

VILLAGE OF HOWARD, WISCONSIN

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

**PREPARED BY:
Christopher A. Haltom, CPA
Director of Administrative Services**

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May 1, 2023

Citizens of Howard,
Members of the Village Board, Village of Howard, Wisconsin:

The annual financial report for the Village of Howard, Wisconsin, for the year ended December 31, 2022, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the village. To the best of my knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position, results of operations and cash flows, where applicable, of the various funds of the village. All disclosures necessary to enable the reader to gain an understanding of the village's financial activities have been included. Please see the auditors' unmodified opinion on the financial report located on pages 15-18 of this report.

This report includes government-wide financial statements and all the funds of the Village of Howard, Wisconsin. The funds and entities related to the village included in our annual financial report are controlled by or dependent upon the village. Determination of "controlled by or dependent upon" is based on the criteria as outlined in GASB Statement 14, "Defining the Governmental Reporting Entity." The criteria deal with existence as an organized entity (our village), governmental character, and substantial autonomy.

In my opinion, this report was prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year after adjusting for new governmental accounting pronouncements, if any. The report meets all legal reporting requirements and is intended to present a comprehensive summary of significant financial data in a readable format. Please refer to the independent auditor's report found on pages 15-18 for their unmodified opinion of the basic financial statements.

ACCOUNTING SYSTEM AND FINANCIAL POLICIES

The accounting records for the general government of the village are maintained on a modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received, and the liabilities are incurred. The enterprise funds' accounting records are maintained on an accrual basis.

Internal controls over financial records are a major part of continued development and modification of the accounting system. Internal controls are designed to provide reasonable

assurance that (1) assets are safeguarded against loss or theft from unauthorized use and (2) that reliability of financial records is maintained. Reasonable assurance means that the cost of the control should not exceed the benefit gained and the evaluation of costs and benefits is subjective and subject to estimates and judgments by management.

All internal control evaluations occur within the framework above. I believe the village's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The village has many financial policies that affect the current period financial statements, such as; (1) policies that govern the development of the annual budget, (2) expending budgeted funds, (3) reporting of financial activities to elected officials (budgetary controls) and (4) other financial policies. The annual budget of the village lists many of these policies. The most significant financial policy affecting this financial report would be the adopted budget. The village borrowed money in 2021 to fund a much needed reconstruction of existing roads to provide funding for the projects as no other revenue source was available. Prior to 2021, the village had not borrowed for such a project since 1994.

PROFILE OF THE GOVERNMENT

The village government is under the administration of the Village Administrator who is appointed by the Village Board of Trustees. The board is made up of Village President, elected at-large to a three-year term, and eight Trustees, elected to terms of two years based on district representation. Administrative officials, such as the Administrator, Director of Administrative Services (also the Clerk and Treasurer), Director of Community Development, Public Works Director and certain other employees are appointed by the president with confirmation by the board or hired by the administrator.

The village provides a full range of municipal services in accordance with state statutes, village ordinances and citizen needs. This includes public safety, highway and streets, sanitation, public health, recreation-leisure services, economic development, public improvements, community development, zoning, building inspection, general administrative, golf course, water, sewer, storm water utilities and the Howard Commons Apartment complex. In 2022, the village ended the year with 50 full-time employees (after hiring two new firefighters in October 2022) along with approximately 155 part-time positions.

Howard's Public Safety department provides citizens with complete police, fire, and rescue protection. The village contracts with Brown County Sheriff for police services that include 400 hours of police protection each week and investigative services. The Fire Department maintains a paid-on call department of about 45 people with eight full-time positions that include the chief, three captains, three firefighters and a driver. In addition, the fire department has a part-time assistant chief and three daily paid on-call fire fighter positions filled by various members of the department. Two fire stations, appropriately located, provide quick and easy access to any part of the village. Rescue services are contracted with County Rescue and provided on a 24-hour basis with 911 emergency calling available.

General Information

The area was discovered in 1634 by French voyager, Jean Nicolet. The Town of Howard was established in 1835 and slowly developed along the Duck Creek as a center for mail delivery,

farming, quarrying, and lumbering. By 1856, a school was operating, and the Town of Howard became well known for its Duck Creek stone quarries.

By 1959, the population had grown to about 3,500, and the Town of Howard became incorporated as the Village of Howard. Residential, commercial and industrial growth has steadily continued since that time, creating a dynamic suburban community on Green Bay's northwest side with a current population of 20,952.

VILLAGE’S ECONOMIC CONDITION

The village is ideally located in Northeastern Wisconsin, in an area called the Great Lakes Economic Region. This is an industrial area of highly skilled labor, centers of business and commerce and very profitable consumer markets. Howard is bordered on the east by the City of Green Bay to the south is the Village of Hobart and to the north are the Village of Suamico and Town of Pittsfield. The village is approximately 215 miles north of Chicago, 120 miles north of Milwaukee, 140 miles northeast of Madison and 280 miles east of Minneapolis. The village has two interstates bordering the community and three active rail lines, providing access to commercial enterprises.

The economic condition of the Northeastern Wisconsin area remains strong as noted by the residential and commercial development within the village over the past 20 years. Continued growth is expected but at a slower pace than in the years preceding 2008. Unemployment dropped to a low of 2.5% 2018 (for the Green Bay Metro Area) after climbing during 2009 to reach 7.3% of the workforce. The 2020 rate was 3.6% increasing from the December 2019 due to COVID-19, but the rate has dropped by 2.1% at end of 2021.

Major Employers

Although many village residents commute to jobs throughout the Green Bay area, the village itself also has several large employers, including those listed below:

<u>Employer</u>	<u>Product/Service</u>	<u>Number of Employees</u>
Howard-Suamico School District	Education	610
Sanimax Corp.	Manufacturer of various products (feed, soap)	202
Fleet Farm	Retail store	195
Klemm Tank Lines	Trucking	184
Menard’s Inc.	Retail	170
Alive N Kickin	Manufacturer	150
Wisc. Dept. of Natural Resources	State Agency	150
Wipfli LLP	Accounting firm	120
WOW Winona LLC	Food processing	100
Woodman’s Food Market	Retail sales of food	101

Other major employers in the Green Bay area include Bellin Health (3,759), Green Bay Packaging (3,200), Green Bay Public Schools (2,793), the Oneida Tribe of Indians of Wisconsin (2,789), Schneider National Inc. (2,626), Aurora Health Care (2,470), Humana Inc. (2,200), Georgia-Pacific (1,937), United Healthcare (1,800), Brown County government (1,723).

Source: <https://www.greatergbc.org/economic-development/>

Recent and Proposed Development

Since 2012, the village has seen growth in residential, multi-family and commercial construction. Much of the construction was in the form of new single family dwelling units accounting for 808 units constructed. New commercial units constructed since 2012 total 124 units. There were also significant alterations in the form of additions and reconstruction projects completed since 2012. The total estimated construction cost of all projects since 2012 exceeded \$618 million. In 2022, estimated construction cost of building permits exceeded \$172 million, which was the record high, setting a new record (included in this amount is \$57 million of school district, non-taxable construction).

The top 10 largest taxpayers in Howard comprise 7.3% of the tax base. Five of the top 10 taxpayer list have all opened for business in the last 10 years. EPC Howard LLC, d/b/a New Perspective Senior Living, the village's largest taxpayer, opened for business in 2016, located in TID #8, is valued at \$25 million. Meijer grocery stores is the second largest taxpayer, opened in 2017. Elana LLC is a 290-unit apartment complex and is listed as the fourth largest taxpayer assessed at \$21 million, completed original construction in 1991 with major renovations in 2014. WOW Winona LLC is the fifth largest taxpayer with an assessed value of \$18 million. Menard's retail store is the seventh largest taxpayer in Howard beginning operations in 2012 and is in TID #4. (See statistical section for complete list of largest taxpayers.)

The village has developed a plan for a new village center or Howard Commons area located between Cardinal Lane, Riverview Drive and Hillcrest Heights. The center will be an area of mixed-use development to include a public square in the center, a couple of restaurants and multi-family residential buildings. New Perspective located in this center area, is a three-storied, senior housing project that was completed in 2016 and includes 132 units for residents, a 2022 assessed value of over \$25 million. By April 2020, the village completed construction of Howard Commons Apartment complex, three three-storied buildings. Currently under construction is an open air pavilion, outdoor concert stage and administrative building that will be used to house events such as farmer's market, concerts in the park and ice skating in the winter along with many other possibilities. The village just hired the new director (in early 2023) for this facility and is looking to make the facility a meeting place for residents to connect and enjoy outdoor entertainment and activities.

The village created TID #4 in an area around the intersection of Interstate 41 and State Highway 29. In June 2012, Menard, Inc. constructed a \$15 million retail store within the district. The village created two other TIDs for development along Interstate 41 at Velp Avenue (TID #5) and at Lineville Road (TID #6). In TID #5 during 2013, the village entered an agreement with a local Harley-Davidson dealer to reconstruct an existing facility, with the village providing a low interest loan and incentive on their project. In TID #6 in February 2017, the village entered an agreement with WOW Winona (Foods) LLC to construct a manufacturing plant that created 100 new jobs; the village has three other TID agreements in TID #6.

The following table depicts the labor force in the Green Bay MSA and unemployment rates.

Labor Force Data for Brown County (Green Bay MSA)

	<u>Total Civilian Labor Force</u>	<u>Unemployment Rates</u>	
		<u>MSA</u>	<u>State</u>
2022 December	171,726	2.0%	2.2%
2021 December	173,847	2.1%	2.3%
2020 December	170,349	3.6%	4.4%
2019 December	172,794	3.0%	3.2%
2018 December	174,287	2.4%	2.6%
2017 December	173,987	2.5%	2.7%
2016 December	172,576	3.4%	4.1%
2015 December	177,700	3.8%	4.2%
2014 December	174,859	4.6%	5.0%
2013 December	174,169	5.3%	5.8%

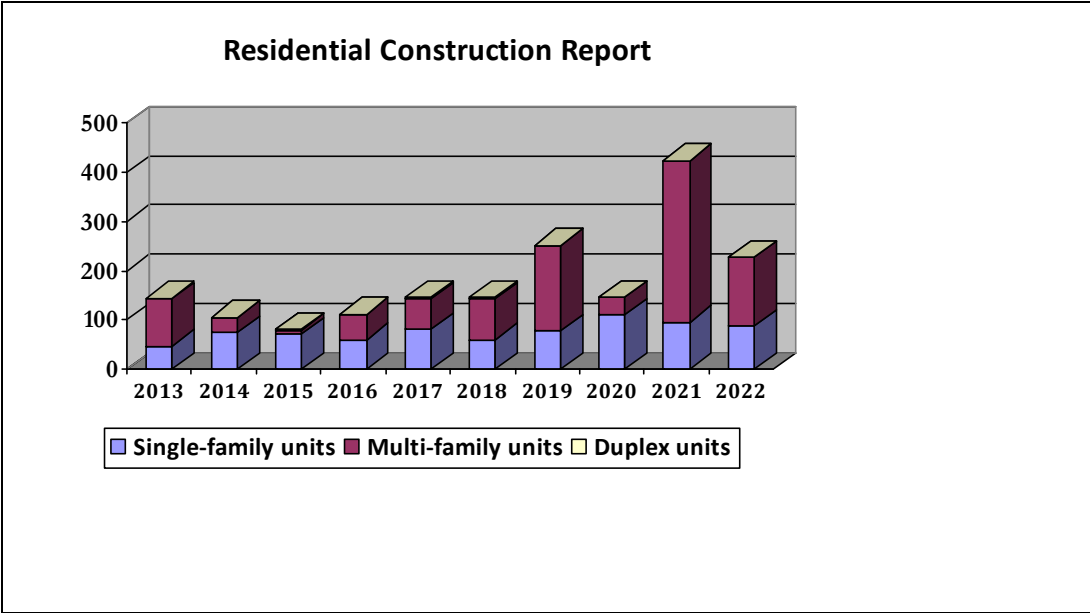
Source: Wisconsin Department of Workforce Development, website
<https://jobcenterofwisconsin.com/wisconomy/query>

Future Outlook

With the village adopting (and amending in 2022) a Comprehensive Plan that meets the State of Wisconsin's Smart Growth statute requirements, projected growth is now defined substantially by ordinance. Residential growth in recent years has slowed from 130-190 new single-family units per year prior to 2008 to a slower pace of 40-170 units per year. Demand remains high for new single-family homes and apartment buildings. See the chart below for the last ten years of residential growth.

One area of growth over the past ten years has been in multi-family units. In the past 10 years, the multi-family growth added 1,012 units with the highest year being 2021 with 329 units and averaging about 100 units per year. The village owns three apartment buildings, a three-storied apartment complex known as Howard Commons and operates as an enterprise fund. Several of the 2022 approved apartment complexes are currently under construction as of year end. There is much demand for more multi-family development in Howard.

The village board, through the Comprehensive Plan, is committed to balanced growth to accommodate expansion of residential, commercial and industrial development. Additionally, planned growth areas are sequenced to efficiently schedule road and utility improvements to maximize the increase in the tax base of the village while minimizing the infrastructure investment.



MANAGEMENT’S DISCUSSION AND ANALYSIS

This transmittal letter contains general information about the village, the current and historic economic environment, acknowledgements, charts and other summaries of information that could assist a reader in understanding more about the village. The reader should also be aware of the Management’s Discussion and Analysis (MD&A) section of this financial report. Included within the MD&A is additional financial information that include financial highlights, reporting on the village as a whole, information on net assets for the governmental activities and business-type activities, changes in net position, governmental activities, village funds, outstanding debt at year-end, capital assets and other financial information. The information found in the MD&A can be valuable to any reader of the financial report in gaining a better understanding of the financial position of the village.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Howard for its annual comprehensive financial report for the fiscal year ended December 31, 2021. This was the twenty-ninth consecutive year that the village has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. I believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program’s requirements and I am submitting it to the GFOA to determine its eligibility for another certificate.

The village also participates in the GFOA's Distinguished Budget Presentation Award program

and received the award for the annual budget for the fiscal year beginning January 1, 2023. The village has received the GFOA budget award for the past twenty-nine years.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the staff of the administrative services department as well as the valued assistance from our auditors. I would also like to thank the village board for their interest and support in planning and conducting the financial operations of the village in a responsible and professional manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Christopher A. Haltom". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

CHRISTOPHER A. HALTOM, CPA
Director of Administrative Services (Clerk/Treasurer)



Government Finance Officers Association

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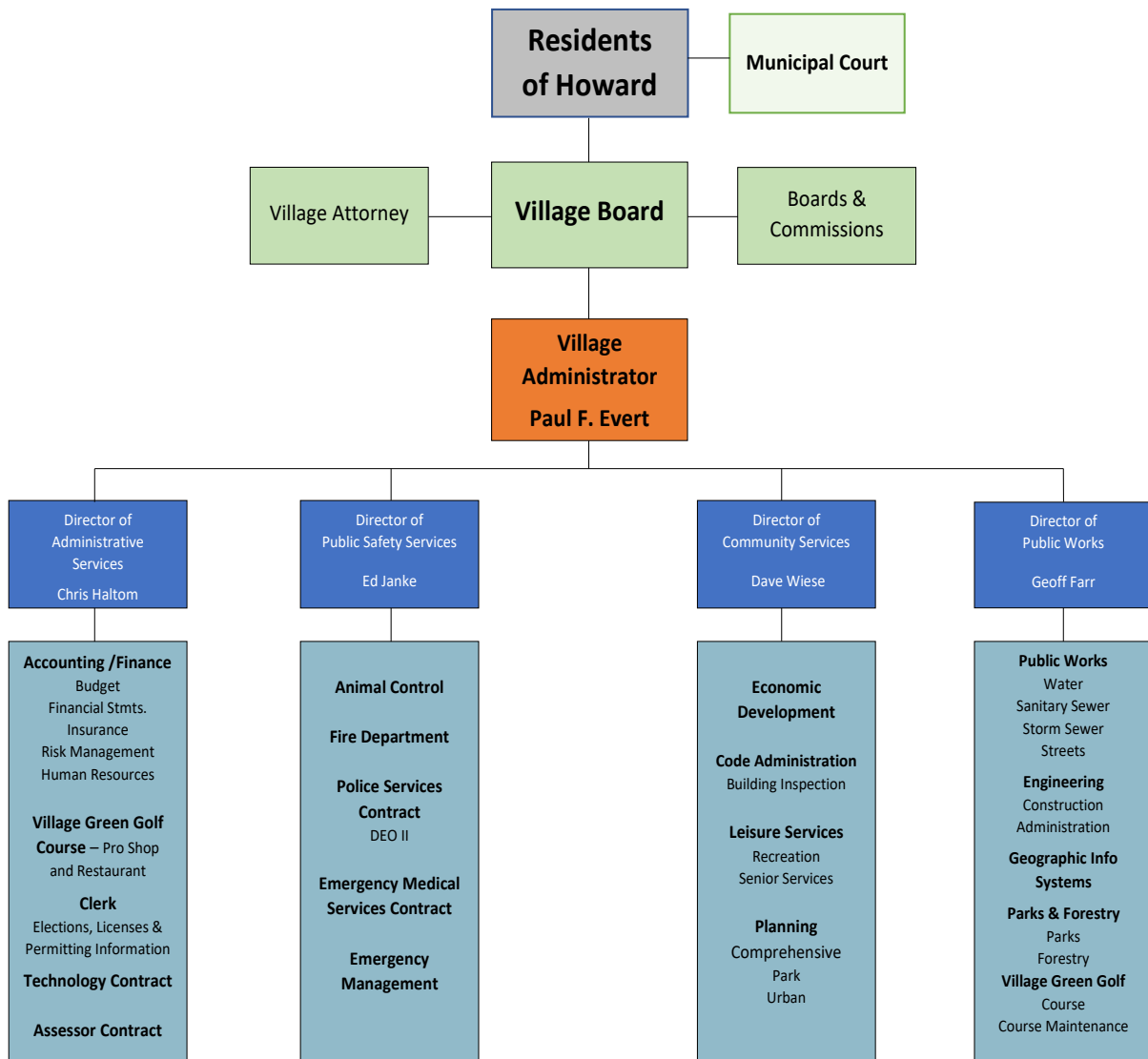
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

Village Team - Organizational Flowchart Village of Howard, Wisconsin



**Village of Howard, Wisconsin
Elected and Appointed Officials and Consultants**

Elected Officials

Burt R. McIntyre	President
Maria Lasecki	Trustee District 1
Chris Nielsen	Trustee District 2
Cathy Hughes	Trustee District 3
John Muraski	Trustee District 4
Scott Beyer	Trustee District 5
Ray Suennen	Trustee District 6
Adam Lemorande	Trustee District 7
Craig McCallister	Trustee District 8
Brian Stevens	Municipal Judge

Appointed Officials

Paul Evert	Administrator
Geoffrey Farr, PE	Director of Public Works
Christopher A. Haltom, CPA	Director of Admin. Services (Treasurer/Clerk)
David Weise	Director of Community Development
Ed Janke	Director of Public Safety
Mike Kaster, PE	Director of Engineering
Bob Gagan, Attorney	Village Attorney (Contracted)
Mike Denor, Fair Market Assessments	Assessor (Contracted)

Certified Public Accountants

Hawkins Ash CPAs, LLP, Manitowoc, Wisconsin

Bond Counsel

Foley & Lardner, Milwaukee, Wisconsin

Financial Advisors

Robert W. Baird and Co. Inc.



INDEPENDENT AUDITORS' REPORT

To the Village Board
Village of Howard, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Howard, Wisconsin, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village of Howard's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Howard, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the statement of revenues, expenditures and changes in fund balances - general fund - budget and actual for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Howard and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Village of Howard's 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 of Howard's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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 of Howard'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 of Howard'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.

Report on Summarized Comparative Information

We have previously audited the Village of Howard's 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 3, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Wisconsin Retirement System pension schedules, and Wisconsin Retirement System Local Retiree Life Insurance Fund schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Howard's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory letter, combining and individual nonmajor fund financial statements, and statistical section are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information. The other information comprises the budgetary comparison schedules on pages 74-85, as listed in the table of contents, but does not include the financial statements and our auditors' report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2023 on our consideration of the Village of Howard's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance

with *Government Auditing Standards* in considering the Village of Howard's internal control over financial reporting and compliance.

HAWKINS ASH CPAS, LLP

Hawkins Ash CPAs, LLP

Manitowoc, Wisconsin
May 1, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the Village of Howard's financial performance gives an overview of the village's financial activities for the year ended December 31, 2022. The analysis should be read in conjunction with the transmittal letter pages 5-11 and the village's financial statements that begin on page 29.

FINANCIAL HIGHLIGHTS

- The village's governmental activities net position increased by \$2.9 million or 4.9% at December 31, 2022 and the business-type activities net position increased by \$4.3 million or 4.8%. The combined primary governmental net position increased by \$7.1 million or 4.8%.
- During 2022, the village had expenses that totaled \$31.8 million of which \$16.7 million were for governmental activities and \$15.1 million were for business-type activities.
- Revenue from charges for services totaled \$18.0 million, of which \$1.9 million were for governmental activities and \$16.1 million were for business-type activities. Operating and capital grants totaled \$1.4 million (all from governmental activities) and \$5.5 million respectively. Total general revenues and transfers reported \$14.0 million, an increase of \$2.4 million, with almost all of the increase from intergovernmental revenue increases (primarily ARPA grants from federal government).
- The General Fund reported an increase in fund balance of \$85,278 while all other governmental funds combined increased by about \$7.9 million. The General Fund has reported fund balance increases in 22 out of the last 29 years.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position (page 29) and the Statement of Activities (pages 30-31) provide information about activities of the village as a whole and present a longer-term view of the village's finances (also known as the government-wide statements). Fund financial statements start on page 32; for governmental activities, these statements tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the village's operations in more detail than the government-wide statements by providing information about the village's most significant funds and can be compared to the annual budget document as the budget is prepared on the fund basis. The remaining statements provide financial information about activities for which the village acts solely as an agent for the benefit of overlying taxing jurisdictions.

REPORTING THE VILLAGE AS A WHOLE

The Statement of Net Position and the Statement of Activities

Our analysis of the village as a whole begins on page 29. One of the most important questions asked about the village's finances is, "Is the village as a whole better off or worse off as a result of the year's financial activities?" The Statement of Net Position and the Statement of Activities report information about the village as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is a method of accounting used by most private-sector companies. In an accrual basis, all the current year's revenues and expenses are recognized at the time they are

incurred, regardless of when cash is received or paid. Cost of infrastructure assets (including bridges, roads, sidewalks and donated items) are also being reported as assets of the village as opposed to expenditures in the fund statements.

These two statements report the village's net position and changes in them. You can think of the village's net position - the difference between assets and liabilities - as one way to measure the village's financial health, or financial position at a specific point in time, the last day of the year. Over time, increases or decreases in the village's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the village's property tax base (reported in the statistical section of the financial report) and the condition of the village's infrastructure, to assess the overall health of the village.

I believe the village is better off, as a whole, because of the 2022 financial activities reported on the following pages.

In the Statement of Net Position and the Statement of Activities, there are into two kinds of activities:

- **Governmental activities** - Most of the village's basic services are reported here, including the police, fire, public works (including parks), community development (includes recreation activities), general administration and capital projects. Property taxes, special assessments, state and federal grants (intergovernmental revenue), investment earnings and charges for services finance most of these activities.
- **Business-type activities** - The village charges fees to customers to help cover all or most of the cost of certain services provided. The village's water, sewer, storm water utilities, golf course and now the village owned apartment complex known as Howard Commons, are reported here.

REPORTING THE VILLAGE'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements begin on page 32 and provide detailed information about the most significant funds - not the village as a whole. Some funds are required to be established by bond covenants and others by regulatory bodies. Also, many other funds are established by the village board to help control and manage money for particular purposes or to show the village is meeting legal responsibilities. The village's two kinds of funds - governmental and proprietary - use different types of accounting approaches.

- **Governmental funds** - Most of the village's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for future spending. The accounting method used for reporting these funds is called the modified accrual method of accounting, which measures cash and all other financial resources that can readily be converted to cash. The governmental fund statements report a detailed short-term view of the village's governmental operations and the basic services provided. Governmental fund information assists the reader in determining the availability of resources for the near future to finance programs of the village. The differences between the governmental fund reporting and the government-wide reports are described in reconciliations found

on pages 32 and 34.

- *Proprietary funds* - These funds report the activity of the village's enterprise funds. Enterprise funds are established when charges made to customers of the service pay for a substantial portion of the service. Also, enterprise funds are established to report activity that is financed with debt that is secured solely by a pledge of net revenues of the activity. In Wisconsin, the Public Service Commission (PSC) oversees activities of various utilities, such as water and gas utilities. The village's water utility falls within the authority of the PSC which requires a separate set of accounting records be maintained for establishing fees to charge customers.

THE VILLAGE AS A WHOLE

The village's combined net position increased during 2022 by \$7.1 million. The increase is a result of an increase of \$2.9 million in governmental activities and an increase of \$4.3 million in business-type activities. The table below reports a summary of the Statement of Net Position.

Table 1
NET POSITION
(In Millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current and other assets	\$ 33.2	\$ 19.8	\$ 12.8	\$ 13.3	\$ 46.0	\$ 33.1
Capital assets, net of accumulated depreciation	<u>79.5</u>	<u>64.9</u>	<u>118.0</u>	<u>113.5</u>	<u>197.5</u>	<u>178.4</u>
Total assets	<u>112.7</u>	<u>84.7</u>	<u>130.8</u>	<u>126.8</u>	<u>243.5</u>	<u>211.5</u>
Deferred outflows	<u>2.5</u>	<u>1.9</u>	<u>1.2</u>	<u>0.6</u>	<u>3.7</u>	<u>2.5</u>
Current liabilities	7.0	3.2	4.4	18.9	11.4	22.1
Non-current liabilities	<u>32.9</u>	<u>12.9</u>	<u>32.7</u>	<u>18.5</u>	<u>65.6</u>	<u>31.4</u>
Total liabilities	<u>39.9</u>	<u>16.1</u>	<u>37.1</u>	<u>37.4</u>	<u>77.0</u>	<u>53.5</u>
Deferred inflows	<u>14.2</u>	<u>12.3</u>	<u>1.4</u>	<u>0.8</u>	<u>15.6</u>	<u>13.1</u>
Net position;						
Invested in capital assets, net of debt	57.1	52.2	86.1	80.1	143.2	132.3
Restricted	11.5	1.9	0.6	0.3	12.1	2.2
Unrestricted	<u>(7.5)</u>	<u>4.1</u>	<u>6.9</u>	<u>8.8</u>	<u>(0.6)</u>	<u>12.9</u>
Total net position	<u>\$ 61.1</u>	<u>\$ 58.2</u>	<u>\$ 93.6</u>	<u>\$ 89.2</u>	<u>\$ 154.7</u>	<u>\$ 147.4</u>

The governmental activities net position increased by 5.0%, with a balance of \$61.1 million in 2022 from \$58.2 million in 2021. Total assets increased by \$28.0 million or 33.1% (as more capital assets were acquired) and total liabilities increased by \$23.8 million or 147.8% increase from 2021 (as more debt was incurred to purchase capital assets). Current assets increased by \$13.4 million (as cash from debt was yet to be spent) and capital assets increased by \$14.6

million. Non-current liabilities increased by \$20.0 million as debt was incurred to pay for Howard Commons Activities center project.

The business-type activities net position increased by \$4.3 million in 2022 or 4.8%. Current and other assets decreased by \$0.5 million while capital assets increased \$4.5 million primarily related to infrastructure installation. Current liabilities decreased by \$14.5 million as Note Anticipation Notes (NANs), classified as current liabilities in 2021, were refinancing in early 2022 with non-current liabilities; non-current liabilities increased by \$14.2 million primarily due to the NANs refinancing. The business-type activities are committed to provide capital to install new infrastructure (watermain, sewer mains, storm water and roadway) to allow for future development of new subdivisions. The new subdivisions will provide growth in the tax base to assist the governmental activities.

The following table is a summary of the reported changes in net position:

Table 2
Changes in Net Position
(In Millions)

	Governmental		Business-type		Total	
	Activities		Activities		Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	\$ 1.9	\$ 3.6	\$ 16.1	\$ 15.2	\$ 18.0	\$ 18.8
Operating grants and contributions	1.4	1.6	-	-	1.4	1.6
Capital grants and contributions	1.3	1.7	4.2	4.0	5.5	5.7
General revenues:						
Property taxes	10.2	9.6	-	-	10.2	9.6
Grants and contributions	3.3	1.1	-	-	3.3	1.1
Other revenue	0.5	0.6	0.1	0.2	0.6	0.8
Total revenues	<u>18.6</u>	<u>18.2</u>	<u>20.4</u>	<u>19.4</u>	<u>39.0</u>	<u>37.6</u>
Program expenses						
General government	1.4	1.7	-	-	1.4	1.7
Public safety	4.4	3.4	-	-	4.4	3.4
Public works	7.1	5.4	-	-	7.1	5.4
Community development	2.7	2.4	-	-	2.7	2.4
Interest on long-term debt	1.1	0.4	-	-	1.1	0.4
Water	-	-	5.4	4.8	5.4	4.8
Sewer	-	-	5.6	4.4	5.6	4.4
Storm water	-	-	1.2	1.1	1.2	1.1
Howard Commons	-	-	2.3	2.8	2.3	2.8
Golf	-	-	0.7	0.6	0.7	0.6
Total expenses	<u>16.7</u>	<u>13.3</u>	<u>15.2</u>	<u>13.7</u>	<u>31.9</u>	<u>27.0</u>
Excess revenue over (under) expenses before transfers	1.9	4.9	5.2	5.7	7.1	10.6
Transfers in (out)	<u>1.0</u>	<u>0.9</u>	<u>(1.0)</u>	<u>(.9)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	2.9	5.8	4.2	4.8	7.1	10.6
Net position, beginning	<u>58.2</u>	<u>52.4</u>	<u>89.3</u>	<u>84.5</u>	<u>147.5</u>	<u>136.9</u>
Net position, ending	<u>\$ 61.1</u>	<u>\$ 58.2</u>	<u>\$ 93.5</u>	<u>\$ 89.3</u>	<u>\$ 154.6</u>	<u>\$ 147.5</u>

In 2022, the village's total revenue increased by \$1.5 million or 4.0% compared to 2021.

Property taxes revenue increased by \$0.6 million, intergovernmental revenue increased by \$2.2 million, charges for services dropped \$0.8 million, operating and capital grants and contributions decreased by \$0.4 million and other revenue decreased by \$0.1 million.

The total expenses increased by \$4.9 million in 2022 or about 18.1% when compared to 2021. Noted increases were in public safety of \$1.0 million (new fire truck), public works of \$1.7 million (road reconstruction), community development of \$0.3 million, interest on debt of \$0.7 million (2021 debt issue), water utility of \$0.6 million, sewer utility of \$1.2 million, golf course and storm water both of \$0.1 million, with noted decreases of general government of \$0.3 million, and Howard Commons of \$0.5 million.

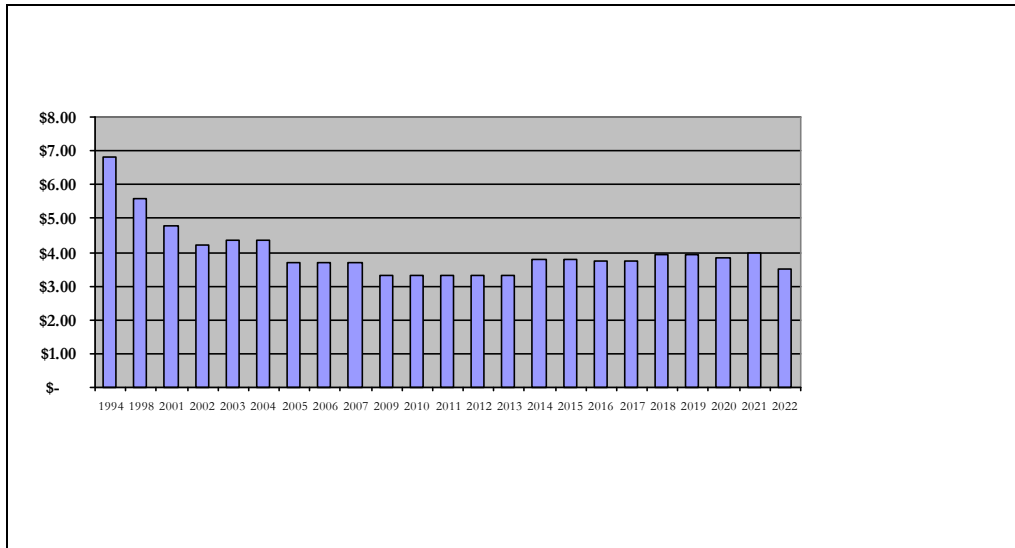
Governmental Activities

The village's revenue for the 2022 governmental activities totaled \$18.6 million, increasing by \$0.3 million from 2021 (or 2.2% increase) with \$0.6 million in property taxes, intergovernmental revenues increasing by \$2.2 million (primarily ARPA grant funding), netted against decreases of \$1.7 million increase in charges for services (primarily less developer fees), \$0.6 million in operating and capital grants, and \$0.1 million in other revenue decreases. The governmental activities expenses totaled \$16.7 million in 2022, increasing by \$3.4 million from 2021 (or 25.6% increase) with \$1.0 million increase in public safety, \$1.7 million increase in public works, \$0.7 million in interest costs, making up the majority of the increases. Transfers in increased by \$0.1 million from 2021. The 2022 resulting change in net position for all governmental activities increased by \$2.9 million, while in 2021, net position increased by \$5.8 million for governmental activities.

The village has established budget policies that helped the overall financial position increase since established in 1994. First, the village has planned for and budgeted for new growth in the tax base from residential and commercial properties. The village still has about a third of existing property undeveloped and continue to look for ways to provide new commercial and residential developments. The growth has allowed the village to increase population from about 11,000 in 1994 to almost 21,000 in 2022. Such growth and following budgeting policies have helped lower the village portion of the tax rate as shown in the graph below. The village budgeting policies also have allowed for cash funding of capital projects since 1994 which has also helped to lower the village tax rate.

Graph 1 below is a bar graph of the tax mill rate (village portion only) for all taxable property within the Village of Howard since 2001 with data from 1994 and 1998 also included, reporting a declining tax rate:

Graph 1 - Tax Rates



The cost of all governmental activities for 2022 was \$16.7 million compared to \$13.3 million in 2021. Taxpayers paid \$10.2 million of the total expenses in 2022, of which \$2.8 million was from tax incremental financing district (TID) leaving \$7.4 million paid from general taxpayers (outside of the TID boundaries). The Statement of Activities, located on pages 30 and 31, reports charges for service revenues used to offset expenses of primary government activities totaling \$1.9 million while capital and operating grants and contributions totaled \$2.7 million.

On the following page, Table 3 reports the cost of governmental programs for the four largest functions as well as each program’s net cost (total cost less revenues generated by the activities). The net cost reports the financial burden that was placed on the village’s taxpayers by each of these departments.

**Table 3
Governmental Activities
(In Millions)**

	Total Cost of Services		Net Revenue (Cost) of Services	
	2022	2021	2022	2021
Public works	\$ 7.1	\$ 5.4	\$ (4.3)	\$ (0.4)
Public safety	4.4	3.4	(4.0)	(3.3)
General government	1.4	1.7	(0.3)	(0.6)
Community development	2.7	2.4	(2.4)	(1.8)
Interest on debt	1.1	0.4	(1.1)	(0.4)
Totals	\$ 16.7	\$ 13.3	\$ (12.1)	\$ (6.5)

Business-type Activities

Revenues from the village's business-type activities (see Table 2) totaled \$20.4 million in 2022 and \$19.4 million in 2021. Charges for services increased by \$0.9 million due to an approved sewer rate increase and more rents from Howard Commons. Capital grants and contributions increased by \$0.2 million due to more cost recovered from subdivision lots created in 2022.

Expenses of the business-type activities increased by \$1.5 million in 2022 with total expenses of \$15.2 million in 2022. Expenses increased in water by \$0.6 million, increased in sewer by \$1.2 million (primarily cost of treatment from GBMSD), increased in storm water and golf both by \$0.1 million and decreased in Howard Commons by \$0.5 million.

THE VILLAGE'S FUNDS

The governmental funds (as presented on page 32 for the balance sheet) reported a combined fund balance of \$13.3 million or a \$8.0 million increase from the previous year primarily a result of unspent borrowed funds in TID #8. The General Fund continues to report a healthy fund balance of \$3.4 million which exceeds the established minimum fund balance policy of 25% of actual expenditures or \$2.1 million in 2022. The Capital Improvement Fund has a fund balance of (\$88,258) reporting a negative amount as this fund fluctuates the fund balance from year to year based on the projects funded; in 2022, most of the fund balance was used to pay for budget capital items used in 2022 such as a new ladder truck for the fire department and reconstructing a section of Evergreen Avenue.

Capital Improvement Fund projects are funded by current resources and from proceeds of the \$4.5 bond issue made in 2021 for the first time since 1994, to allow for the reconstruction of sections of Evergreen and Pinecrest roads. The major projects and equipment funded with current and existing resources in 2022 were as follows:

- Evergreen Ave. spent \$2.8 million of the \$4.5 million borrowed in the 2021 bond issue.
- Road resurfacing projects totaled \$0.8 million.
- Village share of the cost to construct roads at the new interchange to be located at Hwy 29/VV, totaled \$1.8 million.
- The funding of the engineering department net cost that totaled \$221,425.
- Funding of new equipment purchases, and major repairs totaled approximately \$1.6 million.
- Funding of two new subdivision road projects totaling \$1.0 million through developer fees.

General Fund Budgetary Highlights

The General Fund actual total revenue amount exceeded the budgeted total revenue by \$319,872 (see page 35) primarily related to building permit revenue. The total budgeted expenditures for the General Fund exceeded actual expenditures by \$152,197 and other financing sources exceeded budget by \$13,997; combining all of these budget variances yields a surplus of \$153,678 for 2022.

MAJOR FUNDS ANALYSIS, DEBT ADMINISTRATION AND CAPITAL ASSETS

Capital Improvement Funds

The Capital Improvement Fund was established in 1994 to help fund the cost of acquiring new capital assets such as equipment (replacement and new equipment), road resurfacing projects and road and bridge replacement projects. Funding was created from new property tax base generated each year above the amount needed to fund current operations of the General Fund.

This fund has been successful in eliminating taxpayer funded interest costs as no borrowing was needed to fund the projects due to the amount of growth in tax base occurring during the 1990 through the 2000s. Prior to changing the policy in 1994, borrowing occurred every other year to provide funding for the projects included in this fund. In 2021, the village borrowed \$4.5 million to fund reconstruction of Evergreen Ave. and Pinecrest Roads. Part of the work was performed in 2021 and the final part was completed in 2022.

Tax Incremental Financing District #8 or Village Center area

The village has seven active TIDs #3 - #9, with only one of these classified as major fund, TID #8 or the village center or Howard Commons area. TID #8 has been a very successful TID by generating enough tax base to help offset the cost of improvements. The village also owns and operates the Howard Commons Apartment Complex located in this TID but operated as a business-type activity.

Capital Assets

At the end of 2022, the village had \$197.5 million invested in capital assets, which is a net increase of \$19.2 million from 2021 a result of equipment purchases (\$1.4 million), land purchase (\$0.3 million), construction in progress increase (\$7.7 million) and infrastructure (\$10.8 million). These capital assets are comprised of equipment, land, buildings, various infrastructure items and other items as detailed in Table 4. The village strives to maintain infrastructure in good working condition. A significant portion of village owned equipment is well below the useful life and not fully depreciated. The increased investment in capital assets also indicates a strong financial position for the village. See Note 4 on pages 51 and 52 for more details.

Table 4
Capital Assets at Year-End
(Net of Depreciation, in Millions)

	<u>Governmental</u>		<u>Business-type</u>		<u>Totals</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land and other non-depreciated	\$ 10.5	\$ 10.5	\$ 2.9	\$ 2.6	\$ 13.4	\$ 13.1
Construction in progress	7.3	0.6	1.0	-	8.3	0.6
Land improvements	1.8	1.8	3.4	3.3	5.2	5.1
Buildings and improvements	4.1	4.2	31.1	32.1	35.2	36.3
Equipment	4.9	3.3	4.2	4.4	9.1	7.7
Infrastructure	50.9	44.5	75.4	71.0	126.3	115.5
Totals	<u>\$ 79.5</u>	<u>\$ 64.9</u>	<u>\$ 118.0</u>	<u>\$ 113.4</u>	<u>\$ 197.5</u>	<u>\$ 178.3</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

As explained in the transmittal letter, the village has seen steady growth in residential and commercial development over the past 20 years. The growth has slowed and is expected to remain brisk but slower than years preceding 2008. Growth or the lack thereof, have provided opportunities and challenges for the village board and staff in preparing annual budgets and establishing customer rates.

The village assessor prepares valuations for new residential and commercial development in May of each year. The valuations derived in this process are used for determining tax rates established in December of each year. For each budget prepared, the growth has already been determined for the year, so projections for the next year's budget tax rate are accurate. Projecting future tax rates require more estimating.

The State of Wisconsin passed a law in 2012 that limited the rate of growth in the tax levy for municipalities to the larger of 0.0% or the rate of growth in property values (excluding increases needed for debt payments). The state has had similar laws since 2005. Since 1994, the Village had a budget policy that limits the tax levy increase to the rate of growth in property values. The village's 2022 budget increased the tax levy by \$143,874, exclusive of any TID property taxes, from growth generated in the tax base and use of new debt.

The water utility is part of the Central Brown County Water Authority (Authority) primarily because the village's ground water supply contains elements that must be treated (per the EPA) and the projected inadequacy of the water supply. The treatment costs were projected to be about \$2 million per well or \$8 million. The aquifer storing our water supply was projected to contain about 10-15 years' water supply for the area. The Authority obtains water from the City of Manitowoc (who obtains water from Lake Michigan). The water is treated before transmission and meets EPA's guidelines. The cost of such a system has caused increases in customer water rates several times since joining the Authority in 2005. Rates have remained constant since 2014; however, a rate study was presented to the PSC in July 2020 with new rates that were effective February 2021.

The sewer utility contracts with NEW Water (formerly GBMSD) to treat wastewater. The sewer utility performs a rate study as part of the budget process and increased rates in 2012, 2013, 2017, 2019 and 2022. Sewage cost increases from the NEW Water were the driving force behind each of these rate increases.

The storm water utility bills customers based on equivalent residential units (ERU) of impervious surface on each lot with one ERU being 3,301 square feet of impervious surface. The storm water monthly rates have been \$4.33 from 2008-2014, \$5.16 in 2015-2016, \$5.26 in 2017, and \$5.36 in 2018-2019 and \$6.20 in 2020-2022.

The Village Green Golf Course is another Proprietary Fund that has experienced tremendous growth in the number of rounds played and overall revenue during the past three years. Customers found they can play golf and socially distance at the same time during COVID. In 2020, the course experienced a record total revenue of \$670,000 followed by two more records in 2021 of \$801,447 and 2022 of \$838,486 (see page 37).

The village utilizes a local management company to perform management services for the Howard Commons Apartment Complex owned by the village. The first full year of operations

was 2019; however, the village completed construction for Building C and began renting units in April 2020. Rental units are one or two-bedroom units with varying amenities in each unit and corresponding escalating rents for higher quality units. In 2021 Howard Commons experienced the first full year of all facilities and fully occupied units for some of the year. Occupancy percentage in 2022 averaged 96.3% and 94.5% was the 2021 average.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the village's finances and to show the village accounts for the money it receives during a calendar year. If you have questions about this report or need additional information, contact the village's Director of Administrative Services, Chris Haltom, at Village of Howard, 2456 Glendale Avenue, Green Bay, Wisconsin, 54313. Investors can obtain this financial report along with other reportable events using the EMMA system.

VILLAGE OF HOWARD, WISCONSIN

STATEMENT OF NET POSITION

DECEMBER 31, 2022

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2021

	GOVERNMENTAL	BUSINESS-TYPE	TOTALS	
	ACTIVITIES	ACTIVITIES	2022	2021
ASSETS				
Cash and investments	\$ 22,011,789	\$ 4,237,928	\$ 26,249,717	\$ 15,608,936
Receivables				
Taxes	7,464,454	-	7,464,454	6,592,736
Accounts and other	820,896	2,233,339	3,054,235	1,564,953
Special assessments	1,680,720	5,574,057	7,254,777	7,425,096
Loans	-	140,429	140,429	192,110
Due from other governments	-	-	-	320,069
Inventories	4,774	85,875	90,649	87,072
Wisconsin Retirement System net pension	1,167,590	570,630	1,738,220	1,319,345
Capital assets (net of accumulated depreciation)				
Capital assets not being depreciated	17,810,812	3,915,101	21,725,913	13,706,974
Capital assets being depreciated	<u>61,707,737</u>	<u>114,044,179</u>	<u>175,751,916</u>	<u>164,668,602</u>
TOTAL ASSETS	<u>112,668,772</u>	<u>130,801,538</u>	<u>243,470,310</u>	<u>211,485,893</u>
DEFERRED OUTFLOWS OF RESOURCES				
Charge on refunding	160,344	-	160,344	192,957
Wisconsin Retirement System pension	2,292,073	1,120,192	3,412,265	2,204,991
Wisconsin Retirement System LRLIF	<u>111,954</u>	<u>54,716</u>	<u>166,670</u>	<u>164,570</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>2,564,371</u>	<u>1,174,908</u>	<u>3,739,279</u>	<u>2,562,518</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>115,233,143</u>	<u>131,976,446</u>	<u>247,209,589</u>	<u>214,048,411</u>
LIABILITIES				
Accounts payable	3,908,455	2,037,172	5,945,627	865,025
Accrued liabilities				
Payroll	167,577	44,440	212,017	171,213
Interest	451,995	50,871	502,866	123,454
Due to other governments	17,491	17,464	34,955	49,030
Deposit payable	684,178	198,661	882,839	835,194
Unearned revenue - other	-	694,977	694,977	1,755,968
Current portion of long-term obligations	1,796,325	1,320,915	3,117,240	18,308,088
Noncurrent portion of long-term obligations	<u>32,893,608</u>	<u>32,710,532</u>	<u>65,604,140</u>	<u>31,378,727</u>
TOTAL LIABILITIES	<u>39,919,629</u>	<u>37,075,032</u>	<u>76,994,661</u>	<u>53,486,699</u>
DEFERRED INFLOWS OF RESOURCES				
Taxes levied for subsequent year	11,470,614	-	11,470,614	10,167,077
Wisconsin Retirement System pension	2,752,535	1,345,232	4,097,767	2,891,647
Wisconsin Retirement System LRLIF	<u>28,743</u>	<u>14,048</u>	<u>42,791</u>	<u>43,186</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>14,251,892</u>	<u>1,359,280</u>	<u>15,611,172</u>	<u>13,101,910</u>
NET POSITION				
Net investment in capital assets	57,059,450	86,082,633	143,142,083	132,302,683
Restricted for				
Community development	-	-	-	394
Grant projects	-	-	-	740
Debt service	440	-	440	-
Park development	36,474	-	36,474	-
TID activities	10,285,298	-	10,285,298	936,245
Pensions	1,167,590	570,630	1,738,220	1,319,345
Unrestricted	<u>(7,487,630)</u>	<u>6,888,871</u>	<u>(598,759)</u>	<u>12,900,395</u>
TOTAL NET POSITION	<u>61,061,622</u>	<u>93,542,134</u>	<u>154,603,756</u>	<u>147,459,802</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 115,233,143</u>	<u>\$ 131,976,446</u>	<u>\$ 247,209,589</u>	<u>\$ 214,048,411</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2022

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2021

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
GOVERNMENTAL ACTIVITIES				
General government	\$ 1,448,628	\$ 1,146,029	\$ -	\$ -
Public safety	4,373,595	303,713	109,117	-
Public works	7,108,949	217,500	1,270,799	1,295,613
Community development	2,677,094	237,988	-	-
Interest and fiscal charges	1,057,491	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	16,665,757	1,905,230	1,379,916	1,295,613
BUSINESS-TYPE ACTIVITIES				
Water	5,369,338	6,216,709	-	1,128,516
Sewer	5,588,912	4,900,479	-	1,406,230
Storm water	1,169,643	1,322,366	-	1,708,946
Howard Commons	2,344,202	2,799,608	-	-
Golf course	654,117	838,486	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	15,126,212	16,077,648	-	4,243,692
TOTAL PRIMARY GOVERNMENT	\$ 31,791,969	\$ 17,982,878	\$ 1,379,916	\$ 5,539,305

General revenues

Taxes

Property taxes

Other taxes

Intergovernmental revenues not restricted to specific programs

Interest and investment income

Miscellaneous

Transfers

Total general revenues

CHANGE IN NET POSITION

NET POSITION - BEGINNING OF YEAR

NET POSITION - END OF YEAR

The accompanying notes are an integral part of these statements.

NET (EXPENSES) REVENUES AND
CHANGES IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
		2022	2021
\$ (302,599)		\$ (302,599)	\$ (628,595)
(3,960,765)		(3,960,765)	(3,289,904)
(4,325,037)		(4,325,037)	(352,465)
(2,439,106)		(2,439,106)	(1,820,784)
(1,057,491)		(1,057,491)	(364,278)
(12,084,998)		(12,084,998)	(6,456,026)
	\$ 1,975,887	1,975,887	2,250,250
	717,797	717,797	1,052,015
	1,861,669	1,861,669	2,075,617
	455,406	455,406	(145,155)
	184,369	184,369	225,620
	5,195,128	5,195,128	5,458,347
(12,084,998)	5,195,128	(6,889,870)	(997,679)
10,167,077	-	10,167,077	9,578,067
46,088	-	46,088	27,462
3,276,921	-	3,276,921	1,172,059
348,789	72,843	421,632	354,030
122,106	-	122,106	458,459
983,605	(983,605)	-	-
14,944,586	(910,762)	14,033,824	11,590,077
2,859,588	4,284,366	7,143,954	10,592,398
58,202,034	89,257,768	147,459,802	136,867,404
\$ 61,061,622	\$ 93,542,134	\$ 154,603,756	\$ 147,459,802

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2021

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	TID NO. 8	TOTAL NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
					2022	2021
ASSETS						
Cash and investments	\$ 5,373,462	\$ 1,266,529	\$ 12,806,583	\$ 2,565,215	\$ 22,011,789	\$ 10,364,457
Receivables						
Taxes	3,929,681	1,129,776	468,903	1,936,094	7,464,454	6,592,736
Accounts and other	79,418	741,478	-	-	820,896	101,207
Special assessments	-	1,639,079	-	41,641	1,680,720	1,419,990
Loan	-	-	-	-	-	27,461
Due from other funds	97,520	-	-	-	97,520	2,269,662
Due from other governments	-	-	-	-	-	320,069
Inventories	-	-	4,774	-	4,774	4,774
Advances to other funds	959,000	-	-	-	959,000	1,045,000
TOTAL ASSETS	10,439,081	4,776,862	13,280,260	4,542,950	33,039,153	22,145,356
LIABILITIES						
Accounts payable	777,122	256,835	2,858,779	15,719	3,908,455	253,767
Accrued expenses						
Payroll	154,714	12,863	-	-	167,577	137,981
Due to other funds	-	-	-	97,520	97,520	2,269,662
Due to other governments	17,491	-	-	-	17,491	25,804
Deposit payable	-	677,065	-	7,113	684,178	665,010
Unearned revenue - other	49,411	741,478	-	-	790,889	892,038
Advances from other funds	-	-	959,000	-	959,000	1,045,000
TOTAL LIABILITIES	998,738	1,688,241	3,817,779	120,352	6,625,110	5,289,262
DEFERRED INFLOWS OF RESOURCES						
Taxes levied for subsequent year	6,033,490	1,737,801	721,258	2,978,065	11,470,614	10,167,077
Unavailable revenue - special assessments	-	1,639,078	-	41,641	1,680,719	1,419,989
TOTAL DEFERRED INFLOWS OF RESOURCES	6,033,490	3,376,879	721,258	3,019,706	13,151,333	11,587,066
FUND BALANCES						
Nonspendable	959,000	-	4,774	-	963,774	1,049,774
Restricted	-	-	8,736,449	1,544,122	10,280,571	1,142,467
Assigned	-	(288,258)	-	-	(288,258)	4,935,190
Unassigned	2,447,853	-	-	(141,230)	2,306,623	(1,858,403)
TOTAL FUND BALANCES	3,406,853	(288,258)	8,741,223	1,402,892	13,262,710	5,269,028
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 10,439,081	\$ 4,776,862	\$ 13,280,260	\$ 4,542,950		

Total net position reported for governmental activities in the statement of net position are different from the amount reported above as total governmental funds fund balance because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund statements.

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

Governmental capital asset	\$ 113,170,576		
Governmental accumulated depreciation	(33,652,027)	79,518,549	64,886,142

Some revenues are unearned in the funds because they are not available to pay current period's expenditures:

Special assessments to be collected after year end	1,680,719		
Other unearned revenue to be collected after year end	790,889	2,471,608	1,499,223

Wisconsin Retirement System asset, deferred outflows of resources, and deferred inflows of resources are not current financial resources and are not reported in fund statements.

790,339	550,216
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Long term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements. Long term liabilities reported in the statement of net position that are not reported in the funds balance sheet are:

General obligation debt	(33,387,500)		
Premium	(634,854)		
Charge on refunding	160,344		
Accrued interest	(451,995)		
Vested employee benefits	(382,758)		
Wisconsin Retirement System liability	(284,821)	(34,981,584)	(14,002,575)

Total net position - governmental activities **\$ 61,061,622** **\$ 58,202,034**

VILLAGE OF HOWARD, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2021

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	TID NO. 8	TOTAL	TOTAL	
				NONMAJOR GOVERNMENTAL FUNDS	GOVERNMENTAL FUNDS	2022
REVENUES						
Taxes	\$ 5,660,608	\$ 1,729,801	\$ 654,925	\$ 2,167,831	\$ 10,213,165	\$ 9,605,529
Special assessment	-	277,923	-	15,482	293,405	953,132
Intergovernmental	857,993	1,222,286	1,871,285	688,850	4,640,414	2,743,550
Licenses and permits	815,321	-	-	170,675	985,996	1,079,176
Fines, forfeits and penalties	126,756	-	-	-	126,756	139,036
Public charges for services	145,600	207,665	-	442	353,707	2,160,596
Miscellaneous	337,694	402,701	255,981	207,741	1,204,117	877,967
TOTAL REVENUES	7,943,972	3,840,376	2,782,191	3,251,021	17,817,560	17,558,986
EXPENDITURES						
Current						
General government	1,245,328	41,872	11,354	179,492	1,478,046	1,939,004
Public safety	3,442,076	55,810	-	-	3,497,886	3,309,878
Public works	3,281,220	2,693,885	690,010	19,869	6,684,984	3,226,298
Community development	554,673	-	291,645	1,036,769	1,883,087	2,502,383
Debt service						
Principal	-	260,000	-	819,000	1,079,000	850,000
Interest	-	58,105	24,493	165,455	248,053	243,769
Other	-	-	394,496	-	394,496	82,979
Capital outlay	-	5,954,153	10,457,739	729,415	17,141,307	10,065,221
TOTAL EXPENDITURES	8,523,297	9,063,825	11,869,737	2,950,000	32,406,859	22,219,532
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(579,325)	(5,223,449)	(9,087,546)	301,021	(14,589,299)	(4,660,546)
OTHER FINANCING SOURCES (USES)						
Transfers in	664,603	300,000	319,002	984,895	2,268,500	1,952,731
Transfers (out)	-	(300,000)	(224,280)	(760,615)	(1,284,895)	(1,037,945)
Issuance of long-term debt	-	-	21,000,000	-	21,000,000	4,500,000
Premium on long-term debt	-	-	599,376	-	599,376	96,615
TOTAL OTHER FINANCING SOURCES (USES)	664,603	-	21,694,098	224,280	22,582,981	5,511,401
NET CHANGE IN FUND BALANCE	85,278	(5,223,449)	12,606,552	525,301	7,993,682	850,855
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	3,321,575	4,935,191	(3,865,329)	877,591	5,269,028	4,418,173
FUND BALANCE (DEFICIT) - END OF YEAR	\$ 3,406,853	\$ (288,258)	\$ 8,741,223	\$ 1,402,892	\$ 13,262,710	\$ 5,269,028

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2021

	TOTAL GOVERNMENTAL FUNDS	
	2022	2021
Net change in fund balances - total governmental funds	\$ 7,993,682	\$ 850,855
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.		
Capital outlay reported in governmental fund statements	\$ 17,141,307	
Depreciation expense reported in the statement of activities	(2,260,695)	
Less cost of capital assets disposed	(248,205)	
Amount by which capital outlays are greater than depreciation in the current period:	14,632,407	7,833,072
The proceeds from long-term obligations are reported in the governmental funds as a source of financing. In the statement of net position however, long-term obligations are not reported as a financing source, but rather constitute a long-term liability.		
	(21,000,000)	(4,500,000)
Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits increased by:		
	(24,538)	(114,193)
Certain revenues are unavailable in the governmental funds because they are not available to pay current period expenditures. In the statement of activities these are recorded as revenue in the current year:		
	972,385	719,551
Wisconsin Retirement System pension asset, deferred outflows of resources, liability, and deferred inflows of resources changes:		
	245,479	307,869
Wisconsin Retirement System LRLIF, deferred outflows of resources, liability, and deferred inflows of resources changes:		
	(24,509)	(48,646)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.		
The amount of long-term debt principal payments in the current year is:	1,079,000	850,000
In governmental funds interest payments and other debt costs on outstanding debt are reported as an expenditure when paid. In the statement of activities it is reported as it accrues.		
The amount of interest and other debt costs paid during the current period	\$ 43,173	
The amount of interest and other debt costs accrued during the current period	(1,057,491)	
Interest paid is less than interest accrued by:	(1,014,318)	(37,530)
Change in net position - governmental activities	<u>\$ 2,859,588</u>	<u>\$ 5,860,978</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GENERAL FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	2021 ACTUAL
REVENUES				
Taxes	\$ 5,635,000	\$ 5,660,608	\$ 25,608	\$ 5,519,150
Intergovernmental	860,500	857,993	(2,507)	906,018
Licenses and permits	519,100	815,321	296,221	678,692
Fines, forfeits and penalties	161,400	126,756	(34,644)	139,036
Public charges for services	141,500	145,600	4,100	133,869
Miscellaneous	306,600	337,694	31,094	276,943
TOTAL REVENUES	<u>7,624,100</u>	<u>7,943,972</u>	<u>319,872</u>	<u>7,653,708</u>
EXPENDITURES				
Current				
General government	1,313,300	1,245,328	67,972	1,192,270
Public safety	3,350,100	3,442,076	(91,976)	3,272,843
Public works	3,163,100	3,281,220	(118,120)	3,032,996
Community development	544,600	554,673	(10,073)	501,238
TOTAL EXPENDITURES	<u>8,371,100</u>	<u>8,523,297</u>	<u>(152,197)</u>	<u>7,999,347</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(747,000)</u>	<u>(579,325)</u>	<u>167,675</u>	<u>(345,639)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	678,600	664,603	(13,997)	604,786
NET CHANGE IN FUND BALANCE	(68,400)	85,278	153,678	259,147
FUND BALANCE - BEGINNING OF YEAR	3,321,575	3,321,575	-	3,062,428
FUND BALANCE - END OF YEAR	<u>\$ 3,253,175</u>	<u>\$ 3,406,853</u>	<u>\$ 153,678</u>	<u>\$ 3,321,575</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2021

						TOTAL	
	WATER	SEWER	STORM WATER	HOWARD COMMONS	NONMAJOR GOLF COURSE	PROPRIETARY FUNDS	
						2022	2021
ASSETS							
CURRENT ASSETS							
Cash	\$ 1,037,858	\$ -	\$ 1,206,226	\$ 1,356,618	\$ 637,226	\$ 4,237,928	\$ 5,244,479
Accounts receivable							
Customer	699,988	567,812	147,071	128,727	-	1,543,598	1,335,409
Other	241,593	219,462	228,686	-	-	689,741	128,337
Loans	-	140,429	-	-	-	140,429	164,649
Special assessments	1,653,214	1,758,884	2,161,959	-	-	5,574,057	6,005,106
Due from other funds	1,051,448	-	-	-	-	1,051,448	-
Inventories	66,843	10,891	-	-	8,141	85,875	82,298
TOTAL CURRENT ASSETS	<u>4,750,944</u>	<u>2,697,478</u>	<u>3,743,942</u>	<u>1,485,345</u>	<u>645,367</u>	<u>13,323,076</u>	<u>12,960,278</u>
NONCURRENT ASSETS							
OTHER ASSETS							
Wisconsin Retirement System net pension	203,515	163,659	167,630	-	35,826	570,630	356,671
Capital assets (net of accumulated depreciation)							
Capital assets not being depreciated	260,993	843,997	585,813	287,923	1,936,375	3,915,101	2,653,725
Capital assets being depreciated	27,091,814	26,277,080	28,843,361	30,916,875	915,049	114,044,179	110,835,709
NET CAPITAL ASSETS	<u>27,352,807</u>	<u>27,121,077</u>	<u>29,429,174</u>	<u>31,204,798</u>	<u>2,851,424</u>	<u>117,959,280</u>	<u>113,489,434</u>
TOTAL NONCURRENT ASSETS	<u>27,556,322</u>	<u>27,284,736</u>	<u>29,596,804</u>	<u>31,204,798</u>	<u>2,887,250</u>	<u>118,529,910</u>	<u>113,846,105</u>
TOTAL ASSETS	<u>32,307,266</u>	<u>29,982,214</u>	<u>33,340,746</u>	<u>32,690,143</u>	<u>3,532,617</u>	<u>131,852,986</u>	<u>126,806,383</u>
DEFERRED OUTFLOWS OF RESOURCES							
Wisconsin Retirement System pension	399,516	321,276	329,070	-	70,330	1,120,192	596,094
Wisconsin Retirement System LRLIF	19,514	15,693	16,073	-	3,436	54,716	44,491
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>419,030</u>	<u>336,969</u>	<u>345,143</u>	<u>-</u>	<u>73,766</u>	<u>1,174,908</u>	<u>640,585</u>
LIABILITIES							
CURRENT LIABILITIES							
Accounts payable	719,279	903,533	325,877	69,176	19,307	2,037,172	611,258
Accrued liabilities							
Payroll	15,956	12,974	12,968	-	2,542	44,440	33,232
Interest	-	-	-	50,871	-	50,871	89,431
Due to other funds	-	1,051,448	-	-	-	1,051,448	-
Due to other governments	17,464	-	-	-	-	17,464	23,226
Deposit payable	-	-	-	198,661	-	198,661	170,184
Unearned revenue - other	-	-	610,359	33,993	50,625	694,977	943,164
Current portion of long-term obligations	25,825	25,825	15,380	1,253,885	-	1,320,915	17,000,712
TOTAL CURRENT LIABILITIES	<u>778,524</u>	<u>1,993,780</u>	<u>964,584</u>	<u>1,606,586</u>	<u>72,474</u>	<u>5,415,948</u>	<u>18,871,207</u>
NONCURRENT LIABILITIES							
Long-term obligations	66,862	57,139	51,146	32,526,645	8,740	32,710,532	18,524,594
TOTAL LIABILITIES	<u>845,386</u>	<u>2,050,919</u>	<u>1,015,730</u>	<u>34,133,231</u>	<u>81,214</u>	<u>38,126,480</u>	<u>37,395,801</u>
DEFERRED INFLOWS OF RESOURCES							
Wisconsin Retirement System pension	479,775	385,819	395,179	-	84,459	1,345,232	781,725
Wisconsin Retirement System LRLIF	5,010	4,029	4,127	-	882	14,048	11,674
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>484,785</u>	<u>389,848</u>	<u>399,306</u>	<u>-</u>	<u>85,341</u>	<u>1,359,280</u>	<u>793,399</u>
NET POSITION							
Net investment in capital assets	27,352,807	27,121,077	29,429,174	(671,849)	2,851,424	86,082,633	80,091,536
Restricted for Wisconsin Retirement System pension	203,515	163,659	167,630	-	35,826	570,630	356,671
Unrestricted	3,839,803	593,680	2,674,049	(771,239)	552,578	6,888,871	8,809,561
TOTAL NET POSITION	<u>\$ 31,396,125</u>	<u>\$ 27,878,416</u>	<u>\$ 32,270,853</u>	<u>\$ (1,443,088)</u>	<u>\$ 3,439,828</u>	<u>\$ 93,542,134</u>	<u>\$ 89,257,768</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2021

	WATER	SEWER	STORM WATER	HOWARD COMMONS	NONMAJOR	TOTAL	
					GOLF COURSE	PROPRIETARY FUNDS	
						2022	2021
OPERATING REVENUES							
General customers	\$ 5,925,472	\$ 4,848,345	\$ 1,317,249	\$ 2,686,638	\$ 838,486	\$ 15,616,190	\$ 14,816,896
Other revenues	291,237	52,134	5,117	112,970	-	461,458	417,547
TOTAL OPERATING REVENUES	6,216,709	4,900,479	1,322,366	2,799,608	838,486	16,077,648	15,234,443
OPERATING EXPENSES							
Operation and maintenance	4,527,852	5,015,072	829,558	939,775	603,921	11,916,178	10,229,379
Depreciation	840,036	550,395	340,085	1,093,874	50,196	2,874,586	2,707,207
TOTAL OPERATING EXPENSES	5,367,888	5,565,467	1,169,643	2,033,649	654,117	14,790,764	12,936,586
OPERATING INCOME (LOSS)	848,821	(664,988)	152,723	765,959	184,369	1,286,884	2,297,857
NONOPERATING REVENUES (EXPENSES)							
Interest income	17,410	10,661	30,813	10,503	3,456	72,843	187,859
Miscellaneous revenue	-	-	-	-	-	-	(4,035)
Sale of capital assets	-	-	-	-	-	-	11,345
Interest expense	(1,450)	-	-	(716,739)	-	(718,189)	(1,078,745)
Amortization	-	(23,445)	-	406,186	-	382,741	252,998
TOTAL NONOPERATING REVENUES (EXPENSES)	15,960	(12,784)	30,813	(300,050)	3,456	(262,605)	(630,578)
INCOME (LOSS) BEFORE TRANSFERS EXTRAORDINARY ITEMS, AND CONTRIBUTIONS							
	864,781	(677,772)	183,536	465,909	187,825	1,024,279	1,667,279
TRANSFER IN (OUT) CAPITAL CONTRIBUTIONS							
	(653,273)	(11,330)	-	(319,002)	-	(983,605)	(914,786)
	1,128,516	1,406,230	1,708,946	-	-	4,243,692	3,978,927
CHANGE IN NET POSITION							
	1,340,024	717,128	1,892,482	146,907	187,825	4,284,366	4,731,420
NET POSITION - BEGINNING OF YEAR	30,056,101	27,161,288	30,378,371	(1,589,995)	3,252,003	89,257,768	84,526,348
NET POSITION - END OF YEAR	\$ 31,396,125	\$ 27,878,416	\$ 32,270,853	\$ (1,443,088)	\$ 3,439,828	\$ 93,542,134	\$ 89,257,768

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2021

	WATER	SEWER	STORM WATER	HOWARD COMMONS	NONMAJOR	TOTAL	
					GOLF COURSE	PROPRIETARY FUNDS	
						2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 5,922,396	\$ 4,617,982	\$ 948,954	\$ 2,791,947	\$ 831,286	\$ 15,112,565	\$ 15,179,662
Receipts (payments) from municipality	(1,057,210)	1,051,448	-	-	-	(5,762)	4,352
Payments to suppliers for goods and services	(3,102,888)	(3,937,201)	(121,047)	(823,155)	(334,742)	(8,319,033)	(9,068,629)
Payments for employees wages and benefits	(759,877)	(589,069)	(576,428)	(99,539)	(285,669)	(2,310,582)	(2,173,874)
Net cash provided by operating activities	<u>1,002,421</u>	<u>1,143,160</u>	<u>251,479</u>	<u>1,869,253</u>	<u>210,875</u>	<u>4,477,188</u>	<u>3,941,511</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Transfer to governmental funds	(653,273)	(11,330)	-	(319,002)	-	(983,605)	(914,786)
Net cash (used in) noncapital financing activities	<u>(653,273)</u>	<u>(11,330)</u>	<u>-</u>	<u>(319,002)</u>	<u>-</u>	<u>(983,605)</u>	<u>(914,786)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition of property, plant and equipment	(2,439,632)	(2,791,655)	(2,058,261)	-	(54,884)	(7,344,432)	(6,459,428)
Sale of capital assets	-	-	-	-	-	-	(11,345)
Retirement of long-term debt	(153,401)	(3,401)	(1,225)	(1,371,251)	-	(1,529,278)	(888,054)
Issuance of long-term debt	-	-	-	-	-	-	22,088
Interest paid	(2,175)	-	-	(754,574)	-	(756,749)	(1,080,220)
Capital contributions	986,040	1,515,733	2,172,968	-	-	4,674,741	3,438,424
Amortization	-	(23,445)	-	406,186	-	382,741	252,998
Net cash (used in) provided by capital and related financing activities	<u>(1,609,168)</u>	<u>(1,302,768)</u>	<u>113,482</u>	<u>(1,719,639)</u>	<u>(54,884)</u>	<u>(4,572,977)</u>	<u>(4,725,537)</u>
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest received	17,410	10,662	30,813	10,503	3,455	72,843	187,860
Investments sold	-	-	-	-	-	-	152,024
Net cash provided by investing activities	<u>17,410</u>	<u>10,662</u>	<u>30,813</u>	<u>10,503</u>	<u>3,455</u>	<u>72,843</u>	<u>339,884</u>
Net change in cash and cash equivalents	(1,242,610)	(160,276)	395,774	(158,885)	159,446	(1,006,551)	(1,358,928)
Cash and cash equivalents - beginning of year	2,280,468	160,276	810,452	1,515,503	477,780	5,244,479	6,603,407
Cash and cash equivalents - end of year	<u>\$ 1,037,858</u>	<u>\$ -</u>	<u>\$ 1,206,226</u>	<u>\$ 1,356,618</u>	<u>\$ 637,226</u>	<u>\$ 4,237,928</u>	<u>\$ 5,244,479</u>
Reconciliation of operating income to net cash provided by operating activities							
Operating income (loss)	\$ 848,821	\$ (664,988)	\$ 152,723	\$ 765,959	\$ 184,369	\$ 1,286,884	\$ 2,297,857
Adjustments to reconcile operating income to net cash flows from operating activities							
Depreciation	840,036	550,395	340,085	1,093,874	50,196	2,874,586	2,707,207
Changes in assets and liabilities							
(Increase) decrease in receivables - customers	(77,456)	(88,006)	(3,997)	(38,730)	-	(208,189)	(6,814)
(Increase) decrease in receivables - other	(216,857)	(194,491)	(125,836)	-	-	(537,184)	(69,523)
(Increase) decrease in due from other funds	(1,051,448)	-	-	-	-	(1,051,448)	-
(Increase) decrease in inventories	(1,338)	(104)	-	-	(2,135)	(3,577)	28,223
(Increase) decrease in Wisconsin Retirement System	(37,020)	(32,415)	(69,885)	-	(7,662)	(146,982)	(74,805)
Increase (decrease) in accounts payable	699,936	518,698	197,356	17,081	(7,157)	1,425,914	(968,684)
Increase (decrease) in payroll payable	3,509	2,623	4,612	-	464	11,208	2,142
Increase (decrease) in due to other funds	-	1,051,448	-	-	-	1,051,448	-
Increase (decrease) in due to other governments	(5,762)	-	-	-	-	(5,762)	4,352
Increase (decrease) in unearned revenue	-	-	(243,579)	31,069	(7,200)	(219,710)	21,556
Total adjustments	<u>153,600</u>	<u>1,808,148</u>	<u>98,756</u>	<u>1,103,294</u>	<u>26,506</u>	<u>3,190,304</u>	<u>1,643,654</u>
Net cash provided by operating activities	<u>\$ 1,002,421</u>	<u>\$ 1,143,160</u>	<u>\$ 251,479</u>	<u>\$ 1,869,253</u>	<u>\$ 210,875</u>	<u>\$ 4,477,188</u>	<u>\$ 3,941,511</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES							
Capital contributions	\$ 1,128,516	\$ 1,406,230	\$ 1,708,946	\$ -	\$ -	\$ 4,243,692	\$ 3,978,927

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN

STATEMENT OF NET POSITION

FIDUCIARY FUND

DECEMBER 31, 2022

WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2021

	<u>TAX CUSTODIAL FUND</u>	
	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and investments	\$ 10,373,574	\$ 9,857,987
Taxes receivable	<u>19,240,230</u>	<u>18,071,388</u>
TOTAL ASSETS	<u>29,613,804</u>	<u>27,929,375</u>
LIABILITIES		
Other liabilities	7,768	-
Due to other governments	<u>10,365,806</u>	<u>9,854,920</u>
TOTAL LIABILITIES	<u>10,373,574</u>	<u>9,854,920</u>
DEFERRED INFLOWS OF RESOURCES		
Taxes levied for subsequent year	<u>19,240,230</u>	<u>18,074,455</u>
NET POSITION		
Restricted for other governments	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 29,613,804</u>	<u>\$ 27,929,375</u>

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUND

YEAR ENDED DECEMBER 31, 2022

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2021

	TAX CUSTODIAL FUND	
	2022	2021
ADDITIONS		
Collections for other governments	\$ 18,116,646	\$ 26,945,610
DEDUCTIONS		
Payments to other governments	18,116,646	26,945,610
CHANGE IN NET POSITION	-	-
NET POSITION - BEGINNING OF YEAR	-	17,446,358
PRIOR PERIOD ADJUSTMENT	-	(17,446,358)
NET POSITION - END OF YEAR	\$ -	\$ -

The accompanying notes are an integral part of these statements.

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 - Summary of Significant Accounting Policies

The financial statements of the Village of Howard, Wisconsin (the "Village") have been prepared in conformity with 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.

Reporting Entity - The Village of Howard, Wisconsin was incorporated under the provisions of Chapter 280, Laws of Wisconsin. The Village operates under a Village Administrator form of government and provides the following services as authorized by its charter: public safety, highways and streets, sanitation, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The Village's basic financial statements do not include any component units, as defined in GASB 14 and amended by GASB 39 and GASB 61, as there are no organizations which meet the criterion. The criterion for including a legally separate organization as a component unit is the degree of financial accountability the Village has with the organization. A financial benefit or burden relationship needs to be present between the primary government and that organization for it to be included in the reporting entity as a component unit.

The following circumstances set forth the Village's financial accountability for a legally separate organization: the Village is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Village. The Village may be financially accountable if an organization is fiscally dependent on the Village regardless of whether the organization has (1) a separately-elected governing body, (2) a governing body appointed by a higher level of government, or (3) a jointly-appointed governing body. In addition, the primary government may determine, through exercise of management's professional judgment, that the inclusion of an organization that does not meet the financial accountability criteria is necessary in order to prevent the reporting entity's financial statements from being misleading.

Basis of Presentation

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's proprietary funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's water and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 1 - Summary of Significant Accounting Policies - Continued

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Village does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported as general revenues.

Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. All remaining governmental and proprietary funds are aggregated and reported as nonmajor funds. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

General Fund - is used for all financial activity that is not required to be accounted for in another fund. This is the Village's primary operating fund.

Capital Improvement Fund - is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

TID No. 8 - is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The Village reports the following major proprietary funds:

Water Utility - accounts for operations of the water system.

Sewer Utility - accounts for operations of the sewer system.

Storm Water Utility - accounts for the operations of the storm water collection system.

Howard Commons - accounts for the operations of the Howard Commons apartment complex.

In addition, the Village reports the following fund types:

Fiduciary Custodial Fund - Tax - is used to account for assets held by the Village for other governmental units.

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 1 - Summary of Significant Accounting Policies - Continued

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes are recorded in the year levied as receivables and unavailable revenue. They are recognized as revenue in the succeeding year when services financed by the levy are being provided. Special assessments are recorded as revenue when they become measurable and

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 1 - Summary of Significant Accounting Policies - Continued

available as current assets. Sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary, pension and other postemployment benefit trust, private-purpose trust funds, and fiduciary fund are reported using the economic resources measurement focus and the accrual basis of accounting.

The proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer utilities are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Cash Equivalents - Cash and cash equivalents, as classified in the statement of cash flows, consist of all highly liquid investments with an initial maturity of three months or less.

Accounts Receivable - Accounts receivable have been adjusted for all uncollectible accounts. No allowance for uncollectible accounts has been recorded since management believes all accounts are collectible. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made in the accompanying proprietary fund financial statements because the water and sewer utility has the right to place delinquent bills on the tax roll.

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 tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2022 tax roll are recognized as revenue in 2023).

Loans Receivable - The Village has received federal and state grant funds for economic development loan programs and has passed the funds to various businesses and individuals in the form of loans. The Village records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the Village records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized.

VILLAGE OF HOWARD, WISCONSIN
 NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
 DECEMBER 31, 2022

NOTE 1 - Summary of Significant Accounting Policies - Continued

Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

Due To/From Advance To/From Other Funds - During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as due to and from other funds. Long-term interfund loans (noncurrent portion) are reported as advances from and to other funds. In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance amount which indicates it is not expendable available financial resources and, therefore, are not available for appropriation. Eliminations have been made for amounts due to/from and advance to/from within the same fund type on the government-wide statements.

Interfund Transactions - Non-exchange transactions which are not borrowing/lending (will not be repaid) are recorded as transfers, and exchange transactions are recorded as revenues and expenses.

Inventories - Inventories are valued at cost using the first-in/first-out method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

A nonspendable fund balance has been recognized in governmental funds for these non-liquid assets to signify a portion of fund balance is not available for other subsequent expenditures.

Capital Assets - In the government-wide financial statements, capital assets are accounted for as capital assets. Governmental capital assets are defined by the government as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Business-type capital assets are defined by the Village as assets with an initial, individual cost of \$2,000 or more and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Capital assets received in a service concession arrangement should be reported at acquisition value.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset for governmental activities is as follows:

	<u>Governmental</u>	<u>Business-type</u>
Land improvements	40 - 75 years	50 years
Buildings	30 - 50 years	20 - 50 years
Equipment	5 - 25 years	5 - 25 years
Infrastructure	20 - 100 years	30 - 100 years

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 1 - Summary of Significant Accounting Policies - Continued

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

Debt Premiums and Discounts - In the government-wide and proprietary fund financial statements, debt premiums and discounts are deferred and amortized over the life of the debt. Long-term debt is reported net of the applicable debt premium or discount. In the fund financial statements, governmental fund types recognize premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

Compensated Absences - The Village's policy permits employees to accumulate earned, but unused benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the government funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary related benefits where applicable.

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

Other Post Employment Benefits (OPEB) LRLIF - The fiduciary net position of the local retiree life insurance fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources, and deferred inflows of resources related to other post employment benefits, OPEB expense (revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows and Inflows of Resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expenditure) until then. The Village has three items that qualify for reporting in this category. They are the deferred charge on refunding, Wisconsin Retirement System pension, and Wisconsin Retirement System local retiree life insurance fund (LRLIF) reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Wisconsin Retirement System pension

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 1 - Summary of Significant Accounting Policies - Continued

and Wisconsin Retirement System LRLIF result from changes in their actuarial studies and are amortized over the average of the expected remaining service lives of participants.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until then. The Village has three types of items, unavailable revenue, Wisconsin Retirement System pension, and Wisconsin Retirement System LRLIF which qualify for reporting in this category. The unavailable revenue is from two sources: property taxes levied for subsequent year and special assessments. These amounts are deferred and recognized as an inflow of resources in the period they become available. The Wisconsin Retirement System pension and Wisconsin Retirement System LRLIF result from changes in their actuarial studies and are amortized over the average of the expected remaining service lives of participants.

Long-term Obligations - In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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

Net Position Classifications - Net position represents the difference between the total assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement for those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Fund Balance Classifications - The Village classifies its fund equity as follows: 1) nonspendable fund balance consists of equity that is not in a spendable form or is legally or contractually required to be maintained intact, 2) restricted fund balance consists of equity constrained to specific purposes by their providers, externally imposed by creditors, constitutional provisions or by enabling legislation, 3) committed fund balance consists of equity

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 1 - Summary of Significant Accounting Policies - Continued

constrained to specific purposes by the Village itself, using its highest level of decision making authority - Village Board resolution, 4) assigned fund balance consists of equity the governing body intends to use for a specific purpose, intent can be expressed by the governing body, the Village Board has not delegated the authority to assign fund balances through its Budget Policy and 5) unassigned fund balance consists of equity available for any purpose.

When net losses occur, it is the Village's policy to record the net loss against committed fund balance, then assigned fund balance, and lastly to unassigned fund balance (GASB 54 default for no policy). The Village applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

Prior Year Information - Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the Village's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Reclassifications - Certain amounts in the prior year financial statements have been reclassified to conform to the presentation in the current year financial statements with no change in previously reported net position, changes in net position, fund balance, or changes in fund balance.

Budgetary Information - Budgets are adopted each fiscal year for the general fund in accordance with Section 65.90 of the Wisconsin Statutes. The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to November 20, Village management submits to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submissions to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Village Board action.
2. A public hearing is conducted for taxpayers to approve the budget. This includes all required public notifications and publications prior to the public hearing.
3. In December, the budget is legally enacted through passage of a resolution.
4. The department heads are authorized to transfer budget amounts within departmental operating expenses; however, any other revisions that alter the total expenditures of any fund or department must be approved by the Village Board.
5. Formal budgetary integration is employed as a management control device during the year for the general fund.

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 1 - Summary of Significant Accounting Policies - Continued

6. Budgets are adopted on a basis consistent with generally accepted accounting principles in the United States of America.
7. Budgetary expenditure control is exercised at the department level within the fund.
8. Budgeted amounts are as authorized in the original budget resolution and subsequent revisions authorized by the Village Board.
9. Appropriations lapse at year-end, except those specifically carried forward by Board action.
10. Encumbrance accounting is not used.

Excess of Actual Expenditure Over Budget - The following expenditure classifications were in excess of \$1,000 over budget.

Public safety	\$ 91,976
Public works	118,120
Community development	10,073

NOTE 2 - Cash and Investments

State statutes permit the Village to invest available cash balances in time deposits of authorized depositories, state obligations, U.S. Treasury obligations, U.S. agency issues, repurchase agreements and other investments secured by federal securities, high grade commercial paper, and the local government pooled-investment fund administered by the state investment board. No significant violations of these restrictions occurred during the year.

As of December 31, 2022, the Village had the following investment:

<u>Investment</u>	<u>Weighted Average Maturities</u>	<u>Fair Value</u>
State of Wisconsin Investment Pool	Less than one year	\$ 11,515,416
Certificates of deposit	More than one year	3,000,000
Fixed Income	More than one year	<u>1,863,582</u>
Total		<u>\$ 16,378,998</u>

Investment Pool Information - Participation in the State of Wisconsin Local Government Investment Pool is voluntary. The Pool's regulatory oversight is provided by state statutes and its investment board. The fair value of the Village's position in the Pool is the same as the value of the Pool shares. At December 31, 2022, the Pool's fair value was 100 percent of book value.

Determining Fair Value - The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets; level 2 inputs are significant other observable inputs; level 3 inputs are significant unobservable inputs. The Village has the following recurring fair value measurements:

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 2 - Cash and Investments - Continued

- 1) State of Wisconsin Local Government Investment Pool fair value is determined monthly by the Pool's investment board based on published market quotations (level 2 inputs).

Income Allocation - Interest income is allocated to the fund which owns the certificate of deposit, money market account, savings account and investment. Interest income from the police, fire department and public works capital projects is recorded in the general fund per Village policy.

Interest Rate Risk - State statutes limit investments in commercial paper, corporate bonds, and mutual bond funds to those which mature or may be tendered for purchase at the option of the holder within not more than 7 years of the date acquired. The Village's investment policy does not further limit investment maturities as a means of further managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - State statutes limit investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Village's investment policy does not further limit its investment choices. The State of Wisconsin Investment Pool is not rated.

Custodial Credit Risk - Deposits - 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 in place for custodial credit risk. The State of Wisconsin's Public Deposit Guarantee Fund created under Chapter 34 of the Wisconsin Statutes protects the municipality's designated public depositories against any losses of public funds up to \$400,000 subject to the total amount of the Guarantee Fund available. As of December 31, 2022, \$19,502,878 of the Village's bank balance of \$22,565,799 was exposed to custodial credit risk as uninsured, pledged collateral, collateralized by U.S. Government and municipal governments securities held by the bank in the bank's name. \$1,255,701 was uninsured and uncollateralized.

NOTE 3 - Property Taxes

Property taxes attach as an enforceable lien on property in December when the tax roll is certified. Taxes are levied in December and payable in two installments on January 31 and July 31 or payable in full on January 31. Personal property taxes are payable in full on January 31. The Village bills and collects its own property taxes and also taxes for the State, County, Technical College, and Public Schools until February 1, at which time all uncollected real estate taxes are turned over to the county for collection. Delinquent personal property tax remains the collection responsibility of the Village. Collection of the taxes and remittance of them to the appropriate entities are accounted for in the Tax Fund. Village property tax revenue is recognized in the year they are levied for and available for use. The 2022 tax roll has been set up as a receivable and is offset by the amounts due to other governmental units. Advance tax collections are offset against the receivable.

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 4 - Capital Assets

Capital asset balances and activity for the year ended December 31, 2022 are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 10,453,249	\$ 43,863	\$ -	\$ 10,497,112
Construction in progress	<u>600,000</u>	<u>7,313,700</u>	<u>(600,000)</u>	<u>7,313,700</u>
Total capital assets not being depreciated	<u>11,053,249</u>	<u>7,357,563</u>	<u>(600,000)</u>	<u>17,810,812</u>
Capital assets being depreciated:				
Land improvements	2,902,094	-	-	2,902,094
Buildings and improvements	6,224,213	-	-	6,224,213
Equipment	7,484,832	2,040,080	(831,446)	8,693,466
Infrastructure	<u>69,549,532</u>	<u>8,343,664</u>	<u>(353,205)</u>	<u>77,539,991</u>
Total capital assets being depreciated	<u>86,160,671</u>	<u>10,383,744</u>	<u>(1,184,651)</u>	<u>95,359,764</u>
Less accumulated depreciation for:				
Land improvements	(1,079,569)	(66,682)	-	(1,146,251)
Buildings and improvements	(2,054,166)	(53,667)	-	(2,107,833)
Equipment	(4,146,944)	(342,676)	676,746	(3,812,874)
Infrastructure	<u>(25,047,099)</u>	<u>(1,797,670)</u>	<u>259,700</u>	<u>(26,585,069)</u>
Total accumulated depreciation	<u>(32,327,778)</u>	<u>(2,260,695)</u>	<u>936,446</u>	<u>(33,652,027)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>53,832,893</u>	<u>8,123,049</u>	<u>(248,205)</u>	<u>61,707,737</u>
Governmental activities capital assets, net of accumulated depreciation	<u>\$ 64,886,142</u>	<u>\$ 15,480,612</u>	<u>\$ (848,205)</u>	<u>\$ 79,518,549</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 20,837
Public safety	140,335
Public works	<u>2,099,523</u>
Total	<u>\$ 2,260,695</u>

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 4 - Capital Assets - Continued

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 2,644,523	\$ 248,972	\$ -	\$ 2,893,495
Construction in progress	<u>9,202</u>	<u>1,021,606</u>	<u>(9,202)</u>	<u>1,021,606</u>
Total capital assets not being depreciated	<u>2,653,725</u>	<u>1,270,578</u>	<u>(9,202)</u>	<u>3,915,101</u>
Capital assets being depreciated:				
Land improvements	3,502,714	78,774	-	3,581,488
Buildings	35,258,737	-	(4,129)	35,254,608
Equipment	8,866,556	533,330	(73,520)	9,326,366
Infrastructure	<u>89,849,121</u>	<u>5,494,397</u>	<u>(25,139)</u>	<u>95,318,379</u>
Total capital assets being depreciated	<u>137,477,128</u>	<u>6,106,501</u>	<u>(102,788)</u>	<u>143,480,841</u>
Less accumulated depreciation for:				
Land improvements	(206,768)	(14,110)	-	(220,878)
Buildings	(3,169,755)	(1,023,094)	4,129	(4,188,720)
Equipment	(4,455,001)	(731,390)	73,520	(5,112,871)
Infrastructure	<u>(18,809,895)</u>	<u>(1,129,437)</u>	<u>25,139</u>	<u>(19,914,193)</u>
Total accumulated depreciation	<u>(26,641,419)</u>	<u>(2,898,031)</u>	<u>102,788</u>	<u>(29,436,662)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>110,835,709</u>	<u>3,208,470</u>	<u>-</u>	<u>114,044,179</u>
Business-type activities capital assets, net of accumulated depreciation	<u>\$ 113,489,434</u>	<u>\$ 4,479,048</u>	<u>\$ (9,202)</u>	<u>\$ 117,959,280</u>

Depreciation expense was charged to business-type activities as follows:

Business-type activities	
Water utility	\$ 891,922
Sewer utility	521,954
Storm water utility	340,085
Howards Commons	1,093,874
Golf course	<u>50,196</u>
Total	<u>\$ 2,898,031</u>

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 5 - Long-Term Obligations

Long-term obligations are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds payable	\$ 12,805,000	\$ 21,000,000	\$ (1,065,000)	\$ 32,740,000	\$ 1,510,000
Notes payable - direct placement	661,500	-	(14,000)	647,500	14,000
Premium	71,121	599,376	(35,643)	634,854	42,670
Compensated absences	358,220	248,831	(224,293)	382,758	229,655
Wisconsin Retirement System					
LRLIF	265,668	19,115	-	284,783	-
Total	<u>\$ 14,161,509</u>	<u>\$ 21,867,322</u>	<u>\$ (1,338,936)</u>	<u>\$ 34,689,895</u>	<u>\$ 1,796,325</u>
Business-Type Activities					
General obligation refunding bonds	\$ 150,000	\$ -	\$ (150,000)	\$ -	\$ -
Notes payable - direct placement	34,828,500	26,040,000	(27,556,000)	33,312,500	1,201,000
Premium	323,281	485,384	(340,635)	468,030	52,885
Compensated absences	125,095	80,440	(93,821)	111,714	67,030
Wisconsin Retirement System					
LRLIF	98,430	40,769	-	139,199	-
Total	<u>\$ 35,525,306</u>	<u>\$ 26,646,593</u>	<u>\$ (28,140,456)</u>	<u>\$ 34,031,443</u>	<u>\$ 1,320,915</u>

Interest cost incurred during the year totaled \$662,995 for governmental activities and \$718,189 for business-type activities. Total interest paid during the year aggregated \$223,560 for governmental activities and \$612,491 for business-type activities.

General Obligation Debt - All general obligation debt is secured by the full faith and credit and unlimited taxing powers of the Village. The general obligation debt is expected to be repaid with general property taxes and special assessments. General obligation debt at December 31, 2022 is comprised of the following individual issues:

<u>Issue Description</u>	<u>Issue Dates</u>	<u>Interest Rates %</u>	<u>Dates of Maturity</u>	<u>Balance</u>
Bonds	8/5/15	3-3.5%	6/1/35	\$ 2,150,000
Bonds	3/1/21	1-2%	3/1/36	4,240,000
Bonds	5/16/22	3-5%	3/1/38	21,000,000
Refunding bonds	12/1/20	.4-2.1%	12/1/33	5,350,000
Note payable - direct placement	12/1/20	1-2%	12/1/30	647,500
Note payable - direct placement	12/1/20	1-2%	12/1/30	8,602,500
Note payable - direct placement	1/12/22	2%	12/1/31	24,710,000
Total				<u>\$ 66,700,000</u>

General Obligation Debt Limit Calculation - The 2022 equalized valuation of the Village as certified by the Wisconsin Department of Revenue is \$2,528,976,900. The legal debt limit and margin of indebtedness as of December 31, 2022, in accordance with Section 67.03(1) (a) of the Wisconsin Statutes follows:

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 5 - Long-Term Obligations - Continued

Debt limit (5% of \$2,528,976,900)	\$ 126,448,845
Applicable long-term debt	(66,700,000)
Amount available in debt service	<u>440</u>
Margin of indebtedness	<u>\$ 59,749,285</u>

Maturities of Long-Term Obligations - Aggregate cash flow requirements for the retirement of long-term debt principal and interest are as follows:

Governmental Activities					
Year Ending December 31	Bonds		Notes Payable - Direct Borrowing and Placement		Total
	Principal	Interest	Principal	Interest	
2023	\$ 1,510,000	\$ 1,210,468	\$ 14,000	\$ 8,750	\$ 2,743,218
2024	1,555,000	940,868	21,000	8,470	2,525,338
2025	1,580,000	901,003	21,000	8,050	2,510,053
2026	1,600,000	858,750	21,000	7,630	2,487,380
2027	1,645,000	815,015	21,000	7,210	2,488,225
2028-2032	11,095,000	3,150,175	549,500	19,714	14,814,389
2033-2037	11,655,000	1,364,174	-	-	13,019,174
2038	2,100,000	42,000	-	-	2,142,000
	<u>\$ 32,740,000</u>	<u>\$ 9,282,453</u>	<u>\$ 647,500</u>	<u>\$ 59,824</u>	<u>\$ 42,729,777</u>

Business-Type Activities			
Year Ending December 31	Notes Payable - Direct Borrowing and Placement		
	Principal	Interest	Total
2023	\$ 1,201,000	\$ 610,450	\$ 1,811,450
2024	1,234,000	586,430	1,820,430
2025	1,304,000	561,750	1,865,750
2026	1,374,000	535,670	1,909,670
2027	1,449,000	508,190	1,957,190
2028-2031	26,750,500	1,647,411	28,397,911
	<u>\$ 33,312,500</u>	<u>\$ 4,449,901</u>	<u>\$ 37,762,401</u>

Current Refunding - The Village issued \$26,040,000 of refunding notes for a current refunding of \$26,040,000 of outstanding 2018 and 2019 note anticipation notes. The transaction resulted in an economic loss of \$571,903 and a reduction of \$2,880,787 in future debt service payments.

NOTE 6 - Wisconsin Retirement System Pension

General Information about the Pension Plan

Plan Description - The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 6 - Wisconsin Retirement System Pension - Continued

provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

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

Benefits Provided - Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 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 age 55 (50 for protective occupations) and receive an actuarial-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:

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 6 - Wisconsin Retirement System Pension - Continued

Year	Core Fund Adjustment	Variable Fund Adjustment
2012	(7)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	.5	(5)
2017	2	4
2018	2.4	17
2019	-	(10)
2020	1.7	21
2021	5.1	13

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, and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$270,106 in contributions from the employer.

Contribution rates as of December 31, 2022 are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.75%
Protective without Social Security	6.75%	16.35%

Pension Liabilities, Pension Expense (Revenue), Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the Village reported a liability (asset) of \$(1,738,220) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability (asset) was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was 0.02156552%, which was an increase of 0.00043279% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized pension expense (revenue) of (\$149,931).

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 6 - Wisconsin Retirement System Pension - Continued

At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,808,009	\$ 202,488
Net differences between projected and actual earnings on pension plan investments	-	3,888,544
Changes in assumption	324,292	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	9,858	6,735
Employer contributions subsequent to the measurement date	270,106	-
Total	\$ 3,412,265	\$ 4,097,767

\$270,106 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense (revenue) as follows:

Year Ending December 31	Deferred Outflows (Inflows) of Resources
2023	\$ (79,605)
2024	(469,180)
2025	(206,972)
2026	(199,851)
Thereafter	-

Actuarial Assumptions - The total pension liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 6 - Wisconsin Retirement System Pension - Continued

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net Pension Liability (Asset)	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Inflation	3%
Seniority/Merit	.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The total pension liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

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

Asset Allocation Targets and Expected Returns
As of December 31, 2021

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 6 - Wisconsin Retirement System Pension - Continued

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	52	6.8	4.2
Fixed Income	25	4.3	1.8
Inflation Sensitive Assets	19	2.7	0.2
Real Estate	7	5.6	3
Private Equity/Debt	12	9.7	7
Total Core Fund	115	6.6	4
Variable Fund Asset Class			
U.S. Equities	70	6.3	3.7
International Equities	30	7.2	4.6
Total Variable Fund	100	6.8	4.2

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

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

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

Single Discount Rate - A single discount rate of 6.8% was used to measure the total pension liability, as opposed to a discount rate of 7% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 1.84% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2021. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Village's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate - The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.8 percent, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.8 percent) or 1-percentage-point higher (7.8 percent) than the current rate:

VILLAGE OF HOWARD, WISCONSIN
 NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
 DECEMBER 31, 2022

NOTE 6 - Wisconsin Retirement System Pension - Continued

	1% Decrease to Discount Rate (5.8%)	Current Discount Rate (6.8%)	1% Increase to Discount Rate (7.8%)
Village's proportionate share of the net pension liability (asset)	\$ 1,233,390	\$ (1,738,220)	\$ (3,877,227)

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

Payables to the Pension Plan - The Village reported a payable of \$66,780 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2022.

NOTE 7 - Wisconsin Retirement System Local Retiree Life Insurance Fund

General Information about the Other Post Employment Benefits

Plan Description - The LRLIF is a multiple-employer defined-benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

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

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found using the link above.

Benefits Provided - The LRLIF plan provides fully paid life insurance benefits for post age 64 retired employees and pre-65 retirees who pay for coverage.

Contributions - The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post retirement benefit.

Members are required to pay the following contributions based on employee contributions for active members to provide them with basic coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2022 are:

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 7 - Wisconsin Retirement System Local Retiree Life Insurance Fund - Continued

Coverage Type	Employer Contribution
50% post retirement coverage	40% of employee contribution
25% post retirement coverage	20% of employee contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2021 are as listed below:

Life Insurance Employee Contribution Rates* For the year ended December 31, 2021		
Attained Age	Basic	Supplemental
Under 30	\$.05	\$.05
30-34	.06	.06
35-39	.07	.07
40-44	.08	.08
45-49	.12	.12
50-54	.22	.22
55-59	.39	.39
60-64	.49	.49
65-69	.57	.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized \$1,578 in contributions from the employer.

OPEB Liabilities, OPEB Expense (Revenue), Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEBs

At December 31, 2022, the Village reported a liability (asset) of \$424,022 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability (asset) was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2021, the Village's proportion was .071742% which was an increase of .005551% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the Village recognized OPEB expense (revenue) of \$59,038.

At December 31, 2022, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 7 - Wisconsin Retirement System Local Retiree Life Insurance Fund - Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 21,570
Net differences between projected and actual earnings on OPEB plan investments	5,517	-
Changes in assumption	128,112	20,553
Changes in proportion and differences between employer contributions and proportionate share of contributions	31,463	668
Employer contributions subsequent to the measurement date	1,578	-
Total	\$ 166,670	\$ 42,791

\$1,578 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense (revenue) as follows:

Year Ending December 31	Deferred Outflows (Inflows) of Resources
2023	\$ 27,116
2024	26,476
2025	24,264
2026	27,318
Thereafter	17,127

Actuarial Assumptions - The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2021
Measurement Date of Net OPEB Liability (Asset)	December 31, 2021
Experience Study:	January 1, 2018 – December 31, 2020, Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax Exempt Municipal Bond Yield:	2.06%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.17%
Salary Increases:	
Inflation	3%
Seniority/Merit	.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study,

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 7 - Wisconsin Retirement System Local Retiree Life Insurance Fund - Continued

actuarial assumptions used to measure the total OPEB liability changed from prior year, including the price inflation, mortality and separation rates. The total OPEB liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the January 1, 2021 actuarial valuation.

Long-Term Expected Return on Plan Assets - The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2021

Asset Class	Index	Target Allocation %	Long-Term Expected Geometric Real Rate of Return %
US Intermediate Credit Bonds	Bloomberg US Interm Credit	45	1.68
US Long Credit Bonds	Bloomberg US Long Credit	5	1.82
US Mortgages	Bloomberg US MBS	50	1.94
Inflation			2.3
Long-term Expected Rate of Return			4.25

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility correlation. The expected inflation rate increased from 2.2% as of December 31, 2020 to 2.3% as of December 31, 2021.

Single Discount Rate - A single discount rate of 2.17% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.25% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.12% as of December 31, 2020 to 2.06% as of December 31, 2021. The plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payments to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was

VILLAGE OF HOWARD, WISCONSIN
 NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
 DECEMBER 31, 2022

NOTE 7 - Wisconsin Retirement System Local Retiree Life Insurance Fund - Continued

projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

Sensitivity of the Village's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate - The following presents the Village's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.17 percent, as well as what the Village's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.17 percent) or 1-percentage-point higher (3.17 percent) than the current rate:

	1% Decrease to Discount Rate (1.17%)	Current Discount Rate (2.17%)	1% Increase to Discount Rate (3.17%)
Village's proportionate share of the net OPEB liability (asset)	\$ 575,245	\$ 424,022	\$ 310,233

OPEB Plan Fiduciary Net Position - Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

Payables to the Pension Plan - The Village reported a payable of zero for the outstanding amount of contributions to the OPEB plan required for the year ended December 31, 2022.

NOTE 8 - Interfund Balance and Activity

Interfund receivable and payable balances on December 31, 2022, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	TID #7	\$ 86,755
General	TID #9	10,765
Water	Sewer	1,051,448
		<u>\$ 1,148,968</u>

The above balances resulted from the timing differences between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. All amounts are due within one year. For the statement of net position, interfund balances which are owed within the governmental and business activities are netted and eliminated.

<u>Advance From</u>	<u>Advance To</u>	<u>Amount</u>
General	TID #8	\$ 959,000

The principal purposes of these advances are capital projects and capital asset acquisition. For the statement of net position, advances which are owed within the governmental activities or business-type activities are netted and eliminated.

VILLAGE OF HOWARD, WISCONSIN
NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
DECEMBER 31, 2022

NOTE 8 - Interfund Balance and Activity - Continued

Annual payments due on the long-term advances as of December 31, 2022, are detailed below:

Year Ended December 31,	Principal	Interest	Total
2023	\$ 87,000	\$ 23,332	\$ 110,332
2024	89,000	21,983	110,983
2025	90,000	20,425	110,425
2026	92,000	18,625	110,625
2027	94,000	16,647	110,647
2028-2032	<u>507,000</u>	<u>45,500</u>	<u>552,500</u>
	<u>\$ 959,000</u>	<u>\$ 146,512</u>	<u>\$ 1,105,512</u>

Interfund transfers at December 31, 2022 were as follows:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
General	Water	\$ 221,115
General	Water	432,158
General	Sewer	11,330
Debt Service	TID #3	171,544
Debt Service	TID #4	589,071
Debt Service	TID #8	224,280
TID #8	Howard Commons	<u>319,002</u>
		<u>\$ 1,968,500</u>

Generally, transfers are used to move revenues from the fund that collects them to the fund that the budget requires to expend them and use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9 - Fund Balance and Net Position

Portions of fund balances and net position are not available for current appropriation or expenditure as follows:

<u>Governmental Fund</u>	<u>Purpose</u>	<u>Amount</u>
Nonspendable		
General	Advances to other fund	\$ 959,000
TID #8	Inventories	\$ 4,774
Restricted		
Debt Service	Principal and interest	\$ 440
Park Development	Capital projects	\$ 36,474
TID #3	Capital projects	\$ 325,833
TID #4	Capital projects	\$ 704,523
TID #5	Capital projects	\$ 160,691
TID #6	Capital projects	\$ 316,161
TID #8	Capital projects	\$ 8,736,449
Assigned		
Capital Improvement	Capital projects	\$ 29,847

VILLAGE OF HOWARD, WISCONSIN
 NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
 DECEMBER 31, 2022

NOTE 9 - Fund Balance and Net Position - Continued

Net Position

Governmental Activities

Restricted

Debt service	Principal and interest	\$	440
Park development	Capital projects	\$	36,474
TID Activities	TID capital projects	\$	10,285,298
Pensions	Wisconsin Retirement System pension	\$	1,167,590

Business-Type Activities

Restricted

Water	Wisconsin Retirement System pension	\$	203,515
Sewer	Wisconsin Retirement System pension	\$	163,659
Storm Water	Wisconsin Retirement System pension	\$	167,630
Golf Course	Wisconsin Retirement System pension	\$	35,826

Deficits

The following individual funds had deficits at December 31, 2022:

TID #7	\$	130,465
TID #9	\$	10,765
Howard Commons	\$	1,443,088

The deficits will be funded by future revenues.

The Village has adopted a minimum fund balance policy in the amount of 25 - 40% of the previous year's actual expenditures within the fund. The Village's adopted budget stayed within the minimum amount.

NOTE 10 - Risk Management

The Village is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; employee health and accident claims; and natural disasters. For all risks of loss, the Village's policy is to purchase commercial insurance. Settled claims have not exceeded commercial insurance coverage in any of the past three years and there has been no significant reduction in insurance coverage from the prior year.

NOTE 11 - Tax Incremental Financing Districts

The Village has established separate capital projects funds for Tax Incremental District (TID) No. 3, No. 4, No. 5, No. 6, No. 7, No. 8, and No. 9 which were created by the Village in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the District was created, the property tax base within the District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the Village to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. The Village's Districts are still eligible to incur project costs.

Since creation of the above Districts, the Village has provided various financing sources to the TID. The foregoing amounts are not recorded as liabilities in the TID Capital Project Fund but can be recovered by the Village from any future excess tax increment revenues. As of December

VILLAGE OF HOWARD, WISCONSIN
 NOTES TO THE BASIC FINANCIAL STATEMENTS - Continued
 DECEMBER 31, 2022

NOTE 11 - Tax Incremental Financing Districts - Continued

31, 2022, the Village can recover \$20,546,232 from future excess tax increment revenues of the following:

	Recoverable Costs
TID No. 3	\$ 1,428,775
TID No. 4	2,634,293
TID No. 5	1,561,697
TID No. 7	130,465
TID No. 8	14,780,237
TID No. 9	10,765

The intent of the Village is to recover the above amounts from future TID surplus funds, if any, prior to termination of the respective Districts. Unless terminated by the Village prior thereto, each TID has a statutory termination year as follows:

	Termination Year
TID No. 3	2026
TID No. 4	2034
TID No. 5	2028
TID No. 6	2028
TID No. 7	2039
TID No. 8	2035
TID No. 9	2040

NOTE 12 - Tax Abatements

The Village has created tax incremental financing districts (the "Districts") in accordance with Wisconsin State Statute 66.1105, *Tax Increment Law*. As part of the project plan for the Districts, the Village entered into agreements with developers for a creation of tax base within the Districts. The agreements require the Village to make annual repayments of property taxes collected within the Districts to the developers, based upon the terms of the agreements. As tax abatements, those developer payments and the related property tax revenues are not reported as revenues or expenditures in the financial statements.

For the year ended December 31, 2022, the Village abated property taxes totaling \$904,419 under this program, comprised of the following tax abatement agreements:

- TID 3 - A property tax abatement of \$46,041 to a developer.
- TID 4 - A property tax abatement of \$146,684 to a developer.
- TID 5 - A property tax abatement of \$7,563 to a developer.
- TID 6 - A property tax abatement of \$412,486 to a developer.
- TID 8 - A property tax abatement of \$291,645 to a developer.

VILLAGE OF HOWARD, WISCONSIN
WISCONSIN RETIREMENT SYSTEM PENSION SCHEDULES
YEAR ENDED DECEMBER 31, 2022

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
Last 10 Fiscal Years

Pension Plan Fiscal Year	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
2021	0.02156552%	\$ (1,738,220)	\$ 3,395,631	-51.19%	106.02%
2020	0.02113273%	(1,319,345)	3,474,914	-37.97%	105.26%
2019	0.02014566%	(649,588)	3,138,657	-20.70%	102.96%
2018	0.01942354%	691,028	2,950,073	23.42%	96.45%
2017	0.01846401%	(548,218)	2,827,456	-19.39%	102.93%
2016	0.01768009%	145,726	2,595,719	5.61%	99.12%
2015	0.01692572%	275,040	2,410,629	11.41%	98.20%
2014	0.01671162%	(410,482)	2,361,411	-17.38%	102.74%

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

Village Fiscal Year End	Contractually Required Contributions	Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 270,106	\$ (270,106)	\$ -	\$ 3,688,715	7.32%
2021	251,157	(251,157)	-	3,395,631	7.40%
2020	252,312	(252,312)	-	3,474,914	7.26%
2019	216,901	(216,901)	-	3,138,657	6.91%
2018	216,922	(216,922)	-	2,950,073	7.35%
2017	208,249	(208,249)	-	2,827,456	7.37%
2016	197,059	(197,059)	-	2,595,719	7.59%
2015	176,224	(176,224)	-	2,410,629	7.31%

The Village implemented the Government Accounting Standards Board Statement No. 68 for the year ended December 31, 2015. Requirements have been implemented prospectively; therefore, the above illustrations do not reflect similar information for the proceeding years.

Notes to Required Supplementary Information for the Year Ended December 31, 2022

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

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

- * Lowering the long-term expected rate of return from 7% to 6.8%.
- * Lowering the discount rate from 7% to 6.8%.
- * Lowering the price inflation rate from 2.5% to 2.4%.
- * Lowering the post-retirement adjustments from 1.9% to 1.7%.
- * Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

VILLAGE OF HOWARD, WISCONSIN
WISCONSIN RETIREMENT SYSTEM LOCAL RETIREE LIFE INSURANCE FUND SCHEDULES
YEAR ENDED DECEMBER 31, 2022

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
Last 10 Fiscal Years

OPEB Plan Fiscal Year	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
2021	0.07174200%	\$ 424,022	\$ 3,202,000	13.24%	29.57%
2020	0.06619100%	364,098	3,000,000	12.14%	31.36%
2019	0.06324800%	269,322	2,800,000	9.62%	37.58%
2018	0.06363800%	164,208	2,699,000	6.08%	48.69%
2017	0.05995300%	180,373	2,521,195	7.15%	44.81%

SCHEDULE OF CONTRIBUTIONS
Last 10 Fiscal Years

Village Fiscal Year End	Contractually Required Contributions	Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 1,578	\$ (1,578)	\$ -	\$ 3,466,298	0.05%
2021	1,468	(1,468)	-	3,202,000	0.05%
2020	1,319	(1,319)	-	3,000,000	0.04%
2019	1,143	(1,143)	-	2,800,000	0.04%
2018	1,255	(1,255)	-	2,699,000	0.05%

The Village implemented the Government Accounting Standards Board Statement No. 75 for the year ended December 31, 2018. Requirements have been implemented prospectively; therefore, the above illustrations do not reflect similar information for the proceeding years.

Notes to Required Supplementary Information for the Year Ended December 31, 2022

Changes of benefit terms - there were no changes of benefit terms.

Changes of assumptions - In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- * Lowering the price inflation rate from 2.5% to 2.4%.
- * Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

VILLAGE OF HOWARD, WISCONSIN

COMBINING BALANCE SHEETS

NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2022

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2021

	SPECIAL REVENUE FUND			CAPITAL PROJECT FUNDS	
	COMMUNITY DEVELOPMENT	GRANT PROJECTS	DEBT SERVICE	PARK DEVELOPMENT	TID NO. 3
ASSETS					
Cash and investments	\$ -	\$ -	\$ 113,384	\$ 46,112	\$ 554,332
Receivable					
Taxes	-	-	209,861	-	410,616
Special assessments	-	-	-	-	-
Due from other governments	-	-	-	-	-
TOTAL ASSETS	-	-	323,245	46,112	964,948
LIABILITIES					
Accounts payable	-	-	-	9,638	400
Due to other funds	-	-	-	-	-
Deposit payable	-	-	-	-	7,113
TOTAL LIABILITES	-	-	-	9,638	7,513
DEFERRED INFLOWS OF RESOURCES					
Taxes levied for subsequent year	-	-	322,805	-	631,602
Unavailable revenue - special assessments	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	322,805	-	631,602
FUND BALANCES (DEFICITS)					
Restricted	-	-	440	36,474	325,833
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	-	-	440	36,474	325,833
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	\$ -	\$ -	\$ 323,245	\$ 46,112	\$ 964,948

CAPITAL PROJECT FUNDS (Continued)					TOTAL NONMAJOR GOVERNMENTAL FUNDS	
TID NO. 4	TID NO. 5	TID NO. 6	TID NO. 7	TID NO. 9	2022	2021
\$ 1,053,773	\$ 224,710	\$ 572,904	\$ -	\$ -	\$ 2,565,215	\$ 1,825,309
648,944	118,955	466,501	81,217	-	1,936,094	1,402,826
41,641	-	-	-	-	41,641	55,521
-	-	-	-	-	-	320,069
<u>1,744,358</u>	<u>343,665</u>	<u>1,039,405</u>	<u>81,217</u>	<u>-</u>	<u>4,542,950</u>	<u>3,603,725</u>
-	-	5,681	-	-	15,719	-
-	-	-	86,755	10,765	97,520	495,669
-	-	-	-	-	7,113	7,113
-	-	<u>5,681</u>	<u>86,755</u>	<u>10,765</u>	<u>120,352</u>	<u>502,782</u>
998,194	182,974	717,563	124,927	-	2,978,065	2,167,831
41,641	-	-	-	-	41,641	55,521
<u>1,039,835</u>	<u>182,974</u>	<u>717,563</u>	<u>124,927</u>	<u>-</u>	<u>3,019,706</u>	<u>2,223,352</u>
704,523	160,691	316,161	-	-	1,544,122	1,142,467
-	-	-	(130,465)	(10,765)	(141,230)	(264,876)
<u>704,523</u>	<u>160,691</u>	<u>316,161</u>	<u>(130,465)</u>	<u>(10,765)</u>	<u>1,402,892</u>	<u>877,591</u>
<u>\$ 1,744,358</u>	<u>\$ 343,665</u>	<u>\$ 1,039,405</u>	<u>\$ 81,217</u>	<u>\$ -</u>	<u>\$ 4,542,950</u>	<u>\$ 3,603,725</u>

VILLAGE OF HOWARD, WISCONSIN

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2022

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2021

	SPECIAL REVENUE FUND			CAPITAL PROJECT FUNDS	
	COMMUNITY DEVELOPMENT	GRANT PROJECTS	DEBT SERVICE	PARK DEVELOPMENT	TID NO. 3
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 573,378
Special assessment	-	-	-	-	-
Intergovernmental	-	566,111	-	-	30,930
Licenses and permits	-	-	-	170,675	-
Public charges for services	-	442	-	-	-
Miscellaneous	-	-	-	196,713	1,338
TOTAL REVENUES	<u>-</u>	<u>566,553</u>	<u>-</u>	<u>367,388</u>	<u>605,646</u>
EXPENDITURES					
Current					
General government	394	142,704	-	-	2,327
Public works	-	594	-	4,234	-
Community development	-	423,995	-	-	46,041
Debt service					
Principal	-	-	819,000	-	-
Interest	-	-	165,455	-	-
Capital outlay	-	-	-	587,289	-
TOTAL EXPENDITURES	<u>394</u>	<u>567,293</u>	<u>984,455</u>	<u>591,523</u>	<u>48,368</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(394)</u>	<u>(740)</u>	<u>(984,455)</u>	<u>(224,135)</u>	<u>557,278</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	984,895	-	-
Transfers (out)	-	-	-	-	(171,544)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>984,895</u>	<u>-</u>	<u>(171,544)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(394)</u>	<u>(740)</u>	<u>440</u>	<u>(224,135)</u>	<u>385,734</u>
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	<u>394</u>	<u>740</u>	<u>-</u>	<u>260,609</u>	<u>(59,901)</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 440</u>	<u>\$ 36,474</u>	<u>\$ 325,833</u>

CAPITAL PROJECT FUNDS (Continued)					TOTAL NONMAJOR GOVERNMENTAL FUNDS	
TID NO. 4	TID NO. 5	TID NO. 6	TID NO. 7	TID NO. 9	2022	2021
\$ 876,374	\$ 88,006	\$ 547,947	\$ 82,126	\$ -	\$ 2,167,831	\$ 1,856,189
15,482	-	-	-	-	15,482	16,016
56,117	4,597	29,809	1,286	-	688,850	560,490
-	-	-	-	-	170,675	400,484
-	-	-	-	-	442	320,069
6,707	569	2,887	(473)	-	207,741	168,151
<u>954,680</u>	<u>93,172</u>	<u>580,643</u>	<u>82,939</u>	<u>-</u>	<u>3,251,021</u>	<u>3,321,399</u>
300	884	27,633	4,950	300	179,492	750
1,097	-	-	13,944	-	19,869	26,144
146,684	7,563	412,486	-	-	1,036,769	1,816,789
-	-	-	-	-	819,000	850,000
-	-	-	-	-	165,455	187,945
11,563	-	130,563	-	-	729,415	911,827
<u>159,644</u>	<u>8,447</u>	<u>570,682</u>	<u>18,894</u>	<u>300</u>	<u>2,950,000</u>	<u>3,793,455</u>
<u>795,036</u>	<u>84,725</u>	<u>9,961</u>	<u>64,045</u>	<u>(300)</u>	<u>301,021</u>	<u>(472,056)</u>
-	-	-	-	-	984,895	1,037,945
<u>(589,071)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(760,615)</u>	<u>(788,065)</u>
<u>(589,071)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,280</u>	<u>249,880</u>
205,965	84,725	9,961	64,045	(300)	525,301	(222,176)
<u>498,558</u>	<u>75,966</u>	<u>306,200</u>	<u>(194,510)</u>	<u>(10,465)</u>	<u>877,591</u>	<u>1,099,767</u>
<u>\$ 704,523</u>	<u>\$ 160,691</u>	<u>\$ 316,161</u>	<u>\$ (130,465)</u>	<u>\$ (10,765)</u>	<u>\$ 1,402,892</u>	<u>\$ 877,591</u>

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE COMMUNITY DEVELOPMENT SPECIAL REVENUE FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH	2021 ACTUAL
	ORIGINAL	FINAL		FINAL BUDGET POSITIVE (NEGATIVE)	
REVENUES					
Public charges for services	\$ -	\$ -	\$ -	\$ -	\$ 320,069
Miscellaneous	-	-	-	-	394
TOTAL REVENUES	-	-	-	-	320,463
EXPENDITURES					
Current					
General government	-	-	394	(394)	-
Community development	-	-	-	-	1,209,249
TOTAL EXPENDITURES	-	-	394	(394)	1,209,249
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(394)	(394)	(888,786)
NET CHANGE IN FUND BALANCE	-	-	(394)	(394)	(888,786)
FUND BALANCE - BEGINNING OF YEAR	394	394	394	-	889,180
FUND BALANCE - END OF YEAR	\$ 394	\$ 394	\$ -	\$ (394)	\$ 394

VILLAGE OF HOWARD, WISCONSIN
 BUDGETARY COMPARISON SCHEDULE FOR THE GRANT PROJECTS SPECIAL REVENUE FUND
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2022
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET	2021 ACTUAL
	ORIGINAL	FINAL		POSITIVE (NEGATIVE)	
REVENUES					
Intergovernmental	\$ -	\$ -	\$ 566,111	\$ 566,111	\$ 243,885
Public charges for services	-	-	442	442	-
TOTAL REVENUES	-	-	566,553	566,553	243,885
EXPENDITURES					
Current					
General government	-	-	142,704	(142,704)	-
Public works	-	-	594	(594)	-
Community development	-	-	423,995	(423,995)	-
Capital outlay	-	-	-	-	243,145
TOTAL EXPENDITURES	-	-	567,293	(567,293)	243,145
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(740)	(740)	740
NET CHANGE IN FUND BALANCE	-	-	(740)	(740)	740
FUND BALANCE - BEGINNING OF YEAR	740	740	740	-	-
FUND BALANCE - END OF YEAR	\$ 740	\$ 740	\$ -	\$ (740)	\$ 740

VILLAGE OF HOWARD, WISCONSIN
 BUDGETARY COMPARISON SCHEDULE FOR THE DEBT SERVICE FUND
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2022
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH	2021
	ORIGINAL	FINAL		FINAL BUDGET	
				POSITIVE (NEGATIVE)	
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
Debt service					
Principal	805,000	805,000	819,000	(14,000)	850,000
Interest	143,605	143,605	165,455	(21,850)	187,945
TOTAL EXPENDITURES	948,605	948,605	984,455	(35,850)	1,037,945
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(948,605)	(948,605)	(984,455)	(35,850)	(1,037,945)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,499,960	1,499,960	984,895	(515,065)	1,037,945
NET CHANGE IN FUND BALANCE	551,355	551,355	440	(550,915)	-
FUND BALANCE - BEGINNING OF YEAR	-	-	-	-	-
FUND BALANCE - END OF YEAR	\$ 551,355	\$ 551,355	\$ 440	\$ (550,915)	\$ -

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH	2021
	ORIGINAL	FINAL		FINAL BUDGET	
				POSITIVE (NEGATIVE)	
REVENUES					
Taxes	\$ 1,728,801	\$ 1,728,801	\$ 1,729,801	\$ 1,000	\$ 1,708,797
Special assessment	20,000	20,000	277,923	257,923	937,116
Intergovernmental	2,192,445	2,192,445	1,222,286	(970,159)	1,274,071
Public charges for services	61,400	61,400	207,665	146,265	1,706,658
Miscellaneous	205,228	205,228	402,701	197,473	103,768
TOTAL REVENUES	4,207,874	4,207,874	3,840,376	(367,498)	5,730,410
EXPENDITURES					
Current					
General government	100,000	100,000	41,872	58,128	54,847
Public safety	52,600	52,600	55,810	(3,210)	37,035
Public works	4,293,650	4,293,650	2,693,885	1,599,765	167,158
Debt service					
Principal	260,000	260,000	260,000	-	-
Interest	58,105	58,105	58,105	-	30,353
Other	-	-	-	-	82,979
Capital outlay	4,310,500	4,310,500	5,954,153	(1,643,653)	7,117,761
TOTAL EXPENDITURES	9,074,855	9,074,855	9,063,825	11,030	7,490,133
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,866,981)	(4,866,981)	(5,223,449)	(356,468)	(1,759,723)
OTHER FINANCING SOURCES (USES)					
Transfers in	300,000	300,000	300,000	-	-
Transfers (out)	(300,000)	(300,000)	(300,000)	-	-
Issuance of long-term debt	-	-	-	-	4,500,000
Premium on long-term debt	-	-	-	-	96,615
TOTAL OTHER FINANCING SOURCES	-	-	-	-	4,596,615
NET CHANGE IN FUND BALANCE	(4,866,981)	(4,866,981)	(5,223,449)	(356,468)	2,836,892
FUND BALANCE - BEGINNING OF YEAR	4,935,191	4,935,191	4,935,191	-	2,098,299
FUND BALANCE - END OF YEAR	\$ 68,210	\$ 68,210	\$ (288,258)	\$ (356,468)	\$ 4,935,191

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE PARK DEVELOPMENT CAPITAL PROJECTS FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH	2021
	ORIGINAL	FINAL		FINAL BUDGET	
				POSITIVE (NEGATIVE)	
REVENUES					
Intergovernmental	\$ 63,000	\$ 63,000	\$ -	\$ (63,000)	\$ 161,175
Licenses and permits	137,195	137,195	170,675	33,480	400,484
Miscellaneous	127,190	127,190	196,713	69,523	159,571
TOTAL REVENUES	<u>327,385</u>	<u>327,385</u>	<u>367,388</u>	<u>40,003</u>	<u>721,230</u>
EXPENDITURES					
Current					
Public works	-	-	4,234	(4,234)	25,994
Capital outlay	564,000	564,000	587,289	(23,289)	218,682
TOTAL EXPENDITURES	<u>564,000</u>	<u>564,000</u>	<u>591,523</u>	<u>(27,523)</u>	<u>244,676</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(236,615)</u>	<u>(236,615)</u>	<u>(224,135)</u>	<u>12,480</u>	<u>476,554</u>
NET CHANGE IN FUND BALANCE	(236,615)	(236,615)	(224,135)	12,480	476,554
FUND BALANCE - BEGINNING OF YEAR	260,609	260,609	260,609	-	(215,945)
FUND BALANCE - END OF YEAR	<u>\$ 23,994</u>	<u>\$ 23,994</u>	<u>\$ 36,474</u>	<u>\$ 12,480</u>	<u>\$ 260,609</u>

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE TAX INCREMENTAL DISTRICT NO. 3 CAPITAL PROJECTS FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH	2021
	ORIGINAL	FINAL		FINAL BUDGET	
				POSITIVE (NEGATIVE)	
REVENUES					
Taxes	\$ 572,500	\$ 572,500	\$ 573,378	\$ 878	\$ 434,001
Intergovernmental	30,900	30,900	30,930	30	33,547
Miscellaneous	100	100	1,338	1,238	1,245
TOTAL REVENUES	<u>603,500</u>	<u>603,500</u>	<u>605,646</u>	<u>2,146</u>	<u>468,793</u>
EXPENDITURES					
Current					
General government	2,500	2,500	2,327	173	150
Community development	45,000	45,000	46,041	(1,041)	44,720
TOTAL EXPENDITURES	<u>47,500</u>	<u>47,500</u>	<u>48,368</u>	<u>(868)</u>	<u>44,870</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>556,000</u>	<u>556,000</u>	<u>557,278</u>	<u>1,278</u>	<u>423,923</u>
OTHER FINANCING SOURCES (USES)					
Transfers (out)	<u>(371,369)</u>	<u>(371,369)</u>	<u>(171,544)</u>	<u>199,825</u>	<u>(251,405)</u>
NET CHANGE IN FUND BALANCE	184,631	184,631	385,734	201,103	172,518
FUND BALANCE - BEGINNING OF YEAR	<u>(59,901)</u>	<u>(59,901)</u>	<u>(59,901)</u>	<u>-</u>	<u>(232,419)</u>
FUND BALANCE - END OF YEAR	<u>\$ 124,730</u>	<u>\$ 124,730</u>	<u>\$ 325,833</u>	<u>\$ 201,103</u>	<u>\$ (59,901)</u>

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE TAX INCREMENTAL DISTRICT NO. 4 CAPITAL PROJECTS FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH	2021
	ORIGINAL	FINAL		FINAL BUDGET	
				POSITIVE (NEGATIVE)	
REVENUES					
Taxes	\$ 875,000	\$ 875,000	\$ 876,374	\$ 1,374	\$ 737,659
Special assessment	13,300	13,300	15,482	2,182	16,016
Intergovernmental	56,100	56,100	56,117	17	63,365
Miscellaneous	2,000	2,000	6,707	4,707	5,103
TOTAL REVENUES	<u>946,400</u>	<u>946,400</u>	<u>954,680</u>	<u>8,280</u>	<u>822,143</u>
EXPENDITURES					
Current					
General government	-	-	300	(300)	150
Public works	3,000	3,000	1,097	1,903	-
Community development	170,600	170,600	146,684	23,916	169,873
Debt service					
Other	75,000	75,000	-	75,000	-
Capital outlay	1,500,000	1,500,000	11,563	1,488,437	-
TOTAL EXPENDITURES	<u>1,748,600</u>	<u>1,748,600</u>	<u>159,644</u>	<u>1,588,956</u>	<u>170,023</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(802,200)</u>	<u>(802,200)</u>	<u>795,036</u>	<u>1,597,236</u>	<u>652,120</u>
OTHER FINANCING SOURCES (USES)					
Transfers (out)	-	-	(589,071)	(589,071)	(536,660)
NET CHANGE IN FUND BALANCE	(802,200)	(802,200)	205,965	1,008,165	115,460
FUND BALANCE - BEGINNING OF YEAR	498,558	498,558	498,558	-	383,098
FUND BALANCE - END OF YEAR	<u>\$ (303,642)</u>	<u>\$ (303,642)</u>	<u>\$ 704,523</u>	<u>\$ 1,008,165</u>	<u>\$ 498,558</u>

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE TAX INCREMENTAL DISTRICT NO. 5 CAPITAL PROJECTS FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH	2021
	ORIGINAL	FINAL		FINAL BUDGET	
				POSITIVE (NEGATIVE)	
REVENUES					
Taxes	\$ 87,800	\$ 87,800	\$ 88,006	\$ 206	\$ 60,973
Intergovernmental	4,600	4,600	4,597	(3)	7,252
Miscellaneous	200	200	569	369	209
TOTAL REVENUES	<u>92,600</u>	<u>92,600</u>	<u>93,172</u>	<u>572</u>	<u>68,434</u>
EXPENDITURES					
Current					
General government	1,000	1,000	884	116	150
Community development	7,000	7,000	7,563	(563)	4,754
TOTAL EXPENDITURES	<u>8,000</u>	<u>8,000</u>	<u>8,447</u>	<u>(447)</u>	<u>4,904</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>84,600</u>	<u>84,600</u>	<u>84,725</u>	<u>125</u>	<u>63,530</u>
NET CHANGE IN FUND BALANCE	84,600	84,600	84,725	125	63,530
FUND BALANCE - BEGINNING OF YEAR	75,966	75,966	75,966	-	12,436
FUND BALANCE - END OF YEAR	<u>\$ 160,566</u>	<u>\$ 160,566</u>	<u>\$ 160,691</u>	<u>\$ 125</u>	<u>\$ 75,966</u>

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE TAX INCREMENTAL DISTRICT NO. 6 CAPITAL PROJECTS FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH	2021
	ORIGINAL	FINAL		FINAL BUDGET	
				POSITIVE (NEGATIVE)	
REVENUES					
Taxes	\$ 547,000	\$ 547,000	\$ 547,947	\$ 947	\$ 588,746
Intergovernmental	29,800	29,800	29,809	9	49,980
Miscellaneous	2,000	2,000	2,887	887	1,629
TOTAL REVENUES	<u>578,800</u>	<u>578,800</u>	<u>580,643</u>	<u>1,843</u>	<u>640,355</u>
EXPENDITURES					
Current					
General government	1,000	1,000	27,633	(26,633)	150
Community development	387,700	387,700	412,486	(24,786)	388,193
Capital outlay	-	-	130,563	(130,563)	450,000
TOTAL EXPENDITURES	<u>388,700</u>	<u>388,700</u>	<u>570,682</u>	<u>(181,982)</u>	<u>838,343</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>190,100</u>	<u>190,100</u>	<u>9,961</u>	<u>(180,139)</u>	<u>(197,988)</u>
NET CHANGE IN FUND BALANCE	190,100	190,100	9,961	(180,139)	(197,988)
FUND BALANCE - BEGINNING OF YEAR	<u>306,200</u>	<u>306,200</u>	<u>306,200</u>	-	<u>504,188</u>
FUND BALANCE - END OF YEAR	<u>\$ 496,300</u>	<u>\$ 496,300</u>	<u>\$ 316,161</u>	<u>\$ (180,139)</u>	<u>\$ 306,200</u>

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE TAX INCREMENTAL DISTRICT NO. 7 CAPITAL PROJECTS FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>	<u>2021</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
				<u>POSITIVE</u>	
				<u>(NEGATIVE)</u>	
REVENUES					
Taxes	\$ 82,000	\$ 82,000	\$ 82,126	\$ 126	\$ 34,810
Intergovernmental	1,200	1,200	1,286	86	1,286
Miscellaneous	-	-	(473)	(473)	-
TOTAL REVENUES	<u>83,200</u>	<u>83,200</u>	<u>82,939</u>	<u>(261)</u>	<u>36,096</u>
EXPENDITURES					
Current					
General government	1,000	1,000	4,950	(3,950)	-
Public works	-	-	13,944	(13,944)	150
TOTAL EXPENDITURES	<u>1,000</u>	<u>1,000</u>	<u>18,894</u>	<u>(17,894)</u>	<u>150</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>82,200</u>	<u>82,200</u>	<u>64,045</u>	<u>(18,155)</u>	<u>35,946</u>
NET CHANGE IN FUND BALANCE	82,200	82,200	64,045	(18,155)	35,946
FUND BALANCE - BEGINNING OF YEAR	<u>(194,510)</u>	<u>(194,510)</u>	<u>(194,510)</u>	<u>-</u>	<u>(230,456)</u>
FUND BALANCE - END OF YEAR	<u>\$ (112,310)</u>	<u>\$ (112,310)</u>	<u>\$ (130,465)</u>	<u>\$ (18,155)</u>	<u>\$ (194,510)</u>

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE TAX INCREMENTAL DISTRICT NO. 8 CAPITAL PROJECTS FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH	2021
	ORIGINAL	FINAL		FINAL BUDGET	
				POSITIVE (NEGATIVE)	
REVENUES					
Taxes	\$ 653,500	\$ 653,500	\$ 654,925	\$ 1,425	\$ 521,393
Intergovernmental	2,530	2,530	1,871,285	1,868,755	2,971
Miscellaneous	330,000	330,000	255,981	(74,019)	329,105
TOTAL REVENUES	<u>986,030</u>	<u>986,030</u>	<u>2,782,191</u>	<u>1,796,161</u>	<u>853,469</u>
EXPENDITURES					
Current					
General government	5,000	5,000	11,354	(6,354)	691,137
Public works	-	-	690,010	(690,010)	-
Community development	190,000	190,000	291,645	(101,645)	184,356
Debt service					
Principal	421,680	421,680	-	421,680	-
Interest	25,471	25,471	24,493	978	25,471
Other	130,000	130,000	394,496	(264,496)	-
Capital outlay	18,000,000	18,000,000	10,457,739	7,542,261	2,035,633
TOTAL EXPENDITURES	<u>18,772,151</u>	<u>18,772,151</u>	<u>11,869,737</u>	<u>6,902,414</u>	<u>2,936,597</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(17,786,121)</u>	<u>(17,786,121)</u>	<u>(9,087,546)</u>	<u>8,698,575</u>	<u>(2,083,128)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	320,000	320,000	319,002	(998)	310,000
Transfers (out)	-	-	(224,280)	(224,280)	(249,880)
Issuance of long-term debt	18,000,000	18,000,000	21,000,000	3,000,000	-
Premium on long-term debt	-	-	599,376	599,376	-
TOTAL OTHER FINANCING SOURCES	<u>18,320,000</u>	<u>18,320,000</u>	<u>21,694,098</u>	<u>3,374,098</u>	<u>60,120</u>
NET CHANGE IN FUND BALANCE	533,879	533,879	12,606,552	12,072,673	(2,023,008)
FUND BALANCE - BEGINNING OF YEAR	(3,865,329)	(3,865,329)	(3,865,329)	-	(1,842,321)
FUND BALANCE - END OF YEAR	<u>\$ (3,331,450)</u>	<u>\$ (3,331,450)</u>	<u>\$ 8,741,223</u>	<u>\$ 12,072,673</u>	<u>\$ (3,865,329)</u>

VILLAGE OF HOWARD, WISCONSIN

BUDGETARY COMPARISON SCHEDULE FOR THE TAX INCREMENTAL DISTRICT NO. 9 CAPITAL PROJECTS FUND

BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>BUDGETED AMOUNTS</u>		<u>ACTUAL</u>	<u>VARIANCE WITH</u>	<u>2021</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>FINAL BUDGET</u>	
				<u>POSITIVE</u>	
				<u>(NEGATIVE)</u>	
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENDITURES					
Current					
General government	1,000	1,000	300	700	150
EXCESS (DEFICIENCY) OF REVENUES					
OVER EXPENDITURES	<u>(1,000)</u>	<u>(1,000)</u>	<u>(300)</u>	<u>700</u>	<u>(150)</u>
NET CHANGE IN FUND BALANCE	(1,000)	(1,000)	(300)	700	(150)
FUND BALANCE - BEGINNING OF YEAR	<u>(10,465)</u>	<u>(10,465)</u>	<u>(10,465)</u>	-	<u>(10,315)</u>
FUND BALANCE - END OF YEAR	<u>\$ (11,465)</u>	<u>\$ (11,465)</u>	<u>\$ (10,765)</u>	<u>\$ 700</u>	<u>\$ (10,465)</u>

VILLAGE OF HOWARD, WISCONSIN
Statistical Section

This section of the Village of Howard's annual comprehensive financial report presents detailed current and historical information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Village's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	
The schedules contain trend information to help the reader understand how the village's financial performance and well-being have changed over time.	87-96
Revenue Capacity	
These schedules contain information to help the reader assess the village's most significant local revenue source, the property tax.	97-100
Debt Capacity	
These schedules present information to help the reader assess the affordability of the village's current level of outstanding debt and the village's ability to issue additional debt in the future.	101-106
Demographic and Economic Information	
These schedules contain demographic and economic indicators to help the reader understand the environment within which the village's financial activities take place.	107-110
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the village's financial report relates to the services the government provides and the activities it performs.	111-114

Source:

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

Schedule 1

VILLAGE OF HOWARD, WISCONSIN

Net Position by Component

Last Ten Years

For the Year Ended December 31,

(accrual basis of accounting)

	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ 41,796,334	\$ 41,456,853	\$ 39,802,127	\$ 42,869,848
Restricted	2,320,551	4,091,959	1,769,572	1,122,791
Unrestricted	6,527,011	4,892,118	4,978,197	3,220,876
Total governmental activities net position	<u>\$ 50,643,896</u>	<u>\$ 50,440,930</u>	<u>\$ 46,549,896</u>	<u>\$ 47,213,515</u>
Business-type activities				
Net investment in capital assets	\$ 56,503,272	\$ 58,998,091	\$ 59,964,780	\$ 64,518,573
Restricted	-	303,208	308,606	254,565
Unrestricted	6,192,842	6,605,844	8,634,196	9,279,109
Total business-type activities net position	<u>\$ 62,696,114</u>	<u>\$ 65,907,143</u>	<u>\$ 68,907,582</u>	<u>\$ 74,052,247</u>
Primary government				
Net investment in capital assets	\$ 98,299,606	\$ 100,454,944	\$ 99,766,907	\$ 107,388,421
Restricted	2,320,551	4,395,167	2,078,178	1,377,356
Unrestricted	12,719,853	11,497,962	13,612,393	12,499,985
Total primary government net position	<u>\$ 113,340,010</u>	<u>\$ 116,348,073</u>	<u>\$ 115,457,478</u>	<u>\$ 121,265,762</u>

2017	2018	2019	2020	2021	2022
\$ 42,293,976	\$ 44,609,252	\$ 46,864,014	\$ 47,277,730	\$ 52,211,147	\$ 57,059,450
1,011,093	1,726,377	1,670,080	2,280,533	1,900,053	11,489,362
2,609,799	1,142,870	1,229,984	2,782,793	4,090,834	(7,487,190)
<u>\$ 45,914,868</u>	<u>\$ 47,478,499</u>	<u>\$ 49,764,078</u>	<u>\$ 52,341,056</u>	<u>\$ 58,202,034</u>	<u>\$ 61,061,622</u>
\$ 67,409,169	\$ 70,666,232	\$ 69,968,444	\$ 76,143,185	\$ 80,091,536	\$ 86,082,633
179,857	193,302	-	227,356	356,671	570,630
10,502,832	12,556,112	15,029,193	8,155,807	8,809,561	6,888,871
<u>\$ 78,091,858</u>	<u>\$ 83,415,646</u>	<u>\$ 84,997,637</u>	<u>\$ 84,526,348</u>	<u>\$ 89,257,768</u>	<u>\$ 93,542,134</u>
\$ 109,703,145	\$ 115,275,484	\$ 116,832,458	\$ 123,420,915	\$ 132,302,683	\$ 143,142,083
1,190,950	1,919,679	1,670,080	2,507,889	2,256,724	12,059,992
13,112,631	13,698,982	16,259,177	10,938,600	12,900,395	(598,319)
<u>\$ 124,006,726</u>	<u>\$ 130,894,145</u>	<u>\$ 134,761,715</u>	<u>\$ 136,867,404</u>	<u>\$ 147,459,802</u>	<u>\$ 154,603,756</u>

Schedule 2

VILLAGE OF HOWARD, WISCONSIN

Changes in Net Position

Last Ten Years

For the Year Ended December 31,

(accrual basis of accounting)

	2013	2014	2015	2016
Expenses				
Governmental activities:				
General government	\$ 1,145,930	\$ 1,226,326	\$ 1,319,256	\$ 1,406,971
Public safety	2,652,988	2,912,814	2,742,729	3,348,100
Public works	4,540,818	4,927,409	8,924,035	3,819,508
Community development	420,479	477,531	455,174	533,802
Interest on debt	112,200	274,470	389,800	344,188
Total governmental activities expenses	<u>8,872,415</u>	<u>9,818,550</u>	<u>13,830,994</u>	<u>9,452,569</u>
Business-type activities:				
Water	4,496,462	4,639,722	4,391,989	4,463,063
Sewer	2,439,673	2,873,402	2,915,019	3,509,162
Stormwater	766,059	889,093	793,313	989,196
Howard Commons apartment complex	-	-	-	-
Golf course	273,889	581,419	532,567	602,405
Total business-type activities expenses	<u>7,976,083</u>	<u>8,983,636</u>	<u>8,632,888</u>	<u>9,563,826</u>
Total primary government expenses	<u>\$16,848,498</u>	<u>\$18,802,186</u>	<u>\$22,463,882</u>	<u>\$19,016,395</u>
Program Revenues				
Governmental activities:				
Charges for services:				
Fines and forfeitures	\$ 187,943	\$ 211,356	\$ 214,822	\$ 235,700
Building, zoning permits and fees	253,194	211,604	228,958	241,416
Recreation program fees and rentals	61,011	60,710	55,027	51,732
All other charges for services	682,552	483,792	648,798	604,671
Operating grants and contributions	1,044,870	822,403	881,773	1,343,125
Capital grants and contributions	169,893	113,140	361,552	215,228
Total governmental activities program revenue	<u>2,399,463</u>	<u>1,903,005</u>	<u>2,390,930</u>	<u>2,691,872</u>
Business-type activities:				
Charges for service				
Water	5,021,901	5,118,964	5,555,647	5,695,965
Sewer	2,828,159	3,002,584	3,007,807	3,046,033
Stormwater	758,314	824,293	1,133,968	1,079,631
Howard Commons apartment complex	-	-	-	-
Golf course	315,124	534,096	447,283	536,289
Operating grants and contributions	-	-	-	-
Capital grants and contributions	1,888,010	1,890,794	4,236	4,296,163
Total business-type activities program revenue	<u>10,811,508</u>	<u>11,370,731</u>	<u>10,148,941</u>	<u>14,654,081</u>
Total primary government program revenues	<u>\$13,210,971</u>	<u>\$13,273,736</u>	<u>\$12,539,871</u>	<u>\$17,345,953</u>

(Continued on next page.)

2017	2018	2019	2020	2021	2022
\$ 1,437,450	\$ 1,186,595	\$ 1,535,188	\$ 1,446,315	\$ 1,685,039	\$ 1,448,628
3,020,036	3,197,930	3,429,743	3,665,069	3,449,127	4,373,595
4,597,538	3,830,893	4,016,859	5,602,106	5,377,813	7,108,949
896,531	1,044,931	1,080,615	1,181,514	2,423,117	2,677,094
364,889	337,554	322,266	421,799	364,278	1,057,491
10,316,444	9,597,903	10,384,671	12,316,803	13,299,374	16,665,757
4,659,273	4,882,771	5,442,924	5,564,411	4,831,126	5,369,338
3,595,976	3,305,079	3,848,712	4,442,592	4,452,297	5,588,912
870,877	813,576	1,208,150	1,250,734	1,151,353	1,169,643
-	347,835	1,993,211	2,533,832	2,751,730	2,344,202
548,639	533,913	507,046	535,632	575,827	654,117
9,674,765	9,883,174	13,000,043	14,327,201	13,762,333	15,126,212
\$19,991,209	\$19,481,077	\$23,384,714	\$26,644,004	\$27,061,707	\$31,791,969
\$ 237,213	\$ 263,088	\$ 277,323	\$ 809,935	\$ 1,056,444	\$ 126,756
303,399	220,151	221,079	93,991	72,556	564,282
49,189	50,610	62,418	23,264	40,674	52,712
559,833	446,533	569,309	1,105,034	2,441,985	1,161,480
991,291	1,049,699	1,144,249	1,264,380	1,571,491	1,379,916
80,686	399,197	1,042,838	2,669	1,660,198	1,295,613
2,221,611	2,429,278	3,317,216	3,299,273	6,843,348	4,580,759
5,649,392	5,735,796	5,466,535	5,654,372	6,036,222	6,216,709
4,075,515	4,215,799	3,943,351	4,633,667	4,513,550	4,900,479
1,052,004	1,100,783	1,090,559	1,240,149	1,283,884	1,322,366
-	157,182	1,451,028	2,169,532	2,606,575	2,799,608
534,459	551,788	503,931	669,460	801,447	838,486
-	-	-	63,001	-	-
1,300,222	4,020,740	2,392,901	541,840	3,979,002	4,243,692
12,611,592	15,782,088	14,848,305	14,972,021	19,220,680	20,321,340
\$14,833,203	\$18,211,366	\$18,165,521	\$18,271,294	\$26,064,028	\$24,902,099

VILLAGE OF HOWARD, WISCONSIN

Changes in Net Position

Last Ten Years

For the Year Ended December 31,

(accrual basis of accounting)

	2013	2014	2015	2016
Expenses (from previous page)				
Governmental activities	\$8,872,415	\$9,818,550	\$ 13,830,994	\$ 9,452,569
Business-type activities	7,976,083	8,983,636	8,632,888	9,563,826
Total primary government expenses	<u>16,848,498</u>	<u>18,802,186</u>	<u>22,463,882</u>	<u>19,016,395</u>
Program Revenues (from previous page)				
Governmental activities	2,399,463	1,903,005	2,390,930	2,691,872
Business-type activities	10,811,508	11,370,731	10,148,941	14,654,081
Total primary government program revenues	<u>13,210,971</u>	<u>13,273,736</u>	<u>12,539,871</u>	<u>17,345,953</u>
Net (Expense)/Revenue				
Governmental activities	(6,472,952)	(7,915,545)	(11,440,064)	(6,760,697)
Business-type activities	2,835,425	2,387,095	1,516,053	5,090,255
Total primary government net revenue (expense)	<u>(3,637,527)</u>	<u>(5,528,450)</u>	<u>(9,924,011)</u>	<u>(1,670,442)</u>
General Revenue and Other				
Changes in Net Position				
Governmental activities				
Taxes				
Property taxes, levied for general purposes	4,609,073	4,586,587	4,473,573	5,614,261
Property taxes, levied for debt services	1,534,289	1,763,629	2,460,749	936,859
Other taxes	13,909	13,333	14,831	13,078
Unrestricted grants and contributions	681,319	775,836	848,203	658,424
Interest and investment earnings	50,366	96,427	71,203	71,918
Miscellaneous	424,734	422,550	59,588	111,252
Gain (loss) on sale of asset(s)	-	-	-	-
Transfers in (out)	400,153	(462,277)	(379,117)	18,524
Total governmental activities	<u>7,713,843</u>	<u>7,196,085</u>	<u>7,549,030</u>	<u>7,424,316</u>
Business-type activities				
Interest and investment earnings	72,664	58,449	69,031	42,897
Miscellaneous	-	-	1,036,238	30,037
Transfers in (out)	(400,153)	462,277	379,117	(18,524)
Total business-type activities	<u>(327,489)</u>	<u>520,726</u>	<u>1,484,386</u>	<u>54,410</u>
Total primary government	<u>7,386,354</u>	<u>7,716,811</u>	<u>9,033,416</u>	<u>7,478,726</u>
Changes in Net Position				
Governmental activities	1,240,891	(719,460)	(3,891,034)	663,619
Business-type activities	2,507,936	2,907,821	3,000,439	5,144,665
Total primary government	<u>\$3,748,827</u>	<u>\$2,188,361</u>	<u>\$ (890,595)</u>	<u>\$ 5,808,284</u>

2017	2018	2019	2020	2021	2022
\$ 10,316,444	\$ 9,597,903	\$ 10,384,671	\$ 12,316,803	\$ 13,299,374	\$ 16,665,757
9,674,765	9,883,174	13,000,043	14,327,201	13,762,333	15,126,212
19,991,209	19,481,077	23,384,714	26,644,004	27,061,707	31,791,969
2,221,611	2,429,278	3,317,216	3,299,273	6,843,348	4,580,759
12,611,592	15,782,088	14,848,305	14,972,021	19,220,680	20,321,340
14,833,203	18,211,366	18,165,521	18,271,294	26,064,028	24,902,099
(8,094,833)	(7,168,625)	(7,067,455)	(9,017,530)	(6,456,026)	(12,084,998)
2,936,827	5,898,914	1,848,262	644,820	5,458,347	5,195,128
(5,158,006)	(1,269,711)	(5,219,193)	(8,372,710)	(997,679)	(6,889,870)
5,840,354	6,147,422	6,129,153	6,948,693	7,200,485	9,086,399
1,033,333	1,049,567	1,817,324	2,199,634	2,377,582	1,080,678
13,690	12,983	13,267	17,547	27,462	46,088
658,543	662,024	736,537	1,308,257	1,172,059	3,276,921
78,165	153,948	203,725	145,319	166,171	348,789
162,021	245,824	99,439	65,469	458,459	122,106
-	-	(333,922)	-	-	-
(989,920)	598,311	687,511	909,612	914,786	983,605
6,796,186	8,870,079	9,353,034	11,594,531	12,317,004	14,944,586
82,347	183,895	421,240	140,803	187,859	72,843
28,517	-	-	-	-	-
989,920	(598,311)	(687,511)	(909,612)	(914,786)	(983,605)
1,100,784	(414,416)	(266,271)	(768,809)	(726,927)	(910,762)
7,896,970	8,455,663	9,086,763	10,825,722	11,590,077	14,033,824
(1,298,647)	1,701,454	2,285,579	2,577,001	5,860,978	2,859,588
4,037,611	5,484,498	1,581,991	(123,989)	4,731,420	4,284,366
\$ 2,738,964	\$ 7,185,952	\$ 3,867,570	\$ 2,453,012	\$ 10,592,398	\$ 7,143,954

Schedule 3

VILLAGE OF HOWARD, WISCONSIN

Fund Balances, Governmental Funds,

Last Ten Years

For the Year Ended December 31,

(modified accrual basis of accounting)

	2013	2014	2015	2016	2017
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved					
Designated	-	-	-	-	-
Undesignated	-	-	-	-	-
Nonspendable					
Prepaid items	71,802	250,166	51,940	67,002	-
Advances to Other Funds	-	-	-	1,300,000	1,300,000
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	2,637,788	2,444,898	2,671,177	1,397,994	1,519,684
Total general fund	2,709,590	2,695,064	2,723,117	2,764,996	2,819,684
All Other Governmental Funds					
Reserved	-	-	-	-	-
Unreserved, reported in					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	-	-
Restricted	10,071,124	8,231,512	1,672,734	697,365	680,864
Assigned	2,442,153	1,051,166	1,402,977	773,755	503,754
Unassigned	(406,887)	(421,968)	(770,013)	(1,730,354)	(1,932,017)
Total all other governmental funds	\$ 12,106,390	\$ 8,860,710	\$ 2,305,698	\$ (259,234)	\$ (747,399)

Note: For this Schedule and Schedule 4, Governmental Funds include the General Fund, Special Revenue, Debt Service and Capital Project Funds.

2018	2019	2020	2021	2022
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,300,000	1,215,000	1,130,000	1,045,000	959,000
-	-	-	-	-
-	-	-	-	-
1,578,264	1,656,154	1,932,429	2,276,576	2,447,853
2,878,264	2,871,154	3,062,429	3,321,576	3,406,853
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	4,774	4,774	4,774
615,978	1,139,881	1,788,900	1,142,467	10,280,131
767,224	415,710	2,098,296	4,935,190	29,847
(2,681,909)	(2,664,656)	(2,536,226)	(4,134,979)	(458,895)
\$ (1,298,707)	\$ (1,109,065)	\$ 1,355,744	\$ 1,947,452	\$ 9,855,857

Schedule 4

VILLAGE OF HOWARD, WISCONSIN
 Changes in Fund Balances, Governmental Funds,
 Last Ten Fiscal Years
 For the Years Ended December 31,
 (modified accrual basis of accounting)

	2013	2014	2015	2016	2017
Revenues					
Taxes	\$ 6,157,425	\$ 6,363,549	\$ 6,949,138	\$ 6,564,078	\$ 6,887,114
Special assessments	125,661	48,389	203,302	193,757	106,453
Intergovernmental	1,612,491	1,530,285	1,560,501	1,845,907	1,546,006
Licenses and permits	649,589	593,377	659,306	623,119	709,733
Fines and forfeits	187,943	211,356	214,822	193,628	190,659
Charges for services	413,999	239,812	245,680	220,667	238,068
Miscellaneous	737,656	608,758	1,199,024	708,833	739,062
Total revenues	9,884,764	9,595,526	11,031,773	10,349,989	10,417,095
Expenditures					
General government	1,051,417	1,219,191	1,346,153	1,844,332	1,454,427
Public safety	2,527,513	2,712,910	2,562,676	2,693,625	2,781,908
Public works	3,352,679	4,204,097	8,396,008	3,514,231	3,184,051
Community development	362,372	395,351	365,405	388,945	415,562
Debt service					
Principal	1,705,259	457,494	350,000	350,000	565,000
Interest	130,890	266,629	274,643	386,001	376,948
Other	71,772	-	89,596	-	8,353
Capital outlay	3,266,070	4,123,741	7,684,566	4,126,037	3,329,652
Total expenditures	12,467,972	13,379,413	21,069,047	13,303,171	12,115,901
Excess of revenues over (under) expenditures	(2,583,208)	(3,783,887)	(10,037,274)	(2,953,182)	(1,698,806)
Other Financing Sources (Uses)					
Proceeds from Long-Term Debt Issuance of refunding debt	9,375,000	-	2,890,000	-	690,550
Payment to debt escrow agent	-	-	-	-	-
Bond Premium	128,901	-	92,284	-	9,419
Transfers in	2,577,065	1,573,680	2,092,900	1,290,222	1,480,548
Transfers out	(2,176,912)	(1,050,000)	(1,564,868)	(860,093)	(915,188)
Total Other Financing Sources (Uses)	9,904,054	523,680	3,510,316	430,129	1,265,329
Net change in fund balances	\$ 7,320,846	\$(3,260,207)	\$(6,526,958)	\$(2,523,053)	\$ (433,477)
Debt service as a percentage of noncapital expenditures	20.0%	7.8%	4.7%	8.0%	10.7%

2018	2019	2020	2021	2022
\$ 7,220,743	\$ 7,966,080	\$ 9,165,874	\$ 9,605,529	\$ 10,213,165
67,998	59,809	92,639	953,132	293,405
1,706,548	2,099,059	2,571,637	2,743,550	4,640,414
629,104	821,257	687,321	1,079,176	985,996
162,077	132,966	103,089	139,036	126,756
400,495	534,928	1,040,163	2,160,596	353,707
670,553	813,845	976,930	877,967	1,204,117
10,857,518	12,427,944	14,637,653	17,558,986	17,817,560
1,190,631	1,399,937	1,383,759	1,939,004	1,478,046
2,883,589	2,992,328	3,278,544	3,309,878	3,497,886
3,313,203	3,687,288	4,022,288	3,226,298	6,684,984
682,732	815,147	1,137,673	2,502,383	1,883,087
570,000	685,000	1,390,550	850,000	1,079,000
380,437	366,140	350,100	243,769	248,053
-	-	98,046	82,979	394,496
2,927,965	2,987,085	2,018,962	10,065,221	17,141,307
11,948,557	12,932,925	13,679,922	22,219,532	32,406,859
(1,091,039)	(504,981)	957,731	(4,660,546)	(14,589,299)
-	-	696,500	4,500,000	21,000,000
-	-	5,660,000	-	-
-	-	(5,570,413)	-	-
-	-	2,652	96,615	599,376
1,521,959	1,711,860	1,933,561	1,952,731	2,268,500
(923,648)	(1,024,349)	(1,023,949)	(1,037,945)	(1,284,895)
598,311	687,511	1,698,351	5,511,401	22,582,981
\$ (492,728)	\$ 182,530	\$ 2,656,082	\$ 850,855	\$ 7,993,682

10.5% 10.6% 14.9% 9.0% 8.7%

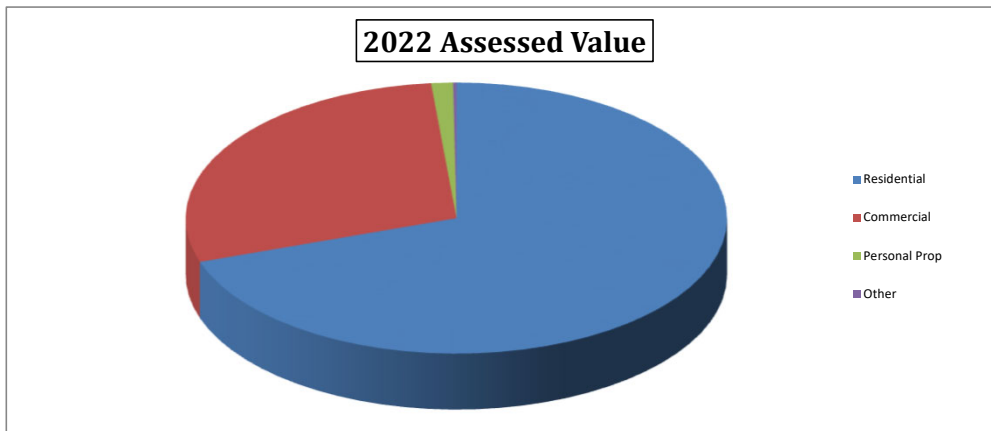
Schedule 5

VILLAGE OF HOWARD, WISCONSIN
Assessed Value and Equalized Valuations of Taxable Property
Last Ten Fiscal Years

Year	Assessed Valuations				Total Assessed Valuation	Total Equalized Valuation	Ratio-Total Assessed to Equalized Valuations	Total Direct Tax Rate
	Residential	Commercial and Manufacturing	Personal Property	All Other Classes				
2013	\$ 986,798,200	\$ 453,350,600	\$ 50,655,800	\$ 3,633,100	\$ 1,494,437,700	\$ 1,410,056,600	105.98%	\$3.33
2014	\$ 998,607,300	\$ 454,413,700	\$ 49,344,400	\$ 3,675,300	\$ 1,506,040,700	\$ 1,446,798,600	104.09%	\$3.33
2015	\$ 1,017,422,300	\$ 470,753,300	\$ 43,519,100	\$ 3,627,500	\$ 1,535,322,200	\$ 1,519,608,200	101.03%	\$3.79
2016	\$ 1,045,281,700	\$ 494,238,600	\$ 43,404,900	\$ 4,299,500	\$ 1,587,224,700	\$ 1,555,671,400	102.03%	\$3.72
2017	\$ 1,066,912,700	\$ 504,982,100	\$ 45,070,100	\$ 4,265,500	\$ 1,621,230,400	\$ 1,674,736,700	96.81%	\$3.72
2018	\$ 1,090,617,500	\$ 523,101,700	\$ 35,518,600	\$ 4,062,300	\$ 1,653,300,100	\$ 1,809,505,400	91.37%	\$3.72
2019	\$ 1,289,413,200	\$ 604,586,500	\$ 34,978,700	\$ 5,338,800	\$ 1,934,317,200	\$ 1,917,507,200	100.88%	\$3.92
2020	\$ 1,316,367,900	\$ 607,867,000	\$ 32,739,300	\$ 4,795,700	\$ 1,961,769,900	\$ 2,051,490,200	95.63%	\$3.84
2021	\$ 1,347,767,400	\$ 606,727,800	\$ 31,741,800	\$ 4,753,200	\$ 1,990,990,200	\$ 2,229,285,600	89.31%	\$3.84
2022	\$ 1,750,060,100	\$ 720,208,600	\$ 32,602,300	\$ 5,067,000	\$ 2,507,938,000	\$ 2,528,976,900	99.17%	\$3.98

Note: The 2016 and 2019 assessed valuation reflects the changes made due to reassessments (market adjustment type). The Total Direct Tax Rate are per \$1,000 of assessed value. Assessed and equalized values were as of January 1 of the year listed. The tax rate represents the tax rate for property taxes due and payable in the calendar year listed.

Source: Equalized Valuations were derived from Wisconsin Department of Revenue.



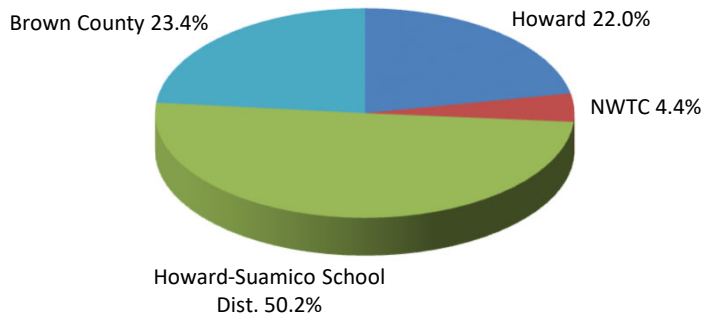
VILLAGE OF HOWARD, WISCONSIN
 Property Tax Rates - Direct and Overlying Governments
 Last Ten Fiscal Years

Fiscal Year/ Tax Roll Year	Village of Howard				Overlapping Rates							
	Basic Rate	General Obligation Debt Rate	Total Rate	Percent of Total Tax Bill	Howard-Suamico School District		Northeast Wisconsin Vocational Technical College District		Brown County		State of Wisconsin	
					Rate	Percent	Rate	Percent	Rate	Percent	Rate	Percent
2013/2012	\$ 3.08	\$ 0.25	\$ 3.33	18.3%	\$ 8.80	48.3%	\$ 1.53	8.4%	\$ 4.39	24.1%	\$ 0.16	0.9%
2014/2013	\$ 3.05	\$ 0.28	\$ 3.33	18.3%	\$ 8.78	48.2%	\$ 1.57	8.6%	\$ 4.38	24.0%	\$ 0.16	0.9%
2015/2014	\$ 3.44	\$ 0.35	\$ 3.79	21.1%	\$ 8.93	49.6%	\$ 0.75	4.2%	\$ 4.37	24.3%	\$ 0.16	0.9%
2016/2015	\$ 3.58	\$ 0.14	\$ 3.72	20.3%	\$ 9.10	49.7%	\$ 0.77	4.2%	\$ 4.56	24.9%	\$ 0.17	0.9%
2017/2016	\$ 3.57	\$ 0.15	\$ 3.72	20.4%	\$ 9.01	49.3%	\$ 0.82	4.5%	\$ 4.56	24.9%	\$ 0.17	0.9%
2018/2017	\$ 3.77	\$ 0.15	\$ 3.92	20.6%	\$ 9.49	49.8%	\$ 0.86	4.5%	\$ 4.78	25.1%	\$ -	0.0%
2019/2018	\$ 3.73	\$ 0.19	\$ 3.92	19.7%	\$ 10.06	50.7%	\$ 0.90	4.5%	\$ 4.97	25.0%	\$ -	0.0%
2020/2019	\$ 3.67	\$ 0.17	\$ 3.84	21.3%	\$ 9.11	50.7%	\$ 0.80	4.5%	\$ 4.22	23.5%	\$ -	0.0%
2021/2020	\$ 3.73	\$ 0.11	\$ 3.84	21.3%	\$ 9.11	50.6%	\$ 0.80	4.4%	\$ 4.24	23.6%	\$ -	0.0%
2022/2021	\$ 3.73	\$ 0.25	\$ 3.98	22.0%	\$ 9.11	50.2%	\$ 0.80	4.4%	\$ 4.24	23.4%	\$ -	0.0%

The rates stated above are per thousand dollar of assessed valuation. The effect of rounding may result in different calculated amounts. Reassessments (market adjustment type) generally have been performed once every three years with the exception of the years 2009-2015 when none were performed. A reassessment was performed in 2022, 2019, 2016 and 2007.

In 2007, the State of Wisconsin passed legislature that would limit a municipality's tax levy increases in the years 2008 and 2007. Similar state laws remain in effect today. Generally, the limit would allow growth in the tax levy only to the extent of the growth in total assessed value thereby not allowing the tax rate to increase (there are some exceptions, for example increases needed to pay new or existing debt). Howard's levy limit in 2022 was 2.037%. Prior to the 2006 budget, there were no limits on increases in the tax levy.

**2022/2021 Tax Rates Per Thousand
 Percentages of Property Tax Bill**



Schedule 7

VILLAGE OF HOWARD, WISCONSIN

Ten Largest Taxpayers
Current Year and Nine Years Ago

Taxpayer / Ownership	2022 Assessed Valuation	Rank	Percentage of Total Assessments	2013 Assessed Valuation	Rank	Percentage of Total Assessments
EPC Howard LLC (dba New Perspective) <i>Senior Living Apartments</i>	\$ 25,076,100	1	1.00%	-	-	-
Meijer Stores LP <i>Groceries</i>	\$ 23,941,300	2	0.95%	-	-	-
SPG Holding (formerly GDC Packerland) <i>Warehousing</i>	\$ 21,396,500	3	0.85%	\$ 8,851,800	6	0.59%
Elana LLC (formerly Beaver Dam) <i>Apartment complex</i>	\$ 21,362,400	4	0.85%	\$ 13,822,700	3	0.92%
WOW Winona LLC <i>Manufacturing</i>	\$ 18,920,200	5	0.75%	-	-	-
CCAPTS LLC <i>Apartments</i>	\$ 18,343,800	6	0.73%	7,338,600	9	-
Menard Inc. <i>Retail outlet</i>	\$ 15,139,900	7	0.60%	-	-	-
Woodman's Food Market <i>Groceries</i>	\$ 14,487,100	8	0.58%	\$ 14,688,000	2	0.98%
KB Green Bay West Dist (dba Fleet Farm) <i>Retail outlet</i>	\$ 13,419,700	9	0.54%	\$ 9,659,400	5	0.65%
SRV Capital II LLC <i>Manufacturing</i>	\$ 10,159,100	10	0.41%	-	-	-
Inland American Green Bay AMS LLC <i>Former Insurance company</i>	-	-	-	\$ 38,817,100	1	2.60%
Omnova Solutions <i>Manufacturing</i>	-	-	-	\$ 10,378,000	4	0.69%
Comfort Suites & Rock Gardens <i>Hotel/restaurant</i>	-	-	-	\$ 7,831,600	7	0.52%
Watermolen - Sole Proprietor <i>Apartments</i>	-	-	-	\$ 7,489,500	8	0.50%
Sanimax AMX LLC <i>Manufacturing</i>	-	-	-	\$ 7,064,400	10	0.47%
Total	\$ 182,246,100		7.27%	\$ 125,941,100		7.94%

Watermolen, Comfort Suites & Rock Gardens, and Sanimax AMX LLC are operating in Howard with substantial valuation but not large enough value to be placed into the Top 10 list for 2022. Omnova ceased operation in 2019 but sold their property to Nouryon as a manufacturing facility which is not in the Top 10 list above.

Menards retail outlet began operations in Howard in 2012. Welltower Inc. opened their senior living facility and Meijer Stores opened their store in 2016.

In 2019, United Healthcare made an announcement that they are moving out of Howard in April 2020 and into a new facility in another Green Bay area municipality. The facility owned by Inland American Green Bay AMS LLC is now vacant.

Schedule 8

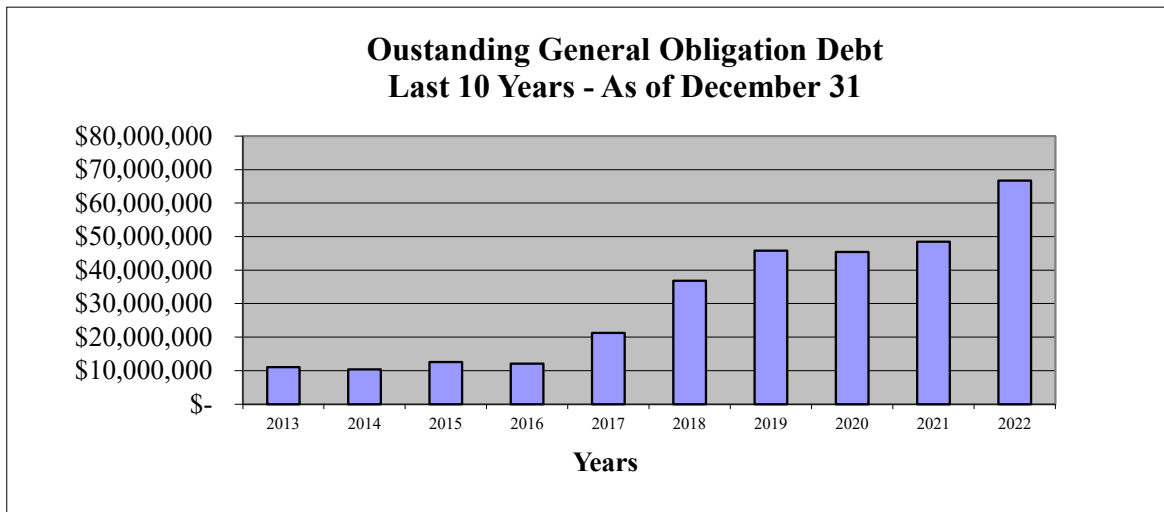
VILLAGE OF HOWARD, WISCONSIN
 Property Tax Levies and Collections
 Last Ten Fiscal Years

Fiscal Year/ Tax Roll	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collection In Subsequent Years	Total Collection to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011/2010	\$ 26,141,298	\$ 26,109,483	99.88%	\$ 4,396	\$ 26,113,879	99.90%
2012/2011	\$ 26,380,386	\$ 26,358,652	99.92%	\$ 3,552	\$ 26,362,204	99.93%
2013/2012	\$ 26,641,110	\$ 26,634,047	99.97%	\$ 169	\$ 26,634,216	99.97%
2014/2013	\$ 27,227,085	\$ 27,212,193	99.95%	\$ 253	\$ 27,212,446	99.95%
2015/2014	\$ 27,119,558	\$ 27,108,033	99.96%	\$ 100	\$ 27,108,133	99.96%
2016/2015	\$ 28,120,748	\$ 28,108,990	99.96%	\$ 6,883	\$ 28,115,873	99.98%
2017/2016	\$ 29,027,124	\$ 29,008,413	99.94%	\$ -	\$ 29,008,413	99.94%
2018/2017	\$ 30,914,657	\$ 30,895,946	99.94%	\$ 8,305	\$ 30,904,251	99.97%
2019/2018	\$ 32,819,572	\$ 32,805,648	99.96%	\$ 2,797	\$ 32,808,445	99.97%
2020/2019	\$ 34,758,701	\$ 34,744,777	99.96%	\$ 7,620	\$ 34,752,397	99.98%
2021/2020	\$ 36,503,738	\$ 36,490,189	99.96%	\$ 11,498	\$ 36,501,687	99.99%
2022/2021	\$ 38,093,294	\$ 38,086,064	99.98%	N/A	N/A	N/A

Note: In August of each year, the village settles with the Brown County Treasurer for 100% of all real property taxes; afterward, only unpaid personal property taxes remain the responsibility of the village for collections.

VILLAGE OF HOWARD, WISCONSIN
 Ratios of Outstanding Debt by Type
 Last Ten Years

Year	(1) Governmental Activities	(2) Business-Type Activities					(1 + 2)		
	Outstanding General Obligation Debt	Water Outstanding General Obligation Debt	Howard Commons Apartments Outstanding General Obligation Debt	Water and Sewer Revenue Bonds and Other Debt	Average Number of Customers	Ratio of Revenue Bonds to Average No. Customers	Total Primary Government Debt	Percent of Personal Income	Debt Per Capita
2013	\$ 9,621,395	\$ 1,300,000	\$ -	\$ 152,374	6,104	\$ 24.96	\$ 11,073,769	0.10%	\$ 603.54
2014	\$ 9,157,456	\$ 1,095,000	\$ -	\$ 77,533	6,242	\$ 12.42	\$ 10,329,989	0.09%	\$ 552.32
2015	\$ 11,575,000	\$ 970,000	\$ -	\$ -	6,278	\$ -	\$ 12,545,000	0.09%	\$ 663.72
2016	\$ 11,225,000	\$ 845,000	\$ -	\$ -	6,290	\$ -	\$ 12,070,000	0.10%	\$ 625.55
2017	\$ 11,350,550	\$ 715,000	\$ 9,174,450	\$ -	6,369	\$ -	\$ 21,240,000	0.16%	\$ 1,096.48
2018	\$ 10,780,550	\$ 580,000	\$ 25,504,450	\$ -	6,516	\$ -	\$ 36,865,000	0.26%	\$ 1,903.10
2019	\$ 10,095,550	\$ 445,000	\$ 35,214,450	\$ -	6,582	\$ -	\$ 45,755,000	0.33%	\$ 2,324.95
2020	\$ 9,816,500	\$ 300,000	\$ 35,293,500	\$ -	6,666	\$ -	\$ 45,410,000	0.31%	\$ 2,226.48
2021	\$ 13,466,500	\$ 150,000	\$ 34,828,500	\$ -	6,687	\$ -	\$ 48,445,000	N/A	\$ 2,337.74
2022	\$ 33,387,500	\$ -	\$ 33,312,500	\$ -	6,815	\$ -	\$ 66,700,000	N/A	\$ 3,183.47



Note: Note Anticipation Notes are technically not considered General Obligation Debt but are included in the chart above.

Schedule 10

VILLAGE OF HOWARD, WISCONSIN
 Ratio of Net Primary Government Debt to Assessed Value and
 Net Primary Government Debt Per Capita
 Last Ten Fiscal Years

Fiscal Year	Total Primary Government Debt	Less: Unspent Bond Proceeds	Net Primary Government Debt	Ratio to Assessed Value	Net Primary Government Debt Per Capita
				**	*
2013	\$ 11,073,769	\$ 7,750,574	\$ 3,323,195	0.22%	\$ 181.12
2014	\$ 10,329,989	\$ 4,656,047	\$ 5,673,942	0.28%	\$ 296.82
2015	\$ 12,545,000	\$ 428,854	\$ 12,116,146	0.80%	\$ 641.03
2016	\$ 12,070,000	\$ -	\$ 12,070,000	0.76%	\$ 625.55
2017	\$ 21,240,000	\$ 2,636,100	\$ 18,603,900	1.15%	\$ 1,100.80
2018	\$ 36,865,000	\$ 1,617,479	\$ 35,247,521	2.13%	\$ 1,903.10
2019	\$ 45,755,000	\$ 1,700,697	\$ 44,054,303	2.28%	\$ 2,324.95
2020	\$ 45,410,000	\$ -	\$ 45,410,000	2.31%	\$ 2,247.02
2021	\$ 48,445,000	\$ 2,710,473	\$ 45,734,527	2.30%	\$ 2,206.95
2022	\$ 66,700,000	\$ 11,402,911	\$ 55,297,089	2.20%	\$ 2,639.23

* See Schedule 14 for population information.

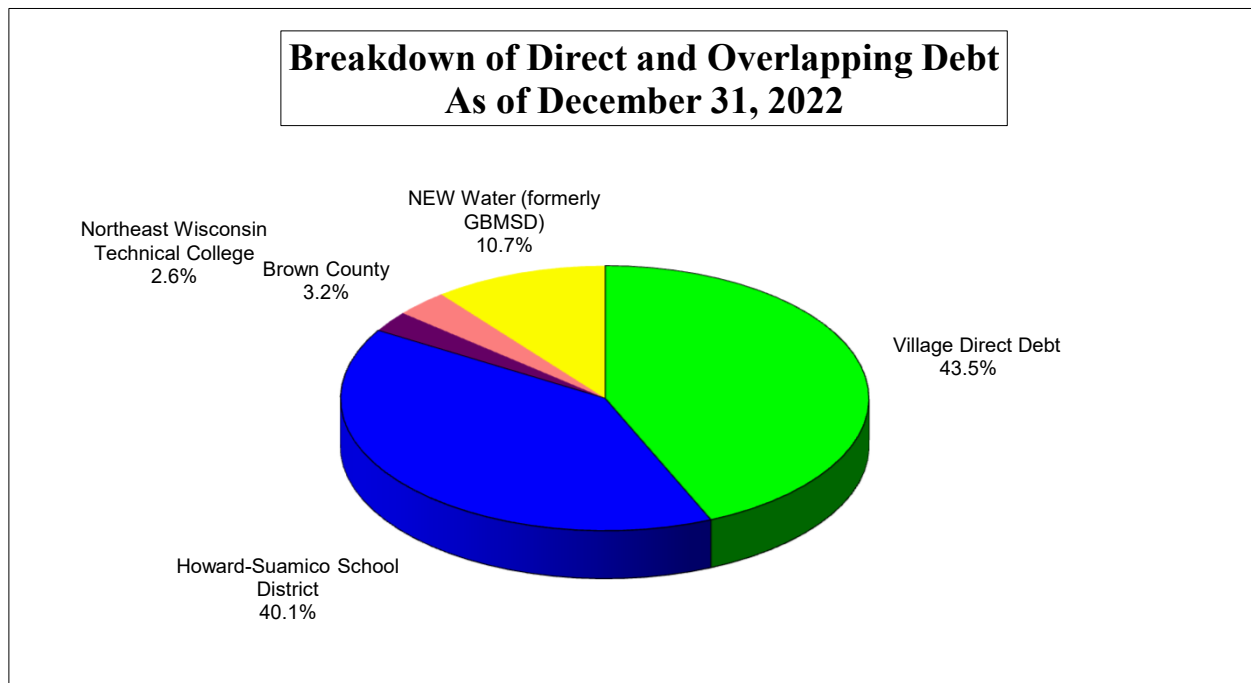
** See Schedule 5 for assessed values.

Source: Population was derived from the Wisconsin Department of Administration estimates, except for the 2010 population that was derived from the U.S. census.

VILLAGE OF HOWARD, WISCONSIN
 Computation of Direct and Overlapping Debt and
 Ratio to Assessed Value and Per Capita Debt
 December 31, 2022

	Total Debt	Village Share		Ratio to Assessed Value
		Percentage	Amount	
Direct Debt:				
General Obligation Debt	\$33,387,500	100.00%	\$33,387,500	1.33%
All other Debt	\$33,312,500	100.00%	\$33,312,500	1.33%
Village Direct Debt			<u>\$66,700,000</u>	<u>2.66%</u>
Overlapping Debt:				
Howard-Suamico School District	\$105,844,334	58.121573%	\$61,518,392	2.45%
Northeast Wisconsin Technical College	\$91,335,000	4.290657%	\$3,918,872	0.16%
Brown County	\$58,141,644	8.534088%	\$4,961,859	0.20%
NEW Water (formerly GBMSD)	\$177,098,115	9.228457%	\$16,343,424	0.65%
Total Overlapping Debt			<u>\$86,742,546</u>	<u>3.46%</u>
Total Direct and Overlapping Debt			<u>\$153,442,546</u>	<u>6.12%</u>

Source: Obtained data for overlapping debt from the related entity's financial department. The Village share percentage was obtained from each jurisdictions tax levy reports as allocated by equalized valuations, except for the Green Bay Metropolitan Sewerage District percentage was obtained from them.



Schedule 12

VILLAGE OF HOWARD, WISCONSIN

Computation of Legal Debt Margin

December 31, 2022

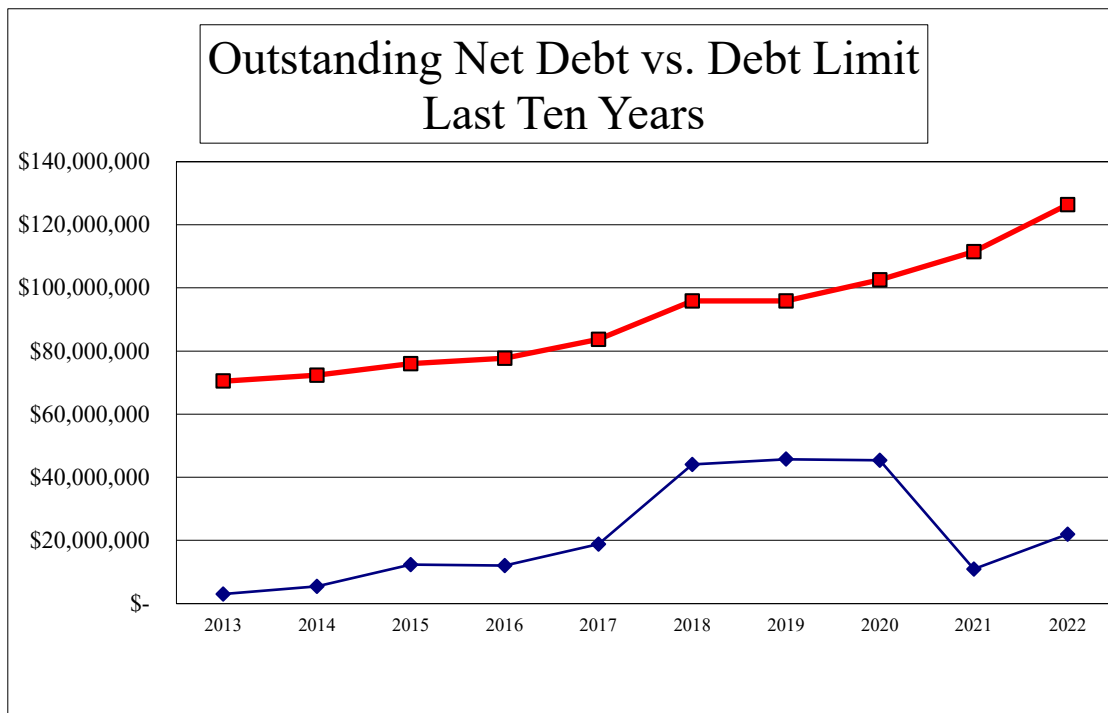
Equalized Value, January 1	<u>\$ 2,528,976,900</u>
Debt Limit (5% of Equalized Value)	\$126,448,845
General Obligation Debt	\$ 33,387,500
Less: Amount in Debt Service Sinking Fund	<u>11,402,911</u>
Net General Obligation Debt	<u>21,984,589</u>
Legal Debt Margin	<u><u>\$104,464,256</u></u>

	2013	2014	2015	2016
Debt limit	\$ 70,502,830	\$ 72,339,930	\$ 75,980,410	\$ 77,783,570
Net general obligation debt	3,041,921	5,473,953	12,322,133	12,070,000
Legal debt margin	<u>\$ 67,460,909</u>	<u>\$ 66,865,977</u>	<u>\$ 63,658,277</u>	<u>\$ 65,713,570</u>

Ratio of net general obligation debt to the debt limit	4.3%	7.6%	16.2%	15.5%
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Note: Under state law, the Village's legal debt limit is 5% of the equalized valuation.

Debt limits can exceed state managed level with voter approval.



2017	2018	2019	2020	2021	2022
\$ 83,736,835	\$ 95,875,360	\$ 95,876,760	\$ 102,574,510	\$ 111,464,280	\$ 126,448,845
18,803,000	44,054,303	45,755,000	45,410,000	10,906,027	21,984,589
<u>\$ 64,933,835</u>	<u>\$ 51,821,057</u>	<u>\$ 50,121,760</u>	<u>\$ 57,164,510</u>	<u>\$ 100,558,253</u>	<u>\$ 104,464,256</u>
<u>22.5%</u>	<u>45.9%</u>	<u>47.7%</u>	<u>44.3%</u>	<u>9.8%</u>	<u>17.4%</u>

Schedule 13

VILLAGE OF HOWARD, WISCONSIN
 Combined Water and Sewer Utilities
 Revenue Bond Coverage
 Last Ten Fiscal Years

Year	Gross Revenue	Expenses	Change in Net Position	Total Funds Available For Debt Service	Current Debt Service Payment	Highest Annual Debt Service	Coverage
2013	\$ 9,191,214	\$ 7,282,812	\$ 1,908,402	\$ 2,839,249	\$ 233,185	\$ 233,185	12.18
2014	\$ 9,076,651	\$ 7,877,882	\$ 1,198,769	\$ 2,461,468	\$ 231,033	\$ 231,033	10.65
2015	\$ 8,988,739	\$ 7,307,008	\$ 1,681,731	\$ 3,152,509	\$ 149,093	\$ 156,450	20.15
2016	\$ 10,413,346	\$ 8,527,354	\$ 1,885,992	\$ 3,444,652	\$ 147,280	\$ 156,450	22.02
2017	\$ 10,722,188	\$ 8,820,609	\$ 1,901,579	\$ 3,495,157	\$ 150,045	\$ 156,450	22.34
2018	\$ 9,724,907	\$ 7,227,031	\$ 2,497,876	\$ 4,659,322	\$ 152,325	\$ 156,450	29.78
2019	\$ 10,416,761	\$ 9,880,499	\$ 536,262	\$ 2,028,905	\$ 149,153	\$ 156,450	12.97
2020	\$ 10,676,661	\$ 10,667,615	\$ 9,046	\$ 1,831,180	\$ 155,508	\$ 156,450	11.70
2021	\$ 12,647,496	\$ 9,888,209	\$ 2,759,287	\$ 4,624,623	\$ 156,450	\$ 156,450	29.56
2022	\$ 13,680,005	\$ 11,622,853	\$ 2,057,152	\$ 4,137,081	\$ 152,175	\$ 152,175	27.19

Notes: Funds available for debt service represents an amount equal to change in net position adjusted for depreciation, interest expense, amortization and property tax equivalent for the combined water and sewer utilities. Coverage represents the ratio of amount available for debt service and the highest annual debt service requirement. Currently, there are no outstanding revenue bonds for the two utilities. The only debt in these two utilities is one general obligation issue for the water utility.

VILLAGE OF HOWARD, WISCONSIN
Demographic Statistics

Year	(1)	(2)	(2) & (3)	(4)	(5)
	Population	Brown County Total Personal Income	Brown County Per Capita Income	Unemployment Rate - December	School Enrollment
2013	18,348	\$ 10,990,719,000	\$43,171	5.7%	5,857
2014	18,703	\$ 11,730,951,000	\$45,704	4.2%	5,959
2015	18,901	\$ 14,453,783,000	\$46,584	3.9%	6,051
2016	19,295	\$ 12,321,859,000	\$47,319	3.4%	6,145
2017	19,371	\$ 13,002,379,000	\$49,618	2.5%	6,116
2018	19,508	\$ 13,911,922,000	\$52,451	2.5%	6,076
2019	19,680	\$ 14,045,381,232	\$53,516	2.8%	6,071
2020	20,209	\$ 14,854,604,353	\$56,093	3.6%	5,936
2021	20,723	\$ 17,612,185,426	\$66,506	2.1%	5,855
2022	20,952	N/A	N/A	2.0%	5,761

Data Obtained From:

- (1) Wisconsin Department of Administration
 - (2) U.S. Dept. of Commerce, Bureau of Economic Analysis website:
www.bea.gov/
 - (3) Wisconsin's Worknet website at <http://worknet.wisconsin.gov/worknet>.
The Village of Howard data is only published with each census; utilized the Brown County data. (Howard is located within Brown County.)
 - (4) Wisconsin Department of Workforce Development. Data represents Green Bay MSA.
 - (5) Howard-Suamico School District
- N/A = Not available at time of printing this report.

Note: Governmental Accounting Standards Board Statements No. 44, paragraph 99 requires the Village to report total personal income for each of the past 10 years. The Village of Howard statistics could not be located so the Brown County or Green Bay MSA statistics were used. (The Village is located in Brown County and is part of the Green Bay MSA.)

Schedule 15

VILLAGE OF HOWARD, WISCONSIN

Principal Employers in Howard and
Principal Employers in Green Bay Area
Current Year

Employer	2022			2013		
	Employees	Rank	Percentage of Total MSA Employment	Employees	Rank	Percentage of Total MSA Employment
Howard Employers						
Howard-Suamico School District	610	1	0.36%	546	2	0.31%
Sanimax Corporation	202	2	0.12%	202	3	0.12%
Fleet Farm	195	3	0.11%	195	4	0.11%
Klemm Tank Lines	184	4	0.11%	184	5	0.11%
Menard's Inc	170	5	0.10%	-	-	-
Alive N Kickin	150	6	0.09%	150	6	0.09%
Wisconsin Dept of Natural Resource:	150	7	0.09%	150	7	0.09%
Wipfli LLP	120	8	0.07%	120	9	0.07%
Woodman's Food Market	101	9	0.06%	101	10	0.06%
WOW Winona (Foods) LLC	100	10	0.06%	-	-	-
United Healthcare	-	-	0.00%	1,962	1	1.13%
Stock Lumber	-	-	-	140	8	0.08%
	<u>1,982</u>		<u>1.15%</u>	<u>3,750</u>		<u>2.15%</u>
Green Bay MSA						
Bellin Health	3,759	1	2.19%	2,469	5	1.42%
Green Bay Packaging	3,200	2	1.86%	2,450	6	1.41%
Green Bay Public Schools	2,793	3	1.63%	2,655	4	1.52%
Oneida Tribe of Indians	2,789	4	1.62%	2,773	2	1.59%
Schneider National Inc	2,626	5	1.53%	2,697	3	1.55%
Aurora Health Care	2,470	6	1.44%	1,644	9	0.94%
Humana Inc.	2,200	7	1.28%	3,182	1	1.83%
Georgia-Pacific	1,937	8	1.13%	-	-	-
United Healthcare *	1,800	9	1.05%	1,962	7	1.13%
Brown County (government)	1,723	10	1.00%	1,719	8	0.99%
	<u>25,297</u>		<u>14.73%</u>	<u>21,551</u>		<u>12.37%</u>
Total Labor Force	<u>171,726</u>			<u>174,169</u>		

Source: Green Bay Chamber website <http://resources.titletown.org/resources> or by contacting the companies directly; Green Bay MSA employment counts are as of December 2022 and 2013.

* In April 2021, United Healthcare, formerly the village's largest employer and taxpayer, moved out of their Howard office into a new facility in a nearby community.

Schedule 16

VILLAGE OF HOWARD, WISCONSIN

Full-time Equivalent Village Government Employees by Function
Last Ten Years

Function	2013	2014	2015	2016
General government	4.50	4.50	4.50	4.50
Public safety	2.00	3.00	3.00	3.00
Public works	10.65	10.65	12.65	13.65
Community development	3.00	3.00	3.00	3.00
Capital outlay - engineering	1.20	1.20	2.20	2.20
Water utility	5.30	5.30	5.30	5.30
Sewer utility	4.30	4.30	4.30	4.30
Golf Course	1.05	1.05	1.25	1.25
Storm water utility	5.00	5.00	3.80	3.80
Total	37.00	38.00	40.00	41.00

Number of Part-time employees (not Full-time Equivalent)

Function	2013	2014	2015	2016
General government	31	31	31	31
Public safety	51	56	55	55
Public works	19	19	19	19
Community development	55	32	32	32
Capital outlay - engineering	5	1	5	5
Water utility	-	-	-	-
Sewer utility	-	-	-	-
Golf Course	7	20	20	20
Storm water utility	-	-	-	-
Total	168	159	162	162

2017	2018	2019	2020	2021	2022
5.00	5.00	5.00	5.00	5.00	5.00
4.50	5.50	5.50	5.50	5.50	7.50
12.90	13.90	13.90	13.90	13.90	13.90
3.40	3.40	4.40	4.40	4.40	4.40
2.40	2.40	2.40	2.40	2.40	2.40
6.30	6.30	6.30	6.30	6.30	6.30
5.30	5.30	5.30	5.30	5.30	5.30
1.20	1.20	1.20	1.20	1.20	1.20
4.00	4.00	4.00	4.00	4.00	4.00
45.00	47.00	48.00	48.00	48.00	50.00

2017	2018	2019	2020	2021	2022
31	31	31	30	30	31
56	56	56	55	55	58
19	19	19	18	18	15
32	32	30	10	10	10
8	8	6	6	6	6
-	-	-	-	-	3
-	-	-	-	-	1
28	28	20	20	20	20
-	-	-	-	-	1
174	174	162	139	139	145

Schedule 17

VILLAGE OF HOWARD, WISCONSIN
 Operating Indicators by Function/Program
 Last Ten Years

Function/Program	2013	2014	2015	2016
General government:				
Acreage sold	-	2.00	33.00	6.34
Registered voters	13,110	11,083	10,918	12,717
Parcels reassessed	410	400	400	6,718
Public safety:				
Police				
Incidents	11,762	11,590	12,088	11,382
Citations/warnings issued	4,511	5,066	4,542	4,485
Fire				
Inspections	2,495	2,500	2,376	2,123
Code Administration				
Permits issued	859	918	921	875
Public works:				
Tons of waste	4,189	4,242	4,458	5,088
Tons of recycling	1,440	1,526	1,517	1,558
Percentage of waste recycled	25.6%	26.5%	25.4%	23.4%
Culture and recreation:				
Ice rink open-days	53	60	60	38
Program participants	2,631	2,881	2,550	2,538
Capital outlay-engineering				
New subdivisions	1	1	-	3
New lots created	35	63	-	180
Watermains added (L.F.)	9,892	9,608	3,902	11,153
Watermains removed (L.F.)	5,034	2,170	538	750
Water utility				
Million gallons pumped	14	1	1	1
Million gallons purchased	679	663	598	578
Sewer utility				
Average daily sewage, thousand gallons	2,272	2,336	2,142	2,466
Golf course				
Rounds of golf	15,010	12,699	12,471	12,950

Notes: The Village contracts with Brown County Sheriff for police services and obtained data on police issues from the sheriff.

Data on tons of waste and recycling was obtained from Brown County Port and Solid Waste and sewer data is obtained from NEW Water.

All of the other data reported above is derived from records maintained by the village.

Due to COVID-19, the number of participants in culture and recreation programs dropped significantly in 2020 and the number of rounds of golf increased.

2017	2018	2019	2020	2021	2022
8.50	4.80	4.50	4.80	1.00	1.00
11,341	11,693	11,898	12,252	12,285	13,019
510	379	7,028	463	470	7,295
11,624	13,451	9,278	8,405	10,348	10,613
3,843	3,694	1,516	1,514	2,655	2,624
2,423	2,097	2,565	2,650	2,578	2,675
921	895	1,010	1,263	1,239	1,262
4,795	4,629	4,595	5,095	4,956	4,527
1,587	1,555	1,473	1,603	1,584	1,440
24.9%	25.1%	24.3%	23.9%	24.2%	24.1%
33	39	17	19	15	10
2,615	2,830	2,979	687	880	1,573
2	3	1	1	2	1
42	92	53	36	109	31
6,758	10,768	8,840	2,650	16,631	10,172
379	-	650	11	-	-
0.9	1.1	3.1	1.1	2.0	2.0
573	624	587	607	596	657
2,252	2,252	2,784	2,315	1,633	1,800
13,699	13,748	13,600	18,216	20,978	19,687

Schedule 18

VILLAGE OF HOWARD, WISCONSIN
 Capital Assets Statistics by Function/Program
 Last Ten Years

Function/Program	2013	2014	2015	2016
Public safety:				
Police				
Patrol units	5	6	6	6
Fire				
Stations	2	2	2	2
Public works:				
Street mileage	106	106	107	108
Street lights	1,214	1,227	1,315	1,388
Roundabouts located in Howard	14	17	17	24
Culture and recreation:				
Acreage	528	528	528	528
Playgrounds	9	9	10	10
Baseball/softball fields	9	9	9	9
Soccer fields	17	17	19	19
Water utility				
Watermain (miles)	95	95	97	97
Sewer utility				
Mains (miles)	88	88	90	90
Golf course (9 hole course)				
Golf carts	25	25	25	28
Storm water				
Ponds constructed	1	1	3	1

No capital asset indicators are available for general government or capital outlay-engineering.

Garbage collection is made by contract with an outside vendor.

Street light data is obtained by electric utility WPS. All other data is derived from village records.

2017	2018	2019	2020	2021	2022
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6	6	6	6	6	6
2	2	2	2	2	2
109	110	111	111	112	112
1,410	1,575	1,580	1,600	1,625	1,645
31	31	31	31	31	31
531	531	531	531	532	532
10	10	11	12	12	13
9	9	9	9	9	9
19	19	19	19	19	19
98	99	100	100	111	113
91	92	93	93	95	97
34	34	34	34	36	38
2	3	1	2	2	2



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Village Board
Village of Howard, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Howard as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Village of Howard's basic financial statements, and have issued our report thereon dated May 1, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Village of Howard's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Howard's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Howard's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described below that we consider to be significant deficiencies.

2022-001 - Significant Audit Adjustments

Program: Government-Wide.

Criteria: Generally accepted accounting principles.

Condition: Significant audit adjustments were required to prevent the Village's financial statements from being materially misstated.

Questioned Costs: Not applicable.

Context: Internal controls did not identify that an adjustment should be recorded.

Effect: This weakness could result in undetected errors and irregularities and misstated interim financial reports.

Information: Isolated instance.

Prior Year Finding: This was a prior year audit finding numbered 2021-001.

Recommendation: Improve the Village's financial reporting internal controls to prevent these types of adjustments from occurring in the future. Document which accounting procedures are needed to be completed on a recurring basis to detect significant adjustments.

Management's Response: The Village will incorporate financial reporting internal controls to detect significant adjustments, prevent misstated financial statements and increase the accuracy of the interim financial reports used by management.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Howard's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of immaterial noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described below.

2022-002 - Actual Expenditures Over Budget

Program: General Fund.

Criteria: Wisconsin Statute 65.06 prohibits spending more than budgeted expenditures.

Condition: The Village spent \$152,197 more than their adopted budget.

Questioned Costs: Not applicable.

Context: The Village did not monitor actual spending in comparison with budgeted amounts.

Effect: The Village is not in compliance with Wisconsin Statutes.

Information: Isolated instance.

Prior Year Finding: This was not a prior year finding.

Recommendation: The Village should monitor actual expenditures compared to the adopted budget and formally amend the budget to ensure total actual expenditures do not exceed total budgeted expenditures.

Management's Response: The Village typically does not formally amend the original budget. In the future, we will review our budget calculations throughout the year and formally amend the budget if necessary.

Village of Howard, Wisconsin's Responses to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Village of Howard's responses to the findings identified in our audit as described above. The Village of Howard's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

HAWKINS ASH CPAS, LLP

A handwritten signature in cursive script that reads "Hawkins Ash CPAs, LLP".

Manitowoc, Wisconsin
May 1, 2023