

**CITY OF NEW BERLIN**

New Berlin, Wisconsin

**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

As of and for the Year Ended  
December 31, 2019

# CITY OF NEW BERLIN

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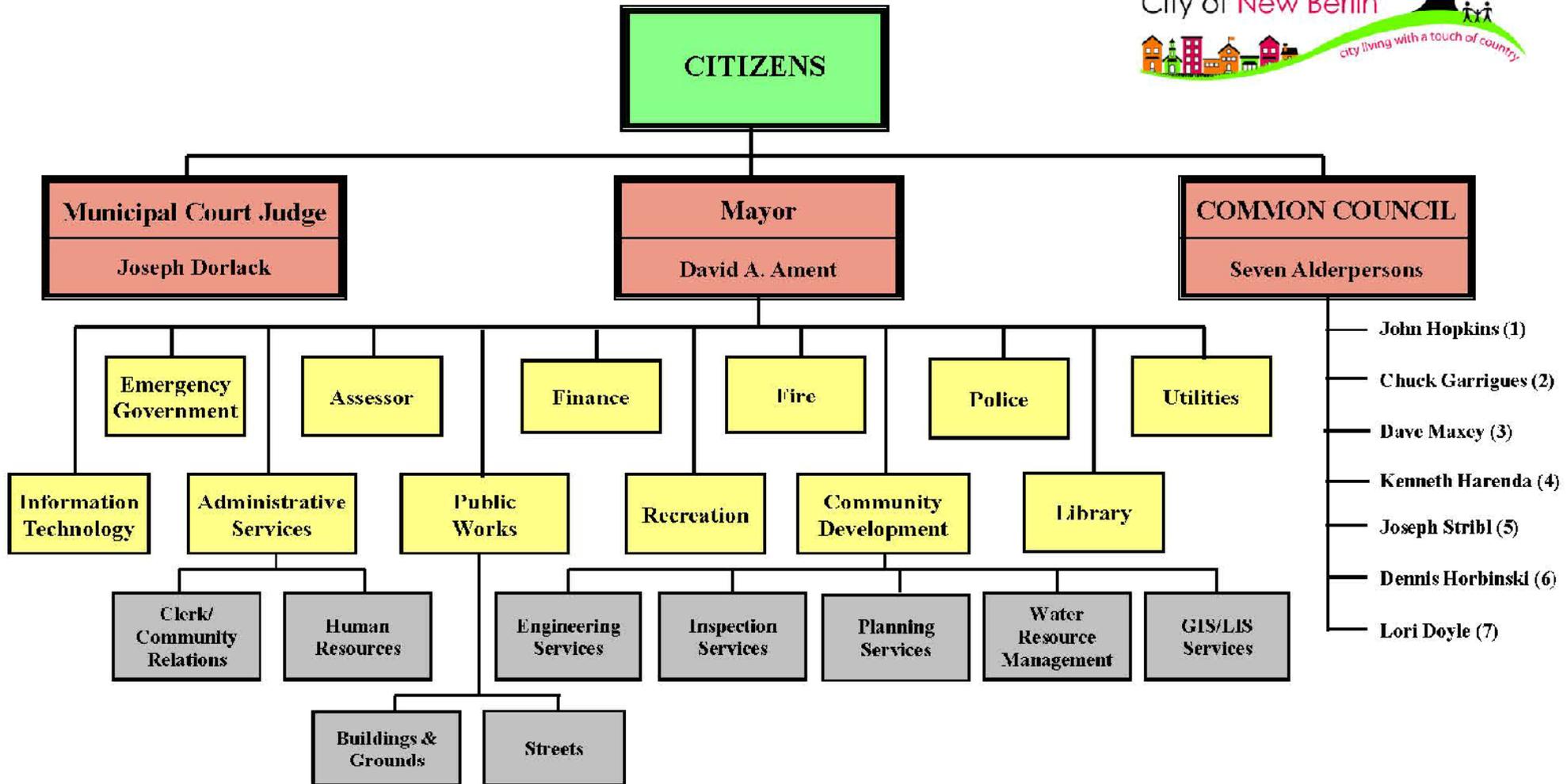
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## **INTRODUCTORY SECTION**

# CITY OF NEW BERLIN ORGANIZATIONAL CHART



**CITY OF NEW BERLIN, WISCONSIN**  
**2019 LIST OF PRINCIPAL OFFICIALS**

**ELECTED OFFICIALS**

| <u>Title</u>              | <u>Name</u>          |
|---------------------------|----------------------|
| City Mayor                | David Ament          |
| Aldersperson – District 1 | John Hopkins         |
| Aldersperson – District 2 | Charles Garrigues    |
| Aldersperson – District 3 | Dave Maxey           |
| Aldersperson – District 4 | Kenneth A Harenda II |
| Aldersperson – District 5 | Joseph Stribl        |
| Aldersperson – District 6 | Dennis Horbinski     |
| Aldersperson – District 7 | Lori Doyle           |
| Municipal Judge           | Joseph S Dorlack     |

**NON ELECTED OFFICIALS**

|                                     |                    |
|-------------------------------------|--------------------|
| Assessor                            | Paul Koller        |
| Attorney                            | Mark G Blum        |
| Director of Administrative Services | Jennifer Frederick |
| Director of Community Development   | Gregory Kessler    |
| Director of Information Technology  | Thomas Paul        |
| Director of Public Works            | Joshua Radomski    |
| City Engineer                       | Tamara Simonson    |
| Emergency Government Director       | Roy Schulpus       |
| Facilities & Grounds Supervisor     | Edward Bartz       |
| Finance Director                    | Ralph Chipman      |
| Fire Chief                          | Lloyd Bertram      |
| Library                             | Barbara Draeger    |
| Police Chief                        | Jeffrey Hingiss    |
| Streets Manager                     | Steven Brooks      |
| Utility Manager                     | James Hart         |

## **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

To the Mayor and Common Council  
City of New Berlin  
New Berlin, 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 City of New Berlin, Wisconsin, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City of New Berlin'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. 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 City of New Berlin'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 City of New Berlin'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 City of New Berlin, Wisconsin, as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matters**

As discussed in Note I, the City of New Berlin adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

As discussed in Note I, the City of New Berlin adopted the provisions of GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such 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. 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 City of New Berlin's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of New Berlin's basic financial statements. The "Introductory Section" and the "Statistical Section" as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Baker Tilly Virchow Krause, LLP*

Milwaukee, Wisconsin  
July 9, 2020

## Management's Discussion and Analysis (unaudited)

As management of the City of New Berlin, we offer readers of the City of New Berlin's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

### Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the year by \$185.6 million (net position) which is an increase of \$2.1 million. Of the net position amount \$40.4 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The governmental activities revenue and transfers totaled \$39.5 million, or a 1% increase over the prior year and expenses totaled \$40.2 million, as compared to \$37.8 million in 2018, or a 6.1% increase over the prior year. The results of these activities produced a decrease in governmental net position of \$.6 million.
- The business-type activities revenue totaled \$19.2 million, or a 6.3% decrease over the prior year and expenses and transfers totaled \$16.5 million or a 7.8% decrease over last year. The result produced an increase in business-type net position of \$2.7 million.
- As of the end of the current fiscal year, governmental activities reported combined ending net position of \$47.3 million, a decrease of \$.6 million in comparison with the prior year. Of the \$47.3 million in net position, \$7.5 million was unrestricted.
- The City of New Berlin's total debt increased by \$1,710 (3.1%) during the current fiscal year.

### Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of New Berlin's basic financial statements. The City of New Berlin's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of New Berlin's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of New Berlin's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of New Berlin is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of New Berlin that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of New Berlin include general government, protection of persons and property, highway and transportation, library, conservation and development, and parks and recreation. The business-type activities of the City of New Berlin include a Water Utility, a Wastewater Utility and a Water Resource Management Utility.

The government-wide financial statements include the City of New Berlin (known as the *primary government*). The Water, Wastewater and Water Resource Management Utilities, although legally separate, function for all practical purposes as departments of the City of New Berlin, and therefore have been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 18-19 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of New Berlin, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of New Berlin can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of New Berlin maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the general debt service fund and the capital improvements fund, all of which are considered to be major funds. Data from the other twenty-two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of New Berlin adopts an annual appropriated budget for all funds as required by state statute. Budgetary comparison statements have been provided for the general fund and each major special revenue fund, if any, to demonstrate compliance with the adopted budget.

The basic governmental fund financial statements can be found on pages 20-24 of this report.

**Proprietary funds.** The City of New Berlin maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of New Berlin uses enterprise funds to account for its Water, Wastewater and Water Resource Management Utilities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City of New Berlin uses an internal service fund to account for its insurance fund. Because this service predominantly benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Wastewater, and Water Resource Management Utilities, all of which are considered to be major funds of the City of New Berlin.

The basic proprietary fund financial statements can be found on pages 25-29 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of New Berlin's own programs. The most significant fiduciary fund maintained by the City of New Berlin is the Tax Collection Fund which records the tax roll and tax collections for other taxing jurisdictions within the City of New Berlin. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 30-31 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32-78 of this report.

**Other information.** The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 82-108 of this report.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of New Berlin, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$185,591 at the close of the most recent fiscal year.

By far, the largest portion of the City of New Berlin’s net position (73.5 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City of New Berlin used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of New Berlin’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF NEW BERLIN NET POSITION  
December 31, 2019 and 2018

|                                  | Governmental<br>Activities |                  | Business-type<br>Activities |                   | Total             |                   |
|----------------------------------|----------------------------|------------------|-----------------------------|-------------------|-------------------|-------------------|
|                                  | 2019                       | 2018             | 2019                        | 2018              | 2019              | 2018              |
| Current and other assets         | \$ 60,253                  | \$ 60,798        | \$ 35,580                   | \$ 33,582         | \$ 95,833         | \$ 94,380         |
| Capital assets                   | <u>80,856</u>              | <u>78,620</u>    | <u>108,996</u>              | <u>108,337</u>    | <u>189,852</u>    | <u>186,957</u>    |
| Total Assets                     | <u>141,109</u>             | <u>139,418</u>   | <u>144,576</u>              | <u>141,919</u>    | <u>285,685</u>    | <u>281,337</u>    |
| Deferred Outflows of Resources   | <u>13,235</u>              | <u>7,207</u>     | <u>876</u>                  | <u>530</u>        | <u>14,111</u>     | <u>7,737</u>      |
| Long-term liabilities            |                            |                  |                             |                   |                   |                   |
| outstanding                      | 58,233                     | 53,172           | 4,546                       | 4,829             | 62,779            | 58,001            |
| Current and other liabilities    | <u>12,107</u>              | <u>9,933</u>     | <u>2,232</u>                | <u>1,753</u>      | <u>14,339</u>     | <u>11,686</u>     |
| Total Liabilities                | <u>70,340</u>              | <u>63,105</u>    | <u>6,778</u>                | <u>6,582</u>      | <u>77,118</u>     | <u>69,687</u>     |
| Deferred Inflows of Resources    | <u>36,622</u>              | <u>35,491</u>    | <u>466</u>                  | <u>380</u>        | <u>37,088</u>     | <u>35,871</u>     |
| Net position                     |                            |                  |                             |                   |                   |                   |
| Net investment in capital assets | 32,403                     | 32,615           | 104,711                     | 103,541           | 137,114           | 136,156           |
| Restricted                       | 7,516                      | 11,021           | 588                         | 633               | 8,104             | 11,654            |
| Unrestricted                     | <u>7,463</u>               | <u>4,393</u>     | <u>32,909</u>               | <u>31,313</u>     | <u>40,372</u>     | <u>35,706</u>     |
| Total net position               | <u>\$ 47,382</u>           | <u>\$ 48,029</u> | <u>\$ 138,208</u>           | <u>\$ 135,487</u> | <u>\$ 185,590</u> | <u>\$ 183,516</u> |

An additional portion of the City of New Berlin's governmental activities net position (15.9 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* is \$7,463.

At the end of the current fiscal year, the City of New Berlin is able to report positive balances in all three categories of net position, for the government as a whole, and as well for both the governmental and business-type activities. The same situation held true for the prior fiscal year.

The government's net position increased a total of \$2,074 during the current fiscal year. Business type activities increased \$2,721 while government activities had a decrease of \$647.

**Governmental activities.** Governmental activities decreased the City of New Berlin's net position by \$647. Governmental expenses included \$3,478 of depreciation expense allocated as follows: \$279 to general government, \$869 to public safety, \$1,448 to highway and transportation, \$350 to library, and \$532 to parks and recreation. Depreciation expense is 8.66% of the total expenses for governmental activities. Total expenses increased \$2,316 or 6.12%.

Some of the significant changes in revenues and expenses were as follows:

Revenues:

- Intergovernmental revenues increased \$298, this was a reimbursement from the state to offset the loss of personal property taxes.
- Capital grants and contributions decreased \$358 back to a more normal level after donations in 2018.
- Investment income increased \$375 due to steadily rising interest rates.

Expenses:

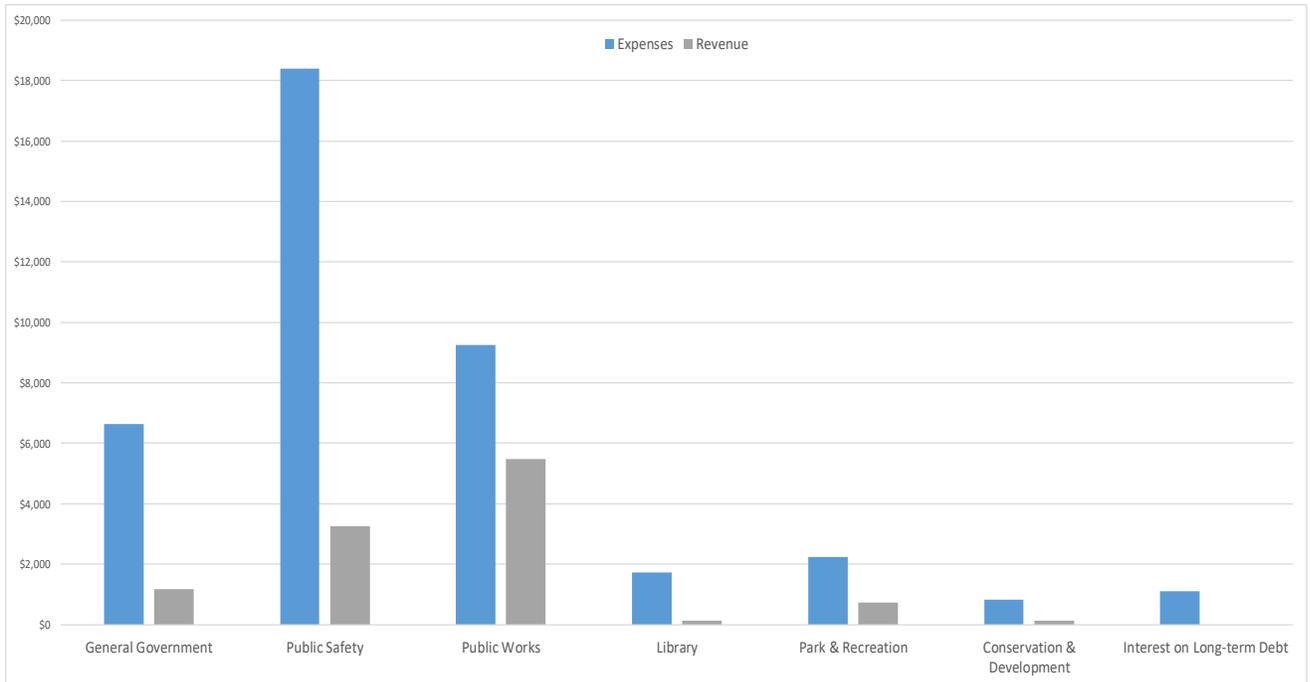
- Net pension expense due to GASB 68 increased \$1.8 million. The expense is spread across all functions based on contributions.
- Public safety expense increased \$535

The following is a more detailed review of the years' operation.

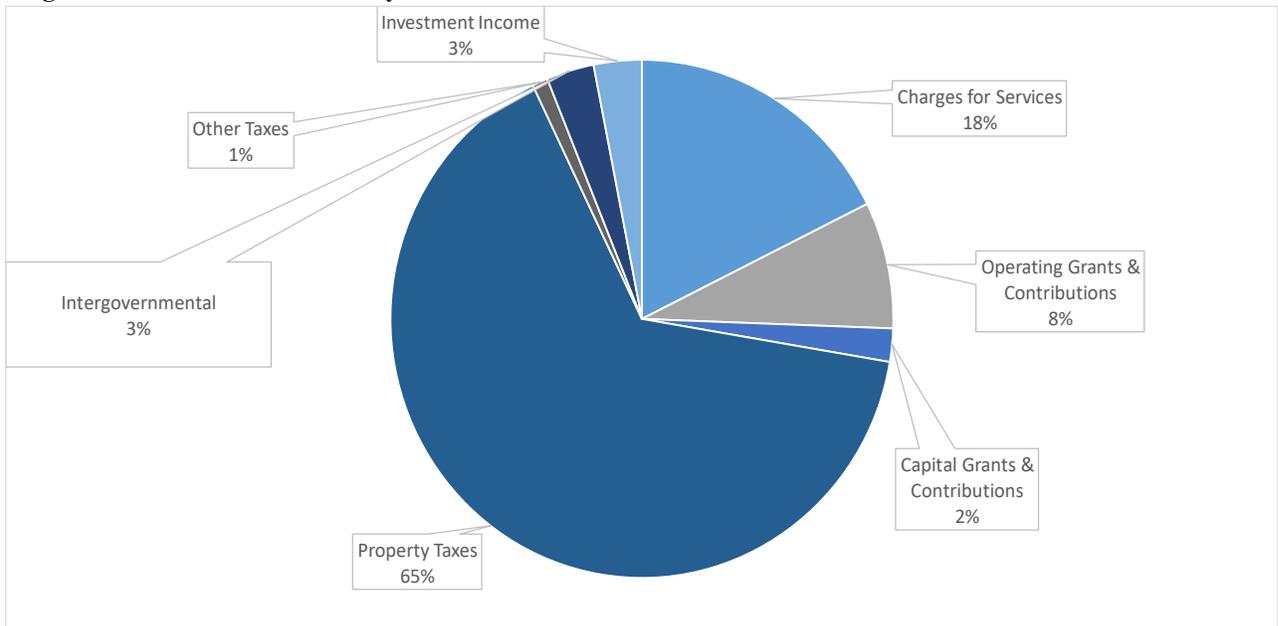
**CITY OF NEW BERLIN CHANGES IN NET POSITION**  
**For the years ending December 31, 2019 and 2018**

|   | Governmental<br>Activities |                  | Business-type<br>Activities |                   | Total             |                   |
|---|----------------------------|------------------|-----------------------------|-------------------|-------------------|-------------------|
|   | 2019                       | 2018             | 2019                        | 2018              | 2019              | 2018              |
| <b>Revenues</b>   |                            |                  |                             |                   |                   |                   |
| Program revenues  |                            |                  |                             |                   |                   |                   |
| Charges for services  | \$ 6,963                   | \$ 7,152         | \$ 18,065                   | \$ 18,047         | \$ 25,028         | \$ 25,199         |
| Operating grants and contributions                                | 3,114                      | 2,938            | 176                         | 765               | 3,290             | 3,703             |
| Capital grants and contributions                                  | 817                        | 1,175            | 450                         | 1,206             | 1,267             | 2,381             |
| General Revenues  |                            |                  |                             |                   |                   |                   |
| Property taxes  | 25,676                     | 25,550           | -                           | -                 | 25,676            | 25,550            |
| Other taxes   | 395                        | 361              | -                           | -                 | 395               | 361               |
| Intergovernmental revenues not<br>restricted to specific programs | 1,200                      | 897              | -                           | -                 | 1,200             | 897               |
| Investment income (loss)  | 1,218                      | 843              | 538                         | 478               | 1,756             | 1,321             |
| Other   | 105                        | 136              | -                           | -                 | 105               | 136               |
| Total revenues  | <u>39,488</u>              | <u>39,052</u>    | <u>19,229</u>               | <u>20,496</u>     | <u>58,717</u>     | <u>59,548</u>     |
| <b>Expenses</b>   |                            |                  |                             |                   |                   |                   |
| General government  | 6,636                      | 6,414            | -                           | -                 | 6,636             | 6,414             |
| Public safety   | 18,403                     | 17,126           | -                           | -                 | 18,403            | 17,126            |
| Highway and transportation  | 9,249                      | 8,873            | -                           | -                 | 9,249             | 8,873             |
| Library   | 1,721                      | 1,715            | -                           | -                 | 1,721             | 1,715             |
| Parks and recreation  | 2,232                      | 1,932            | -                           | -                 | 2,232             | 1,932             |
| Conservation and development                                      | 824                        | 801              | -                           | -                 | 824               | 801               |
| Interest and fiscal charges                                       | 1,092                      | 981              | -                           | -                 | 1,092             | 981               |
| Water   |                            |                  | 4,334                       | 4,486             | 4,334             | 4,486             |
| Wastewater  | -                          | -                | 10,615                      | 11,805            | 10,615            | 11,805            |
| Water resource management   | -                          | -                | 1,536                       | 1,597             | 1,536             | 1,597             |
| Total expenses  | <u>40,157</u>              | <u>37,842</u>    | <u>16,485</u>               | <u>17,888</u>     | <u>56,642</u>     | <u>55,730</u>     |
| Increase (decrease) in net position<br>before transfers           | (669)                      | 1,210            | 2,744                       | 2,608             | 2,075             | 3,818             |
| Transfers   | 23                         | (153)            | (23)                        | 153               | -                 | -                 |
| Increase (decrease) in net position                               | (646)                      | 1,057            | 2,721                       | 2,761             | 2,075             | 3,818             |
| Net position - January 1  | <u>48,029</u>              | <u>46,972</u>    | <u>135,487</u>              | <u>132,726</u>    | <u>183,516</u>    | <u>179,698</u>    |
| Net position - December 31  | <u>\$ 47,383</u>           | <u>\$ 48,029</u> | <u>\$ 138,208</u>           | <u>\$ 135,487</u> | <u>\$ 185,591</u> | <u>\$ 183,516</u> |

## Expenses and Program Revenues – Governmental Activities

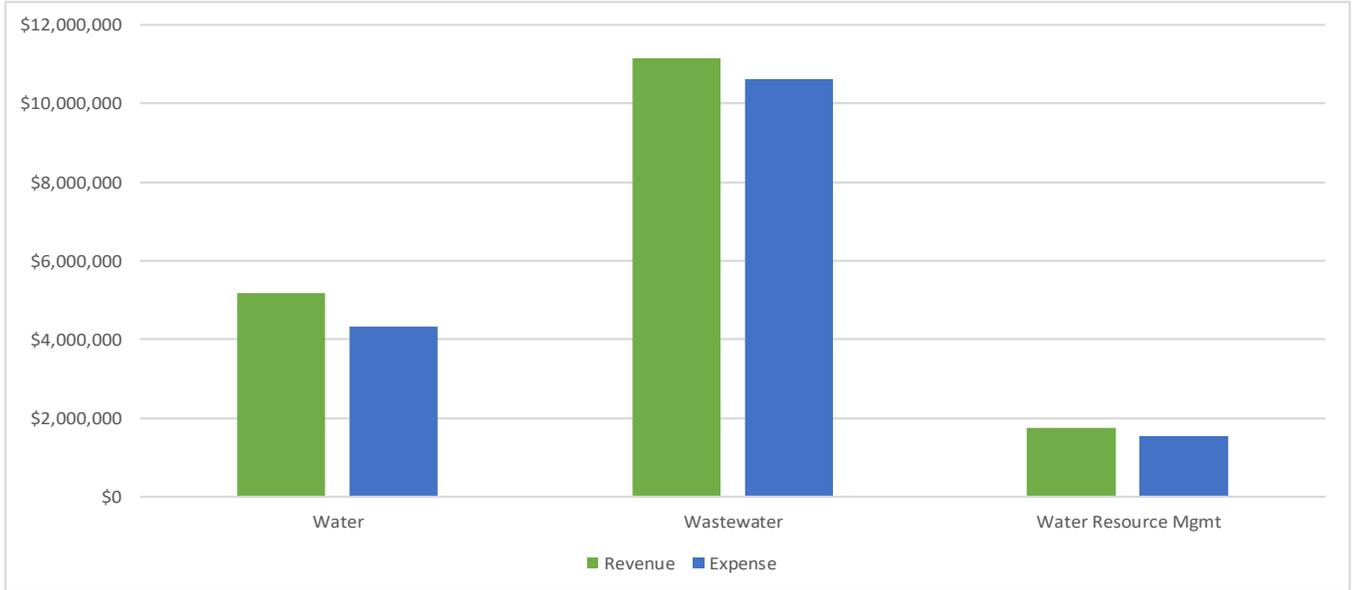


## Program and General Revenues by Source – Governmental Activities

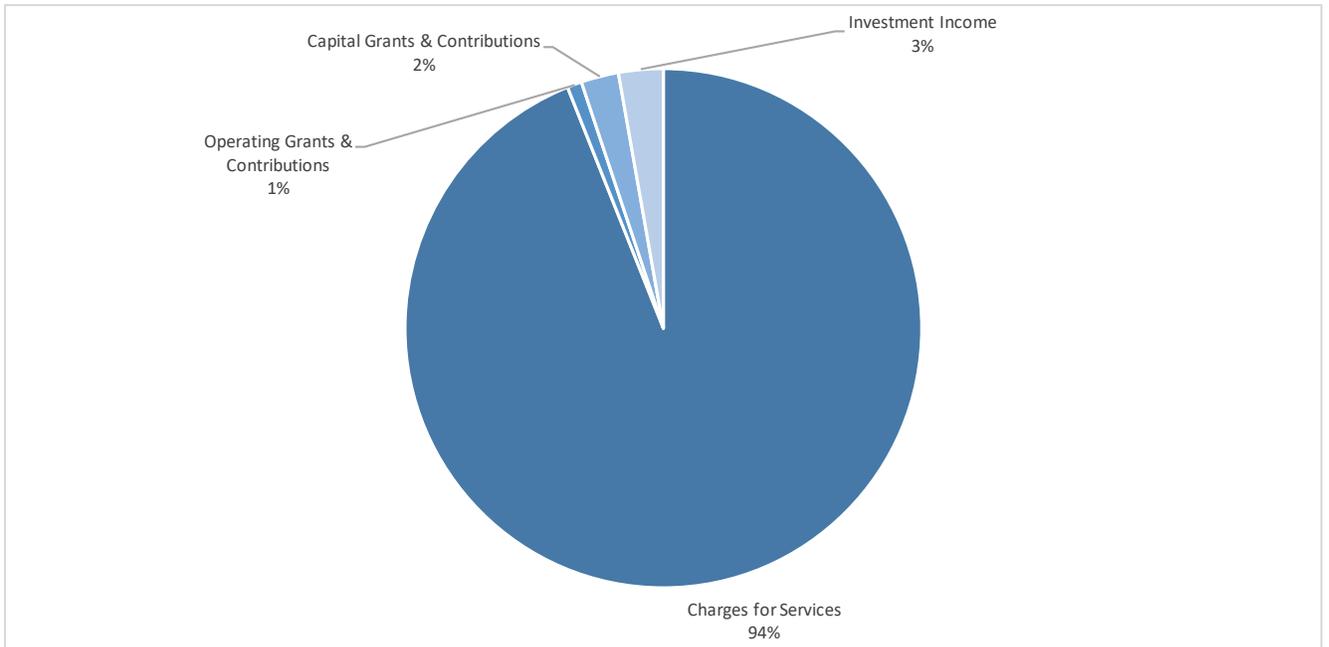


**Business-type activities.** Business-type activities increased the City of New Berlin’s net position by \$2.7 million in 2019. The operating income of the utilities increased \$511 from last year. The operating income for the wastewater utility increased \$389, the operating income for the water increased \$71 and the Water Resource Management utility increased \$51.

**Expenses and Program Revenues – Business-type Activities**



**Revenues by Source – Business-type Activities**



## Financial Analysis of the Government's Funds

As noted earlier, the City of New Berlin uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds.* The focus of the City of New Berlin's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Fund balances are the differences between assets/deferred outflows of resources and liabilities/deferred inflows of resources in a governmental fund. The non-spendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. Restricted fund balance include amounts that can be spent only for the specific purposes stipulated by external providers, such a grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body or authorized official and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the general fund, and deficit fund balance in any other governmental fund.

As of the end of the current fiscal year, the City of New Berlin's governmental fund reported combined ending fund balances of \$26.8 million. Of that amount, \$0.3 million was non-spendable, \$15.5 million was restricted, \$.8 million was committed, \$1.5 million was assigned, and \$8.8 million was unassigned fund balance.

The general fund is the chief operating fund of the City of New Berlin. At the end of the current fiscal year, unassigned fund balance of the general fund was \$8,819, while total fund balance increased slightly to \$10,126. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 30.1 percent of total general fund expenditures, while total fund balance represents 34.5 percent of that same amount.

The fund balance of the City of New Berlin's general fund increased \$59 during the current fiscal year compared to a budgeted use of fund balance of \$1,000. Key factors in this favorable outcome are as follows:

- The police department had a positive variance totaling \$175.
- Human Resources Department budget was \$87 positive from position vacancies.
- A \$498 positive variance for investment income. The steady increase in interest rates helped boost returns.

The debt service fund has a total fund balance of \$1,471, all of which is reserved for the payment of debt service.

**Proprietary funds.** The City of New Berlin's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Utility at the end of the year amounted to \$8,151, for the Wastewater Utility \$21,427 and for the Water Resource Management Utility amounted to \$3,331. The total change in net position for the funds was \$370, \$1,131, and \$1,221, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of New Berlin's business-type activities.

### **General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget were not significant in 2019. The transfers from contingency were as follows:

- \$20 to the common council for a public relations firm to assist in communication needs
- \$45 increase to police department vehicles, to take advantage of a price break

During the year, expenditures were less than budgetary estimates, thus fund balance was not drawn down as much as budgeted.

### **Capital Asset and Debt Administration**

**Capital assets:** The City of New Berlin's investment in capital assets for its governmental and business type activities as of December 31, 2019, amounts to \$189,852 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, park facilities, roads, highways, and sidewalks. The City of New Berlin's overall investment in capital assets for the current fiscal year increased 1.55% - (governmental activities increased 2.8% while business-type activities increased .6%).

Major capital asset events during the current fiscal year included the following:

- The city added \$709 in the city center including \$229 of park land.
- The city paid its share of the joint 124<sup>th</sup>/Coldspring road project of \$913
- The upper & lower parking lots at city hall were replaced at a cost of \$581.  
The water utility completed the Greenridge Subdivision main replacement project, costing \$1.2 million.
- The balances of additions were routine in nature.

**CITY OF NEW BERLIN'S CAPITAL ASSETS**

(net of accumulated depreciation)

December 31, 2019 and 2018

|                          | Governmental Activities |                  | Business-type Activities |                   | Total             |                   |
|--------------------------|-------------------------|------------------|--------------------------|-------------------|-------------------|-------------------|
|                          | 2019                    | 2018             | 2019                     | 2018              | 2019              | 2018              |
| Land & improvements      | \$ 19,014               | \$ 18,954        | \$ 1,426                 | \$ 1,426          | \$ 20,440         | \$ 20,380         |
| Intangible asset         | 590                     | 611              | 675                      | 750               | 1,265             | 1,361             |
| Buildings                | 18,452                  | 18,917           | 2,800                    | 2,942             | 21,252            | 21,859            |
| Machinery and equipment  | 11,316                  | 11,293           | 1,362                    | 1,378             | 12,678            | 12,671            |
| Infrastructure           | 30,493                  | 26,438           | 102,340                  | 101,717           | 132,833           | 128,155           |
| Construction in progress | 991                     | 2,407            | 393                      | 124               | 1,384             | 2,531             |
| Total                    | <u>\$ 80,856</u>        | <u>\$ 78,620</u> | <u>\$ 108,996</u>        | <u>\$ 108,337</u> | <u>\$ 189,852</u> | <u>\$ 186,957</u> |

Additional information on the City of New Berlin’s capital assets can be found in Note IV D on pages 54-57 of this report.

**Long-term debt.** At the end of the current fiscal year, the City of New Berlin had total bonded debt outstanding of \$56,505 which is backed by the full faith and credit of the government.

**CITY OF NEW BERLIN'S OUTSTANDING DEBT**

December 31, 2019 and 2018

|                                    | Governmental Activities |          | Business-type Activities |          | Total     |          |
|------------------------------------|-------------------------|----------|--------------------------|----------|-----------|----------|
|                                    | 2019                    | 2018     | 2019                     | 2018     | 2019      | 2018     |
| General obligation bonds and notes | \$54,125                | \$51,920 | \$ 2,380                 | \$ 2,875 | \$ 56,505 | \$54,795 |

The City of New Berlin’s total debt increased \$1,710 (3.1 percent) during the current fiscal year.

Moody’s affirmed the City’s Aaa rating for its’ \$8.10 million general obligation bonds issued in September.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the City of New Berlin is \$285,720, which is significantly in excess of the City of New Berlin’s outstanding general obligation debt.

Additional information on the City of New Berlin’s long-term debt can be found in note IV F on pages 60-63 of this report.

## **Economic Factors and Next Year's Budgets and Rates**

- The City's 2020 adopted budget increased to \$38,679 from \$37,319 in 2019, an increase of 3.64%.
- State shared revenue remained the same in 2020. The city expects to receive less thereafter.
- The State of Wisconsin imposed a maximum tax levy increase of 0% for municipalities in 2012 and thereafter.

All of these factors were considered in preparing the City of New Berlin's budget for the 2020 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased to \$8,820. The City of New Berlin has appropriated \$1,000 of surplus for spending in the 2020 fiscal year budget. It is intended that this use of available fund balance will stabilize the tax rate during the 2020 fiscal year.

## **Requests for Information**

This financial report is designed to provide a general overview of the City of New Berlin's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Finance Director, 3805 South Casper Drive, New Berlin, Wisconsin, 53151.

General information relating to the City of New Berlin, Wisconsin, can be found at the City's website, [www.newberlin.org](http://www.newberlin.org).

## **BASIC FINANCIAL STATEMENTS**

**CITY OF NEW BERLIN**

STATEMENT OF NET POSITION  
As of December 31, 2019

|   | Primary Government         |                                 |                       |
|---|----------------------------|---------------------------------|-----------------------|
|   | Governmental<br>Activities | Business-<br>type<br>Activities | Total                 |
| <b>ASSETS</b>   |                            |                                 |                       |
| Cash and investments  | \$ 30,000,298              | \$ 29,366,362                   | \$ 59,366,660         |
| Receivables (net of allowance for<br>uncollectible accounts)  | 30,232,280                 | 4,578,260                       | 34,810,540            |
| Internal balances   | (1,047,388)                | 1,047,388                       | -                     |
| Prepaid items   | 266,008                    | -                               | 266,008               |
| Deposit with CVMIC  | 802,060                    | -                               | 802,060               |
| Restricted assets   |                            |                                 |                       |
| Cash and investments  | -                          | 588,264                         | 588,264               |
| Capital assets (net of accumulated depreciation/amortization) |                            |                                 |                       |
| Land  | 16,172,244                 | 1,426,010                       | 17,598,254            |
| Other capital assets  | 63,693,120                 | 107,176,648                     | 170,869,768           |
| Construction in progress                                      | 990,572                    | 393,037                         | 1,383,609             |
| <b>Total Assets</b>   | <b>141,109,194</b>         | <b>144,575,969</b>              | <b>285,685,163</b>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                         |                            |                                 |                       |
| Deferred outflows related to pension                          | 12,932,590                 | 763,537                         | 13,696,127            |
| Deferred outflows related to OPEB                             | 279,119                    | 16,966                          | 296,085               |
| Deferred charge on refunding                                  | 23,139                     | 96,191                          | 119,330               |
| <b>Total Deferred Outflows of Resources</b>                   | <b>13,234,848</b>          | <b>876,694</b>                  | <b>14,111,542</b>     |
| <b>LIABILITIES</b>  |                            |                                 |                       |
| Accounts payable and other current liabilities                | 3,296,638                  | 1,639,384                       | 4,936,022             |
| Accrued interest payable                                      | 171,193                    | 13,095                          | 184,288               |
| Unearned revenue  | 229,073                    | -                               | 229,073               |
| Noncurrent liabilities  |                            |                                 |                       |
| Due within one year   | 8,410,534                  | 579,379                         | 8,989,913             |
| Due in more than one year                                     | 58,232,652                 | 4,546,048                       | 62,778,700            |
| <b>Total Liabilities</b>                                      | <b>70,340,090</b>          | <b>6,777,906</b>                | <b>77,117,996</b>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                          |                            |                                 |                       |
| Deferred inflows related to pension                           | 6,587,614                  | 385,158                         | 6,972,772             |
| Deferred inflows related to OPEB                              | 1,332,527                  | 80,998                          | 1,413,525             |
| Unearned revenue  | 28,701,681                 | -                               | 28,701,681            |
| <b>Total Deferred Inflows of Resources</b>                    | <b>36,621,822</b>          | <b>466,156</b>                  | <b>37,087,978</b>     |
| <b>NET POSITION</b>   |                            |                                 |                       |
| Net investment in capital assets                              | 32,403,494                 | 104,711,027                     | 137,114,521           |
| Restricted for  |                            |                                 |                       |
| Debt service  | 1,299,720                  | -                               | 1,299,720             |
| Impact fees   | 130,514                    | -                               | 130,514               |
| Replacement   | -                          | 588,264                         | 588,264               |
| Wastewater RCA fees   | 1,793,589                  | -                               | 1,793,589             |
| Culture and recreational programs                             | 1,551,393                  | -                               | 1,551,393             |
| Public safety programs  | 321,960                    | -                               | 321,960               |
| Public works  | 1,055,477                  | -                               | 1,055,477             |
| Community development   | 2,239                      | -                               | 2,239                 |
| Capital projects  | 1,360,833                  | -                               | 1,360,833             |
| Unrestricted  | 7,462,911                  | 32,909,310                      | 40,372,221            |
| <b>TOTAL NET POSITION</b>                                     | <b>\$ 47,382,130</b>       | <b>\$ 138,208,601</b>           | <b>\$ 185,590,731</b> |

See accompanying notes to financial statements.

**CITY OF NEW BERLIN**

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2019

| <b>Functions/Programs</b>                                      | <u>Expenses</u>      | <u>Program Revenues</u>     |   |   | <u>Net (Expenses) Revenues and Changes in Net Position</u> |                                 |                       |
|--|----------------------|-----------------------------|---|---|--|---------------------------------|-----------------------|
|  |                      | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | <u>Governmental Activities</u>                             | <u>Business-type Activities</u> | <u>Totals</u>         |
| <b>Primary government</b>                                      |                      |                             |   |   |  |                                 |                       |
| Governmental Activities  |                      |                             |   |   |  |                                 |                       |
| General government   | \$ 6,636,092         | \$ 1,031,050                | \$ 141,904                                | \$ -                                    | \$ (5,463,138)   | \$ -                            | \$ (5,463,138)        |
| Protection of persons and property                             | 18,402,770           | 2,790,483                   | 455,924                                   | 13,917                                  | (15,142,446)   | -                               | (15,142,446)          |
| Public Works   | 9,249,499            | 2,234,982                   | 2,486,716                                 | 762,464                                 | (3,765,337)  | -                               | (3,765,337)           |
| Library  | 1,720,568            | 112,866                     | -   | 10,472                                  | (1,597,230)  | -                               | (1,597,230)           |
| Parks and recreation   | 2,232,571            | 680,023                     | 22,630                                    | 30,238                                  | (1,499,680)  | -                               | (1,499,680)           |
| Conservation and development                                   | 824,161              | 113,134                     | 6,800                                     | -                                       | (704,227)  | -                               | (704,227)             |
| Interest and fiscal charges                                    | 1,091,834            | -                           | -   | -                                       | (1,091,834)  | -                               | (1,091,834)           |
| Total Governmental Activities                                  | <u>40,157,495</u>    | <u>6,962,538</u>            | <u>3,113,974</u>                          | <u>817,091</u>                          | <u>(29,263,892)</u>  | <u>-</u>                        | <u>(29,263,892)</u>   |
| Business-type Activities                                       |                      |                             |   |   |  |                                 |                       |
| Water  | 4,334,138            | 5,179,446                   | -   | 116,045                                 | -  | 961,353                         | 961,353               |
| Wastewater   | 10,614,696           | 11,137,609                  | 176,393                                   | 151,448                                 | -  | 850,754                         | 850,754               |
| Water Resource Management                                      | 1,536,536            | 1,748,375                   | -   | 182,700                                 | -  | 394,539                         | 394,539               |
| Total Business-type Activities                                 | <u>16,485,370</u>    | <u>18,065,430</u>           | <u>176,393</u>                            | <u>450,193</u>                          | <u>-</u>   | <u>2,206,646</u>                | <u>2,206,646</u>      |
| Total primary government                                       | <u>\$ 56,642,865</u> | <u>\$ 25,027,968</u>        | <u>\$ 3,290,367</u>                       | <u>\$ 1,267,284</u>                     | <u>(29,263,892)</u>  | <u>2,206,646</u>                | <u>(27,057,246)</u>   |
| General Revenues:  |                      |                             |   |   |  |                                 |                       |
| Taxes  |                      |                             |   |   |  |                                 |                       |
| Property taxes, levied for general purposes                    |                      |                             |   |   | 19,007,302   | -                               | 19,007,302            |
| Property taxes, levied for debt service                        |                      |                             |   |   | 6,668,316  | -                               | 6,668,316             |
| Other taxes  |                      |                             |   |   | 395,058  | -                               | 395,058               |
| Intergovernmental revenues not restricted to specific programs |                      |                             |   |   | 1,199,688  | -                               | 1,199,688             |
| Investment income  |                      |                             |   |   | 1,217,834  | 538,010                         | 1,755,844             |
| Miscellaneous  |                      |                             |   |   | 105,613  | -                               | 105,613               |
| Transfers  |                      |                             |   |   | 23,162   | (23,162)                        | -                     |
| Total General Revenues and Transfers                           |                      |                             |   |   | <u>28,616,973</u>  | <u>514,848</u>                  | <u>29,131,821</u>     |
| Change in Net Position   |                      |                             |   |   | (646,919)  | 2,721,494                       | 2,074,575             |
| Net Position - Beginning of Year                               |                      |                             |   |   | <u>48,029,049</u>  | <u>135,487,107</u>              | <u>183,516,156</u>    |
| Net Position - End of Year                                     |                      |                             |   |   | <u>\$ 47,382,130</u>                                       | <u>\$ 138,208,601</u>           | <u>\$ 185,590,731</u> |

See accompanying notes to financial statements.

**CITY OF NEW BERLIN**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of December 31, 2019

|   | General              | General<br>Debt<br>Service | Capital<br>Project<br>Capital<br>Improvements | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|----------------------|----------------------------|---|-----------------------------------|--------------------------------|
| <b>ASSETS</b>   |                      |                            |   |                                   |                                |
| Cash and investments  | \$ 11,089,671        | \$ 1,470,006               | \$ 9,658,076                                  | \$ 7,365,924                      | \$ 29,583,677                  |
| Receivables (net of allowance for uncollectible accounts)                             |                      |                            |   |                                   |                                |
| Taxes   | 22,538,980           | 6,668,316                  | -   | 213,414                           | 29,420,710                     |
| Delinquent personal property taxes  | 40,080               | -                          | -   | -                                 | 40,080                         |
| Accounts  | 685,841              | 907                        | -   | 22,597                            | 709,345                        |
| Interest  | 47,986               | -                          | -   | -                                 | 47,986                         |
| Special assessments   | -                    | -                          | -   | 14,159                            | 14,159                         |
| Due from other funds  | 399,690              | -                          | -   | -                                 | 399,690                        |
| Prepaid items   | 266,008              | -                          | -   | -                                 | 266,008                        |
| <b>TOTAL ASSETS</b>   | <b>\$ 35,068,256</b> | <b>\$ 8,139,229</b>        | <b>\$ 9,658,076</b>                           | <b>\$ 7,616,094</b>               | <b>\$ 60,481,655</b>           |
| <b>LIABILITIES</b>  |                      |                            |   |                                   |                                |
| Accounts payable  | \$ 1,083,734         | \$ -                       | \$ 1,548,602                                  | \$ 252,333                        | \$ 2,884,669                   |
| Accrued liabilities   | 99,680               | -                          | -   | -                                 | 99,680                         |
| Accrued payroll   | 236,858              | -                          | -   | -                                 | 236,858                        |
| Due to other funds  | 1,447,078            | -                          | -   | -                                 | 1,447,078                      |
| Unearned revenues   | 228,641              | -                          | -   | 432                               | 229,073                        |
| Total Liabilities   | 3,095,991            | -                          | 1,548,602                                     | 252,765                           | 4,897,358                      |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                      |                            |   |                                   |                                |
| Unearned revenues   | 21,819,701           | 6,668,316                  | -   | 213,664                           | 28,701,681                     |
| Unavailable revenues  | 26,786               | -                          | -   | 14,159                            | 40,945                         |
| Total Deferred Inflows of Resources   | 21,846,487           | 6,668,316                  | -   | 227,823                           | 28,742,626                     |
| <b>FUND BALANCES (DEFICITS)</b>   |                      |                            |   |                                   |                                |
| Non-spendable:  |                      |                            |   |                                   |                                |
| Delinquent personal property taxes  | 40,080               | -                          | -   | -                                 | 40,080                         |
| Prepays   | 266,008              | -                          | -   | -                                 | 266,008                        |
| Restricted:   |                      |                            |   |                                   |                                |
| Culture and recreation  | -                    | -                          | -   | 1,551,393                         | 1,551,393                      |
| Public safety   | -                    | -                          | -   | 321,960                           | 321,960                        |
| Community development   | -                    | -                          | -   | 2,239                             | 2,239                          |
| Tax increment district  | -                    | -                          | -   | -                                 | -                              |
| Impact and RCA fees   | -                    | -                          | -   | 1,924,103                         | 1,924,103                      |
| Capital Projects  | -                    | -                          | 7,781,706                                     | 1,360,833                         | 9,142,539                      |
| Debt Service  | -                    | 1,470,913                  | -   | -                                 | 1,470,913                      |
| Public works  | -                    | -                          | -   | 1,055,477                         | 1,055,477                      |
| Committed:  |                      |                            |   |                                   |                                |
| Culture and recreation  | -                    | -                          | -   | 297,143                           | 297,143                        |
| Community development   | -                    | -                          | -   | 504,296                           | 504,296                        |
| Assigned:   |                      |                            |   |                                   |                                |
| Subsequent year budget appropriations   | 1,000,000            | -                          | -   | -                                 | 1,000,000                      |
| Capital Projects  | -                    | -                          | 327,768                                       | 158,439                           | 486,207                        |
| Unassigned (deficit)  | 8,819,690            | -                          | -   | (40,377)                          | 8,779,313                      |
| Total Fund Balances (Deficits)  | 10,125,778           | 1,470,913                  | 8,109,474                                     | 7,135,506                         | 26,841,671                     |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b> | <b>\$ 35,068,256</b> | <b>\$ 8,139,229</b>        | <b>\$ 9,658,076</b>                           | <b>\$ 7,616,094</b>               |                                |

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

|  |                     |
|--|---------------------|
| Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.<br>See Note IV D.   | 80,855,936          |
| Internal service funds are reported in the statement of net position as governmental activities  | 1,143,250           |
| The net pension liability does not relate to current financial resources and is not reported in the governmental funds.  | (4,802,048)         |
| Deferred outflows of resources related to pensions and OPEB do not relate to current financial resources and are not report in the governmental funds.   | 13,211,709          |
| Deferred inflows of resources related to pensions and OPEB do not relate to current financial resources and are not report in the governmental funds.  | (7,920,141)         |
| Some receivables that are not currently available are reported as unavailable revenue in the fund financial statements but are recognized as revenue when earned in the government-wide statements. See Note II A. | 40,945              |
| Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds. See Note II A.  | <u>(61,989,192)</u> |

**NET POSITION OF GOVERNMENTAL FUNDS** **\$ 47,382,130**

See accompanying notes to financial statements.

**Statement of Revenues, Expenditures, and  
changes in Fund Balances – Governmental  
Funds** Follows

## CITY OF NEW BERLIN

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

|                                    | General           | General<br>Debt<br>Service | Capital<br>Project<br>Capital<br>Improvements | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|------------------------------------|-------------------|----------------------------|---|-----------------------------------|--------------------------------|
| <b>REVENUES</b>                    |                   |                            |   |                                   |                                |
| Taxes                              | \$ 19,153,876     | \$ 6,792,558               | \$ -  | \$ 124,242                        | \$ 26,070,676                  |
| Intergovernmental                  | 3,509,284         | 78,110                     | -   | 191,583                           | 3,778,977                      |
| Licenses and permits               | 1,458,809         | -                          | -   | -                                 | 1,458,809                      |
| Fines, forfeitures and penalties   | 309,045           | -                          | -   | -                                 | 309,045                        |
| Public charges for services        | 2,740,574         | -                          | -   | 1,763,900                         | 4,504,474                      |
| Public improvement revenues        | -                 | -                          | -   | 66,006                            | 66,006                         |
| Interdepartmental revenues         | 413,569           | -                          | -   | -                                 | 413,569                        |
| Investment income                  | 947,786           | -                          | 167,936                                       | 102,112                           | 1,217,834                      |
| Miscellaneous revenues             | 250,715           | -                          | -   | 641,622                           | 892,337                        |
| Total Revenues                     | <u>28,783,658</u> | <u>6,870,668</u>           | <u>167,936</u>                                | <u>2,889,465</u>                  | <u>38,711,727</u>              |
| <b>EXPENDITURES</b>                |                   |                            |   |                                   |                                |
| Current                            |                   |                            |   |                                   |                                |
| General government                 | 6,153,178         | -                          | 13,000  | 69,386                            | 6,235,564                      |
| Protection of persons and property | 16,283,085        | -                          | -   | 281,792                           | 16,564,877                     |
| Public Works                       | 3,296,657         | -                          | -   | 1,602,857                         | 4,899,514                      |
| Library                            | 1,479,432         | -                          | -   | 39,686                            | 1,519,118                      |
| Parks and recreation               | 1,438,877         | -                          | -   | 169,718                           | 1,608,595                      |
| Conservation and development       | 682,698           | -                          | -   | 44,368                            | 727,066                        |
| Capital Outlay                     | -                 | -                          | 7,588,895                                     | 530,124                           | 8,119,019                      |
| Debt Service                       |                   |                            |   |                                   |                                |
| Principal retirement               | -                 | 5,889,878                  | -   | -                                 | 5,889,878                      |
| Interest and fiscal charges        | -                 | 1,234,615                  | 67,885  | -                                 | 1,302,500                      |
| Total Expenditures                 | <u>29,333,927</u> | <u>7,124,493</u>           | <u>7,669,780</u>                              | <u>2,737,931</u>                  | <u>46,866,131</u>              |

**CITY OF NEW BERLIN**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2019

|  | <u>General</u>       | <u>General<br/>Debt<br/>Service</u> | <u>Capital<br/>Project<br/>Capital<br/>Improvements</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|--|----------------------|-------------------------------------|---|--|---|
| Excess (deficiency) of revenues<br>over expenditures | \$ (550,269)         | \$ (253,825)                        | \$ (7,501,844)  | \$ 151,534                                 | \$ (8,154,404)                          |
| <b>OTHER FINANCING<br/>SOURCES (USES)</b>            |                      |                                     |   |  |   |
| Long-term debt issued                                | -                    | -                                   | 8,095,000   | -  | 8,095,000                               |
| Premium on bond issued                               | -                    | 102,222                             | -   | -  | 102,222                                 |
| Transfers in   | 925,333              | 168,223                             | -   | 315,900                                    | 1,409,456                               |
| Transfers out  | <u>(315,900)</u>     | <u>-</u>                            | <u>-</u>  | <u>(303,223)</u>                           | <u>(619,123)</u>                        |
| Total Other Financing<br>Sources (Uses)              | <u>609,433</u>       | <u>270,445</u>                      | <u>8,095,000</u>  | <u>12,677</u>                              | <u>8,987,555</u>                        |
| Net Change in Fund Balance                           | 59,164               | 16,620                              | 593,156   | 164,211                                    | 833,151                                 |
| FUND BALANCES -<br>Beginning of year                 | <u>10,066,614</u>    | <u>1,454,293</u>                    | <u>7,516,318</u>  | <u>6,971,295</u>                           | <u>26,008,520</u>                       |
| <b>FUND BALANCES - END OF YEAR</b>                   | <u>\$ 10,125,778</u> | <u>\$ 1,470,913</u>                 | <u>\$ 8,109,474</u>                                     | <u>\$ 7,135,506</u>                        | <u>\$ 26,841,671</u>                    |

See accompanying notes to financial statements.

**CITY OF NEW BERLIN**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2019

---

|  |    |         |
|--|----|---------|
| Net change in fund balances - total governmental funds | \$ | 833,151 |
|--|----|---------|

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 net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

|  |  |             |
|--|--|-------------|
| Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements |  | 8,119,019   |
| Some items reported as capital outlay were not capitalized   |  | (3,584,565) |
| Some items capitalized are reported as current expenditures  |  | 485,810     |
| Depreciation is reported in the government-wide statements   |  | (3,477,506) |
| Net book value of assets retired   |  | (42,034)    |
| Developer funded & donated capital additions   |  | 734,649     |

|   |  |             |
|---|--|-------------|
| Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of the differences in the treatment of long-term debt. See Note II B. |  | (2,046,034) |
|---|--|-------------|

|   |  |       |
|---|--|-------|
| Revenues are reported in the governmental funds when current financial resources are available, but are recognized when earned in the statement of activities. See Note II B. |  | 4,816 |
|---|--|-------|

|   |  |             |
|---|--|-------------|
| Some expenses 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. See Note II B. |  | (1,742,857) |
|---|--|-------------|

|  |  |        |
|--|--|--------|
| Internal Service fund change in net position |  | 75,447 |
|--|--|--------|

|   |  |         |
|---|--|---------|
| A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds. |  | (6,815) |
|---|--|---------|

|   |    |                  |
|---|----|------------------|
| CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES | \$ | <u>(646,919)</u> |
|---|----|------------------|

See accompanying notes to financial statements.

## CITY OF NEW BERLIN

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL (NON - GAAP)  
GENERAL FUND  
For the Year Ended December 31, 2019

|   | Budgeted Amounts    |                     | Actual               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|---------------------|---------------------|----------------------|---|
|   | Original            | Final               |                      |   |
| <b>REVENUES</b>   |                     |                     |                      |   |
| Taxes   | \$ 19,087,802       | \$ 19,087,802       | \$ 19,153,876        | \$ 66,074   |
| Intergovernmental   | 3,554,201           | 3,554,201           | 3,509,284            | (44,917)  |
| Licenses and permits  | 1,323,753           | 1,323,753           | 1,458,809            | 135,056   |
| Fines, forfeitures and penalties  | 360,000             | 360,000             | 309,045              | (50,955)  |
| Public charges for services   | 2,841,991           | 2,841,991           | 2,740,574            | (101,417)   |
| Interdepartmental revenues  | 402,599             | 402,599             | 413,569              | 10,970  |
| Investment income   | 450,000             | 450,000             | 947,786              | 497,786   |
| Miscellaneous revenues  | 188,943             | 188,943             | 250,715              | 61,772  |
| Total Revenues  | <u>28,209,289</u>   | <u>28,209,289</u>   | <u>28,783,658</u>    | <u>574,369</u>  |
| <b>EXPENDITURES</b>   |                     |                     |                      |   |
| Current   |                     |                     |                      |   |
| General government  | 6,334,151           | 6,354,151           | 6,190,049            | 164,102   |
| Protection of persons and property  | 16,171,230          | 16,216,230          | 16,104,398           | 111,832   |
| Highway and transportation  | 3,310,957           | 3,310,957           | 3,296,657            | 14,300  |
| Library   | 1,519,677           | 1,519,677           | 1,479,432            | 40,245  |
| Parks and recreation  | 1,537,668           | 1,537,668           | 1,483,963            | 53,705  |
| Conservation and development  | 704,706             | 704,706             | 682,698              | 22,008  |
| Unclassified  | -                   | -                   | 5,204                | (5,204)   |
| Contingency   | 300,000             | 235,000             | -                    | 235,000   |
| Total Expenditures  | <u>29,878,389</u>   | <u>29,878,389</u>   | <u>29,242,401</u>    | <u>635,988</u>  |
| Excess (deficiency) of revenues<br>over expenditures  | (1,669,100)         | (1,669,100)         | (458,743)            | 1,210,357   |
| <b>OTHER FINANCING SOURCES (USES)</b>   |                     |                     |                      |   |
| Transfers in  | 985,000             | 985,000             | 925,333              | (59,667)  |
| Transfer out  | (315,900)           | (315,900)           | (315,900)            | -   |
| Total other financing sources and (uses)  | <u>669,100</u>      | <u>669,100</u>      | <u>609,433</u>       | <u>(59,667)</u>   |
| Net change in Fund Balance - budgetary basis  | (1,000,000)         | (1,000,000)         | 150,690              | 1,150,690   |
| Adjustment to generally accepted accounting<br>principles basis                             |                     |                     |                      |   |
| Change in Encumbrances  | -                   | -                   | (91,526)             | (91,526)  |
| <b>Net Change in Fund Balance -<br/>-generally accepted accounting<br/>principles basis</b> | (1,000,000)         | (1,000,000)         | 59,164               | 1,059,164   |
| FUND BALANCES - BEGINNING OF YEAR   | <u>10,066,614</u>   | <u>10,066,614</u>   | <u>10,066,614</u>    | <u>-</u>  |
| <b>FUND BALANCES - END OF YEAR</b>  | <u>\$ 9,066,614</u> | <u>\$ 9,066,614</u> | <u>\$ 10,125,778</u> | <u>\$ 1,059,164</u>                                     |

See accompanying notes to financial statements.

**Statement of Net Position**  
- **Proprietary Funds** Follows

**CITY OF NEW BERLIN**

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 As of December 31, 2019

|   | Business-type Activities -<br>Enterprise Funds |                       |   | Totals             | Governmental<br>Activities -<br>Internal<br>Service Fund |
|---|--|-----------------------|---|--------------------|--|
|   | Water<br>Utility                               | Wastewater<br>Utility | Water Resource<br>Management<br>Utility |                    |  |
| <b>ASSETS</b>                                   |  |                       |   |                    |  |
| Current Assets                                  |  |                       |   |                    |  |
| Cash and investments                            | \$ 7,068,746                                   | \$ 18,849,623         | \$ 3,447,993                            | \$ 29,366,362      | \$ 416,621   |
| Receivables                                     |  |                       |   |                    |  |
| Accounts  | 1,077,688                                      | 2,966,013             | 462,645                                 | 4,506,346          | -  |
| Interest  | 6,265  | 23,355                | -                                       | 29,620             | -  |
| Due from other funds                            | 861,335  | 533,410               | 73,473                                  | 1,468,218          | -  |
| Advance to Water Resource Management            | -  | 105,000               | -                                       | 105,000            | -  |
| Total Current Assets                            | <u>9,014,034</u>                               | <u>22,477,401</u>     | <u>3,984,111</u>                        | <u>35,475,546</u>  | <u>416,621</u>   |
| Non-Current Assets                              |  |                       |   |                    |  |
| Restricted Assets                               |  |                       |   |                    |  |
| Cash and investments                            | -  | 588,264               | -                                       | 588,264            | -  |
| Capital Assets                                  |  |                       |   |                    |  |
| Land  | 652,146  | 456,017               | 317,847                                 | 1,426,010          | -  |
| Other capital assets                            | 63,795,973                                     | 59,505,731            | 35,026,428                              | 158,328,132        | -  |
| Accumulated depreciation/amortization           | (23,074,692)                                   | (16,177,403)          | (11,899,389)                            | (51,151,484)       | -  |
| Construction work in progress                   | 257,752  | 135,285               | -                                       | 393,037            | -  |
| Other Assets                                    |  |                       |   |                    |  |
| Special assessments receivable                  | 38,453   | 3,841                 | -                                       | 42,294             | -  |
| Advance to Water Resource Management            | -  | 325,000               | -                                       | 325,000            | -  |
| Deposit with CVMIC                              | -  | -                     | -                                       | -                  | 802,060  |
| Total Non-Current Assets                        | <u>41,669,632</u>                              | <u>44,836,735</u>     | <u>23,444,886</u>                       | <u>109,951,253</u> | <u>802,060</u>   |
| <b>TOTAL ASSETS</b>                             | <u>50,683,666</u>                              | <u>67,314,136</u>     | <u>27,428,997</u>                       | <u>145,426,799</u> | <u>1,218,681</u>   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>           |  |                       |   |                    |  |
| Deferred outflows related to pension            | 442,474  | 251,366               | 69,697                                  | 763,537            | -  |
| Deferred outflows related to OPEB               | 9,980  | 6,986                 | -                                       | 16,966             | -  |
| Deferred charge on refunding                    | 96,191   | -                     | -                                       | 96,191             | -  |
| <b>TOTAL DEFERRED OUTFLOWS OF<br/>RESOURCES</b> | <u>548,645</u>                                 | <u>258,352</u>        | <u>69,697</u>                           | <u>876,694</u>     | <u>-</u>   |

|   | Business-type Activities -<br>Enterprise Funds |                       |   |                       | Governmental<br>Activities -<br>Internal<br>Service Fund |
|---|--|-----------------------|---|-----------------------|--|
|   | Water<br>Utility                               | Wastewater<br>Utility | Water Resource<br>Management<br>Utility | Totals                |  |
| <b>LIABILITIES</b>                          |  |                       |   |                       |  |
| Current Liabilities                         |  |                       |   |                       |  |
| Accounts payable                            | \$ 420,573                                     | \$ 1,113,132          | \$ 24,945                               | \$ 1,558,650          | \$ -   |
| Accrued liabilities                         | 73,264   | -                     | 7,470                                   | 80,734                | 75,431   |
| Accrued interest payable                    | 12,020   | -                     | 1,075                                   | 13,095                | -  |
| Due to other funds                          | 159,565  | 50,870                | 210,395                                 | 420,830               | -  |
| Current portion of general obligation notes | 490,000  | -                     | -                                       | 490,000               | -  |
| Current portion of advance                  | -  | -                     | 105,000                                 | 105,000               | -  |
| Current portion of revenue bonds            | 89,379   | -                     | -                                       | 89,379                | -  |
| Total Current Liabilities                   | <u>1,244,801</u>                               | <u>1,164,002</u>      | <u>348,885</u>                          | <u>2,757,688</u>      | <u>75,431</u>  |
| Non-Current Liabilities                     |  |                       |   |                       |  |
| Long-Term Debt                              |  |                       |   |                       |  |
| General obligation promissory notes         | 1,946,452                                      | -                     | -                                       | 1,946,452             | -  |
| Revenue Bonds                               | 1,855,028                                      | -                     | -                                       | 1,855,028             | -  |
| Advance from sewer                          | -  | -                     | 325,000                                 | 325,000               | -  |
| Net Pension Liability                       | 138,236  | 94,292                | 15,526                                  | 248,054               | -  |
| Net OPEB obligation                         | 279,289  | 217,225               | -                                       | 496,514               | -  |
| Total Non-Current Liabilities               | <u>4,219,005</u>                               | <u>311,517</u>        | <u>340,526</u>                          | <u>4,871,048</u>      | <u>-</u>   |
| TOTAL LIABILITIES                           | <u>5,463,806</u>                               | <u>1,475,519</u>      | <u>689,411</u>                          | <u>7,628,736</u>      | <u>75,431</u>  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>        |  |                       |   |                       |  |
| Deferred inflows related to OPEB            | 47,646   | 33,352                | -                                       | 80,998                | -  |
| Deferred inflows related to pension         | 222,956  | 128,394               | 33,808                                  | 385,158               | -  |
| Total Deferred Inflows of Resources         | <u>270,602</u>                                 | <u>161,746</u>        | <u>33,808</u>                           | <u>466,156</u>        | <u>-</u>   |
| <b>NET POSITION</b>                         |  |                       |   |                       |  |
| Net investment in capital assets            | 37,346,511                                     | 43,919,630            | 23,444,886                              | 104,711,027           | -  |
| Restricted for                              |  |                       |   |                       |  |
| Replacement                                 | -  | 588,264               | -                                       | 588,264               | -  |
| Unrestricted                                | 8,151,392                                      | 21,427,329            | 3,330,589                               | 32,909,310            | 1,143,250  |
| TOTAL NET POSITION                          | <u>\$ 45,497,903</u>                           | <u>\$ 65,935,223</u>  | <u>\$ 26,775,475</u>                    | <u>\$ 138,208,601</u> | <u>\$ 1,143,250</u>                                      |

See accompanying notes to financial statements.

**CITY OF NEW BERLIN**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended December 31, 2019

|  | Business-type Activities -<br>Enterprise Funds |                       |   | Totals                | Governmental<br>Activities -<br>Internal<br>Service Fund |
|--|--|-----------------------|---|-----------------------|--|
|  | Water<br>Utility                               | Wastewater<br>Utility | Water Resource<br>Management<br>Utility |                       |  |
| <b>OPERATING REVENUES</b>                            |  |                       |   |                       |  |
| Charges for services and sales                       | \$ 4,875,874                                   | \$ 11,024,266         | \$ 1,748,375                            | \$ 17,648,515         | \$ 235,485   |
| Other operating revenues                             | 303,571  | 113,343               | -                                       | 416,914               | -  |
| Total Operating Revenues                             | <u>5,179,445</u>                               | <u>11,137,609</u>     | <u>1,748,375</u>                        | <u>18,065,429</u>     | <u>235,485</u>   |
| <b>OPERATING EXPENSES</b>                            |  |                       |   |                       |  |
| Operation and maintenance                            | 2,841,309                                      | 9,730,596             | 972,426                                 | 13,544,331            | 169,038  |
| Depreciation   | 1,182,474                                      | 821,964               | 526,275                                 | 2,530,713             | -  |
| Taxes  | 51,800   | 27,866                | 20,122                                  | 99,788                | -  |
| Total Operating Expenses                             | <u>4,075,583</u>                               | <u>10,580,426</u>     | <u>1,518,823</u>                        | <u>16,174,832</u>     | <u>169,038</u>   |
| Operating Income                                     | <u>1,103,862</u>                               | <u>557,183</u>        | <u>229,552</u>                          | <u>1,890,597</u>      | <u>66,447</u>  |
| <b>NONOPERATING REVENUES (EXPENSES)</b>              |  |                       |   |                       |  |
| Investment income                                    | 158,348  | 294,948               | 59,467                                  | 512,763               | -  |
| Amortization of bond premium                         | 25,248   | -                     | -                                       | 25,248                | -  |
| MMSD I&I Subsidy                                     | -  | 176,393               | -                                       | 176,393               | -  |
| MMSD I&I Program                                     | -  | (34,270)              | -                                       | (34,270)              | -  |
| Grant Income   | -  | -                     | -                                       | -                     | 9,000  |
| Interest expense                                     | (258,555)                                      | -                     | (17,713)                                | (276,268)             | -  |
| Total Nonoperating Revenues (Expenses)               | <u>(74,959)</u>                                | <u>437,071</u>        | <u>41,754</u>                           | <u>403,866</u>        | <u>9,000</u>   |
| <b>INCOME BEFORE<br/>CONTRIBUTIONS AND TRANSFERS</b> | 1,028,903                                      | 994,254               | 271,306                                 | 2,294,463             | 75,447   |
| <b>CAPITAL CONTRIBUTIONS</b>                         |  |                       |   |                       |  |
| Developers   | 116,045  | 151,448               | 182,700                                 | 450,193               | -  |
| City   | -  | -                     | 767,171                                 | 767,171               | -  |
| <b>TRANSFERS OUT</b>                                 | <u>(775,334)</u>                               | <u>(14,999)</u>       | <u>-</u>                                | <u>(790,333)</u>      | <u>-</u>   |
| <b>CHANGE IN NET POSITION</b>                        | 369,614  | 1,130,703             | 1,221,177                               | 2,721,494             | 75,447   |
| NET POSITION - Beginning of Year                     | <u>45,128,289</u>                              | <u>64,804,520</u>     | <u>25,554,298</u>                       | <u>135,487,107</u>    | <u>1,067,803</u>   |
| <b>NET POSITION - END OF YEAR</b>                    | <u>\$ 45,497,903</u>                           | <u>\$ 65,935,223</u>  | <u>\$ 26,775,475</u>                    | <u>\$ 138,208,601</u> | <u>\$ 1,143,250</u>                                      |

See accompanying notes to financial statements.

**Statement of Cash Flows**  
**- Proprietary Funds** Follows

**CITY OF NEW BERLIN**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 For the Year Ended December 31, 2019

|   | Business-type Activities -<br>Enterprise Funds |                       |   | Totals               | Governmental<br>Activities -<br>Internal<br>Service Fund |
|---|--|-----------------------|---|----------------------|--|
|   | Water<br>Utility                               | Wastewater<br>Utility | Water Resource<br>Management<br>Utility |                      |  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                         |  |                       |   |                      |  |
| Receipts from customers   | \$ 3,869,633                                   | \$ 11,139,352         | \$ 1,746,621                            | \$ 16,755,606        | \$ -   |
| Receipts from municipality  | 825,270  | -                     | -                                       | 825,270              | 235,485  |
| Payments to municipality  | -  | -                     | (330,888)                               | (330,888)            | -  |
| Payments to suppliers   | (1,996,198)                                    | (8,812,003)           | (228,988)                               | (11,037,189)         | (171,330)  |
| Payments to employees   | (662,004)                                      | (390,753)             | (280,598)                               | (1,333,355)          | -  |
| Net Cash Flows From Operating Activities                            | <u>2,036,701</u>                               | <u>1,936,596</u>      | <u>906,147</u>                          | <u>4,879,444</u>     | <u>64,155</u>  |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>              |  |                       |   |                      |  |
| Receipt of advances   | -  | 415,000               | -                                       | 415,000              | -  |
| Transfers out - paid for tax equivalent                             | (775,334)                                      | (14,999)              | -                                       | (790,333)            | -  |
| Net Cash Flows From Non-Capital Related<br>Financing Activities     | <u>(775,334)</u>                               | <u>400,001</u>        | <u>-</u>                                | <u>(375,333)</u>     | <u>-</u>   |
| <b>CASH FLOWS FROM CAPITAL AND RELATED<br/>FINANCING ACTIVITIES</b> |  |                       |   |                      |  |
| Acquisition and construction of capital assets                      | (1,819,526)                                    | (417,353)             | -                                       | (2,236,879)          | -  |
| Revenue bond issuance   | 51,556   | -                     | -                                       | 51,556               | -  |
| Abandonment costs   | (22,448)                                       | -                     | -                                       | (22,448)             | -  |
| Special assessments received  | 9,246  | 2,078                 | -                                       | 11,324               | -  |
| Salvage on retired plant  | 13,700   | 23,050                | -                                       | 36,750               | -  |
| Grant received  | -  | 176,393               | -                                       | 176,393              | 9,000  |
| Grant costs   | -  | (38,048)              | -                                       | (38,048)             | -  |
| Bond issuance cost  | (17,000)                                       | -                     | -                                       | (17,000)             | -  |
| Payment of advance  | (255,000)                                      | -                     | (160,000)                               | (415,000)            | -  |
| Debt retired  | (580,651)                                      | -                     | -                                       | (580,651)            | -  |
| Interest paid   | (125,311)                                      | -                     | (18,150)                                | (143,461)            | -  |
| Net Cash Flows From Capital and<br>and Related Financing Activities | <u>(2,745,434)</u>                             | <u>(253,880)</u>      | <u>(178,150)</u>                        | <u>(3,177,464)</u>   | <u>9,000</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                         |  |                       |   |                      |  |
| Purchase of investments   | (650,819)                                      | (2,854,264)           | -                                       | (3,505,083)          | -  |
| Investments sold  | 658,283  | 2,766,187             | -                                       | 3,424,470            | -  |
| Interest received   | 159,992  | 262,516               | 59,467                                  | 481,975              | -  |
| Net Cash Flows From Investing Activities                            | <u>167,456</u>                                 | <u>174,439</u>        | <u>59,467</u>                           | <u>401,362</u>       | <u>-</u>   |
| <b>Net Change in Cash and Cash Equivalents</b>                      | <u>(1,316,611)</u>                             | <u>2,257,156</u>      | <u>787,464</u>                          | <u>1,728,009</u>     | <u>73,155</u>  |
| CASH AND CASH EQUIVALENTS – Beginning of Year                       | <u>7,431,294</u>                               | <u>13,640,921</u>     | <u>2,660,529</u>                        | <u>23,732,744</u>    | <u>343,466</u>   |
| <b>CASH AND CASH EQUIVALENTS – END OF YEAR</b>                      | <u>\$ 6,114,683</u>                            | <u>\$ 15,898,077</u>  | <u>\$ 3,447,993</u>                     | <u>\$ 25,460,753</u> | <u>\$ 416,621</u>  |

|   | Business-type Activities -<br>Enterprise Funds |                       |   |                     | Governmental<br>Activities -<br>Internal<br>Service Fund |
|---|--|-----------------------|---|---------------------|--|
|   | Water<br>Utility                               | Wastewater<br>Utility | Water Resource<br>Management<br>Utility | Totals              |  |
|   |  |                       |   |                     |  |
| <b>Reconciliation of operating income to net cash provided by operating activities:</b> |  |                       |   |                     |  |
| Operating income  | \$ 1,103,862                                   | \$ 557,183            | \$ 229,552                              | \$ 1,890,597        | \$ 66,447  |
| Adjustments to reconcile operating income to net cash flows from operating activities   |  |                       |   |                     |  |
| Noncash items included in operating income  |  |                       |   |                     |  |
| Depreciation expense  | 1,182,474                                      | 821,964               | 526,275                                 | 2,530,713           | -  |
| Depreciation charged to other accounts  | 113,383  | -                     | -                                       | 113,383             | -  |
| Changes in Assets and Liabilities   |  |                       |   |                     |  |
| Accounts receivable   | (22,834)                                       | (28,331)              | (1,842)                                 | (53,007)            | -  |
| Receivable from municipality  | (492,905)                                      | 33,211                | 204                                     | (459,490)           | -  |
| Receivable from wastewater  | 54,436   | -                     | (119)                                   | 54,317              | -  |
| Receivable from water   | -  | (3,137)               | -                                       | (3,137)             | -  |
| Receivable from water resource management   | (9)  | -                     | -                                       | (9)                 | -  |
| Pension related inflow  | 21,309   | (17,629)              | 13,899                                  | 17,579              | -  |
| OPEB related inflow   | 40,462   | 28,323                | -                                       | 68,785              | -  |
| Net pension liability (asset)   | 252,934  | 166,347               | 28,563                                  | 447,844             | -  |
| Accounts payable  | 34,079   | 535,446               | 1,032                                   | 570,557             | -  |
| Accrued liabilities   | (23,229)                                       | -                     | (95)                                    | (23,324)            | (2,292)  |
| Net OPEB obligation   | 466  | 22,049                | -                                       | 22,515              | -  |
| Pension related outflow   | (218,877)                                      | (117,313)             | (36,151)                                | (372,341)           | -  |
| OPEB related outflow  | (9,972)  | (6,980)               | -                                       | (16,952)            | -  |
| Payable to municipality   | (2,016)  | (220)                 | 144,820                                 | 142,584             | -  |
| Payable to water resource management  | -  | 119                   | -                                       | 119                 | -  |
| Payable to wastewater   | 3,137  | -                     | -                                       | 3,137               | -  |
| Payable to water  | -  | (54,436)              | 9                                       | (54,427)            | -  |
| Net Cash Flows From Operating Activities  | <u>\$ 2,036,700</u>                            | <u>\$ 1,936,596</u>   | <u>\$ 906,147</u>                       | <u>\$ 4,879,443</u> | <u>\$ 64,155</u>   |

**RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET ASSETS**

|  |                     |                      |                     |                      |                   |
|--|---------------------|----------------------|---------------------|----------------------|-------------------|
| Cash and cash equivalents - unrestricted | \$ 7,068,746        | \$ 18,849,623        | \$ 3,447,993        | \$ 29,366,362        | \$ 416,621        |
| Cash and cash equivalents - restricted   | -                   | 588,264              | -                   | 588,264              | -                 |
| Less: Non-cash equivalents               | (954,063)           | (3,539,810)          | -                   | (4,493,873)          | -                 |
| <b>CASH AND CASH EQUIVALENTS</b>         | <u>\$ 6,114,683</u> | <u>\$ 15,898,077</u> | <u>\$ 3,447,993</u> | <u>\$ 25,460,753</u> | <u>\$ 416,621</u> |

**NONCASH INVESTING, CAPITAL AND RELATED FINANCING ACTIVITIES**

|   |             |             |            |             |
|---|-------------|-------------|------------|-------------|
| Cost of utility plant installed and/or financed by developers | \$ 116,045  | \$ 151,448  | \$ 182,700 | \$ 450,193  |
| Cost of utility plant installed and/or financed by city       | \$ -        | \$ -        | \$ 767,171 | \$ 767,171  |
| Capital assets included in accounts payable                   | \$ (26,138) | \$ (45,342) | \$ -       | \$ (71,480) |
| Amortization of loss on refunding                             | \$ 43,020   | \$ -        | \$ -       | \$ 43,020   |
| Amortization of bond premium                                  | \$ 25,248   | \$ -        | \$ -       | \$ 25,248   |

See accompanying notes to financial statements.

**CITY OF NEW BERLIN**

FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
As of December 31, 2019

|                                       | Custodial Fund            |                 |                   |
|---------------------------------------|---------------------------|-----------------|-------------------|
|                                       | Tax<br>Collection<br>Fund | Deposit<br>Fund | Total             |
| <b>ASSETS</b>                         |                           |                 |                   |
| Cash and investments                  | \$ 53,192,075             | \$ 578,882      | \$ 53,770,957     |
| Taxes receivable                      | 12,872,601                | -               | 12,872,601        |
| <br>TOTAL ASSETS                      | <br>\$ 66,064,676         | <br>\$ 578,882  | <br>\$ 66,643,558 |
| <br><b>LIABILITIES</b>                |                           |                 |                   |
| Due to other taxing units             | 66,064,676                | -               | 66,064,676        |
| Deposits                              | -                         | 578,882         | 578,882           |
| <br>TOTAL LIABILITIES                 | <br>\$ 66,064,676         | <br>\$ 578,882  | <br>\$ 66,643,558 |
| <br><b>NET POSITION - END OF YEAR</b> | <br>\$ -                  | <br>\$ -        | <br>\$ -          |

**CITY OF NEW BERLIN**

FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
As of December 31, 2019

|   | Custodial Fund            |                 |
|---|---------------------------|-----------------|
|   | Tax<br>Collection<br>Fund | Deposit<br>Fund |
| <b>ADDITIONS</b>                            |                           |                 |
| Tax Collections                             | \$ 45,364,065             | \$ -            |
| Deposit Collections                         | -                         | 514,490         |
| <b>TOTAL ADDITIONS</b>                      | <u>45,364,065</u>         | <u>514,490</u>  |
| <b>DEDUCTIONS</b>                           |                           |                 |
| Payments to overlying districts             | 45,364,065                | -               |
| Deposit Payments                            | -                         | 514,490         |
| <b>TOTAL DEDUCTIONS</b>                     | <u>45,364,065</u>         | <u>514,490</u>  |
| <br><b>Change in Fiduciary Net Position</b> | <br><u>\$ -</u>           | <br><u>\$ -</u> |

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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The accounting policies of the City of New Berlin, Wisconsin (the “City”) conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

#### **A. REPORTING ENTITY**

This report includes all of the funds of the City of New Berlin. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity’s financial statements to be misleading. The City has not identified any organizations that meet this criteria.

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

In January 2017, the GASB issued statement No. 84 – *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. This standard was implemented as of January 1, 2019.

In March 2018, the GASB issued statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to financial statements and establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. This standard was implemented January 1, 2019.

#### **Government-Wide Financial Statements**

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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 city 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. Internally dedicated resources are reported as general revenues rather than as program revenues.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

##### ***Fund Financial Statements***

Financial statements of the city are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

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. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the city or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the city believes is particularly important to financial statement users may be reported as a major fund.

The city reports the following major governmental funds:

General Fund – accounts for the city's primary operating activities. It is used to account for and report all financial resources except those required to be accounted for in another fund.

General Debt Service Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs, other than TID or enterprise debt.

Capital Improvements Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets for capital improvement projects.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)**

##### ***Fund Financial Statements (cont.)***

The City reports the following major enterprise funds:

Water Utility – accounts for operations of the water system  
Wastewater Utility – accounts for operations of the wastewater system  
Water Resource Management Utility – accounts for operations of the storm water system

The City reports the following non-major governmental funds:

Special Revenue Funds – used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

|                     |                    |                        |
|---------------------|--------------------|------------------------|
| Park & Open Space   | Concession Stand   | Landscape              |
| Trail Fees          | Park & Recreation  | Building Maintenance   |
| Impact Fees         | Police             | Technology Fee         |
| Wastewater RCA Fees | Fire               | Room Tax Grant Fund    |
| Golf Course         | Mayor              | Tax Increment District |
| Fourth of July      | Special Assessment | Grant                  |
| Library             | Garbage/Recycling  |                        |

Capital Projects Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

Equipment                      Equipment Replacement

In addition, the city reports the following fund types:

Internal service funds are used to account and report the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governmental units, on a cost-reimbursement basis.

General Liability Insurance

Custodial funds - used to account for and report assets controlled by the city and the assets are for the benefit of individuals, private organizations, and/or other governmental units.

Property Tax  
Deposit

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### **NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

---

#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION***

##### ***Government-Wide Financial Statements***

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the city's water, wastewater and water resource management utilities 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.

##### ***Fund Financial Statements***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for un-matured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the city is entitled to the resources and the amounts are available. Amounts owed to the city which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### **NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

---

#### **C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)**

##### ***Fund Financial Statements (cont.)***

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water, Wastewater, and Water Resource Management Utilities are charges to customers for sales and services. The rates used in the Water Utility were approved by the Public Service Commission. Wastewater and Water Resource Management service charges are billed at rates established by the city's common council. Special assessments are recorded as receivables and contribution revenue when levied. 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 non-operating revenues and expenses.

##### ***All Financial Statements***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

#### **D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY**

##### ***1. Deposits and Investments***

For purposes of the statement of cash flows, the city considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents. See Note IV.A. for further information.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***2. Receivables***

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the city, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units in the accompanying statement of fiduciary net position.

Property tax calendar – 2019 tax roll:

|   |                  |
|---|------------------|
| Lien date and levy date                         | December 2019    |
| Tax bills mailed                                | December 2019    |
| Payment in full, or                             | January 31, 2020 |
| First installment due                           | January 31, 2020 |
| Second installment due                          | March 31, 2020   |
| Third installment due                           | May 31, 2020     |
| Personal property taxes in full                 | January 31, 2020 |
| Tax sale – 2019 delinquent<br>real estate taxes | October 2022     |

Accounts receivable have been shown net of an allowance for uncollectible accounts. 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 for the utilities because they have the right by law to place delinquent bills on the tax roll.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term inter-fund loans are reported as “due to and from other funds.” Long-term inter-fund loans (noncurrent portion) are reported as “advances from and to other funds.” Inter-fund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a non-spendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

##### ***3. Inventories and Prepaid Items***

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. Any materials and supplies on hand at year-end are considered immaterial.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***3. Inventories and Prepaid Items (cont.)***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

##### ***4. Restricted Assets***

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

##### ***5. Capital Assets***

###### ***Government –Wide Statements***

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets, \$10,000 for infrastructure assets, \$1,000 for utility system assets, 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 fixed assets are recorded at their estimated fair value at the date of donation.

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. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No net interest was capitalized during the current year. 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 and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

|                         |             |
|-------------------------|-------------|
| Buildings               | 20-50 Years |
| Land Improvements       | 10-50 Years |
| Machinery and Equipment | 5-50 Years  |
| Intangible Asset        | 4-20 Years  |
| Utility System          | 4-100 Years |
| Infrastructure          | 25-75 Years |

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

---

### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***5. Capital Assets (cont.)***

###### ***Financial Statements***

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

##### ***6. Deferred Outflows of Resources***

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund statements.

##### ***7. Compensated Absences***

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2019 are determined on the basis of current salary rates and include salary related payments.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### **D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

##### **8. Long-Term Obligations/Conduit Debt**

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, accrued compensated absences and net pension and OPEB liabilities.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

The city has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the city. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is \$4,922,909, made up of two issues.

##### **9. Deferred Inflows of Resources**

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

##### **10. Equity Classifications**

###### **Government–Wide Statements**

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

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### **D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)**

##### **10. Equity Classifications (cont.)**

- c. Unrestricted net position – All other net positions that do not meet the definition of “restricted” or “net investment in capital assets.”

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

#### **Fund Statements**

Governmental fund balances displayed as follows:

- a. Non-spendable – Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted – Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Committed – Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the City. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City that originally created the commitment.
- d. Assigned – Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The City Council has, by resolution, adopted a financial policy authorizing the Mayor and the Director of Finance to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned – Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Propriety fund equity is classified the same as in the government-wide statements.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the city would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

---

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***10. Equity Classifications (cont.)***

###### ***Fund Statements (cont.)***

The City has a formal minimum fund balance policy. That policy is to maintain a working capital reserve to pay for needs caused by unforeseen emergencies. This reserve will be maintained at a minimum of not less than fifteen percent of the subsequent year's general fund budgeted expenditures. The balance at year end was \$5,801,855 or 15.0%, and is included in unassigned general fund fund balance.

##### ***11. Pension***

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

##### ***12. Other Postemployment Benefits (OPEB)***

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City OPEB Plan and additions to/deductions from the City OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the City Plan. For this purpose, the City OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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#### A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains “other long-term assets that are not available to pay for current period expenditures and therefore are unavailable in the funds”. The details of this difference are as follows:

|                               |                  |
|-------------------------------|------------------|
| Special Assessments           | \$ 14,159        |
| Subsequent period collections | <u>26,786</u>    |
| Special Assessments           | <u>\$ 40,945</u> |

Long-term liabilities applicable to the city’s governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities—both current and long-term—are reported in the statement of net position.

|  |                      |
|--|----------------------|
| Bonds and notes payable  | \$ 54,124,637        |
| Compensated absences   | 1,644,824            |
| Net OPEB obligation  | 5,170,510            |
| Accrued interest   | 171,193              |
| Lease payable  | 26,507               |
| Deferred charge on refunding (to be amortized over life of debt) | (23,139)             |
| Unamortized debt premium (to be amortized over life of debt)     | <u>874,660</u>       |
| Combined Adjustment for Long-Term Liabilities                    | <u>\$ 61,989,192</u> |

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

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#### **B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains, “Revenues are reported in the governmental funds when current financial resources are available, but are recognized when earned in the statement of activities.” The details of this difference are as follows:

|  |                   |
|--|-------------------|
| Subsequent period collections  | (26,786)          |
| Current period collections   | <u>21,970</u>     |
| Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ (4,816)</u> |

Another element of that reconciliation states “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” Also, governmental fund report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. The details of this \$2,046,034 difference are as follows:

|  |                       |
|--|-----------------------|
| Debt issued or incurred:   |                       |
| Issuance of general obligation bonds   | \$ (8,095,000)        |
| Premium from sale of bonds, net of amortization  | 135,539               |
| Principal repayments:  |                       |
| General obligation debt  | 5,889,878             |
| Capital lease  | <u>23,549</u>         |
| Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ (2,046,034)</u> |

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

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#### ***B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES (cont.)***

Another element of that reconciliation states, “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 governmental funds.” The details of this \$1,742,857 difference are as follows:

|  |                       |
|--|-----------------------|
| Compensated absences   | \$ 8,426              |
| Net pension asset (liability)  | (8,707,771)           |
| Deferred outflows related to pensions  | 5,756,175             |
| Deferred inflows related to pensions   | 1,139,100             |
| Net OPEB obligation  | 932,808               |
| Deferred outflows related to OPEB  | 278,897               |
| Deferred inflows related to OPEB   | (1,131,603)           |
| Accrued interest   | <u>(18,889)</u>       |
| <br>   |                       |
| Net adjustment to decrease <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i> | <u>\$ (1,742,857)</u> |

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### **NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

#### **A. BUDGETARY INFORMATION**

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I C. except that actual (non-GAAP) expenditures presented reflect actual (GAAP) expenditures adjusted for expenditures liquidated under the prior period budget and encumbrances expected to be liquidated under the current period budget.

A budget has been adopted for the general, special revenue, and debt service funds. Budgets have not been formally adopted for capital project funds, except for the Equipment and Equipment Replacement Funds.

The budgeted amounts presented include any amendments made during the year. Transfers between departments and changes to the overall budget must be approved by a two-thirds council action. There were no supplemental appropriations during the year. Appropriations lapse at year-end unless specifically carried over. Carryovers to the following year were not material. Budgets are adopted at the fund level of expenditure.

#### **B. EXCESS EXPENDITURES OVER APPROPRIATIONS**

| <u>Fund</u>                  | <u>Budget<br/>Expenditures</u> | <u>Actual<br/>Expenditures</u> | <u>Excess<br/>Expenditures<br/>Over Budget</u> |
|------------------------------|--------------------------------|--------------------------------|--|
| <b>Special Revenue Funds</b> |                                |                                |  |
| Park and Open Space Fund     | \$ -                           | \$ 4,070                       | \$ 4,070                                       |
| Golf Course Fund             | 16,200                         | 67,625                         | 51,425   |
| Concession Stand Fund        | 10,799                         | 25,489                         | 14,690   |
| Park and Recreation Fund     | 7,000                          | 28,311                         | 21,311   |
| Mayor Fund                   | 1,500                          | 5,800                          | 4,300  |
| Landscape Fund               | 30,000                         | 33,316                         | 3,316  |
| Room Tax Fund                | -                              | 6,582                          | 6,582  |
| Tax Increment District Fund  | 1,000                          | 241,761                        | 240,761  |
| Grant Fund                   | 3,500                          | 24,069                         | 20,569   |
| Library Fund                 | 20,000                         | 30,717                         | 10,717   |
| Garbage/Recycling Fund       | 1,552,725                      | 1,565,143                      | 12,418   |
| <b>Capital Projects Fund</b> |                                |                                |  |
| Equipment Fund               | 4,000                          | 28,440                         | 24,440   |

The city controls expenditures at the department level. Some individual departments and funds experienced expenditures, which exceeded appropriations. The detail of those items can be found in the city's year-end budget to actual report.

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

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**NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)**

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**C. DEFICIT BALANCES**

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2019, the following individual funds held a deficit balance:

| <u>Fund</u>   | <u>Amount</u>    |
|---|------------------|
| Special Revenue Fund - Tax<br>Increment District Fund | <u>\$ 40,377</u> |

**D. LIMITATIONS ON THE CITY TAX LEVY**

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

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS

#### A. DEPOSITS AND INVESTMENTS

Cash equivalents and investments as shown on the city's Statement of Net Position are subject to the following risks:

|  | <u>Carrying Value</u> | <u>Bank Balance</u>  | <u>Associated Risks</u>   |
|--|-----------------------|----------------------|---|
| Petty Cash                               | \$ 3,410              | \$ -                 | N/A   |
| Non-interest bearing demand              | 1,382,368             | -                    | Custodial credit  |
| Money market account                     | 20,132,465            | 5,112,376            | Custodial credit  |
| Money market mutual fund                 | 227,345               | 227,345              | Credit and interest rate  |
| Municipal securities                     | 6,010,157             | 6,010,157            | Custodial credit, credit, interest rate and concentration of credit |
| U.S. Government agency securities        | 6,009,120             | 6,009,120            | Custodial credit, credit, interest rate and concentration of credit |
| U.S. Government treasury securities      | 805,854               | 805,854              | Custodial credit and interest rate                                  |
| Certificates of deposit - negotiable     | 8,004,382             | 8,004,382            | Custodial Credit, interest rate and concentration of credit         |
| Local government investment pool         | 71,150,780            | 71,150,780           | Credit  |
| Total Cash and investments               | <u>\$ 113,725,881</u> | <u>\$ 97,320,014</u> |   |
| Reconciliation to financial statements   |                       |                      |   |
| Per Statement of Net Position            |                       |                      |   |
| Cash and investment                      | \$ 59,366,660         |                      |   |
| Restricted - cash and investment         | 588,264               |                      |   |
| Per statement of fiduciary net position: |                       |                      |   |
| Custodial funds                          | <u>53,770,957</u>     |                      |   |
| Total                                    | <u>\$ 113,725,881</u> |                      |   |

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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#### A. DEPOSITS AND INVESTMENTS (cont.)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs outlined later in this note. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2019 the fair value of the city's share of the LGIP's assets was substantially equal to the amount as reported in these statements

Wisconsin Statute 66.0603 authorizes the City to invest in the following type of instruments:

1. Time deposits in any credit union, bank, savings bank or trust company.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
3. Bonds or securities issued or guaranteed by the federal government.
4. The local government investment pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

The City of New Berlin has adopted an investment policy. The investment policy limits investments to the following:

- U.S. Treasury obligations with maturities not exceeding five years from trade settlement date.
- Federal instrumentalities with maturities not exceeding five years from trade settlement date.
- Local government investment pools meeting Wisconsin statute 25.50 or 66.0301.
- Repurchase agreements with the city's deposit bank collateralized with 102% of market value of principal and accrued interest.
- Interest-bearing certificates of deposit collateralized with 102% of market value of principal and accrued interest.
- Commercial securities of the highest or second highest ratings.

PMA Financial Network, Inc. is the administrator for the Wisconsin Investment Series Cooperative (WISC). The investment manager for WISC is PMA Financial Network, Inc. The WISC is not registered with the Securities and Exchange Commission, but invests its funds in accordance with applicable Wisconsin statutes. The WISC has the characteristics of a mutual fund and accordingly, reports the value of its underlying assets at fair value. At December 31, 2019, the City's share of the WISC's assets was substantially equal to the amount reported above.

The city 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 other observable inputs; Level 3 inputs are significant unobservable inputs. The valuation method for recurring fair value measurements of investments is the quoted market prices approach.

The City's investments are categorized are as follows:

| Investment Type                      | December 31, 2019 |                      |             |                      |
|--------------------------------------|-------------------|----------------------|-------------|----------------------|
|                                      | Level 1           | Level 2              | Level 3     | Total                |
| U.S. Govt Agencies                   | \$ -              | \$ 6,009,120         | \$ -        | \$ 6,009,120         |
| U.S. Govt Treasury                   | -                 | 805,854              | -           | 805,854              |
| Municipal Securities                 | -                 | 6,010,157            | -           | 6,010,157            |
| Certificates of Deposit - negotiable | -                 | 8,004,382            | -           | 8,004,382            |
| Money market mutual fund             | 227,345           | -                    | -           | 227,345              |
| <b>Total</b>                         | <b>\$ 227,345</b> | <b>\$ 20,829,513</b> | <b>\$ -</b> | <b>\$ 21,056,858</b> |

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

*Custodial Credit Risk – Deposits:* Is the risk that in the event of a financial institution failure, the city's deposits may not be returned to the city. The carrying value for deposits was \$21,514,833 and the bank's carrying value was \$5,112,376. To meet current obligations, deposits are maintained in overnight repurchase agreements and transferred to a master control bank account as checks are presented for payment.

As of December 31, 2019, \$2,776,986 of the City's total demand deposit bank balances of \$5,112,376 was uninsured and uncollateralized.

*Custodial Credit Risk – Investments:* Is the risk that in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All investments exposed to custodial risk are held by the city's agent in the city's name.

*Interest Rate Risk –* Is the risk that changes in interest rates will adversely affect the value of an investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the city's investment policy limits the maturity of any security to no more than five years from the date of purchase or in accordance with state and local statutes and ordinances, whichever is less. In addition, the policy indicates that the investment portfolio should be structured so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior maturity. The policy also states that with the exception of U.S. Treasury securities and authorized pools, no more than 50% of the city's total investment portfolio will be invested in a single security type.

The city had the following investments and maturities as of December 31, 2019:

|                                      | Fair Value           | Investment Maturities (in years) |                     |
|--------------------------------------|----------------------|----------------------------------|---------------------|
|                                      |                      | Less than 1                      | 1-3                 |
| U.S. Government agency securities    | \$ 6,009,120         | \$ 2,711,491                     | \$ 3,297,629        |
| U.S. Government treasury securities  | 805,854              | 645,017                          | 160,837             |
| Certificates of Deposit - negotiable | 8,004,382            | 4,947,454                        | 3,056,928           |
| Money Market Mutual Fund             | 227,345              | 227,345                          | -                   |
| Municipal Securities                 | 6,010,157            | 6,010,157                        | -                   |
| <b>Total investments</b>             | <b>\$ 21,056,858</b> | <b>\$ 14,541,464</b>             | <b>\$ 6,515,394</b> |

*Credit Risk:* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The city's investment policy minimizes credit risk by limiting investments to the safest type of securities and diversifying the investment portfolio. The policy also states that with the exception of U.S. Treasury securities and authorized pools, no more than 50% of the city's total investment portfolio will be invested with a single financial institution.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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#### A. DEPOSITS AND INVESTMENTS (cont.)

As of December 31, 2019, the city's investments in municipal securities, U.S. government agency securities and repurchase agreement were rated Aa1, Aaa and Aaa, respectively, by Moody's Investor Services.

The Local Government Investment Pool and negotiable certificates of deposit are not rated.

*Concentration of Credit Risk:* Is the risk of loss attributed to the magnitude of the city's investment in a single issuer.

At December 31, 2019, the city's investment portfolio was concentrated as follows:

| <u>Issuer</u>              | <u>Investment Type</u>             | <u>% of Portfolio</u> |
|----------------------------|------------------------------------|-----------------------|
| New Berlin School District | Tax & Revenue Anticipation<br>Note | 5.30%                 |

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

**B. RECEIVABLES**

Receivables as of year-end for the city’s individual major funds, non-major funds and fiduciary funds, including the applicable allowances for uncollectible accounts, are detailed on the governmental funds’ balance sheet, proprietary funds’ statement of net position and the fiduciary fund’s statement of fiduciary net position. All amounts are expected to be collected within one year except for \$26,786 and \$14,159 reported in the general fund and non-major governmental funds respectively.

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue and unearned revenue* reported in the governmental funds were as follows:

|  | Unearned      | Unavailable |
|--|---------------|-------------|
| Property taxes receivable for subsequent year                | \$ 26,805,680 | \$ -        |
| Special assessments not yet due                              | -             | 14,159      |
| Subsequent period prepayments                                | 229,073       | -           |
| Subsequent period collections                                | -             | 26,786      |
| Special charges on tax roll                                  | 1,896,001     | -           |
| Total Unearned/Unavailable Revenue<br>for Governmental Funds | \$ 28,930,754 | \$ 40,945   |
| Unearned revenue included in liabilities                     | \$ 229,073    |             |
| Unearned revenue included in deferred inflows                | 28,701,681    |             |
| Total Unearned Revenue for Governmental Funds                | \$ 28,930,754 |             |

**C. RESTRICTED ASSETS**

The following represent the balances of the restricted assets:

***Equipment Replacement Account***

The wastewater utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources. The balance of this account is \$588,264.

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2019 was as follows:

|  | Beginning<br>Balance | Additions    | Deletions      | Ending<br>Balance |
|--|----------------------|--------------|----------------|-------------------|
| <b>Governmental Activities</b>                       |                      |              |                |                   |
| Capital assets not being depreciated/amortized:      |                      |              |                |                   |
| Land   | \$ 15,942,934        | \$ 229,310   | \$ -           | \$ 16,172,244     |
| Construction in progress                             | 2,407,393            | 987,547      | (2,404,368)    | 990,572           |
| Total Capital Assets                                 |                      |              |                |                   |
| Not Being Depreciated/Amortized                      | 18,350,327           | 1,216,857    | (2,404,368)    | 17,162,816        |
| <br>Capital Assets Being Depreciated/Amortized       |                      |              |                |                   |
| Land improvements                                    | 4,726,380            | -            | -              | 4,726,380         |
| Buildings  | 31,531,208           | 187,030      | (18,495)       | 31,699,743        |
| Machinery and equipment                              | 24,252,418           | 1,561,989    | (512,574)      | 25,301,833        |
| Roads  | 93,858,354           | 4,426,892    | (722,103)      | 97,563,143        |
| Sidewalks/Bikepaths                                  | 3,777,643            | -            | -              | 3,777,643         |
| Street lighting                                      | 1,306,073            | 656,308      | -              | 1,962,381         |
| Intangible assets                                    | 1,780,134            | 110,205      | -              | 1,890,339         |
| Easements  | 30,000               | -            | -              | 30,000            |
| Total Capital Assets                                 |                      |              |                |                   |
| Being Depreciated/Amortized                          | 161,262,210          | 6,942,424    | (1,253,172)    | 166,951,462       |
| <br>Less: Accumulated Depreciation/Amortization for: |                      |              |                |                   |
| Land improvements                                    | (1,715,567)          | (169,227)    | -              | (1,884,794)       |
| Buildings  | (12,614,153)         | (651,589)    | 18,495         | (13,247,247)      |
| Machinery and equipment                              | (12,958,974)         | (1,497,869)  | 470,540        | (13,986,303)      |
| Roads  | (70,164,375)         | (852,510)    | 722,103        | (70,294,782)      |
| Sidewalks/Bikepaths                                  | (1,976,070)          | (128,364)    | -              | (2,104,434)       |
| Street lighting                                      | (363,950)            | (46,692)     | -              | (410,642)         |
| Intangible assets                                    | (1,198,885)          | (131,255)    | -              | (1,330,140)       |
| Total Accumulated Depreciation/Amortization          | (100,991,974)        | (3,477,506)  | 1,211,138      | (103,258,342)     |
| <br>Net Capital Assets                               |                      |              |                |                   |
| Being Depreciated/Amortized                          | 60,270,236           | 3,464,918    | (42,034)       | 63,693,120        |
| <br>Governmental Activities                          |                      |              |                |                   |
| Capital Assets, Net of                               |                      |              |                |                   |
| Accumulated Depreciation/Amortization                | \$ 78,620,563        | \$ 4,681,775 | \$ (2,446,402) | \$ 80,855,936     |

**CITY OF NEW BERLIN**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2019

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**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

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**D. CAPITAL ASSETS (cont.)**

Depreciation/Amortization expense was charged to functions as follows:

**Governmental Activities**

|   |                    |
|---|--------------------|
| General government  | \$ 278,745         |
| Protection of persons and property  | 869,283            |
| Highway and transportation, which includes the depreciation of infrastructure | 1,448,086          |
| Library   | 349,830            |
| Parks and recreation  | <u>531,562</u>     |
| Total Governmental Activities Depreciation/Amortization Expense               | <u>\$3,477,506</u> |

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

|   | Beginning<br>Balance  | Additions           | Deletions             | Ending<br>Balance     |
|---|-----------------------|---------------------|-----------------------|-----------------------|
| <b>Business-type Activities</b>                                 |                       |                     |                       |                       |
| Capital assets not being depreciated/amortized:                 |                       |                     |                       |                       |
| Land  | \$ 1,426,010          | \$ -                | \$ -                  | \$ 1,426,010          |
| Construction in progress  | 123,723               | 2,313,792           | (2,044,478)           | 393,037               |
| Total Capital Assets  |                       |                     |                       |                       |
| Not Being Depreciated/Amortized                                 | <u>1,549,733</u>      | <u>2,313,792</u>    | <u>(2,044,478)</u>    | <u>1,819,047</u>      |
| Capital Assets Being Depreciated/Amortized                      |                       |                     |                       |                       |
| Intangible asset  | 1,500,000             | -                   | -                     | 1,500,000             |
| Buildings   | 4,630,222             | -                   | (32,200)              | 4,598,022             |
| Machinery and equipment   | 6,771,819             | 369,622             | (1,411,594)           | 5,729,847             |
| Wastewater infrastructure                                       | 57,346,935            | 151,448             | (133,135)             | 57,365,248            |
| Water Infrastructure  | 52,655,754            | 1,652,080           | (127,764)             | 54,180,070            |
| Water Resource infrastructure                                   | 34,005,074            | 949,871             | -                     | 34,954,945            |
| Total Capital Assets  |                       |                     |                       |                       |
| Being Depreciated/Amortized                                     | <u>156,909,804</u>    | <u>3,123,021</u>    | <u>(1,704,693)</u>    | <u>158,328,132</u>    |
| Less: Accumulated Depreciation/Amortization                     |                       |                     |                       |                       |
| Intangible asset  | (750,000)             | (75,000)            | -                     | (825,000)             |
| Buildings   | (1,688,065)           | (141,787)           | 32,200                | (1,797,652)           |
| Machinery and equipment   | (5,393,591)           | (353,318)           | 1,379,216             | (4,367,693)           |
| Wastewater infrastructure                                       | (14,346,704)          | (680,741)           | 133,135               | (14,894,310)          |
| Water Infrastructure  | (16,621,671)          | (944,128)           | 145,838               | (17,419,961)          |
| Water Resource infrastructure                                   | (11,322,744)          | (524,124)           | -                     | (11,846,868)          |
| Total Accumulated Depreciation/Amortization                     | <u>(50,122,775)</u>   | <u>(2,719,098)</u>  | <u>1,690,389</u>      | <u>(51,151,484)</u>   |
|   |                       |                     |                       |                       |
| Net Capital Assets  |                       |                     |                       |                       |
| Being Depreciated/Amortized                                     | <u>106,787,029</u>    | <u>403,923</u>      | <u>(14,304)</u>       | <u>107,176,648</u>    |
|   |                       |                     |                       |                       |
| Business-Type Activities  |                       |                     |                       |                       |
| Capital Assets, Net of Accumulated<br>Depreciation/Amortization | <u>\$ 108,336,762</u> | <u>\$ 2,717,715</u> | <u>\$ (2,058,782)</u> | <u>\$ 108,995,695</u> |

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

Depreciation/Amortization expense was charged to functions as follows:

| <b>Business-Type Activities</b> |                     |
|---------------------------------|---------------------|
| Water                           | \$ 1,182,474        |
| Wastewater                      | 821,964             |
| Water Resource Management       | <u>526,275</u>      |
| Total Business-Type Activities  |                     |
| Depreciation Expense            | <u>\$ 2,530,713</u> |

Depreciation/amortization expense may be different from business-type activity accumulated depreciation additions because of joint metering, salvage, cost of removal, internal allocations, or costs associated with the disposal of assets.

**E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS**

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

| <u>Receivable Fund</u>   | <u>Payable Fund</u>            | <u>Amount</u>         |
|--|--------------------------------|-----------------------|
| General Fund   | Water Resource Management Fund | \$ 210,386            |
| General Fund   | Wastewater Fund                | 32,876                |
| General Fund   | Water Fund                     | 156,428               |
| Water Fund   | General Fund                   | 843,451               |
| Water Fund   | Wastewater Fund                | 17,875                |
| Water Fund   | Water Resource Management Fund | 9                     |
| Wastewater Fund  | General Fund                   | 530,273               |
| Wastewater Fund  | Water Fund                     | 3,137                 |
| Water Resource Management Fund   | Wastewater Fund                | 119                   |
| Water Resource Management Fund   | General Fund                   | <u>73,354</u>         |
| Total Fund Financial Statements  |                                | 1,867,908             |
| Less: Fund Eliminations  |                                | (21,140)              |
| Less: Government-Wide Eliminations                                     |                                | <u>(2,894,156)</u>    |
| Total Internal Balances - Government-Wide<br>Statement of Net Position |                                | <u>\$ (1,047,388)</u> |
|  |                                |                       |
| <u>Receivable Fund</u>   | <u>Payable Fund</u>            | <u>Amount</u>         |
| Governmental Activities  | Business-type Activities       | \$ 399,690            |
| Business-type Activities   | Governmental Activities        | <u>(1,447,078)</u>    |
| Total Government-Wide Financial Statements                             |                                | <u>\$ (1,047,388)</u> |

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

***E. INTER-FUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)***

The principal purpose of these inter-funds is the collection of delinquent utility bills on the tax roll. All remaining balances resulted from the time lag between the dates that (1) inter-fund 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, inter-fund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

The following is a schedule of inter-fund advances:

| <u>Receivable Fund</u>                     | <u>Payable Fund</u> | <u>Interest Rate</u> | <u>Amount</u>    | <u>Amount Due Within One Year</u> |
|--|---------------------|----------------------|------------------|-----------------------------------|
| Wastewater Utility                         | Water Resource      | 2.00-3.00%           | \$165,000        | \$ 55,000                         |
| Wastewater Utility                         | Water Resource      | 2.00-3.00%           | <u>265,000</u>   | 50,000                            |
| Total Fund Financial Statements            |                     |                      | 430,000          |                                   |
| Less: Government-Wide Eliminations         |                     |                      | <u>(430,000)</u> |                                   |
| Total Government-Wide Financial Statements |                     |                      | <u>\$ -</u>      |                                   |

The principal purpose of these interfund advances was to refund outstanding water utility debt and provide financing for water resource management projects.

Repayment schedule for advances follows:

| <u>Year</u> | <u>Principal</u>  | <u>Interest</u>  | <u>Total</u>      |
|-------------|-------------------|------------------|-------------------|
| 2020        | \$ 105,000        | \$ 12,900        | \$ 117,900        |
| 2021        | 105,000           | 9,750            | 114,750           |
| 2022        | 110,000           | 6,600            | 116,600           |
| 2023        | 55,000            | 3,300            | 58,300            |
| 2024        | <u>55,000</u>     | <u>1,650</u>     | <u>56,650</u>     |
|             | <u>\$ 430,000</u> | <u>\$ 34,200</u> | <u>\$ 464,200</u> |

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

***E. INTER-FUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)***

The following is a schedule of inter-fund transfers:

| <u>Transfer In</u>   | <u>Transfer Out</u>      | <u>Purpose</u>             | <u>Amount</u>    |
|--|--------------------------|----------------------------|------------------|
| General Fund   | Special Revenue Fund     |                            |                  |
|  | Golf Course              | Tax Stabilization transfer | \$ 135,000       |
|  | Enterprise Fund          |                            |                  |
|  | Water Utility            | Tax equivalent payment     | 775,334          |
|  | Wastewater Utility       | Tax equivalent payment     | 14,999           |
| Debt Service Fund  | Special Revenue Fund     |                            |                  |
|  | Golf Course              | Debt service costs         | 103,550          |
|  | Impact Fee Fund          | Debt service costs         | 25,000           |
|  | Tax increment Fund       | Debt service costs         | 39,673           |
| Capital Projects Fund  | Capital Projects Fund    |                            |                  |
| Equipment Replacement Fund                                   | General Fund             | Equipment Replacement      | <u>315,900</u>   |
| Subtotal - Fund Financial Statements                         |                          |                            | 1,409,456        |
| Less: Fund eliminations                                      |                          |                            | (619,123)        |
| Less: Capital assets contributed to Enterprise Funds         |                          |                            | <u>(767,171)</u> |
| Total Transfers - Government-Wide<br>Statement of Activities |                          |                            | <u>\$ 23,162</u> |
| <u>Transfer In</u>   | <u>Transfer Out</u>      |                            | <u>Amount</u>    |
| Governmental Activities                                      | Business-type Activities |                            | \$ 790,333       |
| Business-type Activities                                     | Governmental Activities  |                            | <u>(767,171)</u> |
|  |                          |                            | <u>\$ 23,162</u> |

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS**

**General Obligation Debt**

Long-term obligations activity for the year ended December 31, 2019 was as follows:

|   | Beginning<br>Balance | Increases     | Decreases    | Ending<br>Balance | Amounts<br>Due Within<br>One Year |
|---|----------------------|---------------|--------------|-------------------|-----------------------------------|
| <b>Governmental Activities</b>                          |                      |               |              |                   |                                   |
| Bonds and Notes Payable                                 |                      |               |              |                   |                                   |
| General obligation debt                                 | \$ 51,919,515        | \$ 8,095,000  | \$ 5,889,878 | \$ 54,124,637     | \$ 6,754,878                      |
| Add/Subtract deferred amounts for                       |                      |               |              |                   |                                   |
| Bond premium  | 1,010,199            | 102,222       | 237,761      | 874,660           | -                                 |
| Total bonds/notes payable                               | 52,929,714           | 8,197,222     | 6,127,639    | 54,999,297        | 6,754,878                         |
| Other Liabilities                                       |                      |               |              |                   |                                   |
| Capital leases  | 50,056               | -             | 23,549       | 26,507            | 10,832                            |
| Net OPEB obligation                                     | 6,103,318            |               | 932,808      | 5,170,510         | -                                 |
| Net Pension Liability                                   | -                    | 4,802,048     | -            | 4,802,048         | -                                 |
| Compensated absences                                    | 1,653,250            | 1,644,824     | 1,653,250    | 1,644,824         | 1,644,824                         |
| Total Other Liabilities                                 | 7,806,624            | 6,446,872     | 2,609,607    | 11,643,889        | 1,655,656                         |
| Total Governmental Activities<br>Long-Term Liabilities  | \$ 60,736,338        | \$ 14,644,094 | \$ 8,737,246 | \$ 66,643,186     | \$ 8,410,534                      |
| <b>Business-Type Activities</b>                         |                      |               |              |                   |                                   |
| General obligation bonds                                | \$ 2,875,000         | \$ -          | \$ 495,000   | \$ 2,380,000      | \$ 490,000                        |
| Revenue bonds from direct<br>placements                 | 1,978,502            | 51,556        | 85,651       | 1,944,407         | 89,379                            |
| Add/Subtract deferred amounts for                       |                      |               |              |                   |                                   |
| Bond premium  | 81,700               | -             | 25,248       | 56,452            | -                                 |
| Total bonds/notes payable                               | 4,935,202            | 51,556        | 605,899      | 4,380,859         | 579,379                           |
| Other Liabilities                                       |                      |               |              |                   |                                   |
| Net OPEB obligation                                     | 473,999              | 40,559        | 18,044       | 496,514           | -                                 |
| Net Pension Liability                                   | -                    | 248,054       | -            | 248,054           | -                                 |
| Total Other Liabilities                                 | 473,999              | 288,613       | 18,044       | 744,568           | -                                 |
| Total Business Type Activities<br>Long-Term Liabilities | \$ 5,409,201         | \$ 340,169    | \$ 623,943   | \$ 5,125,427      | \$ 579,379                        |

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt (cont.)**

All general obligation notes and bonds payable are backed by the full faith and credit of the city. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the city may not exceed five percent of the equalized value of taxable property within the city's jurisdiction. The debt limit as of December 31, 2019, was \$285,720,285. Total general obligation debt outstanding at year-end was \$56,504,637.

|  | Date of<br>Issue | Final<br>Maturity | Interest<br>Rates | Original<br>Amount | Balance<br>12/31/2019 |
|--|------------------|-------------------|-------------------|--------------------|-----------------------|
| Governmental Activities Long-Term Obligations            |                  |                   |                   |                    |                       |
| General Obligation Debt                                  |                  |                   |                   |                    |                       |
| Bonds  | 2010             | 12/1/21           | 2.0-2.75          | \$ 7,250,000       | \$ 1,300,000          |
| Notes  | 2011             | 6/1/21            | .35-2.0           | 6,445,000          | 1,280,000             |
| Bonds  | 2012             | 6/1/28            | 2.0-3.0           | 9,335,000          | 4,795,000             |
| Notes  | 2012             | 6/1/22            | 2.-3.0            | 2,105,000          | 695,000               |
| Bonds  | 2013             | 6/1/28            | 2.0-3.375         | 4,685,000          | 3,000,000             |
| Notes  | 2013             | 6/1/23            | 2.-3.0            | 6,635,000          | 465,000               |
| Notes  | 2014             | 6/1/24            | 2.-3.0            | 6,835,000          | 4,310,000             |
| Notes  | 2014             | 6/1/23            | -                 | 119,027            | 44,637                |
| Notes  | 2015             | 6/1/25            | 1.5-2.0           | 8,230,000          | 5,880,000             |
| Notes  | 2016             | 6/1/26            | 1.35-2.0          | 7,735,000          | 6,985,000             |
| Notes  | 2017             | 6/1/27            | 2.0               | 8,215,000          | 8,215,000             |
| Notes  | 2018             | 6/1/28            | 2.25-3.0          | 9,060,000          | 9,060,000             |
| Notes  | 2019             | 6/1/29            | 1.80-3.0          | 8,095,000          | 8,095,000             |
| Total Government Activities - General Obligation Debt    |                  |                   |                   |                    | <u>\$ 54,124,637</u>  |
| Business-Type Activities Long-Term Obligations           |                  |                   |                   |                    |                       |
| General Obligation Debt                                  |                  |                   |                   |                    |                       |
| Bonds  | 2012             | 6/1/24            | 2.0-3.0           | \$ 4,430,000       | <u>\$ 2,380,000</u>   |
| Total Business-Type Activities - General Obligation Debt |                  |                   |                   |                    | <u>\$ 2,380,000</u>   |

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt (cont.)**

Debt service requirements to maturity are as follows:

| Years     | Governmental Activities |                     | Business-type Activities |                   |
|-----------|-------------------------|---------------------|--------------------------|-------------------|
|           | Principal               | Interest            | Principal                | Interest          |
| 2020      | \$ 6,754,878            | \$ 1,219,552        | \$ 490,000               | \$ 64,050         |
| 2021      | 6,729,878               | 1,019,588           | 485,000                  | 49,425            |
| 2022      | 6,704,881               | 852,251             | 475,000                  | 35,025            |
| 2023      | 6,640,000               | 703,514             | 470,000                  | 20,850            |
| 2024      | 6,695,000               | 557,083             | 460,000                  | 6,900             |
| 2025-2029 | <u>20,600,000</u>       | <u>956,120</u>      | <u>-</u>                 | <u>-</u>          |
| Totals    | <u>\$ 54,124,637</u>    | <u>\$ 5,308,108</u> | <u>\$ 2,380,000</u>      | <u>\$ 176,250</u> |

**REVENUE DEBT**

Revenue debt payable at December 31, 2019 consists of the following:

|               | Balance<br>12/31/2018 | Additions        | Retirements      | Balance<br>12/31/19 | Due Within<br>One Year |
|---------------|-----------------------|------------------|------------------|---------------------|------------------------|
| Revenue Bonds | <u>\$ 1,978,502</u>   | <u>\$ 51,556</u> | <u>\$ 85,651</u> | <u>\$ 1,944,407</u> | <u>\$ 89,379</u>       |
|               | <u>\$ 1,978,502</u>   | <u>\$ 51,556</u> | <u>\$ 85,651</u> | <u>\$ 1,944,407</u> | <u>\$ 89,379</u>       |

| Date     | Maturity | Interest Rates | Original<br>Issue | Outstanding<br>12/31/19 |
|----------|----------|----------------|-------------------|-------------------------|
| 06/13/17 | 5/1/2037 | 1.87%          | \$ 1,206,457      | \$ 1,150,526            |
| 05/23/18 | 5/1/2038 | 1.87%          | 871,920           | 742,325                 |
| 06/26/19 | 5/2/2038 | 1.98%          | 1,206,314         | 51,556                  |
|          |          |                |                   | <u>\$ 1,944,407</u>     |

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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#### **F. LONG-TERM OBLIGATIONS** (cont.)

##### **Revenue Debt** (cont.)

Revenue bond debt service requirements to maturity follows:

| December 31 | Principal           | Interest          | Total               |
|-------------|---------------------|-------------------|---------------------|
| 2020        | \$ 89,379           | \$ 35,580         | \$ 124,959          |
| 2021        | 91,053              | 33,891            | 124,944             |
| 2022        | 92,758              | 32,170            | 124,928             |
| 2023        | 94,495              | 30,417            | 124,912             |
| 2024        | 96,264              | 28,630            | 124,894             |
| 2025 - 2029 | 509,047             | 115,168           | 624,215             |
| 2030 - 2034 | 558,529             | 64,623            | 623,152             |
| 2035 - 2039 | 412,882             | 13,710            | 426,592             |
|             | <u>\$ 1,944,407</u> | <u>\$ 354,189</u> | <u>\$ 2,298,596</u> |

The Utility's outstanding revenue bonds from direct borrowings related to business type activities of \$1,944,407 contains provisions that in an event of default, outstanding amounts are recoverable by the State by deducting those amounts from any State payments due to the utility, adding a special charge to the amount of taxes apportioned to and levied upon the county in which the utility is located.

All utility revenues net of specified operating expenses are pledged as a security of the above revenue bonds until the bonds are defeased. Principal and interest paid for 2019 and 2018 was \$120,664 and \$12,338 respectively. Total customer net revenues as defined for the same period was \$2,444,685 and \$2,336,041 respectively. Annual principal and interest payments are expected to require 5.11% of net revenues on average.

##### **Capital Leases**

Refer to Note IV. G.

##### **Other Debt Information**

Estimated payments of compensated absences, net pension liability and net OPEB obligation are not included in the debt service requirement schedules. The portion of these liabilities attributable to governmental activities will be liquidated primarily by the general fund.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The city believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

**CITY OF NEW BERLIN**

**NOTES TO FINANCIAL STATEMENTS**  
As of and for the Year Ended December 31, 2019

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**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

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**G. LEASE DISCLOSURES**

***Lessee – Capital Leases***

In prior years, the city acquired capital assets through lease/purchase agreements. The gross amount of these assets under capital leases is \$63,116, which is included in capital assets in the governmental activities. The future minimum lease obligations and the net present value on these minimum lease payments as of December 31, 2019, are as follows:

|   | <u>Governmental<br/>Activities</u> |
|---|------------------------------------|
| 2020                                    | \$ 11,430                          |
| 2021                                    | 13,716                             |
| 2022                                    | <u>2,285</u>                       |
| Sub-Total                               | 27,431                             |
| Less: Amount representing interest      | <u>(924)</u>                       |
| Present Value of Minimum Lease Payments | <u>\$ 26,507</u>                   |

***Lessee – Operating Leases***

The city has no material operating leases with a remaining non-cancellable term exceeding one year.

***Lessor – Capital Leases***

The city has no material outstanding sales-type or direct financing leases.

***Lessor – Operating Leases***

The city leases New Berlin Hills Golf Course to Crown Golf Properties, L.P. The lease commenced January 1, 1995 for five-year term with a five-year renewal option. The renewal option has been exercised beginning January 1, 2005 for an additional five years. A second extension was signed covering the five year period starting January 1, 2010 with a five year renewal option. This lease was automatically rolled over in 2015. Annual rental is \$150,000 plus 65% of the annual net profit, as defined in the lease agreement, up to and including \$100,000 and 50% of the annual net profit in excess of \$100,000. Crown Golf Properties, L.P. has provided the city a \$50,000 irrevocable letter of credit as a security deposit and a performance bond. Rent income for 2019 was \$150,000; there was no excess payment in 2019.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)

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#### **H. NET POSITION**

Governmental activities net position reported on the government wide statement of net position at December 31, 2019 includes the following:

#### **Governmental Activities**

|   |                      |
|---|----------------------|
| Net Investment in capital assets                      |                      |
| Construction in progress                              | \$ 990,572           |
| Land  | 16,172,244           |
| Other capital assets, net of accumulated depreciation | 63,693,120           |
| Less: Long-term debt outstanding                      | (55,025,840)         |
| Plus: Unspent capital related debt proceeds           | 6,550,259            |
| Plus: Deferred charge on refunding                    | 23,139               |
| Total Net Investment in Capital Assets                | <u>32,403,494</u>    |
| Restricted for  |                      |
| Debt service  | 1,299,720            |
| Impact fees   | 130,514              |
| Wastewater RCA fees                                   | 1,793,589            |
| Culture and recreational programs                     | 1,551,393            |
| Public safety programs                                | 321,960              |
| Public works  | 1,055,477            |
| Community development                                 | 2,239                |
| Capital projects                                      | 1,360,833            |
| Total Restricted                                      | <u>7,515,725</u>     |
| Unrestricted  | <u>7,462,911</u>     |
| Total Governmental Activities Net Position            | <u>\$ 47,382,130</u> |

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

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**NOTE IV – DETAILED NOTES ON ALL FUNDS (cont.)**

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**H. NET POSITION (cont.)**

***Business-Type Activities***

Business-type activities net position reported on the government wide statement of net position at December 31, 2019 includes the following:

|   |                       |
|---|-----------------------|
| Net Investment in capital assets                      |                       |
| Construction work in progress                         | \$ 393,037            |
| Land  | 1,426,010             |
| Other capital assets, net of accumulated depreciation | 107,176,648           |
| Less: Long-term debt outstanding                      | (4,324,407)           |
| Plus: Deferred charge on refunding                    | 96,191                |
| Less: Unamortized debt premium                        | <u>(56,452)</u>       |
| Total Investment in Capital Assets                    | <u>104,711,027</u>    |
| Restricted for  |                       |
| Replacement   | <u>588,264</u>        |
| Total Restricted                                      | <u>588,264</u>        |
| Unrestricted  | <u>32,909,310</u>     |
| Total Business-type Activities Net Position           | <u>\$ 138,208,601</u> |

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION

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#### **A. EMPLOYEES' RETIREMENT SYSTEM**

##### **General Information about the Pension Plan**

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

EFT issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.goc/pulications/cafr.htm>.

**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 occupation employees, 62 for elected officials and executive service retirement participants, if hired on or before 12/31/2016) are entitled to retirement benefit based on a formula factor, their average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings period. 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 actuarially reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE V – OTHER INFORMATION (cont.)**

**A. EMPLOYEES’ RETIREMENT SYSTEM (cont.)**

**Post-retirement adjustments.** The Employee Trust Fund 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:

| Year | Core Fund Adjustment | Variable Fund Adjustment |
|------|----------------------|--------------------------|
| 2009 | (2.1)%               | (42.0)%                  |
| 2010 | (1.3)                | 22.0                     |
| 2011 | (1.2)                | 11.0                     |
| 2012 | (7.0)                | (7.0)                    |
| 2013 | (9.6)                | 9.0                      |
| 2014 | 4.7                  | 25.0                     |
| 2015 | 2.9                  | 2.0                      |
| 2016 | 0.5                  | (5.0)                    |
| 2017 | 2.0                  | 4.0                      |
| 2018 | 2.4                  | 17.0                     |

**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. 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 \$1,499,516 in contributions from the city.

Contribution rates for the plan year reported as of December 31, 2019 are:

| <u>Employee Category</u>                 | <u>Employee</u> | <u>Employer</u> |
|--|-----------------|-----------------|
| General (Executives & Elected Officials) | 6.7%            | 6.7%            |
| Protective with Social Security          | 6.7%            | 10.7%           |
| Protective without Social Security       | 6.7%            | 14.9%           |

## CITY OF NEW BERLIN

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

#### NOTE V – OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

#### ***Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

At December 31, 2019 the city reported a liability of \$5,050,102 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the city's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the city's proportion was 0.14194906%, which was an increase of 0.00367526% from its' proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the city recognized pension expense of \$3,405,094.

At December 31, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> |
|---|---|--|
| Differences between projected and actual experiences  | \$ 3,933,265                                  | \$ 6,952,598                                 |
| Changes of actuarial assumptions  | 851,262                                       | -  |
| Net differences between projected and actual investment earnings on pension plan investment.                  | 7,375,328                                     | -  |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 14,562  | 20,174                                       |
| Employer contributions subsequent to measurement date   | <u>1,521,710</u>                              | <u>-</u>                                     |
| Total   | <u>\$ 13,696,127</u>                          | <u>\$ 6,972,772</u>                          |

## CITY OF NEW BERLIN

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

#### NOTE V – OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

\$1,521,710 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 asset in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

| Year ended<br>December 31: | Deferred Outflows<br>of Resources and<br>Deferred Inflows of<br>Resources (net) |
|----------------------------|---|
| 2020                       | \$ 1,891,169  |
| 2021                       | 469,907   |
| 2022                       | 822,467   |
| 2023                       | 2,018,102   |

**Actuarial assumptions.** The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

|   |                                |
|---|--------------------------------|
| Actuarial Valuation Date                  | December 31, 2017              |
| Measurement Date of Net Pension Liability | December 31, 2018              |
| Actuarial Cost Method:                    | Entry Age Normal               |
| Asset Valuation Method:                   | Fair Value                     |
| Long-Term Expected Rate of Return         | 7.0%                           |
| Discount Rate:                            | 7.0%                           |
| Salary Increases:                         |                                |
| Inflation                                 | 3.0%                           |
| Seniority/Merit                           | 0.1% -5.6%                     |
| Mortality:                                | Wisconsin 2018 Mortality Table |
| Post-retirement Adjustments*              | 1.9%                           |

*\*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

## CITY OF NEW BERLIN

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

#### NOTE V – OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. 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, wage inflation rate, mortality and separation rates. The Total Pension Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 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:

| <u>Core Fund Asset Class</u>     | <u>Asset Allocation %</u> | <u>Long-Term Expected Nominal Rate of Return %</u> | <u>Long-Term Expected Real Rate of Return %</u> |
|----------------------------------|---------------------------|--|---|
| Global Equities                  | 49.0%                     | 8.1%   | 5.5%  |
| Fixed Income                     | 24.5                      | 4.0  | 1.5   |
| Inflation Sensitive Assets       | 15.5                      | 3.8  | 1.3   |
| Real Estate                      | 9.0                       | 6.5  | 3.9   |
| Private Equity/Debt              | 8.0                       | 9.4  | 6.7   |
| Multi-Asset                      | 4.0                       | 6.7  | 4.1   |
| Total Core Fund                  | 110                       | 7.3  | 4.7   |
| <u>Variable Fund Asset Class</u> |                           |  |   |
| US Equities                      | 70                        | 7.6  | 5.0   |
| International Equities           | 30                        | 8.5  | 5.9   |
| Total Variable Fund              | 100                       | 8.0  | 5.4   |

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%  
Asset allocations are managed within established ranges, target percentages may differ from monthly allocations.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE V – OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

**Single discount rate.** A single discount rate of 7.00% was used to measure the Total Pension Liability, as opposed to a discount rate of 7.20% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% 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 city's proportionate share of the net pension liability (asset) to changes in the discount rate.** The following presents the city's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the city'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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

| 1% Decrease to<br>Discount Rate<br>(6.00%) | Current Discount<br>Rate (7.00%) | 1% Increase to<br>Discount Rate<br>(8.00%) |
|--|----------------------------------|--|
|--|----------------------------------|--|

The City's proportionate share of the

|                               |               |              |                |
|-------------------------------|---------------|--------------|----------------|
| net pension liability (asset) | \$ 20,069,636 | \$ 5,050,102 | \$ (6,118,085) |
|-------------------------------|---------------|--------------|----------------|

**Pension plan fiduciary net position.** Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

At December 31, 2019, the city reported a payable to the pension plan of \$213,052, which represents contractually required contributions outstanding as of the end of the year.

#### B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The city purchases general, auto liability/physical damage and workers compensation insurance from the Cities and Villages Mutual Insurance Company (CVMIC). The City purchases commercial insurance for all other risks. There have been no significant reductions in insurance coverage for any risk of loss in the past year and settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

### NOTE V – OTHER INFORMATION (cont.)

#### **B. RISK MANAGEMENT** (cont.)

In 1987, the City invested \$802,060 for participation in the Wisconsin Municipal Insurance commission (WMIC). The WMIC is an intergovernmental cooperation commission formed to facilitate the formation of Cities and Villages Mutual Insurance Company (CVMIC). CVMIC is a separate and distinct entity independent of the WMIC and owned by the participating cities and villages of the WMIC. CVMIC was formed to provide liability insurance to Wisconsin municipalities as of January 1, 1988.

CVMIC provides the City with \$5,000,000 of liability coverage for losses over its self-insurance retention level of \$50,000 per occurrence with a \$200,000 annual aggregate stop loss.

An annual premium is charged to cover expected claims and administrative costs. The claims component of the premium is determined by independent actuaries and allocated among the participating municipalities based on payroll and loss history. The City and other participating cities and villages are subject to cover loss experiences that exceed predictions through retrospective assessments.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The city does not exercise any control over the activities of the agencies beyond the election of the officers and board.

At December 31, 2019 the Risk Management Fund, an Internal Service Fund had net position of \$1,143,250 available for future claims related to prior years. The balance includes \$416,621 in cash and \$802,060 in non-cash assets.

The City has recorded an unpaid claims liability for claims that have occurred but are not settled and for claims incurred by not recorded (IBNR). This liability is based upon estimates from an annual actuarial study. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

Changes in the fund's unpaid claims liability amount in fiscal 2018 and 2019 were:

|      | Beginning<br>Balance | Current Claims<br>and Changes<br>in Estimates | Claims<br>Paid/<br>Settled | Ending<br>Balance |
|------|----------------------|---|----------------------------|-------------------|
| 2018 | \$ 44,084            | \$ 40,891                                     | \$ 7,252                   | \$ 77,723         |
| 2019 | 77,723               | 22,389  | 20,097                     | 80,015            |

The City's percentage participation in WMIC and CVMIC at December 31, 2019 was 1.7%. Percentage participation can be affected by acceptance of new members to WMIC and CVMIC. Upon dissolution, the City would be entitled to a lump sum payment from CVMIC that may vary significantly from the amount of its deposit referred to above, based on the then financial condition of CVMIC.

Financial statements of WMIC and CVMIC can be obtained directly from CVMIC offices.

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

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**NOTE V – OTHER INFORMATION (cont.)**

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**C. COMMITMENTS AND CONTINGENCIES**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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

***Federal and State Grants***

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

***Construction Commitments***

The city has active construction projects as of December 31, 2019. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures.

***Impact Fees***

The city receives impact fees for new development projects. The fees are to be used to fund specific projects within a specific period of time. In the event the projects are not completed or the time period elapses, the city will be required to refund the impact fees to the owners of the property on which the fees were originally charged.

***Encumbrances***

The City has the following encumbrances outstanding at year end, relating to funds on hand:

|              |           |
|--------------|-----------|
| General Fund | \$143,455 |
|--------------|-----------|

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION (cont.)

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#### **D. OTHER POSTEMPLOYMENT BENEFITS**

##### **General Information about the OPEB Plan**

**Plan Description.** The city's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the city. RBP is a single-employer defined benefit OPEB plan administered by the city. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Common Council.

**Benefits provided.** The city's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. The result is another postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy.

**Employees covered by benefit terms.** At December 31, 2019 the following employees were covered by the benefit terms:

|   |            |
|---|------------|
| Inactive plan members or beneficiaries currently receiving benefit payments | 21         |
| Active plan members   | <u>162</u> |
|   | <u>183</u> |

**Contributions.** Contribution requirements are established through collective bargaining agreements and other city agreements, and may be amended only through negotiations between city and the union, or for non-union employees pursuant to employment policies adopted by the Common Council.

##### **Investments**

**Investment policy.** The City is authorized to invest funds of the RBP only in investments which the District is permitted to make under Section 66.0603 of the Wisconsin state statutes. See Note IV.A for further information.

**Concentrations.** All OPEB plan assets have been invested in an interest bearing account.

**Rate of return.** The annual money-weighted rate of return on investments, net of investment expense, was 21 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

##### **Net OPEB Liability**

The City's net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018 which was rolled forward to December 31, 2019.

## CITY OF NEW BERLIN

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

#### NOTE V – OTHER INFORMATION (cont.)

##### **D. OTHER POSTEMPLOYMENT BENEFITS** (cont.)

**Actuarial assumptions and other inputs.** The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|  |                                |
|--|--------------------------------|
| Actuarial Valuation Date               | December 31, 2019              |
| Measurement Date of Net OPEB Liability | December 31, 2019              |
| Actuarial Cost Method                  | Entry Age                      |
| Long-Term Expected Rate of Return      | 5.00%                          |
| Discount Rate:                         |                                |
| General Employees                      | 3.26%                          |
| Police Employees                       | 5.00%                          |
| Healthcare Cost Trend Rates            | 5.00% for 2019 and beyond      |
| Salary Increases:                      |                                |
| Merit and Cost of Living               | 3.0%                           |
| Mortality:                             | Wisconsin 2018 Mortality Table |

##### **CHANGES IN THE TOTAL AND NET OPEB LIABILITY**

|                                       | Total OPEB<br>Liability | Plan Fiduciary<br>Net Position | Net OPEB<br>Liability |
|---------------------------------------|-------------------------|--------------------------------|-----------------------|
| Balances at December 31, 2018         | \$ 7,600,041            | \$ 1,022,724                   | \$6,577,317           |
| Changes for the year:                 |                         |                                |                       |
| Service cost                          | 291,725                 | -                              | 291,725               |
| Interest cost                         | 265,098                 | -                              | 265,098               |
| Differences between Expected & Actual | (156,478)               | -                              | (156,478)             |
| Changes in assumptions                | (708,976)               | -                              | (708,976)             |
| Contributions - employer              | -                       | 81,238                         | (81,238)              |
| Net investment income (loss)          | -                       | 226,996                        | (226,996)             |
| Estimated Benefit payments            | (351,574)               | (47,450)                       | (304,124)             |
| Administrative expense                | -                       | (10,696)                       | 10,696                |
| Net Changes                           | (660,205)               | 250,088                        | (910,293)             |
| Balances at December 31, 2019         | <u>\$ 6,939,836</u>     | <u>\$ 1,272,812</u>            | <u>\$5,667,024</u>    |

**CITY OF NEW BERLIN**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2019

**NOTE V – OTHER INFORMATION (cont.)**

**D. OTHER POSTEMPLOYMENT BENEFITS (cont.)**

**Sensitivity of the net OPEB liability to changes in the discount rate.** The following presents the net OPEB liability of the city, as well as what the city’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26 percent) or 1-percentage-point higher (4.26 percent) than the current rate:

|                             | 1% Decrease<br>(2.26%) | Discount Rate<br>(3.26%) | 1% Increase<br>(4.26%) |
|-----------------------------|------------------------|--------------------------|------------------------|
| Total OPEB liability        | \$ 7,350,433           | \$ 6,939,836             | \$ 6,554,883           |
| Plan Fiduciary Net Position | 1,272,812              | 1,272,812                | 1,272,812              |
| Net OPEB liability          | \$ 6,077,621           | \$ 5,667,024             | \$ 5,282,071           |

**Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.** The following presents the net OPEB liability of the city, as well as what the city’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4 percent) or 1-percentage-point higher (6 percent) than the current rate:

|                             | 1% Decrease<br>(4.5% Decreasing<br>to 4.0%) | Healthcare Cost<br>Trend Rates<br>(5.5% Decreasing<br>to 5.0%) | 1% Increase<br>(6.5% Decreasing<br>to 6.0%) |
|-----------------------------|---|--|---|
| Total OPEB liability        | \$ 6,529,538                                | \$ 6,939,836   | \$ 7,440,284                                |
| Plan Fiduciary Net Position | 1,272,812                                   | 1,272,812  | 1,272,812                                   |
| Net OPEB liability          | \$ 5,256,726                                | \$ 5,667,024   | \$ 6,167,472                                |

**OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES  
RELATED TO OPEB**

For the year ended December 31, 2019, the city recognized OPEB expense of \$368,912. At December 31, 2019, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following resources:

|  | Deferred<br>Outflows of<br>Resources | Deferred<br>Inflows of<br>Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ -                                 | \$ 144,423                          |
| Differences between projected and actual earnings  | 72,337                               | 202,790                             |
| Changes in assumptions                             | 223,748                              | 1,066,312                           |
| Total  | \$ 296,085                           | \$ 1,413,525                        |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

# CITY OF NEW BERLIN

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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### NOTE V – OTHER INFORMATION (cont.)

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#### **D. OTHER POSTEMPLOYMENT BENEFITS (cont.)**

| <u>Year Ended December 31:</u> | <u>Deferred Outflow of<br/>Resources and<br/>Deferred Inflow of<br/>Resources (Net)</u> |
|--------------------------------|---|
| 2020                           | \$ (134,225)  |
| 2021                           | (134,223)   |
| 2022                           | (102,155)   |
| 2023                           | (126,266)   |
| 2024                           | (91,604)  |
| Thereafter                     | (528,967)   |

#### **E. JOINT TRUST**

In 1997, the City and the New Berlin Professional Police Association (Association) entered into an agreement to establish a plan to pay a retiree health care insurance premium subsidy and to create the City of New Berlin Police Retiree Health Care Trust (Trust) for the accumulation of funds from which to pay the subsidy benefits. The City and Association are joint trustees with the Association as the plan administrator. The Trust document names the City trustee as custodian of the Trust; however in practice the Association trustee administers and performs all functions of the Trust including custodian of the Trust. The City trustee's only involvement is the payment of the annual contribution to the Trust and signing checks for the subsidy payment which requires the signature of both trustees. The annual contribution for 2019 was \$81,238. The estimated fair value of the Trust assets at December 31, 2019 is \$1,272,812.

#### **F. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS**

The Governmental Accounting Standards Board (GASB) has approved the following:

- > Statement No. 87, Leases
- > Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- > Statement No. 91, *Conduit Debt Obligations*
- > Statement No. 92, Omnibus
- > Statement No. 93, Replacement of Interbank Offered Rates
- > Statement No. 94, Public-Private and Public-Public Relationships and Availability Payment Arrangements

When they become effective, application of these standards may restate portions of these financial statements.

The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, Postponement of Effective Dates of Certain Authoritative Guidance, with the exception of Statement No. 87 which was postponed by one and a half years.

**REQUIRED SUPPLEMENTARY INFORMATION**

## CITY OF NEW BERLIN

### SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS As of December 31, 2019

|   | 2017                | 2018                | 2019                |
|---|---------------------|---------------------|---------------------|
| <b>Total OPEB Liability</b>   |                     |                     |                     |
| Service cost  | \$ 322,755          | \$ 359,674          | \$ 291,725          |
| Interest  | 276,701             | 246,743             | 265,098             |
| Differences between expected and actual experience                      | -                   | -                   | (156,478)           |
| Changes of assumptions  | 312,656             | (521,085)           | (708,976)           |
| Benefit payments  | <u>(296,709)</u>    | <u>(322,850)</u>    | <u>(351,574)</u>    |
| <b>Net Change in Total OPEB Liability</b>                               | 615,403             | (237,518)           | (660,205)           |
| <b>Total OPEB Liability - Beginning</b>                                 | <u>7,222,156</u>    | <u>7,837,559</u>    | <u>7,600,041</u>    |
| <b>Total OPEB Liability - Ending (a)</b>                                | <u>\$ 7,837,559</u> | <u>\$ 7,600,041</u> | <u>\$ 6,939,836</u> |
| <br>  |                     |                     |                     |
| <b>Plan Fiduciary Net Position</b>                                      |                     |                     |                     |
| Employer contributions  | \$ 78,855           | \$ 80,038           | \$ 81,238           |
| Net investment income (loss)  | 205,176             | (63,603)            | 226,996             |
| Benefit Payments  | (95,351)            | (30,557)            | (47,450)            |
| Administrative expenses   | <u>(10,473)</u>     | <u>(11,783)</u>     | <u>(10,696)</u>     |
| <b>Net Change in Plan Fiduciary Net Position</b>                        | 178,207             | (25,905)            | 250,088             |
| <b>Fiduciary Net Position - Beginning</b>                               | <u>870,422</u>      | <u>1,048,629</u>    | <u>1,022,724</u>    |
| <b>Fiduciary Net Position - Ending (b)</b>                              | <u>\$ 1,048,629</u> | <u>\$ 1,022,724</u> | <u>\$ 1,272,812</u> |
| <br>  |                     |                     |                     |
| <b>Net OPEB Liability - Ending (a) - (b)</b>                            | <u>\$ 6,788,930</u> | <u>\$ 6,577,317</u> | <u>\$ 5,667,024</u> |
| <br>  |                     |                     |                     |
| <b>Covered-employee payroll</b>   | \$ 11,176,567       | \$ 11,511,864       | \$ 11,319,221       |
| <br>  |                     |                     |                     |
| <b>Total OPEB liability as a percentage of covered-employee payroll</b> | 60.74%              | 57.14%              | 50.07%              |

**Notes to Schedule:**

The City implemented GASB Statement No. 74 and No. 75 in fiscal year 2017. Information prior to fiscal year 2017 is not available. Additional years will be added prospectively until 10 years are presented.

See independent auditors' report.

**CITY OF NEW BERLIN**

SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB PLAN  
As of December 31, 2019

|  | 2017          | 2018          | 2019          |
|--|---------------|---------------|---------------|
| Actuarially contractual determined contribution                      | \$ 78,855     | \$ 80,038     | \$ 81,238     |
| Contributions in relation to the actuarially determined contribution | 78,855        | 80,038        | 81,238        |
| Contribution deficiency (excess)                                     | \$ -          | \$ -          | \$ -          |
| Covered-employee payroll   | \$ 11,176,567 | \$ 11,511,864 | \$ 11,319,221 |
| Contributions as a percentage of covered-employee payroll            | 0.71%         | 0.70%         | 0.72%         |

**Notes to Schedule**

**Valuation date:**

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

|                             |   |
|-----------------------------|---|
| Actuarial cost method       | Entry age   |
| Amortization method         | Fair market value   |
| Healthcare cost trend rates | 5.0 percent initial, decreasing 0.5 percent per year to an ultimate rate of 5.0 percent   |
| Salary increases            | 3.0 percent, average, including inflation   |
| Retirement age              | In the 2017 actuarial valuation, expected retirement ages of general employees were adjusted to more closely reflect actuarial experience.  |
| Mortality                   | The 2019 actuarial valuations, assumed life expectancies were adjusted as a result of using the Wisconsin 2018 Mortality Table with generational projection using 60% of Scale MP-2018. |

**Other information:**

The City implemented GASB Statement No. 74 and No. 75 in fiscal year 2017. Information prior to fiscal year 2017 is not available. Additional years will be added prospectively until 10 years are presented.

See independent auditors' report.

**CITY OF NEW BERLIN**

SCHEDULE OF THE CITY OF NEW BERLIN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
WISCONSIN RETIREMENT SYSTEM  
For the Year Ended December 31, 2019

| Plan Fiscal Year Ending | 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 Covered Payroll | Plan Fiduciary Net Position as a Percentage of the Total Pension Liability |
|-------------------------|---|--|-----------------|---|--|
| 12/31/14                | 0.134433880%                                    | \$ (2,302,064)   | \$ 15,084,689   | 21.89%  | 102.74%  |
| 12/31/15                | 0.133820430%                                    | 2,174,556  | 15,767,562      | 13.79%  | 98.20%   |
| 12/31/16                | 0.134003610%                                    | 1,104,510  | 15,709,595      | 7.03%   | 99.12%   |
| 12/31/17                | 0.138273800%                                    | (4,105,513)  | 16,589,276      | 24.75%  | 102.93%  |
| 12/31/18                | 0.141949060%                                    | 5,050,102  | 16,880,777      | 29.92%  | 96.45%   |

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM  
For the Year Ended December 31, 2019

| City Fiscal Year Ending | Contractually Required Contributions | Contributions in Relation to the Contractually Required Contributions | Contribution Deficiency (Excess) | Covered Payroll | Contributions as a Percentage of Covered Payroll |
|-------------------------|--------------------------------------|---|----------------------------------|-----------------|--|
| 12/31/15                | \$ 1,297,584                         | \$ 1,297,584  | \$ -                             | \$ 15,767,562   | 8.23%  |
| 12/31/16                | 1,276,131                            | 1,276,131   | -                                | 15,709,595      | 8.12%  |
| 12/31/17                | 1,473,147                            | 1,473,147   | -                                | 16,589,276      | 8.88%  |
| 12/31/18                | 1,499,516                            | 1,499,516   | -                                | 16,880,777      | 8.88%  |
| 12/31/19                | 1,521,710                            | 1,521,710   | -                                | 17,420,634      | 8.74%  |

**Wisconsin Retirement System**

The amounts presented in relation to the schedule of employer's proportionate share of the net pension liability and the schedule of employer contributions represents the specific data of the City. The information was derived using a combination of the employer's contribution data along with data provided by the Wisconsin Retirement System in relation to the City as a whole.

The City is required to present the last ten years data; however accounting standards allow the City to present as many years as are available until ten fiscal years are presented.

*Changes of benefit terms.* There were no changes of benefit terms for any participating employer in Wisconsin Retirement System.

*Changes of assumptions.* Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

See independent auditors' report.

**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET

As of December 31, 2019

|  | Special Revenue Funds          |                       |                       |                                |
|--|--------------------------------|-----------------------|-----------------------|--------------------------------|
|  | Park and<br>Open Space<br>Fund | Trail<br>Fees<br>Fund | Impact<br>Fee<br>Fund | Wastewater<br>RCA Fees<br>Fund |
| <b>ASSETS</b>  |                                |                       |                       |                                |
| Cash and investments   | \$ 1,372,237                   | \$ 18,214             | \$ 130,514            | \$ 1,793,589                   |
| Taxes receivable   | -                              | -                     | -                     | -                              |
| Accounts receivable  | -                              | -                     | -                     | -                              |
| Special assessments receivable   | -                              | -                     | -                     | -                              |
| <b>TOTAL ASSETS</b>  | <u>\$ 1,372,237</u>            | <u>\$ 18,214</u>      | <u>\$ 130,514</u>     | <u>\$ 1,793,589</u>            |
| <b>LIABILITIES</b>   |                                |                       |                       |                                |
| Accounts payable   | -                              | 18,214                | -                     | -                              |
| Unearned revenues  | -                              | -                     | -                     | -                              |
| <b>Total Liabilities</b>   | <u>-</u>                       | <u>18,214</u>         | <u>-</u>              | <u>-</u>                       |
| <b>DEFERRED INFLOWS OF RESOURCES</b>   |                                |                       |                       |                                |
| Unearned revenues  | -                              | -                     | -                     | -                              |
| Unavailable revenues   | -                              | -                     | -                     | -                              |
| <b>Total Deferred Inflows of Resources</b>   | <u>-</u>                       | <u>-</u>              | <u>-</u>              | <u>-</u>                       |
| <b>FUND BALANCES</b>   |                                |                       |                       |                                |
| Restricted   | 1,372,237                      | -                     | 130,514               | 1,793,589                      |
| Committed  | -                              | -                     | -                     | -                              |
| Assigned   | -                              | -                     | -                     | -                              |
| Unassigned   | -                              | -                     | -                     | -                              |
| <b>Total Fund Balances</b>   | <u>1,372,237</u>               | <u>-</u>              | <u>130,514</u>        | <u>1,793,589</u>               |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS OF RESOURCES,<br/>AND FUND BALANCES</b> | <u>\$ 1,372,237</u>            | <u>\$ 18,214</u>      | <u>\$ 130,514</u>     | <u>\$ 1,793,589</u>            |

Special Revenue Funds

| Golf<br>Course<br>Fund | Fourth of<br>July<br>Fund | Concession<br>Stand<br>Fund | Park &<br>Recreation<br>Fund | Police<br>Fund    | Fire<br>Fund     |
|------------------------|---------------------------|-----------------------------|------------------------------|-------------------|------------------|
| \$ 284,426             | \$ 117,478                | \$ 13,030                   | \$ 26,024                    | \$ 286,406        | \$ 27,091        |
| -                      | -                         | -                           | -                            | -                 | -                |
| -                      | -                         | -                           | -                            | -                 | -                |
| <u>284,426</u>         | <u>117,478</u>            | <u>13,030</u>               | <u>26,024</u>                | <u>286,406</u>    | <u>27,091</u>    |
| 258                    | 47                        | 55                          | -                            | 2,333             | 3,830            |
| -                      | -                         | -                           | -                            | -                 | -                |
| <u>258</u>             | <u>47</u>                 | <u>55</u>                   | <u>-</u>                     | <u>2,333</u>      | <u>3,830</u>     |
| -                      | -                         | -                           | 250                          | -                 | -                |
| -                      | -                         | -                           | -                            | -                 | -                |
| -                      | -                         | -                           | 250                          | -                 | -                |
| -                      | 117,431                   | -                           | 25,774                       | 284,073           | 23,261           |
| 284,168                | -                         | 12,975                      | -                            | -                 | -                |
| -                      | -                         | -                           | -                            | -                 | -                |
| -                      | -                         | -                           | -                            | -                 | -                |
| <u>284,168</u>         | <u>117,431</u>            | <u>12,975</u>               | <u>25,774</u>                | <u>284,073</u>    | <u>23,261</u>    |
| <u>\$ 284,426</u>      | <u>\$ 117,478</u>         | <u>\$ 13,030</u>            | <u>\$ 26,024</u>             | <u>\$ 286,406</u> | <u>\$ 27,091</u> |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
(Concluded)  
As of December 31, 2019

|   | Special Revenue Funds |                               |                   |                                 |
|---|-----------------------|-------------------------------|-------------------|---------------------------------|
|   | Mayor<br>Fund         | Special<br>Assessment<br>Fund | Landscape<br>Fund | Building<br>Maintenance<br>Fund |
| <b>ASSETS</b>   |                       |                               |                   |                                 |
| Cash and investments  | \$ 2,239              | \$ -                          | \$ 425,953        | \$ 384,874                      |
| Taxes receivable  | -                     | -                             | -                 | -                               |
| Accounts receivable   | -                     | -                             | -                 | 907                             |
| Special assessments receivable  | -                     | 14,159                        | -                 | -                               |
| <b>TOTAL ASSETS</b>   | <u>\$ 2,239</u>       | <u>\$ 14,159</u>              | <u>\$ 425,953</u> | <u>\$ 385,781</u>               |
| <b>LIABILITIES</b>  |                       |                               |                   |                                 |
| Accounts payable  | -                     | -                             | -                 | 5,701                           |
| Unearned revenues   | -                     | -                             | -                 | -                               |
| <b>Total Liabilities</b>  | <u>-</u>              | <u>-</u>                      | <u>-</u>          | <u>5,701</u>                    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                       |                               |                   |                                 |
| Unearned revenues   | -                     | -                             | -                 | -                               |
| Unavailable revenues  | -                     | 14,159                        | -                 | -                               |
| <b>Total Deferred inflows of Resources</b>  | <u>-</u>              | <u>14,159</u>                 | <u>-</u>          | <u>-</u>                        |
| <b>FUND BALANCES (DEFICITS)</b>   |                       |                               |                   |                                 |
| Restricted  | 2,239                 | -                             | -                 | 380,080                         |
| Committed   | -                     | -                             | 425,953           | -                               |
| Assigned  | -                     | -                             | -                 | -                               |
| Unassigned (deficit)  | -                     | -                             | -                 | -                               |
| <b>Total Fund Balances (Deficits)</b>   | <u>2,239</u>          | <u>-</u>                      | <u>425,953</u>    | <u>380,080</u>                  |
| <b>TOTAL LIABILITIES, DEFERRED<br/>INFLOWS OF RESOURCES,<br/>AND FUND BALANCES (DEFICITS)</b> | <u>\$ 2,239</u>       | <u>\$ 14,159</u>              | <u>\$ 425,953</u> | <u>\$ 385,781</u>               |

| Special Revenue Funds |                     |                             |                  |                  |                         | Capital Projects Fund |                            | Total Nonmajor Funds |
|-----------------------|---------------------|-----------------------------|------------------|------------------|-------------------------|-----------------------|----------------------------|----------------------|
| Technology Fee Fund   | Room Tax Grant Fund | Tax Increment District Fund | Grant Fund       | Library Fund     | Garbage/ Recycling Fund | Equipment Fund        | Equipment Replacement Fund |                      |
| \$ 79,341             | \$ -                | \$ 4,055                    | \$ (6,780)       | \$ 39,201        | \$ 1,186,893            | \$ 980,753            | \$ 200,386                 | \$ 7,365,924         |
| -                     | -                   | 213,414                     | -                | -                | -                       | -                     | -                          | 213,414              |
| -                     | -                   | -                           | 21,450           | -                | 240                     | -                     | -                          | 22,597               |
| -                     | -                   | -                           | -                | -                | -                       | -                     | -                          | 14,159               |
| <u>\$ 79,341</u>      | <u>\$ -</u>         | <u>\$ 217,469</u>           | <u>\$ 14,670</u> | <u>\$ 39,201</u> | <u>\$ 1,187,133</u>     | <u>\$ 980,753</u>     | <u>\$ 200,386</u>          | <u>\$ 7,616,094</u>  |
| 998                   | -                   | 44,432                      | 44               | 3,250            | 131,224                 | -                     | 41,947                     | 252,333              |
| -                     | -                   | -                           | -                | -                | 432                     | -                     | -                          | 432                  |
| <u>998</u>            | <u>-</u>            | <u>44,432</u>               | <u>44</u>        | <u>3,250</u>     | <u>131,656</u>          | <u>-</u>              | <u>41,947</u>              | <u>252,765</u>       |
| -                     | -                   | 213,414                     | -                | -                | -                       | -                     | -                          | 213,664              |
| -                     | -                   | -                           | -                | -                | -                       | -                     | -                          | 14,159               |
| -                     | -                   | 213,414                     | -                | -                | -                       | -                     | -                          | 227,823              |
| -                     | -                   | -                           | 14,626           | 35,951           | 1,055,477               | 980,753               | -                          | 6,216,005            |
| 78,343                | -                   | -                           | -                | -                | -                       | -                     | -                          | 801,439              |
| -                     | -                   | -                           | -                | -                | -                       | -                     | 158,439                    | 158,439              |
| -                     | -                   | (40,377)                    | -                | -                | -                       | -                     | -                          | (40,377)             |
| <u>78,343</u>         | <u>-</u>            | <u>(40,377)</u>             | <u>14,626</u>    | <u>35,951</u>    | <u>1,055,477</u>        | <u>980,753</u>        | <u>158,439</u>             | <u>7,135,506</u>     |
| <u>\$ 79,341</u>      | <u>\$ -</u>         | <u>\$ 217,469</u>           | <u>\$ 14,670</u> | <u>\$ 39,201</u> | <u>\$ 1,187,133</u>     | <u>\$ 980,753</u>     | <u>\$ 200,386</u>          | <u>\$ 7,616,094</u>  |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

For the Year Ended December 31, 2019

|   | Special Revenue Funds          |                       |                       |                                |
|---|--------------------------------|-----------------------|-----------------------|--------------------------------|
|   | Park and<br>Open Space<br>Fund | Trail<br>Fees<br>Fund | Impact<br>Fee<br>Fund | Wastewater<br>RCA Fees<br>Fund |
| <b>REVENUES</b>                                   |                                |                       |                       |                                |
| Room taxes  | \$ -                           | \$ -                  | \$ -                  | \$ -                           |
| Intergovernmental                                 | -                              | -                     | -                     | -                              |
| Public charges for services                       | -                              | -                     | -                     | -                              |
| Public improvement revenues                       | 20,582                         | -                     | 34,045                | -                              |
| Investment income                                 | 29,448                         | -                     | 2,968                 | 38,526                         |
| Miscellaneous revenues                            | -                              | -                     | -                     | -                              |
| Total Revenues                                    | <u>50,030</u>                  | <u>-</u>              | <u>37,013</u>         | <u>38,526</u>                  |
| <b>EXPENDITURES</b>                               |                                |                       |                       |                                |
| Current   |                                |                       |                       |                                |
| General government                                | -                              | -                     | -                     | -                              |
| Protection of persons and property                | -                              | -                     | -                     | -                              |
| Public works                                      | -                              | -                     | -                     | -                              |
| Library   | -                              | -                     | -                     | -                              |
| Parks and recreation                              | 70                             | -                     | -                     | -                              |
| Conservation and development                      | -                              | -                     | -                     | -                              |
| Capital Outlay                                    | 4,000                          | -                     | -                     | -                              |
| Total Expenditures                                | <u>4,070</u>                   | <u>-</u>              | <u>-</u>              | <u>-</u>                       |
| Excess (deficiency) of revenues over expenditures | <u>45,960</u>                  | <u>-</u>              | <u>37,013</u>         | <u>38,526</u>                  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                                |                       |                       |                                |
| Transfers in                                      | -                              | -                     | -                     | -                              |
| Transfers out                                     | -                              | -                     | (25,000)              | -                              |
| Total Other Financing Sources (Uses)              | <u>-</u>                       | <u>-</u>              | <u>(25,000)</u>       | <u>-</u>                       |
| Net Change in Fund Balances                       | 45,960                         | -                     | 12,013                | 38,526                         |
| FUND BALANCES (DEFICIT) -                         |                                |                       |                       |                                |
| Beginning of Year                                 | <u>1,326,277</u>               | <u>-</u>              | <u>118,501</u>        | <u>1,755,063</u>               |
| <b>FUND BALANCES - (DEFICIT)<br/>END OF YEAR</b>  | <u>\$ 1,372,237</u>            | <u>\$ -</u>           | <u>\$ 130,514</u>     | <u>\$ 1,793,589</u>            |

Special Revenue Funds

| Golf<br>Course<br>Fund | Fourth of<br>July<br>Fund | Concession<br>Stand<br>Fund | Park &<br>Recreation<br>Fund | Police<br>Fund    | Fire<br>Fund     |
|------------------------|---------------------------|-----------------------------|------------------------------|-------------------|------------------|
| \$ -                   | \$ -                      | \$ -                        | \$ -                         | \$ -              | \$ -             |
| -                      | -                         | -                           | -                            | 60,788            | 6,790            |
| -                      | -                         | -                           | -                            | -                 | -                |
| -                      | -                         | -                           | -                            | -                 | -                |
| 9,102                  | -                         | -                           | -                            | 3,055             | -                |
| <u>150,000</u>         | <u>93,883</u>             | <u>15,549</u>               | <u>31,496</u>                | <u>58,615</u>     | <u>15,904</u>    |
| <u>159,102</u>         | <u>93,883</u>             | <u>15,549</u>               | <u>31,496</u>                | <u>122,458</u>    | <u>22,694</u>    |
| -                      | -                         | -                           | -                            | -                 | -                |
| -                      | -                         | -                           | -                            | 134,769           | 20,093           |
| -                      | -                         | -                           | -                            | -                 | -                |
| -                      | -                         | -                           | -                            | -                 | -                |
| 5,868                  | 49,753                    | 25,489                      | 28,311                       | -                 | -                |
| -                      | -                         | -                           | -                            | -                 | -                |
| <u>61,757</u>          | <u>-</u>                  | <u>-</u>                    | <u>-</u>                     | <u>36,839</u>     | <u>-</u>         |
| <u>67,625</u>          | <u>49,753</u>             | <u>25,489</u>               | <u>28,311</u>                | <u>171,608</u>    | <u>20,093</u>    |
| <u>91,477</u>          | <u>44,130</u>             | <u>(9,940)</u>              | <u>3,185</u>                 | <u>(49,150)</u>   | <u>2,601</u>     |
| -                      | -                         | -                           | -                            | -                 | -                |
| <u>(238,550)</u>       | <u>-</u>                  | <u>-</u>                    | <u>-</u>                     | <u>-</u>          | <u>-</u>         |
| <u>(238,550)</u>       | <u>-</u>                  | <u>-</u>                    | <u>-</u>                     | <u>-</u>          | <u>-</u>         |
| (147,073)              | 44,130                    | (9,940)                     | 3,185                        | (49,150)          | 2,601            |
| <u>431,241</u>         | <u>73,301</u>             | <u>22,915</u>               | <u>22,589</u>                | <u>333,223</u>    | <u>20,660</u>    |
| <u>\$ 284,168</u>      | <u>\$ 117,431</u>         | <u>\$ 12,975</u>            | <u>\$ 25,774</u>             | <u>\$ 284,073</u> | <u>\$ 23,261</u> |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

(Concluded)

For the Year Ended December 31, 2019

|   | Special Revenue Funds |                               |                   |                                 |
|---|-----------------------|-------------------------------|-------------------|---------------------------------|
|   | Mayor<br>Fund         | Special<br>Assessment<br>Fund | Landscape<br>Fund | Building<br>Maintenance<br>Fund |
| <b>REVENUES</b>                                   |                       |                               |                   |                                 |
| Room taxes  | \$ -                  | \$ -                          | \$ -              | \$ 124,242                      |
| Intergovernmental                                 | -                     | -                             | -                 | -                               |
| Public charges for services                       | -                     | -                             | 6,800             | -                               |
| Public improvement revenues                       | -                     | -                             | -                 | -                               |
| Investment income                                 | -                     | -                             | -                 | -                               |
| Miscellaneous revenues                            | 3,585                 | -                             | -                 | -                               |
| Total Revenues                                    | <u>3,585</u>          | <u>-</u>                      | <u>6,800</u>      | <u>124,242</u>                  |
| <b>EXPENDITURES</b>                               |                       |                               |                   |                                 |
| Current   |                       |                               |                   |                                 |
| General government                                | 5,800                 | -                             | -                 | 55,204                          |
| Protection of persons and property                | -                     | -                             | -                 | -                               |
| Public works                                      | -                     | -                             | -                 | -                               |
| Library   | -                     | -                             | -                 | -                               |
| Parks and recreation                              | -                     | -                             | -                 | -                               |
| Conservation and development                      | -                     | -                             | 33,316            | -                               |
| Capital Outlay                                    | -                     | -                             | -                 | 38,328                          |
| Total Expenditures                                | <u>5,800</u>          | <u>-</u>                      | <u>33,316</u>     | <u>93,532</u>                   |
| Excess (deficiency) of revenues over expenditures | <u>(2,215)</u>        | <u>-</u>                      | <u>(26,516)</u>   | <u>30,710</u>                   |
| <b>OTHER FINANCING SOURCES (USES)</b>             |                       |                               |                   |                                 |
| Transfers in                                      | -                     | -                             | -                 | -                               |
| Transfers out                                     | -                     | -                             | -                 | -                               |
| Total Other Financing Sources (Uses)              | <u>-</u>              | <u>-</u>                      | <u>-</u>          | <u>-</u>                        |
| Net Change in Fund Balance                        | (2,215)               | -                             | (26,516)          | 30,710                          |
| FUND BALANCES (DEFICIT) -                         |                       |                               |                   |                                 |
| Beginning of Year                                 | <u>4,454</u>          | <u>-</u>                      | <u>452,469</u>    | <u>349,370</u>                  |
| <b>FUND BALANCES - (DEFICIT)<br/>END OF YEAR</b>  | <u>\$ 2,239</u>       | <u>\$ -</u>                   | <u>\$ 425,953</u> | <u>\$ 380,080</u>               |

| Special Revenue Funds |                     |                             |                  |                  |                        | Capital Projects Fund |                            | Total Nonmajor Funds |
|-----------------------|---------------------|-----------------------------|------------------|------------------|------------------------|-----------------------|----------------------------|----------------------|
| Technology Fee Fund   | Room Tax Grant Fund | Tax Increment District Fund | Grant Fund       | Library Fund     | Garbage/Recycling Fund | Equipment Fund        | Equipment Replacement Fund |                      |
| \$ -                  | \$ -                | \$ -                        | \$ -             | \$ -             | \$ -                   | \$ -                  | \$ -                       | \$ 124,242           |
| -                     | -                   | -                           | 27,670           | -                | -                      | 96,335                | -                          | 191,583              |
| -                     | -                   | -                           | -                | -                | 1,757,100              | -                     | -                          | 1,763,900            |
| 11,379                | -                   | -                           | -                | -                | -                      | -                     | -                          | 66,006               |
| -                     | -                   | 4,505                       | -                | -                | -                      | 14,508                | -                          | 102,112              |
| -                     | -                   | -                           | 1,025            | 34,361           | -                      | 237,204               | -                          | 641,622              |
| <u>11,379</u>         | <u>-</u>            | <u>4,505</u>                | <u>28,695</u>    | <u>34,361</u>    | <u>1,757,100</u>       | <u>348,047</u>        | <u>-</u>                   | <u>2,889,465</u>     |
| -                     | -                   | 4,182                       | -                | -                | -                      | 4,200                 | -                          | 69,386               |
| -                     | -                   | -                           | 9,270            | -                | -                      | -                     | 117,660                    | 281,792              |
| -                     | -                   | -                           | -                | -                | 1,565,143              | -                     | 37,714                     | 1,602,857            |
| -                     | -                   | -                           | -                | 30,717           | -                      | -                     | 8,969                      | 39,686               |
| -                     | -                   | -                           | 14,799           | -                | -                      | -                     | 45,428                     | 169,718              |
| 4,470                 | 6,582               | -                           | -                | -                | -                      | -                     | -                          | 44,368               |
| -                     | -                   | 237,579                     | -                | -                | -                      | 24,240                | 127,381                    | 530,124              |
| <u>4,470</u>          | <u>6,582</u>        | <u>241,761</u>              | <u>24,069</u>    | <u>30,717</u>    | <u>1,565,143</u>       | <u>28,440</u>         | <u>337,152</u>             | <u>2,737,931</u>     |
| <u>6,909</u>          | <u>(6,582)</u>      | <u>(237,256)</u>            | <u>4,626</u>     | <u>3,644</u>     | <u>191,957</u>         | <u>319,607</u>        | <u>(337,152)</u>           | <u>151,534</u>       |
| -                     | -                   | -                           | -                | -                | -                      | -                     | 315,900                    | 315,900              |
| -                     | -                   | (39,673)                    | -                | -                | -                      | -                     | -                          | (303,223)            |
| -                     | -                   | (39,673)                    | -                | -                | -                      | -                     | 315,900                    | 12,677               |
| 6,909                 | (6,582)             | (276,929)                   | 4,626            | 3,644            | 191,957                | 319,607               | (21,252)                   | 164,211              |
| <u>71,434</u>         | <u>6,582</u>        | <u>236,552</u>              | <u>10,000</u>    | <u>32,307</u>    | <u>863,520</u>         | <u>661,146</u>        | <u>179,691</u>             | <u>6,971,295</u>     |
| \$ <u>78,343</u>      | \$ <u>-</u>         | \$ <u>(40,377)</u>          | \$ <u>14,626</u> | \$ <u>35,951</u> | \$ <u>1,055,477</u>    | <u>980,753</u>        | <u>158,439</u>             | \$ <u>7,135,506</u>  |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Special Revenue Fund                      |                     |   |   |                   |   |
|---|---|---------------------|---|---|-------------------|---|
|   | Park and Open Space Fund                  |                     |   | Impact Fee Fund                           |                   |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                     |   |   |                   |   |
| Room taxes  | \$ -                                      | \$ -                | \$ -  | \$ -                                      | \$ -              | \$ -  |
| Intergovernmental                                 | -   | -                   | -   | -   | -                 | -   |
| Public charges for services                       | -   | -                   | -   | -   | -                 | -   |
| Public improvement revenues                       | 10,000                                    | 20,582              | 10,582  | 26,000                                    | 34,045            | 8,045   |
| Special assessments                               | -   | -                   | -   | -   | -                 | -   |
| Investment income                                 | 20,000                                    | 29,448              | 9,448   | 1,500                                     | 2,968             | 1,468   |
| Miscellaneous revenues                            | -   | -                   | -   | -   | -                 | -   |
| Total Revenues                                    | <u>30,000</u>                             | <u>50,030</u>       | <u>20,030</u>   | <u>27,500</u>                             | <u>37,013</u>     | <u>9,513</u>  |
| <b>EXPENDITURES</b>                               |   |                     |   |   |                   |   |
| Current   |   |                     |   |   |                   |   |
| General government                                | -   | -                   | -   | -   | -                 | -   |
| Protection of persons and property                | -   | -                   | -   | -   | -                 | -   |
| Public works                                      | -   | -                   | -   | -   | -                 | -   |
| Library   | -   | -                   | -   | -   | -                 | -   |
| Parks and recreation                              | -   | 70                  | (70)  | -   | -                 | -   |
| Conservation and development                      | -   | -                   | -   | -   | -                 | -   |
| Debt Service - interest and fiscal charges        | -   | -                   | -   | -   | -                 | -   |
| Capital Outlay                                    | -   | 4,000               | (4,000)   | -   | -                 | -   |
| Total Expenditures                                | <u>-</u>                                  | <u>4,070</u>        | <u>(4,070)</u>  | <u>-</u>                                  | <u>-</u>          | <u>-</u>  |
| Excess (deficiency) of revenues over expenditures | <u>30,000</u>                             | <u>45,960</u>       | <u>15,960</u>   | <u>27,500</u>                             | <u>37,013</u>     | <u>9,513</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                     |   |   |                   |   |
| Transfers in                                      | -   | -                   | -   | -   | -                 | -   |
| Transfers out                                     | -   | -                   | -   | (25,000)                                  | (25,000)          | -   |
| Total Other Financing Sources (Uses)              | <u>-</u>                                  | <u>-</u>            | <u>-</u>  | <u>(25,000)</u>                           | <u>(25,000)</u>   | <u>-</u>  |
| Net Change in Fund Balances                       | 30,000                                    | 45,960              | 15,960  | 2,500                                     | 12,013            | 9,513   |
| FUND BALANCES (DEFICIT) -<br>Beginning of Year    | <u>1,326,277</u>                          | <u>1,326,277</u>    | <u>-</u>  | <u>118,501</u>                            | <u>118,501</u>    | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -<br/>END OF YEAR</b>  | <u>\$ 1,356,277</u>                       | <u>\$ 1,372,237</u> | <u>\$ 15,960</u>  | <u>\$ 121,001</u>                         | <u>\$ 130,514</u> | <u>\$ 9,513</u>   |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Special Revenue Fund                      |                     |   |   |                   |   |
|---|---|---------------------|---|---|-------------------|---|
|   | Wastewater RCA Fees Fund                  |                     |   | Golf Course Fund                          |                   |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                     |   |   |                   |   |
| Room taxes  | \$ -                                      | \$ -                | \$ -  | \$ -                                      | \$ -              | \$ -  |
| Intergovernmental                                 | -   | -                   | -   | -   | -                 | -   |
| Public charges for services                       | -   | -                   | -   | -   | -                 | -   |
| Public improvement revenues                       | -   | -                   | -   | -   | -                 | -   |
| Special assessments                               | -   | -                   | -   | -   | -                 | -   |
| Investment income                                 | 30,000                                    | 38,526              | 8,526   | 7,000                                     | 9,102             | 2,102   |
| Miscellaneous revenues                            | -   | -                   | -   | 227,000                                   | 150,000           | (77,000)  |
| Total Revenues                                    | <u>30,000</u>                             | <u>38,526</u>       | <u>8,526</u>  | <u>234,000</u>                            | <u>159,102</u>    | <u>(74,898)</u>   |
| <b>EXPENDITURES</b>                               |   |                     |   |   |                   |   |
| Current   |   |                     |   |   |                   |   |
| General government                                | -   | -                   | -   | -   | -                 | -   |
| Protection of persons and property                | -   | -                   | -   | -   | -                 | -   |
| Public works                                      | -   | -                   | -   | -   | -                 | -   |
| Library   | -   | -                   | -   | -   | -                 | -   |
| Parks and recreation                              | -   | -                   | -   | 16,200                                    | 5,868             | 10,332  |
| Conservation and development                      | -   | -                   | -   | -   | -                 | -   |
| Debt Service - interest and fiscal charges        | -   | -                   | -   | -   | -                 | -   |
| Capital Outlay                                    | -   | -                   | -   | -   | 61,757            | (61,757)  |
| Total Expenditures                                | <u>-</u>                                  | <u>-</u>            | <u>-</u>  | <u>16,200</u>                             | <u>67,625</u>     | <u>(51,425)</u>   |
| Excess (deficiency) of revenues over expenditures | <u>30,000</u>                             | <u>38,526</u>       | <u>8,526</u>  | <u>217,800</u>                            | <u>91,477</u>     | <u>(126,323)</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                     |   |   |                   |   |
| Transfers in                                      | -   | -                   | -   | -   | -                 | -   |
| Transfers out                                     | -   | -                   | -   | (238,550)                                 | (238,550)         | -   |
| Total Other Financing Sources (Uses)              | <u>-</u>                                  | <u>-</u>            | <u>-</u>  | <u>(238,550)</u>                          | <u>(238,550)</u>  | <u>-</u>  |
| Net Change in Fund Balances                       | 30,000                                    | 38,526              | 8,526   | (20,750)                                  | (147,073)         | (126,323)   |
| FUND BALANCES (DEFICIT) -<br>Beginning of Year    | <u>1,755,063</u>                          | <u>1,755,063</u>    | <u>-</u>  | <u>431,241</u>                            | <u>431,241</u>    | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -<br/>END OF YEAR</b>  | <u>\$ 1,785,063</u>                       | <u>\$ 1,793,589</u> | <u>\$ 8,526</u>   | <u>\$ 410,491</u>                         | <u>\$ 284,168</u> | <u>\$ (126,323)</u>                                     |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Special Revenue Fund                      |                   |   |   |                  |   |
|---|---|-------------------|---|---|------------------|---|
|   | Fourth of July Fund                       |                   |   | Concession Stand Fund                     |                  |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                   |   |   |                  |   |
| Room taxes  | \$ -                                      | \$ -              | \$ -  | \$ -                                      | \$ -             | \$ -  |
| Intergovernmental                                 | -   | -                 | -   | -   | -                | -   |
| Public charges for services                       | -   | -                 | -   | -   | -                | -   |
| Public improvement revenues                       | -   | -                 | -   | -   | -                | -   |
| Special assessments                               | -   | -                 | -   | -   | -                | -   |
| Investment income                                 | -   | -                 | -   | -   | -                | -   |
| Miscellaneous revenues                            | 62,500                                    | 93,883            | 31,383  | 14,000                                    | 15,549           | 1,549   |
| Total Revenues                                    | <u>62,500</u>                             | <u>93,883</u>     | <u>31,383</u>   | <u>14,000</u>                             | <u>15,549</u>    | <u>1,549</u>  |
| <b>EXPENDITURES</b>                               |   |                   |   |   |                  |   |
| Current   |   |                   |   |   |                  |   |
| General government                                | -   | -                 | -   | -   | -                | -   |
| Protection of persons and property                | -   | -                 | -   | -   | -                | -   |
| Public works                                      | -   | -                 | -   | -   | -                | -   |
| Library   | -   | -                 | -   | -   | -                | -   |
| Parks and recreation                              | 61,823                                    | 49,753            | 12,070  | 10,799                                    | 25,489           | (14,690)  |
| Conservation and development                      | -   | -                 | -   | -   | -                | -   |
| Debt Service - interest and fiscal charges        | -   | -                 | -   | -   | -                | -   |
| Capital Outlay                                    | -   | -                 | -   | -   | -                | -   |
| Total Expenditures                                | <u>61,823</u>                             | <u>49,753</u>     | <u>12,070</u>   | <u>10,799</u>                             | <u>25,489</u>    | <u>(14,690)</u>   |
| Excess (deficiency) of revenues over expenditures | <u>677</u>                                | <u>44,130</u>     | <u>43,453</u>   | <u>3,201</u>                              | <u>(9,940)</u>   | <u>(13,141)</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                   |   |   |                  |   |
| Transfers in                                      | -   | -                 | -   | -   | -                | -   |
| Transfers out                                     | -   | -                 | -   | -   | -                | -   |
| Total Other Financing Sources (Uses)              | <u>-</u>                                  | <u>-</u>          | <u>-</u>  | <u>-</u>                                  | <u>-</u>         | <u>-</u>  |
| Net Change in Fund Balances                       | 677                                       | 44,130            | 43,453  | 3,201                                     | (9,940)          | (13,141)  |
| FUND BALANCES (DEFICIT) -<br>Beginning of Year    | <u>73,301</u>                             | <u>73,301</u>     | <u>-</u>  | <u>22,915</u>                             | <u>22,915</u>    | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -<br/>END OF YEAR</b>  | <u>\$ 73,978</u>                          | <u>\$ 117,431</u> | <u>\$ 43,453</u>  | <u>\$ 26,116</u>                          | <u>\$ 12,975</u> | <u>\$ (13,141)</u>                                      |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Special Revenue Fund                      |                  |   |   |                   |   |
|---|---|------------------|---|---|-------------------|---|
|   | Park & Recreation Fund                    |                  |   | Police Fund                               |                   |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                  |   |   |                   |   |
| Room taxes  | \$ -                                      | \$ -             | \$ -  | \$ -                                      | \$ -              | \$ -  |
| Intergovernmental                                 | -   | -                | -   | 155,000                                   | 60,788            | (94,212)  |
| Public charges for services                       | -   | -                | -   | -   | -                 | -   |
| Public improvement revenues                       | -   | -                | -   | -   | -                 | -   |
| Special assessments                               | -   | -                | -   | -   | -                 | -   |
| Investment income                                 | -   | -                | -   | 2,500                                     | 3,055             | 555   |
| Miscellaneous revenues                            | 7,000                                     | 31,496           | 24,496  | 53,250                                    | 58,615            | 5,365   |
| Total Revenues                                    | <u>7,000</u>                              | <u>31,496</u>    | <u>24,496</u>   | <u>210,750</u>                            | <u>122,458</u>    | <u>(88,292)</u>   |
| <b>EXPENDITURES</b>                               |   |                  |   |   |                   |   |
| Current   |   |                  |   |   |                   |   |
| General government                                | -   | -                | -   | -   | -                 | -   |
| Protection of persons and property                | -   | -                | -   | 75,750                                    | 134,769           | (59,019)  |
| Public works                                      | -   | -                | -   | -   | -                 | -   |
| Library   | -   | -                | -   | -   | -                 | -   |
| Parks and recreation                              | 7,000                                     | 28,311           | (21,311)  | -   | -                 | -   |
| Conservation and development                      | -   | -                | -   | -   | -                 | -   |
| Debt Service - interest and fiscal charges        | -   | -                | -   | -   | -                 | -   |
| Capital Outlay                                    | -   | -                | -   | 135,000                                   | 36,839            | 98,161  |
| Total Expenditures                                | <u>7,000</u>                              | <u>28,311</u>    | <u>(21,311)</u>   | <u>210,750</u>                            | <u>171,608</u>    | <u>39,142</u>   |
| Excess (deficiency) of revenues over expenditures | -   | 3,185            | 3,185   | -   | (49,150)          | (49,150)  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                  |   |   |                   |   |
| Transfers in                                      | -   | -                | -   | -   | -                 | -   |
| Transfers out                                     | -   | -                | -   | -   | -                 | -   |
| Total Other Financing Sources (Uses)              | -   | -                | -   | -   | -                 | -   |
| Net Change in Fund Balances                       | -   | 3,185            | 3,185   | -   | (49,150)          | (49,150)  |
| FUND BALANCES (DEFICIT) -<br>Beginning of Year    | <u>22,589</u>                             | <u>22,589</u>    | <u>-</u>  | <u>333,223</u>                            | <u>333,223</u>    | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -<br/>END OF YEAR</b>  | <u>\$ 22,589</u>                          | <u>\$ 25,774</u> | <u>\$ 3,185</u>   | <u>\$ 333,223</u>                         | <u>\$ 284,073</u> | <u>\$ (49,150)</u>                                      |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Special Revenue Fund                      |                  |   |   |                 |   |
|---|---|------------------|---|---|-----------------|---|
|   | Fire Fund                                 |                  |   | Mayor Fund                                |                 |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual          | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                  |   |   |                 |   |
| Room taxes  | \$ -                                      | \$ -             | \$ -  | \$ -                                      | \$ -            | \$ -  |
| Intergovernmental                                 | 4,800                                     | 6,790            | 1,990   | -   | -               | -   |
| Public charges for services                       | -   | -                | -   | -   | -               | -   |
| Public improvement revenues                       | -   | -                | -   | -   | -               | -   |
| Special assessments                               | -   | -                | -   | -   | -               | -   |
| Investment income                                 | -   | -                | -   | -   | -               | -   |
| Miscellaneous revenues                            | 17,000                                    | 15,904           | (1,096)   | 1,500                                     | 3,585           | 2,085   |
| Total Revenues                                    | <u>21,800</u>                             | <u>22,694</u>    | <u>894</u>  | <u>1,500</u>                              | <u>3,585</u>    | <u>2,085</u>  |
| <b>EXPENDITURES</b>                               |   |                  |   |   |                 |   |
| Current   |   |                  |   |   |                 |   |
| General government                                | -   | -                | -   | 1,500                                     | 5,800           | (4,300)   |
| Protection of persons and property                | 20,800                                    | 20,093           | 707   | -   | -               | -   |
| Public works                                      | -   | -                | -   | -   | -               | -   |
| Library   | -   | -                | -   | -   | -               | -   |
| Parks and recreation                              | -   | -                | -   | -   | -               | -   |
| Conservation and development                      | -   | -                | -   | -   | -               | -   |
| Debt Service - interest and fiscal charges        | -   | -                | -   | -   | -               | -   |
| Capital Outlay                                    | -   | -                | -   | -   | -               | -   |
| Total Expenditures                                | <u>20,800</u>                             | <u>20,093</u>    | <u>707</u>  | <u>1,500</u>                              | <u>5,800</u>    | <u>(4,300)</u>  |
| Excess (deficiency) of revenues over expenditures | <u>1,000</u>                              | <u>2,601</u>     | <u>1,601</u>  | <u>-</u>                                  | <u>(2,215)</u>  | <u>(2,215)</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                  |   |   |                 |   |
| Transfers in                                      | -   | -                | -   | -   | -               | -   |
| Transfers out                                     | -   | -                | -   | -   | -               | -   |
| Total Other Financing Sources (Uses)              | <u>-</u>                                  | <u>-</u>         | <u>-</u>  | <u>-</u>                                  | <u>-</u>        | <u>-</u>  |
| Net Change in Fund Balances                       | 1,000                                     | 2,601            | 1,601   | -   | (2,215)         | (2,215)   |
| FUND BALANCES (DEFICIT) -<br>Beginning of Year    | <u>20,660</u>                             | <u>20,660</u>    | <u>-</u>  | <u>4,454</u>                              | <u>4,454</u>    | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -<br/>END OF YEAR</b>  | <u>\$ 21,660</u>                          | <u>\$ 23,261</u> | <u>\$ 1,601</u>   | <u>\$ 4,454</u>                           | <u>\$ 2,239</u> | <u>\$ (2,215)</u>                                       |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Special Revenue Fund                      |                   |   |   |                   |   |
|---|---|-------------------|---|---|-------------------|---|
|   | Landscape Fund                            |                   |   | Building Maintenance Fund                 |                   |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                   |   |   |                   |   |
| Room taxes  | \$ -                                      | \$ -              | \$ -  | \$ 124,242                                | \$ 124,242        | \$ -  |
| Intergovernmental                                 | -   | -                 | -   | -   | -                 | -   |
| Public charges for services                       | 25,000                                    | 6,800             | (18,200)  | -   | -                 | -   |
| Public improvement revenues                       | -   | -                 | -   | -   | -                 | -   |
| Special assessments                               | -   | -                 | -   | -   | -                 | -   |
| Investment income                                 | -   | -                 | -   | -   | -                 | -   |
| Miscellaneous revenues                            | -   | -                 | -   | -   | -                 | -   |
| Total Revenues                                    | <u>25,000</u>                             | <u>6,800</u>      | <u>(18,200)</u>   | <u>124,242</u>                            | <u>124,242</u>    | <u>-</u>  |
| <b>EXPENDITURES</b>                               |   |                   |   |   |                   |   |
| Current   |   |                   |   |   |                   |   |
| General government                                | -   | -                 | -   | 100,000                                   | 55,204            | 44,796  |
| Protection of persons and property                | -   | -                 | -   | -   | -                 | -   |
| Public works                                      | -   | -                 | -   | -   | -                 | -   |
| Library   | -   | -                 | -   | -   | -                 | -   |
| Parks and recreation                              | -   | -                 | -   | -   | -                 | -   |
| Conservation and development                      | 30,000                                    | 33,316            | (3,316)   | -   | -                 | -   |
| Debt Service - interest and fiscal charges        | -   | -                 | -   | -   | -                 | -   |
| Capital Outlay                                    | -   | -                 | -   | -   | 38,328            | (38,328)  |
| Total Expenditures                                | <u>30,000</u>                             | <u>33,316</u>     | <u>(3,316)</u>  | <u>100,000</u>                            | <u>93,532</u>     | <u>6,468</u>  |
| Excess (deficiency) of revenues over expenditures | <u>(5,000)</u>                            | <u>(26,516)</u>   | <u>(21,516)</u>   | <u>24,242</u>                             | <u>30,710</u>     | <u>6,468</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                   |   |   |                   |   |
| Transfers in                                      | -   | -                 | -   | -   | -                 | -   |
| Transfers out                                     | -   | -                 | -   | -   | -                 | -   |
| Total Other Financing Sources (Uses)              | <u>-</u>                                  | <u>-</u>          | <u>-</u>  | <u>-</u>                                  | <u>-</u>          | <u>-</u>  |
| Net Change in Fund Balances                       | (5,000)                                   | (26,516)          | (21,516)  | 24,242                                    | 30,710            | 6,468   |
| FUND BALANCES (DEFICIT) -<br>Beginning of Year    | <u>452,469</u>                            | <u>452,469</u>    | <u>-</u>  | <u>349,370</u>                            | <u>349,370</u>    | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -<br/>END OF YEAR</b>  | <u>\$ 447,469</u>                         | <u>\$ 425,953</u> | <u>\$ (21,516)</u>                                      | <u>\$ 373,612</u>                         | <u>\$ 380,080</u> | <u>\$ 6,468</u>   |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Special Revenue Fund                      |                  |   |   |                |   |
|---|---|------------------|---|---|----------------|---|
|   | Technology Fund                           |                  |   | Room Tax Fund                             |                |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                  |   |   |                |   |
| Room taxes  | \$ -                                      | \$ -             | \$ -  | \$ -                                      | \$ -           | \$ -  |
| Intergovernmental                                 | -   | -                | -   | -   | -              | -   |
| Public charges for services                       | -   | -                | -   | -   | -              | -   |
| Public improvement revenues                       | 10,000                                    | 11,379           | 1,379   | -   | -              | -   |
| Special assessments                               | -   | -                | -   | -   | -              | -   |
| Investment income                                 | -   | -                | -   | -   | -              | -   |
| Miscellaneous revenues                            | -   | -                | -   | -   | -              | -   |
| Total Revenues                                    | <u>10,000</u>                             | <u>11,379</u>    | <u>1,379</u>  | <u>-</u>                                  | <u>-</u>       | <u>-</u>  |
| <b>EXPENDITURES</b>                               |   |                  |   |   |                |   |
| Current   |   |                  |   |   |                |   |
| General government                                | -   | -                | -   | -   | -              | -   |
| Protection of persons and property                | -   | -                | -   | -   | -              | -   |
| Public works                                      | -   | -                | -   | -   | -              | -   |
| Library   | -   | -                | -   | -   | -              | -   |
| Parks and recreation                              | -   | -                | -   | -   | -              | -   |
| Conservation and development                      | -   | 4,470            | (4,470)   | -   | 6,582          | (6,582)   |
| Debt Service - interest and fiscal charges        | -   | -                | -   | -   | -              | -   |
| Capital Outlay                                    | 12,500                                    | -                | 12,500  | -   | -              | -   |
| Total Expenditures                                | <u>12,500</u>                             | <u>4,470</u>     | <u>8,030</u>  | <u>-</u>                                  | <u>6,582</u>   | <u>(6,582)</u>  |
| Excess (deficiency) of revenues over expenditures | <u>(2,500)</u>                            | <u>6,909</u>     | <u>9,409</u>  | <u>-</u>                                  | <u>(6,582)</u> | <u>(6,582)</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                  |   |   |                |   |
| Transfers in                                      | -   | -                | -   | -   | -              | -   |
| Transfers out                                     | -   | -                | -   | -   | -              | -   |
| Total Other Financing Sources (Uses)              | <u>-</u>                                  | <u>-</u>         | <u>-</u>  | <u>-</u>                                  | <u>-</u>       | <u>-</u>  |
| Net Change in Fund Balances                       | (2,500)                                   | 6,909            | 9,409   | -   | (6,582)        | (6,582)   |
| FUND BALANCES (DEFICIT) -<br>Beginning of Year    | <u>71,434</u>                             | <u>71,434</u>    | <u>-</u>  | <u>6,582</u>                              | <u>6,582</u>   | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -<br/>END OF YEAR</b>  | <u>\$ 68,934</u>                          | <u>\$ 78,343</u> | <u>\$ 9,409</u>   | <u>\$ 6,582</u>                           | <u>\$ -</u>    | <u>\$ (6,582)</u>                                       |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Special Revenue Fund                      |                    |   |   |                  |   |
|---|---|--------------------|---|---|------------------|---|
|   | Tax Increment District Fund               |                    |   | Grant Fund                                |                  |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual             | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                    |   |   |                  |   |
| Room taxes  | \$ -                                      | \$ -               | \$ -  | \$ -                                      | \$ -             | \$ -  |
| Intergovernmental                                 | -   | -                  | -   | 3,500                                     | 27,670           | 24,170  |
| Public charges for services                       | -   | -                  | -   | -   | -                | -   |
| Public improvement revenues                       | -   | -                  | -   | -   | -                | -   |
| Special assessments                               | -   | -                  | -   | -   | -                | -   |
| Investment income                                 | -   | 4,505              | 4,505   | -   | -                | -   |
| Miscellaneous revenues                            | -   | -                  | -   | -   | 1,025            | 1,025   |
| Total Revenues                                    | -   | 4,505              | 4,505   | 3,500                                     | 28,695           | 25,195  |
| <b>EXPENDITURES</b>                               |   |                    |   |   |                  |   |
| Current   |   |                    |   |   |                  |   |
| General government                                | 1,000                                     | 4,182              | (3,182)   | -   | -                | -   |
| Protection of persons and property                | -   | -                  | -   | 3,500                                     | 9,270            | (5,770)   |
| Public works                                      | -   | -                  | -   | -   | -                | -   |
| Library   | -   | -                  | -   | -   | -                | -   |
| Parks and recreation                              | -   | -                  | -   | -   | 14,799           | (14,799)  |
| Conservation and development                      | -   | -                  | -   | -   | -                | -   |
| Debt Service - interest and fiscal charges        | -   | -                  | -   | -   | -                | -   |
| Capital Outlay                                    | -   | 237,579            | (237,579)   | -   | -                | -   |
| Total Expenditures                                | 1,000                                     | 241,761            | (240,761)   | 3,500                                     | 24,069           | (20,569)  |
| Excess (deficiency) of revenues over expenditures | (1,000)                                   | (237,256)          | (236,256)   | -   | 4,626            | 4,626   |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                    |   |   |                  |   |
| Transfers in                                      | -   | -                  | -   | -   | -                | -   |
| Transfers out                                     | -   | (39,673)           | (39,673)  | -   | -                | -   |
| Total Other Financing Sources (Uses)              | -   | (39,673)           | (39,673)  | -   | -                | -   |
| Net Change in Fund Balances                       | (1,000)                                   | (276,929)          | (275,929)   | -   | 4,626            | 4,626   |
| FUND BALANCES (DEFICIT) -<br>Beginning of Year    | 236,552                                   | 236,552            | -   | 10,000                                    | 10,000           | -   |
| <b>FUND BALANCES (DEFICIT) -<br/>END OF YEAR</b>  | <b>\$ 235,552</b>                         | <b>\$ (40,377)</b> | <b>\$ (275,929)</b>                                     | <b>\$ 10,000</b>                          | <b>\$ 14,626</b> | <b>\$ 4,626</b>   |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Special Revenue Fund                      |                  |   |   |                     |   |
|---|---|------------------|---|---|---------------------|---|
|   | Library Fund                              |                  |   | Garbage/Recycling Fund                    |                     |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                  |   |   |                     |   |
| Room taxes  | \$ -                                      | \$ -             | \$ -  | \$ -                                      | \$ -                | \$ -  |
| Intergovernmental                                 | -   | -                | -   | -   | -                   | -   |
| Public charges for services                       | -   | -                | -   | 1,750,000                                 | 1,757,100           | 7,100   |
| Public improvement revenues                       | -   | -                | -   | -   | -                   | -   |
| Special assessments                               | -   | -                | -   | -   | -                   | -   |
| Investment income                                 | -   | -                | -   | -   | -                   | -   |
| Miscellaneous revenues                            | 20,000                                    | 34,361           | 14,361  | -   | -                   | -   |
| Total Revenues                                    | <u>20,000</u>                             | <u>34,361</u>    | <u>14,361</u>   | <u>1,750,000</u>                          | <u>1,757,100</u>    | <u>7,100</u>  |
| <b>EXPENDITURES</b>                               |   |                  |   |   |                     |   |
| Current   |   |                  |   |   |                     |   |
| General government                                | -   | -                | -   | -   | -                   | -   |
| Protection of persons and property                | -   | -                | -   | -   | -                   | -   |
| Public works                                      | -   | -                | -   | 1,552,725                                 | 1,565,143           | (12,418)  |
| Library   | 20,000                                    | 30,717           | (10,717)  | -   | -                   | -   |
| Parks and recreation                              | -   | -                | -   | -   | -                   | -   |
| Conservation and development                      | -   | -                | -   | -   | -                   | -   |
| Debt Service - interest and fiscal charges        | -   | -                | -   | -   | -                   | -   |
| Capital Outlay                                    | -   | -                | -   | -   | -                   | -   |
| Total Expenditures                                | <u>20,000</u>                             | <u>30,717</u>    | <u>(10,717)</u>   | <u>1,552,725</u>                          | <u>1,565,143</u>    | <u>(12,418)</u>   |
| Excess (deficiency) of revenues over expenditures | <u>-</u>                                  | <u>3,644</u>     | <u>3,644</u>  | <u>197,275</u>                            | <u>191,957</u>      | <u>(5,318)</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                  |   |   |                     |   |
| Transfers in                                      | -   | -                | -   | -   | -                   | -   |
| Transfers out                                     | -   | -                | -   | -   | -                   | -   |
| Total Other Financing Sources (Uses)              | <u>-</u>                                  | <u>-</u>         | <u>-</u>  | <u>-</u>                                  | <u>-</u>            | <u>-</u>  |
| Net Change in Fund Balances                       | -   | 3,644            | 3,644   | 197,275                                   | 191,957             | (5,318)   |
| <b>FUND BALANCES (DEFICIT)-</b>                   |   |                  |   |   |                     |   |
| Beginning of Year                                 | <u>32,307</u>                             | <u>32,307</u>    | <u>-</u>  | <u>863,520</u>                            | <u>863,520</u>      | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -</b>                  |   |                  |   |   |                     |   |
| <b>END OF YEAR</b>                                | <u>\$ 32,307</u>                          | <u>\$ 35,951</u> | <u>\$ 3,644</u>   | <u>\$ 1,060,795</u>                       | <u>\$ 1,055,477</u> | <u>\$ (5,318)</u>                                       |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Capital Projects Funds                    |                   |   |   |                   |   |
|---|---|-------------------|---|---|-------------------|---|
|   | Equipment Fund                            |                   |   | Equipment Replacement Fund                |                   |   |
|   | Original and<br>Final Budgeted<br>Amounts | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) | Original and<br>Final Budgeted<br>Amounts | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                   |   |   |                   |   |
| Room taxes  | \$ -                                      | \$ -              | \$ -  | \$ -                                      | \$ -              | \$ -  |
| Intergovernmental                                 | -   | 96,335            | 96,335  | -   | -                 | -   |
| Public charges for services                       | -   | -                 | -   | -   | -                 | -   |
| Public improvement revenues                       | -   | -                 | -   | -   | -                 | -   |
| Special assessments                               | -   | -                 | -   | -   | -                 | -   |
| Investment income                                 | 7,500                                     | 14,508            | 7,008   | -   | -                 | -   |
| Miscellaneous revenues                            | -   | 237,204           | 237,204   | -   | -                 | -   |
| Total Revenues                                    | <u>7,500</u>                              | <u>348,047</u>    | <u>340,547</u>  | <u>-</u>                                  | <u>-</u>          | <u>-</u>  |
| <b>EXPENDITURES</b>                               |   |                   |   |   |                   |   |
| Current   |   |                   |   |   |                   |   |
| General government                                | 4,000                                     | 4,200             | (200)   | -   | -                 | -   |
| Protection of persons and property                | -   | -                 | -   | -   | 117,660           | (117,660)   |
| Public works                                      | -   | -                 | -   | -   | 37,714            | (37,714)  |
| Library   | -   | -                 | -   | -   | 8,969             | (8,969)   |
| Parks and recreation                              | -   | -                 | -   | -   | 45,428            | (45,428)  |
| Conservation and development                      | -   | -                 | -   | -   | -                 | -   |
| Debt Service - interest and fiscal charges        | -   | -                 | -   | -   | -                 | -   |
| Capital Outlay                                    | -   | 24,240            | (24,240)  | 342,900                                   | 127,381           | 215,519   |
| Total Expenditures                                | <u>4,000</u>                              | <u>28,440</u>     | <u>(24,440)</u>   | <u>342,900</u>                            | <u>337,152</u>    | <u>5,748</u>  |
| Excess (deficiency) of revenues over expenditures | <u>3,500</u>                              | <u>319,607</u>    | <u>316,107</u>  | <u>(342,900)</u>                          | <u>(337,152)</u>  | <u>5,748</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                   |   |   |                   |   |
| Transfers in                                      | -   | -                 | -   | 342,900                                   | 315,900           | (27,000)  |
| Transfers out                                     | -   | -                 | -   | -   | -                 | -   |
| Total Other Financing Sources (Uses)              | <u>-</u>                                  | <u>-</u>          | <u>-</u>  | <u>342,900</u>                            | <u>315,900</u>    | <u>(27,000)</u>   |
| Net Change in Fund Balances                       | 3,500                                     | 319,607           | 316,107   | -   | (21,252)          | (21,252)  |
| FUND BALANCES (DEFICIT)-<br>Beginning of Year     | <u>661,146</u>                            | <u>661,146</u>    | <u>-</u>  | <u>179,691</u>                            | <u>179,691</u>    | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -<br/>END OF YEAR</b>  | <u>\$ 664,646</u>                         | <u>\$ 980,753</u> | <u>\$ 316,107</u>                                       | <u>\$ 179,691</u>                         | <u>\$ 158,439</u> | <u>\$ (21,252)</u>                                      |

**CITY OF NEW BERLIN**

NONMAJOR GOVERNMENTAL FUNDS  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL

For the Year Ended December 31, 2019

|   | Total                                     |                     |   |
|---|---|---------------------|---|
|   | Original and<br>Final Budgeted<br>Amounts | Actual              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                   |   |                     |   |
| Room taxes  | \$ 124,242                                | \$ 124,242          | \$ -  |
| Intergovernmental                                 | 163,300                                   | 191,583             | 28,283  |
| Public charges for services                       | 1,775,000                                 | 1,763,900           | (11,100)  |
| Public improvement revenues                       | 46,000                                    | 66,006              | 20,006  |
| Special assessments                               | -   | -                   | -   |
| Investment income                                 | 68,500                                    | 102,112             | 33,612  |
| Miscellaneous revenues                            | <u>402,250</u>                            | <u>641,622</u>      | <u>239,372</u>  |
| Total Revenues                                    | <u>2,579,292</u>                          | <u>2,889,465</u>    | <u>310,173</u>  |
| <b>EXPENDITURES</b>                               |   |                     |   |
| Current   |   |                     |   |
| General government                                | 106,500                                   | 69,386              | 37,114  |
| Protection of persons and property                | 100,050                                   | 281,792             | (181,742)   |
| Public works                                      | 1,552,725                                 | 1,602,857           | (50,132)  |
| Library   | 20,000                                    | 39,686              | (19,686)  |
| Parks and recreation                              | 95,822                                    | 169,718             | (73,896)  |
| Conservation and development                      | 30,000                                    | 44,368              | (14,368)  |
| Debt Service - interest and fiscal charges        | -   | -                   | -   |
| Capital Outlay                                    | <u>490,400</u>                            | <u>530,124</u>      | <u>(39,724)</u>   |
| Total Expenditures                                | <u>2,395,497</u>                          | <u>2,737,931</u>    | <u>(342,434)</u>  |
| Excess (deficiency) of revenues over expenditures | <u>183,795</u>                            | <u>151,534</u>      | <u>(32,261)</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>             |   |                     |   |
| Transfers in                                      | 342,900                                   | 315,900             | (27,000)  |
| Transfers out                                     | <u>(263,550)</u>                          | <u>(303,223)</u>    | <u>(39,673)</u>   |
| Total Other Financing Sources (Uses)              | <u>79,350</u>                             | <u>12,677</u>       | <u>(66,673)</u>   |
| Net Change in Fund Balances                       | 263,145                                   | 164,211             | (98,934)  |
| <b>FUND BALANCES -</b>                            |   |                     |   |
| Beginning of Year                                 | <u>6,971,295</u>                          | <u>6,971,295</u>    | <u>-</u>  |
| <b>FUND BALANCES (DEFICIT) -</b>                  |   |                     |   |
| <b>END OF YEAR</b>                                | <u>\$ 7,234,440</u>                       | <u>\$ 7,135,506</u> | <u>\$ (98,934)</u>                                      |

**CITY OF NEW BERLIN**

GENERAL FUND  
 DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 For the Year Ended December 31, 2019

|                                    | Budgeted Amounts  |                   | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|------------------------------------|-------------------|-------------------|-------------------|---|
|                                    | Original          | Final             |                   |   |
| <b>TAXES</b>                       |                   |                   |                   |   |
| General property taxes             | \$ 19,007,302     | \$ 19,007,302     | \$ 19,007,302     | \$ -  |
| Payment in lieu of taxes           | 15,500            | 15,500            | 15,232            | (268)   |
| Ag use conversion                  | -                 | -                 | 56,740            | 56,740  |
| Interest and penalties on taxes    | 65,000            | 65,000            | 74,602            | 9,602   |
| <b>TOTAL TAXES</b>                 | <b>19,087,802</b> | <b>19,087,802</b> | <b>19,153,876</b> | <b>66,074</b>   |
| <b>INTERGOVERNMENTAL</b>           |                   |                   |                   |   |
| State shared revenues              |                   |                   |                   |   |
| Per capita                         | 556,162           | 556,162           | 538,907           | (17,255)  |
| Special utility                    | 111,412           | 111,412           | 120,356           | 8,944   |
| Exempt computer aid                | 148,697           | 148,697           | 150,089           | 1,392   |
| Personal Property Tax              | 365,004           | 365,004           | 365,004           | -   |
| Medical care transport             | 1,000             | 1,000             | 18,256            | 17,256  |
| State grants                       |                   |                   | 16,500            | 16,500  |
| State grants - transportation aids | 2,104,174         | 2,104,174         | 2,103,241         | (933)   |
| New Berlin School District         | 117,402           | 117,402           | 117,402           | -   |
| Local grants                       | 150,350           | 150,350           | 79,529            | (70,821)  |
| <b>TOTAL INTERGOVERNMENTAL</b>     | <b>3,554,201</b>  | <b>3,554,201</b>  | <b>3,509,284</b>  | <b>(44,917)</b>   |
| <b>LICENSES AND PERMITS</b>        |                   |                   |                   |   |
| Licenses                           |                   |                   |                   |   |
| Beer and liquor                    | 36,377            | 36,377            | 59,947            | 23,570  |
| Bartenders                         | 18,900            | 18,900            | 20,945            | 2,045   |
| Sealer of weights                  | 8,300             | 8,300             | 8,325             | 25  |
| Sundry                             | 30,304            | 30,304            | 34,364            | 4,060   |
| Permits                            |                   |                   |                   |   |
| Building                           | 310,000           | 310,000           | 328,822           | 18,822  |
| Electrical                         | 110,000           | 110,000           | 152,737           | 42,737  |
| Plumbing                           | 66,000            | 66,000            | 95,282            | 29,282  |
| Well                               | 37,422            | 37,422            | 34,434            | (2,988)   |

**CITY OF NEW BERLIN**

GENERAL FUND  
 DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL (cont.)  
 For the Year Ended December 31, 2019

|   | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|------------------|------------------|------------------|---|
|   | Original         | Final            |                  |   |
| <b>LICENSES AND PERMITS (cont.)</b>     |                  |                  |                  |   |
| Permits (cont.)                         |                  |                  |                  |   |
| Sign                                    | \$ 3,450         | \$ 3,450         | \$ 6,417         | \$ 2,967  |
| Fire Department                         | 51,000           | 51,000           | 37,252           | (13,748)  |
| Sundry                                  | 77,000           | 77,000           | 91,880           | 14,880  |
| Cable television fees                   | 575,000          | 575,000          | 588,404          | 13,404  |
| <b>TOTAL LICENSES AND PERMITS</b>       | <u>1,323,753</u> | <u>1,323,753</u> | <u>1,458,809</u> | <u>135,056</u>  |
| <b>FINES, FORFEITURES AND PENALTIES</b> |                  |                  |                  |   |
| Court fines                             | <u>360,000</u>   | <u>360,000</u>   | <u>309,045</u>   | <u>(50,955)</u>   |
| <b>PUBLIC CHARGES FOR SERVICES</b>      |                  |                  |                  |   |
| General government                      |                  |                  |                  |   |
| Special assessment written reports      | 5,000            | 5,000            | 6,485            | 1,485   |
| Sale of computer information            | 800              | 800              | 850              | 50  |
| Workers' compensation dividend          | 34,300           | 34,300           | 33,006           | (1,294)   |
| Wage Reimbursement - Workers comp       | -                | -                | 56,422           | 56,422  |
| CVMIC dividend                          | 21,970           | 21,970           | 21,970           | -   |
| Health and social service               |                  |                  |                  |   |
| Dog licenses                            | 5,000            | 5,000            | 5,223            | 223   |
| Dog license refund                      | 3,500            | 3,500            | 6,707            | 3,207   |
| Cat licenses                            | 875              | 875              | 1,060            | 185   |
| Protection of persons and property      |                  |                  |                  |   |
| Miscellaneous police revenue            | 40,000           | 40,000           | 37,356           | (2,644)   |
| Fire Department - dues distribution     | 207,977          | 207,977          | 230,367          | 22,390  |
| Fire Department fees                    | 132,500          | 132,500          | 132,836          | 336   |
| Engine response fee                     | 20,000           | 20,000           | 15,600           | (4,400)   |
| Interfacility Transport                 | 500,000          | 500,000          | 396,560          | (103,440)   |
| Ambulance fees                          | 1,250,000        | 1,250,000        | 1,157,779        | (92,221)  |
| Public works                            |                  |                  |                  |   |
| Highway Department labor charges        | 40,000           | 40,000           | 27,211           | (12,789)  |
| Recycling fees                          | 2,600            | 2,600            | 5,535            | 2,935   |
| Engineering services fees               | -                | -                | 47,550           | 47,550  |
| Curb and ditch                          | 1,500            | 1,500            | 2,900            | 1,400   |
| Erosion Control Fee                     | 8,250            | 8,250            | 11,877           | 3,627   |
| Weed cutting                            | 2,500            | 2,500            | 2,224            | (276)   |
| Leisure activities                      |                  |                  |                  |   |
| Park and recreation                     | 396,550          | 396,550          | 367,213          | (29,337)  |

**CITY OF NEW BERLIN**

GENERAL FUND  
 DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL (cont.)  
 For the Year Ended December 31, 2019

|   | Budgeted Amounts     |                      | Actual               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------------|----------------------|----------------------|---|
|   | Original             | Final                |                      |   |
| <b>PUBLIC CHARGES FOR SERVICES (cont.)</b>  |                      |                      |                      |   |
| Library Fees                                | \$ 76,319            | \$ 76,319            | \$ 78,505            | \$ 2,186  |
| Planning Commission                         | 46,800               | 46,800               | 62,576               | 15,776  |
| Planning Service fees                       | 36,000               | 36,000               | 22,362               | (13,638)  |
| Filing Fee                                  | 8,750                | 8,750                | 10,000               | 1,250   |
| Board of Appeals                            | 800                  | 800                  | 400                  | (400)   |
| <b>TOTAL PUBLIC CHARGES FOR SERVICES</b>    | <u>2,841,991</u>     | <u>2,841,991</u>     | <u>2,740,574</u>     | <u>(101,417)</u>  |
| <b>INTERDEPARTMENTAL</b>                    |                      |                      |                      |   |
| Administrative charges -                    |                      |                      |                      |   |
| Garbage/Recycling Fund                      | 12,725               | 12,725               | 12,725               | -   |
| Water, Wastewater, Water Resource Utilities | 389,874              | 389,874              | 400,844              | 10,970  |
| <b>TOTAL INTERDEPARTMENTAL</b>              | <u>402,599</u>       | <u>402,599</u>       | <u>413,569</u>       | <u>10,970</u>   |
| <b>INVESTMENT INCOME</b>                    | <u>450,000</u>       | <u>450,000</u>       | <u>947,786</u>       | <u>497,786</u>  |
| <b>MISCELLANEOUS REVENUES</b>               |                      |                      |                      |   |
| Tower rental                                | 153,943              | 153,943              | 160,435              | 6,492   |
| Miscellaneous                               | 35,000               | 35,000               | 90,280               | 55,280  |
| <b>TOTAL MISCELLANEOUS REVENUES</b>         | <u>188,943</u>       | <u>188,943</u>       | <u>250,715</u>       | <u>61,772</u>   |
| <b>TOTAL REVENUES</b>                       | <u>\$ 28,209,289</u> | <u>\$ 28,209,289</u> | <u>\$ 28,783,658</u> | <u>\$ 574,369</u>                                       |

**CITY OF NEW BERLIN**

GENERAL FUND  
 DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (NON - GAAP)  
 For the Year Ended December 31, 2019

|   | Budgeted Amounts  |                   | Actual            | Variance with  |
|---|-------------------|-------------------|-------------------|----------------|
|   | Original          | Final             |                   | Final Budget   |
|   |                   |                   |                   | Positive       |
|   |                   |                   |                   | (Negative)     |
| <b>GENERAL GOVERNMENT</b>                       |                   |                   |                   |                |
| Mayor's office                                  | \$ 247,749        | \$ 247,749        | \$ 245,809        | \$ 1,940       |
| Common Council                                  | 86,544            | 106,544           | 101,568           | 4,976          |
| Customer Service Committee                      | 1,500             | 1,500             | 1,470             | 30             |
| Human Resources                                 | 613,369           | 613,369           | 526,141           | 87,228         |
| Finance   | 531,093           | 531,093           | 518,297           | 12,796         |
| Assessor  | 422,136           | 422,136           | 402,137           | 19,999         |
| City Attorney                                   | 243,300           | 243,300           | 249,083           | (5,783)        |
| Municipal Court                                 | 191,254           | 191,254           | 184,145           | 7,109          |
| Crime prevention                                | 7,000             | 7,000             | 7,000             | -              |
| Engineering                                     | 531,892           | 531,892           | 530,462           | 1,430          |
| Facilities Management                           | 1,166,044         | 1,166,044         | 1,150,700         | 15,344         |
| Insurance                                       | 722,396           | 722,396           | 730,561           | (8,165)        |
| City Clerk                                      | 463,847           | 463,847           | 451,015           | 12,832         |
| Information Technology                          | 1,106,027         | 1,106,027         | 1,091,661         | 14,366         |
| <b>TOTAL GENERAL GOVERNMENT</b>                 | <b>6,334,151</b>  | <b>6,354,151</b>  | <b>6,190,049</b>  | <b>164,102</b> |
| <b>PROTECTION OF PERSONS AND PROPERTY</b>       |                   |                   |                   |                |
| Police and Fire Commission                      | 30,000            | 30,000            | 23,491            | 6,509          |
| Police Department                               | 9,758,130         | 9,803,130         | 9,628,085         | 175,045        |
| Fire Department                                 | 5,135,313         | 5,135,313         | 5,166,770         | (31,457)       |
| Emergency government                            | 71,933            | 71,933            | 70,376            | 1,557          |
| Hydrant rental                                  | 705,893           | 705,893           | 705,893           | -              |
| Inspection Department                           | 460,761           | 460,761           | 485,552           | (24,791)       |
| Sealer of weights and measures                  | 7,200             | 7,200             | 7,200             | -              |
| Landmarks                                       | 2,000             | 2,000             | 17,031            | (15,031)       |
| <b>TOTAL PROTECTION OF PERSONS AND PROPERTY</b> | <b>16,171,230</b> | <b>16,216,230</b> | <b>16,104,398</b> | <b>111,832</b> |
| <b>HIGHWAY AND TRANSPORTATION</b>               | <b>3,310,957</b>  | <b>3,310,957</b>  | <b>3,296,657</b>  | <b>14,300</b>  |

**CITY OF NEW BERLIN**

GENERAL FUND  
 DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (NON - GAAP) (cont.)  
 For the Year Ended December 31, 2019

|                                     | Budgeted Amounts     |                      | Actual               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-------------------------------------|----------------------|----------------------|----------------------|---|
|                                     | Original             | Final                |                      |   |
| <b>LIBRARY</b>                      | <u>\$ 1,519,677</u>  | <u>\$ 1,519,677</u>  | <u>\$ 1,479,432</u>  | <u>\$ 40,245</u>  |
| <b>PARKS AND RECREATION</b>         |                      |                      |                      |   |
| Parks                               | 923,700              | 923,700              | 890,925              | 32,775  |
| Recreation                          | 542,134              | 542,134              | 526,857              | 15,277  |
| Athletic                            | 34,888               | 34,888               | 29,235               | 5,653   |
| 4th of July                         | <u>36,946</u>        | <u>36,946</u>        | <u>36,946</u>        | <u>-</u>  |
| TOTAL PARKS AND RECREATION          | <u>1,537,668</u>     | <u>1,537,668</u>     | <u>1,483,963</u>     | <u>53,705</u>   |
| <b>CONSERVATION AND DEVELOPMENT</b> |                      |                      |                      |   |
| Community Development               | 409,294              | 409,294              | 390,089              | 19,205  |
| Planning                            | <u>295,412</u>       | <u>295,412</u>       | <u>292,609</u>       | <u>2,803</u>  |
| TOTAL CONSERVATION AND DEVELOPMENT  | <u>704,706</u>       | <u>704,706</u>       | <u>682,698</u>       | <u>22,008</u>   |
| <b>UNCLASSIFIED</b>                 |                      |                      |                      |   |
| Tax Refund                          | <u>-</u>             | <u>-</u>             | <u>5,204</u>         | <u>(5,204)</u>  |
| TOTAL UNCLASSIFIED                  | <u>-</u>             | <u>-</u>             | <u>5,204</u>         | <u>(5,204)</u>  |
| <b>CONTINGENCY</b>                  | <u>300,000</u>       | <u>235,000</u>       | <u>-</u>             | <u>235,000</u>  |
| <b>TOTAL EXPENDITURES</b>           | <u>\$ 29,878,389</u> | <u>\$ 29,878,389</u> | <u>\$ 29,242,401</u> | <u>\$ 635,988</u>                                       |

**CITY OF NEW BERLIN**

DEBT SERVICE FUNDS  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCES - BUDGET AND ACTUAL  
 GENERAL DEBT SERVICE FUND  
 For the Year Ended December 31, 2019

|  | Original and<br>Final Budgeted<br>Amounts | Actual                     | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|---|----------------------------|---|
| <b>REVENUES</b>                                      |   |                            |   |
| Taxes  | \$ 6,668,316                              | \$ 6,668,316               | \$ -  |
| Room taxes   | -   | 124,242                    | 124,242   |
| School District payment                              | 78,110                                    | 78,110                     | -   |
| Total Revenues                                       | <u>6,746,426</u>                          | <u>6,870,668</u>           | <u>124,242</u>  |
| <b>EXPENDITURES</b>                                  |   |                            |   |
| Debt Service   |   |                            |   |
| Principal retirement                                 | 5,889,878                                 | 5,889,878                  | -   |
| Interest and fiscal charges                          | 1,234,615                                 | 1,234,615                  | -   |
| Total Expenditures                                   | <u>7,124,493</u>                          | <u>7,124,493</u>           | <u>-</u>  |
| Excess (Deficiency) of Revenues<br>Over Expenditures | <u>(378,067)</u>                          | <u>(253,825)</u>           | <u>124,242</u>  |
| <b>OTHER FINANCING SOURCES</b>                       |   |                            |   |
| Premium on bond issued                               | -   | 102,222                    | 102,222   |
| Transfers in   | 168,223                                   | 168,223                    | -   |
| Total Other Financing Sources                        | <u>168,223</u>                            | <u>270,445</u>             | <u>102,222</u>  |
| Net Change in Fund Balances                          | (209,844)                                 | 16,620                     | 226,464   |
| FUND BALANCES - Beginning of Year                    | <u>1,454,293</u>                          | <u>1,454,293</u>           | <u>-</u>  |
| <b>FUND BALANCES - END OF YEAR</b>                   | <u><u>\$ 1,244,449</u></u>                | <u><u>\$ 1,470,913</u></u> | <u><u>\$ 226,464</u></u>                                |

**CITY OF NEW BERLIN**

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION AND ACTIVITY  
 As of December 31, 2019

| Function and Activity                          | Land                 | Land<br>Improvements | Buildings            | Machinery<br>and<br>Equipment | Infrastructure        | Intangibles         | Total                 |
|--|----------------------|----------------------|----------------------|-------------------------------|-----------------------|---------------------|-----------------------|
| <b>General Government</b>                      |                      |                      |                      |                               |                       |                     |                       |
| Clerk  | \$ -                 | \$ -                 | \$ -                 | \$ 242,451                    | \$ -                  | \$ -                | \$ 242,451            |
| Information services                           | -                    | -                    | -                    | 1,517,342                     | -                     | 1,528,576           | 3,045,918             |
| Building maintenance                           | 280,000              | -                    | 3,095,217            | 324,629                       | -                     | -                   | 3,699,846             |
| Other - unclassified                           | 136,050              | 9,878                | -                    | 315,673                       | -                     | -                   | 461,601               |
| <b>Total General Government</b>                | <u>416,050</u>       | <u>9,878</u>         | <u>3,095,217</u>     | <u>2,400,095</u>              | <u>-</u>              | <u>1,528,576</u>    | <u>7,449,816</u>      |
| <b>Protection of Persons and Property</b>      |                      |                      |                      |                               |                       |                     |                       |
| Police   | -                    | 12,304               | 7,257,204            | 3,521,563                     | -                     | 361,763             | 11,152,834            |
| Fire   | 237,168              | 100,919              | 4,622,973            | 5,192,029                     | -                     | -                   | 10,153,089            |
| Emergency government                           | -                    | -                    | -                    | 211,403                       | -                     | -                   | 211,403               |
| <b>Total Public Safety</b>                     | <u>237,168</u>       | <u>113,223</u>       | <u>11,880,177</u>    | <u>8,924,995</u>              | <u>-</u>              | <u>361,763</u>      | <u>21,517,326</u>     |
| <b>Highway and Transportation</b>              |                      |                      |                      |                               |                       |                     |                       |
| Maintenance                                    | -                    | -                    | 1,591,659            | 7,220,847                     | -                     | -                   | 8,812,506             |
| Sidewalks/Bikepaths                            | -                    | -                    | -                    | -                             | 3,777,642             | -                   | 3,777,642             |
| Street system                                  | 8,828,090            | -                    | -                    | 994,946                       | 99,525,525            | -                   | 109,348,561           |
| <b>Total Streets</b>                           | <u>8,828,090</u>     | <u>-</u>             | <u>1,591,659</u>     | <u>8,215,793</u>              | <u>103,303,167</u>    | <u>-</u>            | <u>121,938,709</u>    |
| <b>Library</b>                                 | <u>849,336</u>       | <u>5,193</u>         | <u>8,936,592</u>     | <u>2,666,432</u>              | <u>-</u>              | <u>-</u>            | <u>12,457,553</u>     |
| <b>Parks and Recreation</b>                    | <u>5,841,600</u>     | <u>4,598,086</u>     | <u>6,186,098</u>     | <u>3,094,518</u>              | <u>-</u>              | <u>30,000</u>       | <u>19,750,302</u>     |
| <b>Total Governmental Funds Capital Assets</b> | <u>\$ 16,172,244</u> | <u>\$ 4,726,380</u>  | <u>\$ 31,689,743</u> | <u>\$ 25,301,833</u>          | <u>\$ 103,303,167</u> | <u>\$ 1,920,339</u> | <u>\$ 183,113,706</u> |

**CITY OF NEW BERLIN**

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY  
 As of December 31, 2019

| Function and Activity                          | Governmental<br>Funds Capital<br>Assets<br>January 1, 2019 | Additions                  | Deductions                 | Transfers          | Governmental<br>Funds Capital<br>Assets<br>December 31, 2019 |
|--|--|----------------------------|----------------------------|--------------------|--|
| <b>General Government</b>                      |  |                            |                            |                    |  |
| Clerk  | \$ 242,451   | \$ -                       | \$ -                       | \$ -               | \$ 242,451   |
| Information services                           | 3,045,918  | -                          | -                          | -                  | 3,045,918  |
| Building maintenance                           | 3,603,301  | 96,545                     | -                          | -                  | 3,699,846  |
| Other - unclassified                           | 551,549  | 10,000                     | 99,948                     | -                  | 461,601  |
| Total General Government                       | <u>7,443,219</u>   | <u>106,545</u>             | <u>99,948</u>              | <u>-</u>           | <u>7,449,816</u>   |
| <b>Protection of Persons and Property</b>      |  |                            |                            |                    |  |
| Police   | 10,831,121   | 372,209                    | 40,496                     | -                  | 11,162,834   |
| Fire   | 9,979,473  | 192,111                    | 18,495                     | -                  | 10,153,089   |
| Emergency government                           | 211,403  | -                          | -                          | -                  | 211,403  |
| Total Public Safety                            | <u>21,021,997</u>  | <u>564,320</u>             | <u>58,991</u>              | <u>-</u>           | <u>21,527,326</u>  |
| <b>Highway and Transportation</b>              |  |                            |                            |                    |  |
| Maintenance                                    | 8,515,253  | 479,556                    | 182,303                    | -                  | 8,812,506  |
| Sidewalks/Bikepaths                            | 3,777,642  | -                          | -                          | -                  | 3,777,642  |
| Street system                                  | 104,964,697  | 5,105,967                  | 722,103                    | -                  | 109,348,561  |
| Total Streets                                  | <u>117,257,592</u>   | <u>5,585,523</u>           | <u>904,406</u>             | <u>-</u>           | <u>121,938,709</u>   |
| Library  | <u>12,307,767</u>  | <u>269,027</u>             | <u>119,241</u>             | <u>-</u>           | <u>12,457,553</u>  |
| Parks and Recreation                           | <u>19,174,569</u>  | <u>646,319</u>             | <u>70,586</u>              | <u>-</u>           | <u>19,750,302</u>  |
| <b>Total Governmental Funds Capital Assets</b> | <u><u>\$ 177,205,144</u></u>                               | <u><u>\$ 7,171,734</u></u> | <u><u>\$ 1,253,172</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 183,123,706</u></u>                                 |

## **STATISTICAL SECTION**

## **Statistical Section**

This section of the City of New Berlin Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes to the financial statements, and required supplementary information says about the City's overall financial condition.

| <b><u>Contents:</u></b>  | <b><u>Pages</u></b> |
|--|---------------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the City's financial performance and condition have changed over time.  | 110-115             |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.   | 116-120             |
| <b>Debt Capacity</b><br>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.                            | 121-124             |
| <b>Demographic and Economic Information</b><br>These schedules present demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.                                  | 125-127             |
| <b>Operating Information</b><br>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. | 128-129             |

### **Sources:**

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

**Table 1**  
**City of New Berlin**  
**Net Position by Component**  
**Last Ten Years**

(amounts expressed in thousands)

|   | <u>2010</u>       | <u>2011</u>       | <u>2012</u>       | <u>2013</u>       | <u>2014</u>       | <u>2015</u>       | <u>2016</u>       | <u>2017</u>       | <u>2018</u>       | <u>2019</u>       |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Governmental Activities                     |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Net investment in capital assets*           | \$ 39,498         | \$ 37,584         | \$ 36,667         | \$ 34,432         | \$ 36,115         | \$ 33,153         | \$ 31,315         | \$ 31,448         | \$ 32,615         | \$ 32,403         |
| Restricted                                  | 6,821             | 7,826             | 7,700             | 6,680             | 6,415             | 9,571             | 7,185             | 7,763             | 11,021            | 7,516             |
| Unrestricted                                | <u>5,684</u>      | <u>3,402</u>      | <u>3,494</u>      | <u>3,644</u>      | <u>3,904</u>      | <u>8,464</u>      | <u>10,688</u>     | <u>7,761</u>      | <u>4,393</u>      | <u>7,463</u>      |
| Total governmental activities net position  | <u>\$ 52,003</u>  | <u>\$ 48,812</u>  | <u>\$ 47,861</u>  | <u>\$ 44,756</u>  | <u>\$ 46,434</u>  | <u>\$ 51,188</u>  | <u>\$ 49,188</u>  | <u>\$ 46,972</u>  | <u>\$ 48,029</u>  | <u>\$ 47,382</u>  |
| Business-type activities                    |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Net investment in capital assets*           | \$ 86,956         | \$ 87,651         | \$ 94,694         | \$ 94,486         | \$ 97,213         | \$ 98,177         | \$ 98,771         | \$ 100,030        | \$ 103,541        | \$ 104,711        |
| Restricted                                  | 5,396             | 5,498             | 674               | 690               | 701               | 889               | 713               | 720               | 833               | 588               |
| Unrestricted                                | <u>25,615</u>     | <u>25,961</u>     | <u>23,946</u>     | <u>25,384</u>     | <u>27,645</u>     | <u>28,003</u>     | <u>30,535</u>     | <u>31,976</u>     | <u>31,113</u>     | <u>32,910</u>     |
| Total business-type activities net position | <u>\$ 117,967</u> | <u>\$ 119,110</u> | <u>\$ 119,314</u> | <u>\$ 120,560</u> | <u>\$ 125,559</u> | <u>\$ 127,069</u> | <u>\$ 130,019</u> | <u>\$ 132,726</u> | <u>\$ 135,487</u> | <u>\$ 138,209</u> |
| Primary government                          |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Net investment in capital assets*           | \$ 126,454        | \$ 125,235        | \$ 131,361        | \$ 128,918        | \$ 133,328        | \$ 131,330        | \$ 130,086        | \$ 131,478        | \$ 136,156        | \$ 137,114        |
| Restricted                                  | 12,217            | 13,324            | 8,374             | 7,370             | 7,116             | 10,460            | 7,898             | 8,483             | 11,854            | 8,104             |
| Unrestricted                                | <u>31,299</u>     | <u>29,363</u>     | <u>27,440</u>     | <u>29,028</u>     | <u>31,549</u>     | <u>36,467</u>     | <u>41,223</u>     | <u>39,737</u>     | <u>35,506</u>     | <u>40,373</u>     |
| Total primary government net position       | <u>\$ 169,970</u> | <u>\$ 167,922</u> | <u>\$ 167,175</u> | <u>\$ 165,316</u> | <u>\$ 171,993</u> | <u>\$ 178,257</u> | <u>\$ 179,207</u> | <u>\$ 179,698</u> | <u>\$ 183,516</u> | <u>\$ 185,591</u> |

\*Net of related debt

**Table 2**  
**City of New Berlin**  
**Changes in Net Position**  
**Last Ten Years**

(amounts expressed in thousands)

|  | <u>2010</u>      | <u>2011</u>      | <u>2012</u>      | <u>2013</u>      | <u>2014</u>      | <u>2015</u>      | <u>2016</u>      | <u>2017</u>      | <u>2018</u>      | <u>2019</u>      |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Expenses</b>                                |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Governmental activities:                       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| General government                             | \$ 6,762         | \$ 6,595         | \$ 6,485         | \$ 6,823         | \$ 6,433         | \$ 6,356         | \$ 6,635         | \$ 6,736         | \$ 6,415         | \$ 6,636         |
| Protection of persons and property             | 15,734           | 16,024           | 14,966           | 15,181           | 14,592           | 14,838           | 15,975           | 17,457           | 17,126           | 18,403           |
| Highway and transportation                     | 7,969            | 8,332            | 7,938            | 8,689            | 8,500            | 11,145           | 10,190           | 9,309            | 8,873            | 9,249            |
| Library  | 1,592            | 1,740            | 1,564            | 1,599            | 1,494            | 1,466            | 1,629            | 1,706            | 1,715            | 1,720            |
| Parks and recreation                           | 2,143            | 1,872            | 1,890            | 1,786            | 1,859            | 1,799            | 1,897            | 2,074            | 1,932            | 2,233            |
| Conservation and development                   | 848              | 551              | 570              | 673              | 685              | 744              | 799              | 820              | 801              | 824              |
| Interest and fiscal charges                    | <u>1,343</u>     | <u>1,089</u>     | <u>1,147</u>     | <u>1,529</u>     | <u>902</u>       | <u>946</u>       | <u>922</u>       | <u>937</u>       | <u>980</u>       | <u>1,092</u>     |
| Total governmental activities expenses         | <u>36,391</u>    | <u>36,203</u>    | <u>34,560</u>    | <u>36,280</u>    | <u>34,465</u>    | <u>37,294</u>    | <u>38,047</u>    | <u>39,039</u>    | <u>37,842</u>    | <u>40,157</u>    |
| Business type activities:                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Water  | 4,090            | 4,138            | 5,631            | 4,059            | 4,104            | 4,673            | 4,171            | 4,240            | 4,486            | 4,334            |
| Wastewater                                     | 8,899            | 9,096            | 9,612            | 9,833            | 9,439            | 10,384           | 10,157           | 10,340           | 11,804           | 10,615           |
| Stormwater                                     | <u>2,279</u>     | <u>1,568</u>     | <u>1,682</u>     | <u>2,527</u>     | <u>1,494</u>     | <u>1,352</u>     | <u>1,787</u>     | <u>1,507</u>     | <u>1,597</u>     | <u>1,536</u>     |
| Total business type activities expenses:       | <u>15,268</u>    | <u>14,802</u>    | <u>16,925</u>    | <u>16,419</u>    | <u>15,037</u>    | <u>16,409</u>    | <u>16,115</u>    | <u>16,087</u>    | <u>17,887</u>    | <u>16,485</u>    |
| Total primary government expenses              | <u>\$ 51,659</u> | <u>\$ 51,005</u> | <u>\$ 51,485</u> | <u>\$ 52,699</u> | <u>\$ 49,502</u> | <u>\$ 53,703</u> | <u>\$ 54,162</u> | <u>\$ 55,126</u> | <u>\$ 55,729</u> | <u>\$ 56,642</u> |
| <b>Program Revenues</b>                        |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Governmental activities:                       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Charges for services:                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| General government                             | \$ 1,027         | \$ 1,067         | \$ 933           | \$ 926           | \$ 941           | \$ 996           | \$ 957           | \$ 932           | \$ 989           | \$ 1,031         |
| Protection of persons and property             | 1,896            | 1,916            | 1,934            | 2,191            | 2,185            | 2,263            | 2,480            | 2,809            | 3,065            | 2,791            |
| Highway and transportation                     | 522              | 513              | 512              | 458              | 346              | 1,644            | 2,163            | 1,925            | 2,255            | 2,235            |
| Library  | 103              | 69               | 94               | 96               | 95               | 77               | 95               | 92               | 114              | 113              |
| Parks and recreation                           | 829              | 873              | 746              | 896              | 874              | 841              | 823              | 705              | 622              | 680              |
| Conservation and development                   | 175              | 102              | 109              | 146              | 126              | 122              | 120              | 139              | 107              | 113              |
| Operating grants and contributions             | 1,930            | 2,000            | 2,019            | 2,101            | 2,206            | 2,537            | 2,769            | 2,736            | 2,938            | 3,114            |
| Capital grants and contributions               | <u>163</u>       | <u>298</u>       | <u>1,288</u>     | <u>801</u>       | <u>4,502</u>     | <u>307</u>       | <u>650</u>       | <u>330</u>       | <u>1,175</u>     | <u>817</u>       |
| Total governmental activities program revenues | <u>6,645</u>     | <u>6,838</u>     | <u>7,635</u>     | <u>7,615</u>     | <u>11,275</u>    | <u>8,787</u>     | <u>10,057</u>    | <u>9,668</u>     | <u>11,265</u>    | <u>10,894</u>    |

Business type activities:

|   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Charges for services:                           |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Water   | 4,895            | 5,073            | 5,616            | 5,200            | 5,144            | 5,273            | 5,327            | 5,188            | 5,269            | 5,179            |
| Wastewater                                      | 8,588            | 9,277            | 9,725            | 9,473            | 9,395            | 10,400           | 10,395           | 10,311           | 11,031           | 11,138           |
| Stormwater                                      | 1,625            | 1,635            | 1,734            | 1,693            | 1,672            | 1,709            | 1,726            | 1,743            | 1,746            | 1,748            |
| Operating grants and contributions              | -                | -                | -                | 460              | 10               | 238              | 293              | -                | 765              | 176              |
| Capital grants and contributions                | <u>573</u>       | <u>323</u>       | <u>258</u>       | <u>439</u>       | <u>2,270</u>     | <u>272</u>       | <u>291</u>       | <u>2,146</u>     | <u>1,206</u>     | <u>450</u>       |
| Total business-type activities program revenues | <u>15,681</u>    | <u>16,308</u>    | <u>17,333</u>    | <u>17,265</u>    | <u>18,491</u>    | <u>17,892</u>    | <u>18,032</u>    | <u>19,388</u>    | <u>20,017</u>    | <u>18,691</u>    |
| Total primary government program revenues       | <u>\$ 22,326</u> | <u>\$ 23,146</u> | <u>\$ 24,968</u> | <u>\$ 24,880</u> | <u>\$ 29,766</u> | <u>\$ 26,679</u> | <u>\$ 28,089</u> | <u>\$ 29,056</u> | <u>\$ 31,282</u> | <u>\$ 29,585</u> |

**Net (Expense)/Revenue**

|                                      |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Governmental activities              | \$ (29,746)        | \$ (29,365)        | \$ (26,925)        | \$ (28,665)        | \$ (23,190)        | \$ (28,507)        | \$ (27,990)        | \$ (29,371)        | \$ (26,577)        | \$ (29,263)        |
| Business type activities             | <u>413</u>         | <u>1,506</u>       | <u>408</u>         | <u>846</u>         | <u>3,454</u>       | <u>1,483</u>       | <u>1,917</u>       | <u>3,301</u>       | <u>2,130</u>       | <u>2,206</u>       |
| Total primary government net expense | <u>\$ (29,333)</u> | <u>\$ (27,859)</u> | <u>\$ (26,517)</u> | <u>\$ (27,819)</u> | <u>\$ (19,736)</u> | <u>\$ (27,024)</u> | <u>\$ (26,073)</u> | <u>\$ (26,070)</u> | <u>\$ (24,447)</u> | <u>\$ (27,057)</u> |

**General Revenues and Other Changes in Net Position**

Governmental activities:

|                                |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Taxes                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Property taxes                 | \$ 23,499        | \$ 23,764        | \$ 24,121        | \$ 24,221        | \$ 24,436        | \$ 24,681        | \$ 24,968        | \$ 25,251        | \$ 25,550        | \$ 25,675        |
| Other taxes                    | 358              | 386              | 239              | 390              | 422              | 414              | 443              | 435              | 361              | 395              |
| Intergovernmental revenues     | 930              | 941              | 830              | 955              | 998              | 1,020            | 1,026            | 1,221            | 897              | 1,200            |
| Investment earnings (loss)     | 307              | 180              | 165              | (7)              | 163              | 108              | 206              | 386              | 843              | 1,218            |
| Miscellaneous                  | 103              | 239              | 173              | 225              | 132              | 117              | 134              | 105              | 135              | 106              |
| Transfers                      | <u>(242)</u>     | <u>664</u>       | <u>446</u>       | <u>(223)</u>     | <u>(1,283)</u>   | <u>582</u>       | <u>(787)</u>     | <u>783</u>       | <u>(153)</u>     | <u>23</u>        |
| Total Governmental activities  | <u>24,955</u>    | <u>26,174</u>    | <u>25,974</u>    | <u>25,561</u>    | <u>24,868</u>    | <u>26,922</u>    | <u>25,990</u>    | <u>28,181</u>    | <u>27,633</u>    | <u>28,617</u>    |
| Business type activities:      |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Investment earnings            | 318              | 301              | 242              | 176              | 262              | 232              | 246              | 281              | 478              | 538              |
| Transfers                      | <u>242</u>       | <u>(664)</u>     | <u>(446)</u>     | <u>223</u>       | <u>1,283</u>     | <u>(582)</u>     | <u>787</u>       | <u>(783)</u>     | <u>153</u>       | <u>(23)</u>      |
| Total business-type activities | <u>560</u>       | <u>(363)</u>     | <u>(204)</u>     | <u>399</u>       | <u>1,545</u>     | <u>(350)</u>     | <u>1,033</u>     | <u>(502)</u>     | <u>631</u>       | <u>515</u>       |
| Total primary government       | <u>\$ 25,515</u> | <u>\$ 25,811</u> | <u>\$ 25,770</u> | <u>\$ 25,960</u> | <u>\$ 26,413</u> | <u>\$ 26,572</u> | <u>\$ 27,023</u> | <u>\$ 27,679</u> | <u>\$ 28,264</u> | <u>\$ 29,132</u> |

**Change in Net Position**

|                          |                   |                   |                 |                   |                 |                 |               |                 |                 |                 |
|--------------------------|-------------------|-------------------|-----------------|-------------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|
| Governmental activities  | \$ (4,791)        | \$ (3,191)        | \$ (951)        | \$ (3,104)        | \$ 1,678        | \$ (1,585)      | \$ (2,000)    | \$ (1,190)      | \$ 1,056        | \$ (646)        |
| Business type activities | <u>973</u>        | <u>1,143</u>      | <u>204</u>      | <u>1,245</u>      | <u>4,999</u>    | <u>1,133</u>    | <u>2,950</u>  | <u>2,799</u>    | <u>2,761</u>    | <u>2,721</u>    |
| Total primary government | <u>\$ (3,818)</u> | <u>\$ (2,048)</u> | <u>\$ (747)</u> | <u>\$ (1,859)</u> | <u>\$ 6,677</u> | <u>\$ (452)</u> | <u>\$ 950</u> | <u>\$ 1,609</u> | <u>\$ 3,817</u> | <u>\$ 2,075</u> |

**Table 3**  
**City of New Berlin**  
**Fund Balances, Governmental Funds,**  
**Last Ten Years**  
*(amounts expressed in thousands)*

|                                    | <u>2010</u>      | <u>2011</u>      | <u>2012</u>      | <u>2013</u>      | <u>2014</u>      | <u>2015</u>      | <u>2016</u>      | <u>2017</u>      | <u>2018</u>      | <u>2019</u>      |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| General Fund                       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Reserved                           | \$ 245           | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             |
| Unreserved                         | 7,938            | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Nonspendable                       | -                | 185              | 376              | 326              | 81               | 50               | 117              | 67               | 343              | 306              |
| Assigned                           | -                | 1,200            | 1,055            | 849              | 985              | 956              | 1,000            | 1,000            | 1,000            | 1,000            |
| Unassigned                         | -                | <u>6,831</u>     | <u>6,779</u>     | <u>7,251</u>     | <u>7,330</u>     | <u>7,797</u>     | <u>8,196</u>     | <u>8,476</u>     | <u>8,724</u>     | <u>8,820</u>     |
| Total general fund                 | <u>\$ 8,183</u>  | <u>\$ 8,216</u>  | <u>\$ 8,210</u>  | <u>\$ 8,426</u>  | <u>\$ 8,396</u>  | <u>\$ 8,803</u>  | <u>\$ 9,313</u>  | <u>\$ 9,543</u>  | <u>\$ 10,067</u> | <u>\$ 10,126</u> |
| All Other Governmental Funds       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Reserved                           | \$ 1,438         | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             |
| Unreserved, reported in:           |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Special revenue funds              | 6,243            | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Capital projects funds             | 5,140            | -                | -                | -                | -                | -                | -                | -                | -                | -                |
| Restricted                         | -                | 13,769           | 16,645           | 9,898            | 9,745            | 10,471           | 11,250           | 13,314           | 14,624           | 15,469           |
| Committed                          | -                | 708              | 467              | 892              | 1,034            | 1,956            | 1,553            | 1,007            | 978              | 801              |
| Assigned                           | -                | 270              | 309              | 324              | 332              | 382              | 313              | 337              | 340              | 486              |
| Unassigned                         | -                | -                | -                | -                | (2)              | -                | -                | (8)              | -                | (40)             |
| Total all other governmental funds | <u>\$ 12,821</u> | <u>\$ 14,747</u> | <u>\$ 17,421</u> | <u>\$ 11,114</u> | <u>\$ 11,109</u> | <u>\$ 12,809</u> | <u>\$ 13,116</u> | <u>\$ 14,650</u> | <u>\$ 15,942</u> | <u>\$ 16,716</u> |

**Note:** GASB #54 implemented in 2011.

**Table 4**  
**City of New Berlin**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Years**  
*(amounts expressed in thousands)*

|                                    | <u>2010</u>   | <u>2011</u>   | <u>2012</u>   | <u>2013</u>   | <u>2014</u>   | <u>2015</u>   | <u>2016</u>   | <u>2017</u>   | <u>2018</u>   | <u>2019</u>   |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>REVENUES</b>                    |               |               |               |               |               |               |               |               |               |               |
| Taxes                              | \$ 23,857     | \$ 24,150     | \$ 24,360     | \$ 24,611     | \$ 24,859     | \$ 25,095     | \$ 25,411     | \$ 25,686     | \$ 25,912     | \$ 26,071     |
| Intergovernmental                  | 2,729         | 2,743         | 2,584         | 3,025         | 2,941         | 3,248         | 3,462         | 3,620         | 3,480         | 3,779         |
| Licenses and permits               | 1,197         | 1,275         | 1,370         | 1,449         | 1,416         | 1,454         | 1,338         | 1,353         | 1,621         | 1,459         |
| Fines and penalties                | 364           | 276           | 298           | 280           | 321           | 361           | 453           | 384           | 348           | 309           |
| Charges for services               | 1,969         | 1,969         | 1,997         | 2,507         | 2,098         | 3,497         | 4,225         | 4,471         | 4,534         | 4,504         |
| Public improvement revenues        | 55            | 301           | 132           | 224           | 55            | 101           | 26            | 340           | 260           | 66            |
| Special assessments                | -             | 10            | 6             | 8             | 1             | 1             | 1             | 1             | 1             | -             |
| Interdepartmental revenues         | 793           | 790           | 467           | 450           | 381           | 330           | 402           | 149           | 461           | 414           |
| Investment income (loss)           | 296           | 173           | 162           | (7)           | 163           | 108           | 206           | 386           | 843           | 1,218         |
| Miscellaneous revenues             | 664           | 710           | 627           | 824           | 1,139         | 719           | 873           | 949           | 722           | 892           |
| <b>Total Revenues</b>              | <u>31,924</u> | <u>32,397</u> | <u>32,003</u> | <u>33,371</u> | <u>33,374</u> | <u>34,914</u> | <u>36,397</u> | <u>37,339</u> | <u>38,182</u> | <u>38,712</u> |
| <b>EXPENDITURES</b>                |               |               |               |               |               |               |               |               |               |               |
| General government                 | 6,259         | 6,144         | 6,001         | 5,961         | 6,008         | 5,920         | 6,058         | 6,037         | 6,047         | 6,236         |
| Protection of persons and property | 14,497        | 14,694        | 14,537        | 14,273        | 14,032        | 14,239        | 14,617        | 15,631        | 16,030        | 16,565        |
| Highway and transportation         | 3,244         | 3,158         | 2,876         | 2,840         | 3,207         | 4,200         | 4,477         | 4,337         | 4,620         | 4,899         |
| Library                            | 1,378         | 1,523         | 1,369         | 1,424         | 1,363         | 1,373         | 1,424         | 1,498         | 1,553         | 1,519         |
| Parks and recreation               | 1,848         | 1,512         | 1,513         | 1,377         | 1,496         | 1,400         | 1,445         | 1,467         | 1,391         | 1,609         |
| Conservation and development       | 777           | 541           | 537           | 650           | 685           | 725           | 775           | 758           | 780           | 727           |
| Capital outlay                     | 7,358         | 4,599         | 6,157         | 11,986        | 7,427         | 7,050         | 8,353         | 7,851         | 8,098         | 8,119         |
| Debt service                       |               |               |               |               |               |               |               |               |               |               |
| Principal retirement               | 4,263         | 4,512         | 6,601         | 11,755        | 6,095         | 6,060         | 5,930         | 5,975         | 5,950         | 5,890         |
| Interest and fiscal charges        | 1,392         | 1,211         | 1,254         | 1,387         | 1,189         | 1,226         | 1,204         | 1,185         | 1,205         | 1,302         |
| <b>Total Expenditures</b>          | <u>41,016</u> | <u>37,894</u> | <u>40,845</u> | <u>51,653</u> | <u>41,502</u> | <u>42,193</u> | <u>44,283</u> | <u>44,739</u> | <u>45,674</u> | <u>46,866</u> |

|   |                 |                 |                 |                   |                |                 |                |                 |                 |                |
|---|-----------------|-----------------|-----------------|-------------------|----------------|-----------------|----------------|-----------------|-----------------|----------------|
| Excess of revenues over<br>(under) expenditures               | <u>(9,092)</u>  | <u>(5,497)</u>  | <u>(8,842)</u>  | <u>(18,282)</u>   | <u>(8,128)</u> | <u>(7,279)</u>  | <u>(7,886)</u> | <u>(7,400)</u>  | <u>(7,492)</u>  | <u>(8,154)</u> |
| <b>OTHER FINANCING</b>  |                 |                 |                 |                   |                |                 |                |                 |                 |                |
| <b>SOURCES (USES)</b>   |                 |                 |                 |                   |                |                 |                |                 |                 |                |
| Proceeds from long-term debt                                  | 14,795          | 6,445           | 8,920           | 5,810             | 6,954          | 8,230           | 7,735          | 8,215           | 9,060           | 8,095          |
| Refunding debt issued   | -               | -               | 2,520           | 5,510             | -              | -               | -              | -               | -               | -              |
| Premium on bond issue   | 318             | 127             | 806             | 398               | 294            | 244             | 167            | 161             | 164             | 102            |
| Refunding of principal  | (7,340)         | -               | -               | -                 | -              | -               | -              | -               | -               | -              |
| Payment to refunded bond escrow agent                         | -               | -               | (1,379)         | -                 | -              | -               | -              | -               | -               | -              |
| Capital lease   | 142             | 33              | 50              | -                 | -              | 72              | -              | 63              | -               | -              |
| Transfers in  | 1,755           | 1,874           | 1,456           | 1,254             | 1,673          | 1,534           | 1,393          | 1,477           | 1,515           | 1,410          |
| Transfers out   | <u>(940)</u>    | <u>(1,022)</u>  | <u>(864)</u>    | <u>(781)</u>      | <u>(827)</u>   | <u>(694)</u>    | <u>(592)</u>   | <u>(752)</u>    | <u>(1,432)</u>  | <u>(619)</u>   |
| Total other financing<br>sources (uses)                       | <u>8,730</u>    | <u>7,457</u>    | <u>11,509</u>   | <u>12,191</u>     | <u>8,094</u>   | <u>9,386</u>    | <u>8,703</u>   | <u>9,164</u>    | <u>9,307</u>    | <u>8,988</u>   |
| Net change in fund balances                                   | <u>\$ (362)</u> | <u>\$ 1,960</u> | <u>\$ 2,667</u> | <u>\$ (6,091)</u> | <u>\$ (34)</u> | <u>\$ 2,107</u> | <u>\$ 817</u>  | <u>\$ 1,764</u> | <u>\$ 1,815</u> | <u>\$ 834</u>  |
| Debt service as a<br>percentage of noncapital<br>expenditures | 16.8%           | 17.2%           | 22.6%           | 33.1%             | 21.4%          | 20.7%           | 19.9%          | 19.4%           | 19.0%           | 18.6%          |

**Table 5**  
**City of New Berlin**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Years**  
*(amounts expressed in thousands)*

| <u>Year</u> | <u>Residential Property</u> | <u>Commercial Property</u> | <u>Manufacturing Property</u> | <u>Other Property</u> | <u>Personal Property</u> | <u>Total Taxable Assessed Value</u> | <u>Estimated Actual Taxable Value</u> | <u>Assessed Value as a Percentage of Actual Value</u> | <u>Total Direct Tax Rate</u> |
|-------------|-----------------------------|----------------------------|-------------------------------|-----------------------|--------------------------|-------------------------------------|---------------------------------------|---|------------------------------|
| 2010        | \$ 3,429,675                | \$ 1,021,645               | \$ 170,906                    | \$ 18,155             | \$ 133,706               | \$ 4,774,087                        | \$ 4,778,847                          | 99.89%  | \$ 4.9777                    |
| 2011        | 3,443,380                   | 1,022,634                  | 171,057                       | 17,526                | 135,937                  | 4,790,534                           | 4,745,968                             | 100.95%   | 5.0093                       |
| 2012        | 3,107,229                   | 978,614                    | 164,906                       | 13,105                | 130,630                  | 4,394,484                           | 4,583,168                             | 95.88%  | 5.5117                       |
| 2013        | 3,116,776                   | 984,096                    | 174,888                       | 13,737                | 143,464                  | 4,432,961                           | 4,523,920                             | 97.99%  | 5.5124                       |
| 2014        | 3,140,288                   | 993,967                    | 181,837                       | 13,914                | 149,198                  | 4,479,204                           | 4,703,600                             | 95.23%  | 5.5102                       |
| 2015        | 3,359,201                   | 1,047,565                  | 197,897                       | 15,346                | 144,184                  | 4,764,193                           | 4,808,728                             | 99.07%  | 5.2408                       |
| 2016        | 3,375,849                   | 1,065,173                  | 205,622                       | 15,131                | 159,107                  | 4,820,882                           | 4,957,311                             | 97.16%  | 5.2378                       |
| 2017        | 3,399,510                   | 1,087,933                  | 196,725                       | 14,940                | 154,307                  | 4,853,415                           | 5,186,500                             | 93.58%  | 5.2644                       |
| 2018        | 3,812,419                   | 1,146,847                  | 207,896                       | 16,000                | 102,149                  | 5,285,311                           | 5,408,748                             | 97.72%  | 4.8579                       |
| 2019        | 3,856,282                   | 1,163,578                  | 201,424                       | 16,272                | 94,213                   | 5,331,769                           | 5,714,406                             | 93.30%  | 4.9990                       |

**Source:** New Berlin City Assessors Office

**Note:** State law requires average assessment ratios to be within 10% of market value once every 4 years. Additionally, state statutes require each taxation district to assess property at full value at least once in every 5 year period. The City Assessor's office has formulated a policy of conducting revaluations on a biennial basis.

Estimated actual value is calculated by dividing assessed value by those percentages. Tax rates are per \$1,000 of assessed value.

**Table 6**  
**City of New Berlin**  
**Direct and Overlapping Property Tax Rates,**  
**Last Ten Years**  
*(rate per \$1,000 of assessed value)*

| Levy Year | City Direct Rates |                                 |              | Overlapping Rates          |                                   |                 |                    |            | Total Gross Rate |
|-----------|-------------------|---------------------------------|--------------|----------------------------|-----------------------------------|-----------------|--------------------|------------|------------------|
|           | Basic Rate        | General Obligation Debt Service | Total Direct | New Berlin School District | Waukesha County Technical College | Waukesha County | State of Wisconsin |            |                  |
| 2010      | \$ 3.9220         | \$ 1.0557                       | \$ 4.9777    | \$ 10.4856                 | \$ 1.2347                         | \$ 1.9722       | \$ 0.1699          | \$ 18.8401 |                  |
| 2011      | 3.8080            | 1.2013                          | 5.0093       | 10.2903                    | 1.2397                            | 1.9921          | 0.1681             | 18.6996    |                  |
| 2012      | 4.0562            | 1.4556                          | 5.5117       | 11.4766                    | 1.3565                            | 2.1955          | 0.1770             | 20.7173    |                  |
| 2013      | 4.0784            | 1.4340                          | 5.5124       | 11.6508                    | 1.3427                            | 2.1889          | 0.1732             | 20.8679    |                  |
| 2014      | 4.0561            | 1.4541                          | 5.5102       | 11.9221                    | 0.4086                            | 2.1854          | 0.1782             | 20.2046    |                  |
| 2015      | 3.8448            | 1.3960                          | 5.2408       | 11.3358                    | 0.3833                            | 2.0608          | 0.1712             | 19.1919    |                  |
| 2016      | 3.8546            | 1.3832                          | 5.2378       | 11.4779                    | 0.3788                            | 2.0529          | 0.1745             | 19.3219    |                  |
| 2017      | 3.8904            | 1.3740                          | 5.2644       | 11.5694                    | 0.3939                            | 2.0858          | -                  | 19.3135    |                  |
| 2018      | 3.5963            | 1.2617                          | 4.8579       | 10.4435                    | 0.3705                            | 1.9341          | -                  | 17.6060    |                  |
| 2019      | 3.7484            | 1.2507                          | 4.9990       | 10.0299                    | 0.3860                            | 1.9503          | -                  | 17.3653    |                  |

Note: The City has four tax rates dependent upon the school district the property is located. The total shown is for only the largest school district (New Berlin), State of Wisconsin property taxes were eliminated in 2017.

**Table 7**  
**City of New Berlin**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

| <u>Taxpayer</u>              | <u>2019</u>                   |             |   | <u>2010</u>                   |             |   |
|------------------------------|-------------------------------|-------------|---|-------------------------------|-------------|---|
|                              | <u>Taxable Assessed Value</u> | <u>Rank</u> | <u>Percent of Total City Taxable Assessed Value</u> | <u>Taxable Assessed Value</u> | <u>Rank</u> | <u>Percent of Total City Taxable Assessed Value</u> |
| Individual                   | \$ 71,292,800                 | 1           | 1.34%   | \$ 67,439,900                 | 1           | 1.41%   |
| Individual                   | 49,534,900                    | 2           | 0.93%   | 57,205,500                    | 2           | 1.20%   |
| Froedert Health              | 35,718,000                    | 3           | 0.67%   | -                             | -           | -   |
| MSP                          | 32,656,800                    | 4           | 0.61%   | -                             | -           | -   |
| Clark Building Joint Venture | 24,911,800                    | 5           | 0.47%   | 28,474,100                    | 3           | 0.60%   |
| Buy Seasons                  | 23,412,300                    | 6           | 0.44%   | 19,765,140                    | 5           | 0.41%   |
| Sanctuary of Woodshire       | 20,605,000                    | 7           | 0.39%   | 19,033,900                    | 6           | 0.40%   |
| Wyndridge Nominee, LLC       | 18,951,600                    | 8           | 0.36%   | -                             | -           | -   |
| Costco                       | 18,478,200                    | 9           | 0.35%   | -                             | -           | -   |
| FXG, Inc                     | 16,925,500                    | 10          | 0.32%   | 25,941,340                    | 4           | 0.54%   |
| Pinewood Apartments          | -                             | -           | -   | 15,022,000                    | 7           | 0.31%   |
| Industrial Electric          | -                             | -           | -   | 14,796,860                    | 8           | 0.31%   |
| Carriage Way Apartments      | -                             | -           | -   | 12,242,000                    | 9           | 0.26%   |
| Princeton Club               | -                             | -           | -   | 11,956,120                    | 10          | 0.25%   |
|                              | <u>\$ 312,486,900</u>         |             | <u>5.86%</u>  | <u>\$ 271,876,860</u>         |             | <u>5.69%</u>  |

Source: New Berlin City Assessor

**Table 8**  
**City of New Berlin**  
**Property Tax Levies & Collections**  
**Last Ten Years**

| <u>Collection<br/>Year</u> | <u>Total<br/>Tax Levy</u> | <u>Collections</u>                 |                                      | <u>Total Collections to Date</u> |                               |
|----------------------------|---------------------------|------------------------------------|--------------------------------------|----------------------------------|-------------------------------|
|                            |                           | <u>of Tax Roll on<br/>August 1</u> | <u>Percent of<br/>Levy Collected</u> | <u>Amount</u>                    | <u>Percentage<br/>of Levy</u> |
| 2010                       | \$ 23,499,467             | \$ 23,297,703                      | 99.14%                               | \$ 23,498,820                    | 100.00%                       |
| 2011                       | 23,763,953                | 23,528,669                         | 99.01%                               | 23,763,421                       | 100.00%                       |
| 2012                       | 23,997,115                | 23,754,501                         | 98.99%                               | 23,994,904                       | 99.99%                        |
| 2013                       | 24,221,282                | 24,012,358                         | 99.14%                               | 24,221,282                       | 100.00%                       |
| 2014                       | 24,436,282                | 24,279,109                         | 99.36%                               | 24,434,177                       | 99.99%                        |
| 2015                       | 24,681,517                | 24,567,841                         | 99.54%                               | 24,665,383                       | 99.93%                        |
| 2016                       | 24,968,332                | 24,864,003                         | 99.58%                               | 24,947,440                       | 99.92%                        |
| 2017                       | 25,251,000                | 25,136,214                         | 99.55%                               | 25,245,738                       | 99.98%                        |
| 2018                       | 25,550,392                | 25,456,313                         | 99.63%                               | 25,543,854                       | 99.97%                        |
| 2019                       | 25,675,618                | 25,574,501                         | 99.61%                               | 25,655,517                       | 99.92%                        |

**Note:** The amount of outstanding taxes represents uncollected personal property taxes at the end of the year. The portion of delinquent taxes attributable to overlapping jurisdictions is charged back to those jurisdictions in the subsequent year.

**Table 9**  
**City of New Berlin**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Years**

*(dollars in thousands, except per capita)*

| Fiscal Year | Governmental Activities  |               |                       | Business-Type Activities |                          |                          |                        |                        |           | Total Primary Government | Percentage of Personal Income | Per Capita |
|-------------|--------------------------|---------------|-----------------------|--------------------------|--------------------------|--------------------------|------------------------|------------------------|-----------|--------------------------|-------------------------------|------------|
|             | General Obligation Bonds | Capital Lease | State Trust Fund Loan | Water Revenue Bonds      | Water Advance from Sewer | Water General Obligation | WRM General Obligation | WRM Advance from Sewer |           |                          |                               |            |
| 2010        | \$ 35,890                | \$ 170        | \$ 783                | \$ 5,665                 | \$ 3,035                 | \$ -                     | \$ 1,665               | \$ 450                 | \$ 47,658 | 3.23%                    | \$ 1,204                      |            |
| 2011        | 37,890                   | 155           | 716                   | 5,410                    | 2,720                    | -                        | 985                    | 850                    | 48,726    | 3.23%                    | 1,231                         |            |
| 2012        | 41,525                   | 160           | 645                   | -                        | 2,390                    | 4,430                    | 280                    | 1,245                  | 50,675    | 3.32%                    | 1,274                         |            |
| 2013        | 41,170                   | 115           | 565                   | -                        | 2,045                    | 4,220                    | -                      | 1,090                  | 49,205    | 3.14%                    | 1,233                         |            |
| 2014        | 42,129                   | 68            | 465                   | -                        | 1,685                    | 3,975                    | -                      | 1,435                  | 49,757    | 3.15%                    | 1,240                         |            |
| 2015        | 45,719                   | 80            | 360                   | -                        | 1,310                    | 3,715                    | -                      | 1,230                  | 52,414    | 3.21%                    | 1,304                         |            |
| 2016        | 46,319                   | 60            | 250                   | -                        | 925                      | 3,445                    | -                      | 1,020                  | 52,019    | 3.11%                    | 1,293                         |            |
| 2017        | 48,685                   | 82            | 125                   | 62                       | 505                      | 3,165                    | -                      | 810                    | 53,434    | 3.12%                    | 1,335                         |            |
| 2018        | 51,920                   | 50            | -                     | 1,979                    | 255                      | 2,875                    | -                      | 590                    | 57,669    | 3.24%                    | 1,429                         |            |
| 2019        | 54,125                   | 26            | -                     | 1,944                    | -                        | 2,380                    | -                      | 430                    | 58,905    | 3.29%                    | 1,451                         |            |

**Note:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

**Table 10**  
**City of New Berlin**  
**Ratio of Net General Bonded Debt Outstanding**  
**Last Ten Years**

*(dollars in thousands, except per capita)*

| Fiscal Year | General Bonded Debt Outstanding |                        |                          |           | Funds Restricted for Principal | Net Bonded Debt Outstanding | Percentage of                    |            |
|-------------|---------------------------------|------------------------|--------------------------|-----------|--------------------------------|-----------------------------|----------------------------------|------------|
|             | General Obligation Bonds        | WRM General Obligation | Water General Obligation | Total     |                                |                             | Actual Taxable Value of Property | Per Capita |
| 2010        | \$ 35,890                       | \$ 1,665               | \$ -                     | \$ 37,555 | \$ 3,375                       | \$ 34,180                   | 0.72%                            | \$ 949     |
| 2011        | 37,890                          | 985                    | -                        | 38,875    | 3,585                          | 35,290                      | 0.74%                            | 982        |
| 2012        | 41,525                          | 280                    | -                        | 41,805    | -                              | 41,805                      | 0.91%                            | 1,051      |
| 2013        | 41,170                          | -                      | -                        | 41,170    | -                              | 41,170                      | 0.91%                            | 1,031      |
| 2014        | 42,594                          | -                      | 4,430                    | 47,024    | -                              | 47,024                      | 1.00%                            | 1,172      |
| 2015        | 46,079                          | -                      | 4,220                    | 50,299    | -                              | 50,299                      | 1.05%                            | 1,251      |
| 2016        | 46,569                          | -                      | 3,975                    | 50,544    | -                              | 50,544                      | 1.02%                            | 1,256      |
| 2017        | 48,810                          | -                      | 3,892                    | 52,702    | -                              | 52,702                      | 1.02%                            | 1,317      |
| 2018        | 51,920                          | -                      | 3,445                    | 55,365    | -                              | 55,365                      | 1.02%                            | 1,372      |
| 2019        | 54,125                          | -                      | 2,380                    | 56,505    | -                              | 56,505                      | 0.99%                            | 1,392      |

**Note:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

**Table 11**  
**City of New Berlin**  
**Direct and Overlapping Governmental Activities Debt**  
**As of December 31, 2019**  
*(dollars in thousands)*

|                                   | <u>Debt<br/>Outstanding</u> | <u>Estimated<br/>Percentage<br/>Applicable</u> | <u>Estimated<br/>Share of<br/>Overlapping<br/>Debt</u> |
|-----------------------------------|-----------------------------|--|--|
| Waukesha County                   | \$ 79,330                   | 9.7693%  | \$ 7,750   |
| Elmbrook School District          | 49,445                      | 1.1783%  | 583  |
| Muskego-Norway School District    |                             | 0.1060%  | -  |
| New Berlin School District        | 44,740                      | 100.0000%                                      | 44,740   |
| West Allis School District        | 52,214                      | 7.6340%  | 3,986  |
| Waukesha County Technical College | 15,680                      | 8.9687%  | 1,406  |
| Milwaukee Area Technical College  | 103,545                     | 0.4352%  | <u>451</u>   |
| Subtotal, overlapping debt        |                             |  | 58,916   |
| City direct debt                  |                             |  | <u>56,505</u>  |
| Total direct and overlapping debt |                             |  | <u>\$ 115,421</u>                                      |

**Sources:** Assessed value data provided by the City Assessor's office. Debt outstanding data provided by each governmental unit.

**Note:** Overlapping governments are those that coincide, at least in part, with the geographical boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of New Berlin. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

**Table 12**  
**City of New Berlin**  
**Legal Debt Margin Information,**  
**Last Ten Years**  
*(dollars in thousands)*

**Legal debt margin calculation for 2019**

|   |              |
|---|--------------|
| Equalized Valuation   | \$ 5,714,406 |
| Debt Limit (5% of equalized value)                                | 285,720      |
| Debt applicable to limit:   |              |
| General Obligation Debt   | 56,505       |
| Less: Available funds designated for<br>principal debt retirement | 223          |
| Total net debt applicable to limit                                | 56,282       |
| Legal debt margin   | \$ 229,438   |

|   | <u>2010</u>       | <u>2011</u>       | <u>2012</u>       | <u>2013</u>       | <u>2014</u>       | <u>2015</u>       | <u>2016</u>       | <u>2017</u>       | <u>2018</u>       | <u>2019</u>       |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Debt Limit  | \$ 244,652        | \$ 238,942        | \$ 237,298        | \$ 229,158        | \$ 226,196        | \$ 235,180        | \$ 240,436        | \$ 247,866        | \$ 259,325        | \$ 285,720        |
| Total net debt applicable to limit                                      | <u>34,561</u>     | <u>36,575</u>     | <u>38,661</u>     | <u>46,298</u>     | <u>45,677</u>     | <u>46,251</u>     | <u>49,901</u>     | <u>49,811</u>     | <u>51,787</u>     | <u>56,282</u>     |
| Legal debt margin   | <u>\$ 210,380</u> | <u>\$ 202,367</u> | <u>\$ 238,228</u> | <u>\$ 182,860</u> | <u>\$ 180,519</u> | <u>\$ 188,929</u> | <u>\$ 190,535</u> | <u>\$ 198,055</u> | <u>\$ 207,538</u> | <u>\$ 229,438</u> |
| Total net debt applicable to the limit<br>as a percentage of debt limit | 13.64%            | 14.13%            | 15.31%            | 16.29%            | 20.19%            | 19.67%            | 20.75%            | 20.10%            | 19.97%            | 19.70%            |

**Note:** Under state law the city's outstanding general obligation debt cannot exceed 5 percent of total equalized property value. However, the city has established a more conservative internal limit of not more than 2.5 percent. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

**Table 13**  
**City of New Berlin**  
**Pledged-Revenue Coverage,**  
**Last ten years**

| <u>Year</u> | <u>Gross Revenues</u> | <u>Operating Expenses</u> | <u>Net Revenue Available for Debt Service</u> | <u>Maximum Annual Debt Service Requirement</u> |                 |                 | <u>Total</u> |
|-------------|-----------------------|---------------------------|---|--|-----------------|-----------------|--------------|
|             |                       |                           |   | <u>Principal</u>                               | <u>Interest</u> | <u>Coverage</u> |              |
| 2010        | \$ 4,954,253          | \$ 2,440,775              | \$ 2,513,478                                  | \$ 550,000                                     | \$ 215,064      | 3.29            | \$ 765,064   |
| 2011        | 5,147,887             | 2,706,436                 | 2,441,451                                     | 550,000  | 215,064         | 3.19            | 765,064      |
| 2012        | n/a                   | n/a                       | n/a   | n/a  | n/a             | n/a             | n/a          |
| 2013        | n/a                   | n/a                       | n/a   | n/a  | n/a             | n/a             | n/a          |
| 2014        | n/a                   | n/a                       | n/a   | n/a  | n/a             | n/a             | n/a          |
| 2015        | n/a                   | n/a                       | n/a   | n/a  | n/a             | n/a             | n/a          |
| 2016        | n/a                   | n/a                       | n/a   | n/a  | n/a             | n/a             | n/a          |
| 2017        | 5,264,980             | 2,876,287                 | 2,388,693                                     | 2,575  | 1,131           | 644.55          | 3,706        |
| 2018        | 5,417,489             | 3,081,448                 | 2,336,041                                     | 87,253   | 34,580          | 19.17           | 121,833      |
| 2019        | 5,337,794             | 2,893,109                 | 2,444,685                                     | 89,379   | 35,580          | 19.56           | 124,959      |

**Note:** Details regarding the city's outstanding debt can be found in the notes to the financial statements. Gross revenues are operating revenues plus interest. Operating expenses do not include interest, depreciation or amortization.

**Table 14**  
**City of New Berlin**  
**Demographic and Economic Statistics**  
**Last Ten Years**

| <b>Year</b> | <b>Population</b> | <b>New Berlin<br/>Per Capita<br/>Income</b> | <b>Personal<br/>Income<br/>(thousands of<br/>dollars)</b> | <b>School<br/>Enrollment</b> | <b>Unemployment<br/>Rate</b> |
|-------------|-------------------|---|---|------------------------------|------------------------------|
| 2010        | 39,584            | \$ 37,222                                   | \$ 1,473,396  | 4,705                        | 7.10%                        |
| 2011        | 39,594            | 38,089                                      | 1,508,096   | 4,687                        | 5.20%                        |
| 2012        | 39,770            | 38,358                                      | 1,525,498   | 4,656                        | 5.30%                        |
| 2013        | 39,915            | 39,295                                      | 1,568,460   | 4,592                        | 4.80%                        |
| 2014        | 40,130            | 39,339                                      | 1,578,674   | 4,590                        | 4.30%                        |
| 2015        | 40,195            | 40,678                                      | 1,635,052   | 4,528                        | 3.60%                        |
| 2016        | 40,227            | 41,546                                      | 1,671,271   | 4,445                        | 3.70%                        |
| 2017        | 40,027            | 42,788                                      | 1,712,675   | 4,410                        | 2.30%                        |
| 2018        | 40,349            | 44,119                                      | 1,780,158   | 4,503                        | 2.70%                        |
| 2019        | 40,596            | 44,119                                      | 1,791,055   | 4,348                        | 3.00%                        |

**Sources:** Population provided by State Department of Revenue. Per capita income is from the US Census Bureau and personal income is population times per capita. School enrollment data from WI Dept of Public Instruction. Unemployment data provided by State Department of Workforce Development.

**Notes:** Personal income data from Wisconsin Department of Administration, Demographic Services Center. Unemployment rate information is annual average. School enrollment is based on census at the middle of the school year and includes public schools only.

**Table 15**  
**City of New Berlin**  
**Principal Employers**  
**Current Year and Nine Years Ago**

| <u>Employer</u>                  | <u>2019</u>                                    |             |  | <u>2010</u>                                    |             |  |
|----------------------------------|--|-------------|--|--|-------------|--|
|                                  | <u>Approximate<br/>Number of<br/>Employees</u> | <u>Rank</u> | <u>Percentage<br/>of Total City<br/>Employment</u> | <u>Approximate<br/>Number of<br/>Employees</u> | <u>Rank</u> | <u>Percentage<br/>of Total City<br/>Employment</u> |
| Spring City/Pieper Electric      | 1,000  | 1           | 4.62%  | -  | -           | -  |
| Ideal Mechanical                 | 550  | 2           | 2.54%  | -  | -           | -  |
| ABB Industrial Systems Inc.      | 520  | 3           | 2.40%  | 450  | 3           | 2.26%  |
| New Berlin School District       | 507  | 4           | 2.34%  | 494  | 2           | 2.48%  |
| GMR Marketing                    | 446  | 5           | 2.06%  | 350  | 5           | 1.76%  |
| City of New Berlin               | 420  | 6           | 1.94%  | 219  | 10          | 1.10%  |
| Modern Maintenance Building      | 400  | 7           | 1.85%  | -  | -           | -  |
| Regency Janitorial Service, Inc. | 400  | 8           | 1.85%  | -  | -           | -  |
| Collins Aerospace                | 300  | 9           | 1.39%  | -  | -           | -  |
| ACS Group                        | 259  | 10          | 1.20%  | -  | -           | -  |
| Buyseasons Inc.*                 | -  | -           | -  | 280  | 1           | 1.40%  |
| FedEx Smartpost Inc.             | -  | -           | -  | 359  | 4           | 1.80%  |
| KS Energy Services               | -  | -           | -  | 300  | 6           | 1.50%  |
| A&A Manufacturing                | -  | -           | -  | 289  | 7           | 1.45%  |
| Lindengrove Inc.                 | -  | -           | -  | 281  | 8           | 1.41%  |
| FIS Management Services          | -  | -           | -  | 250  | 9           | 1.25%  |
| <b>Total</b>                     | <u>4,802</u>                                   |             | <u>22.19%</u>                                      | <u>3,272</u>                                   |             | <u>16.41%</u>                                      |

Industrial Towel & Uniform

Source: City Official Statement - ReferenceUSA, written and telephone survey (July, 2018), *Wisconsin Manufacturers Register*, and the Wisconsin Department of Workforce Development

\* In addition to full time, Buyseasons has 2,400 seasonal & 95 part time.

**Table 16**  
**City of New Berlin**  
**Full-time Equivalent City Employees by Function/Program,**  
**Last Ten Years**

|                                    | <u>2010</u>   | <u>2011</u>   | <u>2012</u>   | <u>2013</u>   | <u>2014</u>   | <u>2015</u>   | <u>2016</u>   | <u>2017</u>   | <u>2018</u>   | <u>2019</u>   |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <i>GENERAL GOVERNMENT</i>          |               |               |               |               |               |               |               |               |               |               |
| Mayor                              | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          |
| Human Resources                    | 3.00          | 3.00          | 3.00          | 2.40          | 2.50          | 2.00          | 2.00          | 2.50          | 3.00          | 3.00          |
| Finance                            | 5.00          | 5.67          | 5.75          | 5.75          | 4.75          | 4.75          | 4.81          | 5.31          | 5.31          | 5.31          |
| Assessor                           | 5.00          | 5.00          | 5.00          | 5.00          | 4.50          | 4.50          | 4.50          | 4.50          | 4.50          | 4.50          |
| Municipal Court                    | 1.00          | 2.15          | 2.15          | 2.15          | 2.15          | 2.10          | 2.10          | 2.10          | 2.20          | 2.04          |
| Engineering                        | 9.00          | 3.00          | 3.00          | 3.00          | 3.00          | 2.50          | 2.50          | 2.25          | 2.25          | 2.25          |
| Facilities & Grounds               | 3.00          | 7.00          | 6.00          | 7.00          | 8.00          | 12.00         | 13.00         | 13.00         | 14.00         | 13.50         |
| Facilities & Grounds - Pt          | 3.47          | 4.18          | 7.40          | 7.52          | 6.50          | 4.88          | 5.88          | 6.60          | 6.10          | 5.01          |
| Clerk                              | 3.00          | 4.00          | 4.60          | 4.34          | 4.34          | 4.34          | 4.50          | 4.70          | 4.60          | 4.60          |
| Information Technology             | 4.00          | 3.93          | 3.46          | 3.26          | 3.50          | 3.50          | 3.50          | 3.50          | 3.50          | 3.50          |
| Protection of Persons and Property |               |               |               |               |               |               |               |               |               |               |
| Police                             | 87.00         | 87.50         | 85.50         | 81.00         | 81.00         | 79.75         | 80.75         | 81.25         | 81.25         | 81.25         |
| Fire                               | 27.00         | 27.00         | 29.00         | 30.00         | 32.00         | 33.00         | 36.00         | 36.00         | 39.00         | 40.00         |
| Fire - Pt                          | 12.80         | 11.48         | 10.85         | 10.60         | 10.60         | 11.00         | 11.02         | 11.12         | 11.50         | 11.00         |
| Emergency Management               |               |               |               |               |               |               |               |               |               | 0.50          |
| Inspection                         | 7.00          | 6.00          | 6.00          | 6.00          | 6.00          | 6.00          | 6.00          | 5.50          | 5.50          | 5.50          |
| Library                            | 5.00          | 4.00          | 4.00          | 4.00          | 4.00          | 4.00          | 5.00          | 5.00          | 6.00          | 6.00          |
| Library - Pt                       | 12.54         | 13.45         | 13.14         | 13.34         | 13.82         | 13.00         | 13.41         | 13.41         | 12.66         | 12.66         |
| Parks & Recreation                 | 12.00         | 3.00          | 3.00          | 3.00          | 3.00          | 3.00          | 2.00          | 3.00          | 3.00          | 4.00          |
| Parks & Recreation - Pt            | 2.03          | 9.28          | 9.53          | 9.28          | 9.25          | 9.70          | 8.60          | 6.84          | 6.84          | 6.34          |
| Streets                            | 28.00         | 27.00         | 27.00         | 26.00         | 27.00         | 27.00         | 27.00         | 27.50         | 28.50         | 27.50         |
| Public Works                       |               |               |               |               |               |               |               |               |               | 1.00          |
| Conservation & Development         | 6.00          | 6.00          | 7.00          | 7.00          | 7.50          | 7.50          | 7.50          | 8.50          | 8.50          | 8.50          |
| <i>ENTERPRISE FUNDS</i>            |               |               |               |               |               |               |               |               |               |               |
| Sewer Utility                      | 6.75          | 6.75          | 6.75          | 6.35          | 4.85          | 6.65          | 6.65          | 6.65          | 6.95          | 6.95          |
| Water Utility                      | 11.25         | 11.25         | 11.75         | 11.65         | 12.15         | 11.35         | 11.35         | 11.35         | 11.05         | 11.05         |
| Water Resource Management          | -             | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 2.00          | 1.00          | 1.00          | 1.00          |
| <b>TOTAL</b>                       | <b>255.84</b> | <b>254.64</b> | <b>257.88</b> | <b>252.64</b> | <b>254.41</b> | <b>256.52</b> | <b>262.07</b> | <b>263.58</b> | <b>269.21</b> | <b>268.96</b> |

**Source:** City budget document

**Table 17**  
**City of New Berlin**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

|   | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Police Protection:                                  |             |             |             |             |             |             |             |             |             |             |
| Calls for service                                   | 33,588      | 30,430      | 28,478      | 29,664      | 29,339      | 31,241      | 30,716      | 31,076      | 28,418      | 29,302      |
| Citations issued                                    | 5,592       | 4,019       | 4,436       | 2,986       | 4,719       | 5,016       | 4,877       | 3,834       | 3,987       | 5,133       |
| Fire Protection:                                    |             |             |             |             |             |             |             |             |             |             |
| Fire calls answered                                 | 592         | 562         | 723         | 742         | 852         | 799         | 847         | 913         | 964         | 1,016       |
| Medical calls answered                              | 2,158       | 2,382       | 2,380       | 2,624       | 2,746       | 2,847       | 3,279       | 3,953       | 4,010       | 3,941       |
| Inspections   | 3,869       | 4,141       | 4,502       | 4,589       | 4,614       | 2,832       | 2,822       | 2,779       | 3,072       | 2,923       |
| Other Public Works                                  |             |             |             |             |             |             |             |             |             |             |
| Street Resurfacing (miles)                          | 4.95        | 9.7         | 9.5         | 13.7        | 10.6        | 10.9        | 13.32       | 15.17       | 15.24       | 13.55       |
| Library   |             |             |             |             |             |             |             |             |             |             |
| Volumes in collection                               | 159,529     | 159,445     | 167,794     | 161,258     | 151,291     | 149,595     | 147,047     | 146,396     | 150,003     | 150,497     |
| Total Volumes borrowed                              | 330,430     | 335,770     | 368,341     | 356,656     | 350,396     | 349,290     | 365,702     | 374,801     | 392,043     | 405,089     |
| Water System:                                       |             |             |             |             |             |             |             |             |             |             |
| New connections                                     | 152         | 22          | 38          | 116         | 32          | 39          | 84          | 15          | 41          | 77          |
| Water main breaks                                   | 5           | 7           | 6           | 9           | 15          | 13          | 8           | 11          | 20          | 7           |
| Average Daily consumption<br>(thousands of gallons) | 2,337       | 2,348       | 2,703       | 2,352       | 2,236       | 2,337       | 2,296       | 2,192       | 2,630       | 2,460       |
| Peak daily consumption<br>(thousands of gallons)    | 4,157       | 4,658       | 5,720       | 4,924       | 4,420       | 4,429       | 4,684       | 4,347       | 5,919       | 4,432       |

**Sources:** Various city departments

**Table 18**  
**City of New Berlin**  
**Capital Asset Statistics by Function/Program,**  
**Last Ten Years**

|                                     | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Police Protection:                  |             |             |             |             |             |             |             |             |             |             |
| Number of stations                  | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Number of patrol units              | 20          | 20          | 20          | 20          | 20          | 20          | 20          | 20          | 20          | 20          |
| Fire Stations                       | 5           | 5           | 5           | 5           | 5           | 5           | 5           | 5           | 5           | 5           |
| Other public works                  |             |             |             |             |             |             |             |             |             |             |
| Miles of streets                    | 225.74      | 225.74      | 225.74      | 225.74      | 226.7       | 226.7       | 226.73      | 226.73      | 226.73      | 226.73      |
| Number of street lights             | 495         | 495         | 495         | 495         | 515         | 515         | 589         | 589         | 589         | 589         |
| Park and Recreation                 |             |             |             |             |             |             |             |             |             |             |
| Parks                               | 27          | 27          | 27          | 27          | 27          | 27          | 27          | 27          | 29          | 30          |
| Park & Conservancy Areas Acreage    | 894         | 894         | 894         | 894         | 894         | 894         | 894         | 894         | 914         | 915         |
| Golf course & Disc Golf             | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Hiking trails                       | 8           | 8           | 8           | 8           | 8           | 8           | 8           | 8           | 8           | 8           |
| Tennis courts                       | 14          | 14          | 14          | 14          | 14          | 14          | 14          | 14          | 14          | 14          |
| Water System:                       |             |             |             |             |             |             |             |             |             |             |
| Water mains (miles)                 | 166         | 166         | 166         | 168.7       | 169.5       | 169.7       | 170.14      | 172.52      | 173.1       | 174         |
| Fire hydrants                       | 2,046       | 2,047       | 2,047       | 2,062       | 2,071       | 2,075       | 2,083       | 2,111       | 2,114       | 2117        |
| Storage capacity (thousand gallons) | 4,040       | 4,040       | 4,040       | 4,040       | 4,040       | 4,040       | 4,040       | 4,040       | 4,040       | 4,040       |
| Wastewater System:                  |             |             |             |             |             |             |             |             |             |             |
| Miles of sanitary sewers            | 176         | 176         | 176         | 180.9       | 180.9       | 180.9       | 180.97      | 182.3       | 182.91      | 183.2       |
| Number of service connections       | 10,349      | 10,504      | 10,506      | 10,515      | 10,534      | 10,523      | 10,537      | 10,548      | 10,568      | 10,593      |
| Stormwater System:                  |             |             |             |             |             |             |             |             |             |             |
| Miles of stormsewers                | 65          | 65          | 65          | 66          | 68.2        | 68.5        | 69.75       | 70.7        | 73.7        | 75.6        |
| Culverts                            | 719         | 720         | 725         | 730         | 737         | 742         | 743         | 746         | 747         | 748         |

**Sources:** Various city departments