

CITY OF NEW BERLIN

New Berlin, Wisconsin

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

As of and for the Year Ended
December 31, 2020

CITY OF NEW BERLIN

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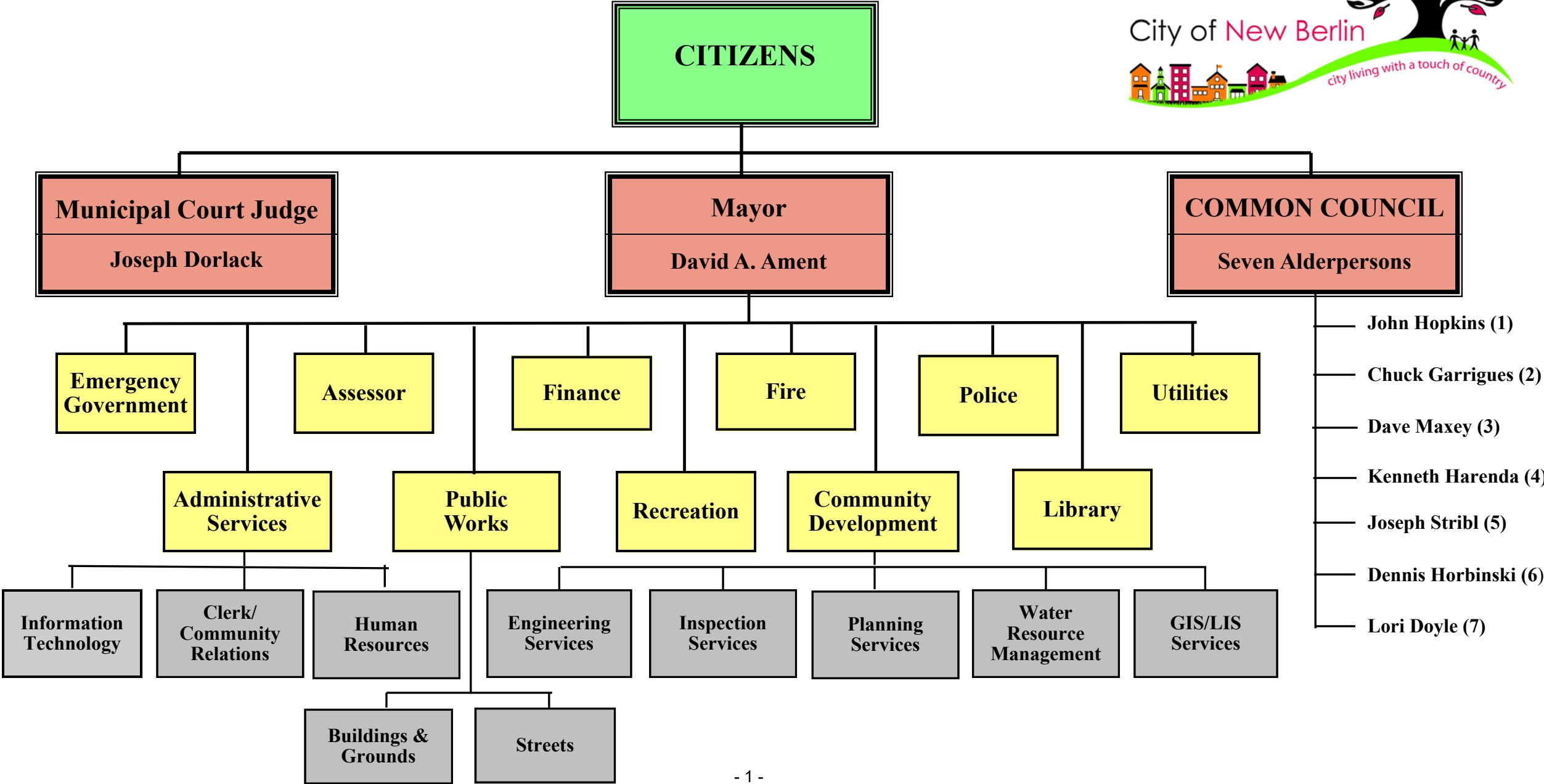
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INTRODUCTORY SECTION

CITY OF NEW BERLIN ORGANIZATIONAL CHART



CITY OF NEW BERLIN, WISCONSIN

2020 LIST OF PRINCIPAL OFFICIALS

ELECTED OFFICIALS

Title

Name

City Mayor

David Ament

Aldersperson – District 1

John Hopkins

Aldersperson – District 2

Charles Garrigues

Aldersperson – District 3

Dave Maxey

Aldersperson – District 4

Kenneth A Harenda II

Aldersperson – District 5

Joseph Stribl

Aldersperson – District 6

Dennis Horbinski

Aldersperson – District 7

Lori Doyle

Municipal Judge

Joseph S Dorlack

NON ELECTED OFFICIALS

Assessor

Timothy Kosteretz

Attorney

Mark G Blum

Director of Administrative Services

David Bailey

Director of Community Development

Gregory Kessler

Director of Information Technology

Alan Skornia

Director of Public Works

Joshua Radomski

City Engineer

Tamara Simonson

Emergency Government Director

Roy Schulpius

Facilities & Grounds Supervisor

Edward Bartz

Finance Director

Ralph Chipman

Fire Chief

Mark Polzin

Library

Barbara Draeger

Police Chief

Jeffrey Hingiss

Streets Manager

Steven Brooks

Utility Manager

James Hart

INDEPENDENT AUDITORS' REPORT

To the Mayor and Common Council
City of New Berlin
New Berlin, Wisconsin

Report on the Financial Statements

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 New Berlin, Wisconsin, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of New Berlin's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to the City of New Berlin's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City of New Berlin's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of New Berlin, Wisconsin, as of December 31, 2020 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of New Berlin's basic financial statements. The "Introductory Section" and the "Statistical Section" as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

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

Baker Tilly US, LLP

Milwaukee, Wisconsin
July 7, 2021

Management's Discussion and Analysis (unaudited)

As management of the City of New Berlin, we offer readers of the City of New Berlin's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found on pages 1-4 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the year by \$185.6 million (net position) which is a decrease of \$.1 million. Of the net position amount \$36.4 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The governmental activities revenue and transfers totaled \$40.3 million, or a 2.0% increase over the prior year and expenses totaled \$42.3 million, as compared to \$40.2 million in 2019, or a 5.2% increase over the prior year. The results of these activities produced a decrease in governmental net position of \$2.0 million.
- The business-type activities revenue totaled \$18.7 million, or a 2.6% decrease over the prior year and expenses and transfers totaled \$16.7 million or a 1.2% decrease over last year. The result produced an increase in business-type net position of \$2.0 million.
- As of the end of the current fiscal year, governmental activities reported combined ending net position of \$45.3 million, a decrease of \$2.0 million in comparison with the prior year.
- The City of New Berlin's total debt increased by \$2,570 (4.5%) during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of New Berlin's basic financial statements. The City of New Berlin's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of New Berlin's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of New Berlin's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of New Berlin is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of New Berlin that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of New Berlin include general government, protection of persons and property, highway and transportation, library, conservation and development, and parks and recreation. The business-type activities of the City of New Berlin include a Water Utility, a Wastewater Utility and a Water Resource Management Utility.

The government-wide financial statements include the City of New Berlin (known as the *primary government*). The Water, Wastewater and Water Resource Management Utilities, although legally separate, function for all practical purposes as departments of the City of New Berlin, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 22-23 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of New Berlin, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of New Berlin can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of New Berlin maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the general debt service fund and the capital improvements fund, all of which are considered to be major funds. Data from the other twenty-two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of New Berlin adopts an annual appropriated budget for all funds as required by state statute. Budgetary comparison statements have been provided for the general fund and each major special revenue fund, if any, to demonstrate compliance with the adopted budget.

The basic governmental fund financial statements can be found on pages 24-28 of this report.

Proprietary funds. The City of New Berlin maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of New Berlin uses enterprise funds to account for its Water, Wastewater and Water Resource Management Utilities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of New Berlin uses an internal service fund to account for its insurance fund. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Wastewater, and Water Resource Management Utilities, all of which are considered to be major funds of the City of New Berlin.

The basic proprietary fund financial statements can be found on pages 29-33 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of New Berlin's own programs. The most significant fiduciary fund maintained by the City of New Berlin is the Tax Collection Fund which records the tax roll and tax collections for other taxing jurisdictions within the City of New Berlin. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 34 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-82 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 86-114 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of New Berlin, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$185,519 at the close of the most recent fiscal year.

By far, the largest portion of the City of New Berlin's net position (74.1 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City of New Berlin used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of New Berlin's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF NEW BERLIN NET POSITION

December 31, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 63,151	\$ 60,253	\$ 38,404	\$ 35,580	\$ 101,555	\$ 95,833
Capital assets	86,178	80,856	107,794	108,996	193,972	189,852
Total Assets	<u>149,329</u>	<u>141,109</u>	<u>146,198</u>	<u>144,576</u>	<u>295,527</u>	<u>285,685</u>
Deferred Outflows of Resources	<u>8,300</u>	<u>13,234</u>	<u>651</u>	<u>876</u>	<u>8,951</u>	<u>14,110</u>
Long-term liabilities outstanding	57,675	58,233	4,774	4,546	62,449	62,779
Current and other liabilities	<u>12,553</u>	<u>12,107</u>	<u>1,173</u>	<u>2,232</u>	<u>13,726</u>	<u>14,339</u>
Total Liabilities	<u>70,228</u>	<u>70,340</u>	<u>5,947</u>	<u>6,778</u>	<u>76,175</u>	<u>77,118</u>
Deferred Inflows of Resources	<u>42,054</u>	<u>36,621</u>	<u>730</u>	<u>466</u>	<u>42,784</u>	<u>37,087</u>
Net position						
Net investment in capital assets	33,608	31,633	103,011	104,711	136,619	136,344
Restricted	11,808	7,516	655	588	12,463	8,104
Unrestricted	(69)	8,233	36,506	32,909	36,437	41,142
Total net position	<u>\$ 45,347</u>	<u>\$ 47,382</u>	<u>\$ 140,172</u>	<u>\$ 138,208</u>	<u>\$ 185,519</u>	<u>\$ 185,590</u>

An additional portion of the City of New Berlin's governmental activities net position (26.0 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* is a negative \$69.

At the end of the current fiscal year, the City of New Berlin is able to report positive balances in all three categories of net position, in all fund types. The same situation held true for the prior fiscal year.

The government's net position decreased a total of \$72 during the current fiscal year. Business type activities increased \$1,963 while government activities had a decrease of \$2,035.

Governmental activities. Governmental activities decreased the City of New Berlin's net position by \$2,035. Governmental expenses included \$3,650 of depreciation expense allocated as follows: \$270 to general government, \$901 to public safety, \$1,502 to highway and transportation, \$357 to library, and \$620 to parks and recreation. Depreciation expense is 8.63% of the total expenses for governmental activities. Total expenses increased \$2,138 or 5.3%.

Some of the significant changes in revenues and expenses were as follows:

Revenues:

- Intergovernmental revenues increased \$961, this includes \$787 in grants and reimbursements from the Federal government for COVID relief.
- Capital grants and contributions decreased \$758, there were no contributed projects in 2020, unlike previous years.
- Investment income decreased \$813 due to the dramatic drop in interest rates.

Expenses:

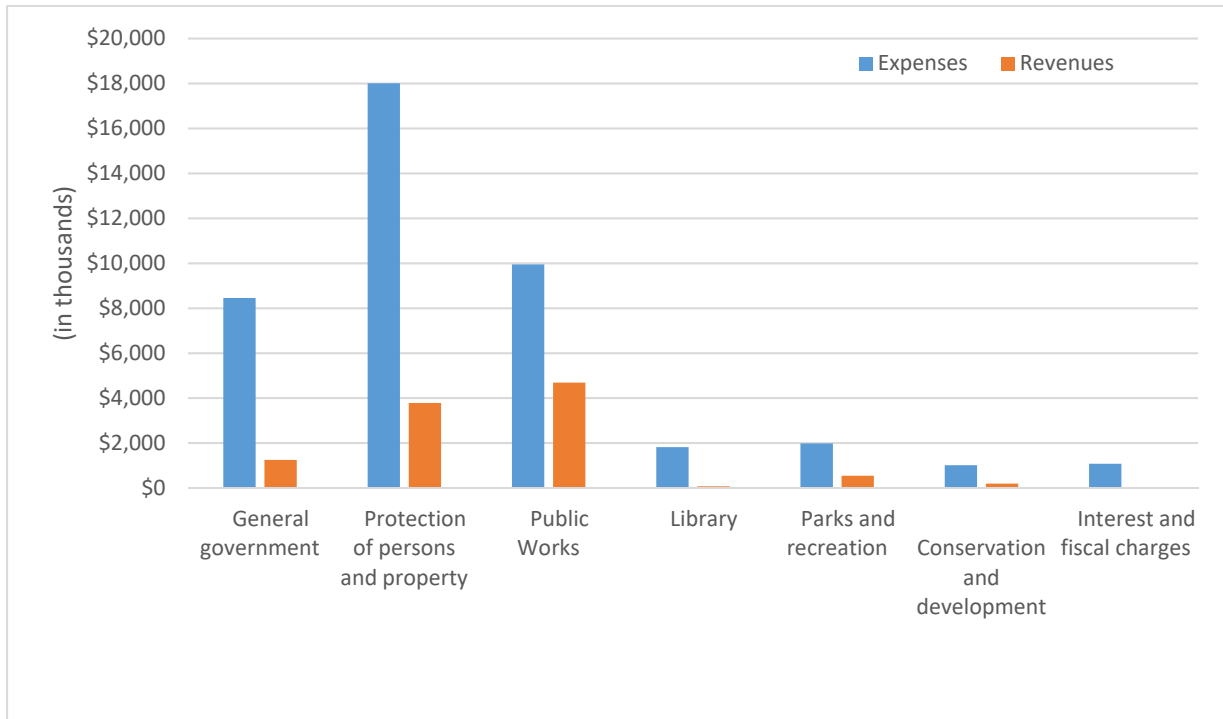
- Net pension expense due to GASB 68 decreased \$1.7 million. The expense is spread across all functions based on contributions.
- The city signed an intergovernmental agreement with the City of Waukesha for \$2 million.
- Highway & transportation expense increased \$698, road maintenance expenditures increased \$996.

The following is a more detailed review of the years' operation.

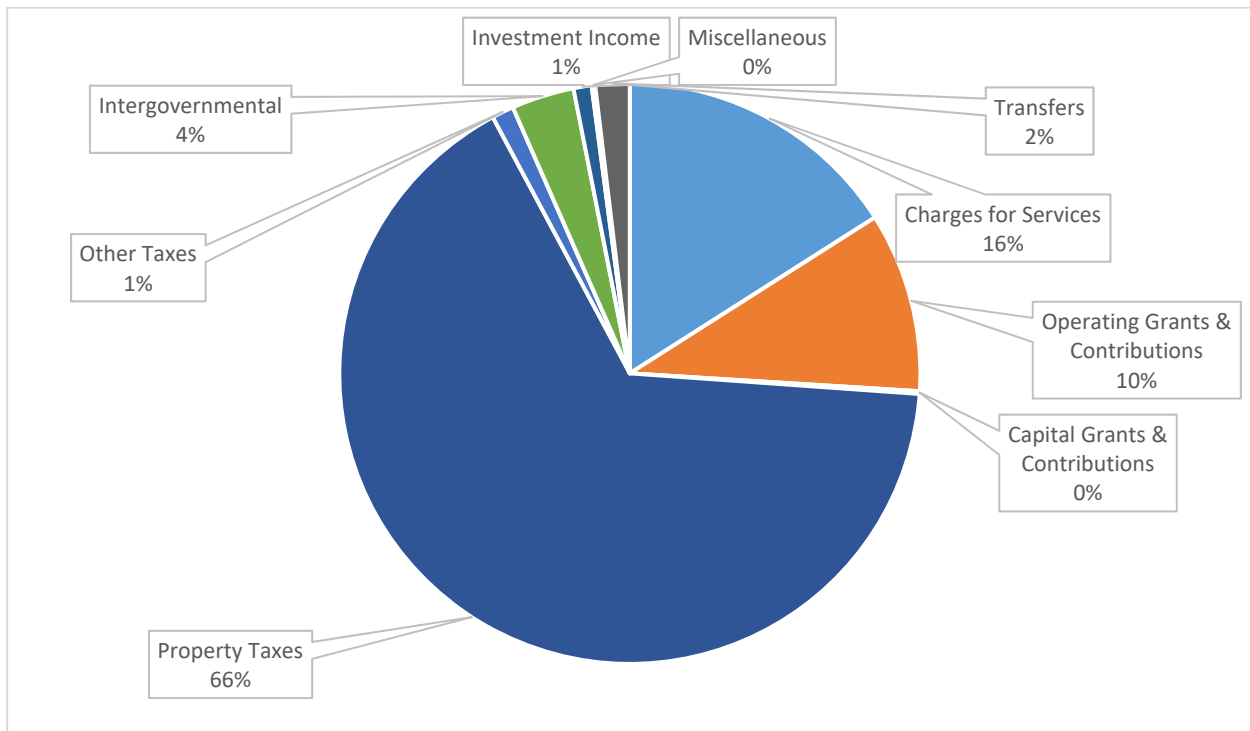
CITY OF NEW BERLIN CHANGES IN NET POSITION
For the years ending December 31, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues						
Charges for services	\$ 6,435	\$ 6,963	\$ 18,189	\$ 18,065	\$ 24,624	\$ 25,028
Operating grants and contributions	4,027	3,114	287	176	4,314	3,290
Capital grants and contributions	58	817	7	450	65	1,267
General Revenues						
Property taxes	26,592	25,676	-	-	26,592	25,676
Other taxes	493	395	-	-	493	395
Intergovernmental revenues not restricted to specific programs	1,402	1,200	-	-	1,402	1,200
Investment income (loss)	405	1,218	224	538	629	1,756
Other	81	105	-	-	81	105
Total revenues	<u>39,493</u>	<u>39,488</u>	<u>18,707</u>	<u>19,229</u>	<u>58,200</u>	<u>58,717</u>
Expenses						
General government	8,454	6,636	-	-	8,454	6,636
Public safety	18,008	18,403	-	-	18,008	18,403
Highway and transportation	9,947	9,249	-	-	9,947	9,249
Library	1,818	1,721	-	-	1,818	1,721
Parks and recreation	1,978	2,232	-	-	1,978	2,232
Conservation and development	1,010	824	-	-	1,010	824
Interest and fiscal charges	1,080	1,092	-	-	1,080	1,092
Water			4,391	4,334	4,391	4,334
Wastewater	-	-	10,116	10,615	10,116	10,615
Water resource management	-	-	1,470	1,536	1,470	1,536
Total expenses	<u>42,295</u>	<u>40,157</u>	<u>15,977</u>	<u>16,485</u>	<u>58,272</u>	<u>56,642</u>
Increase (decrease) in net position before transfers	(2,802)	(669)	2,730	2,744	(72)	2,075
Transfers	766	23	(766)	(23)	-	-
Increase (decrease) in net position	(2,036)	(646)	1,964	2,721	(72)	2,075
Net position - January 1	<u>47,383</u>	<u>48,029</u>	<u>138,208</u>	<u>135,487</u>	<u>185,591</u>	<u>183,516</u>
Net position - December 31	<u>\$ 45,347</u>	<u>\$ 47,383</u>	<u>\$ 140,172</u>	<u>\$ 138,208</u>	<u>\$ 185,519</u>	<u>\$ 185,591</u>

Expenses and Program Revenues – Governmental Activities

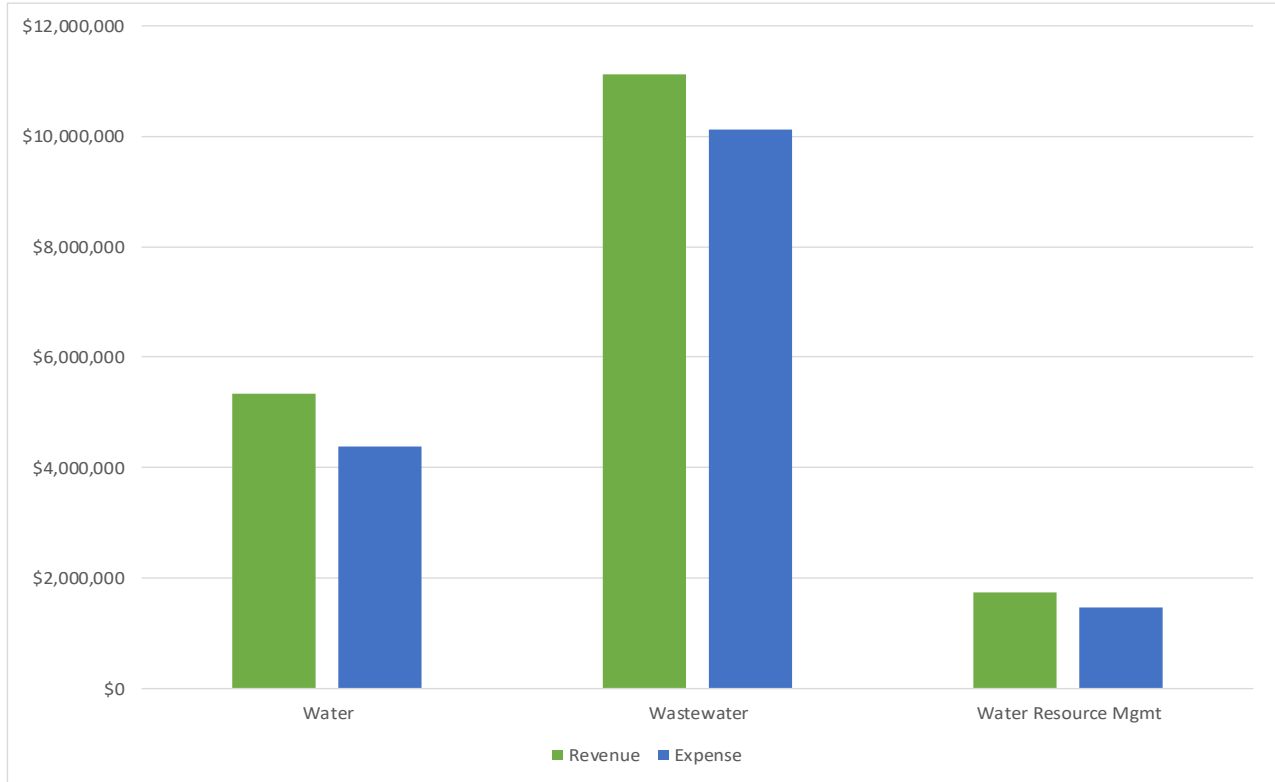


Program and General Revenues by Source – Governmental Activities

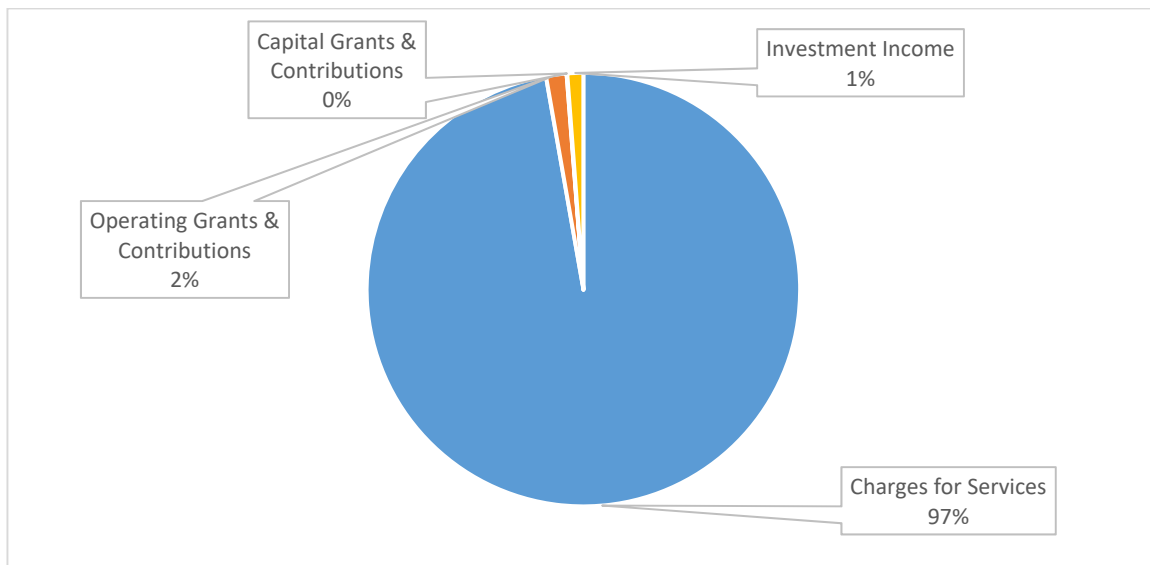


Business-type activities. Business-type activities increased the City of New Berlin’s net position by \$1.96 million in 2020. The operating income of the utilities increased \$561 from last year. The operating income for the wastewater utility increased \$446, the operating income for the water increased \$61 and the Water Resource Management utility increased \$54.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the Government's Funds

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

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

Fund balances are the differences between assets/deferred outflows of resources and liabilities/deferred inflows of resources in a governmental fund. The non-spendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. Restricted fund balance include amounts that can be spent only for the specific purposes stipulated by external providers, such a grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body or authorized official and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the general fund, and deficit fund balance in any other governmental fund.

As of the end of the current fiscal year, the City of New Berlin's governmental fund reported combined ending fund balances of \$24.5 million. Of that amount, a fraction was non-spendable, \$12.5 million was restricted, \$.8 million was committed, \$1.6 million was assigned, and \$9.1 million was unassigned fund balance.

The general fund is the chief operating fund of the City of New Berlin. At the end of the current fiscal year, unassigned fund balance of the general fund was \$9,070, while total fund balance increased slightly to \$10,129. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 31.1 percent of total general fund expenditures, while total fund balance represents 34.7 percent of that same amount.

The fund balance of the City of New Berlin's general fund increased \$3 during the current fiscal year compared to a budgeted use of fund balance of \$1,000. Key factors in this favorable outcome are as follows:

- The police department had a positive variance totaling \$288.
- Engineering Department budget was \$274 because some road work was not done with the general fund.
- Grant income had a \$687 positive variance. The City received various grants for COVID relief.

The debt service fund has a total fund balance of \$1,522, all of which is reserved for the payment of debt service.

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

Unrestricted net position of the Water Utility at the end of the year amounted to \$8,151, for the Wastewater Utility \$21,427 and for the Water Resource Management Utility amounted to \$3,331. The total change in net position for the funds was \$370, \$1,131, and \$1,221, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of New Berlin's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were not significant in 2020. The transfers from contingency were as follows:

- \$62 to the Human Resource & Clerks Department for a reorganization
- \$12 increase to Facilities Maintenance to replace a heating & air conditioning unit
- 34.5 to the Fire Department for firefighting gear

In addition the police budget and grant revenue accounts were increased \$24 to recognize a grant received. During the year, expenditures were less than budgetary estimates, thus fund balance was not drawn down as much as budgeted.

Capital Asset and Debt Administration

Capital assets: The City of New Berlin's investment in capital assets for its governmental and business type activities as of December 31, 2020, amounts to \$193,971 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, park facilities, roads, highways, and sidewalks. The City of New Berlin's overall investment in capital assets for the current fiscal year increased 2.2% - (governmental activities increased 6.6% while business-type activities decreased 1.1%).

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

- The city purchased a new fire ladder truck for \$858
- The historic museum was completed at a cost of \$1.4 million
- Purchased a park in the south east section of the city for \$799
- Purchased a building and site to start the process of creating a Recreation Center for the city, first year cost of \$1.3 million.
- The balances of additions were routine in nature.

CITY OF NEW BERLIN'S CAPITAL ASSETS
(net of accumulated depreciation)
December 31, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land & improvements	\$ 20,837	\$ 19,014	\$ 1,426	\$ 1,426	\$ 22,263	\$ 20,440
Intangible asset	561	590	600	675	1,161	1,265
Buildings	20,133	18,452	2,659	2,800	22,792	21,252
Machinery and equipment	13,124	11,316	2,192	1,362	15,316	12,678
Infrastructure	30,052	30,493	100,916	102,340	130,968	132,833
Construction in progress	1,471	991	-	393	1,471	1,384
Total	<u>\$ 86,178</u>	<u>\$ 80,856</u>	<u>\$ 107,793</u>	<u>\$ 108,996</u>	<u>\$ 193,971</u>	<u>\$ 189,852</u>

Additional information on the City of New Berlin's capital assets can be found in Note IV D on pages 58-61 of this report.

Long-term debt. At the end of the current fiscal year, the City of New Berlin had total bonded debt outstanding of \$59,075 which is backed by the full faith and credit of the government.

CITY OF NEW BERLIN'S OUTSTANDING DEBT
December 31, 2020 and 2019

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds and notes	\$ 57,185	\$ 54,125	\$ 1,890	\$ 2,380	\$ 59,075	\$ 56,505

The City of New Berlin's total debt increased \$2,570 (4.5 percent) during the current fiscal year.

Moody's affirmed the City's Aaa rating for its' \$9.815 million general obligation bonds issued in September.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the City of New Berlin is \$285,720, which is significantly in excess of the City of New Berlin's outstanding general obligation debt.

Additional information on the City of New Berlin's long-term debt can be found in note IV F on pages 64-67 of this report.

Economic Factors and Next Year's Budgets and Rates

- The City's 2021 adopted budget increased to \$39,366 from \$38,679 in 2020, an increase of 1.8%.
- State shared revenue remained the same in 2021. The city expects to receive less thereafter.
- The State of Wisconsin imposed a maximum tax levy increase of 0% for municipalities in 2012 and thereafter.

All of these factors were considered in preparing the City of New Berlin's budget for the 2021 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased to \$9,069. The City of New Berlin has appropriated \$1,000 of surplus for spending in the 2021 fiscal year budget. It is intended that this use of available fund balance will stabilize the tax rate during the 2021 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of New Berlin's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Finance Director, 3805 South Casper Drive, New Berlin, Wisconsin, 53151.

General information relating to the City of New Berlin, Wisconsin, can be found at the City's website, www.newberlin.org.

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

CITY OF NEW BERLIN

STATEMENT OF NET POSITION
As of December 31, 2020

	Primary Government		
	Governmental Activities	Business- type Activities	Total
ASSETS			
Cash and investments	\$ 26,594,581	\$ 32,762,216	\$ 59,356,797
Receivables (net of allowance for uncollectible accounts)	31,645,935	4,621,941	36,267,876
Internal balances	(365,347)	365,347	-
Prepaid items	7,140	-	7,140
Deposit with CVMIC	802,060	-	802,060
Restricted assets			
Cash and investments	-	428,440	428,440
Net pension asset	4,467,197	226,384	4,693,581
Capital assets (net of accumulated depreciation/amortization)			
Land	18,096,303	1,426,010	19,522,313
Other capital assets	66,610,087	106,367,916	172,978,003
Construction in progress	1,471,232	-	1,471,232
Total Assets	149,329,188	146,198,254	295,527,442
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	10,395,775	557,485	10,953,260
Deferred outflows related to OPEB	536,981	32,640	569,621
Deferred charge on refunding	17,131	61,235	78,366
Total Deferred Outflows of Resources	10,949,887	651,360	11,601,247
LIABILITIES			
Accounts payable and other current liabilities	2,520,811	535,709	3,056,520
Accrued interest payable	166,712	14,836	181,548
Unearned revenue	193,347	-	193,347
Noncurrent liabilities			
Due within one year	9,672,636	622,615	10,295,251
Due in more than one year	57,674,646	4,774,011	62,448,657
Total Liabilities	70,228,152	5,947,171	76,175,323
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	13,412,702	657,548	14,070,250
Deferred inflows related to OPEB	1,201,717	73,047	1,274,764
Unearned revenue	30,089,457	-	30,089,457
Total Deferred Inflows of Resources	44,703,876	730,595	45,434,471
NET POSITION			
Net investment in capital assets	33,607,748	103,012,677	136,620,425
Restricted for			
Debt service	1,354,939	-	1,354,939
Impact fees	106,137	-	106,137
Replacement	-	428,440	428,440
Wastewater RCA fees	1,807,455	-	1,807,455
Culture and recreational programs	802,432	-	802,432
Public safety programs	194,165	-	194,165
Public works	1,212,606	-	1,212,606
Community development	2,239	-	2,239
Tax increment district	534,285	-	534,285
Capital projects	1,327,131	-	1,327,131
Pension	4,467,197	226,384	4,693,581
Unrestricted (deficit)	(69,287)	36,504,347	36,435,060
TOTAL NET POSITION	\$ 45,347,047	\$ 140,171,848	\$ 185,518,895

See accompanying notes to financial statements.

CITY OF NEW BERLIN

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Totals
Primary government							
Governmental Activities							
General government	\$ 8,453,780	\$ 878,382	\$ 366,870	\$ -	\$ (7,208,528)	\$ -	\$ (7,208,528)
Protection of persons and property	18,007,422	2,787,481	984,779	10,636	(14,224,526)	-	(14,224,526)
Public Works	9,947,171	2,245,667	2,439,985	-	(5,261,519)	-	(5,261,519)
Library	1,818,273	67,589	-	7,238	(1,743,446)	-	(1,743,446)
Parks and recreation	1,978,265	368,603	130,521	40,819	(1,438,322)	-	(1,438,322)
Conservation and development	1,010,331	87,815	104,900	-	(817,616)	-	(817,616)
Interest and fiscal charges	1,079,980	-	-	-	(1,079,980)	-	(1,079,980)
Total Governmental Activities	<u>42,295,222</u>	<u>6,435,537</u>	<u>4,027,055</u>	<u>58,693</u>	<u>(31,773,937)</u>	<u>-</u>	<u>(31,773,937)</u>
Business-type Activities							
Water	4,391,369	5,328,140	910	-	-	937,681	937,681
Wastewater	10,115,517	11,118,591	285,616	-	-	1,288,690	1,288,690
Water Resource Management	1,470,073	1,742,011	-	7,500	-	279,438	279,438
Total Business-type Activities	<u>15,976,959</u>	<u>18,188,742</u>	<u>286,526</u>	<u>7,500</u>	<u>-</u>	<u>2,505,809</u>	<u>2,505,809</u>
Total primary government	<u>\$ 58,272,181</u>	<u>\$ 24,624,279</u>	<u>\$ 4,313,581</u>	<u>\$ 66,193</u>	<u>(31,773,937)</u>	<u>2,505,809</u>	<u>(29,268,128)</u>
General Revenues:							
Taxes							
Property taxes, levied for general purposes					19,106,657	-	19,106,657
Property taxes, levied for debt service					7,485,609	-	7,485,609
Other taxes					493,133	-	493,133
Intergovernmental revenues not restricted to specific programs					1,401,632	-	1,401,632
Investment income					404,799	223,775	628,574
Miscellaneous					80,687	-	80,687
Transfers					766,337	(766,337)	-
Total General Revenues and Transfers					<u>29,738,854</u>	<u>(542,562)</u>	<u>29,196,292</u>
Change in Net Position					(2,035,083)	1,963,247	(71,836)
Net Position - Beginning of Year					<u>47,382,130</u>	<u>138,208,601</u>	<u>185,590,731</u>
Net Position - End of Year					<u>\$ 45,347,047</u>	<u>\$ 140,171,848</u>	<u>\$ 185,518,895</u>

See accompanying notes to financial statements.

CITY OF NEW BERLIN

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2020

	General	General Debt Service	Capital Project Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 10,803,624	\$ 1,503,595	\$ 6,731,304	\$ 7,158,600	\$ 26,197,123
Receivables (net of allowance for uncollectible accounts)					
Taxes	22,685,354	7,657,141	-	373,259	30,715,754
Delinquent personal property taxes	52,046	-	-	-	52,046
Accounts	664,809	18,056	-	141,114	823,979
Interest	39,997	-	-	-	39,997
Special assessments	-	-	-	14,159	14,159
Due from other funds	492,711	-	-	-	492,711
Prepaid items	7,140	-	-	-	7,140
TOTAL ASSETS	\$ 34,745,681	\$ 9,178,792	\$ 6,731,304	\$ 7,687,132	\$ 58,342,909
LIABILITIES					
Accounts payable	\$ 1,061,788	\$ -	\$ 821,333	\$ 211,306	\$ 2,094,427
Accrued liabilities	91,350	-	-	-	91,350
Accrued payroll	335,034	-	-	-	335,034
Due to other funds	858,058	-	-	-	858,058
Unearned revenues	180,559	-	-	12,788	193,347
Total Liabilities	2,526,789	-	821,333	224,094	3,572,216
DEFERRED INFLOWS OF RESOURCES					
Unearned revenues	22,058,807	7,657,141	-	373,509	30,089,457
Unavailable revenues	30,984	-	-	132,058	163,042
Total Deferred Inflows of Resources	22,089,791	7,657,141	-	505,567	30,252,499
FUND BALANCES (DEFICITS)					
Non-spendable:					
Delinquent personal property taxes	52,046	-	-	-	52,046
Prepays	7,140	-	-	-	7,140
Restricted:					
Culture and recreation	-	-	-	802,432	802,432
Public safety	-	-	-	194,165	194,165
Community development	-	-	-	2,239	2,239
Tax increment district	-	-	-	534,285	534,285
Impact and RCA fees	-	-	-	1,913,592	1,913,592
Capital Projects	-	-	5,525,607	1,327,131	6,852,738
Debt Service	-	1,521,651	-	-	1,521,651
Public works	-	-	-	1,212,606	1,212,606
Committed:					
Culture and recreation	-	-	-	208,836	208,836
Community development	-	-	-	552,876	552,876
Assigned:					
Subsequent year budget appropriations	1,000,000	-	-	-	1,000,000
Capital Projects	-	-	384,364	219,530	603,894
Unassigned (deficit)	9,069,915	-	-	(10,221)	9,059,694
Total Fund Balances (Deficits)	10,129,101	1,521,651	5,909,971	6,957,471	24,518,194
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 34,745,681	\$ 9,178,792	\$ 6,731,304	\$ 7,687,132	

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

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. See Note IV D.	86,177,622
Internal service funds are reported in the statement of net position as governmental activities	1,199,518
The net pension asset does not relate to current financial resources and is not reported in the governmental funds.	4,467,197
Deferred outflows of resources related to pension and OPEB do not relate to current financial resources and are not report in the governmental funds.	8,282,817
Deferred inflows of resources related to pension and OPEB do not relate to current financial resources and are not report in the governmental funds.	(11,964,480)
Some receivables that are not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements. See Note II A.	163,042
Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds. See Note II A.	(67,496,863)

NET POSITION OF GOVERNMENTAL FUNDS **\$ 45,347,047**

See accompanying notes to financial statements.

**Statement of Revenues, Expenditures, and
changes in Fund Balances – Governmental
Funds** Follows

CITY OF NEW BERLIN

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	General	General Debt Service	Capital Project Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 19,210,698	\$ 7,562,022	\$ -	\$ 311,658	\$ 27,084,378
Intergovernmental	4,703,790	78,110	240,845	124,803	5,147,548
Licenses and permits	1,385,579	-	-	-	1,385,579
Fines, forfeitures and penalties	285,734	-	-	-	285,734
Public charges for services	2,023,820	-	-	1,766,028	3,789,848
Public improvement revenues	-	-	-	68,771	68,771
Interdepartmental revenues	397,478	-	-	-	397,478
Investment income	317,025	-	56,596	32,199	405,820
Miscellaneous revenues	229,339	-	-	340,246	569,585
Total Revenues	28,553,463	7,640,132	297,441	2,643,705	39,134,741
EXPENDITURES					
Current					
General government	5,890,599	-	19,531	44,105	5,954,235
Protection of persons and property	16,783,222	-	-	211,109	16,994,331
Public Works	3,109,195	-	-	1,614,066	4,723,261
Library	1,608,042	-	-	15,414	1,623,456
Parks and recreation	1,264,686	-	-	28,263	1,292,949
Conservation and development	688,878	-	-	79,031	767,909
Capital Outlay	-	-	11,915,361	1,026,630	12,941,991
Debt Service					
Principal retirement	-	6,754,878	-	-	6,754,878
Interest and fiscal charges	-	1,219,552	72,052	-	1,291,604
Total Expenditures	29,344,622	7,974,430	12,006,944	3,018,618	52,344,614

CITY OF NEW BERLIN

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2020

	<u>General</u>	<u>General Debt Service</u>	<u>Capital Project Capital Improvements</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Excess (deficiency) of revenues over expenditures	\$ (791,159)	\$ (334,298)	\$ (11,709,503)	\$ (374,913)	\$ (13,209,873)
OTHER FINANCING					
SOURCES (USES)					
Long-term debt issued	-	-	9,310,000	505,000	9,815,000
Premium on bond issued	-	195,198	-	-	195,198
Capital lease	109,861	-	-	-	109,861
Transfers in	901,337	189,838	200,000	216,716	1,507,891
Transfers out	(216,716)	-	-	(524,838)	(741,554)
Total Other Financing Sources (Uses)	<u>794,482</u>	<u>385,036</u>	<u>9,510,000</u>	<u>196,878</u>	<u>10,886,396</u>
Net Change in Fund Balance	3,323	50,738	(2,199,503)	(178,035)	(2,323,477)
FUND BALANCES - Beginning of year	<u>10,125,778</u>	<u>1,470,913</u>	<u>8,109,474</u>	<u>7,135,506</u>	<u>26,841,671</u>
FUND BALANCES - END OF YEAR	<u>\$ 10,129,101</u>	<u>\$ 1,521,651</u>	<u>\$ 5,909,971</u>	<u>\$ 6,957,471</u>	<u>\$ 24,518,194</u>

See accompanying notes to financial statements.

CITY OF NEW BERLIN

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2020

Net change in fund balances - total governmental funds	\$ (2,323,477)
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	12,941,991
Some items reported as capital outlay were not capitalized	(4,212,292)
Some items capitalized are reported as current expenditures	515,725
Depreciation is reported in the government-wide statements	(3,650,053)
Net book value of assets retired	(273,686)
Developer funded & donated capital additions	1

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of the differences in the treatment of long-term debt. See Note II B.	(3,106,099)
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Revenues are reported in the governmental funds when current financial resources are available, but are recognized when earned in the statement of activities. See Note II B.	122,097
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. See Note II B.	(2,099,550)
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Internal Service fund change in net position	56,268
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A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds.	<u>(6,008)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (2,035,083)</u></u>
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See accompanying notes to financial statements.

CITY OF NEW BERLIN

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL (NON - GAAP)
GENERAL FUND
For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 19,186,657	\$ 19,186,657	\$ 19,210,698	\$ 24,041
Intergovernmental	3,948,433	3,972,694	4,703,790	731,096
Licenses and permits	1,312,189	1,312,189	1,385,579	73,390
Fines, forfeitures and penalties	320,000	320,000	285,734	(34,266)
Public charges for services	2,637,728	2,637,728	2,023,820	(613,908)
Interdepartmental revenues	459,599	459,599	397,478	(62,121)
Investment income	650,000	650,000	317,025	(332,975)
Miscellaneous revenues	205,000	205,000	229,339	24,339
Total Revenues	<u>28,719,606</u>	<u>28,743,867</u>	<u>28,553,463</u>	<u>(190,404)</u>
EXPENDITURES				
Current				
General government	6,216,740	6,291,060	5,841,082	449,978
Protection of persons and property	16,896,217	16,954,978	16,818,156	136,822
Highway and transportation	3,310,208	3,310,208	3,109,195	201,013
Library	1,549,045	1,549,045	1,498,181	50,864
Parks and recreation	1,500,544	1,500,544	1,220,200	280,344
Conservation and development	715,136	715,136	688,878	26,258
Unclassified	-	-	1,042	(1,042)
Contingency	300,000	191,180	-	191,180
Total Expenditures	<u>30,487,890</u>	<u>30,512,151</u>	<u>29,176,734</u>	<u>1,335,417</u>
Excess (deficiency) of revenues over expenditures	(1,768,284)	(1,768,284)	(623,271)	1,145,013
OTHER FINANCING SOURCES (USES)				
Transfers in	985,000	985,000	901,337	(83,663)
Transfer out	(216,716)	(216,716)	(216,716)	-
Total other financing sources and (uses)	<u>768,284</u>	<u>768,284</u>	<u>684,621</u>	<u>(83,663)</u>
Net change in Fund Balance - budgetary basis	(1,000,000)	(1,000,000)	61,350	1,061,350
Adjustment to generally accepted accounting principles basis				
Capital Lease - expenditure	-	-	(109,861)	(109,861)
Capital Lease - obligation	-	-	109,861	109,861
Change in Encumbrances	-	-	(58,027)	(58,027)
	<u>-</u>	<u>-</u>	<u>(58,027)</u>	<u>(58,027)</u>
Net Change in Fund Balance - -generally accepted accounting principles basis	(1,000,000)	(1,000,000)	3,323	1,003,323
FUND BALANCES - BEGINNING OF YEAR	<u>10,125,778</u>	<u>10,125,778</u>	<u>10,125,778</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 9,125,778</u>	<u>\$ 9,125,778</u>	<u>\$ 10,129,101</u>	<u>\$ 1,003,323</u>

See accompanying notes to financial statements.

Statement of Net Position
- **Proprietary Funds** Follows

CITY OF NEW BERLIN

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 As of December 31, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility	Totals	
ASSETS					
Current Assets					
Cash and investments	\$ 9,400,600	\$ 19,758,298	\$ 3,603,318	\$ 32,762,216	\$ 397,458
Receivables					
Accounts	1,146,054	2,960,851	457,312	4,564,217	-
Interest	4,456	14,626	-	19,082	-
Due from other funds	327,672	467,833	66,245	861,750	-
Advance to Water Resource Management	-	105,000	-	105,000	-
Total Current Assets	<u>10,878,782</u>	<u>23,306,608</u>	<u>4,126,875</u>	<u>38,312,265</u>	<u>397,458</u>
Non-Current Assets					
Restricted Assets					
Cash and investments	-	428,440	-	428,440	-
Net pension asset	125,748	86,321	14,315	226,384	-
Capital Assets					
Land	652,146	456,017	317,847	1,426,010	-
Other capital assets	64,452,943	60,439,265	35,401,164	160,293,372	-
Accumulated depreciation/amortization	(24,490,837)	(17,039,233)	(12,395,386)	(53,925,456)	-
Other Assets					
Special assessments receivable	36,878	1,764	-	38,642	-
Advance to Water Resource Management	-	220,000	-	220,000	-
Deposit with CVMIC	-	-	-	-	802,060
Total Non-Current Assets	<u>40,776,878</u>	<u>44,592,574</u>	<u>23,337,940</u>	<u>108,707,392</u>	<u>802,060</u>
TOTAL ASSETS	<u>51,655,660</u>	<u>67,899,182</u>	<u>27,464,815</u>	<u>147,019,657</u>	<u>1,199,518</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pension	310,130	194,624	52,731	557,485	-
Deferred outflows related to OPEB	19,200	13,440	-	32,640	-
Deferred charge on refunding	61,235	-	-	61,235	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>390,565</u>	<u>208,064</u>	<u>52,731</u>	<u>651,360</u>	<u>-</u>

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility	Totals	
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 247,645	\$ 195,743	\$ 17,113	\$ 460,501	\$ -
Accrued liabilities	67,725	-	7,483	75,208	-
Accrued interest payable	14,023	-	813	14,836	-
Due to other funds	408,673	39,638	48,092	496,403	-
Current portion of general obligation notes	485,000	-	-	485,000	-
Current portion of advance	-	-	105,000	105,000	-
Current portion of revenue bonds	137,615	-	-	137,615	-
Total Current Liabilities	<u>1,360,681</u>	<u>235,381</u>	<u>178,501</u>	<u>1,774,563</u>	<u>-</u>
Non-Current Liabilities					
Long-Term Debt					
General obligation promissory notes	1,440,937	-	-	1,440,937	-
Revenue Bonds	2,778,932	-	-	2,778,932	-
Advance from sewer	-	-	220,000	220,000	-
Net OPEB obligation	311,705	242,437	-	554,142	-
Total Non-Current Liabilities	<u>4,531,574</u>	<u>242,437</u>	<u>220,000</u>	<u>4,994,011</u>	<u>-</u>
TOTAL LIABILITIES	<u>5,892,255</u>	<u>477,818</u>	<u>398,501</u>	<u>6,768,574</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to OPEB	42,969	30,078	-	73,047	-
Deferred inflows related to pension	356,814	253,547	47,187	657,548	-
Total Deferred Inflows of Resources	<u>399,783</u>	<u>283,625</u>	<u>47,187</u>	<u>730,595</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	35,833,003	43,856,049	23,322,096	103,011,148	-
Restricted for					
Replacement	-	428,440	-	428,440	-
Pension	125,748	86,321	14,315	226,384	-
Unrestricted	<u>9,795,436</u>	<u>22,974,993</u>	<u>3,735,447</u>	<u>36,505,876</u>	<u>1,199,518</u>
TOTAL NET POSITION	<u>\$ 45,754,187</u>	<u>\$ 67,345,803</u>	<u>\$ 27,071,858</u>	<u>\$ 140,171,848</u>	<u>\$ 1,199,518</u>

See accompanying notes to financial statements.

CITY OF NEW BERLIN

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility	Totals	
OPERATING REVENUES					
Charges for services and sales	\$ 5,023,886	\$ 11,073,937	\$ 1,742,011	\$ 17,839,834	\$ 230,690
Other operating revenues	304,254	44,654	-	348,908	129,290
Total Operating Revenues	<u>5,328,140</u>	<u>11,118,591</u>	<u>1,742,011</u>	<u>18,188,742</u>	<u>359,980</u>
OPERATING EXPENSES					
Operation and maintenance	2,904,946	9,176,942	935,170	13,017,058	303,712
Depreciation	1,210,372	861,830	501,485	2,573,687	-
Taxes	48,138	34,568	20,780	103,486	-
Total Operating Expenses	<u>4,163,456</u>	<u>10,073,340</u>	<u>1,457,435</u>	<u>15,694,231</u>	<u>303,712</u>
Operating Income	<u>1,164,684</u>	<u>1,045,251</u>	<u>284,576</u>	<u>2,494,511</u>	<u>56,268</u>
NONOPERATING REVENUES (EXPENSES)					
Investment income	49,239	137,076	16,945	203,260	-
Amortization of bond premium	20,515	-	-	20,515	-
Intergovernmental Revenue	-	285,616	-	285,616	-
Local Grant	910	(42,177)	-	(41,267)	-
Gain on Disposal	-	-	7,500	7,500	-
Interest expense	(227,913)	-	(12,638)	(240,551)	-
Total Nonoperating Revenues (Expenses)	<u>(157,249)</u>	<u>380,515</u>	<u>11,807</u>	<u>235,073</u>	<u>-</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	1,007,435	1,425,766	296,383	2,729,584	56,268
TRANSFERS OUT	<u>(751,151)</u>	<u>(15,186)</u>	<u>-</u>	<u>(766,337)</u>	<u>-</u>
CHANGE IN NET POSITION	256,284	1,410,580	296,383	1,963,247	56,268
NET POSITION - Beginning of Year	<u>45,497,903</u>	<u>65,935,223</u>	<u>26,775,475</u>	<u>138,208,601</u>	<u>1,143,250</u>
NET POSITION - END OF YEAR	<u>\$ 45,754,187</u>	<u>\$ 67,345,803</u>	<u>\$ 27,071,858</u>	<u>\$ 140,171,848</u>	<u>\$ 1,199,518</u>

See accompanying notes to financial statements.

Statement of Cash Flows
- Proprietary Funds Follows

CITY OF NEW BERLIN

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds			Totals	Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility		
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 4,986,624	\$ 11,189,330	\$ 1,754,572	\$ 17,930,526	\$ 129,290
Receipts from municipality	801,274	-	-	801,274	230,690
Payments to municipality	-	-	(307,879)	(307,879)	-
Payments to suppliers	(1,906,141)	(9,452,523)	(518,162)	(11,876,826)	(379,143)
Payments to employees	(620,255)	(403,088)	(289,861)	(1,313,204)	-
Net Cash Flows From Operating Activities	<u>3,261,502</u>	<u>1,333,719</u>	<u>638,670</u>	<u>5,233,891</u>	<u>(19,163)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Receipt of advances	-	105,000	-	105,000	-
Transfers out - paid for tax equivalent	(751,151)	(15,186)	-	(766,337)	-
Net Cash Flows From Non-Capital Related Financing Activities	<u>(751,151)</u>	<u>89,814</u>	<u>-</u>	<u>(661,337)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(612,010)	(780,387)	(382,390)	(1,774,787)	-
Revenue bond issuance	1,106,584	-	-	1,106,584	-
Special assessments received	1,575	2,078	-	3,653	-
Salvage on retired plant	13,793	-	-	13,793	-
Grant received	910	-	-	910	-
Grant costs	-	(42,177)	-	(42,177)	-
Payment of advance	-	-	(105,000)	(105,000)	-
Debt retired	(624,444)	-	-	(624,444)	-
Interest paid	(115,953)	-	(12,900)	(128,853)	-
Net Cash Flows From Capital and and Related Financing Activities	<u>(229,545)</u>	<u>(820,486)</u>	<u>(500,290)</u>	<u>(1,550,321)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investments	(707,001)	(3,394,909)	-	(4,101,910)	-
Investments sold	820,575	3,227,986	-	4,048,561	-
Interest received	45,087	138,657	16,945	200,689	-
Net Cash Flows From Investing Activities	<u>158,661</u>	<u>(28,266)</u>	<u>16,945</u>	<u>147,340</u>	<u>-</u>
Net Change in Cash and Cash Equivalents	2,439,467	574,781	155,325	3,169,573	(19,163)
CASH AND CASH EQUIVALENTS – Beginning of Year	<u>6,114,683</u>	<u>15,898,077</u>	<u>3,447,993</u>	<u>25,460,753</u>	<u>416,621</u>
CASH AND CASH EQUIVALENTS – END OF YEAR	<u>\$ 8,554,150</u>	<u>\$ 16,472,858</u>	<u>\$ 3,603,318</u>	<u>\$ 28,630,326</u>	<u>\$ 397,458</u>

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Wastewater Utility	Water Resource Management Utility	Totals	
Reconciliation of operating income to net cash provided by operating activities:					
Operating income	\$ 1,164,684	\$ 1,045,251	\$ 284,576	\$ 2,494,511	\$ 56,268
Adjustments to reconcile operating income to net cash flows from operating activities					
Noncash items included in operating income					
Depreciation expense	1,210,372	861,830	501,485	2,573,687	-
Depreciation charged to other accounts	171,518	-	-	171,518	-
Changes in Assets and Liabilities					
Accounts receivable	(68,366)	5,162	5,333	(57,871)	-
Receivable from municipality	526,670	62,440	7,109	596,219	-
Receivable from wastewater	6,984	-	119	7,103	-
Receivable from water	-	3,137	-	3,137	-
Receivable from water resource management	9	-	-	9	-
Pension related inflow	133,858	125,153	13,379	272,390	-
OPEB related inflow	(4,677)	(3,274)	-	(7,951)	-
Net pension liability (asset)	(263,984)	(180,613)	(29,841)	(474,438)	-
Accounts payable	(14,675)	(649,635)	1,834	(662,476)	(75,431)
Accrued liabilities	(5,539)	-	13	(5,526)	-
Net OPEB obligation	32,416	25,212	-	57,628	-
Pension related outflow	132,344	56,742	16,966	206,052	-
OPEB related outflow	(9,220)	(6,454)	-	(15,674)	-
Payable to municipality	252,245	(4,129)	(162,303)	85,813	-
Payable to water resource management	-	(119)	-	(119)	-
Payable to wastewater	(3,137)	-	-	(3,137)	-
Payable to water	-	(6,984)	-	(6,984)	-
Net Cash Flows From Operating Activities	<u>\$ 3,261,502</u>	<u>\$ 1,333,719</u>	<u>\$ 638,670</u>	<u>\$ 5,233,891</u>	<u>\$ (19,163)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET ASSETS					
Cash and cash equivalents - unrestricted	\$ 9,400,600	\$ 19,758,298	\$ 3,603,318	\$ 32,762,216	\$ 397,458
Cash and cash equivalents - restricted	-	428,440	-	428,440	-
Less: Non-cash equivalents	<u>(846,450)</u>	<u>(3,713,880)</u>	<u>-</u>	<u>(4,560,330)</u>	<u>-</u>
CASH AND CASH EQUIVALENTS	<u>\$ 8,554,150</u>	<u>\$ 16,472,858</u>	<u>\$ 3,603,318</u>	<u>\$ 28,630,326</u>	<u>\$ 397,458</u>
NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital assets included in accounts payable	\$ (158,254)	\$ (17,862)	\$ -	\$ (176,116)	
Amortization of loss on refunding	\$ 34,956	\$ -	\$ -	\$ 34,956	
Amortization of bond premium	\$ 20,515	\$ -	\$ -	\$ 20,515	

See accompanying notes to financial statements.

CITY OF NEW BERLIN

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
As of December 31, 2020

	Custodial Funds		
	Collection Fund	Deposit Fund	Total
ASSETS			
Cash and investments	\$ 51,277,622	\$ 506,698	\$ 51,784,320
Taxes receivable	11,220,169	-	11,220,169
TOTAL ASSETS	\$ 62,497,791	\$ 506,698	\$ 63,004,489
LIABILITIES			
Due to other taxing units	62,497,791	-	62,497,791
Deposits	-	506,698	506,698
TOTAL LIABILITIES	\$ 62,497,791	\$ 506,698	\$ 63,004,489
NET POSITION - END OF YEAR	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

CITY OF NEW BERLIN

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
As of December 31, 2020

	Custodial Funds	
	Tax Collection Fund	Deposit Fund
ADDITIONS		
Tax Collections	\$ 45,527,866	\$ -
Deposit Collections	-	259,402
TOTAL ADDITIONS	<u>45,527,866</u>	<u>259,402</u>
DEDUCTIONS		
Payments to overlying districts	45,527,866	-
Deposit Payments	-	259,402
TOTAL DEDUCTIONS	<u>45,527,866</u>	<u>259,402</u>
Change in Fiduciary Net Position	<u>\$ -</u>	<u>\$ -</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

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CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report includes all of the funds of the City of New Berlin. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity’s financial statements to be misleading. The City has not identified any organizations that meet this criteria.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange 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 is 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 NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements

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

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

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

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

The city reports the following major governmental funds:

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

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

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

The City reports the following major enterprise funds:

- Water Utility – accounts for operations of the water system.
- Wastewater Utility – accounts for operations of the wastewater system.
- Water Resource Management Utility – accounts for operations of the storm water system.

The City reports the following non-major governmental funds:

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

Park & Open Space	Concession Stand	Landscape
Trail Fees	Park & Recreation	Building Maintenance
Impact Fees	Police	Technology Fee
Wastewater RCA Fees	Fire	Tourism Commission Fund
Golf Course	Mayor	Tax Increment District
Fourth of July	Special Assessment	Grant
Library	Garbage/Recycling	

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

Equipment Equipment Replacement

In addition, the city reports the following fund types:

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

General Liability Insurance

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

Property Tax
Deposit

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

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

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

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

The proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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, Wastewater, and Water Resource Management Utilities are charges to customers for sales and services. The rates used in the Water Utility were approved by the Public Service Commission. Wastewater and Water Resource Management service charges are billed at rates established by the city's common council. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

All Financial Statements

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

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

1. Deposits and Investments

For purposes of the statement of cash flows, the city considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents. See Note IV.A. for further information.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

2. Receivables

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

Property tax calendar – 2020 tax roll:

Lien date and levy date	December 2020
Tax bills mailed	December 2020
Payment in full, or	January 31, 2021
First installment due	January 31, 2021
Second installment due	March 31, 2021
Third installment due	May 31, 2021
Personal property taxes in full	January 31, 2021
Tax sale – 2020 delinquent real estate taxes	October 2023

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the utilities because they have the right by law to place delinquent bills on the tax roll.

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

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

3. Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. Any materials and supplies on hand at year-end are considered immaterial.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

3. Inventories and Prepaid Items (cont.)

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties.

5. Capital Assets

Government –Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets, \$10,000 for infrastructure assets, \$1,000 for utility system 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 fair value at the date of donation.

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

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

Buildings	20-50 Years
Land Improvements	10-50 Years
Machinery and Equipment	5-50 Years
Intangible Asset	4-20 Years
Utility System	4-100 Years
Infrastructure	25-75 Years

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

5. Capital Assets (cont.)

Financial Statements

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

6. Deferred Outflows of Resources

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

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

7. Compensated Absences

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

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable 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, 2020 are determined on the basis of current salary rates and include salary related payments.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

8. Long-Term Obligations/Conduit Debt

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

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

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

The city has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the city. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is \$5,369,700, made up of two issues.

9. Deferred Inflows of Resources

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

10. Equity Classifications

Government–Wide Statements

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

10. Equity Classifications (cont.)

- c. Unrestricted net position – All other net positions that do 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 then unrestricted resources as they are needed.

Fund Statements

Governmental fund balances displayed as follows:

- a. Non-spendable – Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted – Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City that originally created the commitment.
- d. Assigned – Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the Mayor and the Director of Finance to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned – Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

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

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

10. Equity Classifications (cont.)

Fund Statements (cont.)

The City has a formal minimum fund balance policy. That policy is to maintain a working capital reserve to pay for needs caused by unforeseen emergencies. This reserve will be maintained at a minimum of not less than fifteen percent of the subsequent year's general fund budgeted expenditures. The balance at year end was \$5,904,854 or 15.0%, and is included in unassigned general fund fund balance.

11. Pension

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

12. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City OPEB Plan and additions to/deductions from the City OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the City Plan. For this purpose, the City OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains “other long-term assets that are not available to pay for current period expenditures and therefore are unavailable in the funds”. The details of this difference are as follows:

Special Assessments	\$ 14,159
Subsequent period collections	<u>148,883</u>
Combined Adjustment for unavailable revenue	<u>\$ 163,042</u>

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

Bonds and notes payable	\$ 57,184,759
Intergovernmental Agreement	2,000,000
Compensated absences	1,722,192
Net OPEB obligation	5,493,187
Accrued interest	166,712
Lease payable	96,810
Deferred charge on refunding (to be amortized over life of debt)	(17,131)
Unamortized debt premium (to be amortized over life of debt)	<u>850,334</u>
Combined Adjustment for Long-Term Liabilities	<u>\$ 67,496,863</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Revenues are reported in the governmental funds when current financial resources are available, but are recognized when earned in the statement of activities.” The details of this difference are as follows:

Subsequent period collections	(148,883)
Current period collections	<u>26,786</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (122,097)</u>

Another element of that reconciliation states “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” Also, governmental fund report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. The details of this \$5,106,099 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	\$ (9,815,000)
Issuance of capital lease	(109,861)
Premium from sale of bonds, net of amortization	24,326
Principal repayments:	
General obligation debt	6,754,878
Capital lease	<u>39,558</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (3,106,099)</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES (cont.)

Another element of that reconciliation states, “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.” The details of this \$99,550 difference are as follows:

Compensated absences	\$ (77,368)
Net pension asset (liability)	9,269,245
Deferred outflows related to pension	(5,186,754)
Deferred inflows related to pension	(4,175,149)
Intergovernment Agreement	(2,000,000)
Net OPEB obligation	(322,677)
Deferred outflows related to OPEB	257,862
Deferred inflows related to OPEB	130,810
Accrued interest	<u>4,481</u>
Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (2,099,550)</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

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. except that actual (non-GAAP) expenditures presented reflect actual (GAAP) expenditures adjusted for expenditures liquidated under the prior period budget and encumbrances expected to be liquidated under the current period budget.

A budget has been adopted for the general, special revenue, and debt service funds. Budgets have not been formally adopted for capital project funds, except for the Equipment and Equipment Replacement Funds.

The budgeted amounts presented include any amendments made during the year. Transfers between departments and changes to the overall budget must be approved by a two-thirds council action. There were no supplemental appropriations during the year. Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were not material. Budgets are adopted at the fund level of expenditure.

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

<u>Fund</u>	<u>Budget Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Special Revenue Funds			
Park and Open Space Fund	\$ 300,000	\$ 799,137	\$ 499,137
Fire Fund	17,800	21,882	4,082
Landscape Fund	25,000	41,429	16,429
Technology Fund	10,000	24,970	14,970
Tax Increment District Fund	-	111,635	111,635
Grant Fund	5,000	19,510	14,510
Garbage/Recycling Fund	1,602,725	1,608,899	6,174

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

C. DEFICIT BALANCES

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

As of December 31, 2020, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>
Special Revenue Fund - Tourism	
Commission Fund	\$ 10,221

D. LIMITATIONS ON THE CITY TAX LEVY

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Cash equivalents and investments as shown on the city's Statement of Net Position are subject to the following risks:

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risks</u>
Petty Cash	\$ 3,410	\$ -	N/A
Money market account	15,877,522	3,599,562	Custodial credit
Money market mutual fund	293,314	293,314	Credit and interest rate
Municipal securities	2,402,914	2,402,914	Custodial credit, credit, interest rate and concentration of credit
U.S. Government agency securities	5,830,387	5,830,387	Custodial credit, credit, interest rate
U.S. Government treasury securities	160,233	160,233	Custodial credit and interest rate
Certificates of deposit - negotiable	6,658,418	6,658,418	Custodial Credit, interest rate and concentration of credit
Local government investment pool	<u>80,343,359</u>	<u>80,343,359</u>	Credit
Total Cash and investments	<u>\$ 111,569,557</u>	<u>\$ 99,288,187</u>	
Reconciliation to financial statements			
Per Statement of Net Position			
Cash and investment	\$ 59,356,797		
Restricted - cash and investment	428,440		
Per statement of fiduciary net position:			
Custodial funds	<u>51,784,320</u>		
Total	<u>\$ 111,569,557</u>		

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

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

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

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2020 the fair value of the city's share of the LGIP's assets was substantially equal to the amount as reported in these statements

Wisconsin Statute 66.0603 authorizes the City to invest in the following type of instruments:

1. Time deposits in any credit union, bank, savings bank or trust company.
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, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or 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.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

The City of New Berlin has adopted an investment policy. The investment policy limits investments to the following:

- U.S. Treasury obligations with maturities not exceeding five years from trade settlement date.
- Federal instrumentalities with maturities not exceeding five years from trade settlement date.
- Local government investment pools meeting Wisconsin statute 25.50 or 66.0301.
- Repurchase agreements with the city's deposit bank collateralized with 102% of market value of principal and accrued interest.
- Interest-bearing certificates of deposit collateralized with 102% of market value of principal and accrued interest.
- Commercial securities of the highest or second highest ratings.

PMA Financial Network, Inc. is the administrator for the Wisconsin Investment Series Cooperative (WISC). The investment manager for WISC is PMA Financial Network, Inc. The WISC is not registered with the Securities and Exchange Commission, but invests its funds in accordance with applicable Wisconsin statutes. The WISC has the characteristics of a mutual fund and accordingly, reports the value of its underlying assets at fair value. At December 31, 2020, the City's share of the WISC's assets was substantially equal to the amount reported above.

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

The City's investments are categorized are as follows:

Investment Type	December 31, 2020			
	Level 1	Level 2	Level 3	Total
U.S. Govt Agencies	\$ -	\$ 5,830,387	\$ -	\$ 5,830,387
U.S. Govt Treasury	-	160,233	-	160,233
Municipal Securities	-	2,402,914	-	2,402,914
Certificates of Deposit - negotiable	-	6,658,418	-	6,658,418
Money market mutual fund	293,314	-	-	227,345
Total	\$ 293,314	\$ 15,051,952	\$ -	\$ 15,279,297

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk – Deposits: Is the risk that in the event of a financial institution failure, the city’s deposits may not be returned to the city. The carrying value for deposits was \$15,877,522 and the bank’s carrying value was \$3,599,562. To meet current obligations, deposits are maintained in overnight repurchase agreements and transferred to a master control bank account as checks are presented for payment.

As of December 31, 2020, \$1,254,505 of the City’s total demand deposit bank balances of \$3,599,562 was uninsured and uncollateralized.

Custodial Credit Risk – Investments: Is the risk that in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments exposed to custodial risk are held by the city’s agent in the city’s name.

Interest Rate Risk – Is the risk that changes in interest rates will adversely affect the value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the city’s investment policy limits the maturity of any security to no more than five years from the date of purchase or in accordance with state and local statutes and ordinances, whichever is less. In addition, the policy indicates that the investment portfolio should be structured so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior maturity. The policy also states that with the exception of U.S. Treasury securities and authorized pools, no more than 50% of the city’s total investment portfolio will be invested in a single security type.

The city had the following investments and maturities as of December 31, 2020:

	Fair Value	Investment Maturities (in years)		
		Less than 1	1-3	3-5
U.S. Government agency securities	\$ 5,830,387	\$ 250,186	\$ 2,738,309	\$ 2,841,892
U.S. Government treasury securities	160,233	160,233	-	-
Certificates of Deposit - negotiable	6,658,418	3,522,359	2,712,893	423,166
Money Market Mutual Fund	293,314	293,314	-	-
Municipal Securities	2,402,914	638,406	1,552,008	212,500
Total investments	\$ 15,345,266	\$ 4,864,498	\$ 7,003,210	\$ 3,477,558

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The city’s investment policy minimizes credit risk by limiting investments to the safest type of securities and diversifying the investment portfolio. The policy also states that with the exception of U.S. Treasury securities and authorized pools, no more than 50% of the city’s total investment portfolio will be invested with a single financial institution.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

As of December 31, 2020, the city's investments in municipal securities, U.S. government agency securities and repurchase agreement were rated Aa1, Aaa and Aaa, respectively, by Moody's Investor Services.

The Local Government Investment Pool and negotiable certificates of deposit are not rated.

Concentration of Credit Risk: Is the risk of loss attributed to the magnitude of the city's investment in a single issuer. At December 31, 2020 none of the City's investments in a single issuer exceeded 5%.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES

Receivables as of year-end for the city’s individual major funds, non-major funds and fiduciary funds, including the applicable allowances for uncollectible accounts, are detailed on the governmental funds’ balance sheet, proprietary funds’ statement of net position and the fiduciary fund’s statement of fiduciary net position. All amounts are expected to be collected within one year except for \$30,984 and \$14,159 reported in the general fund and non-major governmental funds respectively.

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

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 28,186,448	\$ -
Special assessments not yet due	-	14,159
Subsequent period prepayments	193,347	-
Subsequent period collections	250	148,883
Special charges on tax roll	1,902,759	-
Total Unearned/Unavailable Revenue for Governmental Funds	\$ 30,282,804	\$ 163,042
Unearned revenue included in liabilities	\$ 193,347	
Unearned revenue included in deferred inflows	30,089,457	
Total Unearned Revenue for Governmental Funds	\$ 30,282,804	

C. RESTRICTED ASSETS

The following represent the balances of the restricted assets:

Equipment Replacement Account

The wastewater utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources. The balance of this account is \$428,440.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated/amortized:				
Land	\$ 16,172,244	\$ 1,924,059	\$ -	\$ 18,096,303
Construction in progress	990,572	1,172,396	(691,736)	1,471,232
Total Capital Assets				
Not Being Depreciated/Amortized	17,162,816	3,096,455	(691,736)	19,567,535
 Capital Assets Being Depreciated/Amortized				
Land improvements	4,726,380	267,600	(199,000)	4,794,980
Buildings	31,699,743	2,368,836		34,068,579
Machinery and equipment	25,301,833	3,451,173	(1,216,803)	27,536,203
Roads	97,563,143	298,612		97,861,755
Sidewalks/Bikepaths	3,777,643	99,352	-	3,876,995
Street lighting	1,962,381	254,413	-	2,216,794
Intangible assets	1,890,339	100,717	(167,850)	1,823,206
Easements	30,000	-	-	30,000
Total Capital Assets				
Being Depreciated/Amortized	166,951,462	6,840,703	(1,583,653)	172,208,512
 Less: Accumulated Depreciation/Amortization for:				
Land improvements	(1,884,794)	(170,590)	1,410	(2,053,974)
Buildings	(13,247,247)	(688,796)	-	(13,936,043)
Machinery and equipment	(13,986,303)	(1,567,178)	1,140,710	(14,412,771)
Roads	(70,294,782)	(898,775)	-	(71,193,557)
Sidewalks/Bikepaths	(2,104,434)	(131,676)	-	(2,236,110)
Street lighting	(410,642)	(63,337)	-	(473,979)
Intangible assets	(1,330,140)	(129,701)	167,850	(1,291,991)
Total Accumulated Depreciation/Amortization	(103,258,342)	(3,650,053)	1,309,970	(105,598,425)
 Net Capital Assets				
Being Depreciated/Amortized	63,693,120	3,190,650	(273,683)	66,610,087
 Governmental Activities				
Capital Assets, Net of				
Accumulated Depreciation/Amortization	\$ 80,855,936	\$ 6,287,105	\$ (965,419)	\$ 86,177,622

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Depreciation/Amortization expense was charged to functions as follows:

Governmental Activities

General government	\$ 270,222
Protection of persons and property	901,106
Highway and transportation, which includes the depreciation of infrastructure	1,502,007
Library	357,139
Parks and recreation	<u>619,579</u>
Total Governmental Activities Depreciation/Amortization Expense	<u>\$3,650,053</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciated/amortized:				
Land	\$ 1,426,010	\$ -	\$ -	\$ 1,426,010
Construction in progress	393,037	-	(393,037)	-
Total Capital Assets	1,819,047	-	(393,037)	1,426,010
Not Being Depreciated/Amortized	1,819,047	-	(393,037)	1,426,010
Capital Assets Being Depreciated/Amortized				
Intangible asset	1,500,000	-	-	1,500,000
Buildings	4,598,022	-	-	4,598,022
Machinery and equipment	5,729,847	1,296,575	-	7,026,422
Wastewater infrastructure	57,365,248	463,680	-	57,828,928
Water Infrastructure	54,180,070	206,687	(54,540)	54,332,217
Water Resource infrastructure	34,954,945	58,324	(5,486)	35,007,783
Total Capital Assets	158,328,132	2,025,266	(60,026)	160,293,372
Being Depreciated/Amortized	158,328,132	2,025,266	(60,026)	160,293,372
Less: Accumulated Depreciation/Amortization				
Intangible asset	(825,000)	(75,000)	-	(900,000)
Buildings	(1,797,652)	(141,320)	-	(1,938,972)
Machinery and equipment	(4,367,693)	(466,290)	-	(4,833,983)
Wastewater infrastructure	(14,894,310)	(686,456)	-	(15,580,766)
Water Infrastructure	(17,419,961)	(962,627)	40,748	(18,341,840)
Water Resource infrastructure	(11,846,868)	(488,513)	5,486	(12,329,895)
Total Accumulated Depreciation/Amortization	(51,151,484)	(2,820,206)	46,234	(53,925,456)
Net Capital Assets				
Being Depreciated/Amortized	107,176,648	(794,940)	(13,792)	106,367,916
Business-Type Activities				
Capital Assets, Net of Accumulated Depreciation/Amortization	\$ 108,995,695	\$ (794,940)	\$ (406,829)	\$ 107,793,926

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Depreciation/Amortization expense was charged to functions as follows:

Business-Type Activities		
Water		\$ 1,210,372
Wastewater		861,830
Water Resource Management		<u>501,485</u>
Total Business-Type Activities		
Depreciation Expense		<u>\$ 2,573,687</u>

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

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Water Resource Management Fund	\$ 48,092
General Fund	Wastewater Fund	35,624
General Fund	Water Fund	408,995
Water Fund	General Fund	317,103
Water Fund	Wastewater Fund	12,921
Wastewater Fund	General Fund	474,709
Water Resource Management Fund	General Fund	<u>66,246</u>
Total Fund Financial Statements		1,363,690
Less: Fund Eliminations		(12,921)
Less: Government-Wide Eliminations		<u>(1,716,116)</u>
Total Internal Balances - Government-Wide		
Statement of Net Position		<u>\$ (365,347)</u>

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Activities	Business-type Activities	\$ 492,711
Business-type Activities	Governmental Activities	<u>(858,058)</u>
Total Government-Wide Financial Statements		<u>\$ (365,347)</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTER-FUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

The principal purpose of these inter-funds is the collection of delinquent utility bills on the tax roll. All remaining balances resulted from the time lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All amounts are due within one year.

For the statement of net position, inter-fund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of inter-fund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Interest Rate</u>	<u>Amount</u>	<u>Amount Due Within One Year</u>
Wastewater Utility	Water Resource	2.00-3.00%	\$110,000	\$ 55,000
Wastewater Utility	Water Resource	2.00-3.00%	<u>215,000</u>	50,000
Total Fund Financial Statements			325,000	
Less: Government-Wide Eliminations			<u>(325,000)</u>	
Total Government-Wide Financial Statements			<u>\$ -</u>	

The principal purpose of these inter-fund advances was to refund outstanding water utility debt and provide financing for water resource management projects.

Repayment schedule for advances follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 105,000	\$ 9,750	\$ 114,750
2022	110,000	6,600	116,600
2023	55,000	3,300	58,300
2024	<u>55,000</u>	<u>1,650</u>	<u>56,650</u>
	<u>\$ 325,000</u>	<u>\$ 21,300</u>	<u>\$ 346,300</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

E. INTER-FUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

The following is a schedule of inter-fund transfers:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Purpose</u>	<u>Amount</u>
General Fund	Special Revenue Fund		
	Golf Course	Tax Stabilization transfer	\$ 135,000
	Enterprise Fund		
	Water Utility	Tax equivalent payment	751,151
	Wastewater Utility	Tax equivalent payment	15,186
Debt Service Fund	Special Revenue Fund		
	Golf Course	Debt service costs	106,700
	Impact Fee Fund	Debt service costs	50,000
	Tax increment Fund	Debt service costs	33,138
Capital Projects Fund	Capital Projects Fund		
Capital Improvements	Equipment Fund	Project Costs	200,000
Equipment Replacement Fund	General Fund	Equipment Replacement	<u>216,716</u>
Subtotal - Fund Financial Statements			1,507,891
Less: Fund eliminations			<u>(741,554)</u>
Total Transfers - Government-Wide Statement of Activities			<u>\$ 766,337</u>
<u>Transfer In</u>	<u>Transfer Out</u>		<u>Amount</u>
Governmental Activities	Business-type Activities		\$ 766,337
Business-type Activities	Governmental Activities		-
			<u>\$ 766,337</u>

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS

General Obligation Debt

Long-term obligations activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 54,124,637	\$ 9,815,000	\$ 6,754,878	\$ 57,184,759	\$ 7,244,878
Add/Subtract deferred amounts for					
Bond premium	<u>874,660</u>	<u>195,198</u>	<u>219,524</u>	<u>850,334</u>	<u>-</u>
Total bonds/notes payable	<u>54,999,297</u>	<u>10,010,198</u>	<u>6,974,402</u>	<u>58,035,093</u>	<u>7,244,878</u>
Other Liabilities					
Capital leases	26,507	109,861	39,558	96,810	38,899
Intergovernmental Agreement	-	2,000,000	-	2,000,000	666,667
Net OPEB obligation	5,170,510	322,677	-	5,493,187	-
Net Pension Liability	4,802,048	-	4,802,048	-	-
Compensated absences	<u>1,644,824</u>	<u>1,722,192</u>	<u>1,644,824</u>	<u>1,722,192</u>	<u>1,722,192</u>
Total Other Liabilities	<u>11,643,889</u>	<u>4,154,730</u>	<u>6,486,430</u>	<u>9,312,189</u>	<u>2,427,758</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 66,643,186</u>	<u>\$ 14,164,928</u>	<u>\$ 13,460,832</u>	<u>\$ 67,347,282</u>	<u>\$ 9,672,636</u>
Business-Type Activities					
General obligation bonds	\$ 2,380,000	\$ -	\$ 490,000	\$ 1,890,000	\$ 485,000
Revenue bonds from direct placements	1,944,407	1,106,584	134,444	2,916,547	137,615
Add/Subtract deferred amounts for					
Bond premium	<u>56,452</u>	<u>-</u>	<u>20,515</u>	<u>35,937</u>	<u>-</u>
Total bonds/notes payable	<u>4,380,859</u>	<u>1,106,584</u>	<u>644,959</u>	<u>4,842,484</u>	<u>622,615</u>
Other Liabilities					
Net OPEB obligation	496,514	57,628	-	554,142	-
Net Pension Liability	<u>248,054</u>	<u>248,054</u>	<u>496,108</u>	<u>-</u>	<u>-</u>
Total Other Liabilities	<u>744,568</u>	<u>305,682</u>	<u>496,108</u>	<u>554,142</u>	<u>-</u>
Total Business Type Activities Long-Term Liabilities	<u>\$ 5,125,427</u>	<u>\$ 1,412,266</u>	<u>\$ 1,141,067</u>	<u>\$ 5,396,626</u>	<u>\$ 622,615</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

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

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, 2020, was \$292,464,190. Total general obligation debt outstanding at year-end was \$59,074,759.

	Date of Issue	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2020
Governmental Activities Long-Term Obligations					
General Obligation Debt					
Bonds	2010	12/1/21	2.0-2.75	\$ 7,250,000	\$ 660,000
Notes	2011	6/1/21	.35-2.0	6,445,000	580,000
Bonds	2012	6/1/28	2.0-3.0	9,335,000	4,300,000
Notes	2012	6/1/22	2.-3.0	2,105,000	470,000
Bonds	2013	6/1/28	2.0-3.375	4,685,000	2,705,000
Notes	2013	6/1/23	2.-3.0	6,635,000	355,000
Notes	2014	6/1/24	2.-3.0	6,835,000	3,485,000
Notes	2014	6/1/23	-	119,027	29,759
Notes	2015	6/1/25	1.5-2.0	8,230,000	4,940,000
Notes	2016	6/1/26	1.35-2.0	7,735,000	6,185,000
Notes	2017	6/1/27	2.0	8,215,000	7,345,000
Notes	2018	6/1/28	2.25-3.0	9,060,000	9,060,000
Notes	2019	6/1/29	1.80-3.0	8,095,000	7,255,000
Notes	2020	6/1/30	1.10-3.0	9,815,000	9,815,000
Total Government Activities - General Obligation Debt					<u>\$ 57,184,759</u>
Business-Type Activities Long-Term Obligations					
General Obligation Debt					
Bonds	2012	6/1/24	2.0-3.0	\$ 4,430,000	\$ 1,890,000
Total Business-Type Activities - General Obligation Debt					<u>\$ 1,890,000</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 7,244,878	\$ 1,235,159	\$ 485,000	\$ 49,425
2022	7,279,881	990,246	475,000	35,025
2023	7,315,000	826,134	470,000	20,850
2024	7,365,000	666,253	460,000	6,900
2025	6,850,000	511,948	-	-
2026-2030	<u>21,130,000</u>	<u>751,772</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 57,184,759</u>	<u>\$ 4,981,512</u>	<u>\$ 1,890,000</u>	<u>\$ 112,200</u>

REVENUE DEBT

Revenue debt payable at December 31, 2020 consists of the following:

	Balance 12/31/2019	Additions	Retirements	Balance 12/31/2020	Due Within One Year
Revenue Bonds	<u>\$ 1,944,407</u>	<u>\$ 1,106,584</u>	<u>\$ 134,444</u>	<u>\$ 2,916,547</u>	<u>\$ 137,615</u>
	<u>\$ 1,944,407</u>	<u>\$ 1,106,584</u>	<u>\$ 134,444</u>	<u>\$ 2,916,547</u>	<u>\$ 137,615</u>

Date	Maturity	Interest Rates	Original Issue	Outstanding 12/31/20
06/13/17	5/1/2037	1.87%	\$ 1,206,457	\$ 1,096,173
05/23/18	5/1/2038	1.87%	871,920	709,425
06/26/19	5/2/2038	1.98%	1,158,141	1,110,949
				<u>\$ 2,916,547</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Revenue Debt (cont.)

Revenue bond debt service requirements to maturity follows:

December 31	Principal	Interest	Total
2021	\$ 137,615	\$ 54,461	\$ 192,076
2022	140,242	51,796	192,038
2023	142,920	49,093	192,013
2024	145,648	46,339	191,987
2025	148,428	43,532	191,960
2026 - 2030	785,744	173,639	959,383
2031 - 2035	863,670	94,369	958,039
2036 - 2039	552,280	17,398	569,678
	<u>\$ 2,916,547</u>	<u>\$ 530,627</u>	<u>\$ 3,447,174</u>

The Utility's outstanding revenue bonds from direct borrowings related to business type activities of \$2,916,547 contains provisions that in an event of default, outstanding amounts are recoverable by the State by deducting those amounts from any State payments due to the utility, adding a special charge to the amount of taxes apportioned to and levied upon the county in which the utility is located.

All utility revenues net of specified operating expenses are pledged as a security of the above revenue bonds until the bonds are defeased. Principal and interest paid for 2020 and 2019 was \$186,347 and \$120,664 respectively. Total customer net revenues as defined for the same period was \$2,424,295 and \$2,444,685 respectively. Annual principal and interest payments are expected to require 7.92% of net revenues on average.

Intergovernmental Agreement

On March 10, 2020 the City of New Berlin signed an intergovernmental Cooperation Agreement with the City of Waukesha. The agreement relates to Waukesha waters intention to install water supply and return flow mains thru the City of New Berlin and calls for New Berlin to pay Waukesha \$2 million over 3 years for infrastructure improvements and other considerations.

2021	\$ 666,667
2022	666,667
2023	<u>666,666</u>
	\$ 2,000,000

Capital Leases

Refer to Note IV. G.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

Other Debt Information

Estimated payments of compensated absences and net OPEB obligation are not included in the debt service requirement schedules. The portion of these liabilities attributable to governmental activities will be liquidated primarily by the general fund.

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

G. LEASE DISCLOSURES

Lessee – Capital Leases

In prior years, the city acquired capital assets through lease/purchase agreements. The gross amount of these assets under capital leases is \$172,977, which is included in capital assets in the governmental activities. The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2020, are as follows:

	<u>Governmental Activities</u>
2021	\$ 43,365
2022	33,078
2023	<u>28,226</u>
Sub-Total	104,669
Less: Amount representing interest	<u>(7,859)</u>
Present Value of Minimum Lease Payments	<u>\$ 96,810</u>

Lessee – Operating Leases

The city has no material operating leases with a remaining non-cancellable term exceeding one year.

Lessor – Capital Leases

The city has no material outstanding sales-type or direct financing leases.

Lessor – Operating Leases

The city leases New Berlin Hills Golf Course to Green Golf Partnership, LLC. The lease commenced January 1, 2020 for five-year term with a five-year renewal option. Annual rental is \$150,000 plus 75% of the annual net profit, as defined in the lease agreement, up to and including \$100,000 and 50% of the annual net profit in excess of \$100,000. Green Golf Partnership, LLC has provided the city a \$50,000 irrevocable letter of credit as a security deposit and a performance bond. Rent income for 2020 was \$150,000; the 2020 excess payment was \$117,899.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION

Governmental activities net position reported on the government wide statement of net position at December 31, 2020 includes the following:

Governmental Activities

Net Investment in capital assets	
Construction in progress	\$ 1,471,232
Land	18,096,303
Other capital assets, net of accumulated depreciation/amortization	66,610,087
Less: Long-term debt outstanding	(58,131,903)
Plus: Unspent capital related debt proceeds	5,544,898
Plus: Deferred charge on refunding	17,131
Total Net Investment in Capital Assets	<u>33,607,748</u>
Restricted for	
Debt service	1,354,939
Impact fees	106,137
Wastewater RCA fees	1,807,455
Culture and recreational programs	802,432
Public safety programs	194,165
Public works	1,212,606
Tax increment district	534,285
Community development	2,239
Capital projects	1,327,131
Pension	4,467,197
Total Restricted	<u>11,808,586</u>
Unrestricted	<u>(69,287)</u>
Total Governmental Activities Net Position	<u>\$ 45,347,047</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2020

NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION (cont.)

Business-Type Activities

Business-type activities net position reported on the government wide statement of net position at December 31, 2020 includes the following:

Net Investment in capital assets	
Land	\$ 1,426,010
Other capital assets, net of accumulated depreciation	106,367,916
Less: Long-term debt outstanding	(4,806,547)
Plus: Deferred charge on refunding	61,235
Less: Unamortized debt premium	<u>(35,937)</u>
Total Investment in Capital Assets	<u>103,012,677</u>
Restricted for	
Pension	226,384
Replacement	<u>428,440</u>
Total Restricted	<u>654,824</u>
Unrestricted	<u>36,504,347</u>
Total Business-type Activities Net Position	<u>\$ 140,171,848</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

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, and expected to work at least 1,200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

EFT issues a standalone Comprehensive Annual Financial Report, which can be found at <https://etf.wi.gov/resource/comprehensive-annual-financial-report-2018>.

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

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

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

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

The WRS also provides death and disability benefits for employees.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Post-retirement adjustments. The Employee Trust Fund 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
2010	(1.3)%	22.0%
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)

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. 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 \$1,521,949 in contributions from the city.

Contribution rates for the plan year reported as of December 31, 2020 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.55%	6.55%
Protective with Social Security	6.55%	10.55%
Protective without Social Security	6.55%	14.95%

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

At December 31, 2020 the city reported an asset of \$4,693,581 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the city's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the city's proportion was 0.14556194%, which was an increase of 0.00361288% from its' proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the city recognized pension expense of \$1,618,372.

At December 31, 2020, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experiences	\$ 8,909,490	\$ 4,458,603
Changes of actuarial assumptions	365,754	-
Net differences between projected and actual investment earnings on pension plan investment.	-	9,595,349
Changes in proportion and differences between employer contributions and proportionate share of contributions	786	16,298
Employer contributions subsequent to measurement date	<u>1,677,230</u>	<u>-</u>
Total	<u>\$ 10,953,260</u>	<u>\$ 14,070,250</u>

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

\$1,677,230 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2021	\$ (1,424,895)
2022	(1,063,382)
2023	162,635
2024	(2,468,576)

Actuarial assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	December 31, 2018
Measurement Date of Net Pension Liability	December 31, 2019
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.*

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The Total Pension Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 actuarial valuation.

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

<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	49.0%	8.0%	5.1%
Fixed Income	24.5	4.9	2.1
Inflation Sensitive Assets	15.5	4.0	1.2
Real Estate	9.0	6.3	3.5
Private Equity/Debt	8.0	10.6	7.6
Multi-Asset	4.0	6.9	4
Total Core Fund	110	7.5	4.6
 <u>Variable Fund Asset Class</u>			
US Equities	70	7.5	4.6
International Equities	30	8.2	5.3
Total Variable Fund	100	7.8	4.9

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

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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 was based on the expected rate of return on pension plan investments 7.00 percent and a long term bond rate of 2.75 percent. (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, 2019. 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 7.00 percent, as well as what the city's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	Discount Rate (6.00%)	Current Discount Rate (7.00%)	Discount Rate (8.00%)
The City's proportionate share of the net pension liability (asset)	<u>\$ 12,086,811</u>	<u>\$ 4,693,581</u>	<u>\$ (17,238,854)</u>

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/resource/comprehensive-annual-financial-report-2018>

At December 31, 2020, the city reported a payable to the pension plan of \$225,855, which represents contractually required contributions outstanding as of the end of the year.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The city purchases general, auto liability/physical damage and workers compensation insurance from the Cities and Villages Mutual Insurance Company (CVMIC). The City purchases commercial insurance for all other risks. There have been no significant reductions in insurance coverage for any risk of loss in the past year and settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

In 1987, the City invested \$802,060 for participation in the Wisconsin Municipal Insurance commission (WMIC). The WMIC is an intergovernmental cooperation commission formed to facilitate the formation of Cities and Villages Mutual Insurance Company (CVMIC). CVMIC is a separate and distinct entity independent of the WMIC and owned by the participating cities and villages of the WMIC. CVMIC was formed to provide liability insurance to Wisconsin municipalities as of January 1, 1988.

CVMIC provides the City with \$5,000,000 of liability coverage for losses over its self-insurance retention level of \$50,000 per occurrence with a \$200,000 annual aggregate stop loss.

An annual premium is charged to cover expected claims and administrative costs. The claims component of the premium is determined by independent actuaries and allocated among the participating municipalities based on payroll and loss history. The City and other participating cities and villages are subject to cover loss experiences that exceed predictions through retrospective assessments.

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

At December 31, 2020 the Risk Management Fund, an Internal Service Fund had net position of \$1,199,518 available for future claims related to prior years. The balance includes \$397,458 in cash and \$802,060 in non-cash assets.

The City has recorded an unpaid claims liability for claims that have occurred but are not settled and for claims incurred by not recorded (IBNR). This liability is based upon estimates from an annual actuarial study. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

Changes in the fund's unpaid claims liability amount in fiscal 2019 and 2020 were:

	Beginning Balance	Current Claims and Changes in Estimates	Claims Paid/ Settled	Ending Balance
2019	\$ 77,723	\$ 22,389	\$ 20,097	\$ 80,015
2020	80,015		80,015	-

The City's percentage participation in WMIC and CVMIC at December 31, 2020 was 2.52%. Percentage participation can be affected by acceptance of new members to WMIC and CVMIC. Upon dissolution, the City would be entitled to a lump sum payment from CVMIC that may vary significantly from the amount of its deposit referred to above, based on the then financial condition of CVMIC.

Financial statements of WMIC and CVMIC can be obtained directly from CVMIC offices.

C. COMMITMENTS AND CONTINGENCIES

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

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

Federal and State Grants

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.

Construction Commitments

The city has active construction projects as of December 31, 2020 Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

Impact Fees

The city receives impact fees for new development projects. The fees are to be used to fund specific projects within a specific period of time. In the event the projects are not completed or the time period elapses, the city will be required to refund the impact fees to the owners of the property on which the fees were originally charged.

Encumbrances

The City has the following encumbrances outstanding at year end, relating to funds on hand:

General Fund	\$85,458
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D. OTHER POSTEMPLOYMENT BENEFITS

General Information about the OPEB Plan

Plan Description. The city's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the city. RBP is a single-employer defined benefit OPEB plan administered by the city. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Common Council.

Benefits provided. The city's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. The result is another postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy.

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

Inactive plan members or beneficiaries currently receiving benefit payments	21
Active plan members	162
	<u>183</u>

Contributions. Contribution requirements are established through collective bargaining agreements and other city agreements, and may be amended only through negotiations between city and the union, or for non-union employees pursuant to employment policies adopted by the Common Council.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

Investments

Investment policy. The City is authorized to invest funds of the RBP only in investments which the District is permitted to make under Section 66.0603 of the Wisconsin state statutes. See Note IV.A for further information.

Concentrations. All OPEB plan assets have been invested in an interest bearing account.

Rate of return. The annual money-weighted rate of return on investments, net of investment expense, was 21 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability

The City's net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019 which was rolled forward to December 31, 2020.

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

Actuarial Valuation Date	December 31, 2020
Measurement Date of Net OPEB Liability	December 31, 2020
Actuarial Cost Method	Entry Age
Long-Term Expected Rate of Return	5.00%
Discount Rate:	
General Employees	3.26%
Police Employees	5.00%
Healthcare Cost Trend Rates	5.00% for 2020 and beyond
Salary Increases:	
Merit and Cost of Living	3.0%
Mortality:	Wisconsin 2018 Mortality Table

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

CHANGES IN THE TOTAL AND NET OPEB LIABILITY

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2019	\$ 6,939,836	\$ 1,272,812	\$5,667,024
Changes for the year:			
Service cost	286,537	-	286,537
Interest cost	271,394	-	271,394
Differences between Expected & Actual	-	-	-
Changes in assumptions	356,664	-	356,664
Contributions - employer	-	82,457	(82,457)
Net investment income (loss)	-	127,388	(127,388)
Estimated Benefit payments	(400,180)	(64,281)	(335,899)
Administrative expense	-	(11,454)	11,454
Net Changes	514,415	134,110	380,305
Balances at December 31, 2020	\$ 7,454,251	\$ 1,406,922	\$6,047,329

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the city, as well as what the city's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (.93 percent) or 1-percentage-point higher (2.93 percent) than the current rate:

	1% Decrease (.93%)	Discount Rate (1.93%)	1% Increase (2.93%)
Total OPEB liability	\$ 7,886,167	\$ 7,454,251	\$ 7,048,594
Plan Fiduciary Net Position	1,406,922	1,406,922	1,406,922
Net OPEB liability	\$ 6,479,245	\$ 6,047,329	\$ 5,641,672

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the city, as well as what the city's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4 percent) or 1-percentage-point higher (6 percent) than the current rate:

	1% Decrease (4.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (5.5% Decreasing to 5.0%)	1% Increase (6.5% Decreasing to 6.0%)
Total OPEB liability	\$ 6,939,836	\$ 7,454,251	\$ 8,025,491
Plan Fiduciary Net Position	1,406,922	1,406,922	1,406,922
Net OPEB liability	\$ 5,532,914	\$ 6,047,329	\$ 6,618,569

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

D. OTHER POSTEMPLOYMENT BENEFITS (cont.)

OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended December 31, 2020, the city recognized OPEB expense of \$374,910. At December 31, 2020, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	
Differences between expected and actual experience	\$	-	\$ 132,368
Differences between projected and actual earnings		48,224	185,269
Changes in assumptions		521,397	957,127
Total	\$	569,621	\$ 1,274,764

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

Year Ended December 31:		Deferred Outflow of Resources and Deferred Inflow of Resources (Net)
2021	\$	(117,148)
2022		(85,080)
2023		(109,191)
2024		(74,527)
2025		(62,225)
Thereafter		(256,972)

E. JOINT TRUST

In 1997, the City and the New Berlin Professional Police Association (Association) entered into an agreement to establish a plan to pay a retiree health care insurance premium subsidy and to create the City of New Berlin Police Retiree Health Care Trust (Trust) for the accumulation of funds from which to pay the subsidy benefits. The City and Association are joint trustees with the Association as the plan administrator. The Trust document names the City trustee as custodian of the Trust; however in practice the Association trustee administers and performs all functions of the Trust including custodian of the Trust. The City trustee's only involvement is the payment of the annual contribution to the Trust and signing checks for the subsidy payment which requires the signature of both trustees. The annual contribution for 2020 was \$82,457. The estimated fair value of the Trust assets at December 31, 2020 is \$1,406,922.

CITY OF NEW BERLIN

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2020

NOTE V – OTHER INFORMATION (cont.)

F. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

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

- > Statement No. 87, Leases
- > Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- > Statement No. 91, *Conduit Debt Obligations*
- > Statement No. 92, Omnibus
- > Statement No. 93, Replacement of Interbank Offered Rates
- > Statement No. 94, Public-Private and Public-Public Relationships and Availability Payment Arrangements
- > Statement No. 96, Subscription-Based Information Technology Arrangements
- > Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No.32

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

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

G. SUBSEQUENT EVENT

The federal government passed the American Rescue Plan Act on March 11, 2021 to respond to the COVID-19 public health emergency and its negative economic impacts. Amounts were appropriated for fiscal year 2021 to units of government to mitigate the fiscal effect stemming from the public health emergency. The City's award is \$4,154,400, which will be used to combat the negative effects of the public health emergency in the local economy. The City received 50% of the funds in June 2021, with the remaining expected a year later. The funds are to cover costs incurred by December 31, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEW BERLIN

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
As of December 31, 2020

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB Liability				
Service cost	\$ 322,755	\$ 359,674	\$ 291,725	\$ 286,537
Interest	276,701	246,743	265,098	271,394
Differences between expected and actual experience	-	-	(156,478)	-
Changes of assumptions	312,656	(521,085)	(708,976)	356,664
Benefit payments	<u>(296,709)</u>	<u>(322,850)</u>	<u>(351,574)</u>	<u>(400,180)</u>
Net Change in Total OPEB Liability	615,403	(237,518)	(660,205)	514,415
Total OPEB Liability - Beginning	<u>7,222,156</u>	<u>7,837,559</u>	<u>7,600,041</u>	<u>6,939,836</u>
Total OPEB Liability - Ending (a)	<u>\$ 7,837,559</u>	<u>\$ 7,600,041</u>	<u>\$ 6,939,836</u>	<u>\$ 7,454,251</u>
 Plan Fiduciary Net Position				
Employer contributions	\$ 78,855	\$ 80,038	\$ 81,238	\$ 82,457
Net investment income (loss)	205,176	(63,603)	226,996	127,388
Benefit Payments	(95,351)	(30,557)	(47,450)	(64,281)
Administrative expenses	<u>(10,473)</u>	<u>(11,783)</u>	<u>(10,696)</u>	<u>(11,454)</u>
Net Change in Plan Fiduciary Net Position	178,207	(25,905)	250,088	134,110
Fiduciary Net Position - Beginning	<u>870,422</u>	<u>1,048,629</u>	<u>1,022,724</u>	<u>1,272,812</u>
Fiduciary Net Position - Ending (b)	<u>\$ 1,048,629</u>	<u>\$ 1,022,724</u>	<u>\$ 1,272,812</u>	<u>\$ 1,406,922</u>
 Net OPEB Liability - Ending (a) - (b)	<u>\$ 6,788,930</u>	<u>\$ 6,577,317</u>	<u>\$ 5,667,024</u>	<u>\$ 6,047,329</u>
 Covered-employee payroll	\$ 11,176,567	\$ 11,511,864	\$ 11,319,221	\$ 11,299,636
 Total OPEB liability as a percentage of covered-employee payroll	60.74%	57.14%	50.07%	53.52%

Notes to Schedule:

The City implemented GASB Statement No. 74 and No. 75 in fiscal year 2017. Information prior to fiscal year 2017 is not available. Additional years will be added prospectively until 10 years are presented.

See independent auditors' report.

CITY OF NEW BERLIN

SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB PLAN
As of December 31, 2020

	2017	2018	2019	2020
Actuarially contractual determined contribution	\$ 78,855	\$ 80,038	\$ 81,238	\$ 82,457
Contributions in relation to the actuarially determined contribution	<u>78,855</u>	<u>80,038</u>	<u>81,238</u>	<u>82,457</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	\$ 11,176,567	\$ 11,511,864	\$ 11,319,221	\$ 11,299,636
Contributions as a percentage of covered-employee payroll	0.71%	0.70%	0.72%	0.73%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Fair market value
Healthcare cost trend rates	5.0 percent initial, decreasing 0.5 percent per year to an ultimate rate of 5.0 percent
Salary increases	3.0 percent, average, including inflation
Retirement age	In the 2017 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actuarial experience.
Mortality	The 2020 actuarial valuations, assumed life expectancies were adjusted as a result of using the Wisconsin 2018 Mortality Table with generational projection using 60% of Scale MP-2018.

Other information:

The City implemented GASB Statement No. 74 and No. 75 in fiscal year 2017. Information prior to fiscal year 2017 is not available. Additional years will be added prospectively until 10 years are presented.

CITY OF NEW BERLIN

SCHEDULE OF THE CITY OF NEW BERLIN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
For the Year Ended December 31, 2020

Plan Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.134433880%	\$ (2,302,064)	\$ 15,084,689	21.89%	102.74%
12/31/15	0.133820430%	2,174,556	15,767,562	13.79%	98.20%
12/31/16	0.134003610%	1,104,510	15,709,595	7.03%	99.12%
12/31/17	0.138273800%	(4,105,513)	16,589,276	24.75%	102.93%
12/31/18	0.141949060%	5,050,102	16,880,777	29.92%	96.45%
12/31/19	0.145561940%	(4,693,581)	17,420,633	26.94%	102.96%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM
For the Year Ended December 31, 2020

City Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 1,297,584	\$ 1,297,584	\$ -	\$ 15,767,562	8.23%
12/31/16	1,276,131	1,276,131	-	15,709,595	8.12%
12/31/17	1,473,147	1,473,147	-	16,589,276	8.88%
12/31/18	1,499,516	1,499,516	-	16,880,777	8.88%
12/31/19	1,521,710	1,521,710	-	17,420,634	8.74%
12/31/20	1,677,230	1,677,230	-	17,751,906	9.45%

Wisconsin Retirement System

The amounts presented in relation to the schedule of employer's proportionate share of the net pension liability and the schedule of employer contributions represents the specific data of the City. The information was derived using a combination of the employer's contribution data along with data provided by the Wisconsin Retirement System in relation to the City as a whole.

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

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

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

See independent auditors' report.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

As of December 31, 2020

	Special Revenue Funds			
	Park and Open Space Fund	Trail Fees Fund	Impact Fees Fund	Wastewater RCA Fees Fund
ASSETS				
Cash and investments	\$ 612,627	\$ 18,214	\$ 106,137	\$ 1,807,455
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	-
Special assessments receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 612,627</u>	<u>\$ 18,214</u>	<u>\$ 106,137</u>	<u>\$ 1,807,455</u>
LIABILITIES				
Accounts payable	65	18,214	-	-
Unearned revenues	-	-	-	-
Total Liabilities	<u>65</u>	<u>18,214</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	-	-	-	-
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	612,562	-	106,137	1,807,455
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>612,562</u>	<u>-</u>	<u>106,137</u>	<u>1,807,455</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 612,627</u>	<u>\$ 18,214</u>	<u>\$ 106,137</u>	<u>\$ 1,807,455</u>

Special Revenue Funds

Golf Course Fund	Fourth of July Fund	Concession Stand Fund	Park & Recreation Fund	Police Fund	Fire Fund
\$ 206,725	\$ 123,360	\$ 14,869	\$ 31,332	\$ 208,910	\$ 13,925
-	-	-	-	-	-
117,899	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 324,624</u>	<u>\$ 123,360</u>	<u>\$ 14,869</u>	<u>\$ 31,332</u>	<u>\$ 208,910</u>	<u>\$ 13,925</u>
258	79	-	-	28,839	1,127
12,500	-	-	-	-	-
<u>12,758</u>	<u>79</u>	<u>-</u>	<u>-</u>	<u>28,839</u>	<u>1,127</u>
-	-	-	250	-	-
117,899	-	-	-	-	-
<u>117,899</u>	<u>-</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>-</u>
-	123,281	-	31,082	180,071	12,798
193,967	-	14,869	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>193,967</u>	<u>123,281</u>	<u>14,869</u>	<u>31,082</u>	<u>180,071</u>	<u>12,798</u>
<u>\$ 324,624</u>	<u>\$ 123,360</u>	<u>\$ 14,869</u>	<u>\$ 31,332</u>	<u>\$ 208,910</u>	<u>\$ 13,925</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

(Concluded)

As of December 31, 2020

	Special Revenue Funds			
	Mayor Fund	Special Assessment Fund	Landscape Fund	Building Maintenance Fund
ASSETS				
Cash and investments	\$ 2,239	\$ -	\$ 489,424	\$ 417,781
Taxes receivable	-	-	-	-
Accounts receivable	-	-	-	18,056
Special assessments receivable	-	14,159	-	-
TOTAL ASSETS	\$ 2,239	\$ 14,159	\$ 489,424	\$ 435,837
LIABILITIES				
Accounts payable	-	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	-	-	-	-
Unavailable revenues	-	14,159	-	-
Total Deferred inflows of Resources	-	14,159	-	-
FUND BALANCES (DEFICITS)				
Restricted	2,239	-	-	435,837
Committed	-	-	489,424	-
Assigned	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total Fund Balances (Deficits)	2,239	-	489,424	435,837
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	\$ 2,239	\$ 14,159	\$ 489,424	\$ 435,837

Special Revenue Funds						Capital Projects Fund		Total Nonmajor Funds
Technology Fee Fund	Tourism Commision Fund	Tax Increment District Fund	Grant Fund	Library Fund	Garbage/ Recycling Fund	Equipment Fund	Equipment Replacement Fund	
\$ 63,772	\$ (15,380)	\$ 554,082	\$ 6,716	\$ 36,078	\$ 1,348,313	\$ 891,294	\$ 220,727	\$ 7,158,600
-	-	373,259	-	-	-	-	-	373,259
-	5,159	-	-	-	-	-	-	141,114
-	-	-	-	-	-	-	-	14,159
<u>\$ 63,772</u>	<u>\$ (10,221)</u>	<u>\$ 927,341</u>	<u>\$ 6,716</u>	<u>\$ 36,078</u>	<u>\$ 1,348,313</u>	<u>\$ 891,294</u>	<u>\$ 220,727</u>	<u>\$ 7,687,132</u>
320	-	19,797	5,420	571	135,419	-	1,197	211,306
-	-	-	-	-	288	-	-	12,788
<u>320</u>	<u>-</u>	<u>19,797</u>	<u>5,420</u>	<u>571</u>	<u>135,707</u>	<u>-</u>	<u>1,197</u>	<u>224,094</u>
-	-	373,259	-	-	-	-	-	373,509
-	-	-	-	-	-	-	-	132,058
-	-	<u>373,259</u>	-	-	-	-	-	<u>505,567</u>
-	-	534,285	1,296	35,507	1,212,606	891,294	-	5,986,450
63,452	-	-	-	-	-	-	-	761,712
-	-	-	-	-	-	-	219,530	219,530
-	(10,221)	-	-	-	-	-	-	(10,221)
<u>63,452</u>	<u>(10,221)</u>	<u>534,285</u>	<u>1,296</u>	<u>35,507</u>	<u>1,212,606</u>	<u>891,294</u>	<u>219,530</u>	<u>6,957,471</u>
<u>\$ 63,772</u>	<u>\$ (10,221)</u>	<u>\$ 927,341</u>	<u>\$ 6,716</u>	<u>\$ 36,078</u>	<u>\$ 1,348,313</u>	<u>\$ 891,294</u>	<u>\$ 220,727</u>	<u>\$ 7,687,132</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

For the Year Ended December 31, 2020

	Special Revenue Funds			
	Park and Open Space Fund	Trail Fees Fund	Impact Fees Fund	Wastewater RCA Fees Fund
REVENUES				
Room taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Public charges for services	-	-	-	-
Public improvement revenues	34,144	-	24,548	-
Investment income	5,383	-	1,075	13,866
Miscellaneous revenues	-	-	-	-
Total Revenues	<u>39,527</u>	<u>-</u>	<u>25,623</u>	<u>13,866</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Protection of persons and property	-	-	-	-
Public works	-	-	-	-
Library	-	-	-	-
Parks and recreation	65	-	-	-
Conservation and development	-	-	-	-
Capital Outlay	799,137	-	-	-
Total Expenditures	<u>799,202</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(759,675)</u>	<u>-</u>	<u>25,623</u>	<u>13,866</u>
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(50,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>
Net Change in Fund Balances	(759,675)	-	(24,377)	13,866
FUND BALANCES (DEFICIT) - Beginning of Year	<u>1,372,237</u>	<u>-</u>	<u>130,514</u>	<u>1,793,589</u>
FUND BALANCES - (DEFICIT) END OF YEAR	<u>\$ 612,562</u>	<u>\$ -</u>	<u>\$ 106,137</u>	<u>\$ 1,807,455</u>

Special Revenue Funds

Golf Course Fund	Fourth of July Fund	Concession Stand Fund	Park & Recreation Fund	Police Fund	Fire Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	11,826	-
-	-	-	-	-	-
-	-	-	-	-	-
2,531	-	-	-	779	-
<u>150,000</u>	<u>8,575</u>	<u>7,141</u>	<u>12,622</u>	<u>29,119</u>	<u>11,419</u>
<u>152,531</u>	<u>8,575</u>	<u>7,141</u>	<u>12,622</u>	<u>41,724</u>	<u>11,419</u>
-	-	-	-	-	-
-	-	-	-	121,258	21,882
-	-	-	-	-	-
-	-	-	-	-	-
1,032	2,725	5,247	7,314	-	-
-	-	-	-	-	-
-	-	-	-	24,468	-
<u>1,032</u>	<u>2,725</u>	<u>5,247</u>	<u>7,314</u>	<u>145,726</u>	<u>21,882</u>
<u>151,499</u>	<u>5,850</u>	<u>1,894</u>	<u>5,308</u>	<u>(104,002)</u>	<u>(10,463)</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>(241,700)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(241,700)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(90,201)	5,850	1,894	5,308	(104,002)	(10,463)
<u>284,168</u>	<u>117,431</u>	<u>12,975</u>	<u>25,774</u>	<u>284,073</u>	<u>23,261</u>
<u>\$ 193,967</u>	<u>\$ 123,281</u>	<u>\$ 14,869</u>	<u>\$ 31,082</u>	<u>\$ 180,071</u>	<u>\$ 12,798</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 (Concluded)
 For the Year Ended December 31, 2020

	Special Revenue Funds			
	Mayor Fund	Special Assessment Fund	Landscape Fund	Building Maintenance Fund
REVENUES				
Room taxes	\$ -	\$ -	\$ -	\$ 76,412
Intergovernmental	-	-	-	-
Public charges for services	-	-	-	-
Public improvement revenues	-	-	-	-
Investment income	-	-	-	-
Miscellaneous revenues	1,500	-	104,900	-
Total Revenues	<u>1,500</u>	<u>-</u>	<u>104,900</u>	<u>76,412</u>
EXPENDITURES				
Current				
General government	1,500	-	-	20,655
Protection of persons and property	-	-	-	-
Public works	-	-	-	-
Library	-	-	-	-
Parks and recreation	-	-	-	-
Conservation and development	-	-	41,429	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>1,500</u>	<u>-</u>	<u>41,429</u>	<u>20,655</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>63,471</u>	<u>55,757</u>
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	63,471	55,757
FUND BALANCES (DEFICIT) - Beginning of Year	<u>2,239</u>	<u>-</u>	<u>425,953</u>	<u>380,080</u>
FUND BALANCES - (DEFICIT) END OF YEAR	<u>\$ 2,239</u>	<u>\$ -</u>	<u>\$ 489,424</u>	<u>\$ 435,837</u>

Special Revenue Funds					Capital Projects Fund			Total Nonmajor Funds
Technology Fee Fund	Tourism Fund	Tax Increment District Fund	Grant Fund	Library Fund	Garbage/Recycling Fund	Equipment Fund	Equipment Replacement Fund	
\$ -	\$ 21,832	\$ 213,414	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 311,658
-	-	-	6,180	-	-	106,797	-	124,803
-	-	-	-	-	1,766,028	-	-	1,766,028
10,079	-	-	-	-	-	-	-	68,771
-	-	1,021	-	-	-	7,544	-	32,199
-	-	-	-	14,970	-	-	-	340,246
<u>10,079</u>	<u>21,832</u>	<u>214,435</u>	<u>6,180</u>	<u>14,970</u>	<u>1,766,028</u>	<u>114,341</u>	<u>-</u>	<u>2,643,705</u>
-	-	18,150	-	-	-	3,800	-	44,105
-	-	-	19,510	-	-	-	48,459	211,109
-	-	-	-	-	1,608,899	-	5,167	1,614,066
-	-	-	-	15,414	-	-	-	15,414
-	-	-	-	-	-	-	11,880	28,263
5,549	32,053	-	-	-	-	-	-	79,031
19,421	-	93,485	-	-	-	-	90,119	1,026,630
<u>24,970</u>	<u>32,053</u>	<u>111,635</u>	<u>19,510</u>	<u>15,414</u>	<u>1,608,899</u>	<u>3,800</u>	<u>155,625</u>	<u>3,018,618</u>
<u>(14,891)</u>	<u>(10,221)</u>	<u>102,800</u>	<u>(13,330)</u>	<u>(444)</u>	<u>157,129</u>	<u>110,541</u>	<u>(155,625)</u>	<u>(374,913)</u>
-	-	505,000	-	-	-	-	-	505,000
-	-	-	-	-	-	-	216,716	216,716
-	-	(33,138)	-	-	-	(200,000)	-	(524,838)
-	-	<u>471,862</u>	-	-	-	<u>(200,000)</u>	<u>216,716</u>	<u>196,878</u>
(14,891)	(10,221)	574,662	(13,330)	(444)	157,129	(89,459)	61,091	(178,035)
<u>78,343</u>	<u>-</u>	<u>(40,377)</u>	<u>14,626</u>	<u>35,951</u>	<u>1,055,477</u>	<u>980,753</u>	<u>158,439</u>	<u>7,135,506</u>
<u>\$ 63,452</u>	<u>\$ (10,221)</u>	<u>\$ 534,285</u>	<u>\$ 1,296</u>	<u>\$ 35,507</u>	<u>\$ 1,212,606</u>	<u>891,294</u>	<u>219,530</u>	<u>\$ 6,957,471</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Special Revenue Fund					
	Park and Open Space Fund			Impact Fees Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	25,000	34,144	9,144	28,000	24,548	(3,452)
Special assessments	-	-	-	-	-	-
Investment income	5,000	5,383	383	2,300	1,075	(1,225)
Miscellaneous revenues	-	-	-	-	-	-
Total Revenues	<u>30,000</u>	<u>39,527</u>	<u>9,527</u>	<u>30,300</u>	<u>25,623</u>	<u>(4,677)</u>
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	65	(65)	-	-	-
Conservation and development	-	-	-	-	-	-
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	300,000	799,137	(499,137)	-	-	-
Total Expenditures	<u>300,000</u>	<u>799,202</u>	<u>(499,202)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(270,000)</u>	<u>(759,675)</u>	<u>(489,675)</u>	<u>30,300</u>	<u>25,623</u>	<u>(4,677)</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net Change in Fund Balances	(270,000)	(759,675)	(489,675)	(19,700)	(24,377)	(4,677)
FUND BALANCES (DEFICIT) -						
Beginning of Year	1,372,237	1,372,237	-	130,514	130,514	-
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 1,102,237</u>	<u>\$ 612,562</u>	<u>\$ (489,675)</u>	<u>\$ 110,814</u>	<u>\$ 106,137</u>	<u>\$ (4,677)</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Special Revenue Fund					
	Wastewater RCA Fees Fund			Golf Course Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	35,000	13,866	(21,134)	8,000	2,531	(5,469)
Miscellaneous revenues	-	-	-	225,000	150,000	(75,000)
Total Revenues	35,000	13,866	(21,134)	233,000	152,531	(80,469)
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	16,200	1,032	15,168
Conservation and development	-	-	-	-	-	-
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	-	-	-	16,200	1,032	15,168
Excess (deficiency) of revenues over expenditures	35,000	13,866	(21,134)	216,800	151,499	(65,301)
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(241,700)	(241,700)	-
Total Other Financing Sources (Uses)	-	-	-	(241,700)	(241,700)	-
Net Change in Fund Balances	35,000	13,866	(21,134)	(24,900)	(90,201)	(65,301)
FUND BALANCES (DEFICIT) -						
Beginning of Year	1,793,589	1,793,589	-	284,168	284,168	-
FUND BALANCES (DEFICIT) -						
END OF YEAR	\$ 1,828,589	\$ 1,807,455	\$ (21,134)	\$ 259,268	\$ 193,967	\$ (65,301)

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Special Revenue Fund					
	Fourth of July Fund			Concession Stand Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	75,200	8,575	(66,625)	13,000	7,141	(5,859)
Total Revenues	<u>75,200</u>	<u>8,575</u>	<u>(66,625)</u>	<u>13,000</u>	<u>7,141</u>	<u>(5,859)</u>
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	68,883	2,725	66,158	9,907	5,247	4,660
Conservation and development	-	-	-	-	-	-
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>68,883</u>	<u>2,725</u>	<u>66,158</u>	<u>9,907</u>	<u>5,247</u>	<u>4,660</u>
Excess (deficiency) of revenues over expenditures	<u>6,317</u>	<u>5,850</u>	<u>(467)</u>	<u>3,093</u>	<u>1,894</u>	<u>(1,199)</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	6,317	5,850	(467)	3,093	1,894	(1,199)
FUND BALANCES (DEFICIT) - Beginning of Year	<u>117,431</u>	<u>117,431</u>	<u>-</u>	<u>12,975</u>	<u>12,975</u>	<u>-</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 123,748</u>	<u>\$ 123,281</u>	<u>\$ (467)</u>	<u>\$ 16,068</u>	<u>\$ 14,869</u>	<u>\$ (1,199)</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Special Revenue Fund					
	Park & Recreation Fund			Police Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	50,000	11,826	(38,174)
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	-	-	-	3,500	779	(2,721)
Miscellaneous revenues	10,500	12,622	2,122	57,750	29,119	(28,631)
Total Revenues	10,500	12,622	2,122	111,250	41,724	(69,526)
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	153,250	121,258	31,992
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	10,500	7,314	3,186	-	-	-
Conservation and development	-	-	-	-	-	-
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	24,468	(24,468)
Total Expenditures	10,500	7,314	3,186	153,250	145,726	7,524
Excess (deficiency) of revenues over expenditures	-	5,308	5,308	(42,000)	(104,002)	(62,002)
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net Change in Fund Balances	-	5,308	5,308	(42,000)	(104,002)	(62,002)
FUND BALANCES (DEFICIT) - Beginning of Year	25,774	25,774	-	284,073	284,073	-
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 25,774	\$ 31,082	\$ 5,308	\$ 242,073	\$ 180,071	\$ (62,002)

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Special Revenue Fund					
	Fire Fund			Mayor Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	4,800	-	(4,800)	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	13,000	11,419	(1,581)	3,500	1,500	(2,000)
Total Revenues	<u>17,800</u>	<u>11,419</u>	<u>(6,381)</u>	<u>3,500</u>	<u>1,500</u>	<u>(2,000)</u>
EXPENDITURES						
Current						
General government	-	-	-	3,500	1,500	2,000
Protection of persons and property	17,800	21,882	(4,082)	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>17,800</u>	<u>21,882</u>	<u>(4,082)</u>	<u>3,500</u>	<u>1,500</u>	<u>2,000</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(10,463)</u>	<u>(10,463)</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(10,463)	(10,463)	-	-	-
FUND BALANCES (DEFICIT) -						
Beginning of Year	<u>23,261</u>	<u>23,261</u>	<u>-</u>	<u>2,239</u>	<u>2,239</u>	<u>-</u>
FUND BALANCES (DEFICIT) -						
END OF YEAR	<u>\$ 23,261</u>	<u>\$ 12,798</u>	<u>\$ (10,463)</u>	<u>\$ 2,239</u>	<u>\$ 2,239</u>	<u>\$ -</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Special Revenue Fund					
	Landscape Fund			Building Maintenance Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	118,659	76,412	(42,247)
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	15,000	104,900	89,900	-	-	-
Total Revenues	<u>15,000</u>	<u>104,900</u>	<u>89,900</u>	<u>118,659</u>	<u>76,412</u>	<u>(42,247)</u>
EXPENDITURES						
Current						
General government	-	-	-	100,000	20,655	79,345
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	25,000	41,429	(16,429)	-	-	-
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>25,000</u>	<u>41,429</u>	<u>(16,429)</u>	<u>100,000</u>	<u>20,655</u>	<u>79,345</u>
Excess (deficiency) of revenues over expenditures	<u>(10,000)</u>	<u>63,471</u>	<u>73,471</u>	<u>18,659</u>	<u>55,757</u>	<u>37,098</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(10,000)	63,471	73,471	18,659	55,757	37,098
FUND BALANCES (DEFICIT) -						
Beginning of Year	<u>425,953</u>	<u>425,953</u>	<u>-</u>	<u>380,080</u>	<u>380,080</u>	<u>-</u>
FUND BALANCES (DEFICIT) -						
END OF YEAR	<u>\$ 415,953</u>	<u>\$ 489,424</u>	<u>\$ 73,471</u>	<u>\$ 398,739</u>	<u>\$ 435,837</u>	<u>\$ 37,098</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Special Revenue Fund					
	Technology Fund			Tourism Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	140,000	21,832	(118,168)
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	10,000	10,079	79	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-	-
Total Revenues	<u>10,000</u>	<u>10,079</u>	<u>79</u>	<u>140,000</u>	<u>21,832</u>	<u>(118,168)</u>
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	10,000	5,549	4,451	98,213	32,053	66,160
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	19,421	(19,421)	-	-	-
Total Expenditures	<u>10,000</u>	<u>24,970</u>	<u>(14,970)</u>	<u>98,213</u>	<u>32,053</u>	<u>66,160</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(14,891)</u>	<u>(14,891)</u>	<u>41,787</u>	<u>(10,221)</u>	<u>(52,008)</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(14,891)	(14,891)	41,787	(10,221)	(52,008)
FUND BALANCES (DEFICIT) - Beginning of Year	<u>78,343</u>	<u>78,343</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 78,343</u>	<u>\$ 63,452</u>	<u>\$ (14,891)</u>	<u>\$ 41,787</u>	<u>\$ (10,221)</u>	<u>\$ (52,008)</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Special Revenue Fund					
	Tax Increment District Fund			Grant Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ 211,000	\$ 213,414	\$ 2,414	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	5,000	6,180	1,180
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	3,500	1,021	(2,479)	-	-	-
Miscellaneous revenues	-	-	-	-	-	-
Total Revenues	214,500	214,435	(65)	5,000	6,180	1,180
EXPENDITURES						
Current						
General government	-	18,150	(18,150)	-	-	-
Protection of persons and property	-	-	-	5,000	19,510	(14,510)
Public works	-	-	-	-	-	-
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	93,485	(93,485)	-	-	-
Total Expenditures	-	111,635	(111,635)	5,000	19,510	(14,510)
Excess (deficiency) of revenues over expenditures	214,500	102,800	(111,700)	-	(13,330)	(13,330)
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	505,000	505,000	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	(33,138)	(33,138)	-	-	-	-
Total Other Financing Sources (Uses)	(33,138)	471,862	505,000	-	-	-
Net Change in Fund Balances	181,362	574,662	393,300	-	(13,330)	(13,330)
FUND BALANCES (DEFICIT) - Beginning of Year	(40,377)	(40,377)	-	14,626	14,626	-
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 140,985	\$ 534,285	\$ 393,300	\$ 14,626	\$ 1,296	\$ (13,330)

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Special Revenue Fund					
	Library Fund			Garbage/Recycling Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public charges for services	-	-	-	1,757,000	1,766,028	9,028
Public improvement revenues	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous revenues	20,000	14,970	(5,030)	-	-	-
Total Revenues	<u>20,000</u>	<u>14,970</u>	<u>(5,030)</u>	<u>1,757,000</u>	<u>1,766,028</u>	<u>9,028</u>
EXPENDITURES						
Current						
General government	-	-	-	1,602,725	1,608,899	(6,174)
Protection of persons and property	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Library	18,000	15,414	2,586	-	-	-
Parks and recreation	-	-	-	-	-	-
Conservation and development	-	-	-	-	-	-
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>18,000</u>	<u>15,414</u>	<u>2,586</u>	<u>1,602,725</u>	<u>1,608,899</u>	<u>(6,174)</u>
Excess (deficiency) of revenues over expenditures	<u>2,000</u>	<u>(444)</u>	<u>(2,444)</u>	<u>154,275</u>	<u>157,129</u>	<u>2,854</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	2,000	(444)	(2,444)	154,275	157,129	2,854
FUND BALANCES (DEFICIT)- Beginning of Year	<u>35,951</u>	<u>35,951</u>	<u>-</u>	<u>1,055,477</u>	<u>1,055,477</u>	<u>-</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 37,951</u>	<u>\$ 35,507</u>	<u>\$ (2,444)</u>	<u>\$ 1,209,752</u>	<u>\$ 1,212,606</u>	<u>\$ 2,854</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Capital Projects Funds					
	Equipment Fund			Equipment Replacement Fund		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Room taxes	-	-	-	-	-	-
Intergovernmental	-	106,797	106,797	-	-	-
Public charges for services	-	-	-	-	-	-
Public improvement revenues	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Investment income	8,500	7,544	(956)	-	-	-
Miscellaneous revenues	-	-	-	-	-	-
Total Revenues	<u>8,500</u>	<u>114,341</u>	<u>105,841</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Current						
General government	8,500	3,800	4,700	-	-	-
Protection of persons and property	-	-	-	-	48,459	(48,459)
Public works	-	-	-	-	5,167	(5,167)
Library	-	-	-	-	-	-
Parks and recreation	-	-	-	-	11,880	(11,880)
Conservation and development	-	-	-	-	-	-
Debt Service - interest and fiscal charges	-	-	-	-	-	-
Capital Outlay	-	-	-	216,716	90,119	126,597
Total Expenditures	<u>8,500</u>	<u>3,800</u>	<u>4,700</u>	<u>216,716</u>	<u>155,625</u>	<u>61,091</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>110,541</u>	<u>110,541</u>	<u>(216,716)</u>	<u>(155,625)</u>	<u>61,091</u>
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	216,716	216,716	-
Transfers out	-	(200,000)	(200,000)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>216,716</u>	<u>216,716</u>	<u>-</u>
Net Change in Fund Balances	-	(89,459)	(89,459)	-	61,091	61,091
FUND BALANCES (DEFICIT)-						
Beginning of Year	<u>980,753</u>	<u>980,753</u>	<u>-</u>	<u>158,439</u>	<u>158,439</u>	<u>-</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 980,753</u>	<u>\$ 891,294</u>	<u>\$ (89,459)</u>	<u>\$ 158,439</u>	<u>\$ 219,530</u>	<u>\$ 61,091</u>

CITY OF NEW BERLIN

NONMAJOR GOVERNMENTAL FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2020

	Total		
	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 211,000	\$ 213,414	\$ 2,414
Room taxes	258,659	98,244	(160,415)
Intergovernmental	59,800	124,803	65,003
Public charges for services	1,757,000	1,766,028	9,028
Public improvement revenues	63,000	68,771	5,771
Special assessments	-	-	-
Investment income	65,800	32,199	(33,601)
Miscellaneous revenues	432,950	340,246	(92,704)
Total Revenues	2,848,209	2,643,705	(204,504)
EXPENDITURES			
Current			
General government	1,714,725	1,653,004	61,721
Protection of persons and property	176,050	211,109	(35,059)
Public works	-	5,167	(5,167)
Library	18,000	15,414	2,586
Parks and recreation	105,490	28,263	77,227
Conservation and development	133,213	79,031	54,182
Debt Service - interest and fiscal charges	-	-	-
Capital Outlay	516,716	1,026,630	(509,914)
Total Expenditures	2,664,194	3,018,618	(354,424)
Excess (deficiency) of revenues over expenditures	184,015	(374,913)	(558,928)
OTHER FINANCING SOURCES (USES)			
Long-term debt issued	-	505,000	505,000
Transfers in	216,716	216,716	-
Transfers out	(324,838)	(524,838)	(200,000)
Total Other Financing Sources (Uses)	(108,122)	196,878	305,000
Net Change in Fund Balances	75,893	(178,035)	(253,928)
FUND BALANCES -			
Beginning of Year	7,135,506	7,135,506	-
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 7,211,399	\$ 6,957,471	\$ (253,928)

CITY OF NEW BERLIN

GENERAL FUND
 DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
TAXES				
General property taxes	\$ 19,106,657	\$ 19,106,657	\$ 19,106,657	\$ -
Payment in lieu of taxes	15,000	15,000	15,035	35
Ag use conversion	-	-	5,327	5,327
Interest and penalties on taxes	65,000	65,000	83,679	18,679
TOTAL TAXES	19,186,657	19,186,657	19,210,698	24,041
INTERGOVERNMENTAL				
State shared revenues				
Per capita	556,162	556,162	555,758	(404)
Special utility	115,541	115,541	106,281	(9,260)
Exempt computer aid	150,089	150,089	150,089	-
Video Service Provider	-	-	59,167	59,167
Personal Property Tax	365,004	365,004	365,004	-
Medical care transport	1,000	1,000	18,736	17,736
Fire Insurance - dues distribution	230,367	230,367	234,274	3,907
Federal grants			33,968	33,968
State grants			752,995	752,995
State grants - transportation aids	2,335,574	2,335,574	2,332,502	(3,072)
New Berlin School District	117,402	117,402	93,658	(23,744)
Local grants	77,294	101,555	1,358	(100,197)
TOTAL INTERGOVERNMENTAL	3,948,433	3,972,694	4,703,790	731,096
LICENSES AND PERMITS				
Licenses				
Beer and liquor	38,000	38,000	39,036	1,036
Bartenders	19,600	19,600	20,560	960
Sealer of weights	8,300	8,300	6,783	(1,517)
Sundry	31,839	31,839	28,070	(3,769)
Permits				
Building	315,000	315,000	404,304	89,304
Electrical	120,000	120,000	122,860	2,860
Plumbing	70,000	70,000	83,740	13,740
Well			1,005	1,005

CITY OF NEW BERLIN

GENERAL FUND
 DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL (cont.)
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
LICENSES AND PERMITS (cont.)				
Permits (cont.)				
Sign	\$ 3,450	\$ 3,450	\$ 7,205	\$ 3,755
Fire Department	51,000	51,000	37,352	(13,648)
Sundry	80,000	80,000	99,483	19,483
Cable television fees	575,000	575,000	535,181	(39,819)
TOTAL LICENSES AND PERMITS	1,312,189	1,312,189	1,385,579	73,390
FINES, FORFEITURES AND PENALTIES				
Court fines	320,000	320,000	285,734	(34,266)
PUBLIC CHARGES FOR SERVICES				
General government				
Special assessment written reports	5,000	5,000	7,280	2,280
Sale of computer information	800	800	275	(525)
Workers' compensation dividend	17,150	17,150	34,775	17,625
Wage Reimbursement - Workers comp			12,809	12,809
CVMIC dividend	22,892	22,892		(22,892)
Health and social service				
Dog licenses	5,000	5,000	4,652	(348)
Dog license refund	3,500	3,500	3,300	(200)
Cat licenses	850	850	900	50
Protection of persons and property				
Miscellaneous police revenue	40,000	40,000	53,040	13,040
Fire Department fees	133,000	133,000	133,502	502
Miscellaneous fire revenue	250	250	5,000	4,750
Engine response fee	20,000	20,000	10,962	(9,038)
Interfacility Transport	500,000	500,000	280,780	(219,220)
Ambulance fees	1,290,000	1,290,000	1,093,823	(196,177)
Public works				
Highway Department labor charges	40,000	40,000	23,192	(16,808)
Recycling fees	2,600	2,600	405	(2,195)
Engineering services fees			29,300	29,300
Curb and ditch	1,500	1,500	2,300	800
Erosion Control Fee	6,600	6,600	16,139	9,539
Weed cutting	2,200	2,200	1,629	(571)
Leisure activities				
Park and recreation	383,825	383,825	186,607	(197,218)

CITY OF NEW BERLIN

GENERAL FUND
 DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL (cont.)
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
PUBLIC CHARGES FOR SERVICES (cont.)				
Library Fees	\$ 70,161	\$ 70,161	\$ 52,619	\$ (17,542)
Planning Commission	47,250	47,250	46,497	(753)
Planning Service fees	36,000	36,000	16,009	(19,991)
Filing Fee	8,750	8,750	7,625	(1,125)
Board of Appeals	400	400	400	-
TOTAL PUBLIC CHARGES FOR SERVICES	<u>2,637,728</u>	<u>2,637,728</u>	<u>2,023,820</u>	<u>(613,908)</u>
INTERDEPARTMENTAL				
Administrative charges -				
Garbage/Recycling Fund	19,725	19,725	19,725	-
Water, Wastewater, Water Resource Utilities	439,874	439,874	377,753	(62,121)
TOTAL INTERDEPARTMENTAL	<u>459,599</u>	<u>459,599</u>	<u>397,478</u>	<u>(62,121)</u>
INVESTMENT INCOME	<u>650,000</u>	<u>650,000</u>	<u>317,025</u>	<u>(332,975)</u>
MISCELLANEOUS REVENUES				
Tower rental	155,000	155,000	182,445	27,445
Miscellaneous	50,000	50,000	46,894	(3,106)
TOTAL MISCELLANEOUS REVENUES	<u>205,000</u>	<u>205,000</u>	<u>229,339</u>	<u>24,339</u>
TOTAL REVENUES	<u>\$ 28,719,606</u>	<u>\$ 28,743,867</u>	<u>\$ 28,553,463</u>	<u>\$ (190,404)</u>

CITY OF NEW BERLIN

GENERAL FUND
 DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (NON - GAAP)
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
GENERAL GOVERNMENT				
Mayor's office	\$ 247,195	\$ 247,195	\$ 246,848	\$ 347
Common Council	87,653	87,653	87,544	109
Customer Service Committee	1,500	1,500	1,392	108
Human Resources	591,758	598,245	598,147	98
Finance	524,021	524,021	512,604	11,417
Assessor	445,556	445,556	392,661	52,895
City Attorney	243,300	243,300	243,907	(607)
Municipal Court	195,382	195,382	192,789	2,593
Crime prevention	7,000	7,000	6,575	425
Engineering	513,106	513,106	239,342	273,764
Facilities Management	1,061,778	1,073,778	1,125,802	(52,024)
Insurance	707,840	707,840	763,699	(55,859)
City Clerk	549,249	605,082	581,933	23,149
Information Technology	1,041,402	1,041,402	847,839	193,563
TOTAL GENERAL GOVERNMENT	6,216,740	6,291,060	5,841,082	449,978
PROTECTION OF PERSONS AND PROPERTY				
Police and Fire Commission	25,000	25,000	19,178	5,822
Police Department	10,240,217	10,264,478	9,976,564	287,914
Fire Department	5,342,211	5,376,711	5,514,670	(137,959)
Emergency government	73,907	73,907	94,586	(20,679)
Hydrant rental	705,893	705,893	705,893	-
Inspection Department	499,789	499,789	499,475	314
Sealer of weights and measures	7,200	7,200	7,200	-
Landmarks	2,000	2,000	590	1,410
TOTAL PROTECTION OF PERSONS AND PROPERTY	16,896,217	16,954,978	16,818,156	136,822
HIGHWAY AND TRANSPORTATION	3,310,208	3,310,208	3,109,195	201,013

CITY OF NEW BERLIN

GENERAL FUND
 DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (NON - GAAP) (cont.)
 For the Year Ended December 31, 2020

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
LIBRARY	<u>\$ 1,549,045</u>	<u>\$ 1,549,045</u>	<u>\$ 1,498,181</u>	<u>\$ 50,864</u>
PARKS AND RECREATION				
Parks	865,077	865,077	791,676	73,401
Recreation	568,633	568,633	408,369	160,264
Athletic	34,888	34,888	13,668	21,220
4th of July	<u>31,946</u>	<u>31,946</u>	<u>6,487</u>	<u>25,459</u>
TOTAL PARKS AND RECREATION	<u>1,500,544</u>	<u>1,500,544</u>	<u>1,220,200</u>	<u>280,344</u>
CONSERVATION AND DEVELOPMENT				
Community Development	411,031	411,031	391,824	19,207
Planning	<u>304,105</u>	<u>304,105</u>	<u>297,054</u>	<u>7,051</u>
TOTAL CONSERVATION AND DEVELOPMENT	<u>715,136</u>	<u>715,136</u>	<u>688,878</u>	<u>26,258</u>
UNCLASSIFIED				
Tax Refund	<u>-</u>	<u>-</u>	<u>1,042</u>	<u>(1,042)</u>
TOTAL UNCLASSIFIED	<u>-</u>	<u>-</u>	<u>1,042</u>	<u>(1,042)</u>
CONTINGENCY	<u>300,000</u>	<u>191,180</u>	<u>-</u>	<u>191,180</u>
TOTAL EXPENDITURES	<u>\$ 30,487,890</u>	<u>\$ 30,512,151</u>	<u>\$ 29,176,734</u>	<u>\$ 1,335,417</u>

CITY OF NEW BERLIN

DEBT SERVICE FUNDS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL
 GENERAL DEBT SERVICE FUND
 For the Year Ended December 31, 2020

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 7,485,609	\$ 7,485,609	\$ -
Room taxes	-	76,413	76,413
School District payment	78,110	78,110	-
Total Revenues	<u>7,563,719</u>	<u>7,640,132</u>	<u>76,413</u>
EXPENDITURES			
Debt Service			
Principal retirement	6,754,878	6,754,878	-
Interest and fiscal charges	1,219,552	1,219,552	-
Total Expenditures	<u>7,974,430</u>	<u>7,974,430</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(410,711)</u>	<u>(334,298)</u>	<u>76,413</u>
OTHER FINANCING SOURCES			
Premium on bond issued	-	195,198	195,198
Transfers in	189,838	189,838	-
Total Other Financing Sources	<u>189,838</u>	<u>385,036</u>	<u>195,198</u>
Net Change in Fund Balances	(220,873)	50,738	271,611
FUND BALANCES - Beginning of Year	<u>1,470,913</u>	<u>1,470,913</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,250,040</u>	<u>\$ 1,521,651</u>	<u>\$ 271,611</u>

CITY OF NEW BERLIN

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
As of December 31, 2020

Function and Activity	Land	Land		Machinery			Total
	Land	Improvements	Buildings	and Equipment	Infrastructure	Intangibles	
General Government							
Clerk	\$ -	\$ -	\$ -	\$ 304,111	\$ -	\$ -	\$ 304,111
Information services	-	-	-	1,576,708	-	1,461,443	3,038,151
Building maintenance	280,000	-	3,095,217	430,250	-	-	3,805,467
Other - unclassified	136,050	9,878	-	315,673	-	-	461,601
Total General Government	416,050	9,878	3,095,217	2,626,742	-	1,461,443	7,609,330
Protection of Persons and Property							
Police	-	12,304	7,267,204	3,694,479	-	361,763	11,335,750
Fire	237,168	100,919	4,702,996	6,368,468	-	-	11,409,551
Emergency government	-	-	-	211,403	-	-	211,403
Total Public Safety	237,168	113,223	11,970,200	10,274,350	-	361,763	22,956,704
Highway and Transportation							
Maintenance	-	-	1,618,261	7,616,380	-	-	9,234,641
Sidewalks/Bikepaths	-	-	-	-	3,876,994	-	3,876,994
Street system	9,137,245	-	-	994,946	100,078,550	-	110,210,741
Total Streets	9,137,245	-	1,618,261	8,611,326	103,955,544	-	123,322,376
Library	849,336	5,193	8,936,592	2,811,650	-	-	12,602,771
Parks and Recreation	7,456,504	4,666,686	8,448,309	3,212,135	-	30,000	23,813,634
Total Governmental Funds Capital Assets	\$ 18,096,303	\$ 4,794,980	\$ 34,068,579	\$ 27,536,203	\$ 103,955,544	\$ 1,853,206	\$ 190,304,815

CITY OF NEW BERLIN

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY As of December 31, 2020

Function and Activity	Governmental Funds Capital Assets January 1, 2020	Additions	Deductions	Governmental Funds Capital Assets December 31, 2020
General Government				
Clerk	\$ 242,451	\$ 61,660	\$ -	\$ 304,111
Information services	3,045,918	160,083	167,850	3,038,151
Building maintenance	3,699,846	105,621	-	3,805,467
Other - unclassified	461,601	-	-	461,601
Total General Government	<u>7,449,816</u>	<u>327,364</u>	<u>167,850</u>	<u>7,609,330</u>
Protection of Persons and Property				
Police	11,162,834	225,516	52,600	11,335,750
Fire	10,153,089	1,587,403	330,941	11,409,551
Emergency government	211,403	-	-	211,403
Total Public Safety	<u>21,527,326</u>	<u>1,812,919</u>	<u>383,541</u>	<u>22,956,704</u>
Highway and Transportation				
Maintenance	8,812,506	916,146	494,011	9,234,641
Sidewalks/Bikepaths	3,777,642	99,352	-	3,876,994
Street system	109,348,561	862,180	-	110,210,741
Total Streets	<u>121,938,709</u>	<u>1,877,678</u>	<u>494,011</u>	<u>123,322,376</u>
Library	<u>12,457,553</u>	<u>288,488</u>	<u>143,270</u>	<u>12,602,771</u>
Parks and Recreation	<u>19,750,302</u>	<u>4,458,313</u>	<u>394,981</u>	<u>23,813,634</u>
Total Governmental Funds Capital Assets	<u>\$ 183,123,706</u>	<u>\$ 8,764,762</u>	<u>\$ 1,583,653</u>	<u>\$ 190,304,815</u>

STATISTICAL SECTION

Statistical Section

This section of the City of New Berlin Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes to the financial statements, and required supplementary information says about the City's overall financial condition.

<u>Contents:</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and condition have changed over time.	111-116
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	117-120
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	121-125
Demographic and Economic Information These schedules present demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	126-127
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	128-130

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Table 1
City of New Berlin
Net Position by Component
Last Ten Years

(amounts expressed in thousands)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental Activities										
Net investment in capital assets*	\$ 37,584	\$ 36,667	\$ 34,432	\$ 36,115	\$ 33,153	\$ 31,315	\$ 31,448	\$ 32,615	\$ 32,403	\$ 33,608
Restricted	7,826	7,700	6,680	6,415	9,571	7,185	7,763	11,021	7,516	11,808
Unrestricted	<u>3,402</u>	<u>3,494</u>	<u>3,644</u>	<u>3,904</u>	<u>8,464</u>	<u>10,688</u>	<u>7,761</u>	<u>4,393</u>	<u>7,463</u>	<u>(69)</u>
Total governmental activities net position	<u>\$ 48,812</u>	<u>\$ 47,861</u>	<u>\$ 44,756</u>	<u>\$ 46,434</u>	<u>\$ 51,188</u>	<u>\$ 49,188</u>	<u>\$ 46,972</u>	<u>\$ 48,029</u>	<u>\$ 47,382</u>	<u>\$ 45,347</u>
Business-type activities										
Net investment in capital assets*	\$ 87,651	\$ 94,694	\$ 94,486	\$ 97,213	\$ 98,177	\$ 98,771	\$ 100,030	\$ 103,541	\$ 104,711	\$ 103,011
Restricted	5,498	674	690	701	889	713	720	833	588	655
Unrestricted	<u>25,961</u>	<u>23,946</u>	<u>25,384</u>	<u>27,645</u>	<u>28,003</u>	<u>30,535</u>	<u>31,976</u>	<u>31,113</u>	<u>32,910</u>	<u>36,506</u>
Total business-type activities net position	<u>\$ 119,110</u>	<u>\$ 119,314</u>	<u>\$ 120,560</u>	<u>\$ 125,559</u>	<u>\$ 127,069</u>	<u>\$ 130,019</u>	<u>\$ 132,726</u>	<u>\$ 135,487</u>	<u>\$ 138,209</u>	<u>\$ 140,172</u>
Primary government										
Net investment in capital assets*	\$ 125,235	\$ 131,361	\$ 128,918	\$ 133,328	\$ 131,330	\$ 130,086	\$ 131,478	\$ 136,156	\$ 137,114	\$ 136,619
Restricted	13,324	8,374	7,370	7,116	10,460	7,898	8,483	11,854	8,104	12,463
Unrestricted	<u>29,363</u>	<u>27,440</u>	<u>29,028</u>	<u>31,549</u>	<u>36,467</u>	<u>41,223</u>	<u>39,737</u>	<u>35,506</u>	<u>40,373</u>	<u>36,437</u>
Total primary government net position	<u>\$ 167,922</u>	<u>\$ 167,175</u>	<u>\$ 165,316</u>	<u>\$ 171,993</u>	<u>\$ 178,257</u>	<u>\$ 179,207</u>	<u>\$ 179,698</u>	<u>\$ 183,516</u>	<u>\$ 185,591</u>	<u>\$ 185,519</u>

*Net of related debt

Table 2
City of New Berlin
Changes in Net Position
Last Ten Years

(amounts expressed in thousands)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses										
Governmental activities:										
General government	\$ 6,595	\$ 6,485	\$ 6,823	\$ 6,433	\$ 6,356	\$ 6,635	\$ 6,736	\$ 6,415	\$ 6,636	\$ 8,454
Protection of persons and property	16,024	14,966	15,181	14,592	14,838	15,975	17,457	17,126	18,403	18,008
Highway and transportation	8,332	7,938	8,689	8,500	11,145	10,190	9,309	8,873	9,249	9,947
Library	1,740	1,564	1,599	1,494	1,466	1,629	1,706	1,715	1,720	1,818
Parks and recreation	1,872	1,890	1,786	1,859	1,799	1,897	2,074	1,932	2,233	1,978
Conservation and development	551	570	673	685	744	799	820	801	824	1,010
Interest and fiscal charges	<u>1,089</u>	<u>1,147</u>	<u>1,529</u>	<u>902</u>	<u>946</u>	<u>922</u>	<u>937</u>	<u>980</u>	<u>1,092</u>	<u>1,080</u>
Total governmental activities expenses	<u>36,203</u>	<u>34,560</u>	<u>36,280</u>	<u>34,465</u>	<u>37,294</u>	<u>38,047</u>	<u>39,039</u>	<u>37,842</u>	<u>40,157</u>	<u>42,295</u>
Business type activities:										
Water	4,138	5,631	4,059	4,104	4,673	4,171	4,240	4,486	4,334	4,391
Wastewater	9,096	9,612	9,833	9,439	10,384	10,157	10,340	11,804	10,615	10,116
Stormwater	<u>1,568</u>	<u>1,682</u>	<u>2,527</u>	<u>1,494</u>	<u>1,352</u>	<u>1,787</u>	<u>1,507</u>	<u>1,597</u>	<u>1,536</u>	<u>1,470</u>
Total business type activities expenses:	<u>14,802</u>	<u>16,925</u>	<u>16,419</u>	<u>15,037</u>	<u>16,409</u>	<u>16,115</u>	<u>16,087</u>	<u>17,887</u>	<u>16,485</u>	<u>15,977</u>
Total primary government expenses	<u>\$ 51,005</u>	<u>\$ 51,485</u>	<u>\$ 52,699</u>	<u>\$ 49,502</u>	<u>\$ 53,703</u>	<u>\$ 54,162</u>	<u>\$ 55,126</u>	<u>\$ 55,729</u>	<u>\$ 56,642</u>	<u>\$ 58,272</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,067	\$ 933	\$ 926	\$ 941	\$ 996	\$ 957	\$ 932	\$ 989	\$ 1,031	\$ 878
Protection of persons and property	1,916	1,934	2,191	2,185	2,263	2,480	2,809	3,065	2,791	2,787
Highway and transportation	513	512	458	346	1,644	2,163	1,925	2,255	2,235	2,246
Library	69	94	96	95	77	95	92	114	113	67
Parks and recreation	873	746	896	874	841	823	705	622	680	369
Conservation and development	102	109	146	126	122	120	139	107	113	88
Operating grants and contributions	2,000	2,019	2,101	2,206	2,537	2,769	2,736	2,938	3,114	4,027
Capital grants and contributions	<u>298</u>	<u>1,288</u>	<u>801</u>	<u>4,502</u>	<u>307</u>	<u>650</u>	<u>330</u>	<u>1,175</u>	<u>817</u>	<u>59</u>
Total governmental activities program revenues	<u>6,838</u>	<u>7,635</u>	<u>7,615</u>	<u>11,275</u>	<u>8,787</u>	<u>10,057</u>	<u>9,668</u>	<u>11,265</u>	<u>10,894</u>	<u>10,521</u>

Business type activities:

Charges for services:

Water	5,073	5,616	5,200	5,144	5,273	5,327	5,188	5,269	5,179	5,328
Wastewater	9,277	9,725	9,473	9,395	10,400	10,395	10,311	11,031	11,138	11,119
Stormwater	1,635	1,734	1,693	1,672	1,709	1,726	1,743	1,746	1,748	1,742
Operating grants and contributions	-	-	460	10	238	293	-	765	176	286
Capital grants and contributions	<u>323</u>	<u>258</u>	<u>439</u>	<u>2,270</u>	<u>272</u>	<u>291</u>	<u>2,146</u>	<u>1,206</u>	<u>450</u>	<u>7</u>
Total business-type activities program revenues	<u>16,308</u>	<u>17,333</u>	<u>17,265</u>	<u>18,491</u>	<u>17,892</u>	<u>18,032</u>	<u>19,388</u>	<u>20,017</u>	<u>18,691</u>	<u>18,482</u>
Total primary government program revenues	<u>\$ 23,146</u>	<u>\$ 24,968</u>	<u>\$ 24,880</u>	<u>\$ 29,766</u>	<u>\$ 26,679</u>	<u>\$ 28,089</u>	<u>\$ 29,056</u>	<u>\$ 31,282</u>	<u>\$ 29,585</u>	<u>\$ 29,003</u>

Net (Expense)/Revenue

Governmental activities	\$ (29,365)	\$ (26,925)	\$ (28,665)	\$ (23,190)	\$ (28,507)	\$ (27,990)	\$ (29,371)	\$ (26,577)	\$ (29,263)	\$ (31,774)
Business type activities	<u>1,506</u>	<u>408</u>	<u>846</u>	<u>3,454</u>	<u>1,483</u>	<u>1,917</u>	<u>3,301</u>	<u>2,130</u>	<u>2,206</u>	<u>2,505</u>
Total primary government net expense	<u>\$ (27,859)</u>	<u>\$ (26,517)</u>	<u>\$ (27,819)</u>	<u>\$ (19,736)</u>	<u>\$ (27,024)</u>	<u>\$ (26,073)</u>	<u>\$ (26,070)</u>	<u>\$ (24,447)</u>	<u>\$ (27,057)</u>	<u>\$ (29,269)</u>

General Revenues and Other Changes in Net Position

Governmental activities:

Taxes

Property taxes	\$ 23,764	\$ 24,121	\$ 24,221	\$ 24,436	\$ 24,681	\$ 24,968	\$ 25,251	\$ 25,550	\$ 25,675	\$ 26,592
Other taxes	386	239	390	422	414	443	435	361	395	493
Intergovernmental revenues	941	830	955	998	1,020	1,026	1,221	897	1,200	1,402
Investment earnings (loss)	180	165	(7)	163	108	206	386	843	1,218	405
Miscellaneous	239	173	225	132	117	134	105	135	106	81
Transfers	<u>664</u>	<u>446</u>	<u>(223)</u>	<u>(1,283)</u>	<u>582</u>	<u>(787)</u>	<u>783</u>	<u>(153)</u>	<u>23</u>	<u>766</u>
Total Governmental activities	<u>26,174</u>	<u>25,974</u>	<u>25,561</u>	<u>24,868</u>	<u>26,922</u>	<u>25,990</u>	<u>28,181</u>	<u>27,633</u>	<u>28,617</u>	<u>29,739</u>
Business type activities:										
Investment earnings	301	242	176	262	232	246	281	478	538	224
Transfers	<u>(664)</u>	<u>(446)</u>	<u>223</u>	<u>1,283</u>	<u>(582)</u>	<u>787</u>	<u>(783)</u>	<u>153</u>	<u>(23)</u>	<u>(766)</u>
Total business-type activities	<u>(363)</u>	<u>(204)</u>	<u>399</u>	<u>1,545</u>	<u>(350)</u>	<u>1,033</u>	<u>(502)</u>	<u>631</u>	<u>515</u>	<u>(542)</u>
Total primary government	<u>\$ 25,811</u>	<u>\$ 25,770</u>	<u>\$ 25,960</u>	<u>\$ 26,413</u>	<u>\$ 26,572</u>	<u>\$ 27,023</u>	<u>\$ 27,679</u>	<u>\$ 28,264</u>	<u>\$ 29,132</u>	<u>\$ 29,197</u>

Change in Net Position

Governmental activities	\$ (3,191)	\$ (951)	\$ (3,104)	\$ 1,678	\$ (1,585)	\$ (2,000)	\$ (1,190)	\$ 1,056	\$ (646)	\$ (2,035)
Business type activities	<u>1,143</u>	<u>204</u>	<u>1,245</u>	<u>4,999</u>	<u>1,133</u>	<u>2,950</u>	<u>2,799</u>	<u>2,761</u>	<u>2,721</u>	<u>1,963</u>
Total primary government	<u>\$ (2,048)</u>	<u>\$ (747)</u>	<u>\$ (1,859)</u>	<u>\$ 6,677</u>	<u>\$ (452)</u>	<u>\$ 950</u>	<u>\$ 1,609</u>	<u>\$ 3,817</u>	<u>\$ 2,075</u>	<u>\$ (72)</u>

Table 3
City of New Berlin
Fund Balances, Governmental Funds,
Last Ten Years

(amounts expressed in thousands)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Nonspendable	\$ 185	\$ 376	\$ 326	\$ 81	\$ 50	\$ 117	\$ 67	\$ 343	\$ 306	\$ 59
Assigned	1,200	1,055	849	985	956	1,000	1,000	1,000	1,000	1,000
Unassigned	<u>6,831</u>	<u>6,779</u>	<u>7,251</u>	<u>7,330</u>	<u>7,797</u>	<u>8,196</u>	<u>8,476</u>	<u>8,724</u>	<u>8,820</u>	<u>9,070</u>
Total general fund	<u>\$ 8,216</u>	<u>\$ 8,210</u>	<u>\$ 8,426</u>	<u>\$ 8,396</u>	<u>\$ 8,803</u>	<u>\$ 9,313</u>	<u>\$ 9,543</u>	<u>\$ 10,067</u>	<u>\$ 10,126</u>	<u>\$ 10,129</u>
All Other Governmental Funds										
Restricted	\$ 13,769	\$ 16,645	\$ 9,898	\$ 9,745	\$ 10,471	\$ 11,250	\$ 13,314	\$ 14,624	\$ 15,469	\$ 13,033
Committed	708	467	892	1,034	1,956	1,553	1,007	978	801	762
Assigned	270	309	324	332	382	313	337	340	486	604
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2)</u>	<u>-</u>	<u>-</u>	<u>(8)</u>	<u>-</u>	<u>(40)</u>	<u>(10)</u>
Total all other governmental funds	<u>\$ 14,747</u>	<u>\$ 17,421</u>	<u>\$ 11,114</u>	<u>\$ 11,109</u>	<u>\$ 12,809</u>	<u>\$ 13,116</u>	<u>\$ 14,650</u>	<u>\$ 15,942</u>	<u>\$ 16,716</u>	<u>\$ 14,389</u>

Note: GASB #54 implemented in 2011.

Table 4
City of New Berlin
Changes in Fund Balances, Governmental Funds,
Last Ten Years
(amounts expressed in thousands)

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
REVENUES										
Taxes	\$ 24,150	\$ 24,360	\$ 24,611	\$ 24,859	\$ 25,095	\$25,411	\$25,686	\$25,912	\$26,071	\$ 27,084
Intergovernmental	2,743	2,584	3,025	2,941	3,248	3,462	3,620	3,480	3,779	4,913
Licenses and permits	1,275	1,370	1,449	1,416	1,454	1,338	1,353	1,621	1,459	1,386
Fines and penalties	276	298	280	321	361	453	384	348	309	286
Charges for services	1,969	1,997	2,507	2,098	3,497	4,225	4,471	4,534	4,504	4,024
Public improvement revenues	301	132	224	55	101	26	340	260	66	69
Special assessments	10	6	8	1	1	1	1	1	-	-
Interdepartmental revenues	790	467	450	381	330	402	149	461	414	397
Investment income (loss)	173	162	(7)	163	108	206	386	843	1,218	406
Miscellaneous revenues	710	627	824	1,139	719	873	949	722	892	570
Total Revenues	<u>32,397</u>	<u>32,003</u>	<u>33,371</u>	<u>33,374</u>	<u>34,914</u>	<u>36,397</u>	<u>37,339</u>	<u>38,182</u>	<u>38,712</u>	<u>39,135</u>
EXPENDITURES										
General government	6,144	6,001	5,961	6,008	5,920	6,058	6,037	6,047	6,236	5,954
Protection of persons and property	14,694	14,537	14,273	14,032	14,239	14,617	15,631	16,030	16,565	16,994
Highway and transportation	3,158	2,876	2,840	3,207	4,200	4,477	4,337	4,620	4,899	4,723
Library	1,523	1,369	1,424	1,363	1,373	1,424	1,498	1,553	1,519	1,623
Parks and recreation	1,512	1,513	1,377	1,496	1,400	1,445	1,467	1,391	1,609	1,293
Conservation and development	541	537	650	685	725	775	758	780	727	768
Capital outlay	4,599	6,157	11,986	7,427	7,050	8,353	7,851	8,098	8,119	12,942
Debt service										
Principal retirement	4,512	6,601	11,755	6,095	6,060	5,930	5,975	5,950	5,890	6,755
Interest and fiscal charges	1,211	1,254	1,387	1,189	1,226	1,204	1,185	1,205	1,302	1,292
Total Expenditures	<u>37,894</u>	<u>40,845</u>	<u>51,653</u>	<u>41,502</u>	<u>42,193</u>	<u>44,283</u>	<u>44,739</u>	<u>45,674</u>	<u>46,866</u>	<u>52,344</u>

Excess of revenues over (under) expenditures	<u>(5,497)</u>	<u>(8,842)</u>	<u>(18,282)</u>	<u>(8,128)</u>	<u>(7,279)</u>	<u>(7,886)</u>	<u>(7,400)</u>	<u>(7,492)</u>	<u>(8,154)</u>	<u>(13,209)</u>
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**OTHER FINANCING
SOURCES (USES)**

Proceeds from long-term debt	6,445	8,920	5,810	6,954	8,230	7,735	8,215	9,060	8,095	9,815
Refunding debt issued	-	2,520	5,510	-	-	-	-	-	-	-
Premium on bond issue	127	806	398	294	244	167	161	164	102	195
Payment to refunded bond escrow agent	-	(1,379)	-	-	-	-	-	-	-	-
Capital lease	33	50	-	-	72	-	63	-	-	110
Transfers in	1,874	1,456	1,254	1,673	1,534	1,393	1,477	1,515	1,410	1,508
Transfers out	<u>(1,022)</u>	<u>(864)</u>	<u>(781)</u>	<u>(827)</u>	<u>(694)</u>	<u>(592)</u>	<u>(752)</u>	<u>(1,432)</u>	<u>(619)</u>	<u>(742)</u>
Total other financing sources (uses)	<u>7,457</u>	<u>11,509</u>	<u>12,191</u>	<u>8,094</u>	<u>9,386</u>	<u>8,703</u>	<u>9,164</u>	<u>9,307</u>	<u>8,988</u>	<u>10,886</u>

Net change in fund balances	<u>\$ 1,960</u>	<u>\$ 2,667</u>	<u>\$ (6,091)</u>	<u>\$ (34)</u>	<u>\$ 2,107</u>	<u>\$ 817</u>	<u>\$ 1,764</u>	<u>\$ 1,815</u>	<u>\$ 834</u>	<u>\$ (2,323)</u>
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Debt service as a percentage of noncapital expenditures	17.2%	22.6%	33.1%	21.4%	20.7%	19.9%	19.4%	19.0%	18.6%	20.4%
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Table 5
City of New Berlin
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

(amounts expressed in thousands)

Year	Residential Property	Commercial Property	Manufacturing Property	Other Property	Personal Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
2011	\$ 3,443,380	\$ 1,022,634	\$ 171,057	\$ 17,526	\$ 135,937	\$ 4,790,534	\$ 4,745,968	100.95%	\$ 5.0093
2012	3,107,229	978,614	164,906	13,105	130,630	4,394,484	4,583,168	95.88%	5.5117
2013	3,116,776	984,096	174,888	13,737	143,464	4,432,961	4,523,920	97.99%	5.5124
2014	3,140,288	993,967	181,837	13,914	149,198	4,479,204	4,703,600	95.23%	5.5102
2015	3,359,201	1,047,565	197,897	15,346	144,184	4,764,193	4,808,728	99.07%	5.2408
2016	3,375,849	1,065,173	205,622	15,131	159,107	4,820,882	4,957,311	97.16%	5.2378
2017	3,399,510	1,087,933	196,725	14,940	154,307	4,853,415	5,186,500	93.58%	5.2644
2018	3,812,419	1,146,847	207,896	16,000	102,149	5,285,311	5,408,748	97.72%	4.8579
2019	3,856,282	1,163,578	201,424	16,272	94,213	5,331,769	5,714,406	93.30%	4.9990
2020	3,903,183	1,159,170	212,481	15,497	100,294	5,390,625	5,849,284	92.21%	5.1810

Source: New Berlin City Assessors Office

Note: State law requires average assessment ratios to be within 10% of market value once every 4 years. Additionally, state statutes require each taxation district to assess property at full value at least once in every 5 year period. The City Assessor's office has formulated a policy of conducting revaluations on a biennial basis.

Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

Table 6
City of New Berlin
Direct and Overlapping Property Tax Rates,
Last Ten Years

(rate per \$1,000 of assessed value)

Levy Year	City Direct Rates			Overlapping Rates					Total Gross Rate
	Basic Rate	General Obligation Debt Service	Total Direct	New Berlin School District	Waukesha County Technical College	Waukesha County	State of Wisconsin		
2011	\$ 3.8080	\$ 1.2013	\$ 5.0093	\$ 10.2903	\$ 1.2397	\$ 1.9921	\$ 0.1681	\$ 18.6996	
2012	4.0562	1.4556	5.5117	11.4766	1.3565	2.1955	0.1770	20.7173	
2013	4.0784	1.4340	5.5124	11.6508	1.3427	2.1889	0.1732	20.8679	
2014	4.0561	1.4541	5.5102	11.9221	0.4086	2.1854	0.1782	20.2046	
2015	3.8448	1.3960	5.2408	11.3358	0.3833	2.0608	0.1712	19.1919	
2016	3.8546	1.3832	5.2378	11.4779	0.3788	2.0529	0.1745	19.3219	
2017	3.8904	1.3740	5.2644	11.5694	0.3939	2.0858	-	19.3135	
2018	3.5963	1.2617	4.8579	10.4435	0.3705	1.9341	-	17.6060	
2019	3.7484	1.2507	4.9990	10.0299	0.3860	1.9503	-	17.3653	
2020	3.7924	1.3886	5.1810	9.2594	0.3815	1.9135	-	16.7354	

Note: The City has four tax rates dependent upon the school district the property is located. The total shown is for only the largest school district (New Berlin), State of Wisconsin property taxes were eliminated in 2017.

Table 7
City of New Berlin
Principal Property Taxpayers
Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>2020</u>			<u>2011</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percent of Total City Taxable Assessed Value</u>
Individual	\$ 71,292,800	1	1.32%	\$ 67,439,900	1	1.41%
Individual	49,534,900	2	0.92%	57,205,500	2	1.19%
Froedert Health	35,718,000	3	0.66%	-	-	-
MSP	32,656,800	4	0.61%	-	-	-
Clark Building Joint Venture	24,911,800	5	0.46%	28,474,100	3	0.59%
Buy Seasons	23,412,300	6	0.43%	19,765,140	5	0.41%
Sanctuary of Woodshire	20,605,000	7	0.38%	19,033,900	6	0.40%
Wyndridge Nominee, LLC	18,951,600	8	0.35%	-	-	-
Costco	18,478,200	9	0.34%	-	-	-
FXG, Inc	16,925,500	10	0.31%	25,941,340	4	0.54%
Pinewood Apartments	-	-	-	15,022,000	7	0.31%
Industrial Electric	-	-	-	14,796,860	8	0.31%
Carriage Way Apartments	-	-	-	12,242,000	9	0.26%
Princeton Club	-	-	-	11,956,120	10	0.25%
	<u>\$ 312,486,900</u>		<u>5.80%</u>	<u>\$ 271,876,860</u>		<u>5.68%</u>

Source: New Berlin City Assessor

Table 8
City of New Berlin
Property Tax Levies & Collections
Last Ten Years

<u>Collection Year</u>	<u>Total Tax Levy</u>	<u>Collections Prior to Transfer</u>		<u>Total Collections to Date</u>	
		<u>of Tax Roll on August 1</u>	<u>Percent of Levy Collected</u>	<u>Amount</u>	<u>Percentage of Levy</u>
2011	\$ 23,763,953	\$ 23,528,669	99.01%	\$ 23,763,306	100.00%
2012	23,997,115	23,754,501	98.99%	23,996,583	100.00%
2013	24,221,282	24,012,358	99.14%	24,221,282	100.00%
2014	24,436,282	24,279,109	99.36%	24,434,177	99.99%
2015	24,681,517	24,567,841	99.54%	24,665,383	99.93%
2016	24,968,332	24,864,003	99.58%	24,947,440	99.92%
2017	25,251,000	25,136,214	99.55%	25,245,738	99.98%
2018	25,550,392	25,456,313	99.63%	25,543,854	99.97%
2019	25,675,618	25,574,501	99.61%	25,655,517	99.92%
2020	26,592,266	26,495,336	99.64%	26,567,825	99.91%

Note: The amount of outstanding taxes represents uncollected personal property taxes at the end of the year. The portion of delinquent taxes attributable to overlapping jurisdictions is charged back to those jurisdictions in the subsequent year.

Table 10
City of New Berlin
Ratio of Net General Bonded Debt Outstanding
Last Ten Years

(dollars in thousands, except per capita)

<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>				<u>Funds Restricted for Principal</u>	<u>Net Bonded Debt Outstanding</u>	<u>Percentage of Actual Taxable Value of Property</u>	
	<u>General Obligation Bonds</u>	<u>WRM General Obligation</u>	<u>Water General Obligation</u>	<u>Total</u>			<u>Per Capita</u>	
2011	\$ 37,890	\$ 985	\$ -	\$ 38,875	\$ 3,375	\$ 35,500	0.75%	\$ 982
2012	41,525	280	-	41,805	3,585	38,220	0.83%	1,051
2013	41,170	-	-	41,170	-	41,170	0.91%	1,031
2014	42,129	-	-	42,129	-	42,129	0.90%	1,050
2015	46,079	-	4,430	50,509	-	50,509	1.05%	1,257
2016	46,569	-	4,220	50,789	-	50,789	1.02%	1,263
2017	48,810	-	3,975	52,785	-	52,785	1.02%	1,319
2018	51,920	-	3,892	55,812	-	55,812	1.03%	1,383
2019	54,125	-	3,445	57,570	-	57,570	1.01%	1,418
2020	57,185	-	1,890	59,075	-	59,075	1.01%	1,455

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

Table 9
City of New Berlin
Ratio of Outstanding Debt by Type
Last Ten Years
(dollars in thousands, except per capita)

Fiscal Year	Governmental Activities			Business-Type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Lease	State Trust Fund Loan	Water Revenue Bonds	Water Advance from Sewer	Water General Obligation	WRM General Obligation	WRM Advance from Sewer			
2011	\$ 37,890	\$ 155	\$ 716	\$ 5,410	\$ 2,720	\$ -	\$ 985	\$ 850	\$ 48,726	3.23%	\$ 1,231
2012	41,525	160	645	-	2,390	4,430	280	1,245	50,675	3.32%	1,274
2013	41,170	115	565	-	2,045	4,220	-	1,090	49,205	3.14%	1,233
2014	42,129	68	465	-	1,685	3,975	-	1,435	49,757	3.15%	1,240
2015	45,719	80	360	-	1,310	3,715	-	1,230	52,414	3.21%	1,304
2016	46,319	60	250	-	925	3,445	-	1,020	52,019	3.11%	1,293
2017	48,685	82	125	62	505	3,165	-	810	53,434	3.12%	1,335
2018	51,920	50	-	1,979	255	2,875	-	590	57,669	3.24%	1,429
2019	54,125	26	-	1,944	-	2,380	-	430	58,905	3.29%	1,451
2020	57,185	97	-	2,903	-	1,890	-	325	62,400	3.36%	1,537

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

Table 11
City of New Berlin
Direct and Overlapping Governmental Activities Debt
As of December 31, 2020
(dollars in thousands)

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Waukesha County	\$ 84,678	9.7693%	\$ 8,272
Elmbrook School District	44,015	1.1783%	519
Muskego-Norway School District	40,805	0.1060%	43
New Berlin School District	40,380	100.0000%	40,380
West Allis School District	20,352	7.6340%	1,554
Waukesha County Technical College	23,080	8.9687%	2,070
Milwaukee Area Technical College	100,970	0.4352%	<u>439</u>
Subtotal, overlapping debt			53,277
City direct debt			<u>59,075</u>
Total direct and overlapping debt			<u>\$ 112,352</u>

Sources: Assessed value data provided by the City Assessor's office. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographical boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of New Berlin. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Table 12
City of New Berlin
Legal Debt Margin Information,
Last Ten Years

(dollars in thousands)

Legal debt margin calculation for 2020	
Equalized Valuation	\$ 5,849,284
Debt Limit (5% of equalized value)	292,464
Debt applicable to limit:	
General Obligation Debt	59,075
Less: Available funds designated for principal debt retirement	223
Total net debt applicable to limit	58,852
Legal debt margin	\$ 233,612

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt Limit	\$ 238,942	\$ 237,298	\$ 229,158	\$ 226,196	\$ 235,180	\$ 240,436	\$ 247,866	\$ 259,325	\$ 285,720	\$ 292,464
Total net debt applicable to limit	36,575	38,661	46,298	45,677	46,251	49,901	49,811	51,787	56,282	58,852
Legal debt margin	\$ 202,367	\$ 238,228	\$ 182,860	\$ 180,519	\$ 188,929	\$ 190,535	\$ 198,055	\$ 207,538	\$ 229,438	\$ 233,612
Total net debt applicable to the limit as a percentage of debt limit	14.13%	15.31%	16.29%	20.19%	19.67%	20.75%	20.10%	19.97%	19.70%	20.12%

Note: Under state law the city's outstanding general obligation debt cannot exceed 5 percent of total equalized property value. However, the city has established a more conservative internal limit of not more than 2.5 percent. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Table 13
City of New Berlin
Pledged-Revenue Coverage,
Last ten years

<u>Year</u>	<u>Gross Revenues</u>	<u>Operating Expenses</u>	<u>Net Revenue Available for Debt Service</u>	<u>Maximum Annual Debt Service Requirement</u>			<u>Total</u>
				<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>	
2011	\$ 5,147,887	\$ 2,706,436	\$ 2,441,451	\$ 550,000	\$ 215,064	3.19	765,064
2012	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2013	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2014	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2015	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2016	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2017	5,264,980	2,876,287	2,388,693	2,575	1,131	644.55	3,706
2018	5,417,489	3,081,448	2,336,041	87,253	34,580	19.17	121,833
2019	5,337,794	2,893,109	2,444,685	89,379	35,580	19.56	124,959
2020	5,377,379	2,953,084	2,424,295	137,615	54,461	12.62	192,076

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Gross revenues are operating revenues plus interest. Operating expenses do not include interest, depreciation or amortization.

Table 14
City of New Berlin
Demographic and Economic Statistics
Last Ten Years

Year	Population	New Berlin Per Capita Income	Personal Income (thousands of dollars)	School Enrollment	Unemployment Rate
2011	39,594	\$ 38,089	\$ 1,508,096	4,687	5.20%
2012	39,770	38,358	1,525,498	4,656	5.30%
2013	39,915	39,295	1,568,460	4,592	4.80%
2014	40,130	39,339	1,578,674	4,590	4.30%
2015	40,195	40,678	1,635,052	4,528	3.60%
2016	40,227	41,546	1,671,271	4,445	3.70%
2017	40,027	42,788	1,712,675	4,410	2.30%
2018	40,349	44,119	1,780,158	4,503	2.70%
2019	40,596	44,119	1,791,055	4,348	3.00%
2020	40,600	45,732	1,856,719	4,362	6.00%

Sources: Population provided by State Department of Revenue. Per capita income is from the US Census Bureau and personal income is population times per capita. School enrollment data from WI Dept of Public Instruction. Unemployment data provided by State Department of Workforce Development.

Notes: Personal income data from Wisconsin Department of Administration, Demographic Services Center. Unemployment rate information is annual average. School enrollment is based on census at the middle of the school year and includes public schools only.

Table 15
City of New Berlin
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2020</u>			<u>2011</u>		
	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Spring City/Pieper Electric	1,000	1	4.91%	-	-	-
Ideal Mechanical	550	2	2.70%	-	-	-
ABB Industrial Systems Inc.	520	3	2.55%	650	2	2.97%
New Berlin School District	507	4	2.49%	487	3	2.23%
GMR Marketing	446	5	2.19%	400	6	1.83%
City of New Berlin	420	6	2.06%	421	4	1.93%
Modern Maintenance Building	400	7	1.96%	400	5	1.83%
Regency Janitorial Service, Inc.	400	8	1.96%	-	-	-
Collins Aerospace	300	9	1.47%	-	-	-
ACS Group	259	10	1.27%	-	-	-
Chris Hansen Inc.	-	-	-	1,080	1	4.94%
Liturgical Publications Inc	-	-	-	325	7	1.49%
Dematic Corp	-	-	-	300	8	1.37%
Software One	-	-	-	300	9	1.37%
Industrial Towel & Uniform	-	-	-	250	10	1.14%
Total	<u>4,802</u>		<u>23.57%</u>	<u>4,613</u>		<u>16.41%</u>

Source: City Official Statement - ReferenceUSA, written and telephone survey (August, 2019), *Wisconsin Manufacturers Register*, and the Wisconsin Department of Workforce Development

Table 16
City of New Berlin
Full-time Equivalent City Employees by Function/Program,
Last Ten Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<i>GENERAL GOVERNMENT</i>										
Mayor	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Human Resources	3.00	3.00	2.40	2.50	2.00	2.00	2.50	3.00	3.00	3.00
Finance	5.67	5.75	5.75	4.75	4.75	4.81	5.31	5.31	5.31	5.31
Assessor	5.00	5.00	5.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Municipal Court	2.15	2.15	2.15	2.15	2.10	2.10	2.10	2.20	2.04	2.04
Engineering	3.00	3.00	3.00	3.00	2.50	2.50	2.25	2.25	2.25	2.25
Parks, Facilities & Grounds	7.00	6.00	7.00	8.00	12.00	13.00	13.00	14.00	12.50	13.50
Parks, Facilities & Grounds - Pt	4.18	7.40	7.52	6.50	4.88	5.88	6.60	6.10	5.01	5.53
Clerk	4.00	4.60	4.34	4.34	4.34	4.50	4.70	4.60	4.60	4.60
Information Technology	3.93	3.46	3.26	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Protection of Persons and Property										
Police	87.50	85.50	81.00	81.00	79.75	80.75	81.25	84.00	84.00	84.00
Fire	27.00	29.00	30.00	32.00	33.00	36.00	36.00	39.00	40.00	42.00
Fire - Pt	11.48	10.85	10.60	10.60	11.00	11.02	11.12	11.50	11.00	12.43
Emergency Management									0.50	0.50
Inspection	6.00	6.00	6.00	6.00	6.00	6.00	5.50	5.50	5.50	5.50
Library	4.00	4.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	6.00
Library - Pt	13.45	13.14	13.34	13.82	13.00	13.41	13.41	12.66	12.66	12.66
Recreation	3.00	3.00	3.00	3.00	3.00	2.00	3.00	3.00	4.00	4.00
Recreation - Pt	9.28	9.53	9.28	9.25	9.70	8.60	6.84	6.84	6.34	5.42
Streets	27.00	27.00	26.00	27.00	27.00	27.00	27.50	28.50	27.50	27.50
Public Works									1.00	1.00
Conservation & Development	6.00	7.00	7.00	7.50	7.50	7.50	8.50	8.50	8.50	8.50
<i>ENTERPRISE FUNDS</i>										
Sewer Utility	6.75	6.75	6.75	6.35	4.85	6.65	6.65	6.65	6.95	6.95
Water Utility	11.25	11.25	11.75	11.65	12.15	11.35	11.35	11.35	11.05	11.05
Water Resource Management	-	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
TOTAL	252.64	257.38	253.14	255.41	255.52	262.07	264.58	271.96	270.71	274.74

Source: City budget document

Table 17
City of New Berlin
Operating Indicators by Function/Program
Last Ten Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police Protection:										
Calls for service	30,430	28,478	29,664	29,339	31,241	30,716	31,076	28,418	29,302	25,466
Citations issued	4,019	4,436	2,986	4,719	5,016	4,877	3,834	3,987	4,420	3,941
Fire Protection:										
Fire calls answered	562	723	742	852	799	847	913	964	1,016	948
Medical calls answered	2,382	2,380	2,624	2,746	2,847	3,279	3,953	4,010	3,941	3666
Inspections	4,141	4,502	4,589	4,614	2,832	2,822	2,779	3,072	2,923	2419
Other Public Works										
Street Resurfacing (miles)	9.7	9.5	13.7	10.6	10.9	13.32	15.17	15.24	13.55	11.06
Recycling Center Visitors	73,102	67,118	75,134	100,098	110,106	110,344	110,448	115,211	118,627	120,903
Parks and Recreation										
Athletic field permits issued	25	34	31	31						
Library										
Volumes in collection	159,445	167,794	161,258	151,291	149,595	147,047	146,396	150,003	150,497	148,040
Total Volumes borrowed	335,770	368,341	356,656	350,396	349,290	365,702	374,801	392,043	405,089	296,711
Water System:										
New connections	22	38	116	32	39	84	15	41	77	43
Water main breaks	7	6	9	15	13	8	11	20	7	4
Average Daily consumption (thousands of gallons)	2,348	2,703	2,352	2,236	2,337	2,296	2,192	2,630	2,460	2,585
Peak daily consumption (thousands of gallons)	4,658	5,720	4,924	4,420	4,429	4,684	4,347	5,919	4,432	4,838

Sources: Various city departments

Table 18
City of New Berlin
Capital Asset Statistics by Function/Program,
Last Ten Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police Protection:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	20	20	20	20	20	20	20	20	20	20
Fire Stations	5	5	5	5	5	5	5	5	5	5
Other public works										
Miles of streets	225.74	225.74	225.74	226.7	226.7	226.73	226.73	226.73	226.73	226.73
Number of street lights	495	495	495	515	515	589	589	589	589	
Park and Recreation										
Parks	27	27	27	27	27	27	27	29	30	30
Park & Conservancy Areas Acreage	894	894	894	894	894	894	894	914	915	917
Golf course & Disc Golf	2	2	2	2	2	2	2	2	2	2
Hiking trails	8	8	8	8	8	8	8	8	8	8
Tennis courts	14	14	14	14	14	14	14	14	14	14
Water System:										
Water mains (miles)	166	166	168.7	169.5	169.7	170.14	172.52	173.1	174	174
Fire hydrants	2,047	2,047	2,062	2,071	2,075	2,083	2,111	2,114	2,117	2,117
Storage capacity (thousand gallons)	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040	4,040
Wastewater System:										
Miles of sanitary sewers	176	176	180.9	180.9	180.9	180.97	182.3	182.91	183.2	183.2
Number of service connections	10,504	10,506	10,515	10,534	10,523	10,537	10,548	10,568	10,593	10,621
Stormwater System:										
Miles of stormsewers	65	65	66	68.2	68.5	69.75	70.7	73.7	75.6	75.6
Culverts	720	725	730	737	742	743	746	747	748	748

Sources: Various city departments

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