

**VILLAGE OF BONDUEL**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2020**



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## INDEPENDENT AUDITORS' REPORT

Village Board  
Village of Bonduel, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Bonduel, Wisconsin (the Village) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinions***

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

### **Other Matters**

#### ***Required Supplementary Information***

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

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining nonmajor fund financial statements and General Fund Detailed Comparison of Budgeted and Actual Revenues and General Fund Detailed Comparison of Budgeted and Actual Expenditures (the supplementary information) are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Village Board  
Village of Bonduel, Wisconsin

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021, on our consideration of the Village'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's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Wausau, Wisconsin  
June 29, 2021

## **BASIC FINANCIAL STATEMENTS**

**VILLAGE OF BONDUEL  
STATEMENT OF NET POSITION  
DECEMBER 31, 2020**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 1,844,055	\$ 873,872	\$ 2,717,927
Receivables:			
Taxes and Special Charges	638,529	-	638,529
Delinquent Taxes	276	-	276
Accounts	6,833	65,369	72,202
Special Assessments	219,970	128,675	348,645
Loans	189,029	-	189,029
Internal Balances	(690,388)	690,388	-
Inventories and Prepaid Items	4,767	4,920	9,687
Restricted Assets:			
Cash and Investments	-	364,174	364,174
Capital Assets, Nondepreciable	20,000	5,063	25,063
Capital Assets, Depreciable	5,418,879	8,067,352	13,486,231
Total Assets	<u>7,651,950</u>	<u>10,199,813</u>	<u>17,851,763</u>
<b>LIABILITIES</b>			
Accounts Payable	33,071	11,510	44,581
Accrued and Other Current Liabilities	35,793	3,530	39,323
Due to Other Governments	269	-	269
Accrued Interest Payable	16,461	13,864	30,325
Special Deposits	6,890	1,083	7,973
Unearned Revenues	2,086	-	2,086
Long-Term Obligations:			
Due Within One Year	362,067	320,000	682,067
Due in More Than One Year	3,035,436	2,960,000	5,995,436
Total Liabilities	<u>3,492,073</u>	<u>3,309,987</u>	<u>6,802,060</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes Levied for Subsequent Year	987,951	-	987,951
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,041,376	4,792,415	6,833,791
Restricted			
Public Safety Expenditures	30,037	-	30,037
Future Loans	150,579	-	150,579
Cell Tower	10,218	-	10,218
Debt Service	-	40,427	40,427
Unrestricted	939,716	2,056,984	2,996,700
Total Net Position	<u>\$ 3,171,926</u>	<u>\$ 6,889,826</u>	<u>\$ 10,061,752</u>

See accompanying Notes to Basic Financial Statements.



**VILLAGE OF BONDUEL  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2020**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>GOVERNMENTAL ACTIVITIES</b>				
General Government	\$ 194,593	\$ 19,564	\$ -	\$ -
Public Safety	322,737	36,329	28,214	69,727
Public Works	402,399	60,014	112,143	-
Health and Sanitation	202,093	175,803	12,837	-
Culture and Recreation	81,263	720	36,400	-
Conservation and Development	29,279	1,738	-	-
Interest and Fiscal Charges	111,919	-	-	-
Total Governmental Activities	<u>1,344,283</u>	<u>294,168</u>	<u>189,594</u>	<u>69,727</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Water Utility	274,152	331,061	-	-
Sewer Utility	521,789	489,256	-	-
Total Business-Type Activities	<u>795,941</u>	<u>820,317</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,140,224</u>	<u>\$ 1,114,485</u>	<u>\$ 189,594</u>	<u>\$ 69,727</u>

General Revenues:

Taxes:

Property Taxes

Federal and State Grants and Other

Contributions Not Restricted to Specific  
Functions

Interest and Investment Earnings

Miscellaneous

Gain on Sale of Asset

Transfers

Total General Revenues and  
Transfers

**CHANGE IN NET POSITION**

Net Position - January 1

**NET POSITION - DECEMBER 31**

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
STATEMENT OF ACTIVITIES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2020**

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (175,029)	\$ -	\$ (175,029)
(188,467)	-	(188,467)
(230,242)	-	(230,242)
(13,453)	-	(13,453)
(44,143)	-	(44,143)
(27,541)	-	(27,541)
(111,919)	-	(111,919)
(790,794)	-	(790,794)
-	56,909	56,909
-	(32,533)	(32,533)
-	24,376	24,376
(790,794)	24,376	(766,418)
993,504	-	993,504
230,571	-	230,571
13,991	44,259	58,250
22,650	-	22,650
67,998	-	67,998
42,737	(42,737)	-
1,371,451	1,522	1,372,973
580,657	25,898	606,555
2,591,269	6,863,928	9,455,197
\$ 3,171,926	\$ 6,889,826	\$ 10,061,752

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2020**

<b>ASSETS</b>	General	TIF District	DPW Capital Projects
Cash and Investments	\$ 501,757	\$ 203,785	\$ 736,413
Receivables:			
Taxes and Special Charges	202,958	227,701	167,981
Delinquent Taxes	276	-	-
Accounts	6,833	-	-
Special Assessments	31,185	165,656	23,129
Loans	-	-	-
Advance to Other Funds	210,338	-	-
Prepaid Items	4,767	-	-
	<u>\$ 958,114</u>	<u>\$ 597,142</u>	<u>\$ 927,523</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 33,071	\$ -	\$ -
Accrued and Other Current Liabilities	35,793	-	-
Advance from Other Funds	-	855,726	45,000
Due to Other Governments	269	-	-
Special Deposits	280	-	-
Unearned Revenues	2,086	-	-
Total Liabilities	<u>71,499</u>	<u>855,726</u>	<u>45,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes Levied for Subsequent Year	313,791	352,426	259,995
Unavailable Revenue - Loans Receivable	-	-	-
Unavailable Revenue - Special Assessments	31,185	165,656	23,129
Total Deferred Inflows of Resources	<u>344,976</u>	<u>518,082</u>	<u>283,124</u>
<b>FUND BALANCES</b>			
Nonspendable	215,105	-	-
Restricted	-	-	-
Assigned	10,730	-	599,399
Unassigned	315,804	(776,666)	-
Total Fund Balances	<u>541,639</u>	<u>(776,666)</u>	<u>599,399</u>
	<u>\$ 958,114</u>	<u>\$ 597,142</u>	<u>\$ 927,523</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 958,114</u>	<u>\$ 597,142</u>	<u>\$ 927,523</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
DECEMBER 31, 2020**

Equipment Capital Outlay	Other Governmental Funds	Total
\$ 98,922	\$ 303,178	\$ 1,844,055
39,889	-	638,529
-	-	276
-	-	6,833
-	-	219,970
-	189,029	189,029
-	-	210,338
-	-	4,767
<u>\$ 138,811</u>	<u>\$ 492,207</u>	<u>\$ 3,113,797</u>
-	-	33,071
-	-	35,793
-	-	900,726
-	-	269
-	6,610	6,890
-	-	2,086
<u>-</u>	<u>6,610</u>	<u>978,835</u>
61,739	-	987,951
-	189,029	189,029
-	-	219,970
<u>61,739</u>	<u>189,029</u>	<u>1,396,950</u>
-	-	215,105
-	190,834	190,834
77,072	105,734	792,935
-	-	(460,862)
<u>77,072</u>	<u>296,568</u>	<u>738,012</u>
<u>\$ 138,811</u>	<u>\$ 492,207</u>	<u>\$ 3,113,797</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
RECONCILIATION TO THE STATEMENT OF NET POSITION  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2020**

	2020
<b>RECONCILIATION TO THE STATEMENT OF NET POSITION</b>	
Total Fund Balances as Shown on Previous Page	\$ 738,012
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	5,438,879
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	408,999
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and Notes Payable	(2,810,000)
Capital Leases Payable	(519,180)
Premium on Debt	(68,323)
Accrued Interest on Long-Term Obligations	(16,461)
Net Position of Governmental Activities as Reported on the Statement of Net Position (see Page 5)	\$ 3,171,926

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2020**

	General	TIF District	DPW Capital Projects
<b>REVENUES</b>			
Taxes	\$ 324,509	\$ 359,411	\$ 241,361
Special Assessments	-	-	24,488
Intergovernmental	348,173	1,962	-
Licenses and Permits	17,308	-	-
Fines and Forfeits	3,139	-	-
Public Charges for Services	214,607	-	-
Miscellaneous	21,253	195	38,524
Total Revenues	<u>928,989</u>	<u>361,568</u>	<u>304,373</u>
<b>EXPENDITURES</b>			
Current:			
General Government	186,026	-	-
Public Safety	215,920	-	-
Public Works	211,980	-	800
Health and Sanitation	202,093	-	-
Culture and Recreation	65,989	-	35,053
Conservation and Development	1,784	2,150	-
Debt Service:			
Principal	-	56,683	273,318
Interest and Fiscal Charges	-	56,087	89,509
Capital Outlay	-	-	49,763
Total Expenditures	<u>883,792</u>	<u>114,920</u>	<u>448,443</u>
Excess of Revenues Over (Under) Expenditures	45,197	246,648	(144,070)
<b>OTHER FINANCING SOURCES (USES)</b>			
Long-Term Debt Issued	-	178,145	986,855
Capital Lease Issued	-	-	-
Premium on Debt Issued	-	-	68,323
Payment to current bondholder	-	(178,145)	(371,855)
Proceeds from Sale of Capital Assets	-	-	-
Transfers In	42,737	-	49,771
Transfers Out	(2,647)	-	-
Total Other Financing Sources (Uses)	<u>40,090</u>	<u>-</u>	<u>733,094</u>
<b>NET CHANGE IN FUND BALANCES</b>	85,287	246,648	589,024
Fund Balances - January 1	<u>456,352</u>	<u>(1,023,314)</u>	<u>10,375</u>
<b>FUND BALANCES - DECEMBER 31</b>	<u>\$ 541,639</u>	<u>\$ (776,666)</u>	<u>\$ 599,399</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES  
GOVERNMENTAL FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2020**

Equipment Capital Outlay	Other Governmental Funds	Total
\$ 75,470	\$ -	\$ 1,000,751
-	-	24,488
-	-	350,135
-	-	17,308
-	-	3,139
-	-	214,607
111,749	56,648	228,369
<u>187,219</u>	<u>56,648</u>	<u>1,838,797</u>
2,051	-	188,077
-	15,289	231,209
-	-	212,780
-	-	202,093
-	-	101,042
-	6,088	10,022
78,265	-	408,266
1,944	-	147,540
680,679	-	730,442
<u>762,939</u>	<u>21,377</u>	<u>2,231,471</u>
(575,720)	35,271	(392,674)
-	-	1,165,000
519,180	-	519,180
-	-	68,323
-	-	(550,000)
-	38,083	38,083
-	2,647	95,155
(49,771)	-	(52,418)
<u>469,409</u>	<u>40,730</u>	<u>1,283,323</u>
(106,311)	76,001	890,649
183,383	220,567	(152,637)
<u>\$ 77,072</u>	<u>\$ 296,568</u>	<u>\$ 738,012</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
RECONCILIATION TO THE STATEMENT OF ACTIVITIES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2020**

2020

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net Change in Fund Balances as Shown on Previous Page \$ 890,649

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Assets Reported as Capital Outlay in Governmental Fund Statements	688,632
Depreciation Expense Reported in the Statement of Activities	(192,442)
Net Book Value of Disposals	(7,085)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.	(45,525)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Long-Term Debt Issued	(1,165,000)
Capital Leases Issued	(519,180)
Premium on Debt Issued	(68,323)
Principal Repaid	914,208
Capital Leases Paid	44,058

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Accrued Interest on Long-Term Debt	3,769
Amortization of Premium	<u>36,896</u>

Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see Pages 6 - 7)	<u>\$ 580,657</u>
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**VILLAGE OF BONDUEL**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 323,262	\$ 323,262	\$ 324,509	\$ 1,247
Intergovernmental	318,457	318,457	348,173	29,716
Licenses and Permits	13,915	13,915	17,308	3,393
Fines and Forfeits	5,000	5,000	3,139	(1,861)
Public Charges for Services	233,796	233,796	214,607	(19,189)
Miscellaneous	8,000	8,000	21,253	13,253
Total Revenues	<u>902,430</u>	<u>902,430</u>	<u>928,989</u>	<u>26,559</u>
<b>EXPENDITURES</b>				
Current:				
General Government	167,765	176,654	186,026	(9,372)
Public Safety	289,588	280,699	215,920	64,779
Public Works	225,435	225,435	211,980	13,455
Health and Sanitation	206,460	206,460	202,093	4,367
Culture and Recreation	67,055	67,055	65,989	1,066
Conservation and Development	2,635	2,635	1,784	851
Total Expenditures	<u>958,938</u>	<u>958,938</u>	<u>883,792</u>	<u>75,146</u>
Excess (Deficiency) of Revenues Under Expenditures	(56,508)	(56,508)	45,197	101,705
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	56,356	56,356	42,737	(13,619)
Transfers Out	-	-	(2,647)	(2,647)
Total Other Financing Sources (Uses)	<u>56,356</u>	<u>56,356</u>	<u>40,090</u>	<u>(16,266)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(152)	(152)	85,287	85,439
Fund Balance - January 1	<u>456,352</u>	<u>456,352</u>	<u>456,352</u>	<u>-</u>
<b>FUND BALANCE - DECEMBER 31</b>	<u><u>\$ 456,200</u></u>	<u><u>\$ 456,200</u></u>	<u><u>\$ 541,639</u></u>	<u><u>\$ 85,439</u></u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2020**

	Water Utility	Sewer Utility	Total
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Investments	\$ 322,875	\$ 550,997	\$ 873,872
Receivables:			
Customer Accounts	15,359	50,010	65,369
Special Assessments	75,470	53,205	128,675
Current Portion of Advance	2,861	215,885	218,746
Inventories and Prepaid Items	4,920	-	4,920
Total Current Assets	421,485	870,097	1,291,582
<b>NONCURRENT ASSETS</b>			
Restricted Assets:			
Cash and Investments	106,500	257,674	364,174
<b>OTHER ASSETS</b>			
Advance to Other Funds	-	636,980	636,980
<b>CAPITAL ASSETS</b>			
Nondepreciable	3,834	1,229	5,063
Depreciable	1,739,696	6,327,656	8,067,352
Total Capital Assets	1,743,530	6,328,885	8,072,415
Total Assets	2,271,515	8,093,636	10,365,151
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Accounts Payable	9,334	2,176	11,510
Accrued and Other Current Liabilities	1,856	1,674	3,530
Advance from Other Funds	12,407	-	12,407
Special Deposits	1,083	-	1,083
Payable from Restricted Assets:			
Current Portion of Long-Term Debt	115,000	205,000	320,000
Accrued Interest Payable	1,617	12,247	13,864
Total Current Liabilities	141,297	221,097	362,394
<b>LONG-TERM OBLIGATIONS, LESS CURRENT PORTION</b>			
Advance from Other Funds	152,931	-	152,931
General Obligation Debt	440,000	-	440,000
Revenue Bonds	-	2,520,000	2,520,000
Total Long-Term Liabilities	592,931	2,520,000	3,112,931
Total Liabilities	734,228	2,741,097	3,475,325
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,188,530	3,603,885	4,792,415
Restricted for Debt Service	-	40,427	40,427
Unrestricted	348,757	1,708,227	2,056,984
Total Net Position	\$ 1,537,287	\$ 5,352,539	\$ 6,889,826

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2020**

	Water Utility	Sewer Utility	Total
<b>OPERATING REVENUES</b>			
Metered or Measured Sales			
Residential	\$ 139,640	\$ 333,887	\$ 473,527
Multi-Family	12,292	-	12,292
Commercial	26,815	99,300	126,115
Industrial	9,154	25,623	34,777
Public Authorities	12,609	30,219	42,828
Public Fire Protection	124,332	-	124,332
Private Fire Protection	1,049	-	1,049
Forfeited Discounts	465	227	692
Other	4,705	-	4,705
Total Operating Revenues	<u>331,061</u>	<u>489,256</u>	<u>820,317</u>
<b>OPERATING EXPENSES</b>			
Operation and Maintenance:			
Supervision and Maintenance	34,213	14,503	48,716
Power and Fuel Purchased	9,394	14,322	23,716
Chemicals	6,190	-	6,190
Operating Supplies and Expenses	11,450	157,205	168,655
Maintenance of Plant and Equipment	19,558	26,977	46,535
Administration and General:			
Billing, Accounting and Collection	31,207	31,252	62,459
Office Supplies and Expenses	16,370	14,047	30,417
Outside Services Employed	15,532	-	15,532
Employee Pensions and Benefits	23,010	20,062	43,072
Insurance	11,146	11,146	22,292
Miscellaneous	2,329	4,385	6,714
Depreciation	69,602	152,321	221,923
Taxes	1,769	1,186	2,955
Total Operating Expenses	<u>251,770</u>	<u>447,406</u>	<u>699,176</u>
<b>OPERATING INCOME</b>	79,291	41,850	121,141
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	3,002	41,257	44,259
Interest and Fiscal Charges	<u>(22,382)</u>	<u>(74,383)</u>	<u>(96,765)</u>
Total Nonoperating Revenues (Expenses)	<u>(19,380)</u>	<u>(33,126)</u>	<u>(52,506)</u>
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	59,911	8,724	68,635
Capital Contributions	-	-	-
Transfers Out	<u>(42,737)</u>	<u>-</u>	<u>(42,737)</u>
<b>CHANGE IN NET POSITION</b>	17,174	8,724	25,898
Net Position - January 1	<u>1,520,113</u>	<u>5,343,815</u>	<u>6,863,928</u>
<b>NET POSITION - DECEMBER 31</b>	<u><u>\$ 1,537,287</u></u>	<u><u>\$ 5,352,539</u></u>	<u><u>\$ 6,889,826</u></u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2020**

	Water Utility	Sewer Utility	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$ 332,203	\$ 489,234	\$ 821,437
Cash Paid for Employee Wages and Benefits	(86,574)	(64,143)	(150,717)
Cash Paid to Suppliers	(81,311)	(231,750)	(313,061)
Net Cash Provided by Operating Activities	164,318	193,341	357,659
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfer Out	(42,737)	-	(42,737)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Collection of Advance	39,226	146,274	185,500
Interest on Advance	2,418	50,893	53,311
Acquisition of Capital Assets	(12,615)	(6,755)	(19,370)
Long-Term Debt Issued	440,000	-	440,000
Principal Paid on Long-Term Debt	(430,000)	(200,000)	(630,000)
Interest Paid on Long-Term Debt	(23,562)	(74,833)	(98,395)
Net Cash Provided (Used) by Capital and Related Financing Activities	15,467	(84,421)	(68,954)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	584	(9,636)	(9,052)
<b>CHANGE IN CASH AND INVESTMENTS</b>	137,632	99,284	236,916
Cash and Investments - January 1	291,743	709,387	1,001,130
<b>CASH AND INVESTMENTS - DECEMBER 31</b>	<u>\$ 429,375</u>	<u>\$ 808,671</u>	<u>\$ 1,238,046</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2020**

	Water Utility	Sewer Utility	Total
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating Income	\$ 79,291	\$ 41,850	\$ 121,141
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	69,602	152,321	221,923
Depreciation Charged to Sewer Utility	3,820	(3,820)	-
Change in Operating Assets and Liabilities:			
Accounts Receivables	1,142	(22)	1,120
Accounts Payable	8,607	1,338	9,945
Accrued Liabilities	1,856	1,674	3,530
Net Cash Provided by Operating Activities	\$ 164,318	\$ 193,341	\$ 357,659
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>			
Cash and Cash Equivalents in Current Assets	\$ 322,875	\$ 550,997	\$ 873,872
Cash and Cash Equivalents in Restricted Assets	106,500	257,674	364,174
Total Cash and Investments	\$ 429,375	\$ 808,671	\$ 1,238,046
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
None			

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF BONDUEL  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2020**

	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash and Investments	\$ 358,691
Receivables:	
Taxes and Special Charges	654,832
Total Assets	1,013,523
 <b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes Levied for Subsequent Year	1,013,523
 <b>NET POSITION</b>	
Fiduciary Net Position - Held for Others	\$ -

*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF BONDUEL  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
YEAR ENDED DECEMBER 31, 2020**

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Taxes and Special Charges Collected	\$ 995,910
<b>DEDUCTIONS</b>	
Payments to Other Taxing Districts	995,910
<b>CHANGE IN NET POSITION</b>	-
Net Position - January 1	-
<b>NET POSITION - DECEMBER 31</b>	\$ -

*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Village of Bonduel, Wisconsin (the Village), have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Village are described below:

**A. Reporting Entity**

The Village is a municipal corporation governed by an elected seven member board. In accordance with U.S. GAAP, the basic financial statements are required to include the Village (the primary government) and any separate component units that have a significant operational or financial relationship with the Village. The Village has not identified any component units that are required to be included in the basic financial statements in accordance with standards established in GASB Statement No. 61.

**B. Joint Operation**

The Village is a 60% partner with the Town of Hartland in a joint operation to fund activities for a fire station located in the Village. In accordance with a joint agreement, the Village Clerk receives all operations funds on behalf of the joint operations and pays the costs and expenses of the joint operations. Monthly, the Town and Village contribute 40% and 60%, respectively for expenses and revenues are shared 50/50 for equipment and 40/60 for supplies and personnel.

**C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are primarily supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.



**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Government-Wide and Fund Financial Statements (Continued)**

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds. The Village has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

General Fund

This is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

T.I.F. District Capital Projects Fund

This fund is used to account for financial activity of TIF District #1.

DPW Capital Projects Fund

This fund is used to account for major capital projects of the Village.

Equipment Capital Outlay Fund

This fund is used to account for capital outlay of the Village.

The Village reports the following major enterprise funds:

Water Utility Fund

This fund accounts for the operations of the Village's water utility.

Sewer Utility Fund

This fund accounts for the operations of the Village's sewer utility.

The Village also reports the following fiduciary fund:

Custodial Fund

The custodial fund accounts for property taxes and special charges collected on behalf of other governments.

**VILLAGE OF BONDUEL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus and Basis of Accounting**

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

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

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

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

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 Village's proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus and Basis of Accounting (Continued)**

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

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance**

**1. Cash and Investments**

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

**2. Property Taxes and Special Charges/Receivable**

Property taxes and special charges consist of taxes on real estate and personal property and user charges assessed against Village properties. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes and special charges are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the Village. Special charges not paid by January 31 are held in trust by the County and remitted to the Village, including interest, when collected by the County.

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

**3. Accounts Receivable**

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

**VILLAGE OF BONDUEL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**4. 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 2019 tax roll are recognized as revenue in 2020.) Special assessments are subject to collection procedures.

**5. Loans Receivable**

The Village has received federal and state grant funds for economic development and housing rehabilitation 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. Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

**6. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Noncurrent portions of the interfund receivables are reported as "advances to other funds" and are offset by nonspendable fund balance in the general fund since they do not constitute expendable available financial resources and therefore are not available for appropriation.

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

**7. Inventories**

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**7. Inventories (Continued)**

Inventories of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**8. Prepaid Items**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items.

Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**9. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. General infrastructure assets acquired prior to January 1, 2004 are not reported in the basic financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Village are depreciated using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities	Business-Type Activities
Land Improvements	25 to 50 Years	25 to 100 Years
Buildings and Improvements	50 Years	40 Years
Machinery and Equipment	10 to 25 Years	6 to 25 Years
Infrastructure	50 Years	-

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**10. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The Village reports unavailable revenues for special assessments and loan receivables. These inflows are recognized as revenues in the government-wide financial statements.

**11. 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.

**12. Fund Equity**

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

**VILLAGE OF BONDUEL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**12. Fund Equity (Continued)**

Governmental Fund Financial Statements (Continued)

- **Nonspendable Fund Balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted Fund Balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance.** Amounts that are constrained for specific purposes by action of the Village Board. These constraints can only be removed or changed by the Village Board using the same action that was used to create them.
- **Assigned Fund Balance.** Amounts that are constrained for specific purposes by action of Village management.
- **Unassigned Fund Balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The Village has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide and Proprietary Fund Statements

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

- **Net Investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Use of Estimates**

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

**NOTE 2 STEWARDSHIP AND COMPLIANCE**

**A. Budgets and Budgetary Accounting**

The Village follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During November, the Village Clerk/Treasurer and Finance and Insurance Committee submit to the Village Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Village Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the general fund.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each functional level of the Village. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Village Board.
5. Encumbrance accounting is not used by the Village to record commitments related to unperformed contracts for goods or services.

The Village did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2020.



**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)**

**B. Excess of Expenditures Over Budget Appropriations**

The following expenditure accounts of the general fund had actual expenditures in excess of budget appropriations for the year ended December 31, 2020 as follows:

Funds	Excess Expenditures
General:	
General Government:	\$ 9,372

**C. Deficit Fund Equity**

The following fund had deficit fund balance as of December 31, 2020:

Fund	Deficit Fund Balance
TIF District	\$ 784,763

The Village anticipates future tax increments will finance the deficit of the TIF District.

**D. Property Tax Levy Limit**

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2019 and 2020 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the Village's January 1 equalized value as a result of net new construction. The actual limit for the Village for the 2019 budget was 0.75%. The actual limit for the Village for the 2020 budget was 0.29%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

The Village maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and investments".

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the Village's cash and investments totaled \$3,437,792 on December 31, 2020 as summarized below:

Deposits with Financial Institutions	<u><u>\$ 3,437,792</u></u>
--------------------------------------	----------------------------

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 2,717,927
Restricted Cash and Investments	364,174
Fiduciary Fund Statement of Net Position:	
Custodial Fund	358,691
Total	<u><u>\$ 3,440,792</u></u>

Fair Value Measurements

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 for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The Village currently has no investments that are subject to fair value measurement.

Deposits and investments of the Village are subject to various risks. Presented below is a discussion of the Village's deposits and investments and the related risks.

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Village does not have an additional custodial credit policy.

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2020, \$2,791,186 of the Village's deposits with financial institutions were in excess of federal and state depository insurance limits. \$1,195,000 was collateralized with securities held by the pledging financial institution or its trust department or agent. The remaining balance of \$1,596,186 is uninsured and uncollateralized.

**B. Restricted Assets**

Restricted assets on December 31, 2020 totaled \$364,174 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Water Utility Debt Reserve	\$ 106,500	Debt Service
Sewer Utility Debt Reserve	257,674	Debt Service
Total Restricted Assets	<u>\$ 364,174</u>	

**VILLAGE OF BONDUÉL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Nondepreciable:				
Land	\$ 20,000	\$ -	\$ -	\$ 20,000
Capital Assets, Depreciable:				
Land Improvements	72,275	34,178	-	106,453
Buildings and Improvements	1,207,982	-	-	1,207,982
Machinery and Equipment	1,735,666	654,454	90,830	2,299,290
Infrastructure	3,999,030	-	-	3,999,030
Subtotals	<u>7,014,953</u>	<u>688,632</u>	<u>90,830</u>	<u>7,612,755</u>
Less Accumulated Depreciation for:				
Land Improvements	16,386	3,574	-	19,960
Buildings and Improvements	433,011	23,660	-	456,671
Machinery and Equipment	959,332	85,227	83,745	960,814
Infrastructure	676,450	79,981	-	756,431
Subtotals	<u>2,085,179</u>	<u>192,442</u>	<u>83,745</u>	<u>2,193,876</u>
Total Capital Assets, Depreciable, Net	<u>4,929,774</u>	<u>496,190</u>	<u>7,085</u>	<u>5,418,879</u>
Governmental Activities Capital Assets, Net	<u>\$ 4,949,774</u>	<u>\$ 496,190</u>	<u>\$ 7,085</u>	5,438,879
Less: Capital Related Debt				<u>3,397,503</u>
Net Investment in Capital Assets				<u>\$ 2,041,376</u>
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
Capital Assets, Nondepreciable:				
Land	\$ 5,063	\$ -	\$ -	\$ 5,063
Capital Assets, Depreciable:				
Buildings and Improvements	1,105,282	-	-	1,105,282
Improvements Other than Buildings	10,238,982	-	-	10,238,982
Machinery and Equipment	1,113,197	19,370	-	1,132,567
Subtotals	<u>12,457,461</u>	<u>19,370</u>	<u>-</u>	<u>12,476,831</u>
Less Accumulated Depreciation for:				
Water Utility	1,349,449	73,422	-	1,422,871
Sewer Utility	2,838,107	148,501	-	2,986,608
Subtotals	<u>4,187,556</u>	<u>221,923</u>	<u>-</u>	<u>4,409,479</u>
Total Capital Assets, Depreciable, Net	<u>8,269,905</u>	<u>(202,553)</u>	<u>-</u>	<u>8,067,352</u>
Business-Type Activities Capital Assets, Net	<u>\$ 8,274,968</u>	<u>\$ (202,553)</u>	<u>\$ -</u>	8,072,415
Less: Capital Related Debt				<u>3,280,000</u>
Net Investment In Capital Assets				<u>\$ 4,792,415</u>

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

Depreciation expense was charged to functions of the Village as follows:

Governmental Activities:	
General Government	\$ 278
Public Safety	59,206
Public Works	118,559
Culture and Recreation	14,399
Total Depreciation Expense - Governmental Activities	<u>\$ 192,442</u>
Business-Type Activities:	
Water Utility	\$ 69,602
Sewer Utility	152,321
Total Depreciation Expense - Business- Type Activities	<u>\$ 221,923</u>

**D. Interfund Receivable, Payables, and Transfers**

Interfund advances between individual funds of the Village, as reported in the fund financial statements, as of December 31, 2020 are detailed below:

	<u>Advance to Other Funds</u>	<u>Advance from Other Funds</u>
Long-Term Advances:		
General Fund	\$ 210,338	\$ -
Capital Projects Fund:		
TIF District	-	855,726
DPW Capital Projects	-	45,000
Enterprise Funds:		
Water Utility	2,861	165,338
Sewer Utility	852,865	-
Totals	<u>\$ 1,066,064</u>	<u>\$ 1,066,064</u>

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivable, Payables, and Transfers (Continued)**

An advance of \$190,000 was made to the water utility to finance water tower repainting. The advance is being repaid at a rate of \$13,063 per year for 15 years. As of December 31, 2020, a balance of \$165,338 remains outstanding. An advance of \$45,000 was made to finance the DPW capital projects fund Legion Street project. As of December 31, 2020, a balance of \$45,000 remains outstanding. Annual payments due on the long-term advance as of December 31, 2020, is detailed below:

<u>Year Ended December 31,</u>	<u>Water Utility</u>		<u>DPW Capital Projects</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 12,407	\$ 656	\$ 8,884	\$ 293	\$ 21,291	\$ 949
2022	12,458	656	8,941	235	21,399	891
2023	12,458	605	9,000	177	21,458	782
2024	12,561	502	9,058	118	21,619	620
2025	12,613	450	9,117	59	21,730	509
2026-2030	63,848	1,470	-	-	63,848	1,470
2031-2033	38,993	248	-	-	38,993	248
Total	<u>\$165,338</u>	<u>\$ 4,587</u>	<u>\$45,000</u>	<u>\$ 882</u>	<u>\$210,338</u>	<u>\$ 5,469</u>

The Water Utility Enterprise Fund and the Sewer Utility Enterprise Fund provided funding for expenditures within the TIF Fund. As of December 31, 2020, a balance of \$855,726 remains outstanding.

Annual payments due on the long-term advance as of December 31, 2020, is detailed below:

<u>Year Ended December 31,</u>	<u>Water Utility</u>		<u>Sewer Utility</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 2,861	\$ 114	\$ 215,885	\$ 34,115	\$ 218,746	\$ 34,229
2022	-	-	275,000	19,979	275,000	19,979
2023	-	-	275,000	8,979	275,000	8,979
2024	-	-	86,980	1,740	86,980	1,740
Total	<u>\$ 2,861</u>	<u>\$ 114</u>	<u>\$ 852,865</u>	<u>\$ 64,813</u>	<u>\$ 855,726</u>	<u>\$ 64,927</u>

Interfund transfers for the year ended December 31, 2020 were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 42,737	\$ 2,647
DPW Capital Projects	49,771	-
Equipment Capital Outlay	-	49,771
EMS Fund	2,647	-
Water Utility	-	42,737
Total	<u>\$ 95,155</u>	<u>\$ 95,155</u>

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivable, Payables, and Transfers (Continued)**

Interfund transfers were made for the following purposes:

Tax Equivalent Payment Made by Water Utility to General Fund	\$ 42,737
Transfer of Funds for Capital Projects to Correct Fund	49,771
Village Contribution to EMS Fund for the Current Year	2,647
Total	<u>\$ 95,155</u>

**E. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2020:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Debt:					
General Obligation Bonds	\$ 2,525,000	\$ -	\$ 880,000	\$ 1,645,000	\$ 135,000
Notes	-	1,165,000	-	1,165,000	205,000
Notes From Direct Borrowings	34,208	-	34,208	-	-
Total General Obligation Debt	2,559,208	1,165,000	914,208	2,810,000	340,000
Debt Premium	36,896	68,323	36,896	68,323	-
Capital Leases	44,058	519,180	44,058	519,180	22,067
Total Governmental Activities Long-Term Obligations	<u>\$ 2,640,162</u>	<u>\$ 1,752,503</u>	<u>\$ 995,162</u>	<u>\$ 3,397,503</u>	<u>\$ 362,067</u>
<b>Business-Type Activities:</b>					
General Obligation Debt:					
Notes	\$ -	\$ 440,000	\$ -	\$ 440,000	\$ -
Direct Borrowings:					
Revenue Bonds	3,155,000	-	315,000	2,840,000	320,000
Bond Anticipation Notes	315,000	-	315,000	-	-
Total Direct Borrowings	3,470,000	-	630,000	2,840,000	320,000
Total Business-Type Activities Long-Term Obligations	<u>\$ 3,470,000</u>	<u>\$ 440,000</u>	<u>\$ 630,000</u>	<u>\$ 3,280,000</u>	<u>\$ 320,000</u>

The Village's outstanding notes from direct borrowings related to governmental activities of \$1,165,000 and business-type activities of \$440,000 contain a provision that in an event of default, outstanding amounts shall at the option of the lender, without notice, mature and become immediately payable.

The owners of the business-type activities revenue bonds of \$2,840,000 hold a mortgage lien on the Village's water and sewer utility system for the life of the bond.

Total interest paid during the year on long-term debt totaled \$157,521.

**VILLAGE OF BONDUÉL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/20
General Obligation Bond	5/29/12	5/1/24	0.7 - 2.25%	\$ 1,025,000	\$ 70,000
General Obligation Bond	3/30/16	5/1/31	1-3%	1,850,000	1,575,000
General Obligation Bond	10/29/20	3/1/30	2%	1,605,000	1,605,000
Total Outstanding General Obligation Debt					<u>\$ 3,250,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$3,250,000 on December 31, 2020 are detailed below:

<u>Year Ended December 31,</u>	Governmental		Business Type		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 340,000	\$ 33,618	-	\$ 7,382	\$ 340,000	\$ 41,000
2022	340,000	30,588	30,000	8,500	370,000	39,088
2023	345,000	19,775	35,000	7,850	380,000	27,625
2024	290,000	28,850	45,000	7,050	335,000	35,900
2025	220,000	27,200	55,000	6,050	275,000	33,250
2026-2030	1,100,000	78,125	275,000	13,750	1,375,000	91,875
2031	175,000	2,625	-	-	175,000	2,625
Total	<u>\$ 2,810,000</u>	<u>\$ 220,781</u>	<u>\$ 440,000</u>	<u>\$ 50,582</u>	<u>\$ 3,250,000</u>	<u>\$ 271,363</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund.

Current Refunding

On October 29, 2020, the Village issued \$1,605,000 in General Obligation Promissory Notes with an interest rate of 2% to finance current year capital projects and refinance prior debt issues from 2009 and 2016. The refunding resulted in a decrease in the cash flow requirements of \$52,948 and an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$49,068.

Legal Margin for New Debt

The Village's legal margin for creation of additional general obligation debt on December 31, 2020 was \$950,100 as follows:

Equalized Valuation of the Village	\$ 84,002,000
Statutory Limitation Percentage	<u>(x) 5%</u>
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	4,200,100
Less: Net Outstanding General Obligation Debt Applicable to Debt Limitation	<u>3,250,000</u>
Legal Margin for New Debt	<u>\$ 950,100</u>



**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

Revenue Bonds

Revenue bonds outstanding on December 31, 2020 totaled \$2,840,000 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/20
Water System Revenue Bonds	10/13/11	5/1/21	2.00 - 3.25%	\$ 1,065,000	\$ 115,000
Sewer System Revenue Bonds	11/17/16	5/1/39	1.05 - 3.80%	3,490,000	2,725,000
Total Outstanding Revenue Bonds					<u>\$ 2,840,000</u>

Annual principal and interest maturities of the outstanding revenue bonds of \$2,840,000 on December 31, 2020 are detailed below:

<u>Year Ended December 31,</u>	<u>Business-Type Activities</u>		
	<u>Direct Borrowings - Revenue Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 320,000	\$ 73,865	\$ 393,865
2022	215,000	68,790	283,790
2023	110,000	66,108	176,108
2024	110,000	64,100	174,100
2025	115,000	61,905	176,905
2026-2030	615,000	269,421	884,421
2031-2035	705,000	177,471	882,471
2036-2039	650,000	49,225	699,225
Total	<u>\$ 2,840,000</u>	<u>\$ 830,885</u>	<u>\$ 3,670,885</u>

Utility Revenues Pledged

The Village has pledged future water and sewer customer revenues, net of specified operating expenses, to repay the water and sewer system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the utilities. The sewer revenue bonds are payable solely from sewer customer net revenues and are payable through 2039. The total principal and interest remaining to be paid on the revenue bonds is \$3,554,016. Principal and interest paid for the current year and total customer net revenues were \$274,833 and \$235,428, respectively. The water revenue bonds are payable solely from water customer net revenues and are payable through 2021. The total principal and interest remaining to be paid on the revenue bonds is \$116,869. Principal and interest paid for the current year and total customer net revenues were \$440,259 and \$151,895, respectively.

Capital Lease

The Village is obligated under a lease accounted for as capital lease that was used to finance the acquisition of capital assets. The cost of the capital assets under the capital lease is \$519,180 and the related accumulated depreciation is \$106,978 as of December 31, 2020.

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

Capital Lease (Continued)

The following is a schedule of the minimum lease payments under the lease agreements and the present values of the minimum lease payments at December 31, 2020:

<u>Year Ending</u>	<u>Governmental Activities</u>
2021	\$ 62,616
2022	62,616
2023	62,616
2024	62,616
2025	62,616
2026-2030	<u>313,078</u>
Subtotal	626,158
Less: Amount Representing Interest	<u>106,978</u>
Present Value of Future Minimum Lease Payments	<u><u>\$ 519,180</u></u>

**F. Fund Equity**

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2020, nonspendable fund balance was as follows:

General Fund:

Nonspendable:

Prepaid Items	\$ 4,767
Advance to Water Utility	<u>210,338</u>
Total Nonspendable Fund Balance	<u><u>\$ 215,105</u></u>

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2020, restricted fund balance was as follows:

Special Revenue Funds:

Restricted for:

Future Loans	\$ 150,579
Cell Tower	10,218
Public Safety Expenditures	<u>30,037</u>
Total Restricted Fund Balance	<u><u>\$ 190,834</u></u>

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Fund Equity (Continued)**

Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2020, fund balance was assigned as follows:

General Fund:

Assigned for Subsequent Year's Expenditures:

Assessor	\$ 7,930
Police Vehicle Repairs	1,000
Police Fuel	1,800
Subtotal	<u>10,730</u>

Capital Projects Funds:

Assigned for Subsequent Year's Expenditures:

Capital Improvements:

Equipment Replacement	77,072
Business Park Expansion	105,734
Future Capital Improvements	599,399
Subtotal	<u>782,205</u>

Total	<u><u>\$ 792,935</u></u>
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**VILLAGE OF BONDUEL**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 4 OTHER INFORMATION**

**A. Tax Incremental Financing Districts**

The Village has established a separate capital projects fund for Tax Incremental Financing District (TIF) No. 1 which was 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.

Since creation of the above District, the Village has provided various financing sources to the TIF. The foregoing amounts are not recorded as liabilities in the TIF capital project fund but can be recovered by the Village from any future excess tax increment revenues. As of December 31, 2020, the Village can recover \$954,812 from future excess tax increment revenues.

The intent of the Village is to recover the above amounts from future TIF surplus funds, if any, prior to termination of the respective District. Unless terminated by the Village prior thereto, the District has a statutory termination year of 2024.

**B. Risk Management**

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Village completes an annual review of its insurance coverage to ensure adequate coverage. Settlements have not exceeded coverage in any of the past three years.

**C. Contingencies**

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

**VILLAGE OF BONDUEL  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**D. Subsequent Events**

The Coronavirus Disease 2019 (COVID-19) has affected global markets, supply chains, employees of organizations and local communities. Specific to the Village, COVID-19 may impact various parts of its 2021 operations and financial. Management believes the Village is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of December 31, 2020.

## **SUPPLEMENTARY INFORMATION**

**VILLAGE OF BONDUEL  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2020**

	Special Revenue				Capital Projects	Total
	Fire Department Fund	EMS Fund	CDBG	Cell Tower	Business Park Expansion	
<b>ASSETS</b>						
Cash and Investments	\$ 18,779	\$ 11,258	\$ 157,189	\$ 10,218	\$ 105,734	\$ 303,178
Loans	-	-	189,029	-	-	189,029
<b>Total Assets</b>	<u>\$ 18,779</u>	<u>\$ 11,258</u>	<u>\$ 346,218</u>	<u>\$ 10,218</u>	<u>\$ 105,734</u>	<u>\$ 492,207</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Special Deposits	\$ -	\$ -	\$ 6,610	\$ -	\$ -	\$ 6,610
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Loans Receivable	-	-	189,029	-	-	189,029
<b>FUND BALANCES</b>						
Restricted	18,779	11,258	150,579	10,218	-	190,834
Assigned	-	-	-	-	105,734	105,734
<b>Total Fund Balances</b>	<u>18,779</u>	<u>11,258</u>	<u>150,579</u>	<u>10,218</u>	<u>105,734</u>	<u>296,568</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 18,779</u>	<u>\$ 11,258</u>	<u>\$ 346,218</u>	<u>\$ 10,218</u>	<u>\$ 105,734</u>	<u>\$ 492,207</u>

**VILLAGE OF BONDUEL  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2020**

	Special Revenue				Capital Projects	Total
	Fire Department Fund	EMS Fund	CDBG	Cell Tower	Business Park Expansion	
<b>REVENUES</b>						
Miscellaneous	\$ 15,206	\$ 12,982	\$ 21,104	\$ 7,215	\$ 141	\$ 56,648
<b>EXPENDITURES</b>						
Current:						
Public Safety	8,909	6,380	-	-	-	15,289
Conservation and Development	-	-	6,088	-	-	6,088
Total Expenditures	<u>8,909</u>	<u>6,380</u>	<u>6,088</u>	<u>-</u>	<u>-</u>	<u>21,377</u>
Excess of Revenues Over (Under) Expenditures	6,297	6,602	15,016	7,215	141	35,271
<b>OTHER FINANCING SOURCES</b>						
Proceeds from Sale of Capital Assets	-	-	-	-	38,083	38,083
Transfers In	-	2,647	-	-	-	2,647
Total Other Financing Sources	<u>-</u>	<u>2,647</u>	<u>-</u>	<u>-</u>	<u>38,083</u>	<u>40,730</u>
<b>NET CHANGE IN FUND BALANCES</b>	6,297	9,249	15,016	7,215	38,224	76,001
Fund Balances - January 1	<u>12,482</u>	<u>2,009</u>	<u>135,563</u>	<u>3,003</u>	<u>67,510</u>	<u>220,567</u>
<b>FUND BALANCES - DECEMBER 31</b>	<u>\$ 18,779</u>	<u>\$ 11,258</u>	<u>\$ 150,579</u>	<u>\$ 10,218</u>	<u>\$ 105,734</u>	<u>\$ 296,568</u>



**VILLAGE OF BONDUEL  
 DETAILED COMPARISON OF BUDGET AND ACTUAL REVENUES  
 GENERAL FUND  
 YEAR ENDED DECEMBER 31, 2020**

	Budget Original	Final	Actual	Variance Final Budget - Positive (Negative)
<b>TAXES</b>				
General Property	\$ 317,262	\$ 317,262	\$ 317,262	\$ -
Shawano County Housing Authority	6,000	6,000	7,247	1,247
Total Taxes	<u>323,262</u>	<u>323,262</u>	<u>324,509</u>	<u>1,247</u>
<b>INTERGOVERNMENTAL</b>				
State:				
State Shared Taxes	193,951	193,951	194,226	275
Fire Insurance Dues	3,000	3,000	3,533	533
Tax-Exempt Computer Aid	1,765	1,765	1,765	-
Law Enforcement	480	480	160	(320)
Transportation	112,143	112,143	112,143	-
Recycling Aid	6,200	6,200	6,219	19
R2R COVID Grant	-	-	29,169	29,169
Video Service Provider	918.00	918.00	918.00	-
DNR - in Lieu of Taxes	-	-	40	40
Total Intergovernmental	<u>318,457</u>	<u>318,457</u>	<u>348,173</u>	<u>29,716</u>
<b>LICENSES AND PERMITS</b>				
Licenses:				
Liquor and Malt Beverage	3,320	3,320	2,820	(500)
Operators, Cigarette and Other Licenses	7,895	7,895	9,115	1,220
Dog	700	700	425	(275)
Permits:				
Building	2,000	2,000	4,948	2,948
Total Licenses and Permits	<u>13,915</u>	<u>13,915</u>	<u>17,308</u>	<u>3,393</u>
<b>FINES AND FORFEITS</b>				
Court Fines and Penalties	5,000	5,000	3,139	(1,861)
<b>PUBLIC CHARGES FOR SERVICES</b>				
General Government	2,600	2,600	4,894	2,294
Law Enforcement	-	-	78	78
Fire Protection	30,500	30,500	33,112	2,612
Refuse and Garbage Collection	197,896	197,896	173,540	(24,356)
Recycling	2,000	2,000	1,680	(320)
Weed Control	-	-	583	583
Park Fees	800	800	720	(80)
Total Public Charges for Services	<u>233,796</u>	<u>233,796</u>	<u>214,607</u>	<u>(19,189)</u>
<b>MISCELLANEOUS</b>				
Interest on Investments	5,700	5,700	13,182	7,482
Insurance Recoveries and Dividends	2,000	2,000	3,213	1,213
Other	300	300	4,858	4,558
Total Miscellaneous	<u>8,000</u>	<u>8,000</u>	<u>21,253</u>	<u>13,253</u>
Total Revenues	<u>\$ 902,430</u>	<u>\$ 902,430</u>	<u>\$ 928,989</u>	<u>\$ 26,559</u>

**VILLAGE OF BONDUEL**  
**DETAILED COMPARISON OF BUDGET AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2020**

	Budget Original	Final	Actual	Variance Final Budget - Positive (Negative)
<b>GENERAL GOVERNMENT</b>				
Village Board and President	\$ 21,630	\$ 21,630	\$ 24,916	\$ (3,286)
Village Clerk-Treasurer	58,856	67,745	72,090	(4,345)
Assessment of Property	21,333	21,333	14,982	6,351
Elections	5,200	5,200	7,099	(1,899)
Legal	13,000	13,000	15,517	(2,517)
Independent Audit	7,750	7,750	5,911	1,839
Office Supplies and Expenses	12,410	12,410	22,553	(10,143)
Property and Liability Insurance	27,586	27,586	22,989	4,597
Municipal Court	-	-	(134)	134
Uncollected Taxes	-	-	103	(103)
Total General Government	<u>167,765</u>	<u>176,654</u>	<u>186,026</u>	<u>(9,372)</u>
<b>PUBLIC SAFETY</b>				
Police Department	171,230	162,341	129,151	33,190
Fire Department	110,758	110,758	81,198	29,560
Ambulance	3,600	3,600	3,600	-
Inspection	4,000	4,000	1,971	2,029
Total Public Safety	<u>289,588</u>	<u>280,699</u>	<u>215,920</u>	<u>64,779</u>
<b>PUBLIC WORKS</b>				
Street Maintenance and Construction	79,845	79,845	80,624	(779)
Shop Operations	61,290	61,290	61,325	(35)
Street Lighting	43,000	43,000	38,225	4,775
Storm Sewer	5,160	5,160	4,773	387
Equipment	33,740	33,740	24,688	9,052
Weed Control	2,400	2,400	2,345	55
Total Public Works	<u>225,435</u>	<u>225,435</u>	<u>211,980</u>	<u>13,455</u>
<b>HEALTH AND SANITATION</b>				
Solid Waste Disposal	127,810	127,810	122,493	5,317
Recycling	78,650	78,650	79,600	(950)
Total Health and Sanitation	<u>206,460</u>	<u>206,460</u>	<u>202,093</u>	<u>4,367</u>
<b>CULTURE AND RECREATION</b>				
Library	2,490	2,490	1,925	565
Parks	63,065	63,065	63,245	(180)
Other	1,500	1,500	819	681
Total Culture and Recreation	<u>67,055</u>	<u>67,055</u>	<u>65,989</u>	<u>1,066</u>
<b>CONSERVATION AND DEVELOPMENT</b>				
Planning and Zoning	2,635	2,635	1,784	851
Total Expenditures	<u>\$ 958,938</u>	<u>\$ 958,938</u>	<u>\$ 883,792</u>	<u>\$ 75,146</u>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT  
FOR BASIC FINANCIAL STATEMENTS**



**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***

Village Board  
Village of Bonduel, 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 Bonduel, Wisconsin, (the Village) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated June 29, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Village'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village'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 Village'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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2020-001, 2020-002, and 2020-003 that we consider to be material weaknesses.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Village’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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Village of Bonduel’s Response to Findings**

The Village’s response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Village’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**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 Village’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 Village’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Wausau, Wisconsin  
June 29, 2021

**VILLAGE OF BONDUEL  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2020**

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***Section I – Internal Control Over Financial Reporting***

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**2020-001**

**Control Deficiencies**

**Segregation of Duties – Clerk/Treasurer**

**Repeat of Finding 2019-001**

**Type of Finding**

Material Weakness in Internal Control Over Financial Reporting

**Condition**

The Village has a combined clerk/treasurer position to essentially complete all financial and recordkeeping duties of the general Village's operations. Accordingly, this does not allow for a proper segregation of duties for internal control purposes.

**Criteria**

Segregation of duties is an internal control intended to prevent or decrease the occurrence of errors or intentional fraud. Segregation of duties ensures that no single employee has control over all phases of a transaction.

**Cause**

The lack of segregation of duties is due to the limited number of employees and the size of the Village's operations.

**Effect**

Errors or intentional fraud could occur and not be detected timely by other employees in the normal course of their responsibilities as a result of the lack of segregation of duties.

**Recommendation**

We recommend the Village Board continue to monitor the transactions and the financial records of the Village.

**Management Response**

Management believes that the cost of segregating cash receipts and cash disbursement duties from the related recording functions outweighs the benefits to be received.

**VILLAGE OF BONDUEL  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2020**

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***Section I – Internal Control Over Financial Reporting (Continued)***

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**2020-002**

**Control Deficiencies  
Preparation of Annual Financial Report  
Repeat of Finding 2019-002**

**Type of Finding**

Material Weakness in Internal Control Over Financial Reporting

**Condition**

Management and the Board of the Village share the ultimate responsibility for the Village's internal control system. While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced.

The Village engages CLA to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, CLA cannot be considered part of the Village's internal control system. As part of its internal control over the preparation of its financial statements, including disclosures, the Village has implemented a comprehensive review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the Village's activities and operations.

The Village's personnel have not monitored recent accounting developments to the extent necessary to enable them to prepare the Village's financial statements and related disclosures, to provide a high level assurance that potential omissions or other errors that are material would be identified and corrected on a timely basis.

**Criteria**

The preparation and review of the annual financial report, Municipal Financial Report, and Public Service Commission Report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required State Financial reports.

**Cause**

Village management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.

**Effect**

Without our involvement, the Village may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

**VILLAGE OF BONDUEL  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2020**

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***Section I – Internal Control Over Financial Reporting (Continued)***

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**Recommendation**

We recommend the Village continue reviewing the annual financial report. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the Village is necessary to obtain a complete and adequate understanding of the Village's annual financial report, Municipal Financial Report and Public Service Commission Report.

**Management Response**

Management believes the cost for additional staff time and training to prepare year-end closing entries and reports outweigh the benefits to be received. Management has reviewed and approved the annual financial report prior to issuance.

**2020-003**

**Control Deficiencies**

**Adjustment to the Village's Financial Records**

**Repeat of Finding 2019-003**

**Type of Finding**

Material Weakness in Internal Control Over Financial Reporting

**Condition**

As part of our audit, we proposed adjusting journal entries that were material to the Village's financial statements. The material adjustments were related to taxes receivable.

**Criteria**

Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.

**Cause**

While Village staff maintains financial records which accurately report revenues and expenditures throughout the year, preparing year-end adjusting and closing entries requires additional expertise that would entail additional training and staff time to develop.

**Effect**

Year-end financial records prepared by the Village may contain material misstatements.

**Recommendation**

We recommend the Village Clerk/Treasurer continue to obtain additional training in order to prepare the adjusting and closing entries.

**Management Response**

The Village Clerk/Treasurer is receptive to receiving the necessary training to record all Village transactions.



**VILLAGE OF BONDUEL  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2020**

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***Section II – Compliance and Other Matters***

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There are no findings related to compliance and other matters that are required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2020.