

**Village of Cleveland**  
Cleveland, Wisconsin  
Financial Statements  
Year ended December 31, 2023

Village of Cleveland  
December 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Village Board  
Village of Cleveland  
Cleveland, Wisconsin

### Qualified Opinion

We have audited the accompanying financial statements of the Village of Cleveland, Wisconsin (the "Village"), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village's financial statements as listed in the table of contents.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the Village, as of December 31, 2023, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Qualified Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Cleveland, 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 qualified audit opinion.

### Matter Giving Rise to the Qualified Opinion

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.

### 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.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

## **Supplementary Financial Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's financial statements. The supplementary financial information as listed in the table of contents as supplementary financial information is presented for purposes of additional analysis and is 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. The 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, the supplementary financial 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 11, 2024

## Financial Statements

Village of Cleveland  
Balance Sheet - All Funds  
December 31, 2023

	Governmental Funds					Proprietary Funds	Fiduciary Funds	Total
	General	Debt Service	ARPA	TIF District #2	Capital Project	Enterprise	Agency Property Tax	
<b>Assets</b>								
Cash and investments	\$ 905,415	\$ 75,508	\$ 693	\$ -	\$ 1,010,304	\$ 1,075,940	\$ 487,058	\$ 3,554,918
Receivables								
Taxes	439,813	-	-	-	-	-	973,314	1,413,127
Delinquent PP taxes	477	-	-	-	-	-	-	477
Delinquents held by County	34,000	-	-	-	-	-	-	34,000
Special assessments	420,847	-	-	-	-	88,000	-	508,847
Accounts	1,724	-	-	-	-	146,291	-	148,015
Interest	-	-	-	-	-	2,897	-	2,897
Due from other funds	761,985	-	-	-	-	-	-	761,985
Due from other governments	17,962	-	-	-	-	134,226	-	152,188
Materials and supplies	-	-	-	-	-	27,224	-	27,224
Prepaid expenses	10,190	-	-	-	-	-	-	10,190
Advances to other funds	106,881	-	-	-	-	-	-	106,881
Utility plant and equipment	-	-	-	-	-	9,412,477	-	9,412,477
Less: Accumulated depreciation	-	-	-	-	-	(4,486,900)	-	(4,486,900)
Unamortized water tower painting costs	-	-	-	-	-	46,576	-	46,576
Restricted funds								
Cash and investments	-	-	-	-	-	647,637	-	647,637
<b>Total assets</b>	<b><u>\$ 2,699,294</u></b>	<b><u>\$ 75,508</u></b>	<b><u>\$ 693</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 1,010,304</u></b>	<b><u>\$ 7,094,368</u></b>	<b><u>\$ 1,460,372</u></b>	<b><u>\$12,340,539</u></b>

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

Village of Cleveland  
Balance Sheet - All Funds  
December 31, 2023

	Governmental Funds					Proprietary Funds	Fiduciary Funds	Total
	General	Debt Service	ARPA	TIF District #2	Capital Project	Enterprise	Agency Property Tax	
<b>Liabilities</b>								
Accounts payable	\$ 29,093	\$ -	\$ -	\$ 6,621	\$ 1,132,018	\$ 20,411	\$ -	\$ 1,188,143
Accrued wages	8,835	-	-	-	-	-	-	8,835
Accrued payroll taxes and benefits	12,169	-	-	-	-	-	-	12,169
Accrued taxes	-	-	-	-	-	27,251	-	27,251
Accrued interest	-	-	-	-	-	10,572	-	10,572
Due to other funds	-	-	-	4,478	-	757,507	-	761,985
Due to other governments	12,325	-	-	-	-	-	1,460,372	1,472,697
Deferred taxes	606,476	-	-	-	-	-	-	606,476
Special assessments deferred	465,462	-	-	-	-	-	-	465,462
Other deferred revenue	43,547	-	-	-	-	-	-	43,547
Advances from other funds	-	-	-	-	-	106,881	-	106,881
General obligation debt payable	-	-	-	-	-	958,238	-	958,238
Unamortized debt premium	-	-	-	-	-	13,989	-	13,989
Total liabilities	<u>\$ 1,177,907</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,099</u>	<u>\$ 1,132,018</u>	<u>\$ 1,894,849</u>	<u>\$ 1,460,372</u>	<u>\$ 5,676,245</u>
<b>Fund equity</b>								
Contributed capital								
Municipality	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 838,071	\$ -	\$ 838,071
Retained earnings	-	-	-	-	-	4,361,448	-	4,361,448
Fund balance								
Nonspendable	117,071	-	-	-	-	-	-	117,071
Restricted	-	75,508	693	-	-	-	-	76,201
Committed	593,596	-	-	-	-	-	-	593,596
Unassigned	810,720	-	-	(11,099)	(121,714)	-	-	677,907
Total fund equity	<u>\$ 1,521,387</u>	<u>\$ 75,508</u>	<u>\$ 693</u>	<u>\$ (11,099)</u>	<u>\$ (121,714)</u>	<u>\$ 5,199,519</u>	<u>\$ -</u>	<u>\$ 6,664,294</u>
Total liabilities and fund equity	<u>\$ 2,699,294</u>	<u>\$ 75,508</u>	<u>\$ 693</u>	<u>\$ -</u>	<u>\$ 1,010,304</u>	<u>\$ 7,094,368</u>	<u>\$ 1,460,372</u>	<u>\$12,340,539</u>

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, 2023

	Governmental Funds					Total
	General	Debt Service	ARPA	TIF District #2	Capital Project	
<b>Revenues</b>						
Taxes	\$ 715,894	\$ -	\$ -	\$ -	\$ -	\$ 715,894
Special assessments	142,196	-	-	-	-	142,196
Intergovernmental revenues	370,702	-	-	-	-	370,702
Licenses and permits	107,641	-	-	-	-	107,641
Fines, forfeits and penalties	11,217	-	-	-	-	11,217
Public charges for services	3,106	-	-	-	-	3,106
Miscellaneous	134,763	5,235	7,185	-	61,522	208,705
<b>Total revenues</b>	<b>\$ 1,485,519</b>	<b>\$ 5,235</b>	<b>\$ 7,185</b>	<b>\$ -</b>	<b>\$ 61,522</b>	<b>\$ 1,559,461</b>
<b>Expenditures</b>						
<b>Current</b>						
General government	\$ 249,721	\$ -	\$ -	\$ 2,604	\$ -	\$ 252,325
Public safety	254,256	-	-	-	-	254,256
Public works	294,962	-	-	-	-	294,962
Culture, recreation and education	67,533	-	-	-	-	67,533
Conservation and development	26,440	-	-	8,495	-	34,935
Capital outlay	85,645	-	-	-	1,398,587	1,484,232
<b>Debt service</b>						
Principal	-	178,940	-	-	-	178,940
Interest	-	94,145	-	-	-	94,145
Fees	-	800	-	-	-	800
<b>Total expenditures</b>	<b>\$ 978,557</b>	<b>\$ 273,885</b>	<b>\$ -</b>	<b>\$ 11,099</b>	<b>\$ 1,398,587</b>	<b>\$ 2,662,128</b>
<b>Excess revenues over (under) expenditures</b>	<b>\$ 506,962</b>	<b>\$ (268,650)</b>	<b>\$ 7,185</b>	<b>\$ (11,099)</b>	<b>\$ (1,337,065)</b>	<b>\$ (1,102,667)</b>
<b>Other financing sources (uses)</b>						
Transfer to general fund	\$ 21,753	\$ -	\$ (21,753)	\$ -	\$ -	\$ -
Transfer to enterprise fund	-	-	(139,225)	-	-	(139,225)
<b>Net other financing sources (uses)</b>	<b>\$ 21,753</b>	<b>\$ -</b>	<b>\$ (160,978)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (139,225)</b>
<b>Net change in fund balances</b>	<b>\$ 528,715</b>	<b>\$ (268,650)</b>	<b>\$ (153,793)</b>	<b>\$ (11,099)</b>	<b>\$ (1,337,065)</b>	<b>\$ (1,241,892)</b>
Fund balances, Beginning of year	992,672	344,158	154,486	-	1,215,351	2,706,667
<b>Fund balances (deficit), End of year</b>	<b>\$ 1,521,387</b>	<b>\$ 75,508</b>	<b>\$ 693</b>	<b>\$ (11,099)</b>	<b>\$ (121,714)</b>	<b>\$ 1,464,775</b>

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, 2023

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Taxes	\$ 722,574	\$ 715,894	\$ (6,680)
Special assessments	15,000	142,196	127,196
Intergovernmental revenues	356,677	370,702	14,025
Licenses and permits	53,465	107,641	54,176
Fines, forfeits and penalties	31,350	11,217	(20,133)
Public charges for services	4,015	3,106	(909)
Miscellaneous	<u>8,863</u>	<u>134,763</u>	<u>125,900</u>
Total revenues	<u>\$ 1,191,944</u>	<u>\$ 1,485,519</u>	<u>\$ 293,575</u>
<b>Expenditures</b>			
Current			
General government	\$ 262,905	\$ 249,721	\$ 13,184
Public safety	342,241	254,256	87,985
Public works	347,795	294,962	52,833
Health and human services	200	-	200
Culture, recreation and education	82,464	67,533	14,931
Conservation and development	41,865	26,440	15,425
Capital outlay	<u>11,240</u>	<u>85,645</u>	<u>(74,405)</u>
Total expenditures	<u>\$ 1,088,710</u>	<u>\$ 978,557</u>	<u>\$ 110,153</u>
Excess revenues over (under) expenditures	<u>\$ 103,234</u>	<u>\$ 506,962</u>	<u>\$ 403,728</u>
<b>Other financing sources (uses)</b>			
Transfer from ARPA fund	\$ -	\$ 21,753	\$ 21,753
Draws from committed funds	18,000	-	(18,000)
Transfer to debt service fund	(190,379)	-	190,379
Transfer to capital project fund	<u>(10,426)</u>	<u>-</u>	<u>10,426</u>
Net other financing sources (uses)	<u>\$ (182,805)</u>	<u>\$ 21,753</u>	<u>\$ 204,558</u>
Net change in fund balance	\$ (79,571)	\$ 528,715	\$ 608,286
Fund balance, Beginning of year	<u>992,672</u>	<u>992,672</u>	<u>-</u>
Fund balance, End of year	<u>\$ 913,101</u>	<u>\$ 1,521,387</u>	<u>\$ 608,286</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, 2023

	Enterprise Fund
Operating revenues	
Water	\$ 362,148
Sewer	485,182
Total operating revenues	\$ 847,330
Operating expenses	
Water	
Operation and maintenance expenses	\$ 343,720
Depreciation expense	80,840
Total water	\$ 424,560
Sewer	
Operation and maintenance expenses	\$ 297,897
Depreciation expense	190,535
Total sewer	\$ 488,432
Total operating expenses	\$ 912,992
Operating income (loss)	
Water	\$ (62,412)
Sewer	(3,250)
Total operating income (loss)	\$ (65,662)
Non-operating revenues (expenses)	
Interest income	\$ 75,636
Interest expense	(38,487)
Amortization of debt premium	3,542
Net non-operating revenues (expenses)	\$ 40,691
Income (loss) before contributions and transfers	\$ (24,971)
Capital contributions	232,302
Transfer from ARPA fund	139,225
Net change in retained earnings	\$ 346,556
Retained earnings, Beginning of year	4,014,892
Retained earnings, End of year	\$ 4,361,448

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

Village of Cleveland  
Statement of Cash Flows  
Proprietary Funds  
Year ended December 31, 2023

	Enterprise Fund
Cash flows from operating activities	
Operating loss	\$ (65,662)
Adjustments to reconcile operating loss to net cash flows from operating activities	
Depreciation expense	271,375
Depreciation charged to other accounts	5,311
Amortization expense - water tower painting costs	46,576
Changes in assets and liabilities	
Accounts receivable	(5,994)
Materials and supplies	(1,035)
Prepaid expenses	2,369
Accounts payable	(14,696)
Accrued taxes	1,067
Due to / from other funds	89,733
Net cash flows from operating activities	\$ 329,044
Cash flows from noncapital financing activities	
Customer sewer laterals paid	\$ (17,000)
Cash flows from capital and related financing activities	
Acquisition of capital assets	\$ (297,199)
Sale of capital assets / salvage	800
Cost of removal of capital assets	(2,348)
Capital contributed	27,076
Transfer from ARPA fund	139,225
Debt retired	(36,060)
Interest paid	(34,162)
Net cash flows from capital and related financing activities	\$ (202,668)
Cash flows from investing activities	
Interest income	\$ 75,607
Net change in cash and cash equivalents	\$ 184,983
Cash and cash equivalents, Beginning of year	1,538,594
Cash and cash equivalents, End of year	\$ 1,723,577

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

Village of Cleveland  
Statement of Cash Flows  
Proprietary Funds  
Year ended December 31, 2023

	<u>Enterprise Fund</u>
<u>Reconciliation of cash and cash equivalents to balance sheet</u>	
Cash and investments	\$ 1,075,940
Restricted funds cash and investments	<u>647,637</u>
Total cash and investments	<u><u>\$ 1,723,577</u></u>

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

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

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 for the payment of general long-term debt principal, interest and related costs, other than Utility debt.

American Rescue Plan Act (ARPA) Fund - This fund accounts for the Village's revenues and expenses related to the American Rescue Plan Act.

TIF District #2 Fund - This fund accounts for activities associated with the design, construction, debt service payments and related costs of TIF District #2.

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, 2023

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. An amount equal to the long-term receivable is reported as a nonspendable fund balance.

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, 2023

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. Cash Equivalents

For purposes of the statement of cash flows, the Village's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

F. 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.

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 1. Summary of Significant Accounting Policies - Continued

G. 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 - 2022 tax roll collect 2023

Levy date	December 2022
Tax bills mailed	December 2022
Real property taxes	
Payment in full or	January 31, 2023
First installment due	January 31, 2023
Second installment due	July 31, 2023
Personal property taxes	
Payment in full	January 31, 2023

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. 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 2023 tax roll (levied for 2024) 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.

H. Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on the tax roll on an installment basis with interest.

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, 2023

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. Prepaid Expenses

Prepaid expenses represent payments made by the Village and Utilities for which benefits extend beyond December 31. In the governmental funds, a portion of fund balance has been classified as nonspendable to signify that a portion of fund balance is not available for other subsequent expenditures.

M. 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.

N. Utility 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.

O. 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.

P. Restricted Assets

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

Q. 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.

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 1. Summary of Significant Accounting Policies - Continued

R. 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.

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.

S. Utility Charges for Services

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.

T. 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.

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 1. Summary of Significant Accounting Policies - Continued

U. 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.

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, 2023 are summarized as follows:

Checking and money market	\$ 2,495,394
Wisconsin local government investment pool	1,706,215
Petty cash	<u>946</u>
Total cash and investments	<u>\$ 4,202,555</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, 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, 2023, 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, 2023, \$1,045,583 of the Village's bank balance of \$2,547,529 was exposed to custodial credit risk because deposits exceeded the federal and state depository insurance limits and bank collateralization agreements.

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 3. Restricted Funds - Cash and Investments

The enterprise fund had the following restricted cash and investments as of December 31, 2023.

	<u>Sewer Utility</u>
Capital replacement	\$ 586,879
Construction	60,758
Total	\$ 647,637

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

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

Note 4. Utility Plant and Equipment - Enterprise Fund

Capital asset balances and activity for the year ended December 31, 2023 were as follows:

	<u>Balances</u> <u>12/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>12/31/2023</u>
<u>Water Utility Plant and Equipment</u>				
Intangible plant	\$ 250	\$ -	\$ -	\$ 250
Source of supply plant	175,622	-	-	175,622
Pumping plant	549,993	-	-	549,993
Water treatment plant	14,098	-	-	14,098
Transmission and distribution plant	2,106,247	987,666	126,184	2,967,729
General plant	65,009	-	-	65,009
Construction work in progress	5,509	-	5,509	-
Total water utility plant and equipment	\$ 2,916,728	\$ 987,666	\$ 131,693	\$ 3,772,701
<u>Sewer Utility Plant and Equipment</u>				
Collecting system plant and equipment	\$ 2,105,951	\$ 113,094	\$ 25,000	\$ 2,194,045
Collecting system pumping installations	407,815	-	-	407,815
Treatment and disposal plant	2,883,503	9,543	5,000	2,888,046
General plant	149,870	-	-	149,870
Total sewer utility plant and equipment	\$ 5,547,139	\$ 122,637	\$ 30,000	\$ 5,639,776
Total utility plant and equipment	\$ 8,463,867	\$ 1,110,303	\$ 161,693	\$ 9,412,477

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 5. Long-Term Liabilities

Long-term liability balances and activity for the year ended December 31, 2023 were as follows:

<u>Type</u>	Village		
	Balances 12/31/2022	Payments	Balances 12/31/2023
General obligation debt			
Bonds*	\$ 1,996,167	\$ 73,723	\$ 1,922,444
Notes*	984,535	105,217	879,318
Totals	\$ 2,980,702	\$ 178,940	\$ 2,801,762

<u>Type</u>	Water and Sewer Utility		
	Balances 12/31/2022	Payments	Balances 12/31/2023
General obligation debt			
Bonds*	\$ 668,833	\$ 1,277	\$ 667,556
Notes*	325,465	34,783	290,682
Totals	\$ 994,298	\$ 36,060	\$ 958,238

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, 2023 is comprised of the following individual issues:

<u>Description</u>	<u>Issue Dates</u>	<u>Interest Rates (%)</u>	<u>Dates of Final Maturity</u>	<u>Balances 12/31/2023</u>
Bonds*	02/08/11	4.80%	03/01/25	\$ 150,000
Notes*	09/09/20	1.00 - 3.00%	04/01/30	1,170,000
Bonds*	09/29/22	3.00 - 4.20%	04/01/42	2,440,000
Total				\$ 3,760,000

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 5. Long-Term Liabilities - Continued

General Obligation Debt Limit Calculation

The 2023 equalized valuation of the Village as certified by the Wisconsin Department of Revenue is \$139,331,000. The legal debt limit and margin of indebtedness as of December 31, 2023, in accordance with Section 67.03(1) of the Wisconsin Statutes follows:

Debt limit (5% of \$139,331,000)	\$ 6,966,550
Deduct long-term debt applicable to debt margin*	<u>(3,760,000)</u>
Margin of indebtedness	<u>\$ 3,206,550</u>

Maturities of Long-Term Debt

Aggregate cash flow requirements for the retirement of long-term principal and interest as of December 31, 2023 is as follows:

Year	Village			Water and Sewer Utility		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 230,183	\$ 86,416	\$ 316,599	\$ 59,817	\$ 29,695	\$ 89,512
2025	240,182	78,033	318,215	59,818	27,878	87,696
2026	157,671	71,403	229,074	52,329	26,183	78,512
2027	155,155	66,661	221,816	49,845	24,635	74,480
2028	224,068	62,419	286,487	80,932	23,149	104,081
2029-2033	764,503	255,678	1,020,181	280,497	93,797	374,294
2034-2038	530,000	158,800	688,800	195,000	57,250	252,250
2039-2042	<u>500,000</u>	<u>42,805</u>	<u>542,805</u>	<u>180,000</u>	<u>15,030</u>	<u>195,030</u>
Totals	<u>\$ 2,801,762</u>	<u>\$ 822,215</u>	<u>\$ 3,623,977</u>	<u>\$ 958,238</u>	<u>\$ 297,617</u>	<u>\$ 1,255,855</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, 2023 is summarized as follows:

	Balance 12/31/2022	Amortization	Balance 12/31/2023
Debt issuance premium	<u>\$ 17,531</u>	<u>\$ 3,542</u>	<u>\$ 13,989</u>

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 6. Fund Balances

As of December 31, 2023, the TIF District #2 fund had a fund balance deficit of \$11,099 and the capital project fund had a fund balance deficit of \$121,714.

Details of the Village's fund balances as of December 31, 2023 are as follows:

	General	Debt Service	ARPA	TIF District #2	Capital Project	Total
Fund balances						
Nonspendable						
Long-term receivables	\$ 106,881	\$ -	\$ -	\$ -	\$ -	\$ 106,881
Prepaid expenses	10,190	-	-	-	-	10,190
Restricted for						
Debt service	-	75,508	-	-	-	75,508
ARPA	-	-	693	-	-	693
Committed to						
GASB compliance	4,848	-	-	-	-	4,848
Revaluation	43,338	-	-	-	-	43,338
Buildings and grounds	60,482	-	-	-	-	60,482
HRA reimbursements	6,626	-	-	-	-	6,626
Crime prevention	2,022	-	-	-	-	2,022
Office equip. and tech.	6,986	-	-	-	-	6,986
Tech. not yet known	21,602	-	-	-	-	21,602
Park improvements	23,999	-	-	-	-	23,999
Street decorations	9,779	-	-	-	-	9,779
Debt service / capital exp.	185,942	-	-	-	-	185,942
"Rainy Day"	227,972	-	-	-	-	227,972
Unassigned (deficit)	<u>810,720</u>	<u>-</u>	<u>-</u>	<u>(11,099)</u>	<u>(121,714)</u>	<u>677,907</u>
Total fund balances	<u>\$1,521,387</u>	<u>\$ 75,508</u>	<u>\$ 693</u>	<u>\$ (11,099)</u>	<u>\$ (121,714)</u>	<u>\$ 1,464,775</u>

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 7. Interfund Balances and Activity

Interfund receivable and payable balances at December 31, 2023 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Due to / from</u>	<u>Adv. to / from</u>
General fund	Enterprise fund	\$ 757,507	\$ 106,881
General fund	TIF District #2 fund	<u>4,478</u>	<u>-</u>
Totals		<u>\$ 761,985</u>	<u>\$ 106,881</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.

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, 2023.

<u>Department</u>	<u>Excess Expenditures</u>
Capital outlay	<u>\$ 74,405</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 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>.



Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 9. Defined Benefit Pension Plan - Continued

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

*Vesting*

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

*Benefits Provided*

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

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

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

The WRS also provides death and disability benefits for employees.

*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.

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 9. Defined Benefit Pension Plan - Continued

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>
2013	-9.6%	9.0%
2014	4.7%	25.0%
2015	2.9%	2.0%
2016	0.5%	-5.0%
2017	2.0%	4.0%
2018	2.4%	17.0%
2019	0.0%	-10.0%
2020	1.7%	21.0%
2021	5.1%	13.0%
2022	7.4%	15.0%

*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.

For the year ended December 31, 2023, the WRS recognized \$29,767 in contributions from the Village.

Contribution rates for 2023 are as follows:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives and elected officials)	6.80%	6.80%
Protective with social security	6.80%	13.20%
Protective without social security	6.80%	18.10%

The payroll for Village employees covered by the WRS for the year ended December 31, 2023 was \$395,443; the Village's total payroll was \$446,823. The total required contribution for the year ended December 31, 2023 was \$56,657, which consisted of \$29,767 or 7.53% of payroll from the employer and \$26,890 or 6.80% of payroll from employees. Total contributions for the years ending December 31, 2022 and 2021 were \$52,842 and \$63,177, respectively, equal to the required contributions for each year.

Village of Cleveland  
Notes to the Financial Statements  
December 31, 2023

Note 10. Tax Incremental Financing Districts

The Village is in the process of creating TIF District #2 to provide new housing and job opportunities in the Village. Tax incremental financing, as authorized by Section 66.46 of the Wisconsin Statutes, is a method by which the Village can recover its development and public improvement costs through the increase in valuation in the TIF designated area.

Note 11. 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 percentage change in the Village's equalized value due to new construction. 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 12. 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 13. Commitments and Contingencies

Promissory Note

On September 25, 2023 the Village issued a General Obligation Promissory Note in the amount of \$225,000 for the 2023 street and utility improvement project. The Village has not made any draws on the note as of the audit report date.

Note 14. 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 11, 2024. 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, 2023

Taxes			
General property taxes	\$	679,974	
Mobile home fees		9,361	
Municipal utility tax		26,184	
Use-value penalties		372	
Interest on delinquent taxes		<u>3</u>	\$ 715,894
Special assessments			
Public improvements			142,196
Intergovernmental revenues			
Shared revenues	\$	243,742	
Exempt computer aid		1,344	
Personal property aid		3,845	
Video service provider aid		3,290	
Fire insurance tax		5,317	
General transportation aid		74,355	
Local road improvement program		10,426	
Recycling grant		3,068	
Payment in lieu of taxes		2,700	
Forestry grant		4,653	
County ARPA grant		<u>17,962</u>	370,702
Licenses and permits			
Alcohol beverage licenses	\$	1,010	
Operator licenses		645	
Cigarette and tobacco licenses		200	
Direct seller permits		225	
Mobile home park licenses		200	
Lodging licenses		150	
Cable TV franchise fees		13,149	
Dog licenses		2,454	
Bicycle licenses		1	
Building and sign permits		87,957	
Plan and survey filing fees		950	
Land use and special meeting fees		<u>700</u>	107,641
Fines, forfeits and penalties			
Court penalty assessments and costs	\$	7,341	
Parking fines		340	
Dog license penalties		420	
Awards and damages		<u>3,116</u>	<u>11,217</u>
Forward to page 26			<u>\$ 1,347,650</u>

Village of Cleveland  
Detailed Schedule of General Fund Revenues  
Year ended December 31, 2023

Brought forward		\$ 1,347,650
Public charges for services		
Clerk-treasurer fees	\$ 7	
Document preparation fees	390	
Publication fees	212	
Storm sewer hook-up fees	250	
Weed and nuisance control fees	422	
Park reservation fees	860	
VFW clubhouse reservation fees	860	
Other public charges	105	3,106
Miscellaneous		
Interest on investments	\$ 29,491	
Interest on special assessments and charges	2,063	
Sale of scrap metal	758	
Sale of other equipment and property	210	
Private donations and contributions	95,807	
Insurance dividends and refunds	5,022	
Refund of expenditures	147	
FSA forfeitures	1,245	
Miscellaneous	20	134,763
Total revenues		\$ 1,485,519

Village of Cleveland  
Detailed Schedule of General Fund Expenditures  
Year ended December 31, 2023

General government

Village board

Wages	\$ 11,715	
Social security and medicare	808	
Retirement	63	
Training	135	
Publications, subscriptions and dues	406	
Printing and publishing	268	
Other supplies and expense	143	\$ 13,538

Municipal court

Judicial wages	\$ 2,400	
Clerical wages	23,027	
Social security and medicare	1,828	
Retirement	1,566	
Health insurance	5,632	
Life and disability insurance	184	
Training	740	
Office supplies	80	
Postage, permits and fees	33	
Publications, subscriptions and dues	327	
Travel and mileage	148	
Software and software support	1,200	
Other supplies and expense	71	
Public officials bond	138	37,374

Legal services

Professional services - general	\$ 48,632	
Professional services - police	4,355	52,987

Clerk-treasurer's office

Wages	\$ 39,902	
Meeting pay	455	
Social security and medicare	3,075	
Retirement	2,544	
Health insurance	4,155	
Life and disability insurance	315	
Training	1,054	
Recruitment and employee medical	49	
Contracted services	2,800	
Office supplies	968	
Postage, permits and fees	1,331	
Publications, subscriptions and dues	1,555	
Travel and mileage	1,028	
Copier maintenance	1,193	
Software and software support	1,339	
Printing and publishing	217	
Other supplies and expense	1,267	
Public officials bond	231	63,478

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\$ 167,377

Village of Cleveland  
Detailed Schedule of General Fund Expenditures  
Year ended December 31, 2023

General government - Continued			
Brought forward			\$ 167,377
Elections			
Wages	\$	1,287	
Social security and medicare		12	
Travel and mileage		143	
Equipment maintenance		477	
Printing and publishing		234	
Other supplies and expense		<u>412</u>	2,565
Accounting and auditing			
Professional services			27,365
Property assessment			
Board of review wages	\$	210	
Social security and medicare		7	
Training		100	
Professional services		9,800	
Printing and publishing		140	
Other supplies and expense		<u>44</u>	10,301
Village hall			
Telephone	\$	7,068	
Electricity		1,988	
Natural gas		1,166	
Water and sewer		413	
Building and grounds		72	
Contracted services		6,779	
Internet and website services		1,680	
Subscriptions and licenses		2,850	
Repair and maintenance supplies		308	
Other supplies and expense		<u>404</u>	22,728
Insurance			
Worker's compensation	\$	3,551	
Property and liability		10,257	
HRA claims		<u>5,577</u>	<u>19,385</u>
Total general government			<u>\$ 249,721</u>



Village of Cleveland  
Detailed Schedule of General Fund Expenditures  
Year ended December 31, 2023

Public safety		
Police department		
Wages	\$	70,603
Meeting pay		285
Social security and medicare		5,149
Retirement		7,509
Health insurance		15,849
Life and disability insurance		401
Training		295
Recruitment and employee medical		8,137
Contracted services		2,625
Office supplies		77
Postage, permits and fees		43
Publications, subscriptions and dues		150
Public education materials		776
Travel and mileage		695
Uniform allowance		490
Fuel		923
Vehicle maintenance		254
Equipment maintenance		2,245
Software and software support		3,683
Other supplies and expense		<u>1,805</u>
	\$	121,994
Fire protection		
Fire protection contract	\$	78,871
Fire insurance tax		<u>5,317</u>
		84,188
Ambulance		
Contracted services		12,608
Building inspections		
Wages	\$	27,037
Meeting pay		454
Social security and medicare		2,077
Retirement		918
Health insurance		4,155
Life and disability insurance		100
Licenses and credentials		40
Contracted services		480
Other supplies and expense		<u>205</u>
		<u>35,466</u>
Total public safety	\$	<u>254,256</u>

Village of Cleveland  
Detailed Schedule of General Fund Expenditures  
Year ended December 31, 2023

Public works			
Street maintenance			
Wages	\$	48,800	
Meeting pay		455	
Social security and medicare		3,498	
Retirement		3,345	
Health insurance		11,506	
Life and disability insurance		340	
Medical services		42	
Recruitment and employee medical		148	
General engineering		2,532	
Mapping and GIS		3,974	
Ditch cutting and right-of-way maintenance		18,081	
General street maintenance		388	
Crack and street sealing		12,500	
Contracted services		300	
Office supplies		10	
Postage, permits and fees		29	
Publications, subscriptions and dues		114	
Repair and maintenance supplies		23	
Other supplies and expense		<u>63</u>	\$ 106,148
Snow removal			
Contracted services	\$	17,640	
Other supplies and expense		<u>5,335</u>	22,975
Street signs			
Other supplies and expense			21
Garage			
Electricity	\$	331	
Natural gas		299	
Water and sewer		825	
Contracted services		355	
Fuel		2,342	
Repair and maintenance supplies		305	
Vehicle maintenance		138	
Other supplies and expense		<u>175</u>	4,770
Street lighting			
Electricity			28,665
Storm sewers			
Contracted services			165
Refuse and garbage collection			
Contracted services	\$	67,603	
Disposal fees		<u>187</u>	<u>67,790</u>
Forward to page 31			<u>\$ 230,534</u>

Village of Cleveland  
Detailed Schedule of General Fund Expenditures  
Year ended December 31, 2023

Public works - Continued			
Brought forward			\$ 230,534
Recycling			
Wages	\$	9,302	
Meeting pay		61	
Social security and medicare		677	
Retirement		622	
Health insurance		1,819	
Life and disability insurance		67	
Contracted services		50,122	
Uniform allowance		75	
Fuel		204	
Repairs and maintenance supplies		240	
Vehicle maintenance		30	
Equipment maintenance		117	
Safety expense		115	
Other supplies and expense		<u>674</u>	64,125
Weed and nuisance control			
Contracted services	\$	260	
Printing and publishing		<u>43</u>	<u>303</u>
Total public works			<u>\$ 294,962</u>
Culture, recreation and education			
Parks			
Wages	\$	20,364	
Meeting pay		91	
Social security and medicare		1,415	
Retirement		1,390	
Health insurance		5,503	
Life and disability insurance		139	
Electricity		5,493	
Water and sewer		2,094	
Mapping and GIS		80	
Building and grounds		1,130	
Contracted services		16,233	
Contracted services - wave study		2,673	
Internet and website services		1,184	
Fuel		35	
Repair and maintenance supplies		190	
Other supplies and expense		<u>961</u>	<u>\$ 58,975</u>
Forward to page 32			<u>\$ 58,975</u>

Village of Cleveland  
Detailed Schedule of General Fund Expenditures  
Year ended December 31, 2023

Culture, recreation and education - Continued		
Brought forward		\$ 58,975
VFW clubhouse		
Electricity	\$ 420	
Natural gas	866	
Water and sewer	797	
Contracted services	1,308	
Equipment maintenance	18	
Other supplies and expense	<u>699</u>	4,108
Street decorations		
Electricity	\$ 820	
Contracted services	666	
Repair and maintenance supplies	525	
Other supplies and expense	<u>2,439</u>	<u>4,450</u>
Total culture, recreation and education		<u>\$ 67,533</u>
Conservation and development		
Forestry		
Training	\$ 150	
Contracted services	2,778	
Travel and mileage	71	
Other supplies and expense	<u>1,714</u>	\$ 4,713
Planning and zoning		
Wages	\$ 3,090	
Social security and medicare	193	
Retirement	24	
Training	180	
General engineering	1,340	
Publications, subscriptions and dues	<u>468</u>	5,295
Advertising and promotion		
Electricity	\$ 320	
Other supplies and expense	<u>2,441</u>	2,761
Economic development		
Training	\$ 437	
Contracted services	12,195	
Publications, subscriptions and dues	350	
Travel and mileage	254	
Other supplies and expense	<u>435</u>	<u>13,671</u>
Total conservation and development		<u>\$ 26,440</u>

Village of Cleveland  
Detailed Schedule of General Fund Expenditures  
Year ended December 31, 2023

Capital outlay	
General government	
General administration	\$ 2,090
Public safety	
Police department equipment	6,941
Culture, recreation and education	
Park equipment and improvements	<u>76,614</u>
Total capital outlay	<u>\$ 85,645</u>
Total expenditures	<u><u>\$ 978,557</u></u>

Village of Cleveland  
Detailed Schedule of Debt Service Fund Revenues, Expenditures  
and Changes in Fund Balance  
Year ended December 31, 2023

Revenues			
Miscellaneous			
Interest on investments		\$	5,235
Expenditures			
Debt service			
Principal	\$	178,940	
Interest		94,145	
Fees		<u>800</u>	<u>273,885</u>
Net change in fund balance		\$	(268,650)
Fund balance, Beginning of year			<u>344,158</u>
Fund balance, End of year		\$	<u><u>75,508</u></u>

Village of Cleveland  
Detailed Schedule of ARPA Fund Revenues, Expenditures  
and Changes in Fund Balance  
Year ended December 31, 2023

Revenues		
Miscellaneous		
Interest on investments		\$ 7,185
Other financing sources (uses)		
Transfer to general fund	\$ (21,753)	
Transfer to enterprise fund	<u>(139,225)</u>	<u>(160,978)</u>
Net change in fund balance		\$ (153,793)
Fund balance, Beginning of year		<u>154,486</u>
Fund balance, End of year		<u><u>\$ 693</u></u>

Village of Cleveland  
Detailed Schedule of TIF District #2 Fund Revenues, Expenditures  
and Changes in Fund Balance  
Year ended December 31, 2023

Expenditures			
Current			
General government			
Legal services			
Professional services		\$	2,604
Conservation and development			
Economic development			
Professional services	\$	7,592	
Contracted services		480	
Other supplies and expense		<u>423</u>	<u>8,495</u>
Total expenditures			<u>\$ 11,099</u>
Net change in fund balance		\$	(11,099)
Fund balance, Beginning of year			<u>-</u>
Fund balance (deficit), End of year		<u>\$</u>	<u>(11,099)</u>



Village of Cleveland  
Detailed Schedule of Capital Project Fund Revenues, Expenditures  
and Changes in Fund Balance  
Year ended December 31, 2023

Revenues			
Miscellaneous			
Interest on investments		\$	61,522
Expenditures			
Capital outlay			
Public works			
Street improvements	\$	899,707	
Street lighting		3,618	
Storm sewer improvements		<u>495,262</u>	<u>1,398,587</u>
Net change in fund balance		\$	(1,337,065)
Fund balance, Beginning of year			<u>1,215,351</u>
Fund balance (deficit), End of year		\$	<u><u>(121,714)</u></u>

Village of Cleveland  
Detailed Schedule of Enterprise Fund Revenues, Expenses and Changes in Retained Earnings  
Year ended December 31, 2023

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>
Operating revenues			
Metered sales			
Residential	\$ 211,073	\$ 366,346	\$ 577,419
Commercial	10,238	22,740	32,978
Industrial	10,086	2,043	12,129
Public authorities	14,027	75,543	89,570
Multi-family residential	6,407	14,162	20,569
Private fire protection service	1,512	-	1,512
Public fire protection service	100,495	-	100,495
Forfeited discounts	3,172	4,011	7,183
Other operating revenues	5,138	337	5,475
Total operating revenues	<u>\$ 362,148</u>	<u>\$ 485,182</u>	<u>\$ 847,330</u>
Operating expenses			
Plant wages	\$ 51,917	\$ 38,353	\$ 90,270
Utilities	9,551	34,277	43,828
Chemicals	3,949	7,547	11,496
Supplies and expenses	23,689	8,346	32,035
Maintenance and repairs	76,425	8,286	84,711
Transportation expenses	1,480	1,778	3,258
Administrative and general wages	50,187	50,187	100,374
Office supplies and expenses	18,888	17,322	36,210
Outside services	23,534	68,186	91,720
Insurance expense	6,282	10,555	16,837
Employee pensions and benefits	29,313	25,473	54,786
Regulatory commission expenses	12,266	-	12,266
Miscellaneous expenses	1,078	18,780	19,858
Uncollectible accounts	1,200	2,400	3,600
Taxes	33,961	6,407	40,368
Depreciation expense	80,840	190,535	271,375
Total operating expenses	<u>\$ 424,560</u>	<u>\$ 488,432</u>	<u>\$ 912,992</u>
Operating income (loss)	<u>\$ (62,412)</u>	<u>\$ (3,250)</u>	<u>\$ (65,662)</u>
Non-operating revenues (expenses)			
Interest income	\$ 4,202	\$ 71,434	\$ 75,636
Interest expense	(34,190)	(4,297)	(38,487)
Amortization of debt premium	1,252	2,290	3,542
Net non-operating revenues (expenses)	<u>\$ (28,736)</u>	<u>\$ 69,427</u>	<u>\$ 40,691</u>
Income (loss) before contributions and transfers	<u>\$ (91,148)</u>	<u>\$ 66,177</u>	<u>\$ (24,971)</u>
Capital contributions	231,202	1,100	232,302
Transfer from ARPA fund	139,225	-	139,225
Net change in retained earnings	<u>\$ 279,279</u>	<u>\$ 67,277</u>	<u>\$ 346,556</u>
Retained earnings, Beginning of year	<u>309,390</u>	<u>3,705,502</u>	<u>4,014,892</u>
Retained earnings, End of year	<u>\$ 588,669</u>	<u>\$ 3,772,779</u>	<u>\$ 4,361,448</u>

Village of Cleveland  
Detailed Schedule of Water Utility Plant and Equipment  
Enterprise Fund  
Year ended December 31, 2023

<u>Water Utility</u>	<u>Balances 12/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances 12/31/2023</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	354,372	-	-	354,372
Other pumping equipment	2,100	-	-	2,100
Total pumping plant	<u>\$ 549,993</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 549,993</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	82,780	-	-	82,780
Transmission and distribution mains	1,312,048	765,276	88,334	1,988,990
Services	261,548	111,598	6,250	366,896
Meters	197,297	8,687	17,000	188,984
Hydrants	251,674	102,105	14,600	339,179
Total transmission and distribution plant	<u>\$ 2,106,247</u>	<u>\$ 987,666</u>	<u>\$ 126,184</u>	<u>\$ 2,967,729</u>
General plant				
Structures and improvements	\$ 5,210	\$ -	\$ -	\$ 5,210
Office furniture and equipment	2,853	-	-	2,853
Computer equipment	20,319	-	-	20,319
Transportation equipment	21,506	-	-	21,506
Tools, shop and garage equipment	12,866	-	-	12,866
Communication equipment	1,500	-	-	1,500
Miscellaneous equipment	755	-	-	755
Total general plant	<u>\$ 65,009</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,009</u>
Construction work in progress				
Work in progress	\$ 5,509	\$ -	\$ 5,509	\$ -
Total water utility plant and equipment	<u>\$ 2,916,728</u>	<u>\$ 987,666</u>	<u>\$ 131,693</u>	<u>\$ 3,772,701</u>

Village of Cleveland  
Detailed Schedule of Sewer Utility Plant and Equipment  
Enterprise Fund  
Year ended December 31, 2023

<u>Sewer Utility</u>	<u>Balances 12/31/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances 12/31/2023</u>
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	155,895	9,538	5,000	160,433
Collecting mains and accessories	1,191,611	103,556	20,000	1,275,167
Force mains	<u>373,883</u>	<u>-</u>	<u>-</u>	<u>373,883</u>
Total collecting system plant and equipment	<u>\$ 2,105,951</u>	<u>\$ 113,094</u>	<u>\$ 25,000</u>	<u>\$ 2,194,045</u>
Collecting system pumping installations				
Structures and improvements	\$ 15,793	\$ -	\$ -	\$ 15,793
Receiving wells	30,253	-	-	30,253
Electric pumping equipment	301,012	-	-	301,012
Other power pumping equipment	<u>60,757</u>	<u>-</u>	<u>-</u>	<u>60,757</u>
Total collecting system pumping installations	<u>\$ 407,815</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 407,815</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	747,874	-	-	747,874
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	95,772	8,138	5,000	98,910
Outfall sewer pipes	173,151	-	-	173,151
Other treatment and disposal plant equipment	<u>13,729</u>	<u>1,405</u>	<u>-</u>	<u>15,134</u>
Total treatment and disposal plant	<u>\$ 2,883,503</u>	<u>\$ 9,543</u>	<u>\$ 5,000</u>	<u>\$ 2,888,046</u>
General plant				
Structures and improvements	\$ 17,990	\$ -	\$ -	\$ 17,990
Office furniture and equipment	6,909	-	-	6,909
Computer equipment	19,732	-	-	19,732
Transportation equipment	43,888	-	-	43,888
Tools, shop and garage equipment	52,289	-	-	52,289
Lab equipment	4,827	-	-	4,827
Miscellaneous equipment	<u>4,235</u>	<u>-</u>	<u>-</u>	<u>4,235</u>
Total general plant	<u>\$ 149,870</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,870</u>
Total sewer utility plant and equipment	<u>\$ 5,547,139</u>	<u>\$ 122,637</u>	<u>\$ 30,000</u>	<u>\$ 5,639,776</u>