

City of Mayville

Financial Statements and
Supplementary Information

December 31, 2022

City of Mayville

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City of Mayville

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Independent Auditors' Report

To the City Council of
City of Mayville

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City 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 City 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.

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 City'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 City'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 City'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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City'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.

Baker Tilly US, LLP

Madison, Wisconsin
June 8, 2023

City of Mayville

Statement of Net Position
December 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	CDA
Assets and Deferred Outflows of Resources				
Assets				
Cash and investments	\$ 8,644,549	\$ 4,721,640	\$ 13,366,189	\$ 58,868
Receivables (net):				
Taxes	2,424,189	110,000	2,534,189	-
Accounts	202,411	307,788	510,199	25,808
Special assessments	16,915	-	16,915	-
Loans	58,785	-	58,785	-
Other	-	56,743	56,743	-
Long-term	40,000	-	40,000	-
Internal balances	173,851	(173,851)	-	-
Inventories	-	31,037	31,037	-
Prepaid items	15,450	13,163	28,613	-
Other assets	-	187,902	187,902	-
Restricted assets:				
Cash and investments	-	1,495,641	1,495,641	-
Net pension asset	855,153	229,381	1,084,534	-
Capital assets:				
Land	1,736,520	275,909	2,012,429	-
Construction in progress	2,730,947	550	2,731,497	-
Land improvements	185,402	-	185,402	-
Intangibles	22,440	-	22,440	-
Buildings	3,228,333	8,581,599	11,809,932	-
Machinery and equipment	5,929,601	2,605,563	8,535,164	-
Plant in service	-	29,702,747	29,702,747	-
Infrastructure	40,236,385	-	40,236,385	-
Less accumulated depreciation	(46,500,391)	(21,715,534)	(68,215,925)	-
Total assets	<u>20,000,540</u>	<u>26,430,278</u>	<u>46,430,818</u>	<u>84,676</u>
Deferred Outflows of Resources				
Pension related amounts	<u>1,643,692</u>	<u>480,476</u>	<u>2,124,168</u>	<u>-</u>
Total deferred outflows of resources	<u>1,643,692</u>	<u>480,476</u>	<u>2,124,168</u>	<u>-</u>

See notes to financial statements

City of Mayville

Statement of Net Position

December 31, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	CDA
Liabilities, Deferred inflows of Resources and Net Position				
Liabilities				
Accounts payable	\$ 1,783,544	\$ 75,057	\$ 1,858,601	\$ -
Accrued liabilities	148,403	29,783	178,186	-
Deposits	-	1,880	1,880	-
Unearned revenue	506,621	-	506,621	25,808
Due to other governmental units	6,309	-	6,309	-
Noncurrent liabilities:				
Due within one year	489,675	255,686	745,361	-
Due in more than one year	3,396,431	3,392,694	6,789,125	-
Total liabilities	<u>6,330,983</u>	<u>3,755,100</u>	<u>10,086,083</u>	<u>25,808</u>
Deferred Inflows of Resources				
Unearned revenues	2,407,371	195,733	2,603,104	-
Pension related amounts	1,990,245	562,988	2,553,233	-
Total deferred inflows of resources	<u>4,397,616</u>	<u>758,721</u>	<u>5,156,337</u>	<u>-</u>
Net Position				
Net investment in capital assets	3,988,674	15,842,269	19,830,943	-
Restricted for:				
Debt service	795,025	118,563	913,588	-
Depreciation	-	195,508	195,508	-
Fireworks	30,945	-	30,945	-
Parks and recreation	1,000	-	1,000	-
Library	3,208,046	-	3,208,046	-
Equipment replacement	190,943	1,174,104	1,365,047	-
Landfill	585,426	-	585,426	-
Pension	855,153	229,381	1,084,534	-
Unrestricted	1,260,421	4,837,108	6,097,529	58,868
Total net position	<u>\$ 10,915,633</u>	<u>\$ 22,396,933</u>	<u>\$ 33,312,566</u>	<u>\$ 58,868</u>

See notes to financial statements

City of Mayville

Statement of Activities

Year Ended December 31, 2022

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 752,298	\$ 60,646	\$ -	\$ -
Public safety	1,869,898	716,193	74,182	65,581
Public works	3,012,389	392,478	346,366	32,918
Health and human services	13,142	4,819	41,348	-
Culture, recreation and education	828,333	67,464	78,649	1,176,055
Conservation and development	96,097	43,360	-	-
Interest and fiscal charges	91,015	-	-	-
Total governmental activities	<u>6,663,172</u>	<u>1,284,960</u>	<u>540,545</u>	<u>1,274,554</u>
Business-type activities:				
Water utility	1,213,846	1,315,041	556,059	2,799
Wastewater utility	1,540,596	1,476,367	-	3,720
TAG Center	1,002,758	454,313	-	69,547
Total business-type activities	<u>3,757,200</u>	<u>3,245,721</u>	<u>556,059</u>	<u>76,066</u>
Total primary government	<u>\$ 10,420,372</u>	<u>\$ 4,530,681</u>	<u>\$ 1,096,604</u>	<u>\$ 1,350,620</u>
Component Unit				
Community development authority	<u>\$ 26,645</u>	<u>\$ 4,088</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Property taxes, levied for TIF districts

Other taxes

Intergovernmental revenues not restricted to specific programs

Public gifts and grants

Investment income

Gain on sale of capital assets

Miscellaneous

Total general revenues

Transfers

Total general revenues and transfers

Change in net position

Net Position, Beginning (as restated)

Net Position, Ending

See notes to financial statements

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	CDA
\$ (691,652)	\$ -	\$ (691,652)	\$ -
(1,013,942)	-	(1,013,942)	-
(2,240,627)	-	(2,240,627)	-
33,025	-	33,025	-
493,835	-	493,835	-
(52,737)	-	(52,737)	-
(91,015)	-	(91,015)	-
<u>(3,563,113)</u>	<u>-</u>	<u>(3,563,113)</u>	<u>-</u>
-	660,053	660,053	-
-	(60,509)	(60,509)	-
-	(478,898)	(478,898)	-
<u>-</u>	<u>120,646</u>	<u>120,646</u>	<u>-</u>
<u>(3,563,113)</u>	<u>120,646</u>	<u>(3,442,467)</u>	<u>-</u>
-	-	-	(22,557)
1,893,965	110,000	2,003,965	25,808
568,324	-	568,324	-
99,861	-	99,861	-
7,035	-	7,035	-
875,296	-	875,296	-
65,488	-	65,488	-
106,136	34,005	140,141	-
33,455	-	33,455	-
37,075	-	37,075	300
<u>3,686,635</u>	<u>144,005</u>	<u>3,830,640</u>	<u>26,108</u>
<u>146,254</u>	<u>(146,254)</u>	<u>-</u>	<u>-</u>
<u>3,832,889</u>	<u>(2,249)</u>	<u>3,830,640</u>	<u>26,108</u>
269,776	118,397	388,173	3,551
<u>10,645,857</u>	<u>22,278,536</u>	<u>32,924,393</u>	<u>55,317</u>
<u>\$ 10,915,633</u>	<u>\$ 22,396,933</u>	<u>\$ 33,312,566</u>	<u>\$ 58,868</u>

See notes to financial statements

City of Mayville

Balance Sheet
Governmental Funds
December 31, 2022

	<u>General</u>	<u>Library</u>	<u>Debt Service</u>
Assets			
Cash and investments	\$ 1,616,341	\$ 4,585,620	\$ 821,879
Receivables (net):			
Taxes	1,997,643	-	334,592
Special assessments	-	-	-
Accounts	169,506	-	-
Long-term	-	-	-
Loans	-	-	-
Due from other funds	-	-	-
Prepaid items	10,618	-	-
Advances to other funds	566,805	-	-
	<u>\$ 4,360,913</u>	<u>\$ 4,585,620</u>	<u>\$ 1,156,471</u>
Total assets			
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Accounts payable	\$ 98,995	\$ 1,548,640	\$ -
Accrued liabilities	128,559	-	-
Due to other funds	60,800	-	-
Unearned revenues	-	-	-
Advances from other funds	-	-	-
	<u>288,354</u>	<u>1,548,640</u>	<u>-</u>
Total liabilities			
Deferred Inflows of Resources			
Unearned revenues	1,928,211	-	334,592
Unavailable revenues	-	-	-
	<u>1,928,211</u>	<u>-</u>	<u>334,592</u>
Total deferred inflows of resources			
Fund Balances (Deficit)			
Nonspendable	577,423	-	-
Restricted	-	3,036,980	821,879
Committed	-	-	-
Assigned	94,984	-	-
Unassigned (deficit)	1,471,941	-	-
	<u>2,144,348</u>	<u>3,036,980</u>	<u>821,879</u>
Total fund balances (deficit)			
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,360,913</u>	<u>\$ 4,585,620</u>	<u>\$ 1,156,471</u>

See notes to financial statements

<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ 13,704	\$ 1,607,005	\$ 8,644,549
6,954	85,000	2,424,189
9,315	-	9,315
-	32,905	202,411
-	40,000	40,000
-	66,385	66,385
-	7,837	7,837
-	4,832	15,450
-	-	566,805
<u>\$ 29,973</u>	<u>\$ 1,843,964</u>	<u>\$ 11,976,941</u>

\$ 102,670	\$ 31,681	\$ 1,781,986
-	857	129,416
-	-	60,800
-	506,621	506,621
-	339,991	339,991
<u>102,670</u>	<u>879,150</u>	<u>2,818,814</u>

6,954	137,614	2,407,371
9,315	53,771	63,086
<u>16,269</u>	<u>191,385</u>	<u>2,470,457</u>

-	4,832	582,255
-	950,487	4,809,346
-	161,640	161,640
-	-	94,984
<u>(88,966)</u>	<u>(343,530)</u>	<u>1,039,445</u>
<u>(88,966)</u>	<u>773,429</u>	<u>6,687,670</u>

<u>\$ 29,973</u>	<u>\$ 1,843,964</u>	<u>\$ 11,976,941</u>
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City of Mayville

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

Total Fund Balances, Governmental Funds	\$ 6,687,670
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.	7,569,237
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.	63,086
The net pension asset/(liability) does not relate to current financial resources and is not reported in the governmental funds.	855,153
Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	1,643,692
Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(1,990,245)
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. See Note 2.	<u>(3,912,960)</u>
Net Position of Governmental Activities	<u>\$ 10,915,633</u>

City of Mayville

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

	<u>General</u>	<u>Library</u>	<u>Debt Service</u>
Revenues			
Taxes	\$ 1,827,588	\$ -	\$ 568,324
Intergovernmental	1,220,499	-	-
Public charges for services	644,194	4,702	-
Fines, forfeitures and penalties	38,530	-	-
Licenses and permits	77,628	-	-
Intergovernmental charges for services	801	-	-
Special assessments	-	-	-
Investment income	87,241	17,445	-
Miscellaneous	133,715	1,176,055	-
	<u>4,030,196</u>	<u>1,198,202</u>	<u>568,324</u>
Total revenues			
	<u>4,030,196</u>	<u>1,198,202</u>	<u>568,324</u>
Expenditures			
Current:			
General government	725,942	-	-
Public safety	1,846,368	-	-
Public works	827,848	-	-
Health and human services	13,142	-	-
Culture, recreation and education	496,773	32,219	-
Conservation and development	49,029	-	-
Capital outlay	-	2,775,632	-
Debt service:			
Principal	-	-	424,605
Interest and fiscal charges	-	-	74,777
	<u>3,959,102</u>	<u>2,807,851</u>	<u>499,382</u>
Total expenditures			
	<u>3,959,102</u>	<u>2,807,851</u>	<u>499,382</u>
Excess (deficiency) of revenues over expenditures	<u>71,094</u>	<u>(1,609,649)</u>	<u>68,942</u>
Other Financing Sources (Uses)			
Transfers in	146,254	-	-
Property sales	33,990	-	-
	<u>180,244</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)			
	<u>180,244</u>	<u>-</u>	<u>-</u>
Net change in fund balances	251,338	(1,609,649)	68,942
Fund Balances (Deficit), Beginning	<u>1,893,010</u>	<u>4,646,629</u>	<u>752,937</u>
Fund Balances (Deficit), Ending	<u>\$ 2,144,348</u>	<u>\$ 3,036,980</u>	<u>\$ 821,879</u>

See notes to financial statements

<u>Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ -	\$ 173,273	\$ 2,569,185
-	174,832	1,395,331
-	340,397	989,293
-	-	38,530
-	31,411	109,039
-	-	801
99,229	-	99,229
13	1,437	106,136
<u>5,525</u>	<u>146,344</u>	<u>1,461,639</u>
<u>104,767</u>	<u>867,694</u>	<u>6,769,183</u>
-	5,984	731,926
-	41,502	1,887,870
-	305,300	1,133,148
-	-	13,142
-	158,730	687,722
-	64,215	113,244
522,711	-	3,298,343
-	91,267	515,872
-	<u>25,595</u>	<u>100,372</u>
<u>522,711</u>	<u>692,593</u>	<u>8,481,639</u>
<u>(417,944)</u>	<u>175,101</u>	<u>(1,712,456)</u>
-	-	146,254
-	-	<u>33,990</u>
-	-	<u>180,244</u>
(417,944)	175,101	(1,532,212)
<u>328,978</u>	<u>598,328</u>	<u>8,219,882</u>
<u>\$ (88,966)</u>	<u>\$ 773,429</u>	<u>\$ 6,687,670</u>

See notes to financial statements

City of Mayville

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 \$ (1,532,212)

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	3,298,343
Some items reported as capital outlay were not capitalized	(248,686)
Depreciation is reported in the government-wide financial statements	(1,934,004)

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.

Special assessments	(16,479)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repaid	515,872
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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	(29,516)
Accrued interest on debt	9,357
Net pension asset/(liability)	196,081
Deferred outflows of resources related to pensions	579,892
Deferred inflows of resources related to pensions	<u>(568,872)</u>

Change in Net Position of Governmental Activities \$ 269,776

City of Mayville

Statement of Net Position
 Proprietary Funds
 December 31, 2022

	Business-Type Activities - Enterprise Funds			Total
	Water Utility	Wastewater Utility	TAG Center	
Assets				
Current assets:				
Cash and investments	\$ 3,215,115	\$ 1,506,525	\$ -	\$ 4,721,640
Taxes receivable	-	-	110,000	110,000
Customer accounts receivable, net	121,265	185,276	1,247	307,788
Other accounts receivable	-	-	56,743	56,743
Due from other funds	26,770	26,193	-	52,963
Inventories	29,251	1,786	-	31,037
Prepaid items	3,697	3,572	5,894	13,163
Restricted assets:				
Redemption account	61,964	64,065	-	126,029
Total current assets	3,458,062	1,787,417	173,884	5,419,363
Noncurrent assets:				
Restricted assets:				
Net pension asset	66,155	92,717	70,509	229,381
Depreciation account	195,508	-	-	195,508
Replacement account	-	1,174,104	-	1,174,104
Capital assets:				
Land	3,661	66,748	205,500	275,909
Plant in service	13,045,416	16,657,331	-	29,702,747
Buildings and improvements	-	-	8,581,599	8,581,599
Machinery, equipment and furnishings	-	-	2,605,563	2,605,563
Construction in progress	275	275	-	550
Less accumulated depreciation	(5,346,409)	(10,478,999)	(5,890,126)	(21,715,534)
Other assets:				
Preliminary survey and investigation	101,556	56,450	-	158,006
Property held for future use	29,896	-	-	29,896
Total noncurrent assets	8,096,058	7,568,626	5,573,045	21,237,729
Total assets	11,554,120	9,356,043	5,746,929	26,657,092
Deferred Outflows of Resources				
Deferred outflows of resources, pension	132,484	201,473	146,519	480,476
Total deferred outflows of resources	132,484	201,473	146,519	480,476

See notes to financial statements

City of Mayville

Statement of Net Position
 Proprietary Funds
 December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	TAG Center	Total
Liabilities				
Current liabilities:				
Accounts payable	\$ 30,949	\$ 39,574	\$ 4,534	\$ 75,057
Accrued liabilities	-	-	5,639	5,639
Accrued wages	3,330	5,217	-	8,547
Accrued interest	3,140	4,991	-	8,131
Deposits	-	-	1,880	1,880
Advance from other funds	-	-	226,814	226,814
General obligation debt, noncapital	3,458	3,458	-	6,916
General obligation debt	30,000	25,000	-	55,000
Compensated absences	-	-	13,778	13,778
Current liabilities payable from restricted assets:				
Current portion of revenue bonds	87,670	92,322	-	179,992
Accrued interest	4,389	3,077	-	7,466
Total current liabilities	162,936	173,639	252,645	589,220
Noncurrent liabilities:				
Long-term debt:				
General obligation debt, noncapital	3,692	3,692	-	7,384
Compensated absences	-	-	11,737	11,737
Revenue bonds payable	1,368,634	949,888	-	2,318,522
General obligation debt payable	620,000	435,051	-	1,055,051
Total noncurrent liabilities	1,992,326	1,388,631	11,737	3,392,694
Total liabilities	2,155,262	1,562,270	264,382	3,981,914
Deferred Inflows of Resources				
Unearned revenues	-	-	195,733	195,733
Deferred inflows related to pension	145,954	235,187	181,847	562,988
Total deferred inflows of resources	145,954	235,187	377,580	758,721
Net Position				
Net investment in capital assets	5,596,639	4,743,094	5,502,536	15,842,269
Restricted for:				
Debt service	57,575	60,988	-	118,563
Depreciation	195,508	-	-	195,508
Equipment replacement	-	1,174,104	-	1,174,104
Pension	66,155	92,717	70,509	229,381
Unrestricted (deficit)	3,469,511	1,689,156	(321,559)	4,837,108
Total net position	\$ 9,385,388	\$ 7,760,059	\$ 5,251,486	\$ 22,396,933

See notes to financial statements

City of Mayville

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	TAG Center	Total
Operating Revenues				
Charges for services	\$ 1,298,880	\$ 1,406,841	\$ 451,049	\$ 3,156,770
Miscellaneous revenues	16,161	69,526	3,264	88,951
Total operating revenues	<u>1,315,041</u>	<u>1,476,367</u>	<u>454,313</u>	<u>3,245,721</u>
Operating Expenses				
Operation and maintenance	756,415	1,050,278	711,657	2,518,350
Depreciation	289,902	455,521	291,101	1,036,524
Total operating expenses	<u>1,046,317</u>	<u>1,505,799</u>	<u>1,002,758</u>	<u>3,554,874</u>
Operating income (loss)	<u>268,724</u>	<u>(29,432)</u>	<u>(548,445)</u>	<u>(309,153)</u>
Nonoperating Revenues (Expenses)				
General property taxes	-	-	110,000	110,000
Investment income	10,598	21,482	1,925	34,005
Grant proceeds for lead lateral services	556,059	-	-	556,059
Interest and debt issuance costs	(39,572)	(34,797)	-	(74,369)
Amortization of loss on advance refunding	(1,150)	-	-	(1,150)
Lead service lateral expenses	(126,807)	-	-	(126,807)
Total nonoperating revenues (expenses)	<u>399,128</u>	<u>(13,315)</u>	<u>111,925</u>	<u>497,738</u>
Income (loss) before contributions and transfers	<u>667,852</u>	<u>(42,747)</u>	<u>(436,520)</u>	<u>188,585</u>
Contributions and Transfers				
Contributed capital	2,799	3,720	69,547	76,066
Transfer out, tax equivalent	(133,254)	-	-	(133,254)
Transfers out	(6,500)	(6,500)	-	(13,000)
Total contributions and transfers	<u>(136,955)</u>	<u>(2,780)</u>	<u>69,547</u>	<u>(70,188)</u>
Change in net position	530,897	(45,527)	(366,973)	118,397
Net Position, Beginning (as restated)	<u>8,854,491</u>	<u>7,805,586</u>	<u>5,618,459</u>	<u>22,278,536</u>
Net Position, Ending	<u>\$ 9,385,388</u>	<u>\$ 7,760,059</u>	<u>\$ 5,251,486</u>	<u>\$ 22,396,933</u>

See notes to financial statements

City of Mayville

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	TAG Center	Total
Cash Flows From Operating Activities				
Received from customers	\$ 1,313,960	\$ 1,435,234	\$ 416,446	\$ 3,165,640
Paid to suppliers for goods and services	(607,339)	(839,046)	(382,737)	(1,829,122)
Paid to employees for services	(197,099)	(254,093)	(236,740)	(687,932)
Net cash flows from operating activities	<u>509,522</u>	<u>342,095</u>	<u>(203,031)</u>	<u>648,586</u>
Cash Flows From Investing Activities				
Investment income	<u>10,598</u>	<u>21,482</u>	<u>1,925</u>	<u>34,005</u>
Net cash flows from investing activities	<u>10,598</u>	<u>21,482</u>	<u>1,925</u>	<u>34,005</u>
Cash Flows From Noncapital Financing Activities				
Paid to municipality for tax equivalent	(133,254)	-	-	(133,254)
Property taxes received	-	-	110,000	110,000
Repayment of general obligation debt, noncapital	(3,675)	(3,675)	-	(7,350)
Grant proceeds for lead lateral services	556,059	-	-	556,059
Lead service lateral expenses	(126,807)	-	-	(126,807)
Transfers in (to) from other funds	(6,500)	(6,500)	-	(13,000)
Net cash flows from noncapital financing activities	<u>285,823</u>	<u>(10,175)</u>	<u>110,000</u>	<u>385,648</u>
Cash Flows From Capital and Related Financing Activities				
Debt retired	(186,118)	(129,453)	-	(315,571)
Interest paid	(42,419)	(34,257)	-	(76,676)
Acquisition and construction of capital assets	(272,701)	(124,083)	(65,261)	(462,045)
Salvage	17,493	-	-	17,493
Capital contributions received	2,799	3,720	69,547	76,066
Net cash flows from capital and related financing activities	<u>(480,946)</u>	<u>(284,073)</u>	<u>4,286</u>	<u>(760,733)</u>
Net change in cash and cash equivalents	324,997	69,329	(86,820)	307,506
Cash and Cash Equivalents, Beginning	<u>3,147,590</u>	<u>2,675,365</u>	<u>86,820</u>	<u>5,909,775</u>
Cash and Cash Equivalents, Ending	<u>\$ 3,472,587</u>	<u>\$ 2,744,694</u>	<u>\$ -</u>	<u>\$ 6,217,281</u>

See notes to financial statements

City of Mayville

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	TAG Center	Total
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities				
Operating income (loss)	\$ 268,724	\$ (29,432)	\$ (548,445)	\$ (309,153)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:				
Depreciation	289,902	455,521	291,101	1,036,524
Depreciation charged to other funds	13,917	-	-	13,917
Changes in assets and liabilities:				
Accounts receivable	(5,993)	(34,378)	(37,867)	(78,238)
Due from municipality	(9,005)	(6,755)	-	(15,760)
Materials and supplies	(6,592)	-	-	(6,592)
Prepaid items	(2,383)	(2,640)	-	(5,023)
Other accounts receivable	-	-	381	381
Accounts payable	(14,566)	5,279	(23,975)	(33,262)
Compensated absences	-	(24,919)	(11,108)	(36,027)
Due to other funds	-	-	138,900	138,900
Other current liabilities	(369)	(360)	-	(729)
Pension related items	(24,113)	(20,221)	(12,018)	(56,352)
Net cash flows from operating activities	<u>\$ 509,522</u>	<u>\$ 342,095</u>	<u>\$ (203,031)</u>	<u>\$ 648,586</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position, Proprietary Funds				
Cash and investments	\$ 3,215,115	\$ 1,506,525	\$ -	\$ 4,721,640
Redemption account	61,964	64,065	-	126,029
Depreciation account	195,508	-	-	195,508
Replacement account	-	1,174,104	-	1,174,104
Cash and cash equivalents	<u>\$ 3,472,587</u>	<u>\$ 2,744,694</u>	<u>\$ -</u>	<u>\$ 6,217,281</u>
Noncash Capital and Related Financing Activities				
Amortization of loss on refunding	<u>\$ (1,150)</u>	<u>\$ -</u>	<u>\$ -</u>	

See notes to financial statements

City of Mayville

Statement of Fiduciary Net Position

Custodial Fund

December 31, 2022

	<u>Custodial Fund</u> <u>Tax Collection Fund</u>
Assets	
Cash and investments	\$ 2,866,950
Taxes receivable	<u>3,060,556</u>
Total assets	<u>5,927,506</u>
Liabilities	
Due to other governments	<u>5,927,506</u>
Total liabilities	<u>5,927,506</u>
Net Position	
Total net position	<u>\$ -</u>

See notes to financial statements

City of Mayville

Statement of Changes in Fiduciary Net Position
Custodial Fund
Year Ended December 31, 2022

	<u>Custodial Fund Tax Collection Fund</u>
Additions	
Property taxes collected for other governments	\$ 4,123,199
Total additions	<u>4,123,199</u>
Deductions	
Property taxes distributed to other governments	<u>4,123,199</u>
Total deductions	<u>4,123,199</u>
Change in fiduciary net position	-
Net Position, Beginning	<u>-</u>
Net Position, Ending	<u><u>\$ -</u></u>

City of Mayville

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December 31, 2022

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City of Mayville

Notes to Financial Statements
December 31, 2022

1. Summary of Significant Accounting Policies

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

Reporting Entity

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

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

Discretely Presented Component Unit

Community Development Authority

The government-wide financial statements include the Community Development Authority (CDA) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the mayor. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the CDA, and also create a potential financial benefit to or burden on the City. See Note 4. As a component unit, the CDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2022. The CDA does not issue separate financial statements.

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 City's leasing activities. This standard was implemented January 1, 2022. The City determined it does not have any material lease agreements.

Government-Wide Financial Statements

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

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

Fund Financial Statements

Financial statements of the City 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.

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

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

City of Mayville

Notes to Financial Statements
December 31, 2022

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

The City reports the following major governmental funds:

General Fund

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

Special Revenue Fund

Library special revenue fund is used to account for and report taxes, charges for services, and local revenues legally restricted or committed to supporting expenditures for the library 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

Capital Improvements 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 acquisition or construction of major capital facilities.

Enterprise Funds

The City reports the following major enterprise funds:

Water Utility accounts for operations of the water system

Wastewater Utility accounts for operations of the wastewater system

TAG Center Fund accounts for operations of the TAG Center athletic facility

The City 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).

Cable TV
EMS State
County Library
Recreation
Recycling
Police Trust

Mayville Center Board
EMS and Fire
Solid Waste and Recycling Collection
Landfill
Customer Loan
ARPA

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.

TIF District No. 4	EMS Equipment Replacement
TIF District No. 5	Parks
TIF District No. 6	

In addition, the City reports the following fund type:

Custodial Fund

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

Tax Collection

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water and wastewater 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

City of Mayville

Notes to Financial Statements
December 31, 2022

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled to the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and 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. At December 31, 2022, there were \$275,175 of unrecorded deferred assessments which are not recorded as receivables because collection is subject to certain events occurring in the future and no formal repayment schedule has been established.

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 enterprise 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.

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 City considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

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

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

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

Investment of most trust funds including cemetery perpetual care funds, is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

The City has adopted an investment policy. That policy contains the following guidelines for allowable investments.

Custodial Credit Risk - all of the investment securities purchased by the City shall be held in third-party safekeeping by an institution designated as primary agent. The primary agent shall issue a safekeeping receipt to the City listing the specific instrument, rate, maturity and other pertinent information. Certificates of deposit shall be collateralized by U.S. treasury obligations held in safekeeping by the primary agent.

Interest Rate Risk - the average maturity of the portfolio shall never exceed one year.

Concentration of Credit Risk - the City's investments shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer and/or a specific class of securities.

City of Mayville

Notes to Financial Statements
December 31, 2022

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 4. 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 City's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note 4 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 City, taxes are collected for and remitted to the county government 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 wastewater 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.

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

City of Mayville

Notes to Financial Statements
December 31, 2022

It is the City's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year-end are presented as restricted fund balance in the fund financial statements.

Inventories and Prepaid Items

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. 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 for general capital assets and \$25,000 for infrastructure assets and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated 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 and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization 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	25-40 Years
Land improvements	20-30 Years
Machinery and equipment	5-20 Years
Utility system	4-77 Years
Infrastructure	20-50 Years
Intangibles	10-50 Years

Lease assets are typically amortized over the lease term.

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.

Other Assets

The water utility fund reports property held for future use which represents land acquired by the water utility to be used for future projects.

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.

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

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 straight-line method. The balance at year-end is shown as an increase or decrease in the liability section of the statement of net position.

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.

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/amortization 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*.

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City Council that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the Comptroller-Treasurer 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.

City of Mayville

Notes to Financial Statements
December 31, 2022

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

The City has a formal minimum fund balance policy. That policy is to maintain reserves of 25% of subsequent years' expenditures. The balance at year-end was 35.8%, and is included in unassigned general fund balance. The City approved this minimum fund balance policy as part of Resolution 4341-2009, the City's 10-year financial recovery plan.

See Note 4 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.

Wastewater Utility

Current wastewater rates were approved by the utility commission and placed into effect on February 1, 2022.

TAG Center

Current TAG Center rates were put into place effective January 1, 2016.

Lead Service Replacement Program

During 2021, a project was started to replace both privately and publicly owned lead water laterals throughout the City. Grant proceeds were received to help fund the private side costs related to this project. The grant revenues and related expenses are shown as grant proceeds for lead lateral services and lead service lateral expenses in the statement of revenues, expenses and changes in net position. This project was completed in 2022.

City of Mayville

Notes to Financial Statements
December 31, 2022

2. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities—both current and long-term—are reported in the statement of net position.

Bonds and notes payable	\$ 3,632,411
Accrued interest	26,853
Compensated absences	<u>253,696</u>
Combined adjustment for long-term liabilities	<u><u>\$ 3,912,960</u></u>

3. Stewardship, Compliance and Accountability

Excess Expenditures and Other Financing Uses Over Budget

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Capital improvements	\$ 210,050	\$ 522,711	\$ 312,661
Cable TV fund	41,150	56,403	15,253
EMS state funds	4,500	10,418	5,918
Mayville center board	2,500	8,296	5,796
Library	29,500	2,807,851	2,778,351
Recreation	35,592	47,575	11,983
TIF District No. 4	1,098	2,992	1,894
TIF District No. 6	1,150	7,068	5,918
Debt service fund	447,183	499,382	52,199

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

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>
Capital Improvements	\$ (88,966)	Project costs exceeding bond proceeds and other resources
TIF District No. 4	(112,510)	Insufficient tax increments to date
TIF District No. 5	(94,950)	Insufficient tax increments to date
TIF District No. 6	(32,741)	Insufficient tax increments to date
Recycling	(31,862)	Excess expenditures over revenues
Customer Loan Fund	(71,467)	Excess expenditures over revenues

City of Mayville

Notes to Financial Statements
December 31, 2022

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 Recycling and Customer Loan funds deficits are anticipated to be funded with future charges for services and loan repayments, respectively.

Limitations on the City's Tax Levy

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

4. Detailed Notes on All Funds

Deposits and Investments

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

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

	<u>Carrying Value</u>	<u>Bank and Investment Balances</u>	<u>Associated Risks</u>
Deposits	\$ 14,834,312	\$ 14,921,828	Custodial credit
Stock certificates	16,896	16,896	Custodial credit,
LGIP	2,877,207	2,866,827	Concentration of credit
Petty cash	365	-	Credit
			N/A
Total deposits and investments	<u>\$ 17,728,780</u>	<u>\$ 17,805,551</u>	
Reconciliation to financial statements			
Per statement of net position:			
Unrestricted cash and investments	\$ 13,366,189		
Restricted cash and investments	1,495,641		
Per statement of fiduciary net position:			
Custodial Fund	<u>2,866,950</u>		
Total deposits and investments	<u>\$ 17,728,780</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.

City of Mayville

Notes to Financial Statements
December 31, 2022

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

The City maintains collateral agreements with its banks. At December 31, 2022, the banks had pledged various government securities in the amount of \$2,875,303 to secure the City's deposits.

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

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

- Market approach - quoted prices from market transactions of similar assets.

Investment Type	December 31, 2022			Total
	Level 1	Level 2	Level 3	
Stock certificates	\$ 16,896	\$ -	\$ -	\$ 16,896
Total	<u>\$ 16,896</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,896</u>

Custodial Credit Risk

Deposits

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

As of December 31, 2022, \$10,273,410 of the City's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 10,273,410</u>
Total	<u>\$ 10,273,410</u>

Investments

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

As of December 31, 2021, \$16,896 of the City's stock certificate investments were exposed to custodial credit risk as being uninsured or not registered and held by a counterparty.

Credit Risk

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

The City had investments in the external Wisconsin Local Government Investment Pool which is not rated.

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

City of Mayville

Notes to Financial Statements
December 31, 2022

Receivables

All of the receivables on the balance sheet are expected to be collected within one year with the exception of \$9,315 in special assessments in the capital improvements fund and \$66,385 in loans receivable in the consumer loan fund.

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	\$ 2,341,606	\$ -
Special assessments not yet due	-	9,315
Loans	-	53,771
Landfill agreement	53,000	-
Deposits	12,765	-
Unspent American Rescue Plan funds	<u>506,621</u>	<u>-</u>
Total unearned/unavailable revenue for governmental funds	<u>\$ 2,913,992</u>	<u>\$ 63,086</u>
Unearned revenue included in liabilities	\$ 506,621	
Unearned revenue included in deferred inflows	<u>2,407,371</u>	
Total unearned revenue for governmental funds	<u>\$ 2,913,992</u>	

At the end of the current fiscal year, the various components of unearned revenue in the proprietary funds were as follows:

	<u>Unearned</u>
Membership fees received for the subsequent year	\$ 84,585
Gift certificates	1,148
Property taxes receivable for subsequent year	<u>110,000</u>
Total unearned revenue for proprietary funds	<u>\$ 195,733</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.

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

City of Mayville

Notes to Financial Statements
December 31, 2022

Equipment Replacement Account

The water and wastewater utilities established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

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.

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

Restricted assets:	
Redemption account	\$ 126,029
Depreciation account	195,508
Replacement account	1,174,104
Net pension asset	<u>229,381</u>
Total restricted assets	1,725,022
Less restricted assets not funded by revenues	
Total restricted assets not funded by revenues	
Current liabilities payable from restricted assets	<u>(7,466)</u>
Total restricted net position, business-type activities	<u>\$ 1,717,556</u>

Capital Assets

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated / amortized:				
Land	\$ 1,736,520	\$ -	\$ -	\$ 1,736,520
Construction in progress	<u>24,964</u>	<u>2,705,983</u>	<u>-</u>	<u>2,730,947</u>
Total capital assets not being depreciated / amortized	<u>1,761,484</u>	<u>2,705,983</u>	<u>-</u>	<u>4,467,467</u>
Capital assets being depreciated / amortized:				
Land improvements	183,449	1,953	-	185,402
Buildings	3,203,983	24,350	-	3,228,333
Machinery and equipment	5,851,895	77,706	-	5,929,601
Intangibles	22,440	-	-	22,440
Streets	39,222,319	179,656	-	39,401,975
Dams	594,969	-	-	594,969
Sidewalks	152,632	60,009	-	212,641
Traffic signals	<u>26,800</u>	<u>-</u>	<u>-</u>	<u>26,800</u>
Total capital assets being depreciated / amortized	<u>49,258,487</u>	<u>343,674</u>	<u>-</u>	<u>49,602,161</u>
Total capital assets	<u>51,019,971</u>	<u>3,049,657</u>	<u>-</u>	<u>54,069,628</u>

City of Mayville

Notes to Financial Statements
December 31, 2022

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Less accumulated depreciation / amortization for:				
Land improvements	\$ (83,678)	\$ (9,181)	\$ -	\$ (92,859)
Buildings	(1,966,255)	(76,267)	-	(2,042,522)
Machinery and equipment	(4,566,896)	(230,757)	-	(4,797,653)
Intangibles	(22,441)	-	-	(22,441)
Streets	(37,598,145)	(1,576,079)	-	(39,174,224)
Dams	(307,187)	(29,748)	-	(336,935)
Sidewalks	(16,425)	(10,632)	-	(27,057)
Traffic signals	(5,360)	(1,340)	-	(6,700)
Total accumulated depreciation / amortization	<u>(44,566,387)</u>	<u>(1,934,004)</u>	<u>-</u>	<u>(46,500,391)</u>
Net capital assets being depreciated / amortized	<u>4,692,100</u>	<u>(1,590,330)</u>	<u>-</u>	<u>3,101,770</u>
Total governmental activities capital assets, net of accumulated depreciation / amortization	<u>\$ 6,453,584</u>	<u>\$ 1,115,653</u>	<u>\$ -</u>	<u>\$ 7,569,237</u>

Depreciation / amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 42,441
Public safety	143,276
Public works, which includes the depreciation of infrastructure	1,716,986
Culture, recreation and education	<u>31,301</u>
Total governmental activities depreciation / amortization expense	<u>\$ 1,934,004</u>

City of Mayville

Notes to Financial Statements
December 31, 2022

Business-Type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
Water				
Capital assets not being depreciated:				
Land and land rights	\$ 3,661	\$ -	\$ -	\$ 3,661
Construction in progress	-	275	-	275
Total capital assets not being depreciated / amortized	<u>3,661</u>	<u>275</u>	<u>-</u>	<u>3,936</u>
Capital assets being depreciated:				
Source of supply	149,730	-	-	149,730
Pumping	1,050,356	-	-	1,050,356
Water treatment	1,108,857	-	-	1,108,857
Transmission and distribution	10,243,527	183,502	48,156	10,378,873
General	349,308	10,992	2,700	357,600
Total capital assets being depreciated / amortized	<u>12,901,778</u>	<u>194,494</u>	<u>50,856</u>	<u>13,045,416</u>
Total capital assets	<u>12,905,439</u>	<u>194,769</u>	<u>50,856</u>	<u>13,049,352</u>
Less accumulated depreciation for:				
Water plant	<u>(5,093,446)</u>	<u>(303,819)</u>	<u>50,856</u>	<u>(5,346,409)</u>
Total accumulated depreciation / amortization	<u>(5,093,446)</u>	<u>(303,819)</u>	<u>50,856</u>	<u>(5,346,409)</u>
Net capital assets being depreciated / amortized	<u>7,808,332</u>	<u>(109,325)</u>	<u>-</u>	<u>7,699,007</u>
Net water capital assets	<u>\$ 7,811,993</u>	<u>\$ (109,050)</u>	<u>\$ -</u>	<u>\$ 7,702,943</u>
Wastewater				
Capital assets not being depreciated:				
Land and land rights	\$ 66,748	\$ -	\$ -	\$ 66,748
Construction in progress	-	275	-	275
Total capital assets not being depreciated / amortized	<u>66,748</u>	<u>275</u>	<u>-</u>	<u>67,023</u>
Capital assets being depreciated:				
Collection system	7,257,522	45,718	10,100	7,293,140
Pumping	1,113,085	7,681	2,300	1,118,466
Treatment and disposal	6,645,235	51,292	15,600	6,680,927
General	1,564,798	-	-	1,564,798
Total capital assets being depreciated / amortized	<u>16,580,640</u>	<u>104,691</u>	<u>28,000</u>	<u>16,657,331</u>
Total capital assets	<u>16,647,388</u>	<u>104,966</u>	<u>28,000</u>	<u>16,724,354</u>
Less accumulated depreciation for:				
Wastewater plant	<u>(10,051,478)</u>	<u>(455,521)</u>	<u>28,000</u>	<u>(10,478,999)</u>
Total accumulated depreciation / amortization	<u>(10,051,478)</u>	<u>(455,521)</u>	<u>28,000</u>	<u>(10,478,999)</u>
Net capital assets being depreciated / amortized	<u>6,529,162</u>	<u>(350,830)</u>	<u>-</u>	<u>6,178,332</u>
Net wastewater capital assets	<u>\$ 6,595,910</u>	<u>\$ (350,555)</u>	<u>\$ -</u>	<u>\$ 6,245,355</u>

City of Mayville

Notes to Financial Statements
December 31, 2022

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
TAG Center				
Capital assets not being depreciated:				
Land and land rights	\$ 205,500	\$ -	\$ -	\$ 205,500
Total capital assets not being depreciated / amortized	<u>205,500</u>	<u>-</u>	<u>-</u>	<u>205,500</u>
Capital assets being depreciated:				
Buildings	8,581,599	-	-	8,581,599
Equipment	<u>2,589,386</u>	<u>16,177</u>	<u>-</u>	<u>2,605,563</u>
Total capital assets being depreciated / amortized	<u>11,170,985</u>	<u>16,177</u>	<u>-</u>	<u>11,187,162</u>
Total capital assets	<u>11,376,485</u>	<u>16,177</u>	<u>-</u>	<u>11,392,662</u>
Less accumulated depreciation for:				
Buildings	(3,218,369)	(224,556)	-	(3,442,925)
Equipment	<u>(2,380,656)</u>	<u>(66,545)</u>	<u>-</u>	<u>(2,447,201)</u>
Total accumulated depreciation / amortization	<u>(5,599,025)</u>	<u>(291,101)</u>	<u>-</u>	<u>(5,890,126)</u>
Net capital assets being depreciated / amortized	<u>5,571,960</u>	<u>(274,924)</u>	<u>-</u>	<u>5,297,036</u>
Net tag center capital assets	<u>\$ 5,777,460</u>	<u>\$ (274,924)</u>	<u>\$ -</u>	<u>\$ 5,502,536</u>
Business-type capital assets, net of accumulated depreciation	<u>\$ 20,185,363</u>	<u>\$ (734,529)</u>	<u>\$ -</u>	<u>\$ 19,450,834</u>

Depreciation / amortization expense was charged to functions as follows:

Business-Type Activities

Water	\$ 289,902
Wastewater	455,521
TAG Center	<u>291,101</u>
Total business-type activities depreciation expense	<u>\$ 1,036,524</u>

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

City of Mayville

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>
Solid waste and recycling collection	General Fund	\$ 7,837
Water utility	General Fund	26,770
Wastewater utility	General Fund	<u>26,193</u>
Total, fund financial statements		60,800
Less fund eliminations		(7,837)
Less government-wide eliminations		(105,926)
Add interfund advances		<u>226,814</u>
Total internal balances, government-wide statement of net position		<u>\$ 173,851</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental activities	Business-type activities	\$ 226,814
Business-type activities	Governmental activities	<u>(52,963)</u>
Total government-wide financial statements		<u>\$ 173,851</u>

All amounts are due within one year.

The principal purpose of these interfunds is to record short-term deficit balances in individual fund cash accounts. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Advances

The general fund is advancing funds to the customer loan fund, the recycling fund, TIF District No. 4, TIF District No. 5, TIF District No. 6 and the TAG Center. The amount advanced is determined by the deficit cash balances in the respective fund. No repayment schedules have been established. Interest is not being charged on the advances.

City of Mayville

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>
General Fund	Customer Loan Fund	\$ 71,467	\$ 71,467
General Fund	Recycling	31,776	31,776
General Fund	TIF District No. 5	94,950	94,950
General Fund	TAG Center	226,814	226,814
General Fund	TIF District No. 4	112,510	112,510
General Fund	TIF District No. 6	<u>29,288</u>	<u>29,288</u>
Total, fund financial statements		566,805	
Less fund eliminations		<u>(339,991)</u>	
Total, interfund advances		<u>\$ 226,814</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 Fund	Water Utility	\$ 133,254	Property tax equivalent
General Fund	Water Utility	6,500	Reimbursement for accounting
General Fund	Sewer Utility	<u>6,500</u>	Reimbursement for accounting
Total		146,254	
<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	
Governmental activities	Business-type activities	\$ 146,254	
Business-type activities	Governmental activities	<u>-</u>	
Total government-wide financial statements		<u>\$ 146,254</u>	

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

City of Mayville

Notes to Financial Statements
December 31, 2022

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	\$ 3,365,000	\$ -	\$ 260,000	\$ 3,105,000	\$ 295,000
General obligation notes from direct borrowings and direct placements	<u>783,283</u>	<u>-</u>	<u>255,872</u>	<u>527,411</u>	<u>57,680</u>
Subtotal	<u>4,148,283</u>	<u>-</u>	<u>515,872</u>	<u>3,632,411</u>	<u>352,680</u>
Other liabilities:					
Vested compensated absences	<u>224,179</u>	<u>150,573</u>	<u>121,056</u>	<u>253,696</u>	<u>136,995</u>
Total other liabilities	<u>224,179</u>	<u>150,573</u>	<u>121,056</u>	<u>253,696</u>	<u>136,995</u>
Total governmental activities long-term liabilities	<u>\$ 4,372,462</u>	<u>\$ 150,573</u>	<u>\$ 636,928</u>	<u>\$ 3,886,107</u>	<u>\$ 489,675</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 1,235,000	\$ -	\$ 125,000	\$ 1,110,000	\$ 55,000
General obligation notes from direct borrowings and direct placements	<u>34,395</u>	<u>-</u>	<u>20,044</u>	<u>14,351</u>	<u>6,916</u>
Alternative revenue bonds	<u>2,675,311</u>	<u>-</u>	<u>176,797</u>	<u>2,498,514</u>	<u>179,992</u>
Subtotal	<u>3,944,706</u>	<u>-</u>	<u>321,841</u>	<u>3,622,865</u>	<u>241,908</u>
Other liabilities:					
Vested compensated absences	<u>61,542</u>	<u>8,668</u>	<u>44,695</u>	<u>25,515</u>	<u>13,778</u>
Total other liabilities	<u>61,542</u>	<u>8,668</u>	<u>44,695</u>	<u>25,515</u>	<u>13,778</u>
Total business-type activities long-term liabilities	<u>\$ 4,006,248</u>	<u>\$ 8,668</u>	<u>\$ 366,536</u>	<u>\$ 3,648,380</u>	<u>\$ 255,686</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed 5% of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2022, was \$24,210,150. Total general obligation debt outstanding at year-end was \$4,756,762.

City of Mayville

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 City. 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>						Balance
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>		December 31, 2022
2005 State Trust Fund Loan**	01/25/05	03/15/24	5.25%	\$ 230,548	\$	51,848
2013 General obligation refunding bonds	03/05/13	03/01/23	.40-2.10	2,055,000		80,000
2014 General obligation notes	06/26/14	06/01/24	.90-2.60	415,000		130,000
2014 State Trust Fund Loan**	07/10/14	03/15/34	4.25	650,000		475,563
2016 GO Promissory Note	05/05/16	05/01/26	2.00	-		535,000
2021 GO Corporate Purpose Bonds	05/13/21	05/01/41	0.3-2.25	2,360,000		<u>2,360,000</u>
Total governmental activities, general obligation debt						<u>\$ 3,632,411</u>

** The debt noted above is directly placed with a third party.

<u>Business-Type Activities</u>						Balance
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>		December 31, 2022
2005 State Trust Fund Loan**	01/25/05	03/15/24	5.25%	\$ 63,600	\$	14,351
2016 General obligation notes	05/05/16	05/01/26	2.00	40,000		25,000
2021 GO Corporate Purpose Bonds	05/13/21	05/1/41	0.3-2.25	1,130,000		<u>1,085,000</u>
Total business-type activities, general obligation debt						<u>\$ 1,124,351</u>

** The debt noted above is directly placed with a third party.

City of Mayville

Notes to Financial Statements
December 31, 2022

The outstanding State Trust Fund Loans from direct borrowings, contain clauses that any delinquent payments are subject to a penalty of 1% per month and shall be deducted from any state payments that are due to the City. The other outstanding direct placements (promissory notes) contain clauses that if payment is not made on the due date, a delinquency charge may be collected of 12% of the unpaid amount.

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	\$ 295,000	\$ 48,553	\$ 55,000	\$ 16,435
2024	300,000	43,225	55,000	16,160
2025	270,000	39,113	55,000	15,823
2026	270,000	35,500	60,000	15,360
2027	110,000	33,178	50,000	14,873
2028-2032	585,000	146,513	275,000	65,228
2033-2037	715,000	94,193	300,000	42,375
2038-2041	560,000	24,708	260,000	11,473
Total	<u>\$ 3,105,000</u>	<u>\$ 464,983</u>	<u>\$ 1,110,000</u>	<u>\$ 197,727</u>

<u>Years</u>	<u>Governmental Activities General Obligation Notes From Direct Borrowings And Direct Placements</u>		<u>Business-Type Activities General Obligation Notes From Direct Borrowings And Direct Placements</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 57,680	\$ 22,934	\$ 6,916	\$ 750
2024	60,694	20,288	7,435	388
2025	35,423	17,384	-	-
2026	36,929	15,879	-	-
2027	38,498	14,309	-	-
2027-2031	218,089	45,649	-	-
2032-2034	80,098	4,709	-	-
Total	<u>\$ 527,411</u>	<u>\$ 141,152</u>	<u>\$ 14,351</u>	<u>\$ 1,138</u>

Revenue Debt

Business-type activities revenue bonds are payable only from revenues derived from the operation of the water and wastewater systems.

The wastewater utility has pledged future net revenues, net of specified operating expenses, to repay revenue bonds issued in 2007 through 2018. Proceeds from the bonds provided financing for the capital improvements. The bonds are payable solely from wastewater revenues and are payable through 2038. Annual principal and interest payments on the bonds are expected to require 15.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,181,156. Principal and interest paid for the current year and total customer net revenues were \$114,105 and \$444,791, respectively.

The water utility has pledged future net revenues, net of specified operating expenses, to repay revenue bonds issued in 2015 through 2018. Proceeds from the bonds provided financing for the capital improvements. The bonds are payable solely from water revenues and are payable through 2038. Annual principal and interest payments on the bonds are expected to require 16.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$1,658,816. Principal and interest paid for the current year and total customer net revenues were \$113,227 and \$565,523, respectively.

City of Mayville

Notes to Financial Statements
December 31, 2022

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					
Water Tower **	12/23/15	05/01/35	1.79%	\$ 586,559	\$ 422,183
Capital Improvements **	06/22/16	05/01/36	1.65	342,104	252,000 (2)
Capital Improvements **	06/13/18	05/01/38	1.87%	939,407	782,121 (2)
				Total Water Utility	<u>1,456,304</u>

** The debt noted is directly placed with a third party

(2) - During 2018, the utility was authorized to issue \$969,304 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.

- During 2016, the utility was authorized to issue \$387,828 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.

Wastewater Utility

Capital Improvements **	01/24/07	05/01/26	2.48	474,840	114,386
Capital improvements **	06/22/11	05/01/31	2.53	316,136	161,856
Capital Improvements **	02/22/12	05/01/31	2.40	229,191	121,435
Capital Improvements **	06/22/16	05/01/36	2.10	296,301	220,266 (1)
Capital improvements **	06/13/18	05/01/38	1.87	506,264	424,267 (1)
				Total Wastewater Utility	<u>1,042,210</u>

** The debt noted is directly placed with a third party

(1) - During 2016, the utility was authorized to issue \$348,608 of wastewater system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2022. The repayment schedule is for the amount issued.

- During 2018, the utility was authorized to issue \$512,447 of wastewater system Clean Water Fund revenue bonds. The original amount reported above has been issued as of December 31, 2022. The repayment schedule is for the amount issued.

Total business-type activities, revenue debt \$ 2,498,514

The outstanding debt noted above contain provisions that (1) any delinquent payments can be deducted from any state payments that are due to the City or a special charge may be added to the taxes apportioned to and levied upon the county in which the City is located and (2) in an event of default, outstanding amounts become immediately due and payable or the interest rate may be increased to the market interest rate and (3) any delinquent payments may be intercepted from the revenue of the wastewater system.

City of Mayville

Notes to Financial Statements
December 31, 2022

Debt service requirements to maturity are as follows:

<u>Years</u>	Business-Type Activities Revenue Debt from Direct Borrowings and Direct Placements	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 179,992	\$ 46,887
2024	184,504	43,164
2025	187,852	39,364
2026	191,691	35,484
2027	165,223	30,509
2028-2032	840,691	109,363
2033-2037	662,237	35,880
2038	86,324	807
Total	<u>\$ 2,498,514</u>	<u>\$ 341,458</u>

Other Debt Information

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

See Note 5 for the net pension liability (asset) information

A statutory mortgage lien upon the water and wastewater's system and any additions, improvements and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The water and wastewater's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

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	\$ 1,736,520
Construction in progress	2,730,947
Other capital assets, net of accumulated depreciation/amortization	3,101,770
Less long-term debt outstanding	(3,632,411)
Plus unspent capital related debt proceeds	<u>51,848</u>
Total net investment in capital assets	<u>\$ 3,988,674</u>

City of Mayville

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>Library Fund</u>	<u>Debt Service Fund</u>	<u>Capital Improvement Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Fund Balances						
Nonspendable:						
Prepaid items	\$ 10,618	\$ -	\$ -	\$ -	\$ 4,832	\$ 15,450
Advances	<u>566,805</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>566,805</u>
Subtotal	<u>577,423</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,832</u>	<u>582,255</u>
Restricted for:						
Debt service	-	-	821,879	-	-	821,879
Library	-	3,036,980	-	-	171,066	3,208,046
EMS and fire	-	-	-	-	190,943	190,943
Landfill activities	-	-	-	-	585,426	585,426
Parks	-	-	-	-	1,000	1,000
Recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,052</u>	<u>2,052</u>
Subtotal	<u>-</u>	<u>3,036,980</u>	<u>821,879</u>	<u>-</u>	<u>950,487</u>	<u>4,809,346</u>
Committed to:						
Cable TV-city technology services	-	-	-	-	51,417	51,417
EMS state funds	-	-	-	-	3,361	3,361
Solid waste and recycling collection	-	-	-	-	61,785	61,785
Police trust activities	-	-	-	-	9,537	9,537
Mayville Center Board senior center activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,540</u>	<u>35,540</u>
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>161,640</u>	<u>161,640</u>
Assigned to:						
FEMA funds	20,000	-	-	-	-	20,000
Employee separation funds	70,000	-	-	-	-	70,000
Fire department state 2% dues	<u>4,984</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,984</u>
Subtotal	<u>94,984</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,984</u>
Unassigned (Deficit):	<u>1,471,941</u>	<u>-</u>	<u>-</u>	<u>(88,966)</u>	<u>(343,530)</u>	<u>1,039,445</u>
Total fund balances (deficit)	<u>\$ 2,144,348</u>	<u>\$ 3,036,980</u>	<u>\$ 821,879</u>	<u>\$ (88,966)</u>	<u>\$ 773,429</u>	<u>\$ 6,687,670</u>

Business-Type Activities

Net investment in capital assets:

Land	\$ 275,909
Construction in progress	550
Other capital assets, net of accumulated depreciation	19,174,375
Less Long-term debt outstanding	<u>(3,608,565)</u>

Total net investment in capital assets

\$ 15,842,269

Component Unit

Community Development Authority

This report contains the Community Development Authority (CDA), which is included as a component unit.

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

a. Basis of Accounting/Masurement Focus

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

b. Deposits and Investments

	<u>Carrying Value</u>	<u>Bank and Investment Balances</u>	<u>Associated Risks</u>
Deposits	\$ 58,868	\$ 58,868	Custodial credit

Custodial Credit Risk

Deposits

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

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

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

5. 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.

City of Mayville

Notes to Financial Statements
December 31, 2022

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 December 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.

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

City of Mayville

Notes to Financial Statements
December 31, 2022

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 \$159,021 in contributions from the City.

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 %

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

At December 31, 2022, the City reported an asset of \$1,084,534 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the City's proportion was 0.01345546%, which was an increase of 0.00006758% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized pension expense of \$(105,515).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experience	\$ 1,752,012	\$ 126,338
Changes in assumptions	202,337	-
Net differences between projected and actual earnings on pension plan investments	-	2,426,195
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,662	700
Employer contributions subsequent to the measurement date	<u>168,157</u>	<u>-</u>
Total	<u>\$ 2,124,168</u>	<u>\$ 2,553,233</u>

City of Mayville

Notes to Financial Statements
December 31, 2022

\$168,157 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:

<u>Years Ending December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2023	\$ (50,418)
2024	(293,944)
2025	(128,983)
2026	(123,877)

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.

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%.*

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

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

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
City’s proportionate share of the net pension liability (asset)	<u>\$ 769,554</u>	<u>\$ (1,084,534)</u>	<u>\$ (2,419,134)</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 City reported a payable to the pension plan of \$54,195, which represents contractually required contributions outstanding as of the end of the year.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Commitments and Contingencies

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

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

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

The City 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.

Economic Dependency

Water Utility

The Water Utility has one significant customer who was responsible for 13% of operating revenues in 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

City of Mayville

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	\$ 1,783,926	\$ 1,827,588	\$ 43,662
Intergovernmental	1,184,609	1,220,499	35,890
Public charges for services	390,950	644,194	253,244
Fines, forfeitures and penalties	35,000	38,530	3,530
Licenses and permits	66,665	77,628	10,963
Intergovernmental charges for services	2,800	801	(1,999)
Investment income	54,680	87,241	32,561
Miscellaneous	27,200	133,715	106,515
	<u>3,545,830</u>	<u>4,030,196</u>	<u>484,366</u>
Total revenues			
Expenditures			
Current:			
General government	635,681	725,942	(90,261)
Public safety	1,605,778	1,846,368	(240,590)
Public works	926,469	827,848	98,621
Health and human services	14,795	13,142	1,653
Culture, recreation and education	510,654	496,773	13,881
Conservation and development	38,545	49,029	(10,484)
	<u>3,731,922</u>	<u>3,959,102</u>	<u>(227,180)</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	<u>(186,092)</u>	<u>71,094</u>	<u>257,186</u>
Other Financing Sources			
Property sales	-	33,990	33,990
Transfers in	214,000	146,254	(67,746)
	<u>214,000</u>	<u>180,244</u>	<u>(33,756)</u>
Total other financing sources			
Net change in fund balance	27,908	251,338	223,430
Fund Balance, Beginning	<u>1,893,010</u>	<u>1,893,010</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 1,920,918</u>	<u>\$ 2,144,348</u>	<u>\$ 223,430</u>

See notes to required supplementary information

City of Mayville

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues			
Charges for services	\$ 6,000	\$ 4,702	\$ (1,298)
Investment income	20,000	17,445	(2,555)
Donations and contributions	<u>31,500</u>	<u>1,176,055</u>	<u>1,144,555</u>
Total revenues	<u>57,500</u>	<u>1,198,202</u>	<u>1,140,702</u>
Expenditures			
Culture, recreation, and education	28,000	32,219	(4,219)
Capital outlay	<u>1,500</u>	<u>2,775,632</u>	<u>(2,774,132)</u>
Total expenditures	<u>29,500</u>	<u>2,807,851</u>	<u>(2,778,351)</u>
Net change in fund balance	28,000	(1,609,649)	(1,637,649)
Fund Balance, Beginning	<u>4,646,629</u>	<u>4,646,629</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 4,674,629</u>	<u>\$ 3,036,980</u>	<u>\$ (1,637,649)</u>

See notes to required supplementary information

City of Mayville

Schedule of Proportionate Share of the Net Pension Asset / (Liability)

Wisconsin Retirement System

Year Ended December 31, 2022

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	0.01345546 %	\$ (1,084,534)	\$ 1,895,680	57.21 %	106.02 %
12/31/21	0.01338788 %	(835,823)	1,841,931	45.38 %	105.26 %
12/31/20	0.01344166 %	(433,420)	1,776,613	24.40 %	102.96 %
12/31/19	0.01372738 %	488,377	1,773,616	27.54 %	96.45 %
12/31/18	0.01395074 %	(414,214)	1,775,274	23.33 %	102.93 %
12/31/17	0.01390193 %	114,585	1,804,077	6.35 %	99.12 %
12/31/16	0.01370825 %	222,756	1,720,298	12.95 %	98.20 %
12/31/15	0.01355681 %	(332,992)	1,652,994	20.14 %	102.74 %

Schedule of Employer Contributions

Wisconsin Retirement System

Year Ended December 31, 2022

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
12/31/21	\$ 168,157	\$ 168,157	\$ -	\$ 2,081,355	8.08 %
12/31/22	158,395	158,395	-	1,954,928	8.10 %
12/31/20	152,731	152,731	-	1,841,734	8.29 %
12/31/19	139,129	139,129	-	1,776,614	7.83 %
12/31/18	139,805	139,805	-	1,773,617	7.88 %
12/31/17	139,133	139,133	-	1,775,275	7.84 %
12/31/16	134,521	134,521	-	1,804,077	7.46 %
12/31/15	132,599	132,599	-	1,652,994	8.02 %

See notes to the required supplementary information

City of Mayville

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 City may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds 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.

Excess Expenditures Over Appropriations

Excess expenditures over appropriations are as follows:

	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
General Fund			
General administration	\$ 185,049	\$ 223,825	\$ 38,776
Legal	57,728	61,075	3,347
Building and plant	24,736	27,781	3,045
Data processing	5,550	6,870	1,320
Financial administration	168,469	202,352	33,883
Assessment of property	13,500	30,272	16,772
Property and liability insurance	111,759	120,271	8,512
Police department	1,007,571	1,136,259	128,688
Fire department	185,986	206,763	20,777
Inspection	11,259	11,272	13
Ambulance	380,426	473,687	93,261
Animal control	3,400	3,544	144
Celebration and entertainment	2,651	4,255	1,604
Library	204,925	206,836	1,911
Zoning	33,950	45,102	11,152
Flood control	2,168	3,545	1,377
Sidewalks	3,888	4,055	167
Storm sewers	14,386	33,980	19,594
Tree and brush removal	13,314	16,678	3,364

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 City is required to present the last 10 years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

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

City of Mayville

Notes to Required Supplementary Information
Year Ended December 31, 2022

Changes in 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

City of Mayville

Detailed Schedule of Revenues and Other Financing Sources - 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>
Taxes			
General property taxes	\$ 1,765,226	\$ 1,820,553	\$ 55,327
Payments in lieu of taxes	<u>18,700</u>	<u>7,035</u>	<u>(11,665)</u>
Total taxes	<u>1,783,926</u>	<u>1,827,588</u>	<u>43,662</u>
Intergovernmental Revenues			
Federal grants, ARPA	-	12,378	12,378
State expenditure restraint	46,158	46,158	-
State aid, shared revenues	780,026	791,121	11,095
State aid, fire insurance tax	14,000	17,248	3,248
State aid, road allotment	292,677	291,866	(811)
State aid, connecting streets	22,078	22,079	1
State aid, ambulance	5,000	14,313	9,313
State aid, exempt computer	23,390	23,391	1
State aid, law enforcement training	<u>1,280</u>	<u>1,945</u>	<u>665</u>
Total intergovernmental revenues	<u>1,184,609</u>	<u>1,220,499</u>	<u>35,890</u>
Public Charges for Services			
City Clerk & Treasurer	3,100	13,211	10,111
Law enforcement fees	350	1,340	990
Ambulance fees	377,500	628,331	250,831
Fire protection fees	10,000	48	(9,952)
Animal control	-	769	769
Weed cutting	<u>-</u>	<u>495</u>	<u>495</u>
Total public charges for services	<u>390,950</u>	<u>644,194</u>	<u>253,244</u>
Fines, Forfeitures and Penalties			
Court penalties and costs	25,000	30,476	5,476
Parking violations	<u>10,000</u>	<u>8,054</u>	<u>(1,946)</u>
Total fines, forfeitures and penalties	<u>35,000</u>	<u>38,530</u>	<u>3,530</u>
Licenses and Permits			
Liquor and malt beverage licenses	11,700	11,376	(324)
Operators' license	4,100	5,621	1,521
Cigarette licenses	500	635	135
Dog licenses	3,900	2,673	(1,227)
Cat licenses	350	370	20
Building permits	39,215	45,075	5,860
Other regulatory permits and fees	<u>6,900</u>	<u>11,878</u>	<u>4,978</u>
Total licenses and permits	<u>66,665</u>	<u>77,628</u>	<u>10,963</u>

City of Mayville

Detailed Schedule of Revenues and Other Financing Sources - 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>
Intergovernmental Charges for Services			
Charges to public agencies	\$ 2,800	\$ 801	\$ (1,999)
Total intergovernmental charges for services	<u>2,800</u>	<u>801</u>	<u>(1,999)</u>
Investment Income			
Investment income	<u>54,680</u>	<u>87,241</u>	<u>32,561</u>
Total investment income	<u>54,680</u>	<u>87,241</u>	<u>32,561</u>
Miscellaneous Revenues			
Rent	14,400	20,013	5,613
Insurance recoveries	10,500	37,075	26,575
Other miscellaneous	2,000	10,044	8,044
Donations and contributions	<u>300</u>	<u>66,583</u>	<u>66,283</u>
Total miscellaneous revenues	<u>27,200</u>	<u>133,715</u>	<u>106,515</u>
Other Financing Sources			
Property sales	-	33,990	33,990
Transfers in-PILOT	201,000	133,254	(67,746)
Transfers in	<u>13,000</u>	<u>13,000</u>	<u>-</u>
Total other financing sources	<u>214,000</u>	<u>180,244</u>	<u>(33,756)</u>
Total revenues and other financing sources	<u>\$ 3,759,830</u>	<u>\$ 4,210,440</u>	<u>\$ 450,610</u>

City of Mayville

Detailed Schedule of Expenditures and Other Financing Uses - 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>
General Government			
Council	\$ 23,107	\$ 22,099	\$ 1,008
Mayor	10,633	10,499	134
General administration	185,049	223,825	(38,776)
Elections	11,150	10,096	1,054
Legal	57,728	61,075	(3,347)
Building and plant	24,736	27,781	(3,045)
Data processing	5,550	6,870	(1,320)
Financial administration	168,469	202,352	(33,883)
Assessment of property	13,500	30,272	(16,772)
Property and liability insurance	111,759	120,271	(8,512)
Contingency	24,000	10,802	13,198
Total general government	<u>635,681</u>	<u>725,942</u>	<u>(90,261)</u>
Public Safety			
Police and fire commission	1,325	107	1,218
Police department	1,007,571	1,136,259	(128,688)
Crossing guards	8,029	7,142	887
Fire department	185,986	206,763	(20,777)
Inspection	11,259	11,272	(13)
Ambulance	380,426	473,687	(93,261)
Emergency government	11,182	11,138	44
Total public safety	<u>1,605,778</u>	<u>1,846,368</u>	<u>(240,590)</u>
Public Works			
Dams	2,782	1,142	1,640
Director of public works	82,150	34,629	47,521
Streets and roads	584,804	561,214	23,590
Bridges	3,073	409	2,664
Street lighting	69,949	66,270	3,679
Sidewalks	3,888	4,055	(167)
Storm sewers	14,386	33,980	(19,594)
Tree and brush removal	13,314	16,678	(3,364)
Snow and ice	152,123	109,471	42,652
Total public works	<u>926,469</u>	<u>827,848</u>	<u>98,621</u>
Health and Social Services			
Animal control	3,400	3,544	(144)
Senior citizen center	11,395	9,598	1,797
Total health and social services	<u>14,795</u>	<u>13,142</u>	<u>1,653</u>

City of Mayville

Detailed Schedule of Expenditures and Other Financing Uses - 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>
Culture, Recreation and Education			
Celebration and entertainment	\$ 2,651	\$ 4,255	\$ (1,604)
Recreation director	43,371	32,380	10,991
Parks	245,707	239,893	5,814
Historical society	1,000	1,000	-
Library	204,925	206,836	(1,911)
Library, data processing	<u>13,000</u>	<u>12,409</u>	<u>591</u>
Total culture, recreation and education	<u>510,654</u>	<u>496,773</u>	<u>13,881</u>
Conservation and Development			
Weed control	2,427	382	2,045
Zoning	33,950	45,102	(11,152)
Flood control	<u>2,168</u>	<u>3,545</u>	<u>(1,377)</u>
Total conservation and development	<u>38,545</u>	<u>49,029</u>	<u>(10,484)</u>
Total expenditures	<u>\$ 3,731,922</u>	<u>\$ 3,959,102</u>	<u>\$ (227,180)</u>

City of Mayville

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2022

	Special Revenue Funds			
	Cable TV	EMS State Funds	County Library	Recreation
Assets				
Cash and investments	\$ 51,833	\$ 3,361	\$ 172,125	\$ 2,369
Receivables:				
Taxes	-	-	-	-
Accounts	-	-	-	-
Long-term	-	-	-	-
Loans	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	4,832	-	-	-
Total assets	<u>\$ 56,665</u>	<u>\$ 3,361</u>	<u>\$ 172,125</u>	<u>\$ 2,369</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 416	\$ -	\$ 548	\$ 57
Accrued liabilities	-	-	511	260
Unearned revenues	-	-	-	-
Advances from other funds	-	-	-	-
Total liabilities	<u>416</u>	<u>-</u>	<u>1,059</u>	<u>317</u>
Deferred Inflows of Resources				
Unearned revenues	-	-	-	-
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)				
Nonspendable	4,832	-	-	-
Restricted	-	-	171,066	2,052
Committed	51,417	3,361	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>56,249</u>	<u>3,361</u>	<u>171,066</u>	<u>2,052</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 56,665</u>	<u>\$ 3,361</u>	<u>\$ 172,125</u>	<u>\$ 2,369</u>

Special Revenue Funds

<u>Recycling</u>	<u>Police Trust Fund</u>	<u>Mayville Center Board</u>	<u>EMS and Fire</u>	<u>Solid Waste and Recycling Collection</u>	<u>Landfill</u>	<u>Customer Loan Fund</u>
\$ -	\$ 9,537	\$ 36,479	\$ 117,819	\$ 45,865	\$ 585,426	\$ -
10,412	-	-	-	-	13,000	-
-	-	-	-	32,905	-	-
-	-	-	-	-	40,000	-
-	-	-	-	-	-	66,385
-	-	-	-	7,837	-	-
-	-	-	-	-	-	-
<u>\$ 10,412</u>	<u>\$ 9,537</u>	<u>\$ 36,479</u>	<u>\$ 117,819</u>	<u>\$ 86,607</u>	<u>\$ 638,426</u>	<u>\$ 66,385</u>
\$ -	\$ -	\$ 939	\$ 1,446	\$ 24,822	\$ -	\$ -
86	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>31,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,467</u>
<u>31,862</u>	<u>-</u>	<u>939</u>	<u>1,446</u>	<u>24,822</u>	<u>-</u>	<u>71,467</u>
10,412	-	-	-	-	53,000	12,614
-	-	-	-	-	-	53,771
<u>10,412</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,000</u>	<u>66,385</u>
-	-	-	-	-	-	-
-	-	-	116,373	-	585,426	-
-	9,537	35,540	-	61,785	-	-
<u>(31,862)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(71,467)</u>
<u>(31,862)</u>	<u>9,537</u>	<u>35,540</u>	<u>116,373</u>	<u>61,785</u>	<u>585,426</u>	<u>(71,467)</u>
<u>\$ 10,412</u>	<u>\$ 9,537</u>	<u>\$ 36,479</u>	<u>\$ 117,819</u>	<u>\$ 86,607</u>	<u>\$ 638,426</u>	<u>\$ 66,385</u>

City of Mayville

Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2022

	Special Revenue Funds	Capital Project Funds		
	ARPA	TIF District No. 4	TIF District No. 5	TIF District No. 6
Assets				
Cash and investments	\$ 506,621	\$ -	\$ -	\$ -
Receivables:				
Taxes	-	14,488	47,100	-
Accounts	-	-	-	-
Long-term	-	-	-	-
Loans	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 506,621</u>	<u>\$ 14,488</u>	<u>\$ 47,100</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 3,453
Accrued liabilities	-	-	-	-
Unearned revenues	506,621	-	-	-
Advances from other funds	-	112,510	94,950	29,288
	<u>-</u>	<u>112,510</u>	<u>94,950</u>	<u>29,288</u>
Total liabilities	<u>506,621</u>	<u>112,510</u>	<u>94,950</u>	<u>32,741</u>
Deferred Inflows of Resources				
Unearned revenues	-	14,488	47,100	-
Unavailable revenues	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>14,488</u>	<u>47,100</u>	<u>-</u>
Fund Balances (Deficit)				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Unassigned (deficit)	-	(112,510)	(94,950)	(32,741)
	<u>-</u>	<u>(112,510)</u>	<u>(94,950)</u>	<u>(32,741)</u>
Total fund balances (deficit)	<u>-</u>	<u>(112,510)</u>	<u>(94,950)</u>	<u>(32,741)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 506,621</u>	<u>\$ 14,488</u>	<u>\$ 47,100</u>	<u>\$ -</u>

<u>Capital Project Funds</u>			
<u>EMS Equipment Replacement Fund</u>	<u>Parks</u>	<u>Total Nonmajor Governmental Funds</u>	
\$ 74,570	\$ 1,000	\$ 1,607,005	
-	-	85,000	
-	-	32,905	
-	-	40,000	
-	-	66,385	
-	-	7,837	
-	-	4,832	
<u>\$ 74,570</u>	<u>\$ 1,000</u>	<u>\$ 1,843,964</u>	

\$ -	\$ -	\$ 31,681	
-	-	857	
-	-	506,621	
-	-	339,991	
-	-	879,150	
-	-	137,614	
-	-	53,771	
-	-	191,385	
-	-	4,832	
74,570	1,000	950,487	
-	-	161,640	
-	-	(343,530)	
<u>74,570</u>	<u>1,000</u>	<u>773,429</u>	
<u>\$ 74,570</u>	<u>\$ 1,000</u>	<u>\$ 1,843,964</u>	

City of Mayville

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

	Special Revenue Funds			
	<u>Cable TV</u>	<u>EMS State Funds</u>	<u>County Library</u>	<u>Recreation</u>
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	15,273	(337)	53,533	-
Public charges for services	-	-	-	9,939
Licenses and permits	31,411	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	25,021
Total revenues	<u>46,684</u>	<u>(337)</u>	<u>53,533</u>	<u>34,960</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	10,418	-	-
Public works	-	-	-	-
Culture, recreation and education	56,403	-	46,456	47,575
Conservation and development	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>56,403</u>	<u>10,418</u>	<u>46,456</u>	<u>47,575</u>
Excess (deficiency) of revenues over expenditures	<u>(9,719)</u>	<u>(10,755)</u>	<u>7,077</u>	<u>(12,615)</u>
Net change in fund balances	(9,719)	(10,755)	7,077	(12,615)
Fund Balances (Deficit), Beginning	<u>65,968</u>	<u>14,116</u>	<u>163,989</u>	<u>14,667</u>
Fund Balances (Deficit), Ending	<u>\$ 56,249</u>	<u>\$ 3,361</u>	<u>\$ 171,066</u>	<u>\$ 2,052</u>

Special Revenue Funds

<u>Recycling</u>	<u>Police Trust Fund</u>	<u>Mayville Center Board</u>	<u>EMS and Fire</u>	<u>Solid Waste and Recycling Collection</u>	<u>Landfill</u>	<u>Customer Loan Fund</u>
\$ 10,412	\$ -	\$ -	\$ -	\$ -	\$ 63,000	\$ -
31,173	-	-	34,013	-	-	-
-	-	-	-	292,173	38,285	-
-	-	496	565	-	-	-
1,248	100	41,348	32,552	-	40,000	5,075
<u>42,833</u>	<u>100</u>	<u>41,844</u>	<u>67,130</u>	<u>292,173</u>	<u>141,285</u>	<u>5,075</u>
-	-	-	-	-	-	-
-	-	-	16,764	-	-	-
36,581	-	-	-	268,719	-	-
-	-	8,296	-	-	-	-
-	-	-	-	-	57,147	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>36,581</u>	<u>-</u>	<u>8,296</u>	<u>16,764</u>	<u>268,719</u>	<u>57,147</u>	<u>-</u>
6,252	100	33,548	50,366	23,454	84,138	5,075
6,252	100	33,548	50,366	23,454	84,138	5,075
<u>(38,114)</u>	<u>9,437</u>	<u>1,992</u>	<u>66,007</u>	<u>38,331</u>	<u>501,288</u>	<u>(76,542)</u>
<u>\$ (31,862)</u>	<u>\$ 9,537</u>	<u>\$ 35,540</u>	<u>\$ 116,373</u>	<u>\$ 61,785</u>	<u>\$ 585,426</u>	<u>\$ (71,467)</u>

City of Mayville

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

	Special Revenue Funds	Capital Project Funds		
	ARPA	TIF District No. 4	TIF District No. 5	TIF District No. 6
Revenues				
Taxes	\$ -	\$ 16,358	\$ 83,503	\$ -
Intergovernmental	-	201	2,047	-
Public charges for services	-	-	-	-
Licenses and permits	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>16,559</u>	<u>85,550</u>	<u>-</u>
Expenditures				
Current:				
General government	-	2,992	2,992	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture, recreation and education	-	-	-	-
Conservation and development	-	-	-	7,068
Debt service:				
Principal	-	-	91,267	-
Interest and fiscal charges	-	-	25,595	-
Total expenditures	<u>-</u>	<u>2,992</u>	<u>119,854</u>	<u>7,068</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>13,567</u>	<u>(34,304)</u>	<u>(7,068)</u>
Net change in fund balances	-	13,567	(34,304)	(7,068)
Fund Balances (Deficit), Beginning	<u>-</u>	<u>(126,077)</u>	<u>(60,646)</u>	<u>(25,673)</u>
Fund Balances (Deficit), Ending	<u>\$ -</u>	<u>\$ (112,510)</u>	<u>\$ (94,950)</u>	<u>\$ (32,741)</u>

<u>Capital Project Funds</u>		<u>Total Nonmajor Governmental Funds</u>
<u>EMS Equipment Replacement Fund</u>	<u>Parks</u>	
\$ -	\$ -	\$ 173,273
38,929	-	174,832
-	-	340,397
-	-	31,411
376	-	1,437
-	1,000	146,344
<u>39,305</u>	<u>1,000</u>	<u>867,694</u>
-	-	5,984
14,320	-	41,502
-	-	305,300
-	-	158,730
-	-	64,215
-	-	91,267
-	-	25,595
<u>14,320</u>	<u>-</u>	<u>692,593</u>
<u>24,985</u>	<u>1,000</u>	<u>175,101</u>
24,985	1,000	175,101
<u>49,585</u>	<u>-</u>	<u>598,328</u>
<u>\$ 74,570</u>	<u>\$ 1,000</u>	<u>\$ 773,429</u>