

VILLAGE OF KRONENWETTER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

14. Fund Equity (Continued)

Government-Wide and Proprietary Fund Statements

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

Net investment in Capital Assets – Amount of capital assets, net of accumulated depreciation and amortization, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

Restricted Net Position – Amount of net position that is subject to restrictions that are imposed 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.

Unrestricted Net Position – Net position that is neither classified as restricted nor as net investment in capital assets.

E. Use of Estimates

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

NOTE 2 STEWARDSHIP AND COMPLIANCE

A. Budgets and Budgetary Accounting

The Village follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During November, Village management submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Village Board action.

**VILLAGE OF KRONENWETTER, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund, special revenue funds, capital projects funds, and the proprietary funds. The Village did not adopt a budget for the ARPA special revenue fund. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget.

Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.

3. During the year, formal budgetary integration is employed as a management control device for the general fund adopting a budget.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Village. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Village Board.
5. Encumbrance accounting is not used by the Village to record commitments related to unperformed contracts for goods or services.

The Village did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2023.

B. Excess of Expenditures Over Budget Appropriations

The following expenditure accounts of the general fund had actual expenditures in excess of budget appropriations for the year ended December 31, 2023, as follows:

<u>Function/Activity</u>	<u>Excess Expenditures</u>
General:	
General Government:	
Municipal Court	\$ 2,107
Office	25,796
Elections	2,441
Assessor	1,598
Municipal Building	110,719
Public Safety:	
Police and Fire Commissioner	1,282
Fire Department	76,606
First Responders	62,838
Public Works:	
Shop and Garage	2,887
Debt Service:	
Principal Retirement	28,363
Interest and Fiscal Charges	6,551

VILLAGE OF WESTON

NOTES TO FINANCIAL STATEMENTS December 31, 2022

NOTE III – 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 I.(C.).

A budget has been adopted for the general fund, all special revenue funds, debt service fund, all capital project funds, all enterprise funds, and the internal service fund. Comparative schedules have been presented in supplementary information for all funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

The budgeted amounts presented include any amendments made.

The Village follows these procedures in establishing the budget versus actual budgetary data reflected in the financial statements:

- a. The Village Administrator submits to the Village Board a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- b. Public hearings are conducted at the Weston Municipal Center to obtain taxpayer comments.
- c. Prior to December 31, the budget is legally adopted through passage of a Village resolution.
- d. The budget as adopted includes total expenditures at the cost center level. A cost center can be a fund, major program, department, or other activity for which control of expenditures is considered desirable. Cost centers are defined as follows for the governmental fund types with annual budgets: General Fund at the function level, Special Revenue and Capital Projects Funds at the major program level, and Debt Service Fund at total fund level. Expenditures cannot legally exceed appropriations at this level without two-thirds Village Board approval to amend the budget. Supplemental appropriations during the year include an increase of \$193,639 in revenues and \$3,575,049 in expenditures in the Capital Project Funds. Transfers of appropriations between cost center levels also require the approval of the Village Board. The Village Board did approve transfers of appropriations between costs centers in 2022.
- e. Formal budgetary integration is employed as a management control device during the year for the General Fund, the Special Revenue Funds, the Debt Service Fund, the Capital Projects Funds, and the Enterprise Funds.

A comparison of Actual and Budget is included in the accompanying financial statements for all governmental fund types with a legally adopted annual budget. The budget presentations are at the cost center level (legal level of control for the annual budget).

- f. All budgets adopted conform to generally accepted accounting principles (GAAP), including the Enterprise Funds. Budget amounts are as originally adopted or as amended via the procedures explained above. Individual amendments were legally authorized as described.
- g. Budgets for all non-committed governmental funds lapse at year-end.

**CITY OF WAUSAU, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 STEWARDSHIP AND COMPLIANCE

A. Budgetary Information

Budgeting is an essential element of the financial planning, control, and evaluation process of the City. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Debt Service Fund, the following Special Revenue Funds: Grants, HUD Mortgage, DLAD Mortgage Program, Economic Development, WRRP Rehabilitation, Environmental Clean Up, Hazardous Materials Emergency Response, Housing Stock Improvement, Room Tax, Public Access Cable, Recycling, Public Safety Grant, 400 Block, and the Other Grants & Special Purpose Accounts fund; and the following Capital Project Funds: Capital Improvements, TID #3 Downtown Development, Central Capital Purchasing, TID #6 West Side Development, TID #7 West Side Development, TID #8 Near West Side, TID #9 Big Bull Falls, TID #10 Industrial Park, TID #11 Business Campus, and TID #12 Downtown Development. All appropriations lapse at year-end.

On or before the last day of August, all departments of the government submit requests for appropriations to the City's Finance Director so that a budget may be prepared. The budget is prepared by fund, department or program, and includes information on the prior year, year-to-date current year activity, current year estimates and requested appropriations for the next year.

The City's Finance Committee holds several budgetary review meetings to consider the departmental budgets. On or before the second Tuesday of November, the proposed budget is presented to the City Council for review. The Council holds public hearings to obtain taxpayer comments. The final adoption of the budget is by way of an annual budget resolution and must be passed by the Council no later than the fourth Tuesday in November.

The budget as adopted includes total expenditures at the cost center level. A cost center can be a fund, department, program, or other activity for which control of expenditures is considered desirable. Cost centers are defined as follows for the governmental fund types with annual budgets: General Fund at department level, Special Revenue and Capital Projects at program level, and Debt Service at total fund level.

The City's Finance Director and Mayor may authorize new appropriations or transfers of budgeted amounts within expenditures of a cost center up to \$5,000. Amounts up to \$15,000 require Finance Committee approval and transfers or new appropriations over \$15,000 require two-thirds (2/3) Council approval to amend the budget. Supplemental appropriations were necessary during the year but were not material in relation to the original appropriation. All such supplemental appropriations were properly authorized by the Common Council. Budget data presented in the financial statements reflect any adjustments made.

**CITY OF WAUSAU, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

A. Budgetary Information (Continued)

The Council may amend the budget resolution in two respects: (a) it may transfer appropriations from one particular fund to another fund or it may add new objects within a fund. The Council may do this by means of a resolution; (b) it may increase the aggregate total of appropriations in order to reflect changes in financial circumstances either not contemplated in the annual budget resolution or due to financial circumstances which by their very nature are difficult to estimate with exactness at the time of the enactment of the annual budget resolution. The Council may do this by means of a resolution adopted by a two-thirds vote of the members. The Council may, by resolution, appropriate money from its contingent fund for any lawful purpose.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated during the ensuing year.

B. Excess of Expenditures Over Budget Appropriations

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2023, as follows:

<u>Funds</u>	<u>Excess Expenditures</u>
General Fund:	
General Government:	
Mayor	\$ 405
City Promotion	12,036
IT Operations	47,360
Mail Center	5,441
Human Resources	14,831
City Facilities	45,186
Public Safety:	
Fire Department	978,667
Inspections Department	82,552
City Emergency Government	11,305
Transportation and Streets:	
Engineering	13,342
Public Works	37,755
Sanitation, Health, and Welfare:	
Garbage and Refuse Collection	8,555
Special Revenue:	
Environmental Cleanup	92,508
Recycling	79,824
Other Grants & Special Purposes	78,335

Excess expenditures in the general fund, special revenue funds and debt service fund were funded by excess revenues, other cost savings or by available fund balance. Those incurred in the capital project funds would be funded with debt proceeds and advances from the General Fund.

CITY OF BROOKFIELD

NOTES TO FINANCIAL STATEMENTS December 31, 2024

NOTE III – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

The City adopts annual budgets for its General Fund; Special Revenue Funds; Debt Service Funds (with the exception of the TID Debt Service Fund); and Capital Projects Funds other than the Capital Improvement and Tax Incremental Districts funds. These budgets are adopted in accordance with State Statutes. Comparisons of budget to actual are presented as required supplementary information for the General Fund and major Special Revenue Funds. The actual results of operations presented in the Statement of Revenues, Expenditures and Changes in Fund Balances for governmental funds are presented in accordance with generally accepted accounting principles (GAAP). These differ in certain respects from those practices used in the preparation of the 2024 budget.

Supplemental appropriations were approved by the Common Council during 2024 for the following funds:

- General Fund – increase of \$150,000 to transfer funds to the Fleet Services Fund to support fund balance; additional pavement maintenance expenditures (\$200,000); and to cover police salary and overtime costs (\$250,000).
- Employee Retirement Fund – increase of \$23,710 to fund employee retirement costs.
- Parks Development Fund – increases in transfers out of \$393,000 to fund Wirth Park and Greenway trail improvements.
- Vehicle/Equipment Replacement Fund – increase of \$1,069,589 to fund highway patrol trucks, police vehicles, parks trucks and equipping the fire command vehicle mainly due to delays in receiving equipment ordered in prior years.
- Computer Replacement Fund – increase of \$412,871 to fund technology purchases originally included in the 2023 budget that were not completed until 2024.
- ARPA Fund – increase of \$355,910 to allocate additional portions of the City's American Rescue Plan Act funds.

Unencumbered appropriations lapse at year-end. General Fund encumbrances that do not lapse are recorded as expenditures against the current year's budget (on a budgetary basis).

The budgets are prepared by fund, function, activity, and object. Appropriations are made at the object level. The legal level of budgetary control, that is, the level at which management cannot overspend funds without a budget amendment approved by the City's Common Council, is at the function level for the General Fund and at the individual fund level for Special Revenue Funds, the Debt Service Fund and Capital Projects Funds.

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

General fund, health and sanitation expenditures exceeded appropriations by \$107 due to deer and mosquito control activities.

Police Grant Fund – expenditures exceeded appropriations by \$7,093 due to the purchase of a drone. This excess was covered by fund balance.

Economic Development Fund expenditures exceeded appropriations by \$490,039 due to increased payments to the Convention and Visitors Bureau as a result of room taxes collections in excess of the maximum the City may retain under state law for non-tourism purposes.

Sister City Fund expenditures exceeded appropriations by \$11,179 due to unbudgeted costs for the German Holiday market. This excess was covered by donations, product sales during the German Holiday market in December and fund balance.

