101,588</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 92,648</u>	<u>\$ 114,278</u>	<u>\$ 21,630</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Library Impact Fee Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Public charges for services	\$ 16,860	\$ 9,835	\$ (7,025)
Total revenues	<u>16,860</u>	<u>9,835</u>	<u>(7,025)</u>
Other Financing Uses			
Transfers out	<u>(15,000)</u>	<u>-</u>	<u>15,000</u>
Total other financing uses	<u>(15,000)</u>	<u>-</u>	<u>15,000</u>
Net change in fund balance	1,860	9,835	7,975
Fund Balance, Beginning	<u>49,291</u>	<u>49,291</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 51,151</u>	<u>\$ 59,126</u>	<u>\$ 7,975</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Park and Recreation Impact Fee Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Public charges for services	\$ 44,160	\$ 25,760	\$ (18,400)
Investment income	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>
Total revenues	<u>46,660</u>	<u>25,760</u>	<u>(20,900)</u>
Net change in fund balance	46,660	25,760	(20,900)
Fund Balance, Beginning	<u>168,307</u>	<u>168,307</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 214,967</u>	<u>\$ 194,067</u>	<u>\$ (20,900)</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Senior Van Replacement Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Public charges for services	\$ 3,000	\$ 2,311	\$ (689)
Investment income	<u>200</u>	<u>-</u>	<u>(200)</u>
Total revenues	<u>3,200</u>	<u>2,311</u>	<u>(889)</u>
Net change in fund balance	3,200	2,311	(889)
Fund Balance, Beginning	<u>34,696</u>	<u>34,696</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 37,896</u>	<u>\$ 37,007</u>	<u>\$ (889)</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Police Asset Forfeiture Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income	\$ 30	\$ -	\$ (30)
Miscellaneous	<u>-</u>	<u>42</u>	<u>42</u>
Total revenues	<u>30</u>	<u>42</u>	<u>12</u>
Net change in fund balance	30	42	12
Fund Balance, Beginning	<u>1,551</u>	<u>1,551</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,581</u>	<u>\$ 1,593</u>	<u>\$ 12</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Police Canine Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income	\$ 1,500	\$ -	\$ (1,500)
Miscellaneous	<u>10,000</u>	<u>7,495</u>	<u>(2,505)</u>
Total revenues	<u>11,500</u>	<u>7,495</u>	<u>(4,005)</u>
Expenditures			
Current:			
Public safety	<u>5,000</u>	<u>63,600</u>	<u>(58,600)</u>
Total expenditures	<u>5,000</u>	<u>63,600</u>	<u>(58,600)</u>
Net change in fund balance	6,500	(56,105)	(62,605)
Fund Balance, Beginning	<u>59,492</u>	<u>59,492</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 65,992</u>	<u>\$ 3,387</u>	<u>\$ (62,605)</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Police Honor Guard Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income	\$ 100	\$ -	\$ (100)
Miscellaneous	<u>-</u>	<u>175</u>	<u>175</u>
Total revenues	<u>100</u>	<u>175</u>	<u>75</u>
Expenditures			
Current:			
Public safety	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Total expenditures	<u>2,000</u>	<u>-</u>	<u>2,000</u>
Net change in fund balance	(1,900)	175	2,075
Fund Balance, Beginning	<u>9,906</u>	<u>9,906</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 8,006</u>	<u>\$ 10,081</u>	<u>\$ 2,075</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Historic Preservation Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income	\$ 5	\$ -	\$ (5)
Miscellaneous	<u>700</u>	<u>-</u>	<u>(700)</u>
Total revenues	705	-	(705)
Expenditures			
Culture and recreation	<u>696</u>	<u>517</u>	<u>179</u>
Net change in fund balance	9	(517)	(526)
Fund Balance, Beginning	<u>361</u>	<u>361</u>	<u>-</u>
Fund Balance, Ending (Deficit)	<u>\$ 370</u>	<u>\$ (156)</u>	<u>\$ (526)</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Library Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Investment income	\$ 1,000	\$ 269	\$ (731)
Miscellaneous	<u>150</u>	<u>1,742</u>	<u>1,592</u>
Total revenues	<u>1,150</u>	<u>2,011</u>	<u>861</u>
Expenditures			
Current:			
Culture and recreation	<u>500</u>	<u>3,788</u>	<u>(3,288)</u>
Total expenditures	<u>500</u>	<u>3,788</u>	<u>(3,288)</u>
Net change in fund balance	650	(1,777)	(2,427)
Fund Balance, Beginning	<u>94,418</u>	<u>94,418</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 95,068</u>	<u>\$ 92,641</u>	<u>\$ (2,427)</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Facility Fees Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Public charges for services	\$ 29,000	\$ 21,541	\$ (7,459)
Investment income	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>
Total revenues	<u>31,000</u>	<u>21,541</u>	<u>(9,459)</u>
Expenditures			
Current:			
Culture and recreation	<u>20,000</u>	<u>75,972</u>	<u>(55,972)</u>
Total expenditures	<u>20,000</u>	<u>75,972</u>	<u>(55,972)</u>
Net change in fund balance	11,000	(54,431)	(65,431)
Fund Balance, Beginning	<u>53,288</u>	<u>53,288</u>	<u>-</u>
Fund Balance, Ending (Deficit)	<u>\$ 64,288</u>	<u>\$ (1,143)</u>	<u>\$ (65,431)</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - TID No. 6 Capital Projects Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes	\$ 540,000	\$ 512,046	\$ (27,954)
Intergovernmental	600	-	(600)
Investment income	-	363	363
Total revenues	<u>540,600</u>	<u>512,409</u>	<u>(28,191)</u>
Expenditures			
Current:			
Conservation and development	<u>8,620</u>	<u>73,998</u>	<u>(65,378)</u>
Total expenditures	<u>8,620</u>	<u>73,998</u>	<u>(65,378)</u>
Excess of revenues over expenditures	<u>531,980</u>	<u>438,411</u>	<u>(93,569)</u>
Other Financing Uses			
Transfers out	<u>(451,512)</u>	<u>(451,513)</u>	<u>(1)</u>
Total other financing uses	<u>(451,512)</u>	<u>(451,513)</u>	<u>(1)</u>
Net change in fund balance	80,468	(13,102)	(93,570)
Fund Balance, Beginning	<u>257,269</u>	<u>257,269</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 337,737</u>	<u>\$ 244,167</u>	<u>\$ (93,570)</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - TID No. 7 Capital Projects Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes	\$ 250,000	\$ 72,291	\$ (177,709)
Investment income	<u>-</u>	<u>821</u>	<u>821</u>
Total revenues	<u>250,000</u>	<u>73,112</u>	<u>(176,888)</u>
Expenditures			
Current:			
Conservation and development	2,799,384	2,533,930	265,454
Debt service:			
Debt issuance costs	<u>-</u>	<u>75,031</u>	<u>(75,031)</u>
Total expenditures	<u>2,799,384</u>	<u>2,608,961</u>	<u>190,423</u>
Excess of revenues over expenditures	<u>(2,549,384)</u>	<u>(2,535,849)</u>	<u>13,535</u>
Other Financing Sources (Uses)			
General obligation debt issued	2,500,000	3,260,000	760,000
Premium on debt issued	-	18,220	18,220
Transfers out	<u>(244,750)</u>	<u>(190,350)</u>	<u>54,400</u>
Total other financing sources (uses)	<u>2,255,250</u>	<u>3,087,870</u>	<u>832,620</u>
Net change in fund balance	(294,134)	552,021	846,155
Fund Balance, Beginning	<u>(89,376)</u>	<u>(89,376)</u>	<u>-</u>
Fund Balance (Deficit) - Ending	<u>\$ (383,510)</u>	<u>\$ 462,645</u>	<u>\$ 846,155</u>

Village of Germantown

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - TID No. 8 Capital Projects Fund
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Taxes	\$ 1,250,000	\$ 1,712,587	\$ 462,587
Investment income	-	34,110	34,110
Total revenues	<u>1,250,000</u>	<u>1,746,697</u>	<u>496,697</u>
Expenditures			
Current:			
Conservation and development	58,735	159,329	(100,594)
Capital outlay	<u>5,640,000</u>	<u>3,489,703</u>	<u>2,150,297</u>
Debt Service:			
Total expenditures	<u>5,698,735</u>	<u>3,649,032</u>	<u>2,049,703</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,448,735)</u>	<u>(1,902,335)</u>	<u>2,546,400</u>
Other Financing Sources (Uses)			
General obligation debt issued	5,100,000	-	(5,100,000)
Transfers out	<u>(559,000)</u>	<u>(867,238)</u>	<u>(308,238)</u>
Total other financing sources (uses)	<u>4,541,000</u>	<u>(867,238)</u>	<u>(5,408,238)</u>
Net change in fund balance	92,265	(2,769,573)	(2,861,838)
Fund Balance, Beginning	<u>1,997,872</u>	<u>1,997,872</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 2,090,137</u>	<u>\$ (771,701)</u>	<u>\$ (2,861,838)</u>

INTERNAL SERVICE FUNDS

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 village, on a cost reimbursement basis.

Health Insurance Fund – This fund accounts for operations of the village's self-funded health insurance plan.

Dental Insurance Fund – This fund accounts for operations of the village's self-funded dental insurance plan.

Village of Germantown

Combining Statement of Net Position
Internal Service Funds
December 31, 2022

	Health Insurance Fund	Dental Insurance Fund	Total
Assets			
Current assets:			
Cash and investments	\$ 508,586	\$ 33,587	\$ 542,173
Receivables:			
Accounts	6,684	274	6,958
Interest	3,912	-	3,912
Due from other funds	-	50,917	50,917
	<u>519,182</u>	<u>84,778</u>	<u>603,960</u>
Total assets			
Liabilities			
Current liabilities:			
Accounts payable	92,001	2,326	94,327
Due to other funds	22,619	-	22,619
	<u>114,620</u>	<u>2,326</u>	<u>116,946</u>
Total current liabilities			
Total liabilities	<u>114,620</u>	<u>2,326</u>	<u>116,946</u>
Net Position			
Unrestricted	<u>404,562</u>	<u>82,452</u>	<u>487,014</u>
Total net position	<u>\$ 404,562</u>	<u>\$ 82,452</u>	<u>\$ 487,014</u>

Village of Germantown

Combining Statement of Revenues, Expenses and Changes in Fund Net Position

Internal Service Funds

Year Ended December 31, 2022

	<u>Health Insurance Fund</u>	<u>Dental Insurance Fund</u>	<u>Total</u>
Operating Revenues			
Premiums	\$ 2,149,331	\$ 87,644	\$ 2,236,975
Total operating revenues	<u>2,149,331</u>	<u>87,644</u>	<u>2,236,975</u>
Operating Expenses			
General government	<u>1,835,050</u>	<u>92,333</u>	<u>1,927,383</u>
Total operating expenses	<u>1,835,050</u>	<u>92,333</u>	<u>1,927,383</u>
Operating income (loss)	<u>314,281</u>	<u>(4,689)</u>	<u>309,592</u>
Nonoperating Revenues			
Investment income	<u>10</u>	<u>1</u>	<u>11</u>
Total nonoperating revenues	<u>10</u>	<u>1</u>	<u>11</u>
Change in net position	314,291	(4,688)	309,603
Net Position, Beginning	<u>90,271</u>	<u>87,140</u>	<u>177,411</u>
Net Position, Ending	<u>\$ 404,562</u>	<u>\$ 82,452</u>	<u>\$ 487,014</u>

Village of Germantown

Combining Statement of Cash Flows
Internal Service Funds
Year Ended December 31, 2022

	Health Insurance Fund	Dental Insurance Fund	Total
Cash Flows From Operating Activities			
Received from other funds	\$ 2,148,413	\$ 98,826	\$ 2,247,239
Paid to suppliers for goods and services	<u>(2,239,311)</u>	<u>(94,538)</u>	<u>(2,333,849)</u>
Net cash flows from operating activities	<u>(90,898)</u>	<u>4,288</u>	<u>(86,610)</u>
Cash Flows From Investing Activities			
Investment income	<u>10</u>	<u>1</u>	<u>11</u>
Net cash flows from investing activities	<u>10</u>	<u>1</u>	<u>11</u>
Net change in cash and cash equivalents	(90,888)	4,289	(86,599)
Cash and Cash Equivalents, Beginning	<u>599,474</u>	<u>29,298</u>	<u>628,772</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 508,586</u></u>	<u><u>\$ 33,587</u></u>	<u><u>\$ 542,173</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities			
Operating income (loss)	\$ 314,281	\$ (4,689)	\$ 309,592
Changes in assets and liabilities:			
Accounts receivable	(918)	(72)	(990)
Accounts payable	15,923	(2,205)	13,718
Due to other funds	<u>(420,184)</u>	<u>11,254</u>	<u>(408,930)</u>
Net cash flows from operating activities	<u><u>\$ (90,898)</u></u>	<u><u>\$ 4,288</u></u>	<u><u>\$ (86,610)</u></u>
Noncash Capital and Related Financing Activities			
None			

STATISTICAL SECTON

Village of Germantown, Wisconsin
Statement of Net Position by Component
(Accrual Basis of Accounting)
Last Ten Fiscal Years

Table 1

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net Investment in Capital Assets	\$ 59,389,835	\$ 58,828,409	\$ 59,461,387	\$ 60,795,354	\$ 61,320,322	\$ 63,517,774	\$ 50,214,659	\$ 51,110,687	\$ 48,328,444	\$ 48,158,074
Restricted	6,064,600	10,384,891	10,350,597	3,583,936	3,769,624	7,099,431	8,427,395	8,078,617	6,359,103	7,624,322
Unrestricted (deficit)	(1,654,758)	(4,827,536)	(1,627,476)	832,027	1,140,960	(3,409,299)	(956,878)	(569,318)	3,089,333	3,269,026
Total governmental activities net position	\$ 63,799,677	\$ 64,385,764	\$ 68,184,508	\$ 65,211,317	\$ 66,230,906	\$ 67,207,906	\$ 57,685,176	\$ 58,619,986	\$ 57,776,880	\$ 59,051,422
Business-type activities										
Net Investment in Capital Assets	\$ 57,104,949	\$ 57,657,469	\$ 57,037,753	\$ 61,295,788	\$ 62,989,153	\$ 65,361,924	\$ 78,049,973	\$ 81,489,275	\$ 83,171,587	\$ 88,124,204
Restricted	639,877	683,237	835,537	645,764	743,773	995,012	843,130	1,039,625	1,239,803	1,791,396
Unrestricted	8,005,572	8,284,532	10,311,120	9,064,837	10,106,271	10,476,978	6,960,330	8,440,543	7,541,666	5,891,376
Total business-type activities net position	\$ 65,750,398	\$ 66,625,238	\$ 68,184,410	\$ 71,006,389	\$ 73,839,197	\$ 76,833,914	\$ 85,853,433	\$ 90,969,443	\$ 91,953,056	\$ 95,806,976
Primary Government										
Net Investment in Capital Assets	\$ 116,394,112	\$ 116,205,203	\$ 116,250,142	\$ 120,306,059	\$ 122,530,058	\$ 127,106,149	\$ 117,112,540	\$ 121,288,574	\$ 119,899,852	\$ 125,014,112
Restricted	6,704,480	11,068,128	11,186,134	4,229,700	4,513,397	8,094,443	9,270,525	9,108,876	7,598,906	9,415,718
Unrestricted	6,451,486	3,737,671	8,932,642	11,681,947	13,026,648	8,841,228	17,155,544	19,191,979	22,231,178	20,428,568
Total primary government net position	\$ 129,550,078	\$ 131,011,002	\$ 136,368,918	\$ 136,217,706	\$ 140,070,103	\$ 144,041,820	\$ 143,538,609	\$ 149,589,429	\$ 149,729,936	\$ 154,858,398

Village of Germantown, Wisconsin
Changes in Net Position
(Accrual Basis of Accounting)
Last Ten Fiscal Years

Table 2

Expenses	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
General government	\$ 1,653,929	\$ 1,723,573	\$ 1,770,668	\$ 1,918,870	\$ 1,938,952	\$ 2,256,248	\$ 2,346,685	\$ 2,274,859	\$ 2,248,710	\$ 3,112,666
Public safety	7,279,873	7,373,151	7,186,673	7,481,578	7,676,429	7,533,662	8,726,125	9,000,638	8,780,094	9,309,120
Public works	5,726,927	5,287,992	5,421,794	7,675,764	6,116,561	6,666,616	6,272,516	6,594,467	6,764,199	6,105,881
Culture and recreation	2,622,495	2,905,723	2,822,020	2,848,306	3,026,746	2,771,168	3,449,790	2,785,669	3,196,023	3,786,339
Conservation and development	757,450	2,090,544	365,437	2,530,367	857,765	866,765	3,512,552	397,732	846,510	3,236,532
Interest & Fiscal charges	1,013,868	751,307	894,302	686,590	616,440	738,532	1,259,148	1,174,644	1,117,353	1,941,603
Total governmental activities expense	\$ 19,054,542	\$ 20,132,290	\$ 18,460,894	\$ 23,141,475	\$ 20,232,893	\$ 20,832,991	\$ 25,566,816	\$ 22,228,009	\$ 22,952,889	\$ 27,492,141
Business-type activities										
Water	\$ 1,972,682	\$ 2,092,364	\$ 1,939,864	\$ 1,966,798	\$ 2,038,214	\$ 2,458,849	\$ 2,489,113	\$ 2,799,258	\$ 3,015,449	\$ 2,963,851
Sewer	5,533,202	5,571,720	6,026,848	6,306,500	6,357,603	6,375,078	6,662,354	6,731,541	7,254,399	6,950,114
Total business-type activities expenses	\$ 7,505,884	\$ 7,664,084	\$ 7,966,712	\$ 8,273,298	\$ 8,395,817	\$ 8,833,927	\$ 9,151,467	\$ 9,530,799	\$ 10,269,848	\$ 9,913,965
Total primary government expenses	\$ 26,560,426	\$ 27,796,374	\$ 26,427,606	\$ 31,414,773	\$ 28,628,710	\$ 29,666,918	\$ 34,718,283	\$ 31,758,808	\$ 33,222,737	\$ 37,406,106
Program Revenues										
Governmental activities										
Charges for Services										
General government	\$ 312,260	\$ 305,520	\$ 320,634	\$ 311,203	\$ 311,761	\$ 315,859	\$ 325,465	\$ 346,151	\$ 368,246	\$ 460,997
Public safety	1,052,083	1,158,225	1,099,257	965,276	1,275,353	1,397,782	1,315,857	1,187,869	1,658,552	1,721,568
Public works	271,587	271,855	223,462	149,461	252,721	200,438	297,828	188,832	300,450	418,564
Culture and recreation	939,005	1,001,646	1,086,100	1,112,829	1,142,084	1,192,086	1,154,392	575,135	897,056	1,062,539
Conservation and development	13,808	14,861	15,662	10,380	18,511	15,495	36,055	21,826	40,480	26,748
Operating grants and contributions	1,458,894	1,466,066	1,519,883	1,457,476	1,576,491	1,699,437	1,702,665	2,161,563	1,937,524	2,444,297
Capital grants and contributions	86,063	111,489	227,012	483,058	576,089	191,928	2,337,668	3,587,224	234,853	3,919,499
Total governmental activities program revenues	\$ 4,133,700	\$ 4,329,662	\$ 4,492,010	\$ 4,489,683	\$ 5,153,010	\$ 5,013,025	\$ 7,169,930	\$ 8,068,600	\$ 5,437,161	\$ 10,054,212
Business-type activities										
Charges for services:										
Water and Sewer	\$ 8,181,716	\$ 8,097,648	\$ 9,368,757	\$ 9,267,041	\$ 9,047,483	\$ 9,022,428	\$ 9,137,423	\$ 9,325,282	\$ 9,448,863	\$ 10,607,319
Capital Grants and contributions	118,335	928,330	349,330	2,288,166	2,622,069	3,176,798	334,058	4,653,886	873,505	3,928,456
Total business-type activities program revenues	\$ 8,300,051	\$ 9,025,978	\$ 9,718,087	\$ 11,555,207	\$ 11,669,552	\$ 12,199,226	\$ 9,471,481	\$ 13,979,168	\$ 10,322,368	\$ 14,535,775
Total primary government program revenues	\$ 12,433,751	\$ 13,355,640	\$ 14,210,097	\$ 16,044,890	\$ 16,822,562	\$ 17,212,251	\$ 16,641,411	\$ 22,047,768	\$ 15,759,529	\$ 24,589,987
Net (Expense) Revenue										
Governmental Activities	\$ (14,920,842)	\$ (15,802,628)	\$ (13,968,884)	\$ (18,651,792)	\$ (15,079,883)	\$ (15,819,966)	\$ (18,396,886)	\$ (14,159,409)	\$ (17,515,728)	\$ (17,437,929)
Business-type Activities	794,167	1,361,894	1,751,375	3,281,909	3,273,735	3,365,299	320,014	4,448,369	52,520	4,621,810
Total Primary government net expense	\$ (14,126,675)	\$ (14,440,734)	\$ (12,217,509)	\$ (15,369,883)	\$ (11,806,148)	\$ (12,454,667)	\$ (18,076,872)	\$ (9,711,040)	\$ (17,463,208)	\$ (12,816,119)
General Revenues and Other Changes in Net Assts										
Governmental Activities:										
Taxes										
Property Taxes	\$ 13,844,967	\$ 12,906,557	\$ 12,825,330	\$ 13,658,505	\$ 14,068,807	\$ 14,350,784	\$ 14,788,438	\$ 13,594,521	\$ 16,209,160	\$ 16,576,441
Intergovernmental revenues	1,001,520	946,067	993,240	1,033,149	1,048,796	1,038,481	1,140,617	1,131,771	1,237,514	1,220,875
Investment income (loss)	65,225	135,166	123,261	120,496	140,275	349,865	661,932	274,353	(41,725)	(26,902)
Other	341,198	1,871,679	568,135	352,951	289,740	475,217	712,568	610,932	141,918	315,747
Total General Revenues Government Activities	\$ 15,252,910	\$ 15,859,469	\$ 14,509,966	\$ 15,165,101	\$ 15,547,618	\$ 16,214,347	\$ 17,303,555	\$ 15,611,577	\$ 17,546,867	\$ 18,086,161
Business-type Activities:										
Investment Income (Loss)	\$ (738)	\$ 42,192	\$ 45,226	\$ 53,570	\$ 72,534	\$ 141,804	\$ 253,039	\$ 147,379	\$ 28,769	\$ (213,829)
Other	-	-	-	-	38,333	70,233	17,067	2,904	28,069	72,249
Total General Revenues Business-type Activities	\$ (738)	\$ 42,192	\$ 45,226	\$ 53,570	\$ 110,867	\$ 212,037	\$ 270,106	\$ 150,283	\$ 56,838	\$ (141,580)
Total Primary Government	\$ 15,252,172	\$ 15,901,661	\$ 14,555,192	\$ 15,218,671	\$ 15,658,485	\$ 16,426,384	\$ 17,573,661	\$ 15,761,860	\$ 17,603,705	\$ 17,944,581
Change in Net Position										
Governmental Activities	\$ 906,773	\$ 586,087	\$ 1,069,235	\$ (2,973,191)	\$ 1,019,589	\$ 977,000	\$ (9,522,730)	\$ 934,810	\$ (843,106)	\$ 1,274,542
Business-type Activities	218,724	874,840	1,268,448	2,821,979	2,832,808	2,994,717	9,019,519	5,116,010	983,613	3,853,920
Total Primary Government	\$ 1,125,497	\$ 1,460,927	\$ 2,337,683	\$ (151,212)	\$ 3,852,397	\$ 3,971,717	\$ (503,211)	\$ 6,050,820	\$ 140,507	\$ 5,128,462

Village of Germantown, Wisconsin
Fund Balances, Governmental Funds
(Modified Accrual Basis of Accounting)
Last Ten Fiscal Years

Table 3

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General Fund										
Nonspendable	\$ 67,183	\$ 149,592	\$ 2,248	\$ 16,035	\$ 15,094	\$ 892	\$ 6,350	\$ 4,063	\$ 274,842	\$ 78,175
Assigned - payment in lieu of taxes	574,705	529,246	528,153	513,500	551,794	582,619	615,086	675,875	640,452	626,310
Assigned - subsequent budget	-	-	-	-	-	-	-	-	107,000	-
Assigned - carryovers	202,503	187,608	471,661	332,882	410,381	1,006,787	1,041,618	-	217,200	-
Assigned - tourism	-	-	-	-	-	-	-	-	46,798	137,769
Unassigned	<u>3,271,462</u>	<u>3,403,046</u>	<u>3,926,381</u>	<u>4,454,981</u>	<u>5,175,649</u>	<u>5,902,819</u>	<u>6,764,197</u>	<u>7,985,393</u>	<u>7,435,017</u>	<u>6,772,839</u>
Total general fund	\$ 4,115,853	\$ 4,269,492	\$ 4,928,443	\$ 5,317,398	\$ 6,152,918	\$ 7,493,117	\$ 8,427,251	\$ 8,665,331	\$ 8,721,309	\$ 7,615,093
All Other Governmental Funds										
Nonspendable	\$ -	\$ 770,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,424,392	10,809,624	9,331,635	4,295,658	5,099,024	7,639,463	9,563,937	8,417,392	4,109,136	29,167,182
Committed	94,394	141,277	185,008	202,586	240,085	236,930	246,867	164,467	160,249	53,695
Assigned	1,023,168	1,252,639	1,863,541	1,558,510	1,103,233	1,204,633	2,024,961	2,572,186	2,184,371	5,604,543
Unassigned (Deficit)	-	-	-	-	(21,313)	(2,247,931)	-	-	(89,376)	(773,000)
Total all other governmental funds	\$ 7,541,954	\$ 12,973,601	\$ 11,380,184	\$ 6,056,754	\$ 6,421,029	\$ 6,833,095	\$ 11,835,765	\$ 11,154,045	\$ 6,364,380	\$ 34,052,420
Total fund balance, governmental funds	\$ 11,657,807	\$ 17,243,093	\$ 16,308,627	\$ 11,374,152	\$ 12,573,947	\$ 14,326,212	\$ 20,263,016	\$ 19,819,376	\$ 15,085,689	\$ 41,667,513

Note: Fluctuations in all other governmental fund balance, reserved and unreserved amounts, primarily reflect financing, construction in progress and completion of capital projects.

Source: Comprehensive Annual Financial Reports

Village of Germantown, Wisconsin
Changes in Fund Balances, Total Governmental Funds
(Modified Accrual Basis of Accounting)
Last Ten Fiscal Years

Table 4

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 13,846,626	\$ 12,868,874	\$ 12,814,338	\$ 13,670,499	\$ 14,046,681	\$ 14,355,563	\$ 14,819,885	\$ 13,901,632	\$ 16,209,535	\$ 16,396,682
Special Assessments	309,302	339,950	363,716	514,964	4,685	4,685	4,685	4,685	4,685	75
Intergovernmental	2,436,164	2,364,696	2,462,718	2,473,891	2,472,247	2,619,652	2,737,156	3,992,540	3,160,660	3,535,762
Regulation and compliance	1,033,161	1,174,161	1,095,844	838,034	1,106,195	1,260,905	1,213,418	994,265	1,233,622	1,379,642
Public charges for services	1,627,811	1,691,512	1,721,835	1,821,522	2,118,968	2,048,383	2,126,483	1,353,349	1,944,207	2,253,680
Intergovernmental charges	-	-	-	-	-	-	-	-	140,960	116,065
Investment income (loss)	63,566	133,479	115,493	113,796	129,117	335,595	627,582	254,951	(46,183)	(26,915)
Miscellaneous	200,216	2,059,497	706,697	157,046	306,463	391,515	560,462	399,224	137,770	196,987
Total Revenues	\$ 19,516,846	\$ 20,632,169	\$ 19,280,641	\$ 19,589,752	\$ 20,184,356	\$ 21,016,298	\$ 22,089,671	\$ 20,900,646	\$ 22,785,256	\$ 23,851,978
Expenditures										
General Government	\$ 1,339,722	\$ 1,411,749	\$ 1,388,142	\$ 1,508,556	\$ 1,569,231	\$ 1,788,157	\$ 1,790,207	\$ 1,794,383	\$ 1,905,457	\$ 2,515,252
Public Safety	6,778,485	6,878,681	6,640,969	6,660,795	6,585,299	6,783,189	7,610,502	8,048,380	8,596,049	9,651,729
Public Works	3,506,966	3,542,386	3,484,546	3,446,015	3,495,816	3,337,652	3,768,610	3,674,213	4,046,612	3,648,296
Culture and recreation	2,357,270	2,409,242	2,505,837	2,625,584	2,642,790	2,798,834	2,833,489	2,468,120	2,764,785	3,385,038
Conservation and development	692,834	452,337	422,986	476,696	431,709	889,444	3,457,543	379,071	538,715	3,408,138
Capital Outlay	2,932,305	4,328,230	3,680,393	7,500,467	3,166,307	5,126,579	11,236,855	5,737,627	8,825,313	11,479,297
Debt Service										
Principal	3,808,657	5,477,985	4,545,000	6,560,000	3,855,000	3,910,000	5,150,000	2,740,000	3,525,000	3,520,000
Interest and fiscal charges	722,234	617,882	741,975	670,932	595,302	590,517	638,707	1,176,399	1,191,553	1,252,977
Debt issuance costs	35,536	147,838	58,658	68,698	54,801	127,140	355,064	65,684	67,687	617,223
Total Expenditures	\$ 22,174,009	\$ 25,266,330	\$ 23,468,506	\$ 29,517,743	\$ 22,396,255	\$ 25,351,512	\$ 37,040,977	\$ 26,083,877	\$ 31,461,171	\$ 39,477,950
Excess (Deficiency) of Revenues										
Over Expenditures	\$ (2,657,163)	\$ (4,634,161)	\$ (4,187,865)	\$ (9,927,991)	\$ (2,211,899)	\$ (4,335,214)	\$ (14,951,306)	\$ (5,183,231)	\$ (8,675,915)	\$ (15,625,972)
Other Financing Sources (Uses):										
Proceeds of leases	\$ -	\$ 151,380	\$ -	\$ -	\$ -	\$ 32,384	\$ 223,328	\$ -	\$ -	\$ -
Issuance of general obligation notes	1,905,000	8,050,000	2,655,000	2,670,000	2,805,000	5,275,000	19,325,000	3,875,000	3,165,000	38,485,000
Issuance of refunding debt	-	1,065,000	-	1,665,000	-	-	-	-	-	1,435,000
Premium on long-term debt	-	423,821	70,246	145,016	54,900	197,476	724,696	188,716	136,776	1,661,486
Transfers in	5,874,391	2,634,962	2,589,297	2,893,674	2,640,998	2,544,721	4,321,735	2,100,631	2,073,678	2,277,411
Transfers out	(5,299,686)	(2,105,716)	(2,061,144)	(2,380,174)	(2,089,204)	(1,962,102)	(3,706,649)	(1,424,756)	(1,433,226)	(1,651,101)
Total Other Financing	\$ 2,479,705	\$ 10,219,447	\$ 3,253,399	\$ 4,993,516	\$ 3,411,694	\$ 6,087,479	\$ 20,888,110	\$ 4,739,591	\$ 3,942,228	\$ 42,207,796
Uses										
Net Change in Fund Balances	\$ (177,458)	\$ 5,585,286	\$ (934,466)	\$ (4,934,475)	\$ 1,199,795	\$ 1,752,265	\$ 5,936,804	\$ (443,640)	\$ (4,733,687)	\$ 26,581,824
Debt Service as a percentage of noncapital expenditures	23.29%	28.82%	26.44%	32.53%	22.89%	22.02%	23.02%	15.01%	14.99%	16.79% ⁽¹⁾

Note: The village began to report accrual information when it implemented GASB Statement #34 in fiscal year 2003
2007 includes Governmental activities capitalized infrastructure assets prior to 2003

Total non-capital expenditures include reconciling items found on page 9 of the ACFR

⁽¹⁾ Capital Outlay (\$11,479,297) less items not capitalized (\$431,719) \$11,047,578 used to obtain percentage of noncapital expenditures

Village of Germantown, Wisconsin
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 5

Fiscal Year Ended December 31,	Real Property		Personal Property		Total		Village Total Direct Tax Rate	Ratio of Assessed to Equalized
	Assessed	Equalized Value	Assessed	Equalized Value	Assessed	Equalized Value		
2013	\$ 2,387,341,800	\$ 2,140,736,100	\$ 66,930,800	\$ 61,419,400	\$ 2,454,272,600	\$ 2,202,155,500	0.466	111.45%
2014	2,253,243,300	2,219,153,200	60,869,700	64,198,900	2,314,113,000	2,283,352,100	0.497	101.35%
2015	2,333,948,300	2,351,421,300	57,268,100	54,492,100	2,391,216,400	2,405,913,400	0.510	99.39%
2016	2,426,870,700	2,438,914,100	63,628,000	62,965,700	2,490,498,700	2,501,879,800	0.497	99.55%
2017	2,454,515,300	2,516,333,300	60,932,600	61,146,600	2,515,447,900	2,577,479,900	0.504	97.59%
2018	2,476,606,300	2,658,086,800	35,710,000	40,689,800	2,512,316,300	2,698,776,600	0.515	93.09%
2019	2,759,477,500	2,766,490,000	44,376,500	41,481,400	2,803,854,000	2,807,971,400	0.468	99.85%
2020	2,809,976,700	2,851,806,800	45,792,500	48,985,500	2,855,769,200	2,900,792,300	0.498	98.45%
2021	2,870,840,800	3,110,411,200	44,080,300	47,583,300	2,914,921,100	3,157,994,500	0.457	92.30%
2022	2,914,956,200	3,506,395,700	41,050,500	48,848,200	2,956,006,700	3,555,243,900	0.459	83.14%

All equalized valuations of property in the State of Wisconsin are determined by the State of WI, Department of Revenue, Supervisor of Assessment Office. Equalized valuations are the State's estimate of full market value.

The State determines assessed valuation of all manufacturing property in the State. Assessed valuations of residential and commercial property are determined by local assessors. New and improved residential and commercial property located within the Village are assessed annually by the local assessor. At hearings held each year a taxpayer may appeal the assessments of his property to the Board of Review of the local municipality. The Board of Review consists of local assessors, local officials, and citizen appointees. The assessors do not have a vote on final determinations.

The State's full value law mandates that all assessable property in the State be valued by 100% of market value. Statutes, case law, and administrative rules require that each major class of property (except agricultural property) be kept within 10% of that full value at least once in the past four years. Village wide revaluations are then undertaken

Village of Germantown, Wisconsin

Table 6

Direct and Overlapping Property Tax Rates (per \$1,000 of assessed value), before State School Credits Last Ten Fiscal Years

Fiscal Year Ended December 31,	Village Direct Rates				Overlapping Rates				Total Tax Levy
	Basic	Debt Service	Capital Projects	Total Tax Rate	Germantown School District	Washington County	Milwaukee Area Technical College	State of Wisconsin	
2013	3.77	0.89	0.00	4.66	8.83	2.57	1.91	0.15	18.12
2014	3.99	0.98	0.00	4.97	9.37	2.66	1.25	0.17	18.42
2015	4.02	1.08	0.00	5.10	9.20	2.62	1.27	0.17	18.36
2016	3.94	1.03	0.00	4.97	8.79	2.59	1.27	0.17	18.35
2017	3.92	1.12	0.00	5.04	9.13	2.55	1.29	0.00	17.78
2018	4.00	1.15	0.00	5.15	10.00	2.57	1.32	0.00	19.04
2019	3.64	1.04	0.00	4.68	9.62	2.30	1.18	0.00	17.78
2020	3.70	1.28	0.00	4.98	10.04	2.27	1.17	0.00	18.46
2021	3.64	1.26	0.00	4.90	9.86	2.23	1.09	0.00	18.09
2022	3.63	1.64	0.00	5.27	9.49	2.05	1.03	0.00	17.85

Source: Village of Germantown Finance Department, Assessors Department and Village records

Village of Germantown, Wisconsin

Full Value Rates for Property Taxes expressed in dollars per \$1,000 of equalized value (excluding TIF) Last Ten Fiscal Years

Year Levied Tax Collected	Local	1 Schools	County	2 Other	3 Total Full Value Effective Rate
2013/14	5.19	11.97	2.86	0.84	19.19
2014/15	5.04	10.77	2.69	0.74	17.67
2015/16	5.07	10.40	2.60	0.18	17.24
2016/17	4.94	10.01	2.58	0.18	16.87
2017/18	4.92	10.17	2.49	0.00	17.58
2018/19	4.79	10.54	2.39	0.00	17.72
2019/20	4.68	10.79	2.29	0.00	17.76
2020/21	4.98	11.21	2.27	0.00	18.46
2021/22	4.90	10.52	2.23	0.00	18.09
2022/23	4.59	9.18	1.79	0.00	15.56

- 1 The Schools tax rate reflects the composite rate of all local school districts and the technical college districts
- 2 Includes the state reforestation tax which is apportioned to each county on the basis of its full value Counties, in turn, apportion the tax to the tax districts within their borders on the basis of full value. It also includes any tax increment and taxes levied for special purpose districts such as metropolitan sewerage districts, sanitary districts, and public inland lake protection districts. State property taxes were eliminated in the State's budget starting 2017
- 3 Property tax less state property tax credit (not including lottery credit).

Village of Germantown, Wisconsin
Principal Property Tax Payers
Current Year and Nine Years Ago

Table 7

Taxpayer	2022			2013		
	Equalized Value		Percentage Village's Total Equalized Value	Equalized Value		Percentage Village's Total Equalized Value
Exeter Holy Hill LP	\$38,246,798	1	1.08%			
TI Investors of Germantownll	26,516,299	2	0.75%			
Sentinel Germantown LLC	26,019,741	3	0.73%	15,353,800	4	0.70%
Heather Lake LLC	23,069,645	4	0.65%			
Stag Industrial Holdings LLC	20,071,335	5	0.56%			
AGNL Dairy LLC / Gehls	19,383,759	6	0.55%			
Heritage Place Joint Venture	19,001,833	7	0.53%			
Airgas Safety Inc	17,901,235	8	0.50%			
ICHQ LLC	16,935,314	9	0.48%			
Cambridge Major Laboratories	14,779,191	10	0.42%	15,360,800	3	0.70%
The Gables of Germantown LLC				19,768,800	1	0.90%
Meridian Germantown LLC				17,278,600	2	0.78%
Stonehedge Properties				13,292,800	5	0.60%
Gehls Guernsey Farms Inc				13,256,400	6	0.60%
Phylmack LLC				13,105,200	7	0.60%
Waste Management of WI Inc				12,972,000	8	0.59%
Menard Inc				10,629,000	9	0.48%
Compass Prop				9,900,400	10	0.45%
Total	\$ 221,925,150		6.24%	\$ 140,917,800		6.40%

Source: *Village of Germantown Finance Department, Assessors Department and Village records*

a) Total Equalized Value January 1, 2022 = \$ 3,555,243,900
 b) Total Equalized Value January 1, 2012 = \$ 2,202,155,500

Village of Germantown, Wisconsin
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 8

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal year of the Levy ¹		Collection in Subsequent Years ²	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 44,480,179	\$ 33,599,277	75.54%	\$ 10,871,870	\$ 44,471,147	99.98%
2014	42,623,918	33,491,084	78.57%	9,076,714	42,567,798	99.87%
2015	43,890,361	33,301,519	75.87%	10,577,270	43,878,789	99.97%
2016	44,292,776	33,949,559	76.65%	10,306,351	44,255,910	99.92%
2017	45,309,491	34,975,793	77.19%	10,333,698	45,288,234	99.95%
2018	47,835,308	36,589,120	76.49%	11,246,188	47,831,749	99.99%
2019	49,860,820	43,632,653	87.51%	6,228,167	49,815,891	99.91%
2020	52,720,273	40,255,818	76.36%	12,464,455	52,672,767	99.91%
2021	52,734,005	35,736,400	67.77%	16,997,605	52,638,462	99.82%
2022	55,335,103	36,560,678	66.07%	18,774,425	54,785,468	99.01%

Source: Village Finance Department

Notes: Amounts collected include Village of Germantown and all other taxing bodies which make up the total levy.

¹ *The amount shown is net of the State Tax Credit*

² *Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing authorities on or about August 20 of the collection year. Personal Property is collected by municipality*

Village of Germantown, Wisconsin
Water & Sewer Utility - Customer Count
Last Ten Fiscal Years

Table 9

Function/Program	2013	2014	2015	2016*	2017*	2018*	2019*	2020*	2021*	2022*
Water and Sewer										
Number of Water Customers	5,311	5,359	5,440	5,460	5,464	5,477	5,493	5,550	6,257	5,950
Average Daily Water Consumption (gallons)	1,749,041	1,798,090	1,914,348	1,526,655	1,479,211	1,596,058	1,404,405	1,794,811	1,802,378	1,831,030
Number of Sewer Customers	5,552	5,603	5,682	5,696	5,705	5,715	5,734	6,254	5,845	6,079

* fluctuation in consumption due to large water user with its own water source, periodically uses Village water, in prior years they had a problem with their pumping system and used Village water source as primary.

Village of Germantown, Wisconsin
Water Utility Customer Summary
Last Ten Fiscal Years

Table 10

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Number of customers										
Residential	4,727	4,774	4,840	4,857	4,865	4,868	4,878	4,898	4,957	5,294
Res - Multi-Family*	107	107	108	108	108	109	110	141	141	145
Commercial	432	433	451	450	466	455	459	462	465	454
Industrial	22	22	22	22	22	22	23	26	26	24
Public	23	23	19	23	23	23	23	23	25	33
Total	5,311	5,359	5,440	5,460	5,484	5,477	5,493	5,550	5,614	5,950
Gallons (thousands)										
Residential	278,289	264,880	270,293	262,740	255,115	249,242	242,644	248,957	242,287	241,058
Res - Multi-Family*	49,595	49,317	51,143	49,760	49,659	51,029	50,407	77,153	82,109	55,748
Commercial	119,599	106,747	121,561	126,118	128,166	128,235	127,015	117,846	125,878	118,982
Industrial	181,544	227,407	247,368	134,939	96,416	144,840	82,754	203,066	281,292	185,523 **
Public	9,373	7,952	8,372	8,877	10,556	9,215	9,788	8,084	8,447	11,925
Total	638,400	656,303	698,737	582,434	539,912	582,561	512,608	655,106	740,013	613,236

* New Public Service Commission Required Class Code - Effective 2013 - derived from Commercial

** variations in Industrial water usage due to large use customer that have their own water source, uses Village water for peak demand

Village of Germantown, Wisconsin
Water Utility Customer Rates
Last Ten Fiscal Years

Table 11

	2013*	2014**	2015	2016	2017	2018	2019	2020	2021	2022
General Metered Service										
Quarterly Service Charge										
5/8 inch meter	\$ 14.83	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 15.27	\$ 19.35
3/4 inch meter	14.83	15.27	15.27	15.27	15.27	15.27	15.27	15.27	15.27	19.35
1 inch meter	24.72	25.46	25.46	25.46	25.46	25.46	25.46	25.46	25.46	32.28
1 1/4 inch meter	33.99	35.01	35.01	35.01	35.01	35.01	35.01	35.01	35.01	44.04
1 1/2 inch meter	43.26	44.56	44.56	44.56	44.56	44.56	44.56	44.56	44.56	56.46
2 inch meter	64.89	66.84	66.84	66.84	66.84	66.84	66.84	66.84	66.84	84.69
3 inch meter	108.15	111.39	111.39	111.39	111.39	111.39	111.39	111.39	111.39	141.00
4 inch meter	166.86	171.87	171.87	171.87	171.87	171.87	171.87	171.87	171.87	219.00
6 inch meter	309.00	318.24	318.24	318.24	318.24	318.24	318.24	318.24	318.24	405.00
8 inch meter	475.86	490.14	490.14	490.14	490.14	490.14	490.14	490.14	490.14	621.00
10 inch meter	695.25	716.11	716.11	716.11	716.11	716.11	716.11	716.11	716.11	909.00
12 inch meter	917.73	945.26	945.26	945.26	945.26	945.26	945.26	945.26	945.26	1,200.00
Volume rate (per 1,000 gallons)										
First 100,000 gallons	\$ 2.22	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 2.29	\$ 4.15
Next 900,000 gallons	1.91	1.97	1.97	1.97	1.97	1.97	1.97	1.97	1.97	3.60
Over 1,000,000 gallons	1.62	1.67	1.67	1.67	1.67	1.67	1.67	1.67	1.67	3.03
Public Fire Protection										
Annual service charge to the Village of Germantown	\$ 521,776	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,429	\$ 537,430
Private Fire Protection										
Quarterly Service Charge										
2 inch or smaller connection	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00	\$ 24.00
3 inch connection	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
4 inch connection	65.00	65.00	65.00	65.00	65.00	65.00	65.00	65.00	65.00	65.00
6 inch connection	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00
8 inch connection	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00	220.00
10 inch connection	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
12 inch connection	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00
14 inch connection	-	-	-	-	-	-	-	-	-	486.00
16 inch connection	-	-	-	-	-	-	-	-	-	600.00

* 3% Simplified Rate Increase effective 12/15/2013

** 3% Simplified Rate Increase effective 12/15/2014

Source: Village of Germantown Utility Records

Sewer Utility Customer Summary

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Number of customers										
Residential	4,473	4,519	4,564	4,574	4,578	4,581	4,590	5,557	5,894	5,388
Commercial	1,026	1,031	1,066	1,070	1,075	1,082	1,090	647	744	417
Industrial	32	32	31	31	31	31	33	22	26	25
Public	21	21	21	21	21	21	21	28	25	32
Total	5,552	5,603	5,682	5,696	5,705	5,715	5,734	6,254	6,689	5,862
Gallons (thousands)										
Residential	263,821	251,582	255,996	249,473	241,242	235,810	228,968	347,640	242,287	295,942
Commercial	159,206	139,755	160,665	161,433	166,929	173,678	173,257	109,593	125,878	132,788
Industrial	216,399	189,970	307,978	272,429	246,822	228,266	242,273	242,319	281,992	247,928
Public	7,264	8,035	8,304	8,022	10,669	7,230	7,178	7,239	8,447	12,322
Total	646,690	589,342	732,943	691,357	665,662	644,984	651,676	706,791	658,604	688,980

Source: Village of Germantown Utility Records

Village of Germantown, Wisconsin
Sewer Utility Customer Rates
Last Ten Fiscal Years

Table 13

	2013	2014**	2015	2016	2017	2018	2019	2020	2021	2022
General Metered Service										
Quarterly Service Charge										
5/8 inch meter	\$ 36.37	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01	\$ 40.01
3/4 inch meter	36.37	40.01	40.01	40.01	40.01	40.01	40.01	40.01	40.01	40.01
1 inch meter	67.29	74.02	74.02	74.02	74.02	74.02	74.02	74.02	74.02	74.02
1 1/2 inch meter	92.75	102.02	102.02	102.02	102.02	102.02	102.02	102.02	102.02	102.02
2 inch meter	120.01	132.02	132.02	132.02	132.02	132.02	132.02	132.02	132.02	132.02
3 inch meter	183.67	202.03	202.03	202.03	202.03	202.03	202.03	202.03	202.03	202.03
4 inch meter	329.14	362.06	362.06	362.06	362.06	362.06	362.06	362.06	362.06	362.06
6 inch meter	538.26	592.08	592.08	592.08	592.08	592.08	592.08	592.08	592.08	592.08
Volume rate (per 1,000 gallons)										
All Classes										
Residential Only	\$ 6.285	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913	\$ 6.913
Commercial, Industrial, Public	7.856	8.641	8.641	8.641	8.641	8.641	8.641	8.641	8.641	8.641
General Unmetered Service										
Flat rate	\$ 147.93	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75	\$ 162.75
based on avg. usage (gal.)/qtr.	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750	17,750

* 15% Rate Increase effective 12/15/2011

** 10% Rate Increase effective 12/15/2014

Source: Village of Germantown Utility Records

Village of Germantown, Wisconsin
 Ratio of Outstanding Debt
 Last Ten Fiscal Years

Table 14

Fiscal Year Ended December 31,	Governmental Activities					Business-type Activities		Total Primary Government	Debt per Capita	Population
	General Obligation Bonds	General Obligation Notes	Refunding Bonds	Other Obligations	Lease Liabilities	Water Utility Revenue Bonds	Sewer Utility General Obligation Notes			
2013	\$ 410,000	\$ 10,845,000	\$ 14,272,770	\$ 127,985	\$ -	\$ 1,482,713	\$ -	\$ 27,138,468	\$ 1,370	19,811
2014	5,790,000	11,760,000	12,146,752	-	129,579	1,393,201	-	31,219,532	1,570	19,891
2015	5,765,000	11,540,000	10,528,381	-	97,887	1,302,768	-	29,234,036	1,464	19,972
2016	5,740,000	14,250,000	5,695,028	-	65,933	1,211,390	-	26,962,351	1,348	20,008
2017	5,634,023	15,076,468	3,920,557	-	31,919	1,114,042	-	25,777,009	1,291	19,965
2018	8,117,980	15,336,256	2,663,539	-	31,227	1,015,697	-	27,164,699	1,346	20,183
2019	24,859,045	16,046,449	-	-	151,004	911,329	3,108,110	45,075,937	2,189	20,590
2020	24,815,852	16,139,667	-	-	113,254	800,911	2,912,754	44,782,438	2,141	20,917
2021	24,162,058	17,557,899	-	-	75,503	689,413	2,792,398	45,277,271	2,163	20,934
2022	57,900,077	21,696,320	-	-	-	4,471,810	12,567,252	96,635,459	4,598	21,015

Note: Balances include debt related refundings, discounts, premiums
 Details regarding the Village's outstanding debt can be found in the notes to the financial statements. Section Note 3 Long Term Obligations
 Population trend per US Census Bureau.

Village of Germantown, Wisconsin
Ratio of General Bonded Debt Outstanding Governmental Activities
Last Ten Fiscal years

Table 15

Fiscal Year Ended December 31,	General Bonded Debt Outstanding		Less:	Total	Percentage of	Equalized Valuation	Net	Population
	General Obligation Bonds	Refunding Bonds	Fund Balance Restricted for Debt Service		Long -Term Debt to Equalized Value		Long-term Debt per Capita	
2013	\$ 410,000	\$ 14,272,770	\$ (2,697,292)	\$ 11,985,478	0.54%	\$ 2,202,155,500	\$ 605	19,811
2014	5,790,000	12,146,752	(1,785,323)	16,151,429	0.71%	2,283,352,100	812	19,891
2015	5,765,000	10,528,381	(769,454)	15,523,927	0.65%	2,405,913,400	777	19,972
2016	5,740,000	5,695,028	(93,069)	11,341,959	0.45%	2,501,879,800	567	20,008
2017	5,634,023	3,920,557	(138,303)	9,416,277	0.37%	2,577,479,900	472	19,965
2018	8,117,980	2,663,539	(247,137)	10,534,382	0.39%	2,698,776,600	522	20,183
2019	24,859,045	-	(307,704)	24,551,341	0.87%	2,807,971,400	1,192	20,590
2020	24,815,852	-	(375,846)	24,440,006	0.84%	2,900,792,300	1,167	20,934
2021	24,162,058	-	(167,466)	23,994,592	0.76%	3,157,994,500	1,140	21,040
2022	57,900,077	-	(183,975)	57,716,102	1.62%	3,555,243,900	2,746	21,015

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

Source: Population 2013-2019: 2010 U.S. Census
 Population 2020-2021: 2020 U.S. Census

Village of Germantown, Wisconsin
Direct and Overlapping Governmental Activities Debt
As of December 31, 2022

Table 16

<u>Governmental Unit</u>	<u>2022 Equalized Value</u>	<u>Total G.O. Debt Outstanding</u>	<u>Village EV Percentage of District</u>	<u>Village Proportionate Share</u>
Milwaukee Area Technical College	\$ 107,694,969,375	\$ 97,590,000	3.30% ¹	\$ 3,221,657
Germantown School District	4,782,058,725	90,482,246	74.35%	67,269,449
Washington County	<u>20,790,695,300</u>	<u>16,220,567</u>	17.10%	<u>2,773,744</u>
Subtotal, overlapping debt	\$ 133,267,723,400	\$ 204,292,813	2.06% ²	\$ 73,264,850
Village Direct Debt	\$ 3,555,243,900	<u>\$ 86,125,000</u>	100.00%	<u>\$ 86,125,000</u>
Village Debt to Equalized Value		290,417,813	2.42% ³	
Total Direct and overlapping debt				\$ 159,389,850
Debt Per Capita Village General Obligation Debt				\$ 4,093 ⁴
Debt Per Capita Village Share of Overlapping Debt				<u>3,482</u>
				<u>\$ 7,575</u>

Source: *Financial Officers of the overlapping School Districts and Counties, Official Statement dated April 28, 2021.*

- ¹ Percentage of village equalized value to district equalized value.
- ² Percentage of village overlapping debt outstanding to village equalized value
- ³ Percentage of village outstanding debt to village equalized
- ⁴ Population 2021 estimate 21,040 debt per capita

Village of Germantown, Wisconsin

Table 17

Legal Debt Margin Information

Last Ten Fiscal Years

Legal Debt Margin calculations for Current Fiscal Year										
Equalized Valuation										\$ 3,555,243,900
Debt Limit (5% of current equalized value)										177,762,195
Debt applicable to limit - General obligation debt outstanding										88,710,000
Legal Debt margin										\$ 89,052,195
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Statutory Debt Limit	\$ 110,107,775	\$ 114,167,605	\$ 120,295,670	\$ 125,093,990	\$ 128,873,995	\$ 134,938,830	\$ 140,398,570	\$ 145,039,615	\$ 157,899,725	\$ 177,762,195
Total Net Debt Applicable to limit	25,607,985	29,245,000	27,355,000	25,130,000	24,080,000	25,445,000	42,625,000	43,570,000	43,095,000	88,710,000
Unused Debt Limit	\$ 84,499,790	\$ 84,922,605	\$ 92,940,670	\$ 99,963,990	\$ 104,793,995	\$ 109,493,830	\$ 97,773,570	\$ 101,469,615	\$ 114,804,725	\$ 89,052,195
Total Net Debt Applicable to the limit as a percentage of debt limit	23.26%	25.62%	22.74%	20.09%	18.68%	18.86%	30.36%	30.04%	27.29%	49.90%

Fiscal Year Ended December 31,	Water Revenue Bonds								
	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Debt Service			Accreted Value	Coverage Expected	Actual Debt Coverage
				Principal	Interest	Total			
2012	\$ 2,260,951	\$ 1,172,581	\$ 1,088,370	\$ 82,741	\$ 56,653	\$ 139,394	\$ 174,243	1.25	7.81
2013	2,428,842	1,170,210	1,258,632	83,615	53,967	137,582	171,978	1.25	9.15
2014	2,560,579	1,293,026	1,267,553	89,512	51,259	140,771	175,964	1.25	9.00
2015	2,652,039	1,138,846	1,513,193	90,433	48,263	138,696	173,369	1.25	10.91
2016	2,421,804	1,162,583	1,259,221	91,378	45,187	136,565	170,706	1.25	9.22
2017	2,502,002	1,177,808	1,324,194	97,349	42,004	139,353	174,192	1.25	9.50
2018	2,512,691	1,539,529	973,162	98,345	38,535	136,880	171,100	1.25	7.11
2019	2,441,225	1,538,464	902,761	104,368	35,008	139,376	174,220	1.25	6.48
2020	2,594,897	1,768,688	826,209	110,419	31,213	141,632	177,040	1.25	5.83
2021	2,582,257	1,954,084	628,173	111,497	27,145	138,642	173,303	1.25	4.53
2022	3,673,495	1,761,927	1,911,568	243,741	225,182	468,923	586,154	1.25	4.08

Note: Details regarding the village's outstanding debt can be found in the notes to the financial statements, Note 3, Long Term Debt, Revenue Debt. Operating expenses do not include interest on long term debt, depreciation or amortization expense

Village of Germantown, Wisconsin
Demographic and Economic Indicators
Last Ten Fiscal Years

Table 19

Fiscal Year Ended December 31,	Estimated Population	Median Household Income	Per Capita Personal Income (thous)	Median Age	School Enrollment	Washington County Unemployment Rate
2012	19,803	\$ 72,000	\$ 35.781	40.2	3,999	6.40%
2013	19,811	73,555	35.690	41.4	3,987	5.10%
2014	19,891	74,865	35.670	41.9	3,909	4.30%
2015	19,972	74,865	36.304	42.0	3,913	3.40%
2016	20,008	75,305	36.668	42.2	3,895	3.10%
2017	19,965	79,553	40.404	42.1	3,915	2.20%
2018	20,183	81,846	42.267	42.1	3,907	2.90%
2019	20,590	81,846	42.267	42.1	3,907	2.90%
2020	20,934	81,846 est	42.267	42.1	3,907	2.90%
2021	21,040	94,563 est	42.267	40.1	3,796	2.20%
2022	21,015	94,278 est	45.183	40.1	3,814	1.70%

Note: Population - Wisconsin Department of Administration, Demographic Services Center estimates, 2010 census

Source: US Bureau of Economic Analysis
 Wisconsin Department of Workforce Development, Office of Economic Advisors, per capita income
 School Enrollment - WI Dept of Public Instruction, Head Count & Membership
<https://apps4.dpi.wi.gov/sfsdw/MembershipFTEReport.aspx>
 Unemployment - Wisconsin Department of Workforce Development, Division of Workforce Excellence (Washington County) Rates not compiled for individual communities with populations under 25,000, AVG Washington County
www.factfinder2.census.gov
 2010 Census of Population and Housing, and 2017 American Community Survey (based on a 5 year estimate)
 US Census Bureau

Principal Employers

Current Year and Nine Years Ago

Employer	2022			2013		
	² Employees	Rank	Percentage of Total Village Population	¹ Employees	Rank	Percentage of Total Village Population
MGS Mfg	600	1	2.86%			
Germantown School District	583	2	2.77%	600	1	2.86%
J.W. Speaker Company	500	3	2.38%			0.00%
Gehl's Foods	400	4	1.90%	225	6	1.07%
Ellsworth Adhesives	³ 359	5	1.71%	225	5	1.07%
GKN Sintered Metals	333	6	1.58%	30	10	0.14%
Moldmakers	300	7	1.43%			
David Frank Landscape	300	8	1.43%	300	4	1.43%
Village of Germantown	275	9	1.31%	319	3	
Wago	270	10	1.28%			0.00%
Walmart			0.00%	500	2	
Rock-Tenn Co.				209	7	0.99%
Great Lakes Packaging				101	8	0.48%
Banner Weld				100	9	0.48%
Total	3,920		18.65% ⁴	2,609		12.41% ⁴

Source:

¹ Taken from Final Official Statement for General Obligation Promissory Notes and Bonds, Dated February 24, 20

² Reference USA, written and telephone survey (April 2021), Wisconsin Manufacturers Register and the Wisconsin Department of Workforce Development

This does not purport to be a comprehensive list, and is based on available data obtained through a survey of individual employers, as well as identified sources. Some employers do not respond to inquiries for employment data

³ Includes full-time, part-time and seasonal employment

⁴ Population - Wisconsin Department of Administration, Demographics Services Center
2012 estimation (19,803) 2021 Estimation (21,040)

Village of Germantown, Wisconsin

Table 21

*Full-time Equivalent Village Government Employees by Function/Program
Last Ten Fiscal Years*

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government	5.70	5.70	5.70	5.70	5.70	5.70	6.70	6.70	6.70	6.70
Public Safety	57.35	57.35	57.35	57.35	61.35	63.35	69.35	69.35	72.50	73.50
Public Works	17.16	17.16	17.16	17.16	18.16	18.16	18.16	18.16	17.00	17.00
Culture & Recreation	23.50	23.50	23.50	23.75	23.75	23.75	23.75	23.75	23.75	23.75
Conservation & Development	1.90	1.90	1.90	1.90	1.90	1.90	2.90	2.90	2.90	2.90
Water	8.30	8.30	8.30	8.30	8.30	9.05	9.05	9.05	9.05	9.05
Sewer	<u>7.82</u>	<u>7.82</u>	<u>7.82</u>	<u>7.82</u>	<u>7.82</u>	<u>8.12</u>	<u>8.12</u>	<u>8.12</u>	<u>8.12</u>	<u>8.12</u>
Total*	121.73	121.73	121.73	121.98	126.98	130.03	138.03	138.03	140.02	141.02
Total # of W2's	426	434	467	467	422	435	424	424	375	526

Source:

*Village of Germantown * Total count equals regular full time and part time personnel, does not include seasonal, recreation programs or Paid on Call Fire & Rescue*

Utility FTE counts from 2010-2016 were updated in 2017 to reflect salary budget worksheets.

Village of Germantown, Wisconsin
Operating Indicators by Function/Program
Last Ten Fiscal Years

Table 22

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Police										
Number of Sworn Officers	31	31	31	31	32	33	33	33	33	34
Number of Citations	3,150	2,539	2,888	2,538	2,201	2,108	2,039	2,039	2,042	2,682
Fire										
Number of Employees - Full Time	4	4	4	4	8	10	16	16	16	16
Number of Employees - Part Time	4	4	4	4	1	1	-	-	-	-
Number of Employees - Paid on Call	35	35	38	35	29	23	23	23	23	23
Public Works										
Street Surfacing/Sealcoating (miles)	2.77	1.83	1.03	6.00	9.00	0.36	4.50	4.50	4.50	1.54
Asphalt Resurface/Repairs (miles)	0.10	0.75	0.42	3.86	2.49	2.00	5.02	5.02	5.02	3.46
Culture & Recreation										
Parks										
Acreage	514.50	514.50	514.50	514.50	514.50	514.50	514.50	514.50	514.50	514.50
Library										
Volumes in Collection	175,186	154,917*	155,249	149,086	145,823	147,515	148,123	148,123	148,123	145,000
Volumes in Collection - Digital					215,158	203,411	244,739	244,739	244,739	245,344
Water and Sewer										
Number of Water Customers	5,311	5,359	5,440	5,460	5,464	5,477	5,493	5,493	5,493	5,677
Average Daily Water Consumption (gallons)	1,749,041	1,798,090	1,914,348	1,526,655	1,479,211	1,596,058	1,404,405	1,404,405	1,404,405	1,701,898
Number of Sewer Customers	5,552	5,603	5,682	5,696	5,705	5,715	5,734	5,734	5,734	5,862

Note: Starting in 2017, Digital Library material volume was added

* 2014 Library Collections - removed more volumes than usual, back issues of magazine, video's, more than half of books on cassette

Village of Germantown, Wisconsin
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Table 23

Function/Program	2012	2013	2014	2015	2016	2017	2018*	2019	2020	2021	2022
Public Safety											
Police Stations	1	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	1	1	1	1	1
Public Works											
Miles of Road (miles)	129.58	129.58	129.58	129.69	130.07	130.70	132.65	132.65	132.65	133.42	140.16
Sidewalks (miles)	19.76	20.38	20.38	20.48	21.25	22.05	22.86	23.66	24.47	24.47	24.47
Culture & Recreation											
Parks	12	12	12	12	12	12	12	12	12	12	12
Playgrounds	7	7	7	7	7	7	7	7	7	7	7
Tennis Courts	13	13	13	13	13	13	13	13	13	13	13
Spraygrounds	1	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1	1
Library	1	1	1	1	1	1	1	1	1	1	1
Water											
Water Mains (miles)	89.15	89.07	89.60	89.60	91.77	92.45	94.60	96.89	96.89	96.89	117.07
Fire Hydrants	1,301	1,301	1,308	1,308	1,327	1,335	1,357	1,383	1,383	1,383	1,425
Sewer											
Sanitary Sewer (miles)	90.50	93.00	96.00	97.62	99.16	101.83	103.21	105.23	105.23	105.23	109.93

Source: Village of Germantown Department Directors and capital asset inventory records

Note: 2012 Fire Hydrant count increase due to the reconciliation of hydrants reported to the GIS System

* Starting in 2018, Village consolidated Services into Fire Station II, and "Fire Station I" will be available for other Village Uses

Village of Germantown, Wisconsin
Building Permits
Last Ten Fiscal Years

Table 24

Type	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>No. of All Building Permits</u>										
Including additions & remodeling	598	607	554	623	654	745	639	1,537	2,144	2,064
Valuation	\$ 34,817,008	\$ 55,636,764	\$ 53,736,810	\$ 28,781,279	\$ 101,801,123	\$ 93,333,788	\$ 63,063,116	\$ 40,709,300	\$ 76,387,591	\$ 110,084,144
<u>New Single Family Homes</u>										
No. of building permits	54	60	40	38	53	15	14	47	80	41
Valuation	\$ 13,640,425	\$ 14,212,683	\$ 8,660,736	\$ 8,595,327	\$ 9,401,508	\$ 4,628,865	\$ 5,839,608	\$ 16,429,820	\$ 35,980,555	\$ 20,573,021
<u>New Multiple Family Buildings</u>										
No. of building permits	9	2	-	-	2	2	3	1	-	-
No. of units	18	4	-	-	127	43	94	2	-	-
Valuation	\$ 3,022,250	\$ 1,080,000	\$ -	\$ -	\$ 34,042,000	\$ 4,336,000	\$ 7,990,000	\$ 300,000	\$ -	\$ -
<u>New Commercial/Industrial Buildings</u>										
No. of building permits	1	4	6	2	-	6	7	13	2	9
Valuation	\$ 3,100,000	\$ 18,548,000	\$ 9,421,000	\$ 1,662,700	\$ -	\$ 48,286,000	\$ 30,476,729	\$ 23,948,368	\$ 5,061,397	\$ 48,437,210