

VILLAGE OF CRIVITZ, WISCONSIN

Annual Financial Report

December 31, 2024

VILLAGE OF CRIVITZ, WISCONSIN

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INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

To the Village Board
Village of Crivitz
Crivitz, Wisconsin

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Crivitz, Wisconsin (Village), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules of employer's proportionate share of the net pension liability (asset) and employer contributions – Wisconsin Retirement System and the schedule of revenues, expenditures and change in fund balance – budget and actual – general fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

To the Village Board
Village of Crivitz

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedule of operating revenues and expenses – water and sewer utility, schedule of detailed budgetary revenues and other financing sources comparison – general fund and schedule of detailed budgetary expenditures and other financing use comparison – general fund but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

KerberRose SC

KerberRose SC
Certified Public Accountants
Green Bay, Wisconsin
June 17, 2025

FINANCIAL STATEMENTS

VILLAGE OF CRIVITZ

Statement of Net Position

As of December 31, 2024

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets			
Cash	\$ 3,030,097	\$ 523,321	\$ 3,553,418
Taxes	607,148	-	607,148
Customer Accounts Receivable	-	198,471	198,471
Delinquent Personal Property Taxes	2,244	-	2,244
Other Accounts Receivable	460	-	460
Internal Balances	(163,200)	163,200	-
Inventories	-	29,411	29,411
Total Current Assets	3,476,749	914,403	4,391,152
Noncurrent Assets			
Capital Assets:			
Capital Assets Not Being Depreciated	280,381	141,419	421,800
Other Capital Assets, Net of Depreciation	3,472,219	4,720,253	8,192,472
Restricted Cash	-	105,169	105,169
Total Noncurrent Assets	3,752,600	4,966,841	8,719,441
TOTAL ASSETS	7,229,349	5,881,244	13,110,593
DEFERRED OUTFLOW OF RESOURCES			
Deferred Outflows of Resources Related to Pension	159,331	161,320	320,651
LIABILITIES			
Current Liabilities			
Accounts Payable	127,944	7,103	135,047
Accrued Liabilities	3,010	-	3,010
Accrued Interest	99,281	19,130	118,411
Current Portion of Compensated Absences	4,000	5,378	9,378
Current Portion of Long-Term Obligations	225,000	22,958	247,958
Current Subscription-Based IT Agreement Liability	5,855	-	5,855
Total Current Liabilities	465,090	54,569	519,659
Noncurrent Liabilities			
Noncurrent Portion of Compensated Absences	15,998	21,512	37,510
Noncurrent Portion of Long-Term Obligations	3,068,988	970,256	4,039,244
Net Pension Liability	17,560	17,779	35,339
Total Noncurrent Liabilities	3,102,546	1,009,547	4,112,093
TOTAL LIABILITIES	3,567,636	1,064,116	4,631,752
DEFERRED INFLOW OF RESOURCES			
Taxes Levied for Subsequent Year	813,972	-	813,972
Deferred Inflows of Resources Related to Pension	95,411	96,603	192,014
TOTAL DEFERRED INFLOWS OF RESOURCES	909,383	96,603	1,005,986
NET POSITION			
Net Investment in Capital Assets	2,975,180	3,868,458	6,843,638
Restricted for:			
Debt Service	-	105,169	105,169
Pension Benefits	46,360	46,938	93,298
Unrestricted (Deficit)	(109,879)	861,280	751,401
TOTAL NET POSITION	\$ 2,911,661	\$ 4,881,845	\$ 7,793,506

See Accompanying Notes

VILLAGE OF CRIVITZ
Statement of Activities
For the Year Ended December 31, 2024

	Program Revenues				Net Expenses and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants	Governmental Activities	Business-Type Activities	Total
FUNCTIONS/PROGRAMS							
Governmental Activities:							
General Government	\$ 752,166	\$ 17,289	\$ -	\$ -	\$ (734,877)	\$ -	\$ (734,877)
Public Safety	480,181	19,275	5,124	-	(455,782)	-	(455,782)
Public Works	388,200	11,089	50,829	-	(326,282)	-	(326,282)
Culture and Recreation	539,822	7,220	-	170,000	(362,602)	-	(362,602)
Health and Human Services	9,331	2,762	-	-	(6,569)	-	(6,569)
Interest and Fiscal Charges	214,820	-	-	-	(214,820)	-	(214,820)
Total Governmental Activities	<u>2,384,520</u>	<u>57,635</u>	<u>55,953</u>	<u>170,000</u>	<u>(2,100,932)</u>	<u>-</u>	<u>(2,100,932)</u>
BUSINESS-TYPE ACTIVITIES							
Water	370,058	382,790	-	510,222	-	522,954	522,954
Sewer	542,478	426,301	-	262,329	-	146,152	146,152
Total Business-Type Activities	<u>912,536</u>	<u>809,091</u>	<u>-</u>	<u>772,551</u>	<u>-</u>	<u>669,106</u>	<u>669,106</u>
TOTAL	<u>\$ 3,297,056</u>	<u>\$ 866,726</u>	<u>\$ 55,953</u>	<u>\$ 942,551</u>	<u>(2,100,932)</u>	<u>669,106</u>	<u>(1,431,826)</u>
GENERAL REVENUES							
Taxes:							
Property Taxes, Levied for General Purposes					1,104,486	-	1,104,486
Intergovernmental Revenues not Restricted to Specific Programs					270,627	-	270,627
Investment Income					68,781	56,068	124,849
Sale of Asset					78,786	-	78,786
Miscellaneous					97,175	3,638	100,813
Total General Revenues					<u>1,619,855</u>	<u>59,706</u>	<u>1,679,561</u>
TRANSFERS					<u>57,205</u>	<u>(57,205)</u>	<u>-</u>
CHANGE IN NET POSITION					<u>(423,872)</u>	<u>671,607</u>	<u>247,735</u>
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED					<u>3,303,121</u>	<u>4,244,081</u>	<u>7,547,202</u>
Change in accounting principle					<u>32,412</u>	<u>(33,843)</u>	<u>(1,431)</u>
BEGINNING NET POSITION, AS RESTATED					<u>3,335,533</u>	<u>4,210,238</u>	<u>7,545,771</u>
NET POSITION - END OF YEAR					<u>\$ 2,911,661</u>	<u>\$ 4,881,845</u>	<u>\$ 7,793,506</u>

See Accompanying Notes

VILLAGE OF CRIVITZ

Balance Sheet

Governmental Funds

As of December 31, 2024

	General	Tax Incremental District 2	Total
ASSETS			
Cash	\$ 454,254	\$ 2,575,843	\$ 3,030,097
Taxes	607,148	-	607,148
Delinquent Personal Property Taxes	2,244	-	2,244
Other	460	-	460
TOTAL ASSETS	<u>\$ 1,064,106</u>	<u>\$ 2,575,843</u>	<u>\$ 3,639,949</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 31,212	\$ 96,732	\$ 127,944
Accrued Liabilities	3,010	-	3,010
Advance Due to Other Funds	163,200	-	163,200
Total Liabilities	<u>197,422</u>	<u>96,732</u>	<u>294,154</u>
Deferred Inflows of Resources:			
Taxes Levied for Subsequent Year	813,972	-	813,972
Fund Balances:			
Restricted	-	2,479,111	2,479,111
Unassigned	52,712	-	52,712
Total Fund Balances (Deficit)	<u>52,712</u>	<u>2,479,111</u>	<u>2,531,823</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)	<u>\$ 1,064,106</u>	<u>\$ 2,575,843</u>	<u>\$ 3,639,949</u>

See Accompanying Notes

VILLAGE OF CRIVITZReconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
As of December 31, 2024

Total Fund Balances - Governmental Funds		\$	2,531,823
<i>Total net position reported for governmental activities in the statement of net position is different from the amount reported above as total governmental funds fund balance because:</i>			
Capital assets used in government activities are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position:			
Governmental Capital Assets	\$	7,702,485	
Governmental Accumulated Depreciation		(3,949,885)	3,752,600
Deferred outflows and inflows of resources are a consumption or acquisition of net position that applies to future periods and will not be recognized as an outflow or inflow of resources until then. Deferred outflows and inflows are reported in the statement of net position and are not reported in the fund balance sheet			
Deferred Outflows of Resources Related to Pension			159,331
Deferred Inflows of Resources Related to Pension			(95,411)
Net pension liability is not payable in the current period and therefore not reported in the fund financial statements.			
			(17,560)
Noncurrent obligations, including bonds and notes payable, are not due in the current period and therefore not reported in the fund statements. Items reported in the statement of net position that are not reported in the funds balance sheet:			
General Obligation Debt		(3,250,000)	
Bond Premium		(43,988)	
Accrued Interest on General Obligation Debt		(99,281)	
Vested Employee Benefits		(19,998)	
Subscription-Based IT Agreement Liability		(5,855)	(3,419,122)
Total Net Position - Governmental Activities		\$	2,911,661

VILLAGE OF CRIVITZ
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

	General	Tax Incremental District 1	Tax Incremental District 2	ARPA Special Revenue Fund	Debt Service Fund	Total
REVENUES						
Taxes	\$ 581,598	\$ 522,888	\$ -	\$ -	\$ -	\$ 1,104,486
Intergovernmental	326,820	-	-	-	-	326,820
Licenses and Permits	25,411	-	-	-	-	25,411
Fines and Forfeits	18,140	-	-	-	-	18,140
Public Charges for Services	13,844	-	-	-	-	13,844
Miscellaneous	195,219	49,523	-	-	-	244,742
Total Revenues	<u>1,161,032</u>	<u>572,411</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,733,443</u>
EXPENDITURES						
Current:						
General Government	301,545	383,424	-	-	-	684,969
Public Safety	526,029	-	-	-	-	526,029
Public Works	587,917	-	-	-	-	587,917
Culture and Recreation	181,321	2,715	1,104	-	-	185,140
Health and Human Services	9,331	-	-	-	-	9,331
Capital Outlay	14,500	-	419,724	-	-	434,224
Debt Service:						
Principal Retirement	5,652	-	-	-	732,663	738,315
Interest and Fiscal Charges	1,295	-	90,025	-	23,654	114,974
Total Expenditures	<u>1,627,590</u>	<u>386,139</u>	<u>510,853</u>	<u>-</u>	<u>756,317</u>	<u>3,280,899</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(466,558)</u>	<u>186,272</u>	<u>(510,853)</u>	<u>-</u>	<u>(756,317)</u>	<u>(1,547,456)</u>
OTHER FINANCING SOURCES (USES)						
Issuance of Long-Term Debt	306,749	-	2,943,251	-	-	3,250,000
Issuance of Refunding bonds	-	-	46,713	-	-	46,713
Transfers In	331,975	-	-	-	756,317	1,088,292
Transfers Out	(491,357)	(539,310)	-	(420)	-	(1,031,087)
Total Other Financing Sources (Uses)	<u>147,367</u>	<u>(539,310)</u>	<u>2,989,964</u>	<u>(420)</u>	<u>756,317</u>	<u>3,353,918</u>
NET CHANGE IN FUND BALANCES	<u>(319,191)</u>	<u>(353,038)</u>	<u>2,479,111</u>	<u>(420)</u>	<u>-</u>	<u>1,806,462</u>
FUND BALANCES - BEGINNING	<u>371,903</u>	<u>353,038</u>	<u>-</u>	<u>420</u>	<u>-</u>	<u>725,361</u>
FUND BALANCES - ENDING	<u>\$ 52,712</u>	<u>\$ -</u>	<u>\$ 2,479,111</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,531,823</u>

VILLAGE OF CRIVITZ

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, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 1,806,462
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Amounts reported for governmental activities in the statement of activities are different because:

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense.

Capital outlay reported in governmental fund statements	\$ 609,328	
Depreciation expense reported in the statement of activities	(184,381)	
Amount by which depreciation is less than capital outlay in the current period		424,947

The Village disposed of capital assets resulting in a reduction of capital assets and recapture of prior year depreciation expenses reported on the statement of activities as a net loss and has no effect on the governmental funds changes in fund balances.

The value of capital assets disposed of during the year	188,875	
The amount of depreciation recaptured for the year	(188,875)	
Amount by which capital asset cost exceeded accumulated depreciation		-

Amounts related to the pension plan that affect the statement of activities but do not affect the fund financial statements.		7,949
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Vested employee benefits are reported in the government funds when amounts are paid. The statement of activities reports the value of benefits earned during the year.

Compensated absences paid in current year	-	
Compensated absences benefits earned in current year	(4,986)	
Amounts paid are less than amounts earned by		(4,986)

Debt incurred in the governmental funds is reported as an other financing source in the fund financial statements, but is reported as an increase in outstanding long-term debt in the statement of net position, and does not affect the statement of activities.		(3,250,000)
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Discounts on debt issued are recorded as other financing use in the governmental funds but are amortized over the life of the related debt issue in the government activities financial statements.		(9,676)
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Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities. The amount of long-term debt principal payments in the current year.		732,663
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Repayment of principal on Subscription-Based IT Agreement obligation is reported in the governmental funds as an expenditure, but is reported as a reduction in Subscription-Based IT Agreement obligation in the statement of net position and does not affect the statement of activities. The amount of Subscription-Based IT Agreement obligation principal payments in the current year.		5,652
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Premiums on debt issued are recorded as other financing sources in the governmental funds but are amortized over the life of the related debt issue in the governmental activities financial statements

Premium Issued	(46,713)	
Premium Amortized	2,725	
		(43,988)

In governmental funds interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities interest is reported as incurred.

The amount of interest paid during the current period	114,563	
The amount of interest accrued during the current period	(207,458)	
Interest paid is less than interest accrued by		(92,895)

Change in Net Position - Governmental Activities	\$ (423,872)
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VILLAGE OF CRIVITZ

Statement of Net Position

Proprietary Funds

As of December 31, 2024

	Water Utility	Sewer Utility	Total
CURRENT ASSETS			
Cash	\$ 40,129	\$ 483,192	\$ 523,321
Receivables:			
Customer Accounts Receivable	70,735	127,736	198,471
Inventories	20,230	9,181	29,411
Total Current Assets	131,094	620,109	751,203
NON-CURRENT ASSETS			
Capital Assets			
Capital Assets Not Being Depreciated	95,650	2,519	98,169
Construction in Progress	-	43,250	43,250
Other Capital Assets, Net of Depreciation	2,610,671	2,109,582	4,720,253
Restricted Cash - Bond Redemption	105,169	-	105,169
Advance Due from Other Fund	81,600	81,600	163,200
Total Non-Current Assets	2,893,090	2,236,951	5,130,041
TOTAL ASSETS	3,024,184	2,857,060	5,881,244
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to Pension	77,630	83,690	161,320
CURRENT LIABILITIES			
Accounts Payable	5,008	2,095	7,103
Accrued Interest	19,130	-	19,130
Current Portion of Compensated Absences	2,313	3,065	5,378
Current Portion of Long-Term Obligations	22,958	-	22,958
Total Current Liabilities	49,409	5,160	54,569
NON-CURRENT LIABILITIES			
Noncurrent Portion of Compensated Absences	9,250	12,262	21,512
Noncurrent Portion of Long-Term Obligations	970,256	-	970,256
Net Pension Liability	8,556	9,223	17,779
Total Non-Current Liabilities	988,062	21,485	1,009,547
TOTAL LIABILITIES	1,037,471	26,645	1,064,116
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to Pension	46,487	50,116	96,603
NET POSITION			
Net Investment in Capital Assets	1,713,107	2,155,351	3,868,458
Restricted for:			
Debt Service	105,169	-	105,169
Pension Benefits	22,587	24,351	46,938
Unrestricted	176,993	684,287	861,280
TOTAL NET POSITION	\$ 2,017,856	\$ 2,863,989	\$ 4,881,845

VILLAGE OF CRIVITZ
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2024

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>
OPERATING REVENUES	\$ 382,790	\$ 426,301	\$ 809,091
OPERATING EXPENSES			
Operation and Maintenance	106,636	190,895	297,531
Administration and General	98,017	156,358	254,375
Depreciation	118,980	194,559	313,539
Total Operating Expenses	<u>323,633</u>	<u>541,812</u>	<u>865,445</u>
OPERATING INCOME (LOSS)	<u>59,157</u>	<u>(115,511)</u>	<u>(56,354)</u>
NON-OPERATING REVENUES (EXPENSE)			
Interest Income	17,649	38,419	56,068
Other Income	1,672	1,966	3,638
Interest Expense	(46,425)	(666)	(47,091)
Total Non-Operating Revenues (Expense)	<u>(27,104)</u>	<u>39,719</u>	<u>12,615</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFER	32,053	(75,792)	(43,739)
CONTRIBUTED CAPITAL	510,222	262,329	772,551
TRANSFER OUT	<u>(56,124)</u>	<u>(1,081)</u>	<u>(57,205)</u>
CHANGE IN NET POSITION	486,151	185,456	671,607
BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	1,541,099	2,702,982	4,244,081
Change in accounting principle	(9,394)	(24,449)	(33,843)
BEGINNING NET POSITION, AS RESTATED	<u>1,531,705</u>	<u>2,678,533</u>	<u>4,210,238</u>
NET POSITION - ENDING	<u>\$ 2,017,856</u>	<u>\$ 2,863,989</u>	<u>\$ 4,881,845</u>

VILLAGE OF CRIVITZ
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2024

	Water Utility	Sewer Utility	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 365,308	\$ 376,858	\$ 742,166
Cash Paid to Suppliers for Goods and Services	(106,656)	(203,715)	(310,371)
Cash Paid to Employees for Services	(103,325)	(160,845)	(264,170)
Net Cash Flows From Operating Activities	<u>155,327</u>	<u>12,298</u>	<u>167,625</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Non-Operating Income	1,672	1,966	3,638
Due from Other Funds	(34,533)	41,333	6,800
Tax Equivalent Paid to Municipality	(56,124)	(1,081)	(57,205)
Net Cash Flows From Noncapital Financing Activities	<u>(88,985)</u>	<u>42,218</u>	<u>(46,767)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Income Received	<u>17,649</u>	<u>38,419</u>	<u>56,068</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Capital Assets	(591,493)	(410,107)	(1,001,600)
Principal Payments on Long-Term Debt	(21,811)	(28,000)	(49,811)
Interest Paid	(46,845)	(980)	(47,825)
Capital Contributions	510,222	262,329	772,551
Net Cash Flows From Capital and Related Financing Activities	<u>(149,927)</u>	<u>(176,758)</u>	<u>(326,685)</u>
NET CHANGE IN CASH	(65,936)	(83,823)	(149,759)
CASH - BEGINNING	<u>211,234</u>	<u>567,015</u>	<u>778,249</u>
CASH - ENDING	<u><u>\$ 145,298</u></u>	<u><u>\$ 483,192</u></u>	<u><u>\$ 628,490</u></u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 59,157	\$ (115,511)	\$ (56,354)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:			
Non-Cash Items:			
Depreciation	124,427	189,112	313,539
Meter Depreciation Charged to Sewer	(5,447)	5,447	-
Changes in Operating Assets and Liabilities:			
Accounts Receivable	(17,482)	(49,443)	(66,925)
Inventories	(747)	(2,777)	(3,524)
Deferred Outflows Related to Pension	25,433	27,418	52,851
Accounts Payable	(2,878)	(1,233)	(4,111)
Accrued Liabilities	2,169	(9,122)	(6,953)
Pension Liability	(18,563)	(20,013)	(38,576)
Deferred Inflows Related to Pension	(10,742)	(11,580)	(22,322)
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u><u>\$ 155,327</u></u>	<u><u>\$ 12,298</u></u>	<u><u>\$ 167,625</u></u>
RECONCILIATION OF CASH PER STATEMENT OF NET POSITION TO STATEMENT OF CASH FLOWS			
Statement of Net Position Proprietary Fund:			
Cash	\$ 40,129	\$ 483,192	\$ 523,321
Restricted Cash - Bond Redemption	<u>105,169</u>	<u>-</u>	<u>105,169</u>
CASH PER STATEMENT OF CASH FLOWS	<u><u>\$ 145,298</u></u>	<u><u>\$ 483,192</u></u>	<u><u>\$ 628,490</u></u>

VILLAGE OF CRIVITZ
Statement of Fiduciary Net Position
Fiduciary Fund
As of December 31, 2024

	<u>Custodial Fund</u>
	<u>Tax Collection Fund</u>
ASSETS	
Cash	\$ 323,634
Taxes Receivable	950,459
Total Assets	<u>1,274,093</u>
LIABILITIES	
Due to Other Taxing Entities	<u>1,274,093</u>
NET POSITION	<u><u>\$ -</u></u>

VILLAGE OF CRIVITZ
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Year Ended December 31, 2024

	<u>Custodial Fund Tax Collection Fund</u>
ADDITIONS	
Taxes Collected on Behalf of Other Taxing Entities	\$ 575,601
DEDUCTIONS	
Taxes Remitted to Other Taxing Entities	575,601
NET CHANGE IN NET POSITION	-
NET POSITION - BEGINNING	-
NET POSITION - ENDING	<u><u>\$ -</u></u>

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 1 - Summary of Significant Accounting Policies

This summary of significant accounting policies of the Village of Crivitz (Village) is presented to assist in understanding the Village's financial statements. The financial statements and notes are representations of the Village's management who is responsible for the integrity and objectivity of the financial statements.

The accompanying basic financial statements of the Village have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The significant accounting and reporting policies used by the Village are described below.

Reporting Entity

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

Government-Wide Financial Statements

The statement of net position and statement of activities present financial information about the Village as a whole. All funds of the Village are included except for fiduciary funds. The statements report governmental-type and business-type activities. Eliminations have been made to minimize the double counting of internal transactions. Governmental-type activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions and are reported separately from business-type activities which rely to a significant extent on fees and charges for services. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental-type and business-type activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Village's water and sewer utility 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.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions. Internally dedicated resources, as well as all tax revenues, are reported as general revenues rather than as program revenues.

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 1 - Summary of Significant Accounting Policies (Continued)

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 Village's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fund Financial Statements

Fund financial statements of the Village are organized into individual funds each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses.

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund. 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 Village or meets the following criteria:

- a. Total assets and deferred outflows of resources, liabilities and 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 the same element that met the 10 percent criterion is at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.
- b. In addition, any other governmental or proprietary fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

Under the terms of grant agreements, the Village may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. When program expenditures are incurred, both restricted and unrestricted resources may be available to finance the program. It is the Village's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

Governmental Funds

The Village reports the following major governmental funds:

General Fund

The general fund is the primary operating fund of the Village and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Tax Incremental District Fund

This fund accounts for the expenditures outlined in the TID project plan and related revenues and proceeds from long-term borrowing.

Note 1 - Summary of Significant Accounting Policies (Continued)

ARPA Special Revenue Fund

This fund is used to account for expenditures for the revenue from the American Rescue Plan Act that are restricted for purposes outlined in the grant agreement.

Debt Service Fund

This fund is used to account for the accumulation of resources for, and the payment of, general long-term principal, interest, and related costs.

Proprietary Funds

The Village reports the following major proprietary funds:

Water Utility Fund – Accounts for the provision of water service to village residents, business entities and public authorities.

Sewer Utility Fund – Accounts for the provision of wastewater treatment service to village residents, business entities and public authorities.

Fiduciary Fund

The Village reports the following custodial fund:

Tax Collection Fund – which accounts for taxes and deposits collected by the Village, acting in the capacity of a custodian, for distribution to other governmental units or designated beneficiaries.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources) or economic resources (all assets, deferred outflows of resources, all liabilities, and deferred inflows of resources). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 1 - Summary of Significant Accounting Policies (Continued)

Cash

Cash deposits consist of demand and time deposits with financial institutions carried at cost. Investments are stated at fair value.

For purposes of the statement of cash flows, cash deposits and highly liquid investments with a maturity when purchased of three months or less are considered to be cash equivalents.

Restricted Cash

Cash has been restricted for utility debt service payments and equipment replacement.

Accounts Receivable

Accounts receivable in the governmental funds are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material.

Ordinarily, no provision for uncollectible accounts receivable is made in the accompanying enterprise fund financial statements because the water and sewer utilities have the right by law to place delinquent bills on the tax roll.

Inventories

Inventories of proprietary fund types are recorded at cost, which approximates market, using the first-in first-out method of valuation. The cost is recorded as an expenditure at the time individual inventory items are consumed.

Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements and used in governmental fund operations.

Government-Wide Statements

All capital assets are valued at historical cost or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at their estimated acquisition value at the date of donation. The Village has a threshold of \$2,000 for capitalization of depreciable assets. For capital assets reported by the Water Utility, the guidelines provided by the Public Service Commission of Wisconsin are followed.

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

Asset Class	Estimated Lives
Buildings and Improvements	10-50 Years
Machinery and Equipment	5-25 Years
Infrastructure	50 Years
Utility System	7-100 Years
Right to Use Assets	5-10 Years

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

Fund Financial Statements

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

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

Leases

The Village follows GASB Statement No. 87, which requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Village had no material leases that were required to be disclosed.

Subscription-Based Information Technology Agreements

The Village follows GASB Statement No. 96, which requires recognition in the financial statement of certain subscription-based information technology agreements (SBITA). A SBITA is any contract conveying control of the right to use another party's information technology software. This statement requires the Village to report a right-to-use subscription asset and corresponding subscription liability for any SBITAs. There was one material SBITA that was required to be recorded for the year ended December 31, 2024.

Deferred Outflows/Inflows Of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the balance sheet and/or statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future reporting periods and so will not be recognized as an inflow of resources (revenue) until that time.

Pension and Other Post-Employment Benefits

Pensions. The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset)
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions
- Pension Expense

Note 1 - Summary of Significant Accounting Policies (Continued)

Pension (Continued)

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits (OPEB). The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring following:

- Net OPEB Liability
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-Employment Benefits
- OPEB Expense (Revenue)

Information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Village began contributing to the life insurance state OPEB plan (LRLIF) in 2023. The Village does not have balances to report as of December 31, 2024 as the valuation is as of January 1, 2023.

Long-Term Obligations

The accounting treatment of long-term debt depends on whether it is reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of general obligation promissory notes and revenue bonds and accrued compensated absences.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. In governmental funds, debt issuance costs are reported as expenditures. The accounting in proprietary funds is the same in the fund statements as it is in the government-wide statements.

Compensated Absences

The Village adopted GASB Statement No. 101 for the year ended December 31, 2024, which requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Governmental Funds

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are recorded in these 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 retirement. Compensated absences are liquidated by the general fund, water and sewer funds.

Note 1 - Summary of Significant Accounting Policies (Continued)

Compensated Absences (Continued)

Government-Wide Statements

Compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements.

All Funds

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, 2024 are determined on the basis of current salary rates and include salary related payments.

Claims and Judgments

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

Equity Classifications

Government-Wide Statements

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

- Net investment in capital assets – Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- Restricted component of net position – Consists of resources 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) by law through constitutional provisions or enabling legislation reduced by liabilities related to those assets.
- Unrestricted component of net position – Is the net amount that does not meet the definition of “restricted” or “net investment in capital assets.”

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

Fund Financial Statements

Fund balance is classified as either 1) nonspendable, 2) restricted, 3) committed, 4) assigned, or 5) unassigned.

Nonspendable fund balance represents amounts that cannot be spent due to form (such as inventories and prepaid amounts), or amounts that must be maintained intact legally or contractually (such as the principal of a permanent fund).

Note 1 - Summary of Significant Accounting Policies (Continued)

Equity Classifications (Continued)

Restricted fund balance represents amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation.

Committed fund balance represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. It would require action by the same group to remove or change the constraints placed on the resources. The action to constrain resources must occur prior to year-end; however, the amount can be determined in the subsequent period. The Village Board is the decision-making authority that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance.

Assigned fund balance in the general fund represents amounts constrained by the Village Board for a specific intended purpose. Intent can be expressed by the Village Board or by its designee. The Board has designated the Finance Committee as authorized to assign fund balance to a specific purpose. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance.

Unassigned fund balance represents amounts not classified as nonspendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in the unassigned fund balance.

The Village Board establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by the Village Board through adoption or amendment of the budget as intended for specific purposes (such as the purchase of fixed assets, construction, debt service, or for other purposes).

In the general fund, the Village strives to maintain its unassigned fund balance to be used for unanticipated emergencies.

Regulated Municipal Utility

Crivitz Water Utility operates under service rules which are established by the Public Service Commission of Wisconsin (PSC). Rates charged are regulated by the Commission. The accounting records of the utility are maintained in accordance with the Uniform System of Accounts prescribed by the Public Service Commission.

The Sewer Utility is not regulated by the PSC. Responsibility for customer rates and rules lies within the Village of Crivitz Board. The Sewer Utility maintains its financial records within the Uniform Chart of Accounts recommended by the Wisconsin Public Service Commission.

Water and sewer revenues are recorded based on actual service rendered; billings are made to customers through quarterly billings. The utility does not accrue revenues beyond such billing dates as the amounts are not significant.

Basis for Existing Rates

Water Utility - On April 2, 2015, the Public Service Commission of Wisconsin approved a water rate increase designed to provide a 4.50% return on rate base effective May 1, 2015. The Public Service Commission of Wisconsin approved a water rate increase effective January 1, 2024.

Sewer Utility - Sewer rates were approved by the Village Board and became effective May 2009.

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 1 - Summary of Significant Accounting Policies (Continued)

Use of Estimates

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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results may differ from those estimates.

Note 2 - Cash and Investments

The Village is authorized to invest its funds in accordance with Wisconsin Statutes. Allowable investments are as follows:

- Time deposits in any credit union, bank, savings bank or trust company maturity in three years or less.
- 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, local professional baseball park district, local professional football stadium district, local cultural arts district or by the University of Wisconsin Hospitals and Clinics Authority.
- Bonds or securities guaranteed by the federal government.
- The Local Government Pooled Investment Fund and the Wisconsin Investment Trust.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

Additional restrictions could arise from local charters, ordinances, resolutions and grant regulations of the Village.

At December 31, 2024, the Village's bank balance of cash was \$4,274,365. The Village maintains its cash accounts at four financial institutions. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Village's deposits may not be returned. The Village does not have a deposit policy for custodial credit risk. One of the Village's institutions invests deposits in various other banks to obtain fully FDIC insurance through a program called Insured Cash Sweep.

Deposits in each bank are insured by the FDIC up to \$250,000 for the combined amounts of all time and savings accounts (including NOW accounts) and up to \$250,000 for the combined amount of all interest and non-interest bearing demand deposit accounts.

The following represents a summary of deposits as of December 31, 2024:

Fully Insured Deposits	\$ 3,550,869
Uncollateralized	723,496
Total	<u>\$ 4,274,365</u>

The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit at December 31, 2024.

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 3 - Property Taxes

The Village bills and collects its own property taxes and also levies for the Crivitz School District, Marinette County, and Northeast Wisconsin Technical College.

Property taxes consist of taxes on real estate and personal property. They are levied during December and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31, or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by July 31 are assumed by the county as part of the August tax settlement. Delinquent personal property taxes remain the collection responsibility of the Village.

Note 4 - Interfund Advances and Transfers

Interfund transfers of the Village as of December 31, 2024 are detailed below.

The following is a schedule of interfund advances:

<u>Advance From</u>	<u>Advance To</u>	<u>Amount</u>	<u>Purpose</u>
Water Fund	General Fund	\$ 81,600	Cash Flow
Sewer Fund	General Fund	81,600	Cash Flow
		<u>\$ 163,200</u>	

The Village has an internal payment plan established for these advances.

	<u>Water Fund</u>		<u>Sewer Fund</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 3,400	\$ 884	\$ 3,400	\$ 884	\$ 6,800	\$ 1,768
2026	3,400	884	3,400	884	6,800	1,768
2027	3,400	884	3,400	884	6,800	1,768
2028	3,400	884	3,400	884	6,800	1,768
2029	3,400	884	3,400	884	6,800	1,768
2030-2034	17,000	4,420	17,000	4,420	34,000	8,840
2035-2039	17,000	4,420	17,000	4,420	34,000	8,840
2040-2044	17,000	4,420	17,000	4,420	34,000	8,840
2045-2048	13,600	3,536	13,600	3,536	27,200	7,072
	<u>\$ 81,600</u>	<u>\$ 21,216</u>	<u>\$ 81,600</u>	<u>\$ 21,216</u>	<u>\$ 163,200</u>	<u>\$ 42,432</u>

The following is a schedule of interfund transfers:

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
Water Utility	General Fund	\$ 56,124	Tax Equivalent
General Fund	Debt Service	491,357	Debt Service Requirement
Sewer Fund	General Fund	1,081	Cash Flow
ARPA	General Fund	420	Cash Flow
Tax Incremental District 1	Debt Service	264,960	Debt Service Requirement
Tax Incremental District 1	General Fund	274,350	TIF1 Closure
		<u>\$ 1,088,292</u>	

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 5 - Restricted Assets

Restricted cash at December 31, 2024 is for the following:

Water Utility Fund Bond Redemption	<u>\$ 105,169</u>
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Note 6 - Capital Assets

Capital asset balances and activity for the year ended December 31, 2024 are as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities				
Capital Assets not being Depreciated:				
Land	\$ 280,381	\$ -	\$ -	\$ 280,381
Construction in Progress	30,000	-	30,000	-
Total Capital Assets not being Depreciated	310,381	-	30,000	280,381
 Other Capital Assets				
Buildings and Improvements	1,764,518	-	-	1,764,518
Machinery and Equipment	1,672,476	163,955	(188,875)	2,025,306
Infrastructure	3,139,943	475,373	-	3,615,316
Right-To-Use Assets	16,964	-	-	16,964
Total Capital Assets being Depreciated	6,593,901	639,328	(188,875)	7,422,104
 Less Accumulated Depreciation for:				
Buildings and Improvements	(1,126,648)	(24,080)	-	(1,150,728)
Machinery and Equipment	(1,159,938)	(74,339)	188,875	(1,423,152)
Infrastructure	(1,286,744)	(80,307)	-	(1,367,051)
Right-To-Use Assets	(3,299)	(5,655)	-	(8,954)
Total Accumulated Depreciation	(3,576,629)	(184,381)	188,875	(3,949,885)
Total Capital Assets Being Depreciated, Net of Depreciation	3,017,272	454,947	-	3,472,219
 Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 3,327,653</u>	<u>\$ 454,947</u>	<u>\$ 30,000</u>	<u>\$ 3,752,600</u>

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 6 - Capital Assets (Continued)

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Business-Type Activities				
Capital Assets not Being Depreciated:				
Land	\$ 98,169	\$ -	\$ -	\$ 98,169
Construction in Progress	-	43,250	-	43,250
Total Capital Assets not being Depreciated	98,169	43,250	-	141,419
Capital Assets being Depreciated				
Utility Plant	11,277,399	958,350	24,974	12,210,775
Less: Accumulated Depreciation	(7,201,957)	(313,539)	(24,974)	(7,490,522)
Total Capital Assets being Depreciated, Net of Depreciation	4,075,442	644,811	-	4,720,253
Business-Type Activities Capital Assets, Net of Accumulated Depreciation	\$ 4,173,611	\$ 688,061	\$ -	\$ 4,861,672

Depreciation expense was charged to the following functions as follows:

Governmental Activities:	
General Government	\$ 64,876
Public Safety	47,287
Public Works	55,195
Culture and Recreation	17,023
Governmental Activities Depreciation Expense	<u>\$ 184,381</u>
Business-Type Activities:	
Sewer Depreciation Charged to Accumulated Depreciation	\$ 189,112
Plus: Share of Meter Depreciation	5,447
Sewer Depreciation Expense	<u>194,559</u>
Water Depreciation Charged to Accumulated Depreciation	124,427
Less: Share of Meter Depreciation	(5,447)
Water Depreciation Expense	<u>118,980</u>
Total Business-Type Activities Depreciation Expense	<u>\$ 313,539</u>

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 7 - Long-Term Obligations

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2024:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Governmental Activities:					
General Obligation Debt					
Promissory Notes	\$ 732,663	\$ 3,250,000	\$ 732,663	\$ 3,250,000	\$ 225,000
Premium	-	46,713	2,725	43,988	-
Discount	(9,676)	-	(9,676)	-	-
Total General Obligation Debt	722,987	3,296,713	725,712	3,293,988	225,000
Vested Compensated Absences	15,012	4,986	-	19,998	4,000
Subscription-Based IT Agreement Liability	11,507	-	5,652	5,855	5,855
Total Governmental Activities Long-Term Liabilities	<u>\$ 749,506</u>	<u>\$ 3,301,699</u>	<u>\$ 731,364</u>	<u>\$ 3,319,841</u>	<u>\$ 234,855</u>

Total interest paid during the year on governmental activities long-term debt totaled \$23,654. The change in compensated absences is net for the year.

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Business-Type Activities:					
General Obligation Debt					
Revenue Bonds	\$ 1,015,025	\$ -	\$ 21,811	\$ 993,214	\$ 22,958
Promissory Note	28,000	-	28,000	-	-
Total Business-Type Activities Debt	\$ 1,043,025	\$ -	\$ 49,811	\$ 993,214	\$ 22,958
Vested Compensated Absences	33,843	-	6,953	26,890	5,378
Total Business-Type Activities Long-Term Liabilities	<u>\$ 1,076,868</u>	<u>\$ -</u>	<u>\$ 56,764</u>	<u>\$ 1,020,104</u>	<u>\$ 28,336</u>

Total interest paid during the year on business-type activities on long-term debt totaled \$47,825.

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the Village.

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 7 - Long-Term Obligations (Continued)

General obligation debt at December 31, 2024 is comprised of the following individual issues:

	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balances 12/31/24</u>
Governmental Activities					
Long-Term Obligation					
2024 G.O. Promissory Note	05/22/24	05/22/34	4.20% - 5.0%	3,250,000	<u>\$ 3,250,000</u>
Business-Type Activities					
Long-Term Obligation					
Mortgage Revenue Bonds	01/23/09	02/01/49	4.625%	1,246,000	<u>\$ 993,214</u>

Debt service requirements to maturity are as follows:

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 225,000	\$ 223,019	\$ 22,958	\$ 45,698	\$ 247,958	\$ 268,717
2026	300,000	152,997	24,032	44,624	324,032	197,621
2027	300,000	136,316	25,156	43,500	325,156	179,816
2028	300,000	120,375	26,218	42,438	326,218	162,813
2029	325,000	89,688	27,560	41,096	352,560	130,784
2030-2034	1,800,000	202,094	158,279	185,001	1,958,279	387,095
2035-2039	-	-	198,950	144,330	198,950	144,330
2040-2044	-	-	250,037	93,243	250,037	93,243
2045-2049	-	-	260,024	29,716	260,024	29,716
	<u>\$ 3,250,000</u>	<u>\$ 924,489</u>	<u>\$ 993,214</u>	<u>\$ 669,646</u>	<u>\$ 4,243,214</u>	<u>\$ 1,594,135</u>

Utility Revenues Pledged

The Village has pledged future revenue derived from the Water Utility, net of specified operating expenses, to repay the mortgage revenue bonds. Proceeds from the debt provided financing for the construction or acquisition of capital assets used within the utilities. The Water Revenue Bond is payable from Water Utility net revenues and payable through 2049. The total principal and interest remaining to be paid on the loans is \$1,662,860. Principal and interest paid for the current year and total Water Utility net revenues were \$68,656 and \$195,786, respectively. The Water Utility did meet the Mortgage Revenue Bond revenue requirements in 2024.

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 7 - Long-Term Obligations (Continued)

Legal Margin for Debt

The 2024 equalized valuation of the Village as certified by the Wisconsin Department of Revenue is \$135,498,100. The legal debt limit and margin of indebtedness as of December 31, 2024, in accordance with Section 67.03 of the Wisconsin Statutes follows:

Legal Margin For Debt	
Equalized Valuation of the Town	\$ 135,498,100
Statutory Limitation Percentage	5%
<hr/>	
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	6,774,905
Total Outstanding General Obligation Debt Applicable to Debt Limitation	3,250,000
<hr/>	
Legal Margin for New Debt	<u>\$ 3,524,905</u>

GASB Statement No. 96 requires recognition in the financial statements of certain subscription-based information technology agreements (SBITAS). A SBITA is any contract conveying control of the right to use another party's information technology software. This statement requires the Village to report a right-to-use subscription asset and corresponding subscription liability for any SBITAs. The right to use assets are depreciated on a straight-line basis over the expected life of four years and have a net book value of \$8,010 at December 31, 2024. The remaining lease obligation requirements are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	<u>\$ 5,855</u>	<u>\$ 209</u>

The software vendor has an agreement with the Village through 2025 and the payments are discounted at 3.57 percent.

Note 8 - Net Position/Fund Balances

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Net Investment in Capital Assets			
Net Capital Assets	\$ 3,752,600	\$ 4,861,672	\$ 8,614,272
Less: Related Long-Term Debt Outstanding	3,250,000	993,214	4,243,214
Less: Subscription-Based IT Agreement Liability	5,855	-	5,855
Less: Premium	43,988	-	43,988
Add: Unspent Bond Proceeds	2,522,423	-	2,522,423
Net Investment in Capital Assets	<u>2,975,180</u>	<u>3,868,458</u>	<u>6,843,638</u>
Restricted for:			
Debt Service	-	105,169	105,169
Pension Benefits	46,360	46,938	93,298
Total Restricted	<u>46,360</u>	<u>152,107</u>	<u>198,467</u>
Unrestricted (Deficit)	<u>(109,879)</u>	<u>861,280</u>	<u>751,401</u>
Total Government-Wide Net Position	<u>\$ 2,911,661</u>	<u>\$ 4,881,845</u>	<u>\$ 7,793,506</u>

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 9 - Fire Department Retirement

The Crivitz Fire Department has enrolled in a length of service award program, a program developed by the State of Wisconsin. This is a defined contribution plan with individual amounts held for each firefighter.

Upon completion of 10 years of service, participants will be 50% vested. An additional 5% vesting will be accumulated for each subsequent year of service. Upon completion of 20 years of service, participants will be fully vested.

The Village contributed \$8,419 on behalf of the firefighters for the year ended December 31, 2024.

Note 10 - Defined Benefit Pension Plan

General Information About the Pension Plan

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

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

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

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

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

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

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

The WRS also provides death and disability benefits for employees.

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 10 - Defined Benefit Pension Plan (Continued)

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2014	4.7%	25.0%
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0
2023	1.6	(21.0)

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

During the reporting period, the WRS recognized \$39,180 in contributions from the Village.

Contribution rates as of December 31, 2024 are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.90%	6.90%
Protective with Social Security	6.90%	14.30%
Protective without Social Security	6.90%	19.10%

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

At December 31, 2024, the Village reported a liability of \$35,339 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, rolled forward to December 31, 2023. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2023, the Village's proportion was 0.00237690%, which was an increase of 0.00026244% from its proportion measured as of December 31, 2022.

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 10 - Defined Benefit Pension Plan (Continued)

For the year ended December 31, 2024, the Village recognized pension expense of \$22,835.

At December 31, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experiences	\$ 142,490	\$ 188,729
Changes of actuarial assumptions	15,403	-
Net difference between projected and actual investment earnings on pension plan investment	123,154	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	424	3,285
Employer contributions subsequent to the measurement date	39,180	-
Total	\$ 320,651	\$ 192,014

The \$39,180 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as an adjustment to the net pension liability (asset) in the plan year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31,	Net Deferred Outflows (Inflow) of Resources
2025	\$ 17,817
2026	19,171
2027	76,519
2028	(24,050)
	\$ 89,457

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 10 - Defined Benefit Pension Plan (Continued)

Actuarial Assumptions. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2022
Measurement Date of Net Pension Liability (Asset):	December 31, 2023
Experience Study:	January 1, 2018 – December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The total pension liability for December 31, 2023 is based upon a roll-forward of the liability calculated from the December 31, 2022 actuarial valuation.

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

Asset Allocation Targets and Expected Returns¹
As of December 31, 2023

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return % ²
Public Equity	40%	7.3%	4.5%
Public Fixed Income	27	5.8	3.0
Inflation Sensitive	19	4.4	1.7
Real Estate	8	5.8	3.0
Private Equity/Debt	18	9.6	6.7
Leverage ³	(12)	3.7	1.0
Total Core Fund	112% *	7.4%	4.6%
Variable Fund Asset Class			
U.S. Equities	70%	6.8%	4.0%
International Equities	30	7.6	4.8
Total Variable Fund	100%	7.3%	4.5%

¹Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

²New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%.

³The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

Note 10 - Defined Benefit Pension Plan (Continued)

Single Discount Rate. A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 3.77% (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, 2023. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the 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 Village's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80 percent, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
Village's Proportionate Share of the Net Pension Liability (Asset)	\$ 341,577	\$ 35,339	\$ (178,947)

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

Payables to the Pension Plan: The Village is required to remit the monthly required contribution for both the employee and Village portions by the last day of the following month. The amount due to WRS as of December 31, 2024 is \$7,343 for December payroll.

Note 11 - Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage for which the Village purchases commercial insurance. There has been no reduction in insurance coverage from the prior year. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in the past three years.

VILLAGE OF CRIVITZ
Notes to Financial Statements
December 31, 2024

Note 12 - Contingencies

From time to time, the Village 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 Village's attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

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

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

Note 13 - Tax Incremental District (TID)

The Village has established a Tax Incremental District (TID) that was created under the provisions of Wisconsin Statute Section 66.46. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the District. The tax on the increased value is called a tax increment.

The TID was formed to install public utilities (including sanitary and storm sewers, and water facilities) and streets on unimproved property together with such other development incentives that will allow development to take place.

The Statutes specify the period of time after creation date for a TID to incur project costs eligible for financing from tax increments. The Statutes further specify the period of time the TID may collect tax increments to repay project costs including principal and interest on long-term debt issued by the Village to finance such improvements. Project costs uncollected after the final dissolution date are absorbed by the municipality.

	<u>Creation Date</u>	<u>Last Date To Incur Project Costs</u>	<u>Final Dissolution Date</u>
TID 1	09/17/01	09/17/19	03/22/24
TID 2	05/01/24	05/01/45	05/01/45

Note 14 - Change in Accounting Principle

The implementation of GASB Statement No. 101, Compensated Absences, resulted in a change in accounting principle. The following presents the impact of this restatement of net position at December 31, 2023.

	<u>Government-Type Activities</u>	<u>Business-Type Activities</u>	<u>Water Fund</u>	<u>Sewer Fund</u>
Net Position as of December 31, 2023 as previously reported	\$ 3,303,121	\$ 4,244,081	\$ 1,541,099	\$ 2,702,982
Compensated Absences Restatement	32,412	(33,843)	(9,394)	(24,449)
Net Position as of December 31, 2023, as restated	<u>\$ 3,335,533</u>	<u>\$ 4,210,238</u>	<u>\$ 1,531,705</u>	<u>\$ 2,678,533</u>

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF CRIVITZ
Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System
For the Year Ended December 31, 2024

WRS Fiscal Year End Date (Measurement Date)	Village's Proportion of the Net Pension Asset/Liability	Village's Proportionate Share of the Net Pension (Asset)/Liability	Village's Covered Payroll	Village's Proportionate Share of the Net Pension (Asset)/Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2023	0.00237690%	\$ 35,339	\$ 405,048	8.72%	98.85%
12/31/2022	0.00211446%	112,017	334,247	33.51%	95.72%
12/31/2021	0.00171594%	(138,307)	215,657	64.13%	106.02%
12/31/2020	0.00208891%	(130,413)	264,574	49.29%	105.26%
12/31/2019	0.00230055%	(74,180)	296,854	24.99%	102.96%
12/31/2018	0.00233156%	82,949	304,765	27.22%	96.45%
12/31/2017	0.00228746%	(67,917)	303,741	22.36%	102.93%
12/31/2016	0.22549900%	18,587	289,680	6.42%	99.12%
12/31/2015	0.22799000%	37,047	283,721	13.06%	98.20%
12/31/2014	0.23686800%	(58,181)	287,376	20.25%	102.74%

Schedule of Employer Contributions
Wisconsin Retirement System
For the Year Ended December 31, 2024

Village Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/30/2024	\$ 39,180	\$ 39,180	\$ -	\$ 468,255	8.37%
12/31/2023	34,291	34,291	-	405,048	8.47%
12/31/2022	25,175	25,175	-	334,247	7.53%
12/31/2021	14,614	14,614	-	215,657	6.78%
12/31/2020	21,166	21,166	-	264,574	8.00%
12/31/2019	23,744	23,744	-	296,854	8.00%
12/31/2018	24,252	24,252	-	304,765	7.96%
12/31/2017	21,294	21,294	-	303,741	7.01%
12/31/2016	21,475	21,475	-	289,680	7.41%
12/31/2015	22,623	22,623	-	283,721	7.97%

VILLAGE OF CRIVITZ

Schedule of Revenues, Expenditures and Change in Fund Balance
 Budget and Actual
 General Fund
 For the Year Ended December 31, 2024

	Original and Final Budget	Actual Amounts	Variance
REVENUES			
Taxes	\$ 582,535	\$ 581,598	\$ (937)
Intergovernmental	284,627	326,820	42,193
Licenses and Permits	16,375	25,411	9,036
Fines and Forfeits	12,000	18,140	6,140
Public Charges for Services	10,100	13,844	3,744
Miscellaneous	35,700	195,219	159,519
Total Revenues	<u>941,337</u>	<u>1,161,032</u>	<u>219,695</u>
EXPENDITURES			
General Government	293,263	301,545	(8,282)
Public Safety	425,194	526,029	(100,835)
Public Works	241,285	587,917	(346,632)
Culture and Recreation	48,145	181,321	(133,176)
Health and Human Services	18,157	9,331	8,826
Capital Outlay	-	14,500	(14,500)
Debt Service	-	6,947	(6,947)
Total Expenditures	<u>1,026,044</u>	<u>1,627,590</u>	<u>(601,546)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(84,707)</u>	<u>(466,558)</u>	<u>(381,851)</u>
OTHER FINANCING SOURCES (USE)			
Loan Proceeds	160,000	306,749	146,749
Transfers In	69,482	331,975	262,493
Transfers Out	(171,786)	(491,357)	(319,571)
Total Other Financing Sources (Use)	<u>57,696</u>	<u>147,367</u>	<u>89,671</u>
NET CHANGE IN FUND BALANCE	<u>(27,011)</u>	<u>(319,191)</u>	<u>(292,180)</u>
FUND BALANCE - BEGINNING	<u>371,903</u>	<u>371,903</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 344,892</u>	<u>\$ 52,712</u>	<u>\$ (292,180)</u>

VILLAGE OF CRIVITZ
Notes to Required Supplementary Information
December 31, 2024

Defined Benefit Pension Plan

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

Changes of assumptions.

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

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

Budgetary Controls

The Village follows these procedures in establishing the budgetary data:

- During the year, Village management submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Village Board action.
- Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
- During the year, formal budgetary integration is employed as a management control device for the general fund.
- Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Village. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Village Board with a two-thirds majority vote.

The ARPA special revenue fund was not appropriated for the fiscal year ended December 31, 2024.

Individual Fund Disclosures

Excess of Expenditures Over Budget

The following functions had an excess of actual expenditures over budget for the year ended December 31, 2024:

General Government	\$ 8,282
Public Safety	100,835
Public Works	346,632
Culture and Recreation	133,176
Capital Outlay	14,500
Debt Service	6,947

OTHER INFORMATION

VILLAGE OF CRIVITZ
Schedule of Operating Revenues and Expenses
Water and Sewer Utility
For the Year Ended December 31, 2024

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
OPERATING REVENUES			
Metered Sales:			
Residential	\$ 111,215	\$ 144,871	\$ 256,086
Commercial	81,292	229,049	310,341
Industrial	232	380	612
Public Authorities	20,508	25,770	46,278
Multi-Family	14,328	17,591	31,919
Irrigation	30,137	-	30,137
Total Metered Sales	<u>257,712</u>	<u>417,661</u>	<u>675,373</u>
Public Fire Protection	117,627	-	117,627
Private Fire Protection	4,008	-	4,008
Total Sales of Water	<u>379,347</u>	<u>417,661</u>	<u>797,008</u>
Other Operating Revenues:			
Customer Forfeited Discounts	3,443	8,640	12,083
TOTAL OPERATING REVENUES	<u>382,790</u>	<u>426,301</u>	<u>809,091</u>
OPERATING EXPENSES			
Operation and Maintenance:			
Operation Labor	73,719	115,580	189,299
Power Purchased for Pumping	8,523	25,431	33,954
Chemicals	3,889	-	3,889
Maintenance and Repairs	-	17,748	17,748
Operating Supplies	18,999	30,640	49,639
Operating Transportation Expenses	1,506	1,496	3,002
Total Operation and Maintenance	<u>106,636</u>	<u>190,895</u>	<u>297,531</u>
Administrative and General:			
Salaries	27,903	31,968	59,871
Office Supplies	3,602	2,713	6,315
Outside Services Employed	25,399	66,712	92,111
Insurance	41,113	48,946	90,059
Miscellaneous	-	6,019	6,019
Total Administrative and General Expenses	<u>98,017</u>	<u>156,358</u>	<u>254,375</u>
Other Operating Expenses:			
Depreciation	118,980	194,559	313,539
TOTAL OPERATING EXPENSES	<u>323,633</u>	<u>541,812</u>	<u>865,445</u>
OPERATING INCOME (LOSS)	<u>59,157</u>	<u>(115,511)</u>	<u>(56,354)</u>
NON-OPERATING REVENUES (EXPENSE)			
Interest Income	17,649	38,419	56,068
Other Income	1,672	1,966	3,638
Interest Expense	(46,425)	(666)	(47,091)
Total Non-Operating Revenues (Expense)	<u>(27,104)</u>	<u>39,719</u>	<u>12,615</u>
CAPITAL CONTRIBUTIONS	<u>510,222</u>	<u>262,329</u>	<u>772,551</u>
TRANSFER			
Property Tax Equivalent	(56,124)	(1,081)	(57,205)
CHANGE IN NET POSITION	<u>\$ 486,151</u>	<u>\$ 185,456</u>	<u>\$ 671,607</u>

VILLAGE OF CRIVITZ
Schedule of Detailed Budgetary Revenues and Other Financing Sources Comparison
General Fund
For the Year Ended December 31, 2024

	Original and Final Budget	Actual Amounts	Variance
TAXES			
General Property Taxes	\$ 573,535	\$ 573,535	\$ -
Payments in Lieu of Taxes	3,000	3,000	-
Mobile Home Fees	6,000	5,063	(937)
Total Taxes	<u>582,535</u>	<u>581,598</u>	<u>(937)</u>
INTERGOVERNMENTAL			
Shared Revenues	224,598	223,348	(1,250)
Fire Insurance Dues	3,400	5,124	1,724
Law Enforcement Aid	-	240	240
Transportation Aid	46,795	46,802	7
State Computer Aid	897	3,612	2,715
Recycling Aids	3,900	4,027	127
State Grants	5,037	16,753	11,716
Federal Grants	-	26,914	26,914
Total Intergovernmental	<u>284,627</u>	<u>326,820</u>	<u>42,193</u>
LICENSES AND PERMITS			
Liquor/Beer Licenses	7,700	8,392	692
Operators Licenses	2,500	2,533	33
Cigarette Licenses	900	800	(100)
Flea Market License	3,000	2,710	(290)
Other Licenses	1,025	2,805	1,780
Dog License	50	49	(1)
Building Permits	1,200	8,122	6,922
Total Licenses and Permits	<u>16,375</u>	<u>25,411</u>	<u>9,036</u>
FINES AND FORFEITS			
Court Penalties and Fines	12,000	17,740	5,740
Contract Forfeitures	-	400	400
Total Fines and Forfeits	<u>12,000</u>	<u>18,140</u>	<u>6,140</u>
PUBLIC CHARGES FOR SERVICES			
Clerk's Revenue	2,000	2,967	967
Police Department	-	895	895
Public Health	100	102	2
Event Admissions	6,000	7,220	1,220
Cemetery Grave Sales	2,000	2,660	660
Total Public Charges for Services	<u>10,100</u>	<u>13,844</u>	<u>3,744</u>
MISCELLANEOUS			
Rent	800	2,325	1,525
Interest Income	1,500	19,258	17,758
Donations	11,000	34,129	23,129
Other	22,400	139,507	117,107
Total Miscellaneous	<u>35,700</u>	<u>195,219</u>	<u>159,519</u>
Total Revenues	<u>941,337</u>	<u>1,161,032</u>	<u>219,695</u>
OTHER FINANCING SOURCES			
Transfers In	69,482	331,975	262,493
Issuance of Long-Term Obligations	160,000	306,749	146,749
Total Other Financing Sources	<u>229,482</u>	<u>638,724</u>	<u>409,242</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 1,170,819</u>	<u>\$ 1,799,756</u>	<u>\$ 628,937</u>

VILLAGE OF CRIVITZ
Schedule of Detailed Budgetary Expenditures and Other Financing Use Comparison
General Fund
For the Year Ended December 31, 2024

	Original and Final Budget	Actual Amounts	Variance
EXPENDITURES			
GENERAL GOVERNMENT			
Village Board	\$ 22,371	\$ 15,872	\$ 6,499
Judicial	6,700	10,691	(3,991)
Legal	18,700	13,750	4,950
Village President	6,290	5,017	1,273
Clerk/Treasurer	66,160	74,459	(8,299)
Elections	10,408	5,667	4,741
Audit and Accounting	18,000	22,000	(4,000)
Assessment of Property	10,543	10,314	229
Village Hall	21,900	35,198	(13,298)
General Insurance	97,122	88,817	8,305
Information Technology	15,069	19,760	(4,691)
Total General Government	<u>293,263</u>	<u>301,545</u>	<u>(8,282)</u>
PUBLIC SAFETY			
Police	176,979	252,092	(75,113)
Fire	200,649	225,048	(24,399)
Ambulance	44,200	44,200	-
Building/Zoning	3,366	4,689	(1,323)
Total Public Safety	<u>425,194</u>	<u>526,029</u>	<u>(100,835)</u>
PUBLIC WORKS			
Street Maintenance	124,610	470,452	(345,842)
Street Lighting	53,000	54,013	(1,013)
Garbage Collection	63,665	63,452	213
Weed Control	10	-	10
Total Public Works	<u>241,285</u>	<u>587,917</u>	<u>(346,632)</u>
CULTURE AND RECREATION			
Programs and Events	23,000	35,933	(12,933)
Parks	25,145	145,388	(120,243)
Total Culture and Recreation	<u>48,145</u>	<u>181,321</u>	<u>(133,176)</u>
HEALTH AND HUMAN SERVICES			
Cemetery	16,611	8,100	8,511
Public Health - Dog Control	1,546	1,231	315
Total Health and Human Services	<u>18,157</u>	<u>9,331</u>	<u>8,826</u>
CAPITAL OUTLAY			
Public Works	-	14,500	(14,500)
DEBT SERVICE			
Principal	-	5,652	(5,652)
Interest	-	1,295	(1,295)
Total Debt Service	<u>-</u>	<u>6,947</u>	<u>(6,947)</u>
Total Expenditures	<u>1,026,044</u>	<u>1,627,590</u>	<u>(601,546)</u>
OTHER FINANCING USE			
Transfers Out	171,786	491,357	(319,571)
TOTAL EXPENDITURES AND OTHER FINANCING USE	<u>\$ 1,197,830</u>	<u>\$ 2,118,947</u>	<u>\$ (921,117)</u>