

Village of Cleveland
Cleveland, Wisconsin
Financial Statements
Year ended December 31, 2020

Village of Cleveland
December 31, 2020

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1-2
Financial Statements	
Balance Sheet - All Funds	3-4
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	5
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	6
Statement of Revenues, Expenses and Changes in Retained Earnings - Proprietary Funds	7
Statement of Cash Flows - Proprietary Funds	8-9
Notes to the Financial Statements	10-23
Supplementary Financial Information	
Detailed Schedule of General Fund Revenues	24-25
Detailed Schedule of General Fund Expenditures	26-32
Detailed Schedule of Debt Service Fund Revenues, Expenditures and Changes in Fund Balance	33
Detailed Schedule of Capital Project Fund Revenues, Expenditures and Changes in Fund Balance	34
Detailed Schedule of Enterprise Fund Revenues, Expenses and Changes in Retained Earnings	35
Detailed Schedule of Water Utility Plant and Equipment	36
Detailed Schedule of Sewer Utility Plant and Equipment	37

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INDEPENDENT AUDITOR'S REPORT

To the Village Board
Village of Cleveland
Cleveland, Wisconsin

We have audited the accompanying financial statements of the Village of Cleveland, Wisconsin, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise a portion of the Village of Cleveland's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Basis for Qualified Opinion

As explained in Note 1 to the financial statements, management has not adopted the provisions of GASB 34 and GASB 63 and therefore has not included the government-wide financial statements and other information as required by accounting principles generally accepted in the United States of America. The amount by which this departure would affect the financial statements is not reasonably determinable.

Qualified Opinion

In our opinion, except for the effects of not adopting the provisions of GASB 34 and GASB 63 as described in the “Basis for Qualified Opinion” paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental funds, proprietary funds and fiduciary funds of the Village of Cleveland, Wisconsin, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary financial information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

Corson, Peterson & Hamann S.C.

Sheboygan, Wisconsin

September 24, 2021

Village of Cleveland
Balance Sheet - All Funds
December 31, 2020

	Governmental Fund Types			Proprietary Fund Types	Fiduciary Fund Types	Total (Memorandum Only)	
	General	Debt Service	Capital Project	Enterprise	Agency Property Tax	2020	2019
Assets							
Cash and investments	\$ 1,204,524	\$ 416,040	\$ 686,571	\$ 769,460	\$ 560,908	\$ 3,637,503	\$ 3,139,319
Receivables							
Taxes	441,532	8,561	-	-	1,021,706	1,471,799	1,465,779
Delinquent PP taxes	279	-	-	-	-	279	6
Delinquents held by County	34,065	-	-	-	-	34,065	34,422
Special assessments	-	26,582	-	17,000	-	43,582	40,661
Accounts	1,381	-	-	82,573	-	83,954	86,592
Interest	-	-	-	639	-	639	1,176
Due from other funds	201,025	-	-	213,276	-	414,301	431,835
Due from other governments	-	-	-	-	-	-	1,295
Materials and supplies	-	-	-	18,355	-	18,355	19,417
Prepaid expenses	11,716	-	-	119	-	11,835	11,550
Advances to other funds	126,913	-	-	-	-	126,913	126,913
Utility plant and equipment	-	-	-	7,793,131	-	7,793,131	7,623,047
Less: Accumulated depreciation	-	-	-	(4,004,127)	-	(4,004,127)	(3,856,693)
Unamortized water tower painting costs	-	-	-	186,304	-	186,304	-
Restricted funds							
Cash and investments	-	-	-	775,739	-	775,739	418,787
Total assets	\$ 2,021,435	\$ 451,183	\$ 686,571	\$ 5,852,469	\$ 1,582,614	\$10,594,272	\$ 9,544,106

The accompanying notes are an integral part of these financial statements.

Village of Cleveland
Balance Sheet - All Funds
December 31, 2020

	Governmental Fund Types			Proprietary Fund Types	Fiduciary Fund Types	Total (Memorandum Only)	
	General	Debt Service	Capital Project	Enterprise	Agency Property Tax	2020	2019
Liabilities							
Accounts payable	\$ 89,318	\$ -	\$ 29,945	\$ 126,454	\$ -	\$ 245,717	\$ 64,696
Accrued wages	7,080	-	-	-	-	7,080	5,085
Accrued payroll taxes and benefits	15,979	-	-	-	-	15,979	8,560
Accrued taxes	-	-	-	30,644	-	30,644	31,020
Accrued interest	-	-	-	2,786	-	2,786	162
Due to other funds	213,276	-	-	201,025	-	414,301	431,835
Due to other governments	19,179	-	-	-	1,582,614	1,601,793	1,614,614
Deferred taxes	679,823	-	-	-	-	679,823	628,007
Special assessments deferred	-	38,313	-	-	-	38,313	53,175
Other deferred revenue	39,909	1,530	-	1,957	-	43,396	36,900
Advances from other funds	-	-	-	126,913	-	126,913	126,913
General obligation debt payable	-	-	-	406,385	-	406,385	11,151
Unamortized debt premium	-	-	-	19,733	-	19,733	-
Total liabilities	\$ 1,064,564	\$ 39,843	\$ 29,945	\$ 915,897	\$ 1,582,614	\$ 3,632,863	\$ 3,012,118
Fund equity							
Contributed capital							
Municipality	\$ -	\$ -	\$ -	\$ 838,071	\$ -	\$ 838,071	\$ 838,071
Retained earnings	-	-	-	4,098,501	-	4,098,501	4,112,132
Fund balance							
Nonspendable	138,629	-	-	-	-	138,629	138,443
Restricted	-	56,182	656,626	-	-	712,808	-
Committed	408,304	355,158	-	-	-	763,462	679,825
Unassigned	409,938	-	-	-	-	409,938	763,517
Total fund equity	\$ 956,871	\$ 411,340	\$ 656,626	\$ 4,936,572	\$ -	\$ 6,961,409	\$ 6,531,988
Total liabilities and fund equity	\$ 2,021,435	\$ 451,183	\$ 686,571	\$ 5,852,469	\$ 1,582,614	\$10,594,272	\$ 9,544,106

The accompanying notes are an integral part of these financial statements.

Village of Cleveland
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended December 31, 2020

	Governmental Fund Types			Total (Memorandum Only)	
	General	Debt Service	Capital Project	2020	2019
Revenues					
Taxes	\$ 669,296	\$ -	\$ -	\$ 669,296	\$ 812,572
Special assessments	-	14,862	-	14,862	22,325
Intergovernmental revenues	366,861	-	-	366,861	335,484
Licenses and permits	50,178	-	-	50,178	51,289
Fines, forfeits and penalties	13,994	-	-	13,994	201,521
Public charges for services	1,739	-	-	1,739	5,093
Miscellaneous	13,869	3,846	2,975	20,690	44,254
Total revenues	\$ 1,115,937	\$ 18,708	\$ 2,975	\$ 1,137,620	\$ 1,472,538
Expenditures					
Current					
General government	\$ 213,618	\$ -	\$ -	\$ 213,618	\$ 214,666
Public safety	324,266	-	-	324,266	313,206
Public works	282,950	-	-	282,950	277,939
Culture, recreation and education	54,092	-	-	54,092	41,053
Conservation and development	38,467	-	-	38,467	30,298
Capital outlay	192,839	-	533,783	726,622	100,860
Debt service					
Principal	-	275,234	-	275,234	260,490
Interest	-	22,535	-	22,535	32,858
Fees	-	400	-	400	400
Debt issue costs	-	-	30,977	30,977	-
Total expenditures	\$ 1,106,232	\$ 298,169	\$ 564,760	\$ 1,969,161	\$ 1,271,770
Excess revenues over (under) expenditures	\$ 9,705	\$ (279,461)	\$ (561,785)	\$ (831,541)	\$ 200,768
Other financing sources (uses)					
Debt proceeds	\$ -	\$ -	\$ 1,210,000	\$ 1,210,000	\$ -
Debt premium	-	56,182	8,411	64,593	-
Surplus increments distributed to others	-	-	-	-	(240,780)
Transfer to debt service fund	(133,313)	133,313	-	-	-
Net other financing sources (uses)	\$ (133,313)	\$ 189,495	\$ 1,218,411	\$ 1,274,593	\$ (240,780)
Net change in fund balances	\$ (123,608)	\$ (89,966)	\$ 656,626	\$ 443,052	\$ (40,012)
Fund balances, Beginning of year	1,080,479	501,306	-	1,581,785	1,621,797
Fund balances, End of year	\$ 956,871	\$ 411,340	\$ 656,626	\$ 2,024,837	\$ 1,581,785

The accompanying notes are an integral part of these financial statements.

Village of Cleveland
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year ended December 31, 2020

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Taxes	\$ 679,117	\$ 669,296	\$ (9,821)
Intergovernmental revenues	367,306	366,861	(445)
Licenses and permits	38,745	50,178	11,433
Fines, forfeits and penalties	66,050	13,994	(52,056)
Public charges for services	4,660	1,739	(2,921)
Miscellaneous	32,252	13,869	(18,383)
Total revenues	\$ 1,188,130	\$ 1,115,937	\$ (72,193)
Expenditures			
Current			
General government	\$ 257,249	\$ 213,618	\$ 43,631
Public safety	329,244	324,266	4,978
Public works	348,669	282,950	65,719
Health and human services	200	-	200
Culture, recreation and education	66,503	54,092	12,411
Conservation and development	51,030	38,467	12,563
Capital outlay	31,461	192,839	(161,378)
Total expenditures	\$ 1,084,356	\$ 1,106,232	\$ (21,876)
Excess revenues over (under) expenditures	\$ 103,774	\$ 9,705	\$ (94,069)
Other financing sources (uses)			
Proceeds from committed funds	\$ 29,600	\$ -	\$ (29,600)
Transfer to debt service fund	(133,313)	(133,313)	-
Net other financing sources (uses)	\$ (103,713)	\$ (133,313)	\$ (29,600)
Net change in fund balance	\$ 61	\$ (123,608)	\$ (123,669)
Fund balance, Beginning of year	1,080,479	1,080,479	-
Fund balance, End of year	<u>\$ 1,080,540</u>	<u>\$ 956,871</u>	<u>\$ (123,669)</u>

The accompanying notes are an integral part of these financial statements.

Village of Cleveland
Statement of Revenues, Expenses and Changes in Retained Earnings
Proprietary Funds
Year ended December 31, 2020

	Enterprise Fund	Total (Memorandum Only) 2019
Operating revenues		
Water	\$ 331,302	\$ 324,675
Sewer	465,197	475,228
Total operating revenues	\$ 796,499	\$ 799,903
Operating expenses		
Water		
Operation and maintenance expenses	\$ 319,899	\$ 266,226
Depreciation expense	60,244	57,816
Total water	\$ 380,143	\$ 324,042
Sewer		
Operation and maintenance expenses	\$ 273,013	\$ 256,609
Depreciation expense	174,537	164,742
Total sewer	\$ 447,550	\$ 421,351
Total operating expenses	\$ 827,693	\$ 745,393
Operating income (loss)		
Water	\$ (48,841)	\$ 633
Sewer	17,647	53,877
Total operating income (loss)	\$ (31,194)	\$ 54,510
Non-operating revenues (expenses)		
Interest income	\$ 27,197	\$ 32,008
Interest expense	(3,014)	(1,013)
Amortization of debt premium	1,620	-
Debt issue costs	(10,240)	-
Net non-operating revenues (expenses)	\$ 15,563	\$ 30,995
Income (loss) before contributions	\$ (15,631)	\$ 85,505
Capital contributions	2,000	2,000
Net change in retained earnings	\$ (13,631)	\$ 87,505
Retained earnings, Beginning of year	4,112,132	4,024,627
Retained earnings, End of year	\$ 4,098,501	\$ 4,112,132

The accompanying notes are an integral part of these financial statements.

Village of Cleveland
Statement of Cash Flows
Proprietary Funds
Year ended December 31, 2020

	<u>Enterprise Fund</u>	<u>Total (Memorandum Only) 2019</u>
Cash flows from operating activities		
Operating income (loss)	\$ (31,194)	\$ 54,510
Adjustments to reconcile operating income (loss) to net cash flows from operating activities		
Depreciation expense	234,781	222,558
Depreciation charged to other accounts	2,892	2,883
Amortization expense - water tower painting costs	46,576	-
Changes in assets and liabilities		
Accounts receivable	(1,653)	(8,542)
Due from other funds	3,280	(4,766)
Materials and supplies	1,062	75
Prepaid expenses	(99)	-
Accounts payable	28,400	8,333
Accrued taxes	(376)	(1,590)
Due to other funds	(222,032)	275,910
Other deferred revenue	1,957	(171)
Net cash flows from operating activities	<u>\$ 63,594</u>	<u>\$ 549,200</u>
Cash flows from noncapital financing activities		
Water tower painting costs - to be amortized	\$ (147,009)	\$ -
Sewer lateral replacement expense	<u>(17,000)</u>	<u>-</u>
Net cash flows from noncapital financing activities	<u>\$ (164,009)</u>	<u>\$ -</u>
Cash flows from capital and related financing activities		
Proceeds from debt issue	\$ 411,113	\$ -
Acquisition of capital assets	(252,044)	(373,397)
Cost of removal of capital assets	(8,279)	-
Capital contributed	2,000	2,000
Debt retired	(4,766)	(54,510)
Interest paid	(390)	(1,318)
Due from other funds	<u>(207,778)</u>	<u>-</u>
Net cash flows from capital and related financing activities	<u>\$ (60,144)</u>	<u>\$ (427,225)</u>
Cash flows from investing activities		
Interest income	<u>\$ 24,734</u>	<u>\$ 29,041</u>
Net change in cash and cash equivalents	\$ (135,825)	\$ 151,016
Cash and cash equivalents, Beginning of year	<u>1,465,044</u>	<u>1,314,028</u>
Cash and cash equivalents, End of year	<u>\$ 1,329,219</u>	<u>\$ 1,465,044</u>

The accompanying notes are an integral part of these financial statements.

Village of Cleveland
Statement of Cash Flows
Proprietary Funds
Year ended December 31, 2020

	Enterprise Fund	Total (Memorandum Only) <u>2019</u>
<u>Reconciliation of cash and cash equivalents to balance sheet</u>		
Cash and investments	\$ 769,460	\$ 1,259,237
Restricted funds cash and investments	775,739	418,787
Total cash and investments	\$ 1,545,199	\$ 1,678,024
Less: Non-cash investments	(215,980)	(212,980)
Cash and cash equivalents	\$ 1,329,219	\$ 1,465,044

The accompanying notes are an integral part of these financial statements.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies

The Village of Cleveland, Wisconsin (the "Village") was incorporated under the provisions of the State of Wisconsin. The Village operates under a Village Board form of government and provides the following services: public safety (police protection, fire protection, ambulance, building inspections and emergency government), streets, sanitation, culture, recreation and education, conservation and development, public improvements, planning and zoning and general administrative services. Other services include water and sewer services.

The Village of Cleveland has elected not to implement the provisions of GASB 34 and GASB 63 as required by generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Village are described below:

A. Reporting Entity / Component Units

Generally accepted accounting principles require that these financial statements include the primary government and its component units. Component units are separate organizations that are included in the Village's reporting entity because of the significance of their operational or financial relationships with the Village. All significant activities and organizations with which the Village exercises oversight responsibility have been considered for inclusion in the financial statements. The Village has no component units and it is not included in any other governmental reporting entity.

B. Fund Accounting

The accounts of the Village are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The fund types used by the Village are as follows:

Governmental Funds

General Fund - The general fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in other funds.

Debt Service Fund - This fund accounts for and reports financial resources that are restricted or committed for the payment of general long-term debt principal, interest and related costs, other than Utility debt.

Capital Project Fund - This fund accounts for the financial resources from long-term borrowing and other revenues used for the acquisition, construction or maintenance of capital facilities and other capital assets.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies - Continued

B. Fund Accounting - Continued

Proprietary Funds

Enterprise Fund - This fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and / or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The operations of the Water Utility and Sewer Utility are included in the enterprise fund.

Fiduciary Funds

Agency Fund - Agency funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, other governments and / or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. Measurement Focus and Basis of Accounting

All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets and their reported fund balance is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types are limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables are deferred until they become current receivables.

Proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Fund equity is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases and decreases in net total assets.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies - Continued

C. Measurement Focus and Basis of Accounting - Continued

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available (susceptible to accrual). Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Proceeds of long-term debt are recorded as other financing sources when received. Revenue susceptible to accrual are property taxes, special assessments, licenses, interest income and charges for services. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except when principal and interest on long-term debt is paid or due.

Proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred.

The government reports deferred revenue on its balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the government before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

D. Budgets

Annual budgets are adopted for the general fund in accordance with Wisconsin statutes. All annual appropriations lapse at year end, except those intended to accumulate funds for future projects. Reported budget amounts are as originally adopted or as amended by Board resolution. Generally the budget is not significantly modified during the year.

E. Total Columns on the Financial Statements

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

F. Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include cash and investments having original maturities of three months or less from the date of acquisition.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies - Continued

G. Investments

All investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. For investments subject to market fluctuation, fair values are based on quoted market price. No investments are reported at amortized costs. Adjustments necessary to record investments at fair value are recorded in the financial statements as increases or decreases in investment income.

H. Property Taxes

The aggregate amount of property taxes to be levied is determined according to State statute. The Village collects its own property taxes and also taxes for Manitowoc County, Lakeshore Technical College and Sheboygan Area School District. Property taxes attach an enforceable lien as of January 1 and are recognized when levied. The Village collects the taxes through January 31.

Property tax calendar - 2019 tax roll collect 2020

Levy date	December 2019
Tax bills mailed	December 2019
Real property taxes	
Payment in full or	January 31, 2020
First installment due	January 31, 2020
Second installment due	October 1, 2020
Personal property taxes	
Payment in full	January 31, 2020

Property taxes uncollected on January 31 are turned over to Manitowoc County for collection. Manitowoc County pays the remainder of the tax levy (excluding special charges and special assessments) to the Village during August and September. Special charges and special assessments are paid to the Village when collected by the County. Delinquent personal property taxes are retained at the local level for collection.

The 2020 tax roll (levied for 2021) has been set up as a receivable and offset by the amounts due to other governmental units and deferred tax revenue for the Village's portion. Advance tax collections are offset against the receivable.

I. Accounts Receivable

All accounts receivable are shown at gross amounts with uncollectible amounts recognized under the direct write-off method. Delinquent utility charges and other delinquent accounts receivable may be placed on the tax roll for collection, therefore, no allowance for uncollectible accounts has been provided since such allowance would not be material.

J. Due To / From Other Funds

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies - Continued

K. Materials and Supplies - Enterprise Fund

Materials and supplies are generally used for construction, operation and maintenance work, not for resale. They are valued at the lower of cost or market utilizing the average cost method and charged to construction and expense when used.

L. Advances To / From Other Funds

Noncurrent portions of long-term interfund loans receivable (reported in "Advance to" asset accounts) are equally offset by a nonspendable fund balance account which indicates that they do not constitute "available spendable resources" since they are not a component of net current assets.

M. Property, Plant and Equipment - Enterprise Fund

Water Utility and Sewer Utility plant are stated at original cost or the fair value at the time of contribution to the Utility. Maintenance and repairs are charged to expense as incurred, major improvements and replacements are capitalized. Depreciation expense is calculated using the straight line method over the estimated useful lives of the assets approved by the Wisconsin Public Service Commission.

N. Unamortized Water Tower Painting and Maintenance Costs

These deferred charges represent the unamortized water tower painting and maintenance costs. These costs are being amortized over a 5 year period in the proprietary funds.

O. Capital Paid in by Municipality

The Village, including Tax Incremental Financing (TIF) Districts, has invested capital in the Water Utility and Sewer Utility at various times. This capital is not currently subject to repayment on demand or at a fixed future date by the Utilities.

P. Fund Balances

Fund balances in the governmental funds are displayed in the following five categories:

Nonspendable - Amounts that are not in a spendable form (such as long-term receivables and prepaid expenses) or are required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation or constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Committed - Amounts that can be used only for specific purposes determined by a formal action of the Village Board.

Assigned - Amounts that are constrained by the Village for specific purposes, but do not meet the criteria to be classified as restricted or committed.

Unassigned - The residual classification of the Village's general fund or any fund balance deficit.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 1. Summary of Significant Accounting Policies - Continued

P. Fund Balances - Continued

The Village Board has the authority to set aside funds for a specific purpose. Any funds set aside as committed fund balance requires the approval of the majority of the Village Board, the Village's highest level of decision making authority. Commitments, once made, can only be modified by a majority vote of the Village Board.

When an expenditure is incurred for which committed, assigned or unassigned funds are available, the Village considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds, unless the Village Board has provided otherwise in their commitment or assignment actions.

The Village strives to maintain an unassigned fund balance in the general fund that will maintain working capital to meet the cash flow needs of the Village and thus reducing the need for short-term borrowing, serve as a safeguard for unanticipated expenditures and show fiscal responsibility.

Q. Revenue Recognition

Water and sewer revenues are recorded based on actual service rendered, with cycle billings made to customers monthly. The Utilities do not accrue revenues beyond such billing dates.

R. Accumulated Unpaid Vacation, Sick Pay and Other Employee Benefit Amounts

The Village's policy does not allow accumulated employee benefits to vest. Unused accumulated employee benefits are forfeited upon retirement or termination of employment. Accumulated benefits are recorded as an expenditure in the year used.

S. Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Village's financial position, operations and cash flows. However, comparative (i.e., presentation of prior years totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

T. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 2. Cash and Investments

State statutes permit the Village to invest available cash balances in time deposits of authorized depositories, U.S. treasury obligations, U.S. agency issues, Wisconsin municipal obligations, high grade commercial paper, securities of an open-end management investment company or investment trust subject to various conditions, repurchase agreements with public depositories with certain conditions and the Wisconsin local government investment pool.

The Village's cash and investments at December 31, 2020 are summarized as follows:

Checking and money market	\$ 3,426,323
Certificates of deposit	215,980
Wisconsin local government investment pool	770,170
Petty cash	<u>769</u>
Total cash and investments	<u>\$ 4,413,242</u>

Deposits in each local and area bank are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest bearing and noninterest bearing).

Bank accounts are also insured by the State Deposit Guarantee Fund (SDGF) in the amount of \$400,000.

In addition, as of December 31, 2020 the bank has pledged securities to the Village in the amount of \$720,000.

The Wisconsin local government investment pool (LGIP) does not have a credit quality rating. It is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2020, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported above. A separate financial report for the SIF can be obtained at <https://doa.wi.gov/Pages/StateFinances/LGIP.aspx>.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village does not have a deposit policy for custodial credit risk. As of December 31, 2020, \$2,026,055 of the Village's bank balance of \$3,507,310 was exposed to custodial credit risk because deposits exceeded insurance and collateralization agreements.

Credit Risk

Credit risk is the risk that an issuer of a type of an investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. The Village's investments in the Wisconsin local government investment pool are not rated.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 3. Restricted Funds - Cash and Investments

The enterprise fund had the following restricted cash and investments as of December 31, 2020.

	Water Utility	Sewer Utility	Total
Capital replacement	\$ -	\$ 486,769	\$ 486,769
Debt reserve	4,643	13,929	18,572
Construction	71,462	198,936	270,398
Totals	<u>\$ 76,105</u>	<u>\$ 699,634</u>	<u>\$ 775,739</u>

Capital Replacement - Per the Department of Natural Resources (DNR) the Sewer Utility has established an account for future capital replacement projects.

Debt Reserve - Used to report resources set aside for future debt service payments.

Construction - Used to report debt proceeds restricted for use in construction.

Note 4. Utility Plant and Equipment

Capital asset balances and activity for the year ended December 31, 2020 were as follows:

	Balances 12/31/2019	Additions	Deletions	Balances 12/31/2020
<u>Water Utility Plant and Equipment</u>				
Intangible plant	\$ 250	\$ -	\$ -	\$ 250
Source of supply plant	175,622	-	-	175,622
Pumping plant	459,040	96,558	15,000	540,598
Water treatment plant	14,098	-	-	14,098
Transmission and distribution plant	1,481,670	72,951	3,960	1,550,661
General plant	60,486	-	-	60,486
Total water utility plant and equipment	<u>\$ 2,191,166</u>	<u>\$ 169,509</u>	<u>\$ 18,960</u>	<u>\$ 2,341,715</u>

Sewer Utility Plant and Equipment

Collecting system plant and equipment	\$ 1,980,647	\$ 136,304	\$ 13,000	\$ 2,103,951
Collecting system pumping installations	243,855	110,800	10,000	344,655
Treatment and disposal plant	2,677,744	233,284	40,000	2,871,028
General plant	131,782	-	-	131,782
Construction work in progress	397,853	-	397,853	-
Total sewer utility plant and equipment	<u>\$ 5,431,881</u>	<u>\$ 480,388</u>	<u>\$ 460,853</u>	<u>\$ 5,451,416</u>
Total utility plant and equipment	<u>\$ 7,623,047</u>	<u>\$ 649,897</u>	<u>\$ 479,813</u>	<u>\$ 7,793,131</u>

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 5. Long-Term Liabilities

Long-term liability balances and activity for the year ended December 31, 2020 were as follows:

Village				
Type	Balances 12/31/2019	Additions	Payments	Balances 12/31/2020
Bonds*	\$ 643,849	\$ -	\$ 275,234	\$ 368,615
Notes*	-	1,210,000	-	1,210,000
Totals	\$ 643,849	\$ 1,210,000	\$ 275,234	\$ 1,578,615
Water and Sewer Utility				
Type	Balances 12/31/2019	Additions	Payments	Balances 12/31/2020
Bonds*	\$ 11,151	\$ -	\$ 4,766	\$ 6,385
Notes*	-	400,000	-	400,000
Totals	\$ 11,151	\$ 400,000	\$ 4,766	\$ 406,385

General Obligation Debt

All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the Village. General obligation debt is expected to be repaid with general property taxes, special assessments and Utility revenues. General obligation debt at December 31, 2020 is comprised of the following issues:

Description	Issue Dates	Interest Rates (%)	Dates of Final Maturity	Balances 12/31/2020
Bonds*	02-08-11	4.50 - 4.80%	03-01-25	\$ 375,000
Notes*	09-09-20	1.00 - 3.00%	04-01-30	1,610,000
Total				\$ 1,985,000

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 5. Long-Term Liabilities - Continued

General Obligation Debt Limit Calculation

The 2020 equalized valuation of the Village as certified by the Wisconsin Department of Revenue is \$106,443,500. The legal debt limit and margin of indebtedness as of December 31, 2020, in accordance with Section 67.03(1) of the Wisconsin Statutes follows:

Debt limit (5% of \$106,443,500)	\$ 5,322,175
Deduct long-term debt applicable to debt margin*	<u>(1,985,000)</u>
Margin of indebtedness	<u>\$ 3,337,175</u>

Maturities of Long-Term Debt

Aggregate cash flow requirements for the retirement of long-term principal and interest as of December 31, 2020 is as follows:

Year	Village			Water and Sewer Utility		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 182,698	\$ 41,249	\$ 223,947	\$ 37,302	\$ 8,821	\$ 46,123
2022	190,214	32,966	223,180	39,786	7,122	46,908
2023	178,940	26,323	205,263	36,060	5,964	42,024
2024	175,183	19,794	194,977	34,817	4,881	39,698
2025	175,183	13,211	188,394	34,817	3,814	38,631
2026	82,671	8,681	91,352	27,329	2,869	30,198
2027	75,155	6,313	81,468	24,845	2,087	26,932
2028	154,068	4,415	158,483	50,932	1,460	52,392
2029	154,068	2,875	156,943	50,932	950	51,882
2030	<u>210,435</u>	<u>1,052</u>	<u>211,487</u>	<u>69,565</u>	<u>348</u>	<u>69,913</u>
Totals	<u>\$ 1,578,615</u>	<u>\$ 156,879</u>	<u>\$ 1,735,494</u>	<u>\$ 406,385</u>	<u>\$ 38,316</u>	<u>\$ 444,701</u>

Debt Issuance Premium - Enterprise Fund

Debt issuance premium is deferred and amortized using the effective interest method over the life of the debt issue in the enterprise fund. Activity for the year ended December 31, 2020 is summarized as follows:

	Balance 12/31/2019	Additions	Amortization	Balance 12/31/2020
Debt issuance premium	<u>\$ -</u>	<u>\$ 21,353</u>	<u>\$ 1,620</u>	<u>\$ 19,733</u>

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 6. Fund Balances

Details of the Village's fund balances as of December 31, 2020 are as follows:

	<u>General</u>	<u>Debt Service</u>	<u>Capital Project</u>	<u>Total</u>
Fund Balances				
Nonspendable				
Long-term receivables	\$ 126,913	\$ -	\$ -	\$ 126,913
Prepaid expenses	11,716	-	-	11,716
Restricted for				
Debt service	-	56,182	-	56,182
Capital projects	-	-	656,626	656,626
Committed to				
Debt service	-	355,158	-	355,158
Recodification	3,082	-	-	3,082
GASB compliance	4,531	-	-	4,531
Revaluation	40,468	-	-	40,468
Public buildings and grounds	56,471	-	-	56,471
HRA reimbursements	6,181	-	-	6,181
Crime prevention	1,888	-	-	1,888
Office equipment and technology	20,126	-	-	20,126
Technology not yet known	20,167	-	-	20,167
Park improvements	27,413	-	-	27,413
Street banners and lighting	15,125	-	-	15,125
"Rainy Day"	212,852	-	-	212,852
Unassigned	<u>409,938</u>	<u>-</u>	<u>-</u>	<u>409,938</u>
Total fund balances	<u>\$ 956,871</u>	<u>\$ 411,340</u>	<u>\$ 656,626</u>	<u>\$ 2,024,837</u>

Note 7. Interfund Balances and Activity

Interfund receivable and payable balances at December 31, 2020 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Due to / from</u>	<u>Advances</u>
General fund	Enterprise fund	\$ 201,025	\$ 126,913
Enterprise fund	General fund	<u>213,276</u>	<u>-</u>
Totals		<u>\$ 414,301</u>	<u>\$ 126,913</u>

The principal purpose of these interfund balances result from the time lag between the dates the goods or services are provided or reimbursable expenditures occur and payment between funds are made.

The amounts reported as due to / from other funds are expected to be paid within one year. Advances to / from other funds are being paid in annual installments. No interest is being charged on this advance.

Transfers during the year are detailed on the financial statements.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 8. Excess of Actual Expenditures Over Budget in the General Fund

The following departments had an excess of actual expenditures over budget for the year ended December 31, 2020.

<u>Department</u>	<u>Excess Expenditures</u>
Capital outlay	<u>\$ 161,378</u>

Note 9. Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description

The Wisconsin Retirement System (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 issued a standalone WRS Financial Report, which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements> .

Vesting

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

Benefits Provided

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

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

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 9. Defined Benefit Pension Plan - Continued

Benefits Provided - Continued

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.

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>
2010	-1.3%	22.0%
2011	-1.2%	11.0%
2012	-7.0%	-7.0%
2013	-9.6%	9.0%
2014	4.7%	25.0%
2015	2.9%	2.0%
2016	0.5%	-5.0%
2017	2.0%	4.0%
2018	2.4%	17.0%
2019	0.0%	-10.0%

Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, 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.

Village of Cleveland
Notes to the Financial Statements
December 31, 2020

Note 9. Defined Benefit Pension Plan - Continued

Contributions - Continued

During the reporting period, the WRS recognized \$36,546 in contributions from the Village.

Contribution rates for 2020 are as follows:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives and elected officials)	6.75%	6.75%
Protective with social security	6.75%	11.65%
Protective without social security	6.75%	16.25%

The payroll for Village employees covered by the WRS for the year ended December 31, 2020 was \$447,106; the Village's total payroll was \$484,085. The total required contribution for the year ended December 31, 2020 was \$66,726, which consisted of \$36,546 or 8.17% of payroll from the employer and \$30,180 or 6.75% of payroll from employees. Total contributions for the years ending December 31, 2019 and 2018 were \$61,522 and \$60,599, respectively, equal to the required contributions for each year.

Note 10. Limitations on the Village's Tax Levy

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

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, workers compensation and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Note 12. Subsequent Events

The Village has evaluated all subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed, September 24, 2021. There were no subsequent events that require recognition or disclosure.

Supplementary Financial Information

Village of Cleveland
Detailed Schedule of General Fund Revenues
Year ended December 31, 2020

Taxes			
General property taxes	\$	628,007	
Mobile home fees		10,269	
Municipal utility tax		<u>31,020</u>	\$ 669,296
Intergovernmental revenues			
Shared revenues	\$	255,895	
Fire insurance tax		4,082	
Exempt computer aid		1,344	
Personal property aid		3,234	
Video service provider aid		1,654	
Police training aid		640	
Traffic safety grant		4,000	
General transportation aid		63,316	
Recycling grant		3,057	
Payment in lieu of taxes		2,926	
Routes to recovery grant		25,015	
State election aid		1,158	
Local police grants		<u>540</u>	366,861
Licenses and permits			
Liquor and malt beverage licenses	\$	890	
Operator licenses		995	
Cigarette licenses		100	
Mobile home park licenses		200	
Lodging licenses		150	
Cable TV franchise fees		15,048	
Dog licenses refunded		3,284	
Building and sign permits		28,411	
Plan and survey filing fees		400	
Land use and special meeting fees		<u>700</u>	50,178
Fines, forfeits and penalties			
Court penalties and costs	\$	13,488	
Parking fines		165	
Dog license penalties		300	
Other violations		<u>41</u>	13,994
Public charges for services			
Sale of copies, faxes and maps	\$	11	
Document preparation fees		540	
Publication fees		120	
Police fees		39	
Storm sewer hook-up fees		250	
Weed and nuisance control fees		809	
Park reservation fees		50	
VFW clubhouse reservation fees		<u>(80)</u>	<u>1,739</u>
Forward to page 25			<u>\$ 1,102,068</u>

Village of Cleveland
Detailed Schedule of General Fund Revenues
Year ended December 31, 2020

Brought forward		\$ 1,102,068
Miscellaneous		
Interest on investments	\$ 6,889	
Interest on special assessments and charges	127	
Sale of property	2,000	
Private donations and contributions	1,254	
Insurance dividends	3,589	
Miscellaneous	<u>10</u>	<u>13,869</u>
Total revenues		<u>\$ 1,115,937</u>

Village of Cleveland
Detailed Schedule of General Fund Expenditures
Year ended December 31, 2020

General government

Village board

Wages	\$ 14,052	
Social security and medicare	1,006	
Training	66	
Publications, subscriptions and dues	686	
Printing and publishing	281	
Other supplies and expense	<u>12</u>	\$ 16,103

Judicial

Judicial wages	\$ 2,400	
Clerical wages	19,153	
Social security and medicare	1,510	
Retirement	1,293	
Health insurance	3,004	
Life and disability insurance	170	
Training	920	
Office supplies	211	
Postage, permits and fees	55	
Publications, subscriptions and dues	304	
Software and software support	1,244	
Other supplies and expense	113	
Public officials bond	<u>138</u>	30,515

Legal

Professional services - general	\$ 20,360	
Professional services - police	<u>5,711</u>	26,071

Clerk-treasurer

Wages	\$ 43,155	
Meeting pay	389	
Social security and medicare	3,148	
Retirement	2,937	
Health insurance	2,267	
Life and disability insurance	350	
Training	540	
Contracted services	2,700	
Office supplies	1,532	
Postage, permits and fees	1,483	
Publications, subscriptions and dues	970	
Copier maintenance	775	
Software and software support	999	
Printing and publishing	113	
Other supplies and expense	1,738	
Public officials bond	<u>231</u>	<u>63,327</u>

Forward to page 27

\$ 136,016

Village of Cleveland
Detailed Schedule of General Fund Expenditures
Year ended December 31, 2020

General government - Continued			
Brought forward			\$ 136,016
Elections			
Wages	\$	3,170	
Social security and medicare		26	
Travel and mileage		172	
Equipment maintenance		477	
Printing and publishing		574	
Other supplies and expense		<u>2,737</u>	7,156
Accounting and auditing			
Professional services			24,157
Assessment of property			
Board of review wages	\$	90	
Social security and medicare		7	
Professional services		7,700	
Printing and publishing		124	
Other supplies and expense		<u>131</u>	8,052
Village hall			
Telephone	\$	7,517	
Electricity		1,966	
Heat		1,086	
Water and sewer		467	
Building and grounds		967	
Contracted services		3,066	
Internet and website services		2,660	
Repair and maintenance supplies		54	
Other supplies and expense		<u>2,068</u>	19,851
Tax refunds and uncollectible taxes			
Losses			210
Insurance			
Worker's compensation	\$	4,883	
Property and liability		10,000	
Unemployment compensation		230	
FSA / HRA claims		<u>3,063</u>	<u>18,176</u>
Total general government			<u>\$ 213,618</u>

Village of Cleveland
Detailed Schedule of General Fund Expenditures
Year ended December 31, 2020

Public safety			
Police department			
Wages	\$	148,479	
Meeting pay		1,740	
Social security and medicare		11,043	
Retirement		16,544	
Health insurance		28,198	
Life and disability insurance		1,170	
Training		1,131	
Office supplies		330	
Postage, permits and fees		49	
Mobile internet		608	
Publications, subscriptions and dues		334	
Public education materials		351	
Travel and mileage		337	
Uniform allowance		247	
Fuel		2,679	
Vehicle maintenance		2,116	
Equipment maintenance		3,201	
Software and software support		1,224	
Other supplies and expense		<u>470</u>	\$ 220,251
Fire protection			
Fire protection contract	\$	74,353	
2% fire dues		4,082	
Other supplies and expense		<u>11</u>	78,446
Ambulance			
Contracted services			12,056
Building inspections			
Wages	\$	11,800	
Social security and medicare		903	
Contracted services		600	
Other supplies and expense		<u>24</u>	13,327
Emergency government			
Meeting pay	\$	90	
Social security and medicare		7	
Retirement		5	
Siren electricity		48	
Other supplies and expense		<u>36</u>	<u>186</u>
Total public safety			<u>\$ 324,266</u>

Village of Cleveland
Detailed Schedule of General Fund Expenditures
Year ended December 31, 2020

Public works

Street maintenance

Wages	\$ 35,579	
Meeting pay	324	
Social security and medicare	2,605	
Retirement	2,422	
Health insurance	7,201	
Life and disability insurance	268	
Street sweeping	1,100	
General engineering	358	
Mapping and GIS	6,241	
Ditch cutting and right-of-way maintenance	10,061	
General street maintenance	8,992	
Crack and street sealing	17,381	
Contracted services	500	
Office supplies	84	
Postage, permits and fees	26	
Publications, subscriptions and dues	337	
Fuel	951	
Vehicle maintenance	1,106	
Safety expense	<u>124</u>	\$ 95,660

Snow plowing

Contracted services	\$ 18,660	
Other supplies and expense	<u>4,232</u>	22,892

Garage

Electricity	\$ 464	
Heat	266	
Water and sewer	954	
Building and grounds	92	
Contracted services	337	
Repair and maintenance supplies	239	
Other supplies and expense	<u>19</u>	2,371

Street lighting

Electricity		26,348
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Storm sewers

Contracted services	\$ 1,435	
Repair and maintenance supplies	<u>233</u>	1,668

Refuse and garbage collection

Contracted services		<u>67,037</u>
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Forward to page 30

\$ 215,976

Village of Cleveland
Detailed Schedule of General Fund Expenditures
Year ended December 31, 2020

Public works - Continued			
Brought forward			\$ 215,976
Recycling			
Wages	\$	8,655	
Meeting pay		43	
Social security and medicare		626	
Retirement		587	
Health insurance		1,611	
Life and disability insurance		67	
Contracted services		53,613	
Fuel		58	
Equipment maintenance		490	
Safety expense		15	
Other supplies and expense		<u>395</u>	66,160
Weed and nuisance control			
Contracted services	\$	772	
Printing and publishing		<u>42</u>	<u>814</u>
Total public works			<u>\$ 282,950</u>
Culture, recreation and education			
Parks			
Wages	\$	16,560	
Social security and medicare		1,197	
Retirement		1,117	
Health insurance		3,431	
Life and disability insurance		124	
Electricity		4,367	
Water and sewer		1,938	
Building and grounds		2,179	
Contracted services		16,267	
Repair and maintenance supplies		285	
Safety expense		25	
Other supplies and expense		<u>1,121</u>	\$ 48,611
VFW clubhouse			
Electricity	\$	1,399	
Heat		629	
Water and sewer		993	
Building and grounds		50	
Contracted services		1,125	
Repair and maintenance supplies		<u>8</u>	4,204
Street decorations			
Other supplies and expense			<u>1,277</u>
Total culture, recreation and education			<u>\$ 54,092</u>

Village of Cleveland
Detailed Schedule of General Fund Expenditures
Year ended December 31, 2020

Conservation and development		
Planning and zoning		
Wages	\$	2,670
Social security and medicare		170
Retirement		20
Training		225
General engineering		1,498
Contracted services		23,543
Publications, subscriptions and dues		284
Software and software support		1,684
Printing and publishing		57
Other supplies and expense		<u>30</u>
	\$	30,181
Board of appeals		
Wages	\$	240
Social security and medicare		18
Retirement		<u>2</u>
		260
Advertising and promotion		
Electricity	\$	232
Other supplies and expense		<u>2,540</u>
		2,772
Economic development		
Contracted services	\$	4,375
Publications, subscriptions and dues		325
Other supplies and expense		<u>254</u>
		4,954
Forestry		
Contracted services		<u>300</u>
		300
Total conservation and development	\$	<u>38,467</u>

Village of Cleveland
Detailed Schedule of General Fund Expenditures
Year ended December 31, 2020

Capital outlay			
General government			
Computer equipment		\$	17,371
Public safety			
Police department equipment			9,016
Public works			
Street improvements	\$	101,429	
Storm sewer improvements		15,682	
Other transportation		<u>632</u>	117,743
Culture, recreation and education			
Hika park improvements	\$	40,477	
Holiday and street decorations		<u>8,232</u>	<u>48,709</u>
Total capital outlay			<u>\$ 192,839</u>
Total expenditures			<u><u>\$ 1,106,232</u></u>

Village of Cleveland
Detailed Schedule of Debt Service Fund Revenues, Expenditures
and Changes in Fund Balance
Year ended December 31, 2020

Revenues		
Special assessments		
Public improvements		\$ 14,862
Miscellaneous		
Interest on investments	\$ 1,647	
Interest on special assessments and charges	2,199	3,846
		<u>3,846</u>
Total revenues		<u>\$ 18,708</u>
Expenditures		
Debt service		
Principal		\$ 275,234
Interest		22,535
Fees		400
		<u>400</u>
Total expenditures		<u>\$ 298,169</u>
Excess revenues over (under) expenditures		\$ (279,461)
Other financing sources (uses)		
Debt premium	\$ 56,182	
Transfer from general fund	133,313	189,495
		<u>189,495</u>
Net change in fund balance		\$ (89,966)
Fund balance, Beginning of year		<u>501,306</u>
Fund balance, End of year		<u><u>\$ 411,340</u></u>

Village of Cleveland
Detailed Schedule of Capital Project Fund Revenues, Expenditures
and Changes in Fund Balance
Year ended December 31, 2020

Revenues			
Miscellaneous			
Interest on investments			\$ <u>2,975</u>
Expenditures			
Capital outlay			
Public works			
Street improvements	\$ 140,594		
Bridge improvements	369,408		
Storm sewer improvements	<u>23,781</u>	\$	<u>533,783</u>
Debt service			
Debt issue costs			<u>30,977</u>
Total expenditures			<u>\$ 564,760</u>
Excess revenues over (under) expenditures			\$ (561,785)
Other financing sources (uses)			
Debt proceeds	\$ 1,210,000		
Debt premium	<u>8,411</u>		<u>1,218,411</u>
Net change in fund balance			\$ 656,626
Fund balance, Beginning of year			<u>-</u>
Fund balance, End of year			<u><u>\$ 656,626</u></u>

Village of Cleveland
Detailed Schedule of Enterprise Fund Revenues, Expenses and Changes in Retained Earnings
Year ended December 31, 2020

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>
Operating revenues			
Metered sales			
Residential	\$ 196,940	\$ 354,454	\$ 551,394
Commercial	8,781	20,775	29,556
Industrial	6,390	1,947	8,337
Public authorities	13,255	73,916	87,171
Multi-family residential	5,182	12,780	17,962
Private fire protection service	1,512	-	1,512
Public fire protection service	93,437	-	93,437
Forfeited discounts	883	1,259	2,142
Rent from water property	2,231	-	2,231
Other operating revenues	2,691	66	2,757
	<u>\$ 331,302</u>	<u>\$ 465,197</u>	<u>\$ 796,499</u>
Total operating revenues			
Operating expenses			
Plant wages	\$ 40,546	\$ 41,761	\$ 82,307
Utilities	9,198	31,875	41,073
Chemicals	4,856	2,037	6,893
Supplies and expenses	5,285	16,178	21,463
Maintenance and repairs	83,908	12,231	96,139
Transportation expenses	1,256	1,885	3,141
Administrative and general wages	47,591	47,592	95,183
Office supplies and expenses	10,536	10,196	20,732
Telephone	2,001	2,556	4,557
Outside services	49,519	58,491	108,010
Insurance expense	8,572	12,311	20,883
Employee pensions and benefits	19,472	21,872	41,344
Regulatory commission expenses	149	-	149
Miscellaneous expenses	736	7,533	8,269
Taxes	36,274	6,495	42,769
Depreciation expense	60,244	174,537	234,781
	<u>\$ 380,143</u>	<u>\$ 447,550</u>	<u>\$ 827,693</u>
Total operating expenses			
Operating income (loss)	<u>\$ (48,841)</u>	<u>\$ 17,647</u>	<u>\$ (31,194)</u>
Non-operating revenues (expenses)			
Interest income	\$ 1,983	\$ 25,214	\$ 27,197
Interest expense	(672)	(2,342)	(3,014)
Amortization of debt premium	405	1,215	1,620
Debt issue costs	(2,560)	(7,680)	(10,240)
	<u>\$ (844)</u>	<u>\$ 16,407</u>	<u>\$ 15,563</u>
Net non-operating revenues (expenses)			
Income (loss) before contributions	\$ (49,685)	\$ 34,054	\$ (15,631)
Capital contributions	<u>-</u>	<u>2,000</u>	<u>2,000</u>
Net change in retained earnings	\$ (49,685)	\$ 36,054	\$ (13,631)
Retained earnings, Beginning of year	<u>498,297</u>	<u>3,613,835</u>	<u>4,112,132</u>
Retained earnings, End of year	<u>\$ 448,612</u>	<u>\$ 3,649,889</u>	<u>\$ 4,098,501</u>

Village of Cleveland
Detailed Schedule of Water Utility Plant and Equipment
Year ended December 31, 2020

<u>Water Utility</u>	<u>Balances 12/31/2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances 12/31/2020</u>
Intangible plant				
Organization expense	\$ 250	\$ -	\$ -	\$ 250
Source of supply plant				
Land and land rights	\$ 7,500	\$ -	\$ -	\$ 7,500
Collecting and impounding reservoirs	28,282	-	-	28,282
Wells and springs	139,840	-	-	139,840
Total source of supply plant	<u>\$ 175,622</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,622</u>
Pumping plant				
Structures and improvements	\$ 192,622	\$ -	\$ -	\$ 192,622
Other power production equipment	899	-	-	899
Electric pumping equipment	263,419	96,558	15,000	344,977
Other pumping equipment	2,100	-	-	2,100
Total pumping plant	<u>\$ 459,040</u>	<u>\$ 96,558</u>	<u>\$ 15,000</u>	<u>\$ 540,598</u>
Water treatment plant				
Other water treatment equipment	\$ 14,098	\$ -	\$ -	\$ 14,098
Transmission and distribution plant				
Land and land rights	\$ 900	\$ -	\$ -	\$ 900
Distribution reservoirs and standpipes	55,837	26,943	-	82,780
Transmission and distribution mains	947,569	36,865	2,520	981,914
Services	174,220	3,935	100	178,055
Meters	105,089	1,038	840	105,287
Hydrants	198,055	4,170	500	201,725
Total transmission and distribution plant	<u>\$ 1,481,670</u>	<u>\$ 72,951</u>	<u>\$ 3,960</u>	<u>\$ 1,550,661</u>
General plant				
Structures and improvements	\$ 5,210	\$ -	\$ -	\$ 5,210
Office furniture and equipment	2,146	-	-	2,146
Computer equipment	18,263	-	-	18,263
Transportation equipment	21,506	-	-	21,506
Tools, shop and garage equipment	11,106	-	-	11,106
Communication equipment	1,500	-	-	1,500
Miscellaneous equipment	755	-	-	755
Total general plant	<u>\$ 60,486</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,486</u>
Total water utility plant and equipment	<u><u>\$ 2,191,166</u></u>	<u><u>\$ 169,509</u></u>	<u><u>\$ 18,960</u></u>	<u><u>\$ 2,341,715</u></u>

Village of Cleveland
Detailed Schedule of Sewer Utility Plant and Equipment
Year ended December 31, 2020

<u>Sewer Utility</u>	Balances 12/31/2019	Additions	Deletions	Balances 12/31/2020
Collecting system plant and equipment				
Land and land rights	\$ 108,672	\$ -	\$ -	\$ 108,672
Structures and improvements	275,890	-	-	275,890
Service connections, traps and accessories	132,442	24,453	3,000	153,895
Collecting mains and accessories	1,089,760	111,851	10,000	1,191,611
Force mains	373,883	-	-	373,883
Total collecting system plant and equipment	<u>\$ 1,980,647</u>	<u>\$ 136,304</u>	<u>\$ 13,000</u>	<u>\$ 2,103,951</u>
Collecting system pumping installations				
Structures and improvements	\$ 15,793	\$ -	\$ -	\$ 15,793
Receiving wells	23,601	-	-	23,601
Electric pumping equipment	187,305	110,800	10,000	288,105
Other power pumping equipment	17,156	-	-	17,156
Total collecting system pumping installations	<u>\$ 243,855</u>	<u>\$ 110,800</u>	<u>\$ 10,000</u>	<u>\$ 344,655</u>
Treatment and disposal plant				
Land and land rights	\$ 1,550	\$ -	\$ -	\$ 1,550
Structures and improvements	1,464,299	-	-	1,464,299
Secondary treatment equipment	591,720	183,284	35,000	740,004
Advanced treatment equipment	25,726	-	-	25,726
Chlorination equipment	27,967	-	-	27,967
Sludge treatment and disposal equipment	204,580	-	-	204,580
Plant site piping	128,855	-	-	128,855
Flow metering and monitoring equipment	50,772	50,000	5,000	95,772
Outfall sewer pipes	173,151	-	-	173,151
Other treatment and disposal plant equipment	9,124	-	-	9,124
Total treatment and disposal plant	<u>\$ 2,677,744</u>	<u>\$ 233,284</u>	<u>\$ 40,000</u>	<u>\$ 2,871,028</u>
General plant				
Structures and improvements	\$ 5,210	\$ -	\$ -	\$ 5,210
Office furniture and equipment	6,202	-	-	6,202
Computer equipment	17,676	-	-	17,676
Transportation equipment	43,888	-	-	43,888
Tools, shop and garage equipment	50,691	-	-	50,691
Lab equipment	3,880	-	-	3,880
Miscellaneous equipment	4,235	-	-	4,235
Total general plant	<u>\$ 131,782</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,782</u>
Construction work in progress				
Work in progress	\$ 397,853	\$ -	\$ 397,853	\$ -
Total sewer utility plant and equipment	<u>\$ 5,431,881</u>	<u>\$ 480,388</u>	<u>\$ 460,853</u>	<u>\$ 5,451,416</u>