

# **CITY OF GLENDALE**

Glendale, Wisconsin

## **FINANCIAL STATEMENTS**

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2023



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# CITY OF GLENDALE

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# CITY OF GLENDALE

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**INDEPENDENT AUDITORS' REPORT**



## INDEPENDENT AUDITORS' REPORT

City Council  
City of Glendale  
Glendale, Wisconsin

### Report on the Audit of the Financial Statements

#### *Opinions*

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 Glendale, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City of Glendale's basic financial statements as listed in the table of contents.

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 Glendale, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Glendale and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Glendale's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Glendale's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Glendale's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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.

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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Glendale's basic financial statements. The supplementary information 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 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 GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Wauwatosa, Wisconsin  
September 25, 2024

## **BASIC FINANCIAL STATEMENTS**

# CITY OF GLENDALE

## STATEMENT OF NET POSITION As of December 31, 2023

	Governmental Activities	Business-type Activities	Totals
<b>ASSETS</b>			
Cash and investments	\$ 15,022,361	\$ 2,588,719	\$ 17,611,080
Receivables (net)			
Taxes	25,076,038	-	25,076,038
Accounts	7,187,118	2,281,129	9,468,247
Delinquent personal property taxes	2,052	-	2,052
Due from other governments	-	-	-
Internal balances	259,841	(259,841)	-
Inventories	-	83,227	83,227
Prepaid items	172,263	-	172,263
Restricted assets			
Cash and investments	-	454,755	454,755
Deposit with insurance company	658,835	-	658,835
Other assets	-	810	810
Capital assets			
Land	2,648,060	52,186	2,700,246
Other capital assets, net of accumulated depreciation	<u>24,770,054</u>	<u>32,333,475</u>	<u>57,103,529</u>
Total Assets	<u>75,796,622</u>	<u>37,534,460</u>	<u>113,331,082</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related amounts	9,429,337	450,907	9,880,244
OPEB related amounts	<u>2,800,663</u>	<u>17,892</u>	<u>2,818,555</u>
Life OPEB related amounts	228,117	17,892	246,009
Health OPEB related amounts	<u>2,572,546</u>	<u>-</u>	<u>2,572,546</u>
Total Deferred Inflows of Resources	<u>12,230,000</u>	<u>468,799</u>	<u>12,698,799</u>
<b>LIABILITIES</b>			
Accounts payable and other accrued liabilities	1,895,916	1,118,527	3,014,443
Accrued interest	383,102	213,367	596,469
Unearned revenues	1,327,556	-	1,327,556
Noncurrent liabilities			
Net pension liability	2,511,755	120,723	2,632,478
Due within one year	4,929,417	1,682,889	6,612,306
Due in more than one year	<u>51,425,004</u>	<u>9,123,674</u>	<u>60,548,678</u>
Total Liabilities	<u>62,472,750</u>	<u>12,259,180</u>	<u>74,731,930</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related amounts	5,273,630	253,467	5,527,097
Life insurance related amounts	392,838	30,906	423,744
Health OPEB related amounts	4,165,867	-	4,165,867
OPEB related amounts	4,558,705	30,906	4,589,611
Subsequent year tax levy	<u>25,076,038</u>	<u>-</u>	<u>25,076,038</u>
Total Deferred Inflows of Resources	<u>34,908,373</u>	<u>284,373</u>	<u>35,192,746</u>
<b>NET POSITION</b>			
Net investment in capital assets	9,502,531	21,843,558	31,346,089
Restricted for			
Emergency fund	-	100,217	100,217
Maintenance	-	354,538	354,538
TIF Purposes	4,881,906	-	4,881,906
Unrestricted (deficit)	<u>(23,738,938)</u>	<u>3,161,393</u>	<u>(20,577,545)</u>
<b>TOTAL NET POSITION (DEFICIT)</b>	<u>\$ (9,354,501)</u>	<u>\$ 25,459,706</u>	<u>\$ 16,105,205</u>

See accompanying notes to the financial statements.

# CITY OF GLENDALE

## STATEMENT OF ACTIVITIES For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General government	\$ 1,885,172	\$ 787,854	\$ 21,897	\$ -
Public safety	19,201,870	8,024,930	86,953	-
Public works	4,080,093	611,186	1,118,039	492,336
Health and human services	807,753	-	-	-
Culture, education and recreation	945,582	64,494	75,573	-
Conservation and development	1,967,954	4	489,155	-
Interest and fiscal charges	1,356,554	-	-	-
Total Governmental Activities	30,244,978	9,488,468	1,791,617	492,336
<b>Business-type Activities</b>				
Water Utility	3,770,551	3,346,869	-	-
Sewer Utility	2,099,419	2,615,505	121,637	-
Storm Water Utility	636,225	1,246,605	-	-
Total Business-type Activities	6,506,195	7,208,979	121,637	-
Total	\$ 36,751,173	\$ 16,697,447	\$ 1,913,254	\$ 492,336

**General Revenues**

**Taxes**

Property taxes, levied for general purposes

Property taxes, levied for debt service

Property taxes, levied for TIF districts

Property taxes, levied for other

Intergovernmental revenues not restricted to specific programs

Investment income

Miscellaneous

**Transfers**

Total General Revenues and Transfers

**Change in net position**

NET POSITION (DEFICIT) - Beginning of Year

**NET POSITION (DEFICIT) - END OF YEAR**

See accompanying notes to the financial statements.

Net (Expenses) Revenues and  
Changes in Net Position

Governmental Activities	Business-type Activities	Totals
\$ (1,075,421)	\$ -	\$ (1,075,421)
(11,089,987)	-	(11,089,987)
(1,858,532)	-	(1,858,532)
(807,753)	-	(807,753)
(805,515)	-	(805,515)
(1,478,795)	-	(1,478,795)
<u>(1,356,554)</u>	<u>-</u>	<u>(1,356,554)</u>
<u>(18,472,557)</u>	<u>-</u>	<u>(18,472,557)</u>
-	(423,682)	(423,682)
-	637,723	637,723
-	<u>610,380</u>	<u>610,380</u>
-	<u>824,421</u>	<u>824,421</u>
<u>(18,472,557)</u>	<u>824,421</u>	<u>(17,648,136)</u>
10,664,652	-	10,664,652
2,848,955	-	2,848,955
3,671,124	-	3,671,124
1,011,691	-	1,011,691
1,176,554	-	1,176,554
917,246	239,147	1,156,393
-	-	-
<u>(1,672,115)</u>	<u>1,672,115</u>	<u>-</u>
<u>18,618,107</u>	<u>1,911,262</u>	<u>20,529,369</u>
145,550	2,735,683	2,881,233
<u>(9,500,051)</u>	<u>22,724,023</u>	<u>13,223,972</u>
<u>\$ (9,354,501)</u>	<u>\$ 25,459,706</u>	<u>\$ 16,105,205</u>

See accompanying notes to the financial statements.

**CITY OF GLENDALE**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of December 31, 2023

	General
<b>ASSETS</b>	
Cash and investments	\$ 6,559,127
Receivables (net)	
Taxes	10,162,970
Accounts	577,115
Delinquent personal property taxes	2,052
Due from other governments	-
Due from other funds	634,281
Prepaid items	<u>120,368</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 18,055,913</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	
Liabilities	
Accounts payable	\$ 303,547
Accrued liabilities	501,171
Unearned revenue	-
Deposits	455,428
Due to other funds	-
Total Liabilities	<u>1,260,146</u>
Deferred Inflows of Resources	
Subsequent year tax levy	10,162,970
Unavailable revenues	53,103
Total Deferred Inflows of Resources	<u>10,216,073</u>
Fund Balances	
Nonspendable	122,420
Restricted	-
Committed	-
Assigned	622,735
Unassigned (deficit)	5,834,539
Total Fund Balances (deficit)	<u>6,579,694</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b><u>\$ 18,055,913</u></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. See Note II. A.
- Internal Service fund net position
- Deferred outflows of resources related to pensions and OPEBs do not relate to current financial resources and are not reported in the governmental funds.
- Deferred inflows of resources related to pensions and OPEBs do not relate to current financial resources and are not reported in the governmental funds.
- Some receivables that are not current available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.
- 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.

**NET POSITION (DEFICIT) OF GOVERNMENTAL ACTIVITIES**

See accompanying notes to the financial statements.

Debt Service	General Capital Projects	TIF #7 Capital Projects	TIF #8 Capital Projects	Nonmajor Governmental Funds	Totals
\$ -	\$ -	\$ 2,420,774	\$ 2,461,942	\$ 3,197,343	\$ 14,639,186
9,574,872	-	2,582,754	2,140,442	615,000	25,076,038
6,335,626	148,500	-	6,753	119,124	7,187,118
-	-	-	-	-	2,052
-	-	-	-	-	-
-	-	-	-	259,841	894,122
-	-	-	-	51,895	172,263
<u>\$ 15,910,498</u>	<u>\$ 148,500</u>	<u>\$ 5,003,528</u>	<u>\$ 4,609,137</u>	<u>\$ 4,243,203</u>	<u>\$ 47,970,779</u>

\$ -	\$ 423,606	\$ -	\$ 2,635	\$ 173,093	\$ 902,881
-	-	-	-	3,223	504,394
-	-	-	-	1,327,556	1,327,556
-	-	-	-	11,926	467,354
302,520	279,060	-	-	52,701	634,281
<u>302,520</u>	<u>702,666</u>	<u>-</u>	<u>2,635</u>	<u>1,568,499</u>	<u>3,836,466</u>

9,574,872	-	2,582,754	2,140,442	615,000	25,076,038
6,335,626	250,500	-	4,928	2,114	6,646,271
<u>15,910,498</u>	<u>250,500</u>	<u>2,582,754</u>	<u>2,145,370</u>	<u>617,114</u>	<u>31,722,309</u>

-	-	-	-	51,895	174,315
-	-	2,420,774	2,461,132	-	4,881,906
-	-	-	-	2,113,562	2,113,562
-	-	-	-	-	622,735
(302,520)	(804,666)	-	-	(107,867)	4,619,486
<u>(302,520)</u>	<u>(804,666)</u>	<u>2,420,774</u>	<u>2,461,132</u>	<u>2,057,590</u>	<u>12,412,004</u>

<u>\$ 15,910,498</u>	<u>\$ 148,500</u>	<u>\$ 5,003,528</u>	<u>\$ 4,609,137</u>	<u>\$ 4,243,203</u>	
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27,418,114  
1,020,723  
12,230,000  
(9,832,335)  
6,646,271  
(59,249,278)  
\$ (9,354,501)

See accompanying notes to the financial statements.

# CITY OF GLENDALE

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

For the Year Ended December 31, 2023

	<u>General</u>
<b>REVENUES</b>	
Taxes	\$ 10,029,614
Intergovernmental	2,418,580
Licenses and permits	1,063,456
Fines, forfeitures and penalties	415,413
Public charges for services	512,574
Investment income	421,769
Miscellaneous	681,653
Total Revenues	<u>15,543,059</u>
<b>EXPENDITURES</b>	
Current	
General government	1,949,212
Public safety	11,431,838
Public works	2,658,186
Health and human services	151,738
Culture, recreation and education	477,448
Conservation and development	313,731
Capital outlay	72,249
Debt service	
Principal	-
Interest and fees	-
Total Expenditures	<u>17,054,402</u>
Excess (deficiency) of revenues over expenditures	<u>(1,511,343)</u>
<b>OTHER FINANCING SOURCES (USES)</b>	
Debt premium	-
Debt issued	-
Transfers in	1,900,897
Transfers out	-
Total Other Financing Sources (Uses)	<u>1,900,897</u>
<b>Net Change in Fund Balances</b>	389,554
FUND BALANCES - Beginning of Year (Deficit)	<u>6,190,140</u>
<b>FUND BALANCES - END OF YEAR (DEFICIT)</b>	<u>\$ 6,579,694</u>

See accompanying notes to the financial statements.

Debt Service	General Capital Projects	TIF #7 Capital Projects	TIF #8 Capital Projects	Nonmajor Governmental Funds	Totals
\$ 2,847,372	\$ -	\$ 2,424,881	\$ 1,246,243	\$ 1,646,691	\$ 18,194,801
-	21,770	432,133	55,268	61,617	2,989,368
-	-	-	-	-	1,063,456
-	-	-	-	-	415,413
-	-	-	-	741,387	1,253,961
-	-	147,959	150,475	197,043	917,246
-	538,675	-	4	218,216	1,438,548
<u>2,847,372</u>	<u>560,445</u>	<u>3,004,973</u>	<u>1,451,990</u>	<u>2,864,954</u>	<u>26,272,793</u>
-	-	-	-	-	1,949,212
-	-	-	-	26,121	11,457,959
-	-	-	-	164,647	2,822,833
-	-	-	-	656,015	807,753
-	-	-	-	312,970	790,418
-	-	-	-	365,359	679,090
-	12,444,658	4,055	1,283,862	37,691	13,842,515
17,622,738	-	-	-	-	17,622,738
1,517,623	-	-	-	-	1,517,623
<u>19,140,361</u>	<u>12,444,658</u>	<u>4,055</u>	<u>1,283,862</u>	<u>1,562,803</u>	<u>51,490,141</u>
<u>(16,292,989)</u>	<u>(11,884,213)</u>	<u>3,000,918</u>	<u>168,128</u>	<u>1,302,151</u>	<u>(25,217,348)</u>
553,446	-	-	-	-	553,446
13,375,000	8,685,000	-	-	-	22,060,000
2,156,421	-	-	-	-	4,057,318
-	-	(2,156,421)	-	(1,172,720)	(3,329,141)
<u>16,084,867</u>	<u>8,685,000</u>	<u>(2,156,421)</u>	<u>-</u>	<u>(1,172,720)</u>	<u>23,341,623</u>
(208,122)	(3,199,213)	844,497	168,128	129,431	(1,875,725)
<u>(94,398)</u>	<u>2,394,547</u>	<u>1,576,277</u>	<u>2,293,004</u>	<u>1,928,159</u>	<u>14,287,729</u>
<u>\$ (302,520)</u>	<u>\$ (804,666)</u>	<u>\$ 2,420,774</u>	<u>\$ 2,461,132</u>	<u>\$ 2,057,590</u>	<u>\$ 12,412,004</u>

See accompanying notes to the financial statements.

## CITY OF GLENDALE

### 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, 2023

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Net change in fund balances - total governmental funds	\$ (1,875,725)
--------------------------------------------------------	----------------

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 are 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 statements	13,842,515
Some items reported as capital outlay were not capitalized	(10,008,755)
Capital assets transferred to the water utility	(2,400,292)
Net book value of retired assets	(50,508)
Depreciation is reported in the government-wide financial statements	(1,715,518)

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.

Debt issued	(22,060,000)
Principal repaid	17,622,738
Debt premium on current year issuance	(553,446)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

Sponsor receivables	(545,777)
Other	6,335,627

Internal service fund change in net position	23,122
----------------------------------------------	--------

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.

Compensated absences	193,874
Debt premium amortization (net)	179,046
Other post employment obligations	4,101,902
Net pension liability (asset)	(6,284,647)
Deferred outflows of resources related to pensions and OPEBs	1,728,953
Deferred inflows of resources related to pensions and OPEBs	1,630,418
Accrued interest	(17,977)

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ <u>145,550</u></b>
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See accompanying notes to the financial statements.

**CITY OF GLENDALE**

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 As of December 31, 2023

	Business-type Activities - Enterprise Funds			Totals	Governmental
	Water Utility	Sewer Utility	Storm Water Utility		Activities - Internal Service Fund
<b>ASSETS</b>					
Current Assets					
Cash and investments	\$ 329,174	\$ 1,870,741	\$ 388,804	\$ 2,588,719	\$ 383,175
Receivables					
Accounts	2,242,304	38,825	-	2,281,129	-
Due from other funds	-	1,956,262	489,520	2,445,782	-
Prepays	-	-	-	-	-
Inventories	83,227	-	-	83,227	-
Total Current Assets	<u>2,654,705</u>	<u>3,865,828</u>	<u>878,324</u>	<u>7,398,857</u>	<u>383,175</u>
Noncurrent Assets					
Restricted Assets					
Cash and investments	454,755	-	-	454,755	-
Deposit with insurance company	-	-	-	-	658,835
Capital assets					
Land	52,186	-	-	52,186	-
Property and equipment	38,972,591	4,823,932	7,031,405	50,827,928	-
Less: Accumulated depreciation	(13,500,783)	(2,334,977)	(2,658,693)	(18,494,453)	-
Other Assets					
Non-utility property - net value	810	-	-	810	-
Total Noncurrent Assets	<u>25,979,559</u>	<u>2,488,955</u>	<u>4,372,712</u>	<u>32,841,226</u>	<u>658,835</u>
Total Assets	<u>28,634,264</u>	<u>6,354,783</u>	<u>5,251,036</u>	<u>40,240,083</u>	<u>1,042,010</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflow related to life OPEB	13,037	1,998	2,857	17,892	-
Deferred outflow related to pension	319,172	59,189	72,546	450,907	-
Total Deferred Outflows of Resources	<u>332,209</u>	<u>61,187</u>	<u>75,403</u>	<u>468,799</u>	<u>-</u>

See accompanying notes to the financial statements.

	Business-type Activities - Enterprise Funds			Totals	Governmental
	Water Utility	Sewer Utility	Storm Water Utility		Activities - Internal Service Fund
<b>LIABILITIES</b>					
Current Liabilities					
Accounts payable	560,627	424,005	78,320	1,062,952	21,287
Accrued payroll	49,066	5,287	1,222	55,575	-
Due to other funds	2,705,623	-	-	2,705,623	-
Current portion of long-term debt	1,455,679	114,164	106,260	1,676,103	-
Compensated absences	2,262	2,262	2,262	6,786	-
Accrued interest payable	208,748	2,260	2,359	213,367	-
Total Current Liabilities	<u>4,982,005</u>	<u>547,978</u>	<u>190,423</u>	<u>5,720,406</u>	<u>21,287</u>
Noncurrent Liabilities					
Bonds and notes payable	8,848,748	101,634	132,706	9,083,088	-
Net life OPEB liability	29,508	4,554	6,524	40,586	-
Net pension liability	85,337	15,881	19,505	120,723	-
Total Noncurrent Liabilities	<u>8,963,593</u>	<u>122,069</u>	<u>158,735</u>	<u>9,244,397</u>	<u>-</u>
Total Liabilities	<u>13,945,598</u>	<u>670,047</u>	<u>349,158</u>	<u>14,964,803</u>	<u>21,287</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflow related to life OPEB	22,470	3,468	4,968	30,906	-
Deferred inflow related to pension	179,172	33,343	40,952	253,467	-
Total Deferred Inflows of Resources	<u>201,642</u>	<u>36,811</u>	<u>45,920</u>	<u>284,373</u>	<u>-</u>
<b>NET POSITION</b>					
Net investment in capital assets	15,219,567	2,422,999	4,200,992	21,843,558	-
Restricted for					
Emergency fund	100,217	-	-	100,217	-
Maintenance	354,538	-	-	354,538	-
Pension	-	-	-	-	-
Unrestricted	<u>(855,089)</u>	<u>3,286,113</u>	<u>730,369</u>	<u>3,161,393</u>	<u>1,020,723</u>
<b>TOTAL NET POSITION</b>	<u>\$ 14,819,233</u>	<u>\$ 5,709,112</u>	<u>\$ 4,931,361</u>	<u>\$ 25,459,706</u>	<u>\$ 1,020,723</u>

See accompanying notes to the financial statements.

**CITY OF GLENDALE**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
 PROPRIETARY FUNDS

For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds			Total	Governmental
	Water Utility	Sewer Utility	Storm Water Utility		Activities - Internal Service Fund
<b>OPERATING REVENUES</b>					
Charges for services and sales	\$ 3,346,869	\$ 2,615,505	\$ 1,246,605	\$ 7,208,979	\$ -
Other operating revenues	-	-	-	-	105,934
Total Operating Revenues	<u>3,346,869</u>	<u>2,615,505</u>	<u>1,246,605</u>	<u>7,208,979</u>	<u>105,934</u>
<b>OPERATING EXPENSES</b>					
Operation and maintenance	2,661,392	1,973,004	520,642	5,155,038	106,232
Depreciation	669,617	120,158	108,821	898,596	-
Total Operating Expenses	<u>3,331,009</u>	<u>2,093,162</u>	<u>629,463</u>	<u>6,053,634</u>	<u>106,232</u>
Operating income	<u>15,860</u>	<u>522,343</u>	<u>617,142</u>	<u>1,155,345</u>	<u>(298)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	17,089	193,299	28,759	239,147	23,420
Interest expense	<u>(439,542)</u>	<u>(6,257)</u>	<u>(6,762)</u>	<u>(452,561)</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>(422,453)</u>	<u>308,679</u>	<u>21,997</u>	<u>(91,777)</u>	<u>23,420</u>
Income Before Transfers	<u>(406,593)</u>	<u>831,022</u>	<u>639,139</u>	<u>1,063,568</u>	<u>23,122</u>
<b>TRANSFERS</b>					
Capital contributions	2,400,292	-	-	2,400,292	-
Transfers out - tax equivalent	<u>(728,177)</u>	<u>-</u>	<u>-</u>	<u>(728,177)</u>	<u>-</u>
Total Transfers	<u>1,672,115</u>	<u>-</u>	<u>-</u>	<u>1,672,115</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	1,265,522	831,022	639,139	2,735,683	23,122
NET POSTION - Beginning of Year	<u>13,553,711</u>	<u>4,878,090</u>	<u>4,292,222</u>	<u>22,724,023</u>	<u>997,601</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 14,819,233</u>	<u>\$ 5,709,112</u>	<u>\$ 4,931,361</u>	<u>\$ 25,459,706</u>	<u>\$ 1,020,723</u>

See accompanying notes to the financial statements.

**CITY OF GLENDALE**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 For the Year Ended December 31, 2023

	Business-type Activities - Enterprise Funds			Totals	Governmental
	Water Utility	Sewer Utility	Storm Water Utility		Activities - Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from customers	\$ 2,485,286	\$ 2,576,680	\$ 1,246,605	\$ 6,308,571	\$ -
Receipts from (payments to) other funds	1,309,763	(1,217,281)	(65,742)	26,740	105,934
Paid to suppliers for goods and services	(1,898,710)	(1,651,414)	(557,633)	(4,107,757)	(105,934)
Paid to employees for services	(270,404)	(131,812)	(123,458)	(525,674)	-
Net Cash Flows From Operating Activities	<u>1,625,935</u>	<u>(423,827)</u>	<u>499,772</u>	<u>1,701,880</u>	<u>-</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Payments to city for tax equivalen <sup>1</sup>	(728,177)	-	-	(728,177)	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition and construction of capital assets	(589,537)	(17,163)	(3,003)	(609,703)	-
Debt issued	2,780,000	-	-	2,780,000	-
Debt retired	(4,026,461)	(155,859)	(201,715)	(4,384,035)	-
Premium issued	195,824	-	-	195,824	-
Grant funds received	-	121,637	-	121,637	-
Interest paid	(388,584)	(6,257)	(6,762)	(401,603)	-
Net Cash Flows From Capital and Related Financing Activities	<u>(2,028,758)</u>	<u>(57,642)</u>	<u>(211,480)</u>	<u>(2,297,880)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment income received	17,089	193,299	28,759	239,147	23,420
Net Cash Flows From Investing Activities	<u>17,089</u>	<u>193,299</u>	<u>28,759</u>	<u>239,147</u>	<u>23,420</u>
<b>Net Change in Cash and Cash Equivalents</b>	(1,113,911)	(288,170)	317,051	(1,085,030)	23,420
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,897,840</u>	<u>2,158,911</u>	<u>71,753</u>	<u>4,128,504</u>	<u>359,755</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 783,929</u>	<u>\$ 1,870,741</u>	<u>\$ 388,804</u>	<u>\$ 3,043,474</u>	<u>\$ 383,175</u>

See accompanying notes to the financial statements.

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Storm Water Utility	Total	
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Operating income	\$ 15,860	\$ 522,343	\$ 617,142	\$ 1,155,345	\$ (298)
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities:					
Depreciation	669,617	120,158	108,821	898,596	-
Depreciation charged to other funds	55,908	(55,908)	-	-	-
Change in assets and liabilities					
Accounts receivable	(828,313)	(38,825)	-	(867,138)	-
Inventory	(33,270)	-	-	(33,270)	-
Accounts payable	448,242	180,112	(168,451)	459,903	298
Other current liabilities	26,089	-	-	26,089	-
Due to other funds	1,253,855	(1,161,373)	(65,742)	26,740	-
Compensated absences	(9,324)	3,819	1,311	(4,194)	-
Pension Asset / Liability	216,626	43,140	51,371	311,137	-
Pension Deferred Outflows	(62,499)	(6,520)	(9,649)	(78,668)	-
Pension Deferred Inflows	(130,014)	(30,853)	(34,092)	(194,959)	-
OPEB Liability	(15,632)	(2,942)	(5,589)	(24,163)	-
OPEB Deferred Outflows	3,324	717	1,561	5,602	-
OPEB Deferred Inflows	15,466	2,305	3,089	20,860	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>\$ 1,625,935</b>	<b>\$ (423,827)</b>	<b>\$ 499,772</b>	<b>\$ 1,701,880</b>	<b>\$ -</b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS</b>					
Cash and investments - statement of net position	\$ 329,174	\$ 1,870,741	\$ 388,804	\$ 2,588,719	\$ 383,175
Restricted Cash and investments - statement of net position	454,755	-	-	454,755	-
<b>CASH AND CASH EQUIVALENTS</b>	<b>\$ 783,929</b>	<b>\$ 1,870,741</b>	<b>\$ 388,804</b>	<b>\$ 3,043,474</b>	<b>\$ 383,175</b>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital assets contributed from city	\$ 2,400,292	\$ -	\$ -	\$ -	\$ -

See accompanying notes to the financial statements.

# CITY OF GLENDALE

## STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS As of December 31, 2023

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	Retirees Health Insurance Benefit Trust	Custodial Tax Collection Fund
<b>ASSETS</b>		
Cash and investments	\$ 5,016	\$ 17,445,137
Taxes receivable	<u>-</u>	<u>22,233,456</u>
<b>TOTAL ASSETS</b>	<u>5,016</u>	<u>39,678,593</u>
<b>LIABILITIES</b>		
Taxes levied for subsequent year's budget	<u>-</u>	<u>17,445,137</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Taxes levied for subsequent year's budget	<u>-</u>	<u>22,233,456</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>39,678,593</u>
<b>NET POSITION</b>		
Restricted for retirement benefits	<u>\$ 5,016</u>	<u>\$ -</u>

See accompanying notes to the financial statements.

# CITY OF GLENDALE

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended December 31, 2023

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	Retirees Health Insurance Benefit Trust	Custodial Tax Collection Fund
<b>ADDITIONS</b>		
Property tax collections	\$ -	\$ 23,938,609
Total Additions	<u>-</u>	<u>23,938,609</u>
<b>DEDUCTIONS</b>		
Benefit expenses	5,856	-
Settlement of property tax collections	-	23,938,609
Total Deletions	<u>5,856</u>	<u>23,938,609</u>
Change in net position	(5,856)	-
Net Position - Beginning of year	<u>10,872</u>	<u>-</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 5,016</u>	<u>\$ -</u>

See accompanying notes to financial statements.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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### **NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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The accounting policies of the City of Glendale, 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. The reporting entity for the city consists of the primary government and its component unit. 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 primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government. This report does not include any discretely presented component units.

#### ***Blended Component Unit***

The Glendale Community Development Authority (CDA) serves all the citizens of the government and is governed by a board comprised of the mayor and citizens appointed by the mayor to serve four year terms. The rates for user charges and bond issuance authorizations are approved by the city council and the government is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from other remedies. The Glendale CDA debt and transactions are reported within the city's TIF and parking capital projects funds.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

##### ***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 nonexchange 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 are 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.

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

Financial statements of the reporting entity 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 equity, revenues, and expenditures/expenses.

Funds are organized as major funds or nonmajor 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% 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% test is at least 5% 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.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

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

Separate financial statements are provided for governmental funds and 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.

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 accounted for and reported in another fund.

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 enterprise debt.

General Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital improvement projects.

Tax Incremental District (TIF) #7 Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures outlined in the TID project plan.

Tax Incremental District (TIF) #8 Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures outlined in the TID project plan.

The city reports the following major enterprise funds:

Water Utility – accounts for operations of the water system

Sewer Utility – accounts for operations of the sewer system

Storm Water Utility – accounts for operations of the storm water system

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

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

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).

Recycling Funds	July 4 <sup>th</sup> Celebration
Human Services	Environmental Fund
Police Acquisition	DARE Fund
Hotel Room Tax	Park
North Shore Municipal Court	American Rescue Plan

In addition, the city reports the following fund types:

Internal Service Fund is used to account for 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 Self Insurance

Pension (and Other Employee Benefit) trust fund is used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.

Retirees Health Insurance Benefit Trust

Custodial Fund is used to account for and report assets held by the city in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Tax Collection Fund

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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#### **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 unearned revenue. 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 interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the city's water, sewer and storm water 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 unmatured 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 unearned revenues. 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 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 prior to the entitlement period are also recorded as deferred inflows.

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.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

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

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 (other than fiduciary funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Fiduciary funds follow the accrual basis of accounting and do not have a measurement focus.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. 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 nonoperating 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.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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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***

##### ***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.

Investment of city funds is restricted by Wisconsin state statutes. Available investments are limited to:

- a. Time deposits in any credit union, bank, savings bank or trust company.
- b. 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.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

Additional restrictions may arise from local charters, ordinances, resolutions, and grant resolutions.

The city's investment policy follows the state statute for allowable investments. The city has not adopted a policy specifically addressing Custodial Credit Risk, Credit Risk, Interest Rate Risk, or Concentration of 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 as outlined in Note IV.A. The Wisconsin Local Government Invest Pool (LGIP) is 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 statement balance and carrying value is due to outstanding checks and/or deposits in transit.

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, 2023, the fair value of the city's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note IV.A. for further information.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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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.)***

##### ***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 on the accompanying statement of fiduciary net position.

Property tax calendar – 2023 tax roll:

Lien date and levy date	November 2023
Tax bills mailed	December 2023
Payment in full, or	January 31, 2024
First installment due	January 31, 2024
Second installment due	March 31, 2024
Third installment due	May 31, 2024
Personal property taxes in full	January 31, 2024
Tax deed by county – 2023	
Delinquent real estate taxes	October 2026

Accounts receivable have been shown net of an allowance for uncollectible accounts of \$734,445. 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 water, sewer, and storm water utilities because they have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as “due to and from other funds.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund 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.

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

Governmental fund inventories 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. They are valued at cost based on a first-in first-out (FIFO) basis, and charged to construction and/or operation and maintenance expense when used.

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.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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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.)***

##### ***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 and \$10,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, and overhead. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	40 Years
Machinery and Equipment	5-20 Years
Utility System	4-100 Years
Infrastructure	25-100 Years

###### ***Fund 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.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

---

### 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.)***

##### ***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.

##### ***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 fund 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 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, 2023 are determined on the basis of current salary rates and include salary related payments.

##### ***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, vested accrued compensated absences, and net other post employment benefits obligation.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are 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 straight-line 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. At the end of the year there were several series of Industrial Revenue Bonds outstanding. The aggregate principal amount payable for the issues could not be determined.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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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.)***

##### ***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 bond 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.
- c. Unrestricted net position – All other net position 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, then unrestricted resources as they are needed.

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

Governmental fund equity is classified as fund balance and displayed as follows:

- a. Nonspendable - 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 place 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 (ordinance, resolution, motion) of the city council. 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 council that originally created the commitment.

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

---

#### 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.)***

- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) The city has adopted a financial policy authorizing the city administrator to assign amounts for a specific purpose. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. 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 exceeds amounts restricted, committed, or assigned for those purposes.

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.

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

Fiduciary fund equity is classified as restricted for retirement benefits on the statement of fiduciary net position. Various restrictions apply and the city believes it is in compliance with all significant restrictions.

See Note IV. G. for further information.

##### ***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 (credit), 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 refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

---

### 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.)***

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

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the city health insurance OPEB Plan has been determined on the same basis they are reported by the plan. For this purpose, the city OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

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

##### ***13. Basis for Existing Rates***

###### ***Water Utility***

Current water rates were approved by the Public Service Commission of Wisconsin and went into effect on January 1, 2018.

###### ***Sewer Utility***

Current sewer rates were approved by the council and went into effect on January 1, 2017.

###### ***Stormwater Utility***

Current stormwater rates were approved by the council and went into effect on June 17, 2015.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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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 a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. The details of this reconciliation include the following items:

One element of that reconciliation explains that other long term assets that are not available to pay for current period expenditures and therefore are deferred in the funds.

Sponsor receivables	\$ 250,500
North Shore Fire Department receivable	6,335,626
Other	<u>60,145</u>
Combined Adjustment for Other Long-term Assets	<u>\$ 6,646,271</u>

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.

Land	\$ 2,648,060
Buildings	15,651,473
Machinery and equipment	6,036,220
Infrastructure	29,146,917
Less: Accumulated depreciation	<u>(26,064,556)</u>
Combined Adjustment for Capital Assets	<u>\$ 27,418,114</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	\$ 41,013,711
Compensated absences	249,041
Total Health OPEB liability	13,394,549
Net pension liability (asset)	2,511,755
Net life OPEB liability	515,896
Accrued Interest	383,102
Unamortized debt premium	<u>1,181,224</u>
Combined Adjustment for Long-Term Liabilities	<u>\$ 59,249,278</u>

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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### NOTE III – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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#### A. EXCESS EXPENDITURES OVER APPROPRIATIONS

The following funds had an excess of actual expenditures (including transfers out) over appropriations for the year ended December 31, 2023.

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
General Fund	\$ 16,524,225	\$ 17,054,402	\$ 530,177
Debt Service Fund	5,240,507	19,140,361	13,899,854
Recycling Fund	161,247	164,647	3,400
July 4th Celebration Fund	44,000	72,902	28,902
Park Fund	121,768	162,803	41,035
Environmental Fund	519,932	555,013	35,081
Capital Projects fund	2,340,060	12,444,658	10,104,598
Hotel Room Tax	900,000	1,020,647	120,647
DARE Fund	8,700	19,681	10,981

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

#### B. LIMITATIONS ON THE CITY'S 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.

#### C. DEFICIT BALANCE

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

As of December 31, 2023, the Debt service fund held a deficit balance of \$302,520, the General Capital Projects fund held a deficit balance of \$804,666, the July 4<sup>th</sup> Celebration fund held a deficit balance of \$32,079, the Park fund held a deficit balance of \$22,961 and the North Shore Municipal Court held a deficit balance of \$52,827 due to current year expenditures exceeding current year revenues. The city plans to fund this deficit with future contributions and/or tax levies.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

### NOTE IV – DETAILED NOTES ON ALL FUNDS

#### A. DEPOSITS AND INVESTMENTS

The city maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. The city's deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Demand Deposits	\$ 12,318,640	\$ 6,641,942	Custodial credit
LGIP	22,742,283	22,742,283	Credit
Cash held by others	454,755	454,755	Custodial credit
Petty cash	310	-	N/A
 Total Deposits and Investments	 \$ 35,515,988	 \$ 29,838,980	
 Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 17,611,080		
Restricted cash and investments	454,755		
Per statement of fiduciary net position			
Retiree Health Insurance Benefit Trust	5,016		
Custodial	17,445,137		

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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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.

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.

#### ***Custodial Credit Risk***

##### **Deposits**

Custodial credit risk is the risk that in the event of a financial institution failure, the city's deposits may not be returned to the city.

As of December 31, 2023, \$6,391,942 of the city's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 6,391,942</u>
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##### **Investments**

For an investment, custodial credit risk 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.

The city does not have any investments exposed to custodial credit risk.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

##### ***Credit Risk***

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation.

The city had investments in the LGIP which is not rated.

##### ***Concentration of Credit Risk***

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, 2023, no single issuer represented more than 5% of the total investment portfolio.

##### ***Interest Rate Risk***

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

The City held investments in LGIP with a weighted average maturity of 28 days.

See Note I.D.1. for further information on deposit and investment policies.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

#### **B. RECEIVABLES**

All of the receivables are expected to be collected within one year except for \$2,052 of delinquent personal property taxes reported in the General Fund.

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:

	Unavailable	Unearned
Property taxes for subsequent year	\$ -	\$ 25,076,038
North Shore Fire Department	6,335,626	-
Sponsor receivables	250,500	-
Other	60,145	-
Total Unearned/Unavailable Revenue for Governmental Funds	\$ 6,646,271	\$ 25,076,038

#### **C. RESTRICTED ASSETS**

The following represent the balances of the restricted assets:

##### ***Long Term Debt Accounts***

Reserve – Used to report resources set aside to make up potential future deficiencies in the reserve account. This reserve is to be used only if sufficient resources are not available to finance the annual debt service. If used, the city is obligated to replenish the account. This includes any remaining capitalized interest from the borrowing.

##### ***Deposits with North Shore Water Commission***

The water utility established separate emergency and maintenance accounts with the North Shore Water Commission. The commission has custody of these accounts and is authorized to draw on the accounts as needed.

**CITY OF GLENDALE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2023

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

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**C. RESTRICTED ASSETS (cont.)**

Following is a list of restricted assets at December 31, 2023:

	<u>Restricted Assets</u>	<u>Restricted Assets Not Funded by Revenues</u>	<u>Restricted Net Position</u>
<u>Governmental Activities</u>			
TIF Purposes	\$ 4,881,906	\$ -	\$ 4,881,906
<u>Business-type Activities</u>			
Water deposit - Emergency	\$ 100,217	\$ -	\$ 100,217
Water deposit - Maintenance	354,538	-	354,538
Total Business-type Activities	\$ 454,755	\$ -	\$ 454,755

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

#### **D. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 2,427,560	\$ 220,500	\$ -	\$ 2,648,060
Construction in Progress	2,372,292	-	2,372,292	-
Total Capital Assets Not Being Depreciated	4,799,852	220,500	2,372,292	2,648,060
Capital assets being depreciated				
Buildings	15,432,840	218,633	-	15,651,473
Machinery and equipment	6,154,067	274,325	392,172	6,036,220
Infrastructure	26,026,615	3,120,302	-	29,146,917
Total Capital Assets Being Depreciated	47,613,522	3,613,260	392,172	50,834,610
Less: Accumulated depreciation for				
Buildings	4,333,918	385,570	-	4,719,488
Machinery and equipment	3,205,629	487,252	313,664	3,379,217
Infrastructure	17,123,155	842,696	-	17,965,851
Total Accumulated Depreciation	24,662,702	1,715,518	313,664	26,064,556
Net Capital Assets Being Depreciated	22,950,820	1,897,742	78,508	24,770,054
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 27,750,672	\$ 2,118,242	\$ 2,450,800	\$ 27,418,114

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

Depreciation expense was charged to functions as follows:

##### **Governmental Activities**

General government	\$ 367,640
Public safety	178,774
Public works, which includes the depreciation of infrastructure	1,018,187
Culture, recreation and education	<u>150,917</u>
Total Governmental Activities Depreciation Expense	<u>\$ 1,715,518</u>

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-Type Activities</b>				
<u>Water</u>				
Capital assets not being depreciated:				
Land and land rights	\$ 52,186	\$ -	\$ -	\$ 52,186
Total Capital Assets Not Being Depreciated	<u>52,186</u>	<u>-</u>	<u>-</u>	<u>52,186</u>
Capital assets being depreciated:				
Source of supply	754,238	-	-	754,238
Pumping	1,959,596	-	-	1,959,596
Treatment	4,166,687	87,214	5,161	4,248,740
Transmission and distribution	27,839,138	2,875,990	100,300	30,614,828
Administrative and general assets	1,369,483	26,620	914	1,395,189
Total Capital Assets Being Depreciated	<u>36,089,142</u>	<u>2,989,824</u>	<u>106,375</u>	<u>38,972,591</u>
Less: Accumulated depreciation for				
Source of supply	544,744	13,061	-	557,805
Pumping	1,297,493	47,107	-	1,344,600
Treatment	2,797,538	119,678	5,161	2,912,055
Transmission and distribution	7,000,303	524,835	100,300	7,424,838
Administrative and general assets	1,241,560	20,839	914	1,261,485
Total Accumulated Depreciation	<u>12,881,638</u>	<u>725,520</u>	<u>106,375</u>	<u>13,500,783</u>
Net Water Plant	<u>\$ 23,259,690</u>	<u>\$ 2,264,304</u>	<u>\$ -</u>	<u>\$ 25,523,994</u>

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-Type Activities (cont.)</b>				
<u>Sewer</u>				
Capital assets being depreciated				
Collection system	\$ 4,527,833	\$ 14,160	\$ -	\$ 4,541,993
Collection system pumping	<u>278,936</u>	<u>3,003</u>	<u>-</u>	<u>281,939</u>
Total Capital Assets Being Depreciated	<u>4,806,769</u>	<u>17,163</u>	<u>-</u>	<u>4,823,932</u>
Less: Accumulated depreciation for				
Collection system	2,023,772	45,278	-	2,069,050
Collection system pumping	<u>246,955</u>	<u>18,972</u>	<u>-</u>	<u>265,927</u>
Total Accumulated Depreciation	<u>2,270,727</u>	<u>64,250</u>	<u>-</u>	<u>2,334,977</u>
Net Sewer Plant	<u>\$ 2,536,042</u>	<u>\$ (47,087)</u>	<u>\$ -</u>	<u>\$ 2,488,955</u>
<u>Storm Water</u>				
Capital assets being depreciated				
Collection system	\$ 6,600,217	\$ -	\$ -	\$ 6,600,217
Collection system pumping	<u>428,185</u>	<u>3,003</u>	<u>-</u>	<u>431,188</u>
Total Capital Assets Being Depreciated	<u>7,028,402</u>	<u>3,003</u>	<u>-</u>	<u>7,031,405</u>
Less: Accumulated depreciation for				
Collection system	2,252,614	66,002	-	2,318,616
Collection system pumping	<u>297,258</u>	<u>42,819</u>	<u>-</u>	<u>340,077</u>
Total Accumulated Depreciation	<u>2,549,872</u>	<u>108,821</u>	<u>-</u>	<u>2,658,693</u>
Net Storm Water Plant	<u>\$ 4,478,530</u>	<u>\$ (105,818)</u>	<u>\$ -</u>	<u>\$ 4,372,712</u>
Business-Type Capital Assets, Net of Accumulated Depreciation	<u>\$ 30,274,262</u>	<u>\$ 2,111,399</u>	<u>\$ -</u>	<u>\$ 32,385,661</u>

**CITY OF GLENDALE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2023

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

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

Depreciation expense was charged to functions as follows:

**Business-type Activities**

Water	\$ 669,617
Sewer	120,158
Storm water	<u>108,821</u>
Total Business-type Activities	
Depreciation Expense	<u>\$ 898,596</u>

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

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

##### ***E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS***

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

Receivable Fund	Payable Fund	Amount
General	Debt Service	\$ 302,520
General	General Capital Projects	279,060
General	Nonmajor	52,701
Environment Fund	Water Utility	259,841
Sewer Utility	Water Utility	1,956,262
Storm Water Utility	Water Utility	489,520
Total - Fund Financial Statements		3,339,904
Less: Fund eliminations		(3,080,063)
Total Internal Balances - Government-Wide Statement of Net Position		\$ 259,841
Receivable Fund	Payable Fund	Amount
Governmental Activities	Business-Type Activities	\$ 259,841

The principal purpose of these interfunds is to account for the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

##### ***E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)***

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General	Hotel Room Tax	\$ 655,288	City portion of room tax
General	Water Utility	728,177	Tax equivalent
General	Environmental Fund	517,432	Garbage collection
Debt Service	TIF #7 Capital Projects	<u>2,156,421</u>	Current debt payments
Sub-Total		4,057,318	
Less: Fund eliminations		<u>(3,329,141)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ (1,672,115)</u>	
<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	
Governmental Activities	Business-Type Activities	<u>\$ 1,672,115</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 GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

#### F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and Notes Payable:					
General obligation debt	\$ 35,419,148	\$ 22,060,000	\$ 17,531,904	\$ 39,947,244	\$ 4,623,980
Notes payable - direct placement	1,157,301	-	90,834	1,066,467	56,396
Premiums (net of discounts)	806,824	553,446	179,046	1,181,224	-
Sub-totals	37,383,273	22,613,446	17,801,784	42,194,935	4,680,376
Other Liabilities					
Vested compensated absences	442,915	244,184	438,058	249,041	249,041
Net life OPEB liability	806,162	-	290,266	515,896	-
Total Health OPEB liability	17,206,185	712,495	4,524,131	13,394,549	-
Total Other Liabilities	18,455,262	956,679	5,252,455	14,159,486	249,041
Total Government Activities					
Long-Term Liabilities	\$ 55,838,535	\$ 23,570,125	\$ 23,054,239	\$ 56,354,421	\$ 4,929,417
	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Business-type Activities</b>					
Bonds and Notes Payable:					
General obligation debt	\$ 12,167,402	\$ 2,780,000	\$ 4,384,035	\$ 10,563,367	\$ 1,676,103
Premiums (net of discounts)	-	195,824	-	195,824	-
Sub-totals	12,167,402	2,975,824	4,384,035	10,759,191	1,676,103
Other Liabilities					
Vested compensated absences	11,586	77,947	82,747	6,786	6,786
Net life OPEB liability	64,749	-	24,163	40,586	-
Total Other Liabilities	76,335	77,947	106,910	47,372	6,786
Total Business-type Activities					
Long-Term Liabilities	\$ 12,243,737	\$ 3,053,771	\$ 4,490,945	\$ 10,806,563	\$ 1,682,889

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

In accordance with Wisconsin Statutes, total general obligation indebtedness of the city may not exceed 5% of the equalized value of taxable property within the city's jurisdiction. The debt limit as of December 31, 2023, was \$131,480,950. Total general obligation debt outstanding at year end was \$50,510,610.

#### **General Obligation Debt**

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.

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2023</u>
Promissory Notes	04/21/14	04/01/24	2.00 - 3.00%	\$ 1,664,651	\$ 162,847
Promissory Notes	04/13/15	04/01/25	2.00 - 3.00%	1,820,000	410,000
Promissory Notes	04/04/16	04/01/26	2.00 - 3.00%	4,250,000	1,730,000
Promissory Notes	04/17/17	04/01/27	2.10 - 3.00%	2,125,000	1,235,000
Promissory Notes	04/17/17	04/01/27	2.00 - 2.95%	2,700,000	1,080,000
Promissory Notes	06/28/18	04/01/28	3.00 - 4.00%	7,315,000	6,610,000
Refunding Notes (TIF 7)	03/27/19	04/01/28	3.00 - 5.00%	6,620,000	6,620,000
Promissory Notes	08/05/19	04/01/29	3.00%	1,030,000	830,000
State Trust Fund Loan (TIF 7)	08/31/20	03/15/25	2.50%	8,832,146	3,622,682
State Trust Fund Loan	12/21/20	03/15/30	3.00%	1,525,000	1,228,419
State Trust Fund Loan	12/28/21	03/15/31	3.00%	3,355,000	3,043,296
Refunding Bonds, Series 2023A	05/23/23	04/01/33	4.00%	8,740,000	8,740,000
Refunds Bonds, Series 2023B	07/25/23	03/15/25	4.00%	4,635,000	4,635,000
Total Governmental Activities – General Obligation Debt					<u>\$ 39,947,244</u>

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

##### General Obligation Debt (cont.)

General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2023
<u>Water Utility</u>					
Promissory Notes	04/21/14	04/01/24	2.00 - 3.00%	\$ 378,501	\$ 37,027
Promissory Notes	04/13/15	04/01/25	2.00 - 3.00%	515,000	114,830
Promissory Notes	04/04/16	04/01/26	2.00 - 3.00%	1,595,000	560,529
Promissory Notes	04/17/17	04/01/27	2.10 - 3.00%	1,885,000	1,175,000
Promissory Notes	06/28/18	04/01/28	3.00 - 4.00%	1,410,000	730,000
Promissory Notes	08/05/19	04/01/29	3.00 - 4.00%	1,720,000	1,340,000
Promissory Notes	12/21/20	03/15/30	3.00%	2,755,000	2,219,210
Promissory Notes	12/28/21	03/15/31	3.00%	1,270,000	1,152,007
GO Refund Bonds, Series 2023B	07/25/23	04/01/33	4.00%	2,780,000	2,780,000
Total Water Utility					10,108,603
<u>Sewer Utility</u>					
Promissory Notes	04/21/14	04/01/24	2.00 - 3.00%	408,750	39,986
Promissory Notes	04/13/15	04/01/25	2.00 - 3.00%	600,000	133,784
Promissory Notes	04/04/16	04/01/26	2.00 - 3.00%	20,000	7,028
Promissory Notes	04/17/17	04/01/27	2.10 - 3.00%	65,000	35,000
Total Sewer Utility					215,798
<u>Storm Water Utility</u>					
Promissory Notes	04/21/14	04/01/24	2.00 - 3.00%	308,098	30,138
Promissory Notes	04/13/15	04/01/25	2.00 - 3.00%	365,000	81,385
Promissory Notes	04/04/16	04/01/26	2.00 - 3.00%	135,000	47,443
Promissory Notes	04/17/17	04/01/27	2.10 - 3.00%	225,000	80,000
Total Storm Water Utility					238,966
Total Business-type Activities General Obligation Debt					\$ 10,563,367

**CITY OF GLENDALE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2023

**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:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 4,623,980	\$ 1,540,869	\$ 1,676,103	\$ 364,112
2025	5,666,522	1,248,137	1,661,800	286,258
2026	4,933,227	1,041,456	1,544,753	235,655
2027	4,714,224	854,217	1,523,095	186,857
2028	7,345,521	646,733	1,191,706	141,411
2029 - 2033	6,653,770	1,835,474	2,965,910	196,380
2034 - 2038	2,150,000	995,200	-	-
2039 - 2043	3,860,000	420,000	-	-
Totals	<u>\$ 39,947,244</u>	<u>\$ 8,582,086</u>	<u>\$ 10,563,367</u>	<u>\$ 1,410,673</u>

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

##### **Notes Payable – Direct Placement**

Notes payable to the Village of Whitefish Bay and the Village of Bayside for a portion of various fire department projects of the North Shore Fire Department are payable from future property tax levies or other general revenues of the city. These notes are not backed by the full faith and credit of the city. Notes payable at December 31, 2023 consists of the following:

<b>Governmental Activities</b>						
Notes Payable	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance	December 31, 2023
Village of Whitefish Bay	05/01/19	05/01/39	3.00%	\$ 186,535	\$	186,535
Village of Whitefish Bay	01/22/20	05/01/39	2.25 - 4.00%	928,340		<u>879,932</u>
Total Governmental Activities – Notes Payable						<u>\$ 1,066,467</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 56,396	\$ 28,514
2025	57,771	26,348
2026	59,147	24,133
2027	60,522	21,864
2028	61,898	19,539
2029-2033	330,120	67,688
2034-2038	352,128	28,824
2039	<u>88,485</u>	<u>845</u>
Totals	<u>\$ 1,066,467</u>	<u>\$ 217,755</u>

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

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

The city's outstanding notes from direct borrowings of State Trust Fund Loans contain the following provisions in the event of a default: 1) Wisconsin Department of Administration can deduct amounts due from any state payments due to the City or add the amounts due as a special charge to the property taxes apportioned; 2) may appoint a receiver for the Program's benefit; 3) may declare the principal amount immediately due and payable; 4) may enforce any right or obligation under the financing agreement including the right to seek specific performance or mandamus; and 5) may increase the interest rate set forth in the financing agreement to the market interest rate.

Estimated payments of compensated absences and other post employment benefits are not included in the debt service requirement schedules. The compensated absences, net pension liability and other post-employment benefits liability 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.

##### ***Defeased Debt***

As of December 31, 2023, the City has \$31,386,893 of bonds outstanding that are considered defeased. The bonds mature between 2024 and 2029.

##### ***Current Refunding***

In the current fiscal year, the City of Glendale issued \$16,155,000 in public improvement bonds with interest rates of 4% to 5%. The proceeds were used to refund \$16,203,880 of outstanding 2022 and 2023 State Trust Fund Loan and Promissory Notes which had interest rates ranging from 4.76% to 5.75%. The net proceeds of \$16,742,719 (including a \$749,269 premium and after payment of \$161,550 in underwriting fees and other issuance costs), along with City funds were used to refund the bonds. The City completed the refunding to establish long term financing for the note anticipation note. Using an effective interest rate of 2.5%, the City reported no economic gain (difference between the present values of the debt service payments on the old and new debt) on the refunding.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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#### **G. NET POSITION/FUND BALANCES**

Net position reported on the government wide statement of net position at December 31, 2023 includes the following:

##### **Governmental Activities**

Net Investment in Capital Assets	
Land	\$ 2,648,060
Construction in Progress	-
Other capital assets, net of accumulated depreciation	24,770,054
Less: Capital related long-term debt outstanding	(17,915,583)
Plus: Unspent capital related debt proceeds	<u>-</u>
 Total Net Investment in Capital Assets	 \$ <u>9,502,531</u>

##### **Business-type Activities**

Net Investment in Capital Assets	
Land	\$ 52,186
Other capital assets, net of accumulated depreciation	32,333,475
Less: Capital related long-term debt outstanding	<u>(10,542,103)</u>
 Total Net Investment in Capital Assets	 \$ <u>21,843,558</u>

Governmental fund balances reported on the fund financial statements at December 31, 2023 include the following:

##### **Nonspendable**

###### Major Funds

###### General Fund

Prepaid items	\$ 120,368
Non-current receivables	2,052

###### Special Revenue Fund

    Human Services - Prepaid items

Total	<u>51,895</u>
	<u>\$ 174,315</u>

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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#### G. NET POSITION/FUND BALANCES (cont.)

##### Governmental Activities (cont.)

###### Restricted

###### Major Funds

TIF #7 Capital Projects - TIF Purposes	\$ 2,420,774
TIF #8 Capital Projects - TIF Purposes	2,461,132
Total	<u>\$ 4,881,906</u>

###### Committed

###### Non-major Fund

###### Special Revenue Funds

Grant Funds	\$ 36,401
Human Services	266,300
Environmental Fund	1,208,366
Police Acquisition	156,984
DARE Fund	128,591
Hotel Room Tax	212,407
American Rescue Plan	104,513

Total \$ 2,113,562

###### Assigned

###### Major Funds

General Fund	<u>\$ 622,735</u>
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###### Unassigned (deficit)

###### Major Funds

General Fund	\$ 5,834,539
Debt Service - Debt Service	(302,520)
Capital Projects Fund	(804,666)

###### Non-major Fund

###### Special Revenue Fund

July 4th Celebration (deficit)	(32,079)
Park (deficit)	(22,961)
North Shore Municipal Court (deficit)	<u>(52,827)</u>

Total \$ 4,619,486

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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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, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

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

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

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

The WRS also provides death and disability benefits for employees.

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

**Post-retirement adjustments.** The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0

**Contributions.** Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, including Teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$691,797 in contributions from the city.

Contribution rates as of December 31, 2022 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives and elected officials)	6.50%	6.50%
Protective with Social Security	6.50%	12.00%
Protective without Social Security	6.50%	16.40%

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

#### ***Pension Asset, Pension Expense (Credit), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

At December 31, 2023, the city reported a liability of \$2,632,478 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2022, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. 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 asset was based on the city's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the city's proportion was 0.04969094%, which was an increase of 0.00051953% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the city recognized pension expense of \$1,334,713.

At December 31, 2023, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of of Resources
Differences between expected and actual experience	\$ 4,192,721	\$ 5,508,296
Changes in assumptions	517,654	-
Net differences between projected and actual earnings on pension plan investments	4,471,975	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,097	18,801
Employer contributions subsequent to the measurement date	691,797	-
Total	\$ 9,880,244	\$ 5,527,097

\$691,797 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

Year ended December 31:	Pension Expense
2024	\$ 149,948
2025	757,606
2026	775,074
2027	1,978,722
2028	-
Total	\$ 3,661,350

**Actuarial assumptions.** The Total Pension Liability in the December 31, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	December 31, 2021
Measurement Date of Net Pension Liability (Asset)	December 31, 2022
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return	6.8%
Discount Rate:	6.8%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% -5.6%
Mortality:	Wisconsin 2020 Mortality Table
Post-retirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total Pension Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 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 geometric real rates of return for each major asset class are summarized in the following table:

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

Core Fund Asset Class	Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	48%	7.6%	5.0%
Fixed Income	25	5.3	2.7
Inflation Sensitive Assets	19	3.6	1.1
Real Estate	8	5.2	2.6
Private Equity/Debt	15	9.6	6.9
Total Core Fund	<u>115</u>	7.4	4.8
<u>Variable Fund Asset Class</u>			
US Equities	70	7.2	4.6
International Equities	30	8.1	5.5
Total Variable Fund	<u>100</u>	7.7	5.1

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

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

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

**Single discount rate.** A single discount rate of 6.80% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

**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 6.80 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 (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
The City's proportionate share of the net pension liability (asset)	\$ 8,737,111	\$ 2,632,478	\$ (1,566,984)

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

#### 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 commercial insurance and participates in a public entity risk pool called CVMIC to provide coverage for losses from theft of, damage to, or destruction of assets; and errors and omission. However, other risks, such as torts; workers compensation; and health care of its employees are accounted for and financed by the city in the general fund. CVMIC activity is accounted for in an internal service fund.

##### **Public Entity Risk Pool**

##### **Wisconsin Municipal Insurance Commission (WMIC) Cities and Villages Mutual Insurance Company (CVMIC)**

The WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC, and has numerous cities and villages as members.

The CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC.

The CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The city's share of such losses is approximately 1.41914%.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

##### **Public Entity Risk Pool** (cont.)

##### **Wisconsin Municipal Insurance Commission (WMIC)**

##### **Cities and Villages Mutual Insurance Company (CVMIC)** (cont.)

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.

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

The initial investment in WMIC is refundable upon withdrawal from the commission and has been reported at the original amount of \$658,835 in the insurance internal service fund.

The city pays an annual premium to the mutual for its general liability insurance, which provides coverage up to \$10,000,000 per occurrence, less the city's retained liability. The city's retained liability is limited to \$25,000 per occurrence and an annual aggregate limit of \$100,000. A total liability of approximately \$21,287 at December 31, 2023 was recorded as claims payable in the internal service fund statement of net position. Changes in the fund's claims loss liability follow:

<u>Year</u>	<u>Beginning Balance</u>	<u>Incurred Claims</u>	<u>Claims Paid/ Settled</u>	<u>Ending Balance</u>
2023	\$ 20,989	\$ 106,232	\$ 105,934	\$ 21,287
2022	58,997	118,038	156,046	20,989

#### **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.

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.

The city has no active construction projects as of December 31, 2023. Work that has been completed on these projects but not yet paid for (including contract retainages) is reflected as accounts payable and expenditures, expenses or construction in progress. Contractual commitments to complete these projects amounted to \$0 as of December 31, 2023.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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#### *D. JOINT VENTURES*

##### **North Shore Water Commission**

The City of Glendale, Village of Fox Point and the Village of Whitefish Bay jointly operate the local supply and filtration system, which is called the North Shore Water Commission (NSWC), and provides water supply and filtration. The communities share in the operation proportionately based upon water sold to each participant.

The governing body is made up of citizens from each municipality. Local representatives are appointed by the municipalities. The governing body has authority to adopt its own budget and control the financial affairs of the commission.

Debt is being repaid with resources of the water utility and is secured by the assets and revenues of NSWC. The transactions of the Commission are not reflected in these financial statements. \$940,016 of operating costs, which represents the city's share for the North Shore Water Commission for 2023, is included in the water utility financial statements. The city believes that the Commission will continue to provide services in the future at similar rates. Financial information of the North Shore Water Commission as of December 31, 2023 is available directly from the NSWC office.

##### **North Shore Fire Department**

By agreement dated December 30, 1994, the North Shore Fire Department (NSFD) was created. The NSFD, which provides a unified integrated fire and emergency medical service, began operations on January 1, 1996. The NSFD was created pursuant to the provisions of Wisconsin Statutes 61.65 and 66.30. Participants are the City of Glendale, Village of Fox Point, Village of Shorewood, Village of Brown Deer, Village of River Hills, Village of Whitefish Bay and Village of Bayside. The NSFD is operated by a Board of Directors consisting of seven members, which includes the mayor and village presidents of each participating municipality. The affirmative vote of a majority of the members of the Board of Directors is required on most matters.

The powers of the Board of Directors include authorizing repair, maintenance and renewal of physical assets and recommending adoptions of the department's budget. The capital and operating budget of the department must receive approval of at least five of the seven participating municipalities.

Also established by the agreement is a Joint Fire Commission that has the powers related to appointments, promotions, suspensions, removals, dismissals, reemployment, compensation, rest days, etc.

Each participating municipality's annual financial contribution to the NSFD's operations and capital budget shall be based on its prorated share of population, equalized valuation and usage to all the municipalities. For the 2008 to 2012 NSFD budgets, the communities agreed to use the formula factors for 2007. The city accounts for its share of the operations of the North Shore Fire Department in the general fund. The city's share of the costs for 2023 was \$3,881,640. Complete 2023 financial information is available from the Department at 4401 West River Lane, Brown Deer, WI 53223.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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#### *D. JOINT VENTURES (cont.)*

##### **North Shore Library**

The City of Glendale and the Villages of Fox Point, Bayside, and River Hills operate the North Shore Library under a Joint Library Agreement dated January 1, 1985. Under the joint agreement, a Joint Library Board is created to operate the North Shore Library. The Joint Library Board is composed of ten members: five members from Glendale, two members each from Fox Point and Bayside, one member from River Hills, and the Superintendent of Schools for Nicolet School District. The Joint Library Board has the powers to repair, maintain, and renew physical assets of the library and to prepare and adopt a budget for the library's operating expenses and a budget for the library's capital improvement expenses. The operating budget must be approved by at least three of the four municipalities. In addition, the Joint Library Board has the power to appoint the Library Director and such other assistants and employees as it deems necessary. Operating and capital expenses are shared proportionately based upon population estimates published in October.

The city's share of operations in 2023 was \$478,901. The city accounts for its share of the operations of the North Shore Library in the general fund. The city believes that the library will continue to provide services in the future at similar rates. Some library capital expenditures are also included in the general fund. Complete 2023 financial information is available from the Village of Bayside.

##### **Milwaukee Area Domestic Animal Control Commission**

The city is a member of the Milwaukee Area Domestic Animal Control Commission along with eighteen other communities within Milwaukee County. The Commission was created by an agreement signed in 1997 pursuant to the provisions of Section 66.30 of the Wisconsin Statutes. The Commission was established to provide a jointly-operated animal control services facility for dogs and cats. The Commission is governed by an eighteen member Board consisting of one representative from each municipality, each having one vote. Formulas for the sharing of operating and debt costs, and for the distribution of assets upon termination of participation, are provided within the agreement. In 1997, the Commission borrowed \$2.5 million at 4.40-5.00% due annually from 1998 through 2014, for the purchase of land and the construction of a facility. The city's share of that borrowing was approximately \$82,000. The city's share of operations in 2023 was \$21,971 which is recorded in the general fund.

#### *E. OTHER POSTEMPLOYMENT BENEFITS*

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

The city is part of a defined benefit healthcare plan called Wisconsin Public Employers' Group Health Insurance. This plan provides health insurance contributions for eligible retirees and their spouses through the city's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses at established contribution rates. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the city and the union. The city contributions various amounts toward retiree health insurance based on agreements in place when each former employee retired.

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

##### Employees covered by benefit terms

Inactive plan members or beneficiaries currently receiving benefit payments	58
Active plan members	63
	121

##### Total OPEB Liability

The City's total OPEB liability of \$13,359,318 was measured as of December 31, 2023 and was determined by an actuarial valuation as of December 31, 2023.

##### 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. The discount rate of 3.72% was based on the 20-year Bond Buyer GO Index (20 Year Tax-Exempt Municipal Bond Yield). Salary increases including inflation as well as mortality assumptions were based on the results of an actuarial experience study for the period 2018-2020 for the Wisconsin Retirement System (WRS). Health care trend rates were based on the "Getzen" model published by the Society of Actuaries. Trend rates used for pre-65 employees were (3.1)% - 2021, 5.4% - 2022, 5.1% - 2023, 4.9% - 2024, 4.8% - 2025, 4.7% - 2026, 4.6% - 2027, 4.5% - 2028, 4.4% - 2030, 4.3% - 2038, 4.2% - 2065, 4.1% - 2067, 4.0% - 2069, 3.9% - 2071 and 3.8% - Ultimate. Trend rates used for post-65 employees were 1.4% - 2021, 5.4% - 2022, 5.1% - 2023, 4.9% - 2024, 4.8% - 2025, 4.7% - 2026, 4.6% - 2027, 4.5% - 2029, 4.4% - 2030, 4.3% - 2038, 4.2% - 2065, 4.1% - 2067, 4.0% - 2069, 3.9% - 2071 and 3.8% - Ultimate. Actuarial cost method was Entry Age Normal.

##### Changes in the Total OPEB Liability

Balances at December 31, 2022	\$ <u>17,206,185</u>
Changes for the year:	
Service cost	370,659
Interest on total OPEB liability	341,836
Changes of Benefit Terms	(237,540)
Differences Between Expected and Actual Experience	(626,522)
Effect of assumption changes or inputs	(2,435,726)
Benefit payments	(1,224,343)
Net changes	(3,811,636)
Balances at December 31, 2023	\$ <u>13,394,549</u>

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

**Sensitivity of the total OPEB liability to changes in the discount rate.** The following presents the total OPEB liability of the city, as well as what the city's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.06%) or 1-percentage-point higher (3.06%) than the current discount rate:

	1% Decrease 2.72%	Discount Rate 3.72%	1% Increase 4.72%
Total OPEB liability	\$ 14,623,034	\$ 13,394,549	\$ 12,340,985

**Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate.**

Medical inflation was based on the "Getzen" model published by the Society of Actuaries for purposes of evaluating long term medical trend. The following presents the total OPEB liability of the city, as well as what the city's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Healthcare Cost		
	1% Decrease	Trend	1% Increase
Total OPEB liability	\$ 12,289,744	\$ 13,394,549	\$ 14,714,578

#### **OPEB Expense and Deferred Outflows of Resources and Deferred Inflows or Resources Related to OPEB**

For the year ended December 31, 2023, the city recognized OPEB expense of \$926,988. At December 31, 2023, the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,437,590
Changes of assumptions or other inputs	1,659,021	2,728,277
Employer contributions subsequent to the measurement date	913,525	-
Total	\$ 2,572,546	\$ 4,165,867

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

\$913,525 reported as net deferred inflows related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	
2023	\$ (1,075,924)
2024	113,214
2025	(199,273)
2026	(361,051)
2027	(411,204)
Thereafter	<u>(572,608)</u>
Total	<u>\$ (2,506,846)</u>

#### **LOCAL RETIREE LIFE INSURANCE FUND (LRLIF)**

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

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

**Benefits provided.** The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired members and pre-65 retirees who pay for their coverage.

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

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

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

Contribution rates for the plan year reported as of December 31, 2023 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2022 are as listed below:

#### **Life Insurance Employee Contribution Rates For the Plan Year**

<b>Attained Age</b>	<b>Basic</b>
Under 30	\$0.0500
30-34	0.0600
35-39	0.0700
40-44	0.0800
45-49	0.1200
50-54	0.2200
55-59	0.3900
60-64	0.4900
65-69	0.5700

During the reporting period, the LRLIF recognized \$11,514 in contributions from the employer.

#### **OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs**

At December 31, 2023, the City reported a liability of \$556,482 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the new OPEB liability was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. 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 OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.146065%, which was a decrease of 0.001288% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized OPEB expense of \$46,069.

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources		Deferred Inflows of Resources
Difference between expected and actual experience	\$ -		\$ 54,461
Net differences between projected and actual earnings on OPEB plan investments	10,441		-
Changes in assumptions	199,933		328,479
Changes in proportion and differences between employer contributions and proportionate share of contributions	24,122		40,804
Employer contributions subsequent to the measurement date	11,514		-
Total	\$ 246,009		\$ 423,744

\$11,514 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the new OPEB liability in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	OPEB Expense
2024	\$(20,965)
2025	(24,434)
2026	(11,988)
2027	(30,563)
2028	(50,239)
Thereafter	(51,059)

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

**Actuarial assumptions.** The net OPEB liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date	January 1, 2022
Measurement Date of Net OPEB Liability	December 31, 2022
Experience Study	January 1, 2018 – December 31, 2020, Published November 19, 2021
Actuarial Cost Method	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield	3.72%
Long-Term Expected Rate of Return	4.25%
Discount Rate	3.76%
Salary Increases	
Inflation	3.00%
Seniority/Merit	0.10% - 5.6%
Mortality	2020 WRS Experience Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total OPEB Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the January 1, 2022 actuarial valuation.

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

## CITY OF GLENDALE

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

#### Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2022

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
US Intermediate Credit Bonds	Bloomberg US Interm Credit	50.00%	2.45%
US Mortgages	Bloomberg US MBS	50.00%	2.83%
Inflation			2.30%
Long-Term Expected Rate of Return		4.25%	

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate remained unchanged from the prior year at 2.30%.

**Single discount rate.** A single discount rate of 3.76% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change in the discount rate was primarily caused by the increase in the municipal bond rate from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2022. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

# CITY OF GLENDALE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2023

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

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

**Sensitivity of the City’s proportionate share of the net OPEB liability to changes in the discount rate.** The following presents the City’s proportionate share of the net OPEB liability calculated using the discount rate of 3.76 percent, as well as what the City’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.76 percent) or 1 percentage point higher (4.76 percent) than the current rate:

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
The City’s proportionate share of the net OPEB liability	\$758,705	\$556,482	\$401,502

#### *F. SUBSEQUENT EVENTS*

In April of 2024, the City issued \$4,820,000 in General Obligation Promissory Notes. On June 14, 2024, The Public Service Commission of WI issued the final decision for approval to increase water rates. Based on the new rates an average residential customer that uses 12,000 gallons per quarter can anticipate an increase of approximately \$16.00 per month or \$48.00 per quarter.

**REQUIRED SUPPLEMENTARY INFORMATION**

# CITY OF GLENDALE

REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE (NON-GAAP)  
GENERAL FUND  
For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>				
Taxes	10,594,261	\$ 10,594,261	\$ 10,757,791	\$ 163,530
Intergovernmental	2,290,814	2,290,814	2,418,580	127,766
Licenses and permits	816,725	816,725	1,063,456	246,731
Fines, forfeitures and penalties	424,500	424,500	415,413	(9,087)
Public charges for services	452,741	452,741	512,574	59,833
Investment income	60,000	60,000	421,769	361,769
Miscellaneous	187,500	187,500	681,653	494,153
Total Revenues	14,826,541	14,826,541	16,271,236	1,444,695
<b>EXPENDITURES</b>				
Current				
General government	1,685,207	1,685,207	1,949,212	(264,005)
Public safety	10,662,599	10,662,599	11,431,838	(769,239)
Public works	3,062,513	3,062,513	2,658,186	404,327
Health and human services	120,938	120,938	151,738	(30,800)
Culture, recreation and education	477,000	477,000	477,448	(448)
Conservation and development	512,073	512,073	313,731	198,342
Capital outlay	3,895	3,895	72,249	(68,354)
Total Expenditures	16,524,225	16,524,225	17,054,402	(530,177)
Excess (deficiency) of revenues over expenditures	(1,697,684)	(1,697,684)	(783,166)	914,518
<b>OTHER FINANCING SOURCES</b>				
Transfers in	1,100,902	1,100,902	1,172,720	71,818
Transfers out	-	-	-	-
Total other financing sources	1,100,902	1,100,902	1,172,720	71,818
<b>Net Changes in Fund Balance</b>	(596,782)	(596,782)	389,554	986,336
FUND BALANCE - Beginning of Year			6,190,140	
<b>FUND BALANCE - END OF YEAR</b>			<b>\$ 6,579,694</b>	

Note: Non-GAAP component relates to placement of tax equivalent between Water Utility and General Fund. Under GAAP, placement is within Other Financing Sources. Under Non-GAAP, placement is within Revenues - Taxes.

See independent auditor's report and  
accompanying notes to required supplementary information.

## CITY OF GLENDALE

### REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY

Last 10 Fiscal Years\*

	2019	2020	2021	2022	2023
<b>Total OPEB Liability</b>					
Service cost	\$ 472,162	\$ 260,158	\$ 348,090	\$ 434,606	\$ 370,659
Interest	716,485	561,070	437,078	363,178	341,836
Changes of benefit terms	-	-	-	-	(237,540)
Differences between expected and actual experience	-	-	-	-	(626,522)
Changes of economic/demographic gains/losses	(3,747,385)	-	(497,243)	-	-
Changes of assumptions	(3,644,896)	2,171,189	1,635,132	128,200	(2,435,726)
Benefit payments	(664,955)	(793,003)	(831,077)	(828,183)	(1,224,343)
<b>Net Change in Total OPEB Liability</b>	(6,868,589)	2,199,414	1,091,980	97,801	(3,811,636)
<b>Total OPEB Liability - Beginning</b>	20,685,579	13,816,990	16,016,404	17,108,384	17,206,185
<b>Total OPEB Liability - Ending</b>	<u>\$ 13,816,990</u>	<u>\$ 16,016,404</u>	<u>\$ 17,108,384</u>	<u>\$ 17,206,185</u>	<u>\$ 13,394,549</u>

\* Additional year's information will be displayed as it become available

See independent auditor's report and  
accompanying notes to required supplementary information.

## CITY OF GLENDALE

### SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) - WISCONSIN RETIREMENT SYSTEM Last Ten Measurement Periods\*

WRS Fiscal Year End Date	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
12/31/22	0.04969094%	\$ 2,632,478	\$ 5,733,352	45.57%	95.72%
12/31/21	0.04917141%	(3,963,306)	5,729,873	-69.17%	106.02%
12/31/20	0.04895606%	(3,056,394)	5,733,352	-53.31%	105.26%
12/31/19	0.04811793%	(1,551,540)	5,454,442	-28.45%	102.96%
12/31/18	0.04732586%	1,683,705	5,333,314	31.57%	96.45%
12/31/17	0.04592532%	(1,363,577)	5,230,424	-26.07%	102.93%
12/31/16	0.04478600%	369,140	5,135,855	7.19%	99.12%
12/31/15	0.04525747%	735,425	5,029,012	14.62%	98.20%
12/31/14	0.04606501%	(1,131,172)	4,892,989	-23.12%	102.74%

\* Additional year's information will be displayed as it become available

### SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM Last Ten Fiscal Years\*

City's Fiscal Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/23	\$ 691,797	\$ 691,797	\$ -	\$ 6,202,469	11.15%
12/31/22	605,190	605,190	-	5,733,352	10.48%
12/31/21	613,082	613,082	-	5,729,873	10.70%
12/31/20	626,854	626,854	-	5,733,352	10.94%
12/31/19	595,345	595,345	-	5,454,442	10.91%
12/31/18	633,560	633,560	-	5,333,314	11.88%
12/31/17	602,318	602,318	-	5,230,424	11.52%
12/31/16	479,700	479,700	-	5,135,855	9.34%
12/31/15	501,659	501,659	-	4,889,012	10.26%

\* Additional year's information will be displayed as it become available

See independent auditor's report and  
accompanying notes to required supplementary information.

## CITY OF GLENDALE

### SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) - LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) For the Last Ten Measurement Periods\*

LRLIF Fiscal Year End Date	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/22	0.14606500%	\$ 556,482	\$ 5,748,000	9.68%	38.81%
12/31/21	0.14735300%	870,911	5,538,000	15.73%	29.57%
12/30/20	0.13871900%	763,054	5,427,000	14.06%	31.36%
12/31/19	0.13923600%	592,894	4,913,000	12.07%	37.58%

\* Additional year's information will be displayed as it become available

### SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) For the Last Ten Fiscal Years\*

City's Fiscal Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/23	\$ 11,514	\$ 11,514	\$ -	\$ 6,240,921	0.18%
12/31/22	11,491	11,491	-	5,748,000	0.20%
12/30/21	10,601	10,601	-	5,538,000	0.19%
12/31/20	9,974	9,974	-	5,427,000	0.19%

\* Additional year's information will be displayed as it become available

See independent auditor's report and  
accompanying notes to required supplementary information.

# CITY OF GLENDALE

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended December 31, 2023

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### BUDGETARY INFORMATION

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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 the actual (non-GAAP) revenues presented reflect actual (GAAP) revenues adjusted for the payment in lieu of taxes for the water utility which is reported as a transfer under GAAP.

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### OPEB PLAN

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The data presented in the Schedule of Changes in the Total OPEB Liability was taken from the reports issued by the actuary.

Contributions to the OPEB plan are not based on covered-employee payroll; therefore covered-employee payroll and the related ratio of Total OPEB Liability as a percentage of covered-employee payroll is not presented.

The City is required to present the last ten fiscal years data; however, the 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.

*Changes of assumptions.* The discount rate was changed from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2022. The medical costs and trend rates were updated based on recent and expected future experience.

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### LOCAL RETIREE LIFE INSURANCE FUND (LRLIF)

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The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

The City is required to present the last ten fiscal years data; however, the 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 recent changes in benefit terms.

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

# CITY OF GLENDALE

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended December 31, 2023

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### LOCAL RETIREE LIFE INSURANCE FUND (LRLIF)

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

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

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

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### WISCONSIN RETIREMENT SYSTEM

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The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

The City is required to present the last ten fiscal years data; however, the 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 WRS.

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

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

**SUPPLEMENTARY INFORMATION**

**CITY OF GLENDALE**

NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
As of December 31, 2023

	Special Revenue Funds			
	Recycling Funds	July 4th Celebration	Human Services	Environmental Fund
<b>ASSETS</b>				
Cash and investments	\$ 50,413	\$ -	\$ 265,073	\$ 969,962
Receivables				
Taxes	90,000	-	500,000	-
Accounts	-	-	12,853	-
Due from other funds	-	-	-	259,841
Prepaid items	-	-	51,895	-
<b>TOTAL ASSETS</b>	<u>\$ 140,413</u>	<u>\$ -</u>	<u>\$ 829,821</u>	<u>\$ 1,229,803</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 14,012	\$ 249	\$ -	\$ 21,437
Accrued payroll	-	-	-	-
Unearned revenues	-	-	-	-
Deposits	-	-	11,626	-
Due to other funds	-	31,830	-	-
Total Liabilities	<u>14,012</u>	<u>32,079</u>	<u>11,626</u>	<u>21,437</u>
Deferred Inflows of Resources				
Subsequent year tax levy	90,000	-	500,000	-
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>90,000</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	51,895	-
Committed	36,401	-	266,300	1,208,366
Assigned	-	-	-	-
Unassigned (deficit)	-	(32,079)	-	-
Total Fund Balances (deficit)	<u>36,401</u>	<u>(32,079)</u>	<u>318,195</u>	<u>1,208,366</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 140,413</u>	<u>\$ -</u>	<u>\$ 829,821</u>	<u>\$ 1,229,803</u>

Special Revenue Funds						Total
Police Acquisition	DARE Fund	Hotel Room Tax	Park	North Shore Municipal Court	American Rescue Plan	Nonmajor Governmental Funds
\$ 156,984	\$ 137,259	\$ 210,268	\$ -	\$ (24,685)	\$ 1,432,069	\$ 3,197,343
-	-	-	25,000	-	-	615,000
-	-	83,307	2,398	20,566	-	119,124
-	-	-	-	-	-	259,841
-	-	-	-	-	-	51,895
<u>\$ 156,984</u>	<u>\$ 137,259</u>	<u>\$ 293,575</u>	<u>\$ 27,398</u>	<u>\$ (4,119)</u>	<u>\$ 1,432,069</u>	<u>\$ 4,243,203</u>
\$ -	\$ 8,668	\$ 81,168	\$ 1,423	\$ 46,136	\$ -	\$ 173,093
-	-	-	651	2,572	-	3,223
-	-	-	-	-	1,327,556	1,327,556
-	-	-	300	-	-	11,926
-	-	-	20,871	-	-	52,701
-	8,668	81,168	23,245	48,708	1,327,556	1,568,499
-	-	-	25,000	-	-	615,000
-	-	-	2,114	-	-	2,114
-	-	-	27,114	-	-	617,114
-	-	-	-	-	-	51,895
156,984	128,591	212,407	-	-	104,513	2,113,562
-	-	-	-	-	-	-
-	-	-	(22,961)	(52,827)	-	(107,867)
<u>156,984</u>	<u>128,591</u>	<u>212,407</u>	<u>(22,961)</u>	<u>(52,827)</u>	<u>104,513</u>	<u>2,057,590</u>
<u>\$ 156,984</u>	<u>\$ 137,259</u>	<u>\$ 293,575</u>	<u>\$ 27,398</u>	<u>\$ (4,119)</u>	<u>\$ 1,432,069</u>	<u>\$ 4,243,203</u>

## CITY OF GLENDALE

### NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES For the Year Ended December 31, 2023

	Special Revenue Funds			
	Recycling Funds	July 4th Celebration	Human Services	Environmental Fund
<b>REVENUES</b>				
Taxes	\$ 90,000	\$ -	\$ 465,000	\$ -
Intergovernmental	61,617	-	-	-
Public charges for services	1,840	4,950	-	670,103
Investment income	3,081	-	16,321	59,285
Miscellaneous	-	14,977	-	-
Total Revenues	156,538	19,927	481,321	729,388
<b>EXPENDITURES</b>				
Current				
Public safety	-	-	-	-
Public works	164,647	-	-	-
Health and human services	-	72,902	583,113	-
Culture, recreation and education	-	-	1,453	-
Conservation and development	-	-	-	-
Capital Outlay	-	-	-	37,581
Total Expenditures	164,647	72,902	584,566	37,581
Excess (deficiency) of revenues over expenditures	(8,109)	(52,975)	(103,245)	691,807
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	(517,432)
Total Other Financing Sources (Uses)	-	-	-	(517,432)
<b>Net Change in Fund Balances</b>	(8,109)	(52,975)	(103,245)	174,375
FUND BALANCE (DEFICIT) - Beginning of Year	44,510	20,896	421,440	1,033,991
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	\$ 36,401	\$ (32,079)	\$ 318,195	\$ 1,208,366

Special Revenue Funds						Total
Police Acquisition	DARE Fund	Hotel Room Tax	Park	North Shore Municipal Court	American Rescue Plan	Nonmajor Governmental Funds
0	\$ -	\$ 1,011,691	\$ 80,000	\$ -	\$ -	\$ 1,646,691
-	-	-	-	-	-	61,617
-	-	-	64,494	-	-	741,387
9,467	8,508	12,852	-	-	87,529	197,043
-	54,434	-	3,900	124,423	20,482	218,216
<u>9,467</u>	<u>62,942</u>	<u>1,024,543</u>	<u>148,394</u>	<u>124,423</u>	<u>108,011</u>	<u>2,864,954</u>
6,440	19,681	-	-	-	-	26,121
-	-	-	-	-	-	164,647
-	-	-	-	-	-	656,015
-	-	-	162,803	148,714	-	312,970
-	-	365,359	-	-	-	365,359
-	-	-	-	110	-	37,691
<u>6,440</u>	<u>19,681</u>	<u>365,359</u>	<u>162,803</u>	<u>148,824</u>	<u>-</u>	<u>1,562,803</u>
<u>3,027</u>	<u>43,261</u>	<u>659,184</u>	<u>(14,409)</u>	<u>(24,401)</u>	<u>108,011</u>	<u>1,302,151</u>
-	-	-	-	-	-	-
-	-	(655,288)	-	-	-	(1,172,720)
-	-	(655,288)	-	-	-	(1,172,720)
3,027	43,261	3,896	(14,409)	(24,401)	108,011	129,431
<u>153,957</u>	<u>85,330</u>	<u>208,511</u>	<u>(8,552)</u>	<u>(28,426)</u>	<u>(3,498)</u>	<u>1,928,159</u>
<u>\$ 156,984</u>	<u>\$ 128,591</u>	<u>\$ 212,407</u>	<u>\$ (22,961)</u>	<u>\$ (52,827)</u>	<u>\$ 104,513</u>	<u>\$ 2,057,590</u>

## CITY OF GLENDALE

### SCHEDULE OF REVENUES - ACTUAL AND BUDGET (NON-GAAP)

#### GENERAL FUND

For the Year Ended December 31, 2023

	Actual	Final Budget	Variance with Final Budget
<b>TAXES</b>			
General property taxes	\$ 9,994,881	\$ 10,000,695	\$ (5,814)
Water Utility tax equivalent - current	728,177	558,931	169,246
Torah Academy tax equivalent	9,746	9,984	(238)
State property tax equivalent	16,585	16,104	481
Whitefish Bay tax equivalent	1,009	975	34
Ohr Ha Torah tax equivalent	3,698	3,788	(90)
Lubavitch tax equivalent	3,695	3,784	(89)
Total taxes	10,757,791	10,594,261	163,530
<b>INTERGOVERNMENTAL REVENUES</b>			
State shared revenues			
Per capita	205,460	205,460	-
Special utility	108,468	103,232	5,236
Expenditure restraint payment	244,267	244,267	-
Computer exemption payment	377,345	377,344	1
Personal property aid	203,543	203,543	-
Video service provider aid	121,477	38,000	83,477
State grants			
Transportation aid - regular	971,466	970,000	1,466
Transportation aid - connecting streets	58,144	58,068	76
Other grants	128,410	90,900	37,510
Total intergovernmental revenues	2,418,580	2,290,814	127,766
<b>LICENSES AND PERMITS</b>			
Licenses			
Beverage	13,175	15,000	(1,825)
Special gatherings	-	300	(300)
Cigarette	1,000	1,300	(300)
Tavern operators	3,600	9,000	(5,400)
Bicycle	160	100	60
Dance hall	150	150	-
Coin operated machines	2,035	2,275	(240)
Coins, stones and metals	1,000	1,000	-
Used car dealers	6,500	6,000	500
Transient merchant permits	2,000	3,000	(1,000)
Cable television	93,389	135,000	(41,611)
Arcade	890	400	490
Permits			
Building	647,929	375,000	272,929
Electrical	94,212	100,000	(5,788)
Plumbing	75,986	75,000	986
Occupancy	6,882	15,000	(8,118)
Utility	58,750	40,000	18,750
Sign	8,485	4,800	3,685
Erosion control	15,233	3,000	12,233
Boring	27,300	25,000	2,300
Other	460	1,200	(740)
Parking	4,320	4,200	120
Total licenses and permits	1,063,456	816,725	246,731

## CITY OF GLENDALE

### SCHEDULE OF REVENUES - ACTUAL AND BUDGET (NON-GAAP) GENERAL FUND For the Year Ended December 31, 2023

	Actual	Final Budget	Variance with Final Budget
<b>FINES, FORFEITURES AND PENALTIES</b>			
Court fines and costs	\$ 291,662	300,000	\$ (8,338)
Parking fines	77,124	74,500	2,624
False alarms	46,627	50,000	(3,373)
Total fines, forfeitures and penalties	<u>415,413</u>	<u>424,500</u>	<u>(9,087)</u>
<b>PUBLIC CHARGES FOR SERVICES</b>			
General government			
Space rental and/or charges for administrative services			
Water Utility, Sewer Utility, Storm Water Utility	341,951	296,653	45,298
North Shore Municipal Court	3,000	-	3,000
Water Utility insurance	19,404	20,441	(1,037)
Photocopies	2,603	2,000	603
Publication fees	675	750	(75)
Special assessment letters	9,144	10,000	(856)
TIF reimbursement	15,617	13,025	2,592
Public safety			
School liaison officer reimbursements	48,905	84,472	(35,567)
Auxiliary police reimbursements	-	1,500	(1,500)
Bail processing	2,065	3,000	(935)
Health and human services			
Dog and cat license fees	3,014	2,400	614
Public works			
Sale of materials and services	9,598	10,000	(402)
Planning			
Planning fees	42,398	-	42,398
Rezoning fees	-	1,000	(1,000)
Board of Appeals fees	14,200	7,500	6,700
Total public charges for services	<u>512,574</u>	<u>452,741</u>	<u>59,833</u>
<b>INVESTMENT INCOME</b>	<u>421,769</u>	<u>60,000</u>	<u>361,769</u>
<b>MISCELLANEOUS</b>			
Sale of equipment	11,296	35,000	(23,704)
Interest on delinquent personal property taxes	1,621	65,000	(63,379)
Insurance reimbursement	14,031	40,000	(25,969)
Rental income	1,200	1,200	-
CVMIC dividend	28,661	13,000	15,661
Miscellaneous	624,844	33,300	591,544
Total miscellaneous	<u>681,653</u>	<u>187,500</u>	<u>494,153</u>
<b>TOTAL REVENUES</b>	<u>\$ 16,271,236</u>	<u>\$ 14,826,541</u>	<u>\$ 1,444,695</u>
<b>OTHER FINANCING SOURCES</b>			
Hotel Room tax transfer	\$ 655,288	\$ 583,470	\$ 71,818
Environmental transfer	<u>517,432</u>	<u>517,432</u>	<u>-</u>
Total other financing sources	<u>\$ 1,172,720</u>	<u>\$ 1,100,902</u>	<u>\$ 71,818</u>

Note: Non-GAAP component relates to placement of tax equivalent between Water Utility and General Fund. GAAP placement is within Other Financing Sources. Non-GAAP placement is within Revenues - Taxes.

**CITY OF GLENDALE**

SCHEDULE OF DEPARTMENTAL EXPENDITURES - ACTUAL AND BUDGET  
GENERAL FUND  
For the Year Ended December 31, 2023

	<u>Actual</u>	<u>Final Budget</u>	<u>Variance with Final Budget</u>
<b>CURRENT</b>			
General government			
Common council and mayor	\$ 95,704	\$ 74,452	\$ (21,252)
City administrator	837,361	1,124,949	287,588
Finance	718,508	3,660	(714,848)
City clerk	169,314	186,195	16,881
Treasurer	-	-	-
Human resources	-	-	-
City assessor	-	-	-
Legal	-	-	-
Accounting	-	-	-
Building and grounds	125,832	133,020	7,188
Property and liability insurance	2,493	159,376	156,883
Unclassified	-	3,555	3,555
Contingency	-	-	-
Total general government	<u>1,949,212</u>	<u>1,685,207</u>	<u>(264,005)</u>
Public safety			
Building	472,881	-	(472,881)
Police	6,596,792	10,662,599	4,065,807
Fire	3,881,640	-	(3,881,640)
Dispatch	478,525	-	(478,525)
Unclassified	2,000	-	(2,000)
Total public safety	<u>11,431,838</u>	<u>10,662,599</u>	<u>(769,239)</u>
Public works			
Engineering, administration and overhead	440,336	3,062,513	2,622,177
Machinery and equipment	328,491	-	(328,491)
Public works facility	127,916	-	(127,916)
Street lighting	260,908	-	(260,908)
Street and alley maintenance	335,835	-	(335,835)
Street signs	39,241	-	(39,241)
Snow removal and ice control	254,708	-	(254,708)
Roadside maintenance	212,900	-	(212,900)
Solid waste disposal	518,086	-	(518,086)
Yard waste	139,765	-	(139,765)
Total public works	<u>2,658,186</u>	<u>3,062,513</u>	<u>404,327</u>
Health and human services			
Health department	151,738	120,938	(30,800)
Animal control	-	-	-
Total health and human services	<u>151,738</u>	<u>120,938</u>	<u>(30,800)</u>
Culture, recreation and education	<u>477,448</u>	<u>477,000</u>	<u>(448)</u>
Conservation and development	<u>313,731</u>	<u>512,073</u>	<u>198,342</u>
Capital outlay	<u>72,249</u>	<u>3,895</u>	<u>(68,354)</u>
Total Current Expenditures	<u>\$ 17,054,402</u>	<u>\$ 16,524,225</u>	<u>\$ (530,177)</u>
<b>OTHER FINANCING USES</b>			
Park fund transfer	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF GLENDALE**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP)  
DEBT SERVICE FUND  
For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 2,847,372	\$ 2,847,372	\$ -
Total Revenues	<u>2,847,372</u>	<u>2,847,372</u>	<u>-</u>
<b>EXPENDITURES</b>			
Debt service			
Principal	4,296,524	17,622,738	(13,326,214)
Interest and fees	<u>943,983</u>	<u>1,517,623</u>	<u>(573,640)</u>
Total expenditures	<u>5,240,507</u>	<u>19,140,361</u>	<u>(13,899,854)</u>
Excess (deficiency) of revenues over expenditures	<u>(2,393,135)</u>	<u>(16,292,989)</u>	<u>(13,899,854)</u>
<b>OTHER FINANCING SOURCES</b>			
Debt premium	-	553,446	553,446
Debt issued	-	13,375,000	13,375,000
Transfers in	<u>2,394,135</u>	<u>2,156,421</u>	<u>(237,714)</u>
Total other financing sources	<u>2,394,135</u>	<u>16,084,867</u>	<u>13,690,732</u>
<b>Net Changes in Fund Balance</b>	<u>\$ 1,000</u>	<u>(208,122)</u>	<u>\$ (209,122)</u>
FUND BALANCE - Beginning of Year		<u>(94,398)</u>	
<b>FUND BALANCE - END OF YEAR</b>		<u><u>\$ (302,520)</u></u>	

# CITY OF GLENDALE

## SCHEDULE OF OPERATIONS AND MAINTENANCE EXPENSES ENTERPRISE FUND - WATER UTILITY For the Year Ended December 31, 2023

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	<u>2023</u>
<b>SOURCE OF SUPPLY EXPENSES</b>	
Purchased water	\$ 940,016
<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>	
Storage facilities	49
Operation supervision and engineering	115,724
Customer installations	1,091
Miscellaneous	44
Maintenance	
Distribution reservoirs and standpipes	77,044
Mains	1,013,650
Services	29,088
Meters	41,019
Hydrants	123,271
Total Transmission and Distribution Expenses	<u>1,400,980</u>
<b>CUSTOMERS ACCOUNT EXPENSES</b>	
Meter reading labor	599
Customer records and collection expenses	104,740
Total Customer Accounts Expenses	<u>105,339</u>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>	
Administrative and general salaries	99,559
Office supplies and expense	4,574
Outside services	57,112
Property insurance	10,569
Injuries and damages	7,253
Employee pensions and benefits	27,271
Regulatory Commission	3,458
Miscellaneous general expenses	5,261
Total Administrative and General Expenses	<u>215,057</u>
<b>TOTAL OPERATION AND MAINTENANCE EXPENSES</b>	<u>\$ 2,661,392</u>



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