

City of Abbotsford

PO Box 589, 203 N. First Street, Abbotsford, WI 54405

ABBOTSFORD CITY COUNCIL
TO BE HELD Monday, October 3, 2022 at 6:00 P.M.
AT THE ABBOTSFORD COUNCIL CHAMBER

1. Call the Regular Meeting to Order
 - a. Meeting Posted According to State Statutes
 - b. Roll Call
 - c. Pledge of Allegiance
2. Special Order of Business-Johnson Block Presentation of 2021 Audit (pgs. 3-85)
3. Comments by the Mayor
4. Comments by the City Administrator
5. Comments by the Public- 2 Minute Time Limit
6. Minutes from the City Council Meeting held September 21, 2022
 - a. Waive the reading and approve/disapprove the minutes (pgs. 86-87)
7. Incidents, Training, Accidents
8. Police Department Update (pg. 88)
9. Library Update (pgs. 89-95)
10. Discuss/Approve Date and Hours for Trick or Treating
11. Public Works Update
12. MSA Update (pgs. 96-98)
13. Approve/Disapprove Melvin Certificate of Substantial Completion for the Butternut Street Project (pg. 99)
14. Approve/Disapprove Amendment #2 to MSA Professional Service Agreement for Design & Bidding of 5th Street Watermain from Oak to Maple, Street Design from Spruce to Birch and Birch Street from 5th to 6th Street. (pgs. 100-104)
15. Approve/Disapprove Installing Sidewalks along Oak St. from STH 13 to the Mobile Home Park North Entrance on 5th St. (pgs. 105-106)
16. Discuss/Approve Leaf Pickup Dates
17. Discuss/Approve 5 Year Streets Plan (pg. 107)
18. Discuss/Approve Schilling Park Pavilion & Parking Lot Plan (pgs. 108-109)
19. Discuss/Approve Red Arrow Park Basketball Court Plan
20. Water & Sewer Update
21. Discuss/recommend convene into closed session pursuant to Wisconsin Statute (S.) 19.85 (1)(c) for the purpose of considering the employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility, specifically to discuss annual review data, compensation and benefits related to employees.
 - a. Roll Call
 - b. Convene to Open Session

Requests from persons with disabilities who need assistance to participate in this meeting or hearing should be made to Clerk's Office at (715) 223-3444 with as much advance notice as possible.

- c. Roll Call
- d. Discuss/approve items if any from closed session
- 22. Next Meeting Dates- Monday, October 3, 2022 & Wednesday, October 19, 2022
- 23. Future Agenda Items-No Action Will Be Taken
- 24. Adjourn

Requests from persons with disabilities who need assistance to participate in this meeting or hearing should be made to Clerk's Office at (715) 223-3444 with as much advance notice as possible.

August 8, 2022

Johnson Block & Company, Inc.
P.O. Box 271
Viroqua, Wisconsin 54665

This representation letter is provided in connection with your audit of the financial statements of the City of Abbotsford, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the “financial statements”), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of August 8, 2022, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated September 14, 2020, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6. Any related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
8. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
9. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
10. Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
12. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
13. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

14. We have no knowledge of any fraud or suspected fraud that affects the City and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
15. Except as previously disclosed to you, we have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.
16. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
17. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
18. We have disclosed to you the names of the City's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

19. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
20. We have a process to track the status of any audit findings and recommendations.
21. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
22. We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
23. We have provided our views on any reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
24. The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
25. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

26. We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
27. There are no violations or possible violations of budget ordinances, laws, and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
28. As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.
29. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
30. The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
31. The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
32. The financial statements include all fiduciary activities required by GASBS No. 84, as amended.
33. The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
34. All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

35. Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
36. Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
37. Provisions for uncollectible receivables have been properly identified and recorded.
38. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
39. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
40. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
41. Any special and extraordinary items are appropriately classified and reported.
42. Deposits and investment securities and derivative instrument transactions are properly classified as to risk and are properly disclosed.
43. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
44. We believe that the actuarial assumptions and methods used to measure pension (asset) liabilities and costs for financial accounting purposes are appropriate in the circumstances.
45. We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
46. We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
47. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

48. With respect to the combining fund financial statements:
- a. We acknowledge our responsibility for presenting the combining fund financial statements in accordance with accounting principles generally accepted in the United States of America, and we believe the combining and individual fund financial statements, including its form and content, are fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the combining and individual fund financial statements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b. If the combining fund financial statements are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
49. We have determined that the City is not subject to State or Federal Single Audit requirements since the dollar threshold of financial assistance for such audits has not been met.
50. In regards to the nonattest services (preparation of financial statements, compilation of PSC annual report and WIDOR Form C, TID reporting, and maintenance of capital asset summary) performed by you, we have:
- a. Assumed all management responsibilities.
 - b. Designated an individual (within senior management) with suitable skill, knowledge, or experience to oversee the services.
 - c. Evaluated the adequacy and results of the services performed.
 - d. Accepted responsibility for the results of the services.
 - e. Ensured that the entity's data and records are complete and received sufficient information to oversee the services.

Signature: _____
City Administrator of City of Abbotsford

CITY OF ABBOTSFORD, WISCONSIN
REQUIRED AUDIT COMMUNICATIONS
TO THE MAYOR AND MEMBERS OF
THE CITY COUNCIL

Year Ended December 31, 2021

DRAFT

Johnson Block & Company, Inc.
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CITY OF ABBOTSFORD, WISCONSIN

Year Ended December 31, 2021

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AUDIT MATTERS REQUIRING COMMUNICATION TO THE GOVERNING BODY

To the Mayor and Members of
the City Council
City of Abbotsford, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Abbotsford, Wisconsin for the year ended December 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 14, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2021. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimates of the depreciable lives of property and equipment are based on the expected use of the respective assets and management's experience with similar assets used by the City.
- Management's estimates of the pension asset/liability and deferred outflows and inflows of resources are based on various factors. These estimates were computed by the pension plan administrator.
- Management's estimate of the accrued compensated absences liability is based on the City's employee handbook.
- Management's estimate of the landfill post-closure care costs liability is based on various factors.



We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all misstatements. Attached are the material misstatements detected as a result of audit procedures that were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 8, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City of Abbotsford's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Abbotsford's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.



Other Matters

We applied certain limited procedures to budgetary comparison information and Wisconsin Retirement System schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on combining fund financial statements, which accompanies the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or the financial statements themselves.

Other Information Regarding Nonattest Services We Performed

The City has requested that we compile regulatory reports for the Public Service Commission and the Wisconsin Department of Revenue for the year ended December 31, 2021.

We have not performed any advisory or nonattest services that would impair our independence as your auditor. Management has overseen, directed and accepted all nonattest services that were provided.

Restriction on Use

This information is intended solely for the information and use of the City Council and management of the City of Abbotsford, Wisconsin, and is not intended to be, and should not be, used by anyone other than these specified parties.

Johnson Block & Company, Inc.
August 8, 2022



COMMUNICATION OF MATERIAL WEAKNESSES AND SIGNIFICANT DEFICIENCIES

To the Mayor and Members
of the City Council and Management
City of Abbotsford, Wisconsin

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Abbotsford, Wisconsin ("City") as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the City of Abbotsford, Wisconsin's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Abbotsford, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Abbotsford, Wisconsin's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described below as items 2021-001 and 2021-002, that we consider to be material weaknesses.

2021-001

Condition and Cause: The City has a control deficiency in that overlapping duties are concentrated within a small number of accounting and administrative staff.

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Effect: Failure to properly segregate duties may allow for errors or irregularities to occur and not be detected in a timely manner by employees in the normal course of performing their assigned functions.

Auditor's Recommendation: We recommend that the City Council take an active part in monitoring matters related to the City of Abbotsford's operations.

2021-001 (Continued)

Management Response: The City is aware of the lack of segregation of duties issue but is unable to clear the deficiency due to limited resources.

2021-002

Condition: Material adjusting journal entries not prepared by the City prior to the audit or not otherwise provided by the City are considered an internal control weakness. We proposed the following adjusting journal entries that we deem to be material in relation to the financial statements:

- Record water and sewer plant additions and retirements
- Record depreciation expense
- Record debt payments to the proper accounts
- Record repayment from the Water Utility to the General Fund against the receivable account
- Correct operating transfer from General Fund to Library Fund
- Adjust payroll liabilities and accounts payable
- Record ARPA and Safe Route to School grants
- Adjust various cash accounts
- Correct the coding of various cash receipts that were recorded as a credit to Public Works expense

Criteria: Internal controls should be in place to ensure all material adjustments are performed prior to the audit.

Cause: Journal entries were needed to record certain transactions in the correct accounting period and to adjust the water and sewer funds to a full accrual basis.

Effect: In the City's general ledger, certain transactions may not be reported in accordance with generally accepted accounting principles.

Auditor's Recommendation: Prior to the audit, perform a detailed analysis of the significant water and sewer purchases to determine if any items should be capitalized as plant additions, and record depreciation expense.

Management Response: The City will work with the auditor to reduce the number of adjusting journal entries proposed by the auditor.

This information is intended solely for the information of the City Council and management of the City of Abbotsford, Wisconsin, and is not intended to be, and should not be, used by anyone other than these specified parties.

Johnson Block & Company, Inc.
August 8, 2022



MANAGEMENT LETTER

To the Mayor and Members of
of the City Council
City of Abbotsford, Wisconsin

In planning and performing our audit of the financial statements of the City of Abbotsford, Wisconsin for the year ended December 31, 2021, we considered the City's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The following pages that accompany this letter summarize our comments and suggestions regarding those matters. This letter does not affect our report dated August 8, 2022, on the financial statements of the City of Abbotsford, Wisconsin.

We would like to take this opportunity to acknowledge the many courtesies extended to us by the City's personnel during the course of our work. In particular, we would like to note the considerable assistance and cooperation provided to us by the City's staff.

We shall be pleased to discuss any of the matters referred to in this letter. Should you desire assistance in implementing any of the following suggestions, we would welcome the opportunity of assisting you in these matters.

Johnson Block & Company, Inc.
August 8, 2022

CITY OF ABBOTSFORD, WISCONSIN
Year Ended December 31, 2021

ADJUSTING JOURNAL ENTRIES

We are frequently requested by our clients to discuss the overall condition of their accounting records and what our role is as your audit firm. We believe that these matters should be discussed at each audit. The following section describes your accounting process in general terms and the ways in which we work with your staff.

The City processes accounting transactions based on the type of transaction involved. Money coming in is processed using a cash receipt system. The payment of bills is done through an accounts payable system. Employees' salaries are paid using a payroll system. Utility billing and accounts receivable are processed through a billing system. These four systems are responsible for recording and summarizing the vast majority of your financial transactions.

Beyond the four systems described in the preceding paragraph, another system is used to make corrections and to record non-cash transactions. This system involves preparing general journal entries. Journal entries provide the ability to make changes to the financial data entered in the other systems. As your auditor, our role is to substantiate year end financial balances and information presented by your accounting personnel, and compare it to supporting information and outside confirmations. When information in your records does not agree with audit evidence, an adjusting entry is necessary to correct your records. Sometimes these entries are identified by your staff as they get ready for the audit. Other adjustments are prepared by us as we discover that your general ledger balances need to be changed to reflect the correct balances.

For the 2021 audit, we proposed adjustments and reclassifications to your records. The effect of these journal entries is considered to be material to the financial statements of the City of Abbotsford, Wisconsin. The entries were accepted by the City's management. All of these changes are reflected properly in your audited financial statements.

Because we are providing assistance to your staff by proposing changes to correct your financial information, you should be aware of these processes. Many of our clients rely on us to make year end adjustments as we have described. In many cases, we have the experience or expertise to compute, and identify, corrections to your records. We work with many clients on similar issues, so it may be more efficient for you to have us do some of the one-time adjustments, rather than your staff spending hours researching the proper adjustment.

Due to the technical nature of financial reporting and complying with financial reporting standards, most clients have their CPA firm prepare the year end financial statements and note disclosures. We have provided these services to your City.

We are communicating this information to you to give you a better understanding of what we do and how the year end process works. Our job as auditors is to bring in an outside perspective and provide a level of comfort that your financial reporting system is materially correct and accurately reflects the financial activity for the year. However, in many cases, our services go beyond auditing. Our experience and training can provide a very cost-effective means of providing the year end accounting assistance that you need.

We hope that by providing this information on what we do, you will have a better understanding of our role, and the various ways that we work with your staff.

PASSED JOURNAL ENTRIES

Passed journal entries may occur due to transaction timing, industry practices or lack of overall significance. There were no potential (passed) journal entries identified in our audit that were not posted to the general ledger.

DRAFT

OTHER COMMENTS

WATER AND SEWER UTILITY RATES

The water and sewer utilities have completed significant projects in recent years, which resulted in large costs to the utilities. We recommend that the City review utility rates periodically to ensure that rates are providing a sufficient rate of return for each of the utilities.

PAYROLL LIABILITIES

Extensive review and analysis of payroll liabilities has been required due to the over and under accrual and misclassification of payroll expenses. We recommend control procedures be put in place requiring review, reconciliation and approval of payroll liabilities. This should be performed on a monthly basis to help identify errors on a timely basis.

UTILITY BILLING CLASSIFICATIONS

The City's utility revenue accounts do not agree to the City's subsidiary utility billing records by customer class. We recommend the City perform a review of utility billing customer classifications to ensure that all customers are being recorded in the correct revenue account on the City's general ledger.

LEASES

The Governmental Accounting Standards Board issued Statement No. 87 (GASB 87), Leases, effective for fiscal years beginning after June 15, 2021. GASB 87 will significantly change the criteria and conditions for classifying leases. It includes guidance for both lessees and lessors and must be implemented for the year ended December 31, 2022.

GASB 87 defines a lease as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time. Examples of nonfinancial assets most commonly include buildings, land, vehicles, and equipment. New lease accounting will include any contracts that meet the GASB 87 definition of a lease, even if the contracts do not identify the agreements as leases. Applicable leases may include water tower/cell phone tower leases, electric pole rental, etc.

GASB 87 requires similar reporting of all leases entered into by the governmental unit. A lessee is required to recognize an asset and lease liability on the statement of net position. With each year of the lease, amortization and interest expense will be allocated to the statement of activities until the lease term is complete.

Leases that meet a "short-term" criteria will continue to be reported as expenses/expenditures by lessees based on the required payments in the lease contract. Short-term leases are defined as contracts with a maximum possible term of 12 months or less.

LEASES (Continued)

A listing of all contracts for consideration of meeting the definition of a lease needs to be started and continuously updated. The listing should include key terms of the contracts, including:

- Description of contract
- Underlying asset
- Contract term
- Options for extensions and terminations
- Service components, if any (portion of contract for services, not control of the assets, are expensed)
- Dollar amount of lease

We will continue requesting potential contracts that meet the definition of a lease and are available to assist with initial and annual journal entries related to implementation of this new standard.

CONCLUDING REMARKS

We would like to thank you for allowing us to serve you. We are committed to assisting you in the long-term financial success of the City of Abbotsford and our comments are intended to draw to your attention issues which need to be addressed by the City to meet its goals and responsibilities.

The comments and suggestions in this communication are not intended to reflect in any way on the integrity or ability of the personnel of the City of Abbotsford. They are made solely in the interest of establishing sound internal control practices required by changing professional standards. The City of Abbotsford's staff is deeply committed to maintaining the financial reporting system so that informed decisions can be made. They were receptive to our comments and suggestions.

We will review the status of these comments during each audit engagement.

If you have any questions or comments regarding this communication or the financial statements, do not hesitate to contact us.

CITY OF ABBOTSFORD, WISCONSIN

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITOR'S REPORT**

Year Ended December 31, 2021

DRAFT

**Johnson Block & Company, Inc.
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CITY OF ABBOTSFORD, WISCONSIN

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CITY OF ABBOTSFORD, WISCONSIN

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INDEPENDENT AUDITOR'S REPORT

Mayor and Members of
the City Council
City of Abbotsford
Abbotsford, Wisconsin

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Abbotsford, Wisconsin, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City of Abbotsford, Wisconsin'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, each major fund and the aggregate remaining fund information of the City of Abbotsford, Wisconsin, as of December 31, 2021, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Abbotsford, Wisconsin, 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 of Abbotsford, Wisconsin'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.

Auditor's 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 auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 of Abbotsford, Wisconsin'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 of Abbotsford, Wisconsin'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 budgetary comparison information and Wisconsin Retirement System schedules on pages 52 - 54 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.

Required Supplementary Information (Continued)

Management has omitted a management’s discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of 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 of Abbotsford, Wisconsin’s basic financial statements. The combining fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 combining fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

The prior year summarized information has been derived from the City’s 2020 financial statements, and, in our report dated August 26, 2021, we expressed unmodified opinions on the respective financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information.

Johnson Block & Company, Inc.
August 8, 2022

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BASIC FINANCIAL STATEMENTS

CITY OF ABBOTSFORD, WISCONSIN
GOVERNMENT-WIDE STATEMENT OF NET POSITION
As of December 31, 2021
With Comparative Totals for December 31, 2020

	Governmental Activities	Business-Type Activities	2021 Totals	2020 Totals (Memorandum Only)
Assets				
Current assets:				
Cash and investments	\$ 1,428,948	\$ 3,045,959	\$ 4,474,907	\$ 3,547,723
Receivables:				
Taxes	1,559,115	-	1,559,115	1,420,467
Customer accounts	15,486	242,261	257,747	277,816
Other	83,582	-	83,582	93,394
Due from other governments	628,171	-	628,171	171
Internal funds	(556,283)	556,283	-	-
Materials and supplies	-	54,924	54,924	35,529
Total current assets	3,159,019	3,899,427	7,058,446	5,375,100
Restricted assets:				
Cash and investments	-	767,260	767,260	766,586
Net pension asset	110,324	106,351	216,675	107,778
Total restricted assets	110,324	873,611	983,935	874,364
Noncurrent assets:				
Land	1,228,686	852,985	2,081,671	2,095,957
Construction work in progress	-	12,500	12,500	-
Capital assets, net of depreciation	13,307,003	24,505,946	37,812,949	37,825,181
Total noncurrent assets	14,535,689	25,371,431	39,907,120	39,921,138
Total assets	17,805,032	30,144,469	47,949,501	46,170,602
Deferred Outflows of Resources	182,086	175,528	357,614	255,717
Total assets and deferred outflows of resources	\$ 17,987,118	\$ 30,319,997	\$ 48,307,115	\$ 46,426,319

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
GOVERNMENT-WIDE STATEMENT OF NET POSITION
(CONTINUED)

As of December 31, 2021
With Comparative Totals for December 31, 2020

	Governmental Activities	Business-Type Activities	2021 Totals	2020 Totals (Memorandum Only)
Liabilities				
Current liabilities:				
Accounts payable	\$ 44,364	\$ 12,977	\$ 57,341	\$ 324,114
Accrued liabilities	135,092	5,883	140,975	21,757
Accrued interest payable	36,515	78,427	114,942	145,806
Current portion of long-term obligations	506,213	506,300	1,012,513	930,113
Total current liabilities	<u>722,184</u>	<u>603,587</u>	<u>1,325,771</u>	<u>1,421,790</u>
Noncurrent liabilities, net of current portion:				
Long-term obligations	5,008,904	16,223,033	21,231,937	22,104,881
Total noncurrent liabilities	<u>5,008,904</u>	<u>16,223,033</u>	<u>21,231,937</u>	<u>22,104,881</u>
Total liabilities	<u>5,731,088</u>	<u>16,826,620</u>	<u>22,557,708</u>	<u>23,526,671</u>
Deferred Inflows of Resources	<u>2,104,078</u>	<u>232,844</u>	<u>2,336,922</u>	<u>2,132,152</u>
Net Position				
Net investment in capital assets	9,084,104	8,676,150	17,760,254	16,977,629
Restricted for:				
Library donations	52,359	-	52,359	51,574
Shortner Park improvements	16,225	-	16,225	16,217
Cemetery care	38,423	-	38,423	38,399
TIF District No. 5	173,621	-	173,621	154,918
TIF District No. 7	30,281	-	30,281	18,435
Debt service	-	128,930	128,930	128,235
Net pension asset	110,324	106,351	216,675	107,778
Equipment replacement	-	559,903	559,903	540,914
Unrestricted	646,615	3,789,199	4,435,814	2,733,397
Total net position	<u>10,151,952</u>	<u>13,260,533</u>	<u>23,412,485</u>	<u>20,767,496</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 17,987,118</u>	<u>\$ 30,319,997</u>	<u>\$ 48,307,115</u>	<u>\$ 46,426,319</u>

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021
With Comparative Totals for Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			2020 Totals (Memo Only)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Gov't. Activities	Business- Type Activities	2021 Totals	
Governmental activities:								
General government	\$ 244,042	\$ 28,592	\$ 16,989	\$ -	\$ (198,461)	\$ -	\$ (198,461)	\$ (155,328)
Public safety	688,512	57,831	6,801	-	(623,880)	-	(623,880)	(637,795)
Public works	945,548	244,002	200,351	1,534,386	1,033,191	-	1,033,191	(436,366)
Culture and recreation	228,807	1,863	51,904	-	(175,040)	-	(175,040)	(169,264)
Conservation and development	167,619	-	-	-	(167,619)	-	(167,619)	(538,605)
Health and social services	-	-	-	-	-	-	-	(57)
Interest and fiscal charges	152,685	-	-	-	(152,685)	-	(152,685)	(203,957)
Total governmental activities	2,427,213	332,288	276,045	1,534,386	(284,494)	-	(284,494)	(2,141,372)
Business-type activities:								
Water	1,430,440	1,918,153	-	18,803	-	506,516	506,516	659,000
Sewer	734,061	676,658	-	34,350	-	(23,053)	(23,053)	147,952
Total business-type activities	2,164,501	2,594,811	-	53,153	-	483,463	483,463	806,952
Total	\$ 4,591,714	\$ 2,927,099	\$ 276,045	\$ 1,587,539	(284,494)	483,463	198,969	(1,334,420)
General revenues:								
Property taxes:								
General purpose					659,541	-	659,541	697,284
Debt service					259,323	-	259,323	208,001
Tax incremental financing district					884,458	-	884,458	469,268
Other taxes					63,328	-	63,328	50,729
State and federal aids not restricted to specific functions:								
State shared taxes					512,327	-	512,327	482,788
Interest and investment earnings					5,156	673	5,829	17,785
Miscellaneous					61,214	-	61,214	137,956
Transfers:								
Property tax equivalent					148,530	(148,530)	-	-
Total general revenues and transfers					2,593,877	(147,857)	2,446,020	2,063,811
Change in net position					2,309,383	335,606	2,644,989	729,391
Net position - beginning of year					7,842,569	12,924,927	20,767,496	20,038,105
Net position - end of year					\$ 10,151,952	\$ 13,260,533	\$ 23,412,485	\$ 20,767,496

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2021
With Comparative Totals for December 31, 2020

	Major Funds				2021 Total Gov't. Funds	2020 Totals (Memorandum Only)
	General Fund	Tax Incremental Financing Districts	Capital Projects Fund	Nonmajor Funds		
Assets						
Cash and investments	\$ 817,158	\$ 207,518	\$ 294,052	\$ 110,221	\$ 1,428,949	\$ 1,179,247
Receivables:						
Taxes and special assessments	774,262	784,853	-	-	1,559,115	1,420,467
Customer accounts	15,486	-	-	-	15,486	15,939
Other	7,348	76,234	-	-	83,582	93,394
Due from other funds	67,481	-	-	-	67,481	6,460
Due from other governments	171	-	628,000	-	628,171	171
Advances to other funds	127,525	-	-	-	127,525	222,525
Total assets	\$ 1,809,431	\$ 1,068,605	\$ 922,052	\$ 110,221	\$ 3,910,309	\$ 2,938,203
Liabilities						
Accounts payable	\$ 38,917	\$ 3,518	\$ -	\$ 1,929	\$ 44,364	\$ 312,982
Accrued liabilities	8,802	292	-	1,285	10,379	17,289
Unearned revenue	116,862	-	-	-	116,862	-
Due to other funds	194,075	67,481	-	-	261,556	690,268
Due to other governments	7,851	-	-	-	7,851	-
Advances from other funds	-	-	489,733	-	489,733	-
Total liabilities	366,507	71,291	489,733	3,214	930,745	1,020,539
Deferred inflows of resources						
Subsequent year tax apportionment	919,252	943,284	-	-	1,862,536	1,809,294
Unavailable revenue	-	-	628,000	-	628,000	-
Total deferred inflows of resources	919,252	943,284	628,000	-	2,490,536	1,809,294
Fund balances						
Nonspendable	127,525	-	-	-	127,525	222,525
Restricted	-	203,902	-	107,007	310,909	279,543
Unassigned (deficit)	396,147	(149,872)	(195,681)	-	50,594	(393,698)
Total fund balances (deficit)	523,672	54,030	(195,681)	107,007	489,028	108,370
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,809,431	\$ 1,068,605	\$ 922,052	\$ 110,221	\$ 3,910,309	\$ 2,938,203

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
As of December 31, 2021

		2021 Total Gov't. Funds
Total fund balances from previous page	\$	489,028
 <i>Total net position reported for governmental activities in the Statement of Net Position is different from the amount reported as total governmental funds' fund balance because:</i>		
Capital assets used in government activities are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the Statement of Net Position are:		
Governmental capital assets	\$ 18,081,046	
Governmental accumulated depreciation	(3,545,357)	14,535,689
Some revenues are deferred in the fund statements because they are not available to pay current period expenditures. Amounts reported for governmental activities in the Statement of Net Position are:		
Grant revenue		628,000
The net pension asset is not a current financial resource and is, therefore, not reported in the fund statements.		
		110,324
Pension deferred outflows of resources and deferred inflows are actuarially determined by the defined benefit pension plan. These items are reflected in the Statement of Net Position and are being amortized with pension expense in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore and not reported in the fund statements.		
Deferred pension outflows of resources	182,086	
Deferred pension inflows of resources	(241,543)	(59,457)
Long-term liabilities, including bonds and notes payable, are not due in the current period, and therefore are not reported in the fund statements. Long-term liabilities reported in the Statement of Net Position that are not reported in the Governmental Funds Balance Sheet are:		
Long-term debt	(5,220,000)	
Debt discount	15,103	
Accrued interest on long-term debt	(36,515)	
Vested employee benefits	(63,532)	
Landfill post-closure care costs	(246,688)	(5,551,632)
Total net position - governmental activities	\$	10,151,952

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021
With Comparative Totals for Year Ended December 31, 2020

	Major Funds					2021 Total Gov't. Funds	2020 Totals (Memorandum Only)
	General Fund	Debt Service Fund	Tax Incremental Financing Districts	Capital Projects Fund	Nonmajor Funds		
Revenues:							
Taxes and special assessments	\$ 722,869	\$ 259,323	\$ 884,459	\$ -	\$ -	\$ 1,866,651	\$ 1,425,282
Intergovernmental	716,579	-	494,126	442,150	40,911	1,693,766	769,535
Licenses and permits	27,624	-	-	-	-	27,624	29,475
Penalties and forfeitures	57,831	-	-	-	-	57,831	44,837
Public charges for services	114,385	-	-	-	-	114,385	111,352
Interest	5,073	-	2,125	-	83	7,281	18,464
Miscellaneous revenues	183,373	-	3,500	2,535	3,121	192,529	211,640
Total revenues	1,827,734	259,323	1,384,210	444,685	44,115	3,960,067	2,610,585
Expenditures:							
Current:							
General government	213,801	-	-	-	-	213,801	209,707
Public safety	640,938	-	-	-	-	640,938	654,897
Public works	445,273	-	-	-	-	445,273	487,818
Culture and recreation	61,545	-	-	-	130,585	192,130	181,574
Conservation and development	24,268	-	21,146	-	-	45,414	53,957
Health and social services	-	-	-	-	-	-	57
Capital outlay:							
Public works	496,673	-	929,286	123,881	-	1,549,840	1,759,716
Culture and recreation	-	-	-	-	3,068	3,068	2,217
Conservation and development	-	-	-	-	-	-	1,365,279
Debt service:							
Principal	-	200,000	275,000	-	-	475,000	385,409
Interest and fiscal charges	-	59,323	103,152	-	-	162,475	193,456
Total expenditures	1,882,498	259,323	1,328,584	123,881	133,653	3,727,939	5,294,087
Excess (deficiency) of revenues over expenditures	(54,764)	-	55,626	320,804	(89,538)	232,128	(2,683,502)
Other financing sources (uses):							
Proceeds from long-term debt	-	-	-	-	-	-	2,080,000
Transfers in	148,530	-	-	-	90,355	238,885	243,206
Transfers out	(90,355)	-	-	-	-	(90,355)	(92,331)
Total other financing sources (uses)	58,175	-	-	-	90,355	148,530	2,230,875
Net change in fund balances	3,411	-	55,626	320,804	817	380,658	(452,627)
Fund balances (deficit), January 1	520,261	-	(1,596)	(516,485)	106,190	108,370	560,997
Fund balances (deficit), December 31	\$ 523,672	\$ -	\$ 54,030	\$ (195,681)	\$ 107,007	\$ 489,028	\$ 108,370

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

Net change in fund balances - total governmental funds		\$ 380,658
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>		
The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.		
Capital outlay reported in governmental fund statements	\$ 1,552,908	
Capital outlay not included in capital assets	(200,966)	
Depreciation expense reported in the Statement of Activities	<u>(471,123)</u>	
Amount by which capital outlays are greater (less) than depreciation in the current period:		880,819
The City disposed of various capital assets resulting in a reduction of capital assets and recapture of prior year depreciation expense reported on the Statement of Net Position as a net loss and has no affect on the Governmental Fund Balance Sheet.		
The value of capital assets disposed of during the year was	(334,536)	
The amount of depreciation recapture for the year was	<u>242,560</u>	
The difference in the value of assets net of recaptured depreciation creates a gain (loss) of:		(91,976)
Certain revenues are deferred in the governmental funds because they are not available to pay current period expenditures. In the Statement of Activities, they are recorded as revenues in the current year.		
		628,000
Vested employee benefits are reported in the governmental funds when amounts are paid. The Statement of Activities reports the value of benefits earned during the year.		
Vested benefits earned in current year	<u>(13,018)</u>	
Amounts paid are greater (less) than amounts earned by:		(13,018)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the Statement of Net Position and does not affect the Statement of Activities.		
The amount of long-term debt principal payments in the current year is:		475,000
The amount of landfill post-closure care payments in the current year is:		11,213
In governmental funds, interest payments on outstanding long-term debt are reported as an expenditure when paid. In the Statement of Activities interest is reported as incurred.		
The amount of interest paid during the current period	162,475	
The amount of interest accrued during the current period	<u>(150,621)</u>	
Interest paid is greater (less) than interest accrued by:		11,854
In governmental funds, debt discounts on outstanding long-term debt are reported as an expenditure when paid. In the Statement of Activities debt discounts are amortized and expensed over the life of the issue.		
The amount of debt discounts recognized during the current period:		(2,063)
Pension expense reported in the governmental funds represents current year required contributions into the defined benefit pension plan. Pension expense in the Statement of Activities is actuarially determined by the defined benefit pension plan as the difference between the net pension asset/liability from the prior year to the current year, with some adjustments.		
Amount of current year required contributions into the defined benefit pension plan	18,610	
Actuarially determined change in net pension asset/liability between years, with some adjustments	<u>10,286</u>	
The amount of pension expense incurred:		<u>28,896</u>
Change in net position - governmental activities		<u><u>\$ 2,309,383</u></u>

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of December 31, 2021
With Comparative Totals for December 31, 2020

	Major		2021 Totals	2020 Totals
	Water Utility	Sewer Fund		(Memorandum Only)
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current assets:				
Cash and cash equivalents	\$ 2,219,795	\$ 826,164	\$ 3,045,959	\$ 2,368,476
Customer accounts receivable	164,912	77,349	242,261	261,877
Due from other funds	489,733	194,414	684,147	684,147
Materials and supplies	47,334	7,590	54,924	35,529
Total current assets	<u>2,921,774</u>	<u>1,105,517</u>	<u>4,027,291</u>	<u>3,350,029</u>
Restricted assets:				
Cash and cash equivalents	455,727	311,533	767,260	766,586
Net pension asset	66,663	39,688	106,351	49,508
Total restricted assets	<u>522,390</u>	<u>351,221</u>	<u>873,611</u>	<u>816,094</u>
Property, plant and equipment:				
Land	850,985	2,000	852,985	852,985
Construction in progress	12,500	-	12,500	-
Capital assets	20,705,337	15,423,568	36,128,905	36,039,255
Accumulated depreciation	(8,166,886)	(3,456,073)	(11,622,959)	(10,717,949)
Net property, plant and equipment	<u>13,401,936</u>	<u>11,969,495</u>	<u>25,371,431</u>	<u>26,174,291</u>
Total assets	<u>16,846,100</u>	<u>13,426,233</u>	<u>30,272,333</u>	<u>30,340,414</u>
Deferred outflows of resources:				
Deferred pension outflows	110,025	65,503	175,528	117,466
Total assets and deferred outflows of resources	<u>\$ 16,956,125</u>	<u>\$ 13,491,736</u>	<u>\$ 30,447,861</u>	<u>\$ 30,457,880</u>

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
(CONTINUED)
As of December 31, 2021
With Comparative Totals for December 31, 2020

	Major		2021	2020
	Water Utility	Sewer Fund	Totals	Totals (Memorandum Only)
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
Current liabilities:				
Accounts payable	\$ 9,136	\$ 3,841	\$ 12,977	\$ 11,133
Accrued liabilities	3,824	2,059	5,883	4,468
Accrued interest payable	53,023	25,404	78,427	97,437
Due to other funds	339	-	339	339
Current portion of long-term obligations	377,600	128,700	506,300	443,900
Total current liabilities	443,922	160,004	603,926	557,277
Long-term liabilities:				
Long-term obligations, net of current portion	9,553,816	6,669,217	16,223,033	16,604,845
Advances from other funds	127,525	-	127,525	222,525
Total long-term liabilities	9,681,341	6,669,217	16,350,558	16,827,370
Total liabilities	10,125,263	6,829,221	16,954,484	17,384,647
Deferred inflows of resources:				
Deferred pension inflows	145,952	86,892	232,844	148,306
Net position:				
Net investment in capital assets	3,480,955	5,195,195	8,676,150	9,166,517
Restricted for:				
Net pension asset	66,663	39,688	106,351	49,508
Debt service	123,523	5,407	128,930	128,235
Equipment replacement	279,181	280,722	559,903	540,914
Unrestricted	2,734,588	1,054,611	3,789,199	3,039,753
Total net position	6,684,910	6,575,623	13,260,533	12,924,927
Total liabilities, deferred inflows of resources and net position	\$ 16,956,125	\$ 13,491,736	\$ 30,447,861	\$ 30,457,880

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION -
PROPRIETARY FUNDS
For the Year Ended December 31, 2021
With Comparative Totals for Year Ended December 31, 2020

	Major		2021 Totals	2020 Totals (Memorandum Only)
	Water Utility	Sewer Fund		
Operating revenues:				
Sales of water	\$ 1,913,547	\$ -	\$ 1,913,547	\$ 1,911,649
Sewerage service fees	-	672,625	672,625	653,430
Other operating revenues	4,606	4,034	8,640	35,110
Total operating revenues	<u>1,918,153</u>	<u>676,659</u>	<u>2,594,812</u>	<u>2,600,189</u>
Operating expenses:				
Operation and maintenance	496,631	260,450	757,081	818,984
Depreciation	606,107	313,212	919,319	912,700
Taxes	11,630	7,034	18,664	16,461
Total operating expenses	<u>1,114,368</u>	<u>580,696</u>	<u>1,695,064</u>	<u>1,748,145</u>
Operating income (loss)	<u>803,785</u>	<u>95,963</u>	<u>899,748</u>	<u>852,044</u>
Nonoperating revenues (expenses):				
Interest income	561	112	673	1,649
Interest expense	(314,929)	(153,365)	(468,294)	(461,006)
Amortization of debt discount	(1,144)	-	(1,144)	(1,144)
Total nonoperating revenues (expenses)	<u>(315,512)</u>	<u>(153,253)</u>	<u>(468,765)</u>	<u>(460,501)</u>
Net income (loss) before capital contributions and transfers	488,273	(57,290)	430,983	391,543
Contributed capital	18,803	34,350	53,153	417,058
Transfers:				
Tax equivalent	(148,530)	-	(148,530)	(150,875)
Change in net position	358,546	(22,940)	335,606	657,726
Net position, January 1	6,326,364	6,598,563	12,924,927	12,267,201
Net position, December 31	<u>\$ 6,684,910</u>	<u>\$ 6,575,623</u>	<u>\$ 13,260,533</u>	<u>\$ 12,924,927</u>

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
For the Year Ended December 31, 2021
With Comparative Totals for Year Ended December 31, 2020

	Major		2021 Totals	2020 Totals (Memorandum Only)
	Water Utility	Sewer Fund		
Cash flows from operating activities:				
Cash received from customers	\$ 1,938,949	\$ 675,479	\$ 2,614,428	\$ 2,554,404
Cash paid to other funds for services	6,627	(6,627)	-	(489,733)
Cash paid to suppliers for goods and services	(340,238)	(163,537)	(503,775)	(548,949)
Cash payments to employees for services	(187,761)	(112,104)	(299,865)	(269,355)
Cash paid to other governments	(13,210)	(5,454)	(18,664)	(16,461)
Net cash provided (used) by operating activities	1,404,367	387,757	1,792,124	1,229,906
Cash flows from noncapital financing activities:				
Cash paid for tax equivalent	(148,530)	-	(148,530)	(150,875)
Net cash provided (used) by noncapital financing activities	(148,530)	-	(148,530)	(150,875)
Cash flows from investing activities:				
Interest income	561	112	673	1,649
Net cash provided (used) by investing activities	561	112	673	1,649
Cash flows from capital and related financing activities:				
Principal paid on long-term debt	(2,824,700)	(125,800)	(2,950,500)	(433,900)
Interest paid on long-term debt	(333,468)	(153,836)	(487,304)	(463,787)
Payments on long-term advances	(95,000)	-	(95,000)	(95,000)
Proceeds received on long-term debt	2,630,000	-	2,630,000	-
Contributed capital	18,803	34,350	53,153	417,058
Acquisition and construction of capital assets	(82,110)	(34,349)	(116,459)	(461,160)
Net cash provided (used) by capital and related financing activities	(686,475)	(279,635)	(966,110)	(1,036,789)
Net increase (decrease) in cash and cash equivalents	569,923	108,234	678,157	43,891
Cash and cash equivalents, January 1	2,105,599	1,029,463	3,135,062	3,091,171
Cash and cash equivalents, December 31	\$ 2,675,522	\$ 1,137,697	\$ 3,813,219	\$ 3,135,062

See accompanying notes to the basic financial statements.

**CITY OF ABBOTSFORD, WISCONSIN
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
(CONTINUED)**

**For the Year Ended December 31, 2021
With Comparative Totals for Year Ended December 31, 2020**

	Major		2021 Totals	2020 Totals
	Water Utility	Sewer Fund		(Memorandum Only)
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	\$ 803,785	\$ 95,963	\$ 899,748	\$ 852,044
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	606,107	313,212	919,319	912,700
Meter reading allocation	5,047	(5,047)	-	-
Changes in Assets, Deferred Outflows, Liabilities and Deferred Inflows				
Customer accounts receivable	20,796	(1,180)	19,616	(45,785)
Due from other funds	-	-	-	(489,733)
Materials and supplies	(14,663)	(4,732)	(19,395)	-
Pension related deferrals and assets	(19,672)	(10,695)	(30,367)	1,341
Accounts payable	2,512	(668)	1,844	4,580
Accrued liabilities	455	904	1,359	(5,241)
Net cash flows from operating activities	\$ 1,404,367	\$ 387,757	\$ 1,792,124	\$ 1,229,906
Reconciliation of cash and cash equivalents to the Statement of Net Position:				
Cash and cash equivalents	\$ 2,219,795	\$ 826,164	\$ 3,045,959	\$ 2,368,476
Restricted cash and cash equivalents	455,727	311,533	767,260	766,586
Cash and cash equivalents - end of year	\$ 2,675,522	\$ 1,137,697	\$ 3,813,219	\$ 3,135,062

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
STATEMENT OF NET POSITION - FIDUCIARY FUND
As of December 31, 2021
With Comparative Totals for December 31, 2020

	2021 Custodial Tax Collection Fund	2020 Totals (Memorandum Only)
Assets		
Cash and investments	\$ 381,816	\$ 508,714
Taxes receivable	1,797,168	1,554,511
Total assets	\$ 2,178,984	\$ 2,063,225
Liabilities		
Due to other governments	\$ 2,178,984	\$ 2,063,225
Total liabilities	2,178,984	2,063,225
Total liabilities and net position	\$ 2,178,984	\$ 2,063,225

See accompanying notes to the basic financial statements.

CITY OF ABBOTSFORD, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUND
For the Year Ended December 31, 2021
With Comparative Totals for Year Ended December 31, 2020

	2021 Custodial Tax Collection Fund	2020 Totals (Memorandum Only)
Additions		
Property tax collections for other governments	\$ 1,205,127	\$ 1,245,345
Total additions	<u>1,205,127</u>	<u>1,245,345</u>
Deductions		
Payments of taxes to other governments	1,205,127	1,245,345
Total deductions	<u>1,205,127</u>	<u>1,245,345</u>
Net increase (decrease) in fiduciary net position	-	-
Net position - beginning	-	-
Net position - ending	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the basic financial statements.

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NOTES TO FINANCIAL STATEMENTS

CITY OF ABBOTSFORD, WISCONSIN
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December 31, 2021

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CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The City of Abbotsford is located in Clark County, Wisconsin, and Marathon County, Wisconsin, and was incorporated under the provisions of the constitution and general statutes of the State of Wisconsin. The City operates under a mayor-council form of government and provides a full range of services including public safety, roads, sanitation, culture and recreation, planning, and general administrative services. The accounting policies of the City of Abbotsford conform to generally accepted accounting principles as applicable to governmental units.

A. REPORTING ENTITY

This report includes all of the funds of the City of Abbotsford. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. This report does not contain any component units.

B. BASIS OF FINANCIAL STATEMENT PRESENTATION

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. The effect of interfund activity within the governmental and business-type activities columns has been removed from these statements. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The 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.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF FINANCIAL STATEMENT PRESENTATION (Continued)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds each of which are considered to be separate accounting entities. 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, fund equity, revenues, and expenditures.

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

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

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following governmental funds:

General Fund – The General Fund is the City’s primary operating fund and is always classified as a major fund. It is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for and report the specific revenue sources comprising a substantial portion of the fund’s resources on an ongoing basis that are restricted or committed to expenditures for specific purposes other than debt service or capital projects.

Debt Service Fund – The Debt Service Fund is used to account for and report the financial resources that are restricted, committed or assigned to expenditure for principal and interest.

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 (other than those financed by proprietary funds and trust funds).

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF FINANCIAL STATEMENT PRESENTATION (Continued)

Governmental Funds (Continued)

The City reports the following major governmental funds:

- General Fund
- Debt Service Fund
- Capital Projects Fund
- Tax Incremental Financing Districts Fund

The City reports the following nonmajor governmental funds:

- Special Revenue Funds:
 - Library – Accounts for activity relating to various accounts restricted for library use
 - Shortner Park – Accounts for the expenses and revenues related to Shortner Park Cemetery Perpetual Care – Accounts for the expenses and revenues related to perpetual care of the cemetery

Proprietary Funds

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow.

The City reports the following major proprietary funds:

- Water Utility – Accounts for providing water service
- Sewer Fund – Accounts for providing sewer service

Fiduciary Funds (Not included in Government-Wide Statements)

Fiduciary funds consist of pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments.

A fund is presented as a fiduciary fund when all of the following criteria are met: a) The government controls the assets that finance the activity, b) Assets are not generated from the government's own-source revenues or from government-mandated or voluntary nonexchange transactions, c) Assets are administered through a qualifying trust or the government does not have administrative involvement and the assets are not generated from the government's delivery of goods or services to the beneficiaries, or the assets are for the benefit of entities that are not part of the government's reporting entity.

The City reports the following fiduciary fund:

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

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BASIS OF ACCOUNTING

The government-wide financial statements and fund financial statements for the proprietary funds are presented 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 recognized at the time the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Deferred outflows of resources represent a consumption of resources that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of resources that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Unbilled receivables are recorded as revenues when services are provided.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Utility and Sewer Fund are charges to customers for providing service to the City's residents and businesses. Operating expenses for proprietary funds include the cost of providing these services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., 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.

The City's property taxes are levied on or before December 31 on the assessed valuation as of the prior January 1 for all general property located in the City. The taxes are due and payable in the following year. Property taxes are recorded in the year levied as taxes receivable and deferred inflows. Property taxes are recognized in the appropriate fund as revenues in the succeeding year when they are collected and available to finance services.

In addition to property taxes for the City, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying custodial fund statement of fiduciary net position.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BASIS OF ACCOUNTING (Continued)

The aggregate amount of property taxes to be levied for City purposes is determined according to provisions of Chapter 120 of the Wisconsin Statutes. Property taxes levied by the City are certified to local taxing districts for collection. Property taxes attach as an enforceable lien as of January 1.

Property tax calendar – 2021 tax roll:

Lien date and levy date	January 2022
Tax bills mailed	December 2021
Payment in full or first installment due	January 31, 2022
Second installment due	July 31, 2022
Tax sale – 2021 delinquent real estate taxes	October 2024

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

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

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, 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.

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

Estimates

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

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. MEASUREMENT FOCUS

On the Government-Wide Statement of Net Position and Statement of Activities, governmental activities are presented using the economic resources measurement focus. Under this concept, revenues and expenses are matched using the accrual basis of accounting.

The measurement focus of all governmental funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred inflows or nonspendable fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide financial statements but are excluded from the governmental fund financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

E. CASH AND INVESTMENTS

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

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

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.

F. INVENTORIES AND PREPAID ITEMS

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

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. CAPITAL ASSETS

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$2,500 for general capital assets and infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated acquisition value at the date of donation. Capital assets not being depreciated include land and construction in progress. As allowed by accounting standards, the City has chosen not to retroactively capitalize its infrastructure assets. Therefore, infrastructure assets have been capitalized starting January 1, 2004.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Land Improvements	26 - 80 years
Buildings and Improvements	7 - 95 years
Machinery and Equipment	5 - 45 years
Infrastructure	20 - 30 years
Vehicles	10 - 17 years
Utility plant	7 - 75 years

Fund Financial Statements

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

H. INTERFUND RECEIVABLES AND PAYABLES

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”. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

J. 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, enterprise, and fiduciary 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, or are payable with expendable available 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, 2021 are determined on the basis of current salary rates and include salary related payments.

K. LONG-TERM OBLIGATIONS

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

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds 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 deferred and amortized over the life of the issue using the straight-line method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the balance sheet.

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

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. CLAIMS AND JUDGMENTS

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

M. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

N. PENSIONS

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), 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 the 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.

O. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

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

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

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. EQUITY CLASSIFICATIONS

Government-Wide Statements

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.
- b. Restricted net position – Consists of net positions with constraints placed on the 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 does not meet the definition of “restricted” or “net investment in capital assets”.

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

Fund Statements

Governmental fund equity is reported as fund balance and is classified as follows:

- a. Nonspendable – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- b. Restricted – amounts with externally imposed constraints placed on the use of resources by constitution, external resource providers, or through enabling legislation.
- c. Committed – amounts that can only be spent for specific purposes pursuant to constraints imposed by formal action by the City Council. A formal resolution by the City Council is required to establish, modify, or rescind a fund balance commitment.
- d. Assigned – amounts that are constrained by the City’s intent to be used for specific purposes, but are neither restricted nor committed.
- e. Unassigned – the residual classification for the General Fund representing amounts not restricted, committed, or assigned to specific purposes. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific purposes.

When the City incurs an expenditure for purposes for which various fund balance classifications can be used, it is the City’s policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. BASIS FOR EXISTING RATES – PROPRIETARY FUNDS

Water Utility

The current water rates were approved by the PSCW on July 9, 2015 and placed into effect by the Water Utility in August 2015.

Sewer Fund

Current sewer rates were approved in April 2016 and placed into effect by the Sewer Fund on April 28, 2016.

R. SUMMARIZED COMPARATIVE INFORMATION

The basic financial statements include certain prior year summarized comparative information in total, but not at the level of detail for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

S. RECLASSIFICATIONS

Certain 2020 amounts have been reclassified to conform to the 2021 presentation.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. 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.C.

A budget has been adopted only for the General Fund. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds receiving a tax levy.

The budgeted amounts presented include any amendments made during the year. The Common Council may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by two-thirds of the Common Council. There were no supplemental appropriations during the year. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year.

The City does not prepare annual operating budgets for Special Revenue, Capital Projects, Debt Service, and Proprietary Funds for financial reporting purposes.

**CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

B. BOND COVENANT DISCLOSURE

As part of the 2012 and 2021 Water Revenue Bond resolutions, certain information is required to be disclosed.

Compliance with Insurance Requirements

The water utility is in compliance with combined insurance requirements.

Number of Customers

The water utility served the following number of customers at December 31, 2021:

	Water
Residential	699
Commercial	114
Industrial	19
Public authority	24
Multifamily residential	39
Totals	895

Compliance with Funding Requirements

The Water Utility is in compliance with bond requirements.

Debt Coverage

2021 required and actual coverage factors are as follows:

Actual Defined Earnings	Water
Change in net position	\$ 358,546
Less: Capital contributions	(18,803)
Plus:	
Interest expense	314,929
Depreciation	606,107
Amortization	1,144
Tax equivalent	148,530
Income available for debt service	\$ 1,410,453
Annual debt service requirements	\$ 588,697
2021 calculated coverage ratio	2.40
Required coverage ratio	1.25

**CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

NOTE 3. DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

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

1. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in the State of Wisconsin.
2. 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, local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or by the Wisconsin Aerospace Authority.
3. Bonds or securities issued or guaranteed by the federal government.
4. The Local Government Investment Pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

The carrying amount of the City's cash and investments totaled \$5,623,983 on December 31, 2021 and is summarized below:

Petty cash funds and cash on hand	\$ 474
Deposits with financial institutions	5,623,509
	\$ 5,623,983

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:

Cash and investments	\$ 4,474,907
Restricted cash and investments	767,260

Statement of Fiduciary Net Position:

Cash and investments	381,816
	\$ 5,623,983

Deposits and investments of the City are subject to various risks. Following is a discussion of the specific risks and the City's policy related to the risk.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (Continued)

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure the City’s deposits may not be returned to it. The City evaluates custodial credit risk through periodic monitoring of the financial condition of financial institutions where deposits are held. Formal written custodial risk policies have not been adopted by the City. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit. As of December 31, 2021, \$5,064,766 of the City’s deposits with financial institutions was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 3,307,341
Uninsured and collateralized with securities held	1,757,425
Total	<u>\$ 5,064,766</u>

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts and \$250,000 for demand deposits. Deposits are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual organizations. This coverage has not been considered in computing the above amounts.

Interest Rate Risk – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Wisconsin State Statute limits the maturity of commercial paper and corporate bonds to not more than seven years.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin Statute limits investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations.

Concentration of Credit Risk – The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. The City had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

B. RECEIVABLES

Receivables as of year end for the government’s individual major and fiduciary funds in the aggregate are as follows:

	General	TIF Districts	Fiduciary	Total
Total receivables	\$ 797,096	\$ 861,087	\$ 1,797,168	\$3,455,351
Amounts not expected to be collected within one year	\$ -	\$ 76,234	\$ -	\$ 76,234

C. RESTRICTED CASH

In the Water and Sewer Enterprise Funds, restricted cash is reserved in accordance with utility revenue bond ordinances and can only be used in the following ways:

Bond Principal and Interest Accounts – Payments from these accounts can be made only for interest and principal and paying agent’s fees as such become due.

Bond Reserve Accounts – Payments from the accounts may be made only to prevent default in the event the monies in the bond principal and interest accounts are insufficient to make payments when due.

Bond Depreciation and Replacement Account – Payments from the account may be made for making emergency replacements, repairs and additions to the City’s combined waterworks and sewerage system if other funds are not available. The Water Utility and Sewer Fund are required to deposit funds annually in the plant replacement fund to satisfy terms of the user charge ordinance. At December 31, 2021, the replacement and depreciation fund’s cash balance was \$559,903.

At December 31, 2021, enterprise fund restricted cash consisted of the following:

	Water	Sewer
Replacement and depreciation	\$ 279,181	\$ 280,722
Debt service escrow account	176,546	30,811
Total restricted cash	\$ 455,727	\$ 311,533

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

D. CAPITAL ASSETS

Capital asset activity for governmental activity for the year ended December 31, 2021 was as follows:

	Balance 1/1/2021	Additions	Deletions	Balance 12/31/2021
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 1,242,972	\$ -	\$ 14,286	\$ 1,228,686
Total capital assets not being depreciated	1,242,972	-	14,286	1,228,686
Capital assets being depreciated:				
Land improvements	332,490	-	-	332,490
Buildings and improvements	5,974,715	21,975	-	5,996,690
Machinery and equipment	925,121	254,500	116,250	1,063,371
Infrastructure	8,588,342	1,075,467	204,000	9,459,809
Total capital assets being depreciated	15,820,668	1,351,942	320,250	16,852,360
Less: Accumulated depreciation:				
Land improvements	(187,483)	(10,416)	-	(197,899)
Buildings and improvements	(1,110,090)	(92,169)	-	(1,202,259)
Machinery and equipment	(667,134)	(44,522)	(93,000)	(618,656)
Infrastructure	(1,352,087)	(324,016)	(149,560)	(1,526,543)
Total accumulated depreciation	(3,316,794)	(471,123)	(242,560)	(3,545,357)
Net governmental capital assets	\$ 13,746,846	\$ 880,819	\$ 91,976	\$ 14,535,689

Depreciation expense was charged to functions as follows:

Governmental activities	
General government	\$ 32,393
Public safety	35,294
Public works, which includes the depreciation of road network	369,973
Culture and recreation	33,463
Total governmental activities depreciation expense	\$ 471,123

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

D. CAPITAL ASSETS (Continued)

Capital asset activity for proprietary funds for the year ended December 31, 2021 was as follows:

	Balance 1/1/2021	Additions	Deletions	Balance 12/31/2021
<u>Water</u>				
Capital assets not being depreciated:				
Land and land rights	\$ 850,985	\$ -	\$ -	\$ 850,985
Construction in progress	-	12,500	-	12,500
Total capital assets not being depreciated	850,985	12,500	-	863,485
Capital assets being depreciated:				
Source of supply	3,119,004	-	-	3,119,004
Pumping	813,610	-	-	813,610
Water treatment	9,304,839	-	-	9,304,839
Transmission and distribution	6,477,129	23,203	10,560	6,489,772
General	931,705	46,407	-	978,112
Total capital assets being depreciated	20,646,287	69,610	10,560	20,705,337
Total water plant	<u>\$21,497,272</u>	<u>\$ 82,110</u>	<u>\$ 10,560</u>	<u>\$21,568,822</u>
<u>Sewer</u>				
Capital assets not being depreciated:				
Land and land rights	\$ 2,000	\$ -	\$ -	\$ 2,000
Total capital assets not being depreciated	2,000	-	-	2,000
Capital assets being depreciated:				
Collecting and treatment system	15,288,024	34,351	3,750	15,318,625
General	104,943	-	-	104,943
Total capital assets being depreciated	15,392,967	34,351	3,750	15,423,568
Total sewer plant	<u>\$15,394,967</u>	<u>\$ 34,351</u>	<u>\$ 3,750</u>	<u>\$15,425,568</u>

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

D. CAPITAL ASSETS (Continued)

A summary of depreciation rates and accumulated depreciation for water and sewer follows:

Fund	Depreciation Rate	Balance 1/1/2021	2021 Depreciation Expense	2021 Meter Reading Allocation	2021	Balance 12/31/2021
					Retirements and Removals	
Water	.74% - 15.00%	\$ 7,566,292	\$ 606,107	\$ 5,047	\$ 10,560	\$ 8,166,886
Sewer	1.00% - 15.00%	3,151,657	313,212	(5,047)	3,749	3,456,073
		<u>\$10,717,949</u>	<u>\$ 919,319</u>	<u>\$ -</u>	<u>\$ 14,309</u>	<u>\$11,622,959</u>

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Purpose	Amount
General Fund	Water Utility	Expense reimbursement	\$ 127,525
Water Utility	Capital Projects Fund	Expense reimbursement	489,733

Beginning in 2013, the advance from the General Fund to the Water Utility will be repaid over a 15 year period. The advance from the Water Utility to the Capital Projects Fund will be repaid in 2022 when the Capital Projects Fund receives Safe Route to School grant proceeds.

The following is a schedule of interfund receivables/payables:

Receivable Fund	Payable Fund	Purpose	Amount
General Fund	TID No. 6	Expense reimbursement	\$ 67,481
Sewer Fund	General Fund	Expense reimbursement	194,075
Sewer Fund	Water Utility	Expense reimbursement	339

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (Continued)

The following is a schedule of transfers:

<u>Transfers Out:</u>	<u>Transfers In:</u>	<u>Purpose:</u>	<u>Amount</u>
Water Utility	General Fund	Property tax equivalent	\$ 148,530
General Fund	Library Fund	Municipal appropriation	90,355
Total transfers in - governmental funds			<u>238,885</u>
Adjustments to Government-wide Statement of Activities:			
Interfund activity eliminated in the Government-wide Statement of Activities			(90,355)
			<u>\$ 148,530</u>

F. DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES

Deferred inflows and outflows of resources at December 31, 2021, on the government-wide statement of net position consist of the following:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Deferred pension outflows	\$ 182,086	\$ 175,528	\$ 357,614
Total deferred outflows of resources	<u>\$ 182,086</u>	<u>\$ 175,528</u>	<u>\$ 357,614</u>
	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Deferred pension inflows	\$ 241,543	\$ 232,844	\$ 474,387
Tax levy for subsequent year	1,862,535	-	1,862,535
Total deferred inflows of resources	<u>\$ 2,104,078</u>	<u>\$ 232,844</u>	<u>\$ 2,336,922</u>

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

G. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2021 was as follows:

	Balance 1/1/2021	Increases	Decreases	Balance 12/31/2021	Amounts Due Within One Year
Governmental Activities					
Bonds	\$ 5,695,000	\$ -	\$ 475,000	\$ 5,220,000	\$ 495,000
Add/Subtract Amounts For:					
Premiums/Discount on debt	(17,166)	-	(2,063)	(15,103)	-
Total bonds and notes payable	5,677,834	-	472,937	5,204,897	495,000
Other liabilities:					
Compensated absences	50,514	13,018	-	63,532	-
Landfill post-closure care costs	257,901	-	11,213	246,688	11,213
Total other liabilities	308,415	13,018	11,213	310,220	11,213
Long-term liabilities	<u>\$ 5,986,249</u>	<u>\$ 13,018</u>	<u>\$ 484,150</u>	<u>\$ 5,515,117</u>	<u>\$ 506,213</u>
Business-Type Activities					
Bonds from direct borrowings and direct placements	\$ 14,585,600	\$ -	\$ 299,600	\$ 14,286,000	\$ 306,300
Bonds - taxable	2,435,900	2,630,000	2,650,900	2,415,000	200,000
Add/Subtract Amounts For:					
Premiums/Discount on debt	(6,863)	-	(1,144)	(5,719)	-
Total bonds and notes payable	17,014,637	2,630,000	2,949,356	16,695,281	506,300
Other liabilities:					
Compensated absences	34,107	-	55	34,052	-
Total other liabilities	34,107	-	55	34,052	-
Long-term liabilities	<u>\$ 17,048,744</u>	<u>\$ 2,630,000</u>	<u>\$ 2,949,411</u>	<u>\$ 16,729,333</u>	<u>\$ 506,300</u>

All general obligation notes and bonds payable are backed by the full faith and credit of the City. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the Debt Service Fund. Enterprise funds general obligation debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies. The compensated absences liability and the landfill post-closure care costs liability attributed to governmental activities are being liquidated in the General Fund.

**CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

G. LONG-TERM OBLIGATIONS (Continued)

In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the equalized value of taxable property within the City's jurisdiction. The debt limit as of December 31, 2021 was \$8,228,090. Total general obligation debt outstanding at year end was \$3,400,000.

Governmental activities long term debt at December 31, 2021 consisted of the following individual issues:

	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	Balance 12/31/2021
<u>Governmental Activities</u>					
G.O. bonds	7/29/2020	10/1/2040	.40-2.3%	\$ 2,080,000	\$ 1,980,000
G.O. refunding bonds	8/15/2012	3/1/2029	2.0-3.10%	2,325,000	1,420,000
TID revenue bond	12/21/2018	10/1/2028	4.30%	2,325,000	1,820,000
Total governmental activities					<u>\$ 5,220,000</u>

Debt service requirements to maturity are as follows:

<u>Governmental Activities</u>		
	<u>Bonds</u>	
<u>Years</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 495,000	\$ 144,260
2023	505,000	130,035
2024	525,000	115,218
2025	540,000	99,263
2026	555,000	82,378
2027-2031	1,695,000	176,375
2032-2036	595,000	69,595
2037-2040	310,000	14,460
Totals	<u>\$ 5,220,000</u>	<u>\$ 831,584</u>

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

G. LONG-TERM OBLIGATIONS (Continued)

Business-type activities debt at December 31, 2021 consisted of the following individual issues:

	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	Balance 12/31/2021
<u>Business-Type Activities</u>					
Water revenue bond	3/26/2012	10/1/2051	2.25%	\$ 9,187,000	\$ 7,511,700
Water taxable refunding revenue bond	1/27/2021	10/1/2037	.6%-3.0%	2,630,000	2,415,000
Sewer revenue bond	6/16/2016	5/1/2056	2.25%	7,376,000	6,774,300
Total business-type activities					<u>\$16,701,000</u>

Debt service requirements to maturity are as follows:

Years	Business-Type Activities					
	Bonds from Direct Borrowings and Direct Placements		Taxable Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 306,300	\$ 318,993	\$ 200,000	\$ 43,078	\$ 506,300	\$ 362,071
2023	313,300	312,046	195,000	41,678	508,300	353,724
2024	320,400	304,940	200,000	40,020	520,400	344,960
2025	327,700	297,673	200,000	38,020	527,700	335,693
2026	335,100	290,241	200,000	35,720	535,100	325,961
2027-2031	1,793,100	1,333,690	650,000	140,520	2,443,100	1,474,210
2032-2036	2,005,800	1,120,906	625,000	75,225	2,630,800	1,196,131
2037-2041	2,243,800	882,883	145,000	4,349	2,388,800	887,232
2042-2046	2,510,000	616,623	-	-	2,510,000	616,623
2047-2051	2,807,900	318,758	-	-	2,807,900	318,758
2052-2056	1,322,600	75,740	-	-	1,322,600	75,740
Totals	<u>\$ 14,286,000</u>	<u>\$ 5,872,493</u>	<u>\$2,415,000</u>	<u>\$ 418,610</u>	<u>\$ 16,701,000</u>	<u>\$6,291,103</u>

Other Requirements

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

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

G. LONG-TERM OBLIGATIONS (Continued)

Under the terms of the Taxable Water System Revenue Bond Issue of 2021, the Municipal Water Utility is required to maintain certain “reserve” accounts. The accounts are created and maintained by income and revenue of the Utility. At December 31, 2021, the Utility has allocated cash revenues as required by the indenture.

H. GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2021 include the following:

Nonspendable	
Major Fund:	
General Fund:	
Advances to other funds	\$ 127,525
Total nonspendable fund balance	<u>127,525</u>
Restricted	
Major Fund:	
Tax Incremental Financing Districts	203,902
Nonmajor Funds:	
Library Fund	52,359
Shortner Park Fund	16,225
Cemetery Perpetual Care Fund	38,423
Total restricted fund balance	<u>310,909</u>
Unassigned	
Major Funds:	
Tax Incremental Financing Districts (deficit)	(149,872)
Capital Projects Fund (deficit)	(195,681)
General Fund	396,147
Total unassigned fund balance (deficit)	<u>50,594</u>
Total governmental fund balances	<u><u>\$ 489,028</u></u>

**CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

I. PENSION PLAN

General Information about the Pension Plan

Plan Description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

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

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

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

The WRS also provides death and disability benefits for employees.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

I. PENSION PLAN (Continued)

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0

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

During the reporting period, the WRS recognized \$36,549 in contributions from the employer.

Contribution rates as of December 31, 2021 are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.75%
Protective without Social Security	6.75%	16.35%

**CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

I. PENSION PLAN (Continued)

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

At December 31, 2021, the City reported a liability (asset) of \$(216,675) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the City's proportion was 0.00347061%, which was an increase of 0.00012804% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense of \$22,650.

At December 31, 2021, 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 expected and actual experience	\$ 313,594	\$ (67,547)
Net differences between projected and actual earnings on pension plan investments	-	(406,790)
Changes in assumptions	4,914	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,557	(50)
Employer contributions subsequent to the measurement date	<u>36,549</u>	<u>-</u>
Total	<u>\$ 357,614</u>	<u>\$ (474,387)</u>

**CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

I. PENSION PLAN (Continued)

\$36,549 reported as deferred outflows of resources related to pension resulting from the City’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, 2022. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense (revenue) as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2022	\$ (39,210)
2023	(9,985)
2024	(73,087)
2025	(31,040)
2026	-
Total	\$ (153,322)

Actuarial Assumptions. The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-Retirement Adjustments	1.9%*

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

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total Pension Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

I. PENSION PLAN (Continued)

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

Asset Allocation Targets and Expected Returns

As of December 31, 2020

<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.1
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	<u>115</u>	6.6	4.1
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	<u>100</u>	7.1	4.6

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%
 Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

**CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

I. PENSION PLAN (Continued)

Single Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00%. (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, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the City’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7%, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the net pension liability (asset)	\$ 206,244	\$ (216,675)	\$ (527,306)

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

Allocation of Pension Plan

Pension amounts are allocated between the Proprietary Funds and the General Fund based on the percentage of required contributions of each fund to the whole.

Payables to the Pension Plan

At December 31, 2021, the City had \$8,262 due to the pension plan.

**CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

J. STATUS OF TAX INCREMENTAL FINANCING DISTRICTS

Summary Description

The City has created a Tax Incremental Financing Districts (TIF District or TID) in accordance with Section 66.1105 of the Wisconsin Statutes. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after creation of the district. The tax on the increased value is called a tax increment.

Generally, the statutes provide that no project costs may be expended later than seven years after the creation date of the district. The statutes further allow the municipality to collect tax increments for sixteen years after the last project expenditure is made or until the net project cost of the district has been recovered, whichever occurs first. The 1995-97 state budget act changed these timeframes for districts created prior to October 1, 1995. The budget act extended the project expenditure period for these districts from seven years to ten years. Also, the budget act established a maximum life of twenty-seven years on these districts. Project costs uncollected at the dissolution date are absorbed by the municipality.

The State enacted several changes relating to tax incremental financing districts in 2004. One of these changes extends the expenditure period for all current and future districts, effective October 1, 2004, to five years prior to the termination of the district's unextended maximum life. For those districts that have reached the end of its expenditure period prior to October 1, 2004, it allows a municipality to expend additional project costs included in the project plan beginning October 1, 2004.

The City created Tax Incremental Financing District No. 5 in 2008. In 2016, the City created Tax Incremental Financing Districts No. 6 and No. 7. A summary of the project plans and status are as follows:

	Cumulative To Date	Per Project Plan
TIF District No. 5		
Revenues and other sources:		
Tax increments	\$ 653,150	\$ 18,855,167
Intergovernmental	47,716	-
Proceeds of long-term debt	240,000	-
Miscellaneous revenues	983	-
Total revenues and other sources	\$ 941,849	\$ 18,855,167
Expenditures:		
Capital expenditures	\$ 316,849	\$ 11,550,000
Developer incentives	115,000	1,614,307
Administration	39,948	185,000
Principal	239,991	-
Interest and fiscal charges	56,440	5,505,860
Total expenditures	\$ 768,228	\$ 18,855,167

**CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

J. STATUS OF TAX INCREMENTAL FINANCING DISTRICTS (Continued)

	<u>Cumulative To Date</u>	<u>Per Project Plan</u>
TIF District No. 6		
Revenues and other sources:		
Tax increments	\$ 1,948,015	\$ 5,875,691
Intergovernmental	492,727	-
Proceeds of long-term debt	3,345,000	-
Miscellaneous revenues	46,450	-
Total revenues and other sources	<u>\$ 5,832,192</u>	<u>\$ 5,875,691</u>
Expenditures:		
Capital expenditures	\$ 4,992,306	\$ 3,445,000
Developer incentives	-	350,000
Administration	66,027	50,000
Principal	560,000	-
Interest and fiscal charges	363,731	1,255,644
Total expenditures	<u>\$ 5,982,064</u>	<u>\$ 5,100,644</u>
TIF District No. 7		
Revenues and other sources:		
Tax increments	\$ 36,766	\$ 2,319,878
Miscellaneous revenues	40	-
Total revenues and other sources	<u>\$ 36,806</u>	<u>\$ 2,319,878</u>
Expenditures:		
Capital expenditures	\$ -	\$ 1,625,000
Developer incentives	-	100,000
Administration	6,525	25,000
Interest and fiscal charges	-	569,878
Total expenditures	<u>\$ 6,525</u>	<u>\$ 2,319,878</u>

Current valuations of the Districts are as follows:

	<u>TID No. 5</u>	<u>TID No. 6</u>	<u>TID No. 7</u>
Current value	\$ 12,605,500	\$ 43,586,800	\$ 2,081,900
Base value	12,412,900	5,748,000	1,619,500
Increment	<u>\$ 192,600</u>	<u>\$ 37,838,800</u>	<u>\$ 462,400</u>

The intent of the City is to recover the above amounts from future TID surplus funds, if any, prior to termination of the TID. Unless terminated by the City prior thereto, TID No. 5 has a statutory termination year of 2028, and TID No. 6 and No. 7 have a statutory termination year of 2036.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

K. SIGNIFICANT CUSTOMERS

The Water Utility has one significant industrial customer that is responsible for 56% of water service revenues. The Water Utility has a user agreement with this industrial customer that, in the event that its calendar year water consumption is less than the minimum amount of 90,000,000 gallons per year, the customer shall subsidize the difference between actual usage and the minimum 90,000,000 gallons per year. There were no subsidized amounts for the year ended December 31, 2021.

NOTE 4. OTHER INFORMATION

A. COMMITMENTS AND CONTINGENCIES

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.

Funding for the operating budget of the City comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the City. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the City.

B. RISK MANAGEMENT

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

C. JOINT VENTURES

The City of Abbotsford and the City of Colby jointly participate in the Colby-Abbotsford Police Commission to provide law enforcement services. The City of Abbotsford has a 55% interest in the Colby-Abbotsford Police Commission. The governing body is made up of members appointed by the participating municipalities. The governing body has authority to adopt its own budget and control the affairs of the Commission. The expenditures in the accompanying 2021 financial statements include the City's payments for the Commission for operations in the amount of \$459,532. The investment in the Commission has not been reflected in the statement of net position. Audited financial statements of the Police Commission for 2021 are not currently available.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 4. OTHER INFORMATION (Continued)

D. EFFECT OF NEW ACCOUNTING STANDARD ON CURRENT YEAR FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 87, *Leases*, GASB Statement No. 91, *Conduit Debt Obligations*, and GASB 96, *Subscription based Information Technology Arrangements*. When these become effective, application of these standards may restate portions of these financial statements.

E. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

The reported post-closure care liability represents the estimated cumulative cost to perform all post-closure care. Actual costs may differ due to inflation or deflation, changes in technology, or changes in applicable laws or regulations. The estimated liability for landfill post-closure care costs as of December 31, 2021 was \$246,688 and has been reported on the Statement of Net Position.

The City is required by State laws and regulations to ensure that future closure and post-closure care costs are financed. The City has met the financial assurance requirements by establishing a line of credit in the amount of \$325,179. Any draws on this line of credit are intended to be used for landfill post-closure costs. No draws were made in 2021. If additional post-closure care requirements are determined or actual costs exceed the estimate, these costs may need to be covered by future tax revenue.

F. TAX ABATEMENTS

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City of Abbotsford, through TID No. 6, has entered into a tax abatement agreement with developers in the form of tax incremental financing incentives to stimulate economic development. The abatements are authorized through a development agreement. The agreement required the City to pay the developer a cash sum of \$20,000 upon the sale of land from the City to the developer during the year ended December 31, 2019. In exchange, the developer agrees to construct two residential apartment buildings on the land and make other related improvements to the land.

G. SUBSEQUENT EVENTS

Subsequent to year end, the City awarded construction contracts for various projects for approximately \$745,000. These projects will be funded in part by a Community Development Block Grant of up to \$1 million that the City was awarded during 2021.

DRAFT

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ABBOTSFORD, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2021

With Comparative Actual Totals for Year Ended December 31, 2020

	2021		Actual	Variance with Final Budget Favorable (Unfavorable)	2020 Actual Totals (Memorandum Only)
	Budgeted Amounts				
	Original	Final			
Revenues:					
Taxes and special assessments	\$ 735,041	\$ 735,041	\$ 722,869	\$ (12,172)	\$ 748,013
Intergovernmental	719,838	719,838	716,579	(3,259)	718,783
Licenses and permits	21,552	21,552	27,624	6,072	29,475
Penalties and forfeitures	-	-	57,831	57,831	44,837
Public charges for services	113,001	113,001	114,385	1,384	111,352
Interest	10,400	10,400	5,073	(5,327)	15,866
Miscellaneous general revenues	74,399	74,399	183,373	108,974	183,128
Total revenues	<u>1,674,231</u>	<u>1,674,231</u>	<u>1,827,734</u>	<u>153,503</u>	<u>1,851,454</u>
Expenditures:					
Current:					
General government	230,198	230,198	213,801	16,397	209,707
Public safety	664,452	664,452	640,938	23,514	654,897
Public works	494,282	494,282	445,273	49,009	487,818
Culture and recreation	49,944	49,944	61,545	(11,601)	55,647
Conservation and development	306,000	306,000	24,268	281,732	29,137
Capital outlay:					
Public works	-	-	496,673	(496,673)	209,453
Total expenditures	<u>1,744,876</u>	<u>1,744,876</u>	<u>1,882,498</u>	<u>(137,622)</u>	<u>1,646,659</u>
Excess (deficiency) of revenues over expenditures	<u>(70,645)</u>	<u>(70,645)</u>	<u>(54,764)</u>	<u>15,881</u>	<u>204,795</u>
Other financing sources (uses):					
Transfers in	161,000	161,000	148,530	(12,470)	150,875
Transfers out	(90,355)	(90,355)	(90,355)	-	(92,331)
Total other financing sources (uses)	<u>70,645</u>	<u>70,645</u>	<u>58,175</u>	<u>(12,470)</u>	<u>58,544</u>
Net change in fund balance	-	-	3,411	3,411	263,339
Fund balance, January 1	520,261	520,261	520,261	-	256,922
Fund balance, December 31	<u>\$ 520,261</u>	<u>\$ 520,261</u>	<u>\$ 523,672</u>	<u>\$ 3,411</u>	<u>\$ 520,261</u>

See notes to required supplementary information.

CITY OF ABBOTSFORD, WISCONSIN
WISCONSIN RETIREMENT SYSTEM SCHEDULES
For the Year Ended December 31, 2021

Schedule of City's Proportionate Share of the Net Pension Liability (Asset)
Last 10 Calendar Years

Year ended December 31,	City's proportionate share of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	City's covered- employee payroll	Collective net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2020	(0.00347061%)	\$ (216,675)	\$ 597,264	(36.28%)	105.26%
2019	(0.00334257%)	(107,778)	573,547	(18.79%)	102.96%
2018	0.00321639%	114,429	498,152	22.97%	96.45%
2017	(0.00323885%)	(96,165)	474,906	(20.25%)	102.93%
2016	0.00325685%	26,844	464,037	5.78%	99.12%
2015	0.00326557%	53,066	470,254	11.28%	98.20%
2014	(0.00332772%)	(81,737)	454,874	(17.97%)	102.74%

Schedule of Contributions
Last 10 Calendar Years

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered-employee payroll
2021	\$ 36,549	\$ (36,549)	\$ -	\$ 541,464	6.8%
2020	40,316	(40,316)	-	597,264	6.8%
2019	37,567	(37,567)	-	573,547	6.5%
2018	33,376	(33,376)	-	498,152	6.7%
2017	32,294	(32,294)	-	474,906	6.8%
2016	30,626	(30,626)	-	464,037	6.6%
2015	31,977	(31,977)	-	470,254	6.8%

See notes to required supplementary information.

CITY OF ABBOTSFORD, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2021

WISCONSIN RETIREMENT SYSTEM SCHEDULES

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

Changes of Assumptions. No significant changes in assumptions were noted from the prior year.

Governmental Accounting Standards Board Statement No. 68 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 3 preceding years.

EXCESS EXPENDITURES OVER APPROPRIATIONS

The City controls expenditures at the department level. Any excess expenditures were financed by revenues in excess of budget and fund balance. The General Fund experienced expenditures which exceeded appropriations as follows:

Fund	Budgeted Expenditures	Actual Expenditures	Expenditures Over Appropriations
General Fund:			
Current:			
Culture and recreation	\$ 49,944	\$ 61,545	\$ (11,601)
Capital outlay:			
Public works	-	496,673	(496,673)

DRAFT

OTHER SUPPLEMENTARY INFORMATION

CITY OF ABBOTSFORD, WISCONSIN
COMBINING BALANCE SHEET
TAX INCREMENTAL FINANCING DISTRICTS
As of December 31, 2021
With Comparative Totals for December 31, 2020

	TIF District No. 5	TIF District No. 6	TIF District No. 7	2021 Total Tax Incremental Financing Districts	2020 Totals (Memorandum Only)
Assets					
Cash and investments	\$ 174,561	\$ -	\$ 32,957	\$ 207,518	\$ 302,168
Receivables:					
Taxes and special assessments	4,656	766,942	13,255	784,853	703,421
Other	-	76,234	-	76,234	92,358
Total assets	<u>\$ 179,217</u>	<u>\$ 843,176</u>	<u>\$ 46,212</u>	<u>\$ 1,068,605</u>	<u>\$ 1,097,947</u>
Liabilities					
Accounts payable	\$ -	\$ 3,518	\$ -	\$ 3,518	\$ 214,967
Accrued liabilities	-	292	-	292	118
Due to other funds	-	67,481	-	67,481	-
Total liabilities	<u>-</u>	<u>71,291</u>	<u>-</u>	<u>71,291</u>	<u>215,085</u>
Deferred inflows of resources					
Subsequent year tax apportionment	5,596	921,757	15,931	943,284	884,458
Total deferred inflows of resources	<u>5,596</u>	<u>921,757</u>	<u>15,931</u>	<u>943,284</u>	<u>884,458</u>
Fund balances					
Restricted	173,621	-	30,281	203,902	173,353
Unassigned (deficit)	-	(149,872)	-	(149,872)	(174,949)
Total fund balances (deficit)	<u>173,621</u>	<u>(149,872)</u>	<u>30,281</u>	<u>54,030</u>	<u>(1,596)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 179,217</u>	<u>\$ 843,176</u>	<u>\$ 46,212</u>	<u>\$ 1,068,605</u>	<u>\$ 1,097,947</u>

CITY OF ABBOTSFORD, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
TAX INCREMENTAL FINANCING DISTRICTS
For the Year Ended December 31, 2021
With Comparative Totals for Year Ended December 31, 2020

	TIF District No. 5	TIF District No. 6	TIF District No. 7	2021 Total Tax Incremental Financing Districts	2020 Totals (Memorandum Only)
Revenues:					
Property taxes	\$ 3,581	\$ 868,882	\$ 11,996	\$ 884,459	\$ 469,268
Intergovernmental	15,272	478,854	-	494,126	17,544
Interest income	-	2,125	-	2,125	2,328
Miscellaneous revenues	-	3,500	-	3,500	25,050
Total revenues	<u>18,853</u>	<u>1,353,361</u>	<u>11,996</u>	<u>1,384,210</u>	<u>514,190</u>
Expenditures:					
Current:					
Conservation and development	150	20,846	150	21,146	24,820
Capital outlay:					
Public works	-	929,286	-	929,286	-
Culture and recreation	-	-	-	-	1,365,279
Debt service:					
Principal	-	275,000	-	275,000	222,009
Interest and fiscal charges	-	103,152	-	103,152	122,633
Total expenditures	<u>150</u>	<u>1,328,284</u>	<u>150</u>	<u>1,328,584</u>	<u>1,734,741</u>
Excess (deficiency) of revenues over expenditures	<u>18,703</u>	<u>25,077</u>	<u>11,846</u>	<u>55,626</u>	<u>(1,220,551)</u>
Other financing sources (uses):					
Proceeds from long-term debt	-	-	-	-	1,020,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,020,000</u>
Net change in fund balances	18,703	25,077	11,846	55,626	(200,551)
Fund balances (deficit), January 1	<u>154,918</u>	<u>(174,949)</u>	<u>18,435</u>	<u>(1,596)</u>	<u>198,955</u>
Fund balances (deficit), December 31	<u>\$ 173,621</u>	<u>\$ (149,872)</u>	<u>\$ 30,281</u>	<u>\$ 54,030</u>	<u>\$ (1,596)</u>

CITY OF ABBOTSFORD, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR FUNDS
As of December 31, 2021
With Comparative Totals for December 31, 2020

	Special Revenue Funds			2021 Totals	2020 Totals (Memorandum Only)
	Library Fund	Shortner Park Fund	Cemetery Perpetual Care Fund		
Assets					
Cash and investments	\$ 55,573	\$ 16,225	\$ 38,423	\$ 110,221	\$ 108,390
Total assets	<u>\$ 55,573</u>	<u>\$ 16,225</u>	<u>\$ 38,423</u>	<u>\$ 110,221</u>	<u>\$ 108,390</u>
Liabilities					
Accounts payable	\$ 1,929	\$ -	\$ -	\$ 1,929	\$ 1,190
Accrued payroll	1,285	-	-	1,285	1,010
Total liabilities	<u>3,214</u>	<u>-</u>	<u>-</u>	<u>3,214</u>	<u>2,200</u>
Fund balances					
Restricted	52,359	16,225	38,423	107,007	106,190
Total fund balances	<u>52,359</u>	<u>16,225</u>	<u>38,423</u>	<u>107,007</u>	<u>106,190</u>
Total liabilities and fund balances	<u>\$ 55,573</u>	<u>\$ 16,225</u>	<u>\$ 38,423</u>	<u>\$ 110,221</u>	<u>\$ 108,390</u>

CITY OF ABBOTSFORD, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR FUNDS

For the Year Ended December 31, 2021
With Comparative Totals for Year Ended December 31, 2020

	Special Revenue Funds			2021 Totals	2020 Totals (Memorandum Only)
	Library Fund	Shortner Park Fund	Cemetery Perpetual Care Fund		
Revenues:					
Intergovernmental	\$ 40,911	\$ -	\$ -	\$ 40,911	\$ 33,208
Interest income	75	8	-	83	270
Miscellaneous general revenues	3,097	-	24	3,121	3,462
Total revenues	44,083	8	24	44,115	36,940
Expenditures:					
Current:					
Culture and recreation	130,585	-	-	130,585	125,927
Health and social services	-	-	-	-	57
Capital outlay:					
Culture and recreation	3,068	-	-	3,068	2,217
Total expenditures	133,653	-	-	133,653	128,201
Excess (deficiency) of revenues over expenditures	(89,570)	8	24	(89,538)	(91,261)
Other financing sources (uses):					
Transfers in	90,355	-	-	90,355	92,331
Total other financing sources (uses)	90,355	-	-	90,355	92,331
Net change in fund balances	785	8	24	817	1,070
Fund balances, January 1	51,574	16,217	38,399	106,190	105,120
Fund balances, December 31	\$ 52,359	\$ 16,225	\$ 38,423	\$ 107,007	\$ 106,190

Minutes from the September 21, 2022, Abbotsford City Council Meeting in the Abbotsford City Hall Council Chambers.

Mayor Weix called the Meeting to Order at 6:00.

Meeting was Posted According to State Statutes

Roll Call: M. Rachu, Nixdorf, D. Rachu, Diedrich, Read, Zeiset, Weideman, Espino

Pledge of Allegiance – Held

Others Present: Administrator Soyk, Neal Hogden (TP)

Comments by the Mayor – None.

Comments by the City Administrator- Administrator Soyk stated that the city was granted funding through the Safe Drinking Water Loan Program for the water tower rehab project and the water main replacement for Cedar St. Both projects are eligible for 60% principal forgiveness. The requested amount of funds for both projects was \$861,795 and the principal forgiveness on both projects is \$517,077. Soyk stated that the city might not be eligible to apply for another CDBG grant until 2024 which would delay the 5th Street reconstruction project.

Comments by the Public- None.

Minutes from the City Council Meeting held September 6, 2022- Motion to approve by *Zeiset/M. Rachu. Unanimous*

Incidents, Training, Accidents- Administrator Soyk stated that Bill Colby and himself took online classes to renew their water and wastewater certifications.

Fire Department Update- Mayor Weix stated that the fire department commission approved the purchase of a new command vehicle in the amount of \$37,947. The new vehicle is a Dodge Crew cab 4x4. The commission approved increasing the service fee schedule and wage increases. The commission approved the current bills in the amount of \$20,299.46. The checking account has a balance of \$90,430.83, the money market account has a balance of \$360,564.71, and the Abby Bank CD has a balance of \$300,000.

Approve/Disapprove Police Department Budget for 2023- The proposed 2023 budget is \$17,058 more than the 2022 budget. Administrator Soyk stated that for the 2022 budget Chief Bauer carried over leftover funds from 2021 to lower the cost for the municipalities. Alderman Zeiset noted that the overall police budget has increased by almost \$100,000. Soyk stated that most of that increase is due to wage increases, even though the wage increases are being funded by donations. Motion to approve the Police Department budget for 2023 by *M. Rachu/D. Rachu. Unanimous.*

Approve/Disapprove Operator's Licenses- Motion to approve by *Diedrich/M. Rachu. Zeiset-Opposed.* Motion carried 7-1.

Discussion: Weeds on Mainstreet- Alderman Weideman stated that tall weeds on Main Street has been an issue all year. Weideman stated that the city should not have to send letters to homeowners or businesses this late in the year telling them to cut their grass and trim the weeds. Alderman M. Rachu stated that there are properties throughout the city that has tall grass and weeds. Administrator Soyk stated that according to the ordinance's property owners are supposed to get a written notice telling them to mow their lawn or trim the weeds. If the property owner does not take care of the issue the city can mow the lawn or trim the weeds and charge the property owner a minimum fee of \$50.00. Alderman D. Rachu suggested sending out letters early in the year. Alder Espino asked if a letter can be included with the water bill. Administrator Soyk stated they could put an insert in with the water bill to every resident.

Water & Sewer Update- Water/Wastewater Supervisor Soyk stated that CTW Corporation will be here in October or November to drill 3 new test wells. The water department staff will start flushing and pumping hydrants next week.

Approve/Disapprove Current Bills in the Amount of \$745,955.10- The council reviewed the current bills. Motion to approve the current bills in the amount of \$745,955.10 by *Diedrich/Read*. *Unanimous*.

YTD Financials- The council reviewed the YTD financials.

City Bank Account Balances- The council reviewed the city bank account balances.

Next Meeting Dates- Monday, October 3, 2022 & Wednesday, October 19, 2022

Future Agenda Items-No Action Will Be Taken- Schilling Park parking lot & Shelter. Basketball hoops at Red Arrow Park.

Adjourn- Motion to Adjourn by *M. Rachu/Diedrich*. *The Abbotsford City Council Adjourned at 6:28 PM.*

Colby/Abbotsford Police Commission Meeting

September 12, 2022

6:30 P.M.

The Colby/Abbotsford Police Commission (CAPC) meeting was called to order by President Todd Schmidt at 6:30 p.m. at the Colby/Abbotsford Police Department (CAPD). Members present were: Todd Schmidt, Randy Hesgard, Sarah Diedrich, Roger Weideman, Mason Rachu and Dan Hederer. Also present were: Abbotsford Mayor Jim Weix, Colby Mayor Jim Schmidt, CAPD Officer Christian Lemay and CAPD Lieutenant Alex Bowman.

Comments from the Public: None

Minutes from the August 8, 2022 Meeting: Motion was made by Hederer, seconded by Rachu to approve the minutes from the August 8, 2022 meeting as presented. Motion carried with a voice vote.

Expenditures: Motion was made by Rachu, seconded by Hesgard to approve August expenditures as presented in the amount of \$19,064.22. Motion carried with a voice vote.

Chief's Report: Lieutenant Bowman said the CAPD had a good month with a number of arrests. He said the CAPD worked with the Marathon County Judge for about two months to secure a search warrant for a house in Colby. In cooperation with the Western Wisconsin Drug Task Force and officers from Clark, Dunn, Chippewa and Eau Claire counties, the search warrant was executed Sept. 9. A suspect was taken into custody on a felony warrant. Two other suspects were identified. Meth and cocaine were confiscated. The K-9 was used for perimeter coverage. Bowman said the effort to reduce drugs has been proactive and successful. There was no K-9 report available for August. Bowman said there had been several deployments. There were 835 total CAPD activities reported for the month of August, with a year-to-date total of 6,536, compared to 6,553 total CAPD activities reported for the first eight months of 2021. The mayors signed the police contract addendum.

2023 Budget: The 2023 budget prepared by CAPD Police Chief Bauer is limited to a 1.9% increase. Increases were calculated in fuel and auto repair line items. Wage increases were calculated, with a corresponding increase in revenues from donations to cover most of the costs. A grant of \$3,000 will be received to cover Officer Nelson's mileage expenses to and from the recruit academy at NTC in Wausau. Motion was made by Hederer, seconded by Hesgard to recommend to the Abbotsford and Colby city councils approval of a 2023 budget in the amount of \$1,048,010, with Abbotsford's share of \$486,703 and Colby's share of \$398,211. Motion carried with a voice vote.

Meeting Date for October 2022: The next CAPC meeting will be held at 6:30 p.m. on Monday, October 17, 2022, at the Colby-Abbotsford Police Department. The meeting was set on the third Monday of October due to a scheduling conflict by Chief Bauer.

Meeting Adjournment: Motion was made by Hederer, seconded by Diedrich to adjourn the meeting at 6:42 p.m. Motion carried with a voice vote.

ABBOTSFORD PUBLIC LIBRARY BOARD OF TRUSTEES MEETING

www.abbotsfordpl.org

REGULAR MONTHLY MEETING: Meeting /Sept 21 th 2022 / 5:00 PM / Public Room

ATTENDEES:

Jochimsen (Library Director), Board: Giffin, Archambo, Huther, Espino, Dukelow, Bittner

Members absent: Hinrichsen, Suttner

Call to order: 5:06 pm

Reading of the minutes from previous meeting: Read, Dukelow moved to approve, Bittner seconded. Motion Passed.

Public Comment:

Old Business:

- Donation Wall: Suttner asked if new names could be added to the recognition display located in the library/city hall entry way. She also inquired if any of the board members remembered what the level of donation would be for each part of the display? The board did not remember the amounts. The director will inquire with city hall to see if records were kept. The writing on the display is in vinyl. If new names could be added, the director could use the library's circuit to cut more. Update: City is fine with additions to books. Speak to Jenny Jakel to see if she remembers more about the process.
- Updating paper records: The director is part of the WVLS Cooperative Circulation Committee. At the last meeting it was brought up that the system would like to try to have a standardized library card application across the system. When this application is approved, the director would like to have all current library patrons to refill out the new form as a way to update our paper record.
- Juv to Adult procedures
 - New card applications when patrons turn 17 or when a teen patron receives a driver license, have the youth refill out a library card application as they now can be legally responsible for their materials.
 - Mail postcards? This could bring in patrons that have not used their card in while back to the library.
 - Waive fines?: This is the procedure at some WVLS libraries, the director will look at the statistics and bring a report to the next board meeting.
 - Update: Have youth fill out new applications when they turn 17 (legally responsible for own check-outs). Director will run yearly report and add note to Sierra.
- Follow-up volunteer/afterschool – no new information.
- Jakel Has given permission to use lawn across of library. Possible for Spring egg hunt if weather is nice or Summer outside performers.
- Holiday Program: kahoot!
 - Instead of traditional door prize game with ovenmits, Director wants to try a Kahoot! Trivia game. Board members and help members unfamiliar with the game. Log-in information will be projected on the wall with plenty time for audience to log in.
 - One possible presenter, school teacher soap maker, members with contacts at the school will try to get in contact. -Contact for 2023, not available in 2022.
 - Update, director will create post advertising program.

New Business:

- Holiday Program:
 - Director will create post advertising program and need for demonstrators.
 - Program time moved to 6:30pm.

2023 Budget Review: To budget drafts to percent, one with Clark county at 70% and one with Clark county at 75%. Set number known in October. Main change in expenses: Staff Wages: Board asked at previous meeting to raise lowest part-time staff wages to be comparable with City Hall part-time staff. J.K. raised from \$10.50 to \$13 and N.C. raised to \$14.61 (up \$2.5 to reflect longevity). Director raise of \$.52. Compared 2022 budget to 2023 draft: Raises in Vcat expenses and workshops. Getting more from Clark and Cross County reimbursement.

Asking City \$92,453.35 (75%) or \$93,884.00 (70%). In 2022 the library received \$92,464.92 from the City.

Dukelow moved to approve budget when the Clark County total is known / Archambo seconded. Budget Approved.

Treasurer's Report: 69% of Budget Spent:

Bank Account Balances:

- **Aug 2022:** Forward: \$42,233.48, Forward Retirement: \$600.50, Nicolet: \$43,831.22
- **July 2022:** Forward: \$42,228.16, Forward Retirement: \$600.45, Nicolet: \$44,382.83
- **June 2022:** Forward: \$42,224.58, Forward Retirement: \$600.40, Nicolet: \$44,379.30

Circulation Report:

- Total Circulation (new check-outs and renewals):
 - **Aug 1,789** July: 1857 June: 1807 May: 1417 April: 1794 March: 1808 Feb.2022: 1592 Jan. 2022: 1594 Nov.2021: 1613 Dec. 2021: 1539
- Past Circulation History: Aug 2021: 2134 Aug. 2020: 1915
- Circulation Break-down (just new check-outs):
 - Books: 806, DVD: 326, Spoken Record: 34, Large Print: 55, Magazines: 47, Other: 34

Other Usage Report:

- Wireless Sessions: **Aug: 120** July: 140 June: 200 May: 88 April: 76 March: 95 Feb: 81 Jan: 266 Dec: 511 Nov: 447 Oct: 347 Sept: 358 Aug: 401 July: 402 June: 556 May: 415
- Overdrive E-material Checkout: **Aug: 181** July: 201 June: 164 May: 176 April: 157 March: 225 Feb: 181 Jan: 209 Dec: 168 Nov: 173 Oct: 143 Sept: 158 Aug: 157 July: 197 June: 172 May: 212
- Website Visits: **Aug: 449** July: 302 June: 269 May: 236 April: 223 March: 263 Feb: 205 Jan: 266 Dec: 192 Nov: 192 Oct: 347 Sept: 210 Aug: 243 July: 186 June: 237 May: 270
- Public Computer Uses in **Aug: 137** July: 110 June: 172 May: 120 April: 105 March: 102 Feb: 113 Jan: 102 Dec: 118 Nov: 142 Oct: 143 Sept: 125 Aug: 147 July: 50 June: 144 May: 116
- Monthly Reference:
 - **Aug: 86** July: 32 June: 49 May: 66 April: 98 March: 85 Feb: 144 Jan: 106
- Patron Count:
 - **Aug: 898** July: 936 June: 906 May: 742 April: 829 March: 737 Feb: 759 Jan: 681 Dec.: 876 Nov: 650 Oct: 553 Sept: 601 Aug: 552 July: 910 June: 742

Policy Review: Added Filming, Photography, and Recording at the library to Patron Conduct Policy, bring policy back to next meeting to address question on filming library items.

WVLS Report:**Director Report:**

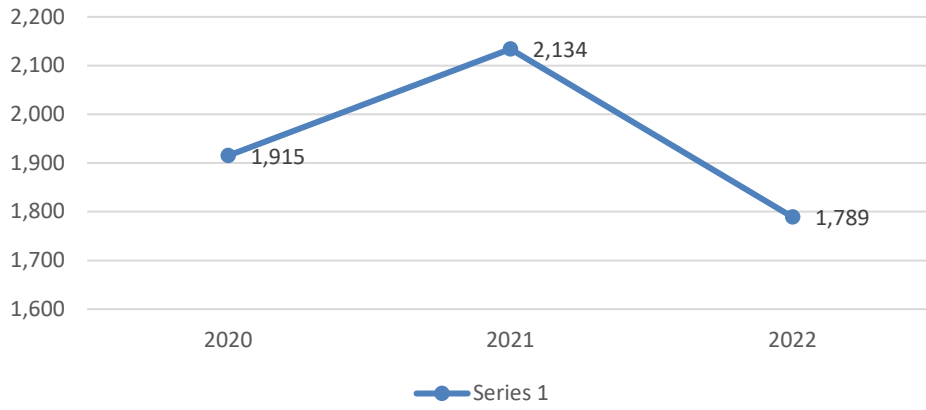
- Last Month Program Count:
 - Aug: Monthly Program total: 8 programs, 109 attendance
- Future/Current Programs Overview: (see newsletter)
 - Highlights: bookclub off site, youth Halloween party.
 - Adult Program: Grounded Goodwife, Tuesday, October 25th at 6:00pm.
 - Christiansen Letter: Asking for funds for new book drop.
 - Abby Bank volunteering in October

Staffing/Operating Issues**Next meeting:**

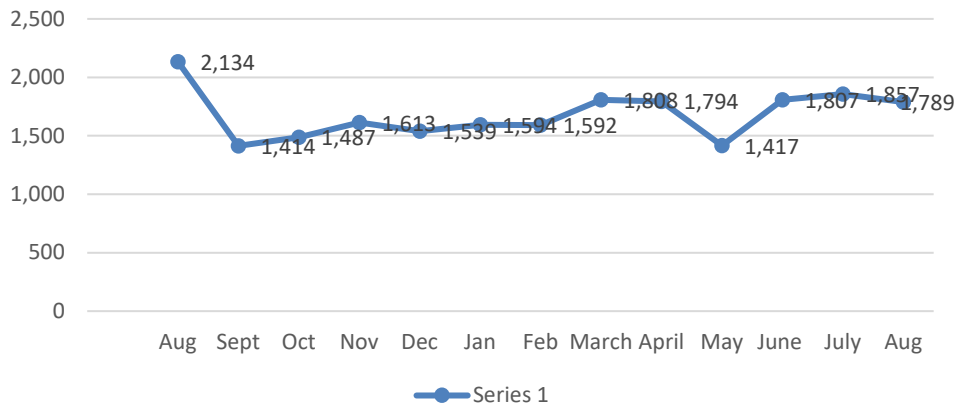
October 19th, 2022 at 5:00pm.

Adjourn: 5:59 pm Bittner/Dukelow

Circulation Report: of Aug 2020-2022



Circulation Report:Year to Date



Date	Time	Duration	Local Event Name	Target Audience (Children (0-11); Young Adult (12-18); Other (all ages))	Group Attending (program) or Individual Participants (self-directed activity)	Format: In-person; Live, virtual; or Pre-recorded	If group attending, then number of attendees	If recorded live, virtual event later posted for on-demand viewing, then enter number of views	If pre-recorded, then number of views	If self-directed, then number of individual participants
8/18/2022	6:30-8 pm	1 1/2 hour	Adult Craft: Pour Painting	Adults	Group attending	In-person	12			
all month		all month	In House Craft: sunflower	Children 6-11	Individual participants	In-person				35
8/15/2022	4pm	1 hour	Early Teen Book club	Young Adult 12-18	Group attending	In-person	2			
8/15/2022	7-8 pm	1 hour	Book Club: Reconstruction Amelia	Adults	Group attending	In-person	4			
8/16/2022	6pm	1 hour	Gangsters of WI: Speaker	General Interest	Group attending	In-person	30			
8/18/2022	1-4pm	3 hour	Teacher Volunteering	Adults	Group attending	In-person	5			
8/13/2022	7pm	2 hours	Movie Night: Vivo	General Interest	Group attending	In-person	13			
8/22/2022	3pm-5pm	2 hours	Back to School Perler Beads	Children 6-11	Group attending	In-person	8			





ABBOTSFORD PUBLIC LIBRARY EVENTS

STORY TIME: Youth

Friday, Oct. 7th. And Oct. 21th at 10:30am. No registration required. **Story times are held on the first and third Fridays of the month.**

IN HOUSE YOUTH CRAFTS!: October's walk-in craft will be a Spooky Halloween Owl. Available until supplies run out.



WILD COOKIES BOOKCLUB: Tuesday, Oct. 11th. Discussing *The Invisible Life of Addie LaRue*, a fantasy novel by American author V. E. Schwab. The story follows a young French woman in 1714 making a bargain with the devil that makes her immortal but curses her to be forgotten by everyone she meets. Ask the librarian for a copy of the book to check-out. **Adult**

HALLOWEEN PARTY: Friday, Oct 14th at 6:00pm. Come in costume for games, crafts and costume parade. Family Movie to follow.

FAMILY MOVIE NIGHT: Friday, Oct. 14th at 7:00 pm. Watching: *DC Super Pets*. **Registration Required. Children Must be accompanied by an adult who stays for the movie. Library will set up room to accommodate social distancing. Snacks from home are allowed. All Ages**

ADULT CRAFT NIGHT: Thursday, Oct. 20th at 6:30 pm. Repurposed fan blades into Halloween door hangers. No cost, goodwill donation appreciated. **Registration Required. 16 or older, 12 and older if with an Adult.**

HALLOWEEN PERLER BEAD MAGNETS: Monday. Oct. 24th 3:30pm to 5 pm. Supplies will be left out for kids to make perler bead creations. Each child can have up to two Magnets or until supplies run out. **All Ages**

GROUNDWIFE HEALTHY GUT WORKSHOP:

Tuesday, October 25th at 6:00pm. The road to wellness is paved with "good intestines!" Daughter and mother coauthors Ebris Urban and Velya Jancz-Urban of *Dare to be a Green Witch* will virtually teach us about Tepache and homemade ginger ale, two probiotic drinks that can be make at home. Watch the class live in the public learning room and make your own Tepache to take home. Or watch at home, zoom link will be provided by librarian on sign up.

Registration required. Adult



***These events are subject to change at anytime, please watch the library Facebook page for updates.**

Abbotsford Public Library 203 N. First St. Abbotsford WI 54405, (715)223-3920

Library Expenses **2023 draft Clark at 70%**

Notes:

400-55140-120	Library Compensation-Salaries	\$75,794.96
400-55140-151	Library Compensation-FICA/MED	\$5,771.54
400-55140-152	Library Compensation-Retirement	\$4,408.91
400-55142-154	Health Insurance-Library	\$7,400.93
400-55142-460	Library Buyout Savings	\$150.00

400-55150-311	Books	\$19,000.00
400-55151-311	Periodicals	\$1,500.00
400-55153-311	Audio Visual	\$3,000.00

400-55155-311	Programing & Specials	\$1,600.00
400-55159-311	Publication and Misc Expense	\$200.00

400-55152-319	Office/Computer	\$2,000.00
400-55156-340	Equipment	\$3,000.00

400-55157-311	Workshops and Education and Travel	\$525.00
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400-55158-220	Telephone/Fax	\$1,300.00	(phone) 58.33 per month. charter (fax) 49.99 per month,
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400-55160-311	Admin Charge: Utility/cleaning/Maintenance	\$5,250.00	grouped together in 2021
	Utilities/Janitorial/Maintenance	\$4,750.00	

400-55162-311	Vcat/Wiscnet/Admin	\$8,577.95	Vcat Maintenance (4730.06), Libraries Win - Membership Services (1680), TEACH/BadgerNet (1200), Digital Shares (614.89), Movie License (223), Barcodes/Library Cards (130)
400-55168-311	Wiscat License	\$200.00	

400-55163-311	Postage	\$300.00	Rental of P.O Box was \$111 in 2020
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400-55142-154	Grant Expense/Non-Budgeted	
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Total Expenses		\$144,729.29
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Library Revenues

400-40030	Municipal/Abbotsford City Tax Levy	\$93,884.00	
400-40020	Clark County Act 150 Reimbursement	40,619.00	at 70%
400-40021	Adjacent/Cross County Reimbursement Act 42	\$5,736.29	

Other Revenues

400-40041	Fines/Copies/Printer	\$2,000.00
400-40040	Book Sale/Other Revenues	\$200.00
400-48111	Interest	\$50.00

400-40043	Donations	\$2,000.00
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400-43790	Grants from other local govt	
	WVLS Summer Reading Performer Grant	\$240.00

<u>TOTAL Revenue</u>		\$144,729.29
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Library Expenses		2023 draft Clark at 75%	Notes:
400-55140-120	Library Compensation-Salaries	\$75,794.96	
400-55140-151	Library Compensation-FICA/MED	\$5,771.54	
400-55140-152	Library Compensation-Retirement	\$4,408.91	
400-55142-154	Health Insurance-Library	\$7,400.93	
400-55142-460	Library Buyout Savings	\$150.00	
400-55150-311	Books	\$19,000.00	
400-55151-311	Periodicals	\$1,500.00	
400-55153-311	Audio Visual	\$3,000.00	
400-55155-311	Programing & Specials	\$1,600.00	
400-55159-311	Publication and Misc Expense	\$200.00	
400-55152-319	Office/Computer	\$2,000.00	
400-55156-340	Equipment	\$3,000.00	
400-55157-311	Workshops and Education and Travel	\$525.00	
400-55158-220	Telephone/Fax	\$1,300.00	
400-55160-311	Admin Charge: Utility/cleaning/Maintenance Utilities/Janitorial/Maintenance	\$5,250.00 \$4,750.00	(phone) 58.33 per month. charter (fax) 49.99 per month, grouped together in 2021
400-55162-311	Vcat/Wiscnet/Admin	\$8,577.95	Vcat Maintenance (4730.06), Libraries Win - Membership Services (1680), TEACH/BadgerNet (1200), Digital Shares (614.89), Movie License (223), Barcodes/Library Cards (130)
400-55168-311	Wiscat License	\$200.00	
400-55163-311	Postage	\$300.00	Rental of P.O Box was \$111 in 2020
400-55142-154	Grant Expense/Non-Budgeted		
	Total Expenses	\$144,729.29	
Library Revenues			
400-40030	Municipal/Abbotsford City Tax Levy	\$92,453.35	
400-40020	Clark County Act 150 Reimbursement	42,049.65	at 75%
400-40021	Adjacent/Cross County Reimbursement Act 4:	\$5,736.29	
	Other Revenues		
400-40041	Fines/Copies/Printer	\$2,000.00	
400-40040	Book Sale/Other Revenues	\$200.00	
400-48111	Interest	\$50.00	
400-40043	Donations	\$2,000.00	
400-43790	Grants from other local govt		
	WVLS Summer Reading Performer Grant	\$240.00	
	<u>TOTAL Revenue</u>	\$144,729.29	

City of Abbotsford, WI**CLIENT LIAISON:**

Dan Borchardt, PE

Phone: 715.304.0448

Cell: 715.216-3601

dborchardt@msa-ps.com

DATE:

October 3, 2022

**ABBOTSFORD BUTTERNUT STREET RECONSTRUCTION (4TH TO 5TH AVE.) – MSA PROJECT #07681059**

MSA and City reviewed Butternut and Alley for punchlist items on September 16, 2022 and issued the punchlist to Melvin. The Certificate of Substantial Completion, which begins the 1-year warranty period for the project, is on the agenda for City consideration. Melvin is asking for a schedule extension until November 1, 2022 to complete the punchlist items. Final payment is anticipated for processing at the December 5, 2022 City Council meeting.

ABBOTSFORD – CEDAR STREET RECONSTRUCTION (2ND AVE TO 3RD AVE) — MSA PROJECT #07681048

Great news!! The Safe Drinking Water Loan (SDWL) program list was published, and the City will receive 60% principal loan forgiveness of the total submitted project cost of \$360,140. This results in a grant of \$216,084 for the Cedar Street Project!

MSA is making progress towards 90% plans and will be meeting with Craig on October 19, 2022.

MSA anticipates the following estimated project schedule:

- October 2022 Final Plans complete, Permit applications submitted
- December 2022 Bidding process
- January 2022 Owner awards construction contract
- May to July 2023 Construction
- July 2023 Project Closeout

ABBOTSFORD ELEVATED WATER RESERVOIR REHABILITATION– MSA PROJECT #07681056

More great news!! The SDWL loan list also shows the City will receive 60% principal loan forgiveness of the total submitted project cost of \$501,655. This results in a grant of \$300,993 for the Water Tower Rehabilitation Project!

Construction will begin on the water tower in the spring of 2023 and will be completed on or before July 15, 2023.

ABBOTSFORD WELL RECONDITIONING – MSA PROJECT #07681057

The WDNR determined the well rehabilitation work is considered maintenance and is not eligible for SDWL money. Community Development Block Grant (CDBG) funds will be used to finance the rehabilitation work. Unfortunately, the City will need to fund the engineering cost of this work with local funds.

PROJECT UPDATE

ABBOTSFORD NEW WELL DESIGN BIDDING AND CONSTRUCTION – MSA PROJECT #07681058

The WDNR rejected the City’s SDWL application for the new wells do to the fact that the locations of the wells have not been determined at the time of the application. MSA will resubmit this SDWL application in June 2023 at no cost to the City.

CTW Corporation is scheduled to drill test wells/perform testing at the end of October/Early November 2022.

ABBOTSFORD- N 5TH STREET RECONSTRUCTION (MAPLE TO OAK) #07681055

The Department of Administration (DOA) recently changed and clarified their new application rules for CDBG (Community Development Block Grant) at a training on September 15, 2022.

The new rules state:

- Two (2) or more CDBG-PF competitive application cycles must have passed since the City’s most recent CDBG-PF award (i.e., the City is eligible every third year) **and**
- All previously awarded CDBG-PF projects must be **completed/closed**

Since the City of Abbotsford was awarded a 2021 CDBG-PF grant (\$1,000,000 for the water tower rehabilitation, well reconditioning and new wells), the City is **not** eligible to apply in 2023 for CDBG as MSA had originally thought. MSA is working with the DOA to determine why they made the rules applicable to 2021 applicants; however, the City will be eligible to apply in 2024 if the 2021 CDBG-PF project is completed, which is anticipated. MSA will continue the process of performing the Income Survey for the Service Area on N. 5th Street from Maple to Oak. The survey results are applicable for five years and will be used for the 2024 application.

MSA has prepared an Engineering Services amendment to add the following segments to the design and bidding of the project per discussion at the September 6th Council meeting.

1. 5th Street – Oak Street to Maple Street - Watermain Reconstruction Design/Bidding
2. 5th Street – Spruce Street to Birch Street – Street Reconstruction Design/Bidding
3. Birch Street – 5th Street to 6th Street – Street Reconstruction Design/Bidding

Based on CDBG grant funding MSA anticipates the following project schedule:

DATE	MILESTONE
Wednesday, August 24, 2022	Preliminary Plans complete – 30% Review Meeting with the City (5th Street from Oak to Maple)
September – November 2022	CDBG Survey
October 2022 – May 2024	Amend the project to include Birch to Spruce depending on CDBG survey results (results good for 5 years) – Finalize the Design
May 2024	100% Plans complete for City Review and CDBG Application to obtain an additional 40 points on the application
June 30, 2024	Submit SDWL Application and reviewable plan
August 2024	City finds out CDBG Results
September 30, 2024	Submit CWF Application
January 2025	Ad for Bid and Bid Opening

PROJECT UPDATE

DATE	MILESTONE
February 2025	Owner awards construction contract – Close on SDWL and CWF Loans prior to March
May to October 2025	Construction
November 2025	Project Closeout

Abbotsford 5th Street Reconstitution Project Estimates 9-28-2022

Estimated Cost	\$ 2,843,600.00	SDWLP	CWFP	Both DNR Funds PF and Loan	CDBG	Local Funds	Local Cost of the Project Total over 20 years
Project Fees	\$ 1,021,303.33	\$ 500,266.67	\$ 1,521,570.00	\$ 1,000,000.00	\$ 322,030.00	\$ 2,843,600.00	
Loan, Bonding Fees*, MSA Funding Application and Admin	\$ 37,000.00	\$ 37,000.00	\$ 74,000.00	\$ -	\$ 40,000.00	\$ 114,000.00	
60% PF	\$ (634,982.00)	\$ (322,360.00)	\$ (957,342.00)	\$ -	\$ -	\$ (957,342.00)	
Loan Amount	\$ 423,321.33	\$ 214,906.67	\$ 638,228.00	\$ 1,000,000.00	\$ 362,030.00	\$ 2,000,258.00	
Interest Rate APR	1.29%	1.29%	1.29%				
Life of Loan	20	20					
Payment per Period	\$24,142.04	\$12,256.14					
Total Payment per YEAR	\$24,142.04	\$12,256.14	\$36,398.18				
Sum of Pmts (cost of loan)	\$482,841	\$245,123	\$727,963.70				
Interest Cost	\$59,519.54	\$30,216.16	\$89,735.70	\$0.00	\$ 362,031.00	\$ 1,089,994.70	
*Additional fees including loan closing, legal fees, etc. This line may also include additional costs due to requirements of a funding source such as additional documents required by an agency.							

Based on the anticipated funding splits for the project, MSA anticipates the following:

Certificate of Substantial Completion


Project: Project A: Butternut and Alley Reconstruction	
Owner: City of Abbotsford,	Owner's Contract No.:
Contractor: Melvin Companies, 1022 E Spruce Street, Abbotsford, WI 54405	Engineer's Project No.: 07681059

This definitive Certificate of Substantial Completion applies to:

- All Work under the Contract Documents: The following specified portions of the Work:

Contract Date: September 16, 2022
Date of Substantial Completion

MSA Professional Services
ENGINEER



BY: Dan Borchardt, P.E.

9/16/2022
DATE OF ISSUANCE

The Work to which this Certificate applies has been inspected by authorized representatives of Owner, Contractor, and Engineer, and found to be substantially complete. Substantial Completion is the stage in the progress of the Work when the Work or designated portion is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use. The Date of Substantial Completion of the Project or portion thereof designated above is hereby declared and is also the date of commencement of applicable warranties required by the Contract Documents, except as stated below.

A definitive list of items to be completed or corrected is attached hereto. This list may not be all-inclusive, and the failure to include any items on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

Cost estimate of Work that is incomplete or defective: \$25,000
The CONTRACTOR will complete or correct the Work on the list of items attached hereto on or before November 1, 2022.

The responsibilities between Owner and Contractor for security, operation, safety, maintenance, heat, utilities, insurance and warranties shall be as provided in the Contract Documents except as amended as follows:

- Amended Responsibilities Not Amended

Owner's Amended Responsibilities:

OWNER shall be responsible for the security and maintenance of the project. After the date of substantial completion.

Contractor's Amended Responsibilities:

CONTRACTOR shall be responsible for the repair of all work items and equipment for a period specified by the contract documents.

The following documents are attached to and made part of this Certificate:

Punchlist 1: Items to be Completed or Corrected before Final Payment

This Certificate does not constitute an acceptance of Work not in accordance with the Contract Documents nor is it a release of Contractor's obligation to complete the Work in accordance with the Contract Documents.

The CONTRACTOR accepts this Certificate of Substantial Completion.

Francis Melvin, Inc.
CONTRACTOR By: **Ryan Urmanski, Project Manager** Date

The OWNER accepts the Work or designated portion as substantially complete and will assume full possession at _____ (time) on _____ (date).

City of Abbotsford
OWNER By: **Jim Weix, Mayor** Date



To: City of Abbotsford
James Weix
203 North 1st Street
Abbotsford, WI 54405

Date of Issuance: October 3, 2022

MSA Project No.: 07681055

This is an amendment to the Agreement dated March 7, 2022 and does acknowledge that MSA Professional Services, Inc. (MSA) is authorized to begin work on the following project amendment:

Project Name: City of Abbotsford - North 5th Street Reconstruction

The project scope has changed due to:

Additional design work:

5th Street – Oak Street to Maple Street - Watermain Reconstruction Design/Bidding

5th Street – Spruce Street to Birch Street – Street Reconstruction Design/Bidding

Birch Street – 5th Street to 6th Street – Street Reconstruction Design/Bidding

The scope of the work authorized is: See attached Scope of Services

The schedule to perform the work is: Approximate Start Date: October 2022
Approximate Completion Date: January 2025

The lump sum fee for the work: \$108,100

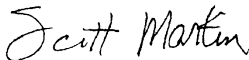
Authorization for the work described above shall amend the Agreement between MSA and OWNER. Any attachments or exhibits referenced in this Amendment are made part of the Agreement. Payment for these services will be on a lump sum basis.

Approval: MSA shall commence work on this project in accordance with your written authorization. This authorization is acknowledged by signature of the authorized representatives of the parties to this Amendment. A copy of this Amendment signed by the authorized representatives shall be returned for our files. If a signed copy of this Authorization is not received by MSA within seven days from the date of issuance, MSA may stop work on the project.

CITY OF ABBOTSFORD


MSA PROFESSIONAL SERVICES, INC.

James Weix
Mayor
Date: _____



Scott Martin
Regional Manager Public Works North
Date: 10/03/2022

Attest: City/Township/Village Clerk (WI Only)



Dan Borchardt
Project Manager
Date: 10/03/2022

Josh Soyk, Administrator
Date: _____

203 North 1st Street
Abbotsford, WI 54405
Phone: 715-223-3444

146 North Central Ave., Suite 201
Marshfield, WI 54449
Phone: (715) 304-0448
Email: dborchardt@msa-ps.com

PROJECT DESCRIPTION

The North 5th Street Reconstruction Project will be a complete street reconstruction from Spruce Street to Birch Street (approximately 725 feet) and Birch Street from 5th Street to 6th Street (approximately 380 feet). The proposed project consists of a roadway segment that is approximately 1,105 feet in length. The project will involve reconstructing the roadway cross section, storm sewer, water and sanitary sewer utilities as necessary to accommodate the new design. The existing roadway measures approximately 36-feet from back of curb to back of curb and replaced with a similar size section on a similar alignment. Site disturbance will exceed 1 acre and a DNR stormwater permit will be required. MSA does not anticipate wetland impacts or wetland permitting.

The City plans to pursue CDBG, SDWL and CWF funding on this project. The project is anticipated to be split into multiple projects under 1 bid package to help the City shape the project to meet their budget. The projects anticipated include:

Project A: 5th Street Reconstruction from Oak to Maple

Project B: 5th Street Reconstruction from Spruce to Birch St.

Project C: Birch Street Reconstruction from 5th to 6th St.

The City did not previously consider replacing the watermain on the section of 5th Street from Oak to Maple and this has been added to the project design.

SCOPE OF SERVICES

MSA will provide services as set forth below.

1. Design

- Project Administration
 - Manage and coordinate project team, budget and schedules. Maintain communication with Owner and stakeholders on project.
- Quality Assurance/Quality Control
 - Employ documented quality-assurance/quality-control procedures throughout project.
- Project Site Information
 - Right-of-Way Research: utilize recorded survey documentation in project area to determine right-of-way locations.
 - Contact Utility One Call: utilize marking and mapping provided by one-call agency to assess locations of existing private utilities in the area.
 - Topographic Survey: collect location and elevation data of existing features at the site for use as basis of design.
 - Utility Structure Survey: investigate utility structures to obtain field measured invert elevations, penetrating pipe information, and condition assessment.
 - Hydrant Flow Tests: work with Owner to obtain pressure and flow information for water distribution system in the area of the project.
- Design – Street/Utility
 - Water Design: Develop horizontal and vertical alignments for water mains. Determine valve, hydrant, service and connection locations. Perform required design computations regarding pressure and flow volumes. Prepare construction details.
 -

- Roadway Design: Develop horizontal and vertical alignments for roadway, curb and gutter, and sidewalk. Prepare pavement design, typical section, cross sections and construction details.
- Stormwater Design: Determine storm sewer inlet and discharge locations. Develop routing and sizing for storm sewer and surface water drainage and storm water management practices. Prepare construction details.
- Sanitary Sewer Design: Review and note utility adjustments.
- Erosion Control Design: Determine location and type of erosion control devices needed to meet regulatory requirements.
- Construction Cost Estimate: Develop a preliminary construction cost estimate based on preliminary plans. Develop an Engineers Estimate of Construction cost based on quantities computed from final plans.
- Plan Preparation and Drafting
 - Preliminary Plan Preparation: Prepare preliminary plans showing topographic survey information, horizontal and vertical alignments of utilities and roadway, typical roadway cross section, and typical construction details.
 - Final Plan Preparation: Prepare final plans based on preliminary plans, Owner feedback, and additional design development.
- Specifications
 - Specifications: prepare technical specifications, special procedures, bidding documents and construction contracting documents.
- Utility Coordination
 - Coordination and Communication
 - Inform private utility companies (gas, electric, and communications) of the project scope and timeline.
 - Note utility locations (as provided by utility companies and/or one-call locate) on the project plans.
 - Provide utility companies with preliminary and final plans for the project.
 - Invite utilities to pre-construction meeting.
 - Coordinate utility service to project: Coordinate with Utility for service to the project.
- Permits: Prepare permit application and required attachments for:
 - Water System Extension
 - Sanitary Sewer Extension
 - Construction Site and/or Post-Construction Site Erosion Control and Storm Water Management
 - Local/County Construction Site Erosion Control and Storm Water Management
- Design Meetings
 - Project kick-off: Attend one meeting with staff prior to starting work on the project.
 - Preliminary Plan review: Attend one meeting with staff after preliminary plans are complete, prior to starting final plans.
 - Final Plan review: Attend one meeting with staff, and one meeting with elected officials.

- o Unless otherwise noted, all meetings will take place at City Hall or Public Works Building.

2. Bidding

- Administer Contractor Prequalification Process
- Assist Owner in Advertising and Soliciting for Bids
- Administer Bid Document Distribution Process utilizing QuestCDN
- Issue Addenda as appropriate to clarify, correct, or change the bidding documents
- Conduct an Electronic Bid Opening located at MSA's Office
- Prepare Tabulation of Bids
- Assist Owner in evaluating bids and in assembling and awarding construction contracts.

3. Construction Administration (Not Included)

4. Construction Staking (Not Included)

5. Construction Observation (Not Included)

6. Post Construction (Not Included)

SUBCONSULTANTS - None

DELIVERABLES

MSA will provide the following deliverables:

1. Topographic base map: two electronic files, one AutoCAD dwg format (points and line work only). and one PDF format.
2. Survey documents: Easement descriptions and recordable documents for the City to obtain signatures and record.
3. Preliminary plans: two (2) paper copies, one PDF file of the preliminary plans, and construction cost estimate for Owner review.
4. Preliminary Construction Cost Estimate
5. Final plans: two (2) paper copies and one PDF file of the final plans and construction cost estimate, for Owner review.
6. Final Construction Cost Estimate
7. Permit Applications: One PDF file (per application) containing permit application with attachments, and one paper copy for submittal to permitting authority.
8. Bidding Documents: two (2) paper copies, one PDF file of the bidding documents, including project manual, plan sets and any addenda.

ADDITIONAL SERVICES

Services that are not included in the above Scope of Services can be provided under separate contract or by amending the scope and fee listed in this Agreement. Examples of additional services that may be needed or desired for completion of the project include:

1. Assistance with acquisition of real estate and/or temporary or permanent easements

2. Survey mapping and monumentation
3. Utility system modeling
4. Funding applications and administration
5. Additional meetings not specifically listed in the scope.
6. Accommodations for environmental hazards, endangered species, or historical or cultural issues at or near the project site.
7. Permit assistance related to surface waters and wetlands.
8. Variance requests (if required for permit applications included in the scope).
9. Updates to Owner's electronic Geographic Information System to reflect changes from project.

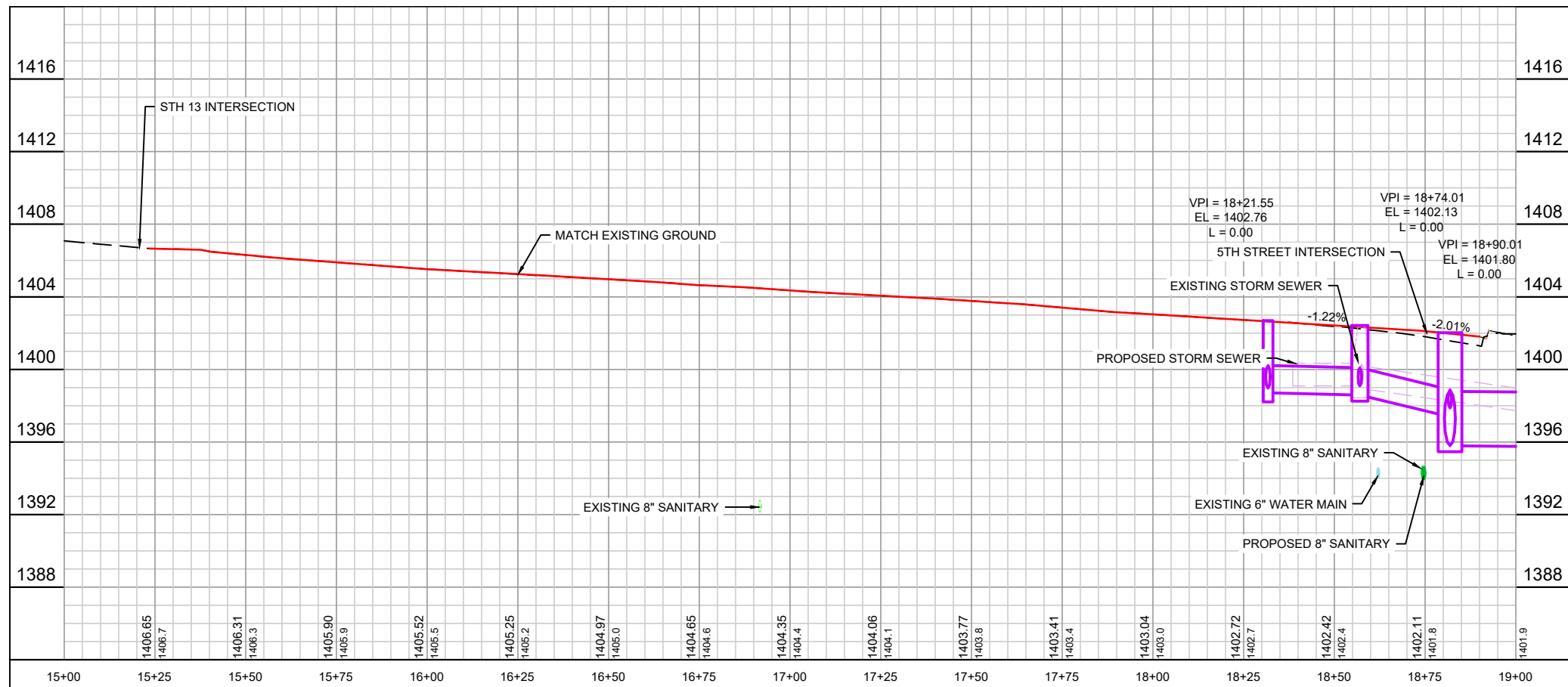
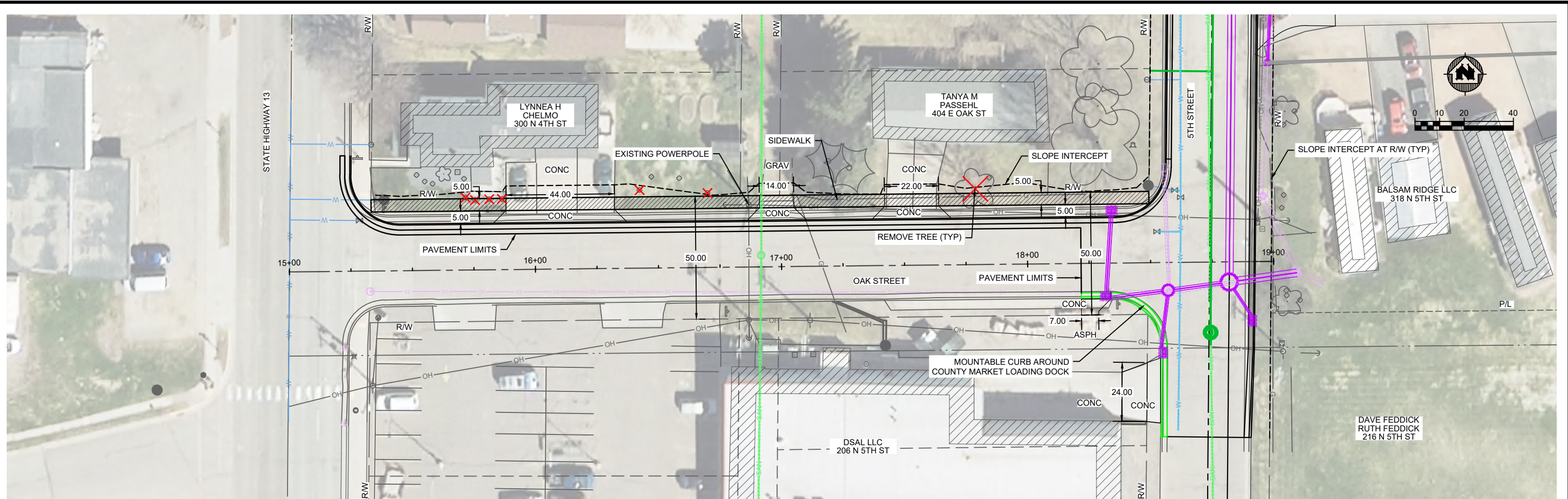
PROJECT SCHEDULE

MSA anticipates the following estimated project schedule:

Date	Milestone
Wednesday, August 24, 2022	Preliminary Plans complete – 30% Review Meeting with the City (5th Street from Oak to Maple)
September – November 2022	CDBG Survey
October 2022 – May 2024	Amend the project to include Birch to Spruce depending on CDBG survey results (results good for 5 years) – Finalize the Design
May 2024	100% Plans complete for City Review and CDBG Application to obtain an additional 40 points on the application
June 30, 2024	Submit SDWL Application and reviewable plan
August 2024	City finds out CDBG Results
September 30, 2024	Submit CWF Application
January 2025	Ad for Bid and Bid Opening
February 2025	Owner awards construction contract – Close on SDWL and CWF Loans prior to March
May to October 2025	Construction
November 2025	Project Closeout

OWNER'S RESPONSIBILITIES

- Owner is responsible for accuracy and completeness of the information provided to MSA.
- Owner will provide MSA with full information as to Owner's requirements for the project.
- Owner will operate Owner's systems (hydrants, valves, manholes, etc.) as needed for MSA to obtain required information for the completing project.
- Owner will provide timely response to questions and review of engineering submittals (preliminary and final plans).
- Owner will authorize submittal of necessary permit applications and pay associated fees.



PROJECT DATE:	DRAWN BY:	NO.	DATE	REVISION	BY:
	JFK	-	-	-	-
	JFK	-	-	-	-
	DWB	-	-	-	-



105 ABBOTSFORD 5TH ST RECONSTRUCTION
CITY OF ABBOTSFORD
MARATHON COUNTY, WI

OAK STREET PLAN AND PROFILE - SIDEWALK OPTIONS

PROJECT NO: 7681055
SHEET PP4A

Project Segment	Base Costs	Add Sidewalk on Oak and 5th to North Mobile Home Park Entrance	Add Watermain	Totals
5th Street (Oak to Maple)	\$ 1,344,989.65	\$ 75,772.76	\$ 229,662.88	\$ 1,650,500.00
5th Street (Birch to Spruce)	\$ 542,817.00		\$ 104,482.00	\$ 647,300.00
Birch Street (5th to 6th Street)	\$ 438,229.00		\$ 18,000.00	\$ 456,300.00
Totals	\$ 2,326,100.00	\$ 75,800.00	\$ 352,200.00	\$ 2,754,100.00

CITY OF ABBOTSFORD 5 YEAR STREETS PLAN

1. N. 5th -Street from Maple to Oak. (storm sewer, curb pavement)
2. W. Elm- 2nd Ln to dead end (storm sewer, curb, pavement)
3. S. 7th Street- Linden to dead end (2.5" of blacktop, shouldering, ditching)
4. 1st Street- E. Pine Street to E. Maple (curb, pavement, curb stops west side) Spruce St. to Oak Street (Curb and sidewalk repair and overlay)
5. W. Cedar -2nd Ave. to 3rd Ave. (complete reconstruct)
6. Spruce St. from 4th Ave to 8th St. (Resurfacing)
7. City garage parking lot. (Resurfacing)
8. Linden Street- Galvin to 7th Street (mill overlay, spot repair, curb)
9. Birch Street- N. 5th Street to N. 6th Street (complete reconstruct)
10. Larch Circle- N. 4th Ave. to termini (resurface, storm sewer repair)
11. N. 3rd Ave.- W. Pine Street to W. Cedar Street (resurface, watermain)
12. S. 2nd Ave- Linden Street to W. Elm Street (resurface, curb, storm repair)
13. S. 2nd Ave- From Linden to Termini (mill, overlay)
14. E. Elm Street- From Galvin to 11th (resurface, storm repair)

Approved by the City of Abbotsford City Council on _____

Affirmed:

Josh Soyk-City Administrator

**REVISED
2.1.2022**



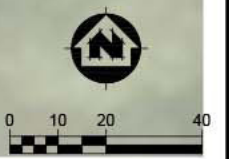
PROJECT NO.:	07681026	SCALE:	AS SHOWN	NO.	DATE	REVISION	BY
PROJECT DATE:	6/19/2019	DRAWN BY:	JK	-	-	-	-
F.B.:	-	CHECKED BY:	dfs	-	-	-	-
PLOT DATE: 2/1/22, P:\7680s\7680s\7681\07681026\CADD\Construction Drawings\AMEND 4 - PARK PROJECT\Soccer Site Plan.dwg							

MSA ENGINEERING | ARCHITECTURE | SURVEYING
 FUNDING | PLANNING | ENVIRONMENTAL
 146 North Central Ave, Marshfield WI 54449
 (715) 384-2133 www.msa-ps.com
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108 SCHILLING FARM SUBDIVISION
 CITY OF ABBOTSFORD
 CLARK COUNTY, WI

PARK SITE PLAN - EAST

FILE NO. 07681026
SHEET G 1



City of Abbotsford, Clark County, Wisconsin
Project: Shilling Farm Subdivision - East Park Improvements
Date: 02.01.2022

ITEM NO.	ITEM DESCRIPTION	ESTIMATED QUANTITY	UNITS	UNIT PRICE	TOTAL PRICE
CONTRACTOR BID FORM					
1	Mobilization	1	LS	\$45,000.00	\$45,000.00
2	Erosion Control	1	LS	\$2,500.00	\$2,500.00
3	4-inch Concrete Sidewalk w/ 6-inch Base	1,800	SF	\$7.00	\$12,600.00
4	Detectable Warning Field	1	EA	\$300.00	\$300.00
5	Roadway Pavement Marking	160	LF	\$3.00	\$480.00
6	3.5-inch Asphalt (Parking Lot and Driveway)	140	TON	\$150.00	\$21,000.00
7	Pavement Marking	1	LS	\$1,500.00	\$1,500.00
8	4-Inch Fiberglass Reinforced Concrete (Courts)	7,400	SF	\$8.00	\$59,200.00
9	5-8-foot Perimeter Fencing	342	LF	\$35.00	\$11,970.00
10	6-foot Man Gate	2	EA	\$1,200.00	\$2,400.00
11	Net and Two (2) Center Posts	1	LS	\$2,500.00	\$2,500.00
12	Acrylic Surfacing (Pickleball and Basketball)	7,400	SF	\$1.50	\$11,100.00
13	Court Striping (Pickleball and Basketball)	1	LS	\$2,250.00	\$2,250.00
14	Fixed Basketball Hoops	2	EA	\$2,000.00	\$4,000.00
15	6-foot Bench	3	EA	\$1,250.00	\$3,750.00
16	Bike Racks	3	EA	\$250.00	\$750.00
17	Litter Receptables	1	EA	\$500.00	\$500.00
18	Picnic Tables	4	EA	\$1,000.00	\$4,000.00
19	Park Shelter and Restrooms	1	LS	\$400,000.00	\$400,000.00
20	Restroom Utilities	1	LS	\$25,000.00	\$25,000.00
				Sub-Total Cost=	\$610,800.00
				15% Contingency =	\$ 91,620.00
				Engineering/Construction Admin.=	\$ 70,242.00
				TOTAL COST=	\$ 772,662.00
CITY SUPPLIED LABOR AND MATERIALS					
1	Site Maintenance and Turf Restoration	1	LS	\$2,000.00	\$2,000.00
2	Excavation Common	600	CY	\$15.00	\$9,000.00
3	6 inch Underdrain	800	FT	\$13.00	\$10,400.00
4	SAS Fabric	1,550	SY	\$2.00	\$3,100.00
5	12-inch Base	1,550	SY	\$9.00	\$13,950.00
				TOTAL COST=	\$38,450.00
TOTAL PROJECT COST=					\$811,112.00