

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2020



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MARATHON COUNTY, WISCONSIN
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MARATHON COUNTY, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

Town Board
Town of Rib Mountain
Marathon County, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Rib Mountain, Marathon County, Wisconsin (the Town) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town as of December 31, 2020, and the respective changes in financial position thereof and the budgetary comparisons for the General Fund and Motel Tax special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Prior-Year Comparative Information

We have previously audited the Town's 2019 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information in our report dated August 12, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 and the schedules relating to pensions and other postemployment benefits on pages 57 through 58 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Detailed Comparison of Budgeted and Actual Revenues – General Fund, Detailed Comparison of Budgeted and Actual Expenditures – General Fund, Combining Balance Sheet – Nonmajor Governmental Funds, and Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds (collectively, the supplementary information) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Town Board
Town of Rib Mountain

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2021, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Stevens Point, Wisconsin
June 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

As management of the Town of Rib Mountain, Marathon County, Wisconsin, we offer readers of the Town's basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year December 31, 2020.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources as of December 31, 2020 by \$13,232,220 (*net position*).
- The 2020 property tax rate, collected in 2021, was \$3.37 per \$1,000 of assessed property value, an increase of \$0.05. The assessed value of property within the Town increased from \$873,891,400 for tax year 2019 to \$886,306,900 for tax year 2020, an increase of 1.42% due to new construction.
- As of December 31, 2020, the Town's governmental funds reported combined ending fund balances of \$4,268,284, an increase of \$679,115 in comparison to the prior year. The increase was primarily due to the 2020 borrowing.
- As of December 31, 2020, the General Fund's unassigned fund balance is \$1,587,143, approximately 47% of total general fund actual expenditures. An additional \$4,801 is restricted for capital asset purchases, \$216,948 is assigned for subsequent year's capital improvements, retirement expenses and other 2021 budgeted expenditures, and \$102,168 is considered nonspendable for inventories and prepaid items.
- The Town's total general obligation debt increased \$720,000.

Overview of the Basic Financial Statements

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

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business. The *statement of net position* presents information on all of the Town's assets, liabilities and deferred outflows and inflows of resources, with the difference between these reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include General Government, Public Safety, Public Works, Health and Human Services, Culture and Recreation, and Conservation and Development. The Town has no business-type activities.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

The Town's financial reporting includes funds of the Town (the primary government) but also a legally separate entity, the Rib Mountain Community Improvement Foundation, Inc., for which the Town has a fiduciary responsibility. Financial information for this component unit is presented separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 11 - 13 of this report.

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

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

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

The Town maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service Fund, the General Capital Projects Fund, Equipment Capital Projects Fund, and Motel Tax special revenue fund, all of which are considered to be major funds. Data from the remaining four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report. The nonmajor governmental funds are the Parkland Fees Fund, Tourism Commission Fund, Doepke Park Fund and Tax Incremental Financing District #1.

The Town adopts an annual appropriated budget for its general, special revenue, debt service, and capital projects funds. As part of the basic governmental fund financial statements, a budgetary comparison statement has been provided for the General Fund and any major special revenue funds to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 14 - 19 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own program. The accounting used for the fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 20 - 23 of this report.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 24 - 56 of this report.

Other information. Required supplementary information related to pensions and other postemployment benefits and the combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the basic financial statements. These statements and schedules can be found on pages 60 - 65.

Government-wide Financial Analysis

Net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, as of December 31, 2020, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$13,232,220.

TOWN OF RIB MOUNTAIN'S NET POSITION		
	Governmental Activities	
	2020	2019
Current and other assets	\$ 9,796,184	\$ 8,738,208
Capital Assets	<u>15,522,656</u>	<u>14,370,606</u>
Total Assets	25,318,840	23,108,814
Deferred Outflows of Resources	<u>374,413</u>	<u>461,775</u>
Long-term liabilities outstanding	8,082,007	7,423,377
Other liabilities	<u>345,946</u>	<u>425,565</u>
Total Liabilities	8,427,953	7,848,942
Deferred Inflows of Resources	<u>4,033,080</u>	<u>3,702,552</u>
Net Position		
Net investment in capital assets	11,533,851	9,721,369
Restricted	2,085,045	2,249,242
Unrestricted (deficit)	<u>(386,676)</u>	<u>48,484</u>
Total Net Position	\$ 13,232,220	\$ 12,019,095

87% of the Town's net position, \$11,533,851, reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.), less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

15% of the Town's net position, \$2,085,045, represents resources that are subject to external restrictions on how they may be used. The remaining net position is *unrestricted net position (deficit)* of \$(386,676).

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

Change in net position. A summary of the change in net position of the Town is as follows:

TOWN OF RIB MOUNTAIN'S CHANGE IN NET POSITION		
	Governmental Activities	
	2020	2019
Revenues		
Program Revenues		
Charges for services	\$ 618,982	\$ 683,748
Operating grants and contributions	446,383	406,752
Capital grants and contributions	531,963	74,004
General revenues		
Property taxes	2,899,190	2,833,303
Other taxes	330,711	561,801
Grants and contributions not restricted to specific programs	232,129	158,234
Interest and investment earnings	45,442	134,232
Other	74,009	27,519
Total Revenues	5,178,809	4,879,593
Expenses		
General government	606,365	745,530
Public safety	627,703	878,350
Public works	2,067,602	2,082,379
Health and human services	-	5,339
Culture and recreation	191,419	197,219
Conservation and development	262,685	312,054
Interest on long-term debt	209,910	163,422
Total Expenses	3,965,684	4,384,293
Change in Net Position	1,213,125	495,300
Net Position - January 1	12,019,095	11,523,795
Net Position - December 31	\$ 13,232,220	\$ 12,019,095

A summary of key changes follows:

- Capital grants and contributions increased significantly due to a large state grant received for Trillium Trail.
- Other taxes saw a decrease due to a lower motel tax collections for 2020. The pandemic impacted the tourism industry for most of the year.
- Overall expenses were lower in 2020 compared to 2019 due to the pandemic and the impact it had on activities and supplies. Those expenses related to the pandemic were covered by grant funds.
- Interest and investment earnings decreased due to significantly lower interest rates for 2020.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

Financial Analysis of the Town's Funds

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

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

As of December 31, 2020, the Town's governmental funds reported combined ending fund balances of \$4,268,284, an increase of \$679,115 in comparison to the prior year.

The General Fund is the main operating fund of the Town. At the end of 2020, the unassigned fund balance of the General Fund was \$1,587,143, while the total fund balance reached \$1,911,060. The remainder of fund balance is considered *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is not available for new spending. Nonspendable fund balance includes current year purchases of inventory and prepayments that benefit periods beyond the end of the current year (\$102,168). Restricted fund balance includes amounts held for future capital purchases funded by outside parties (\$4,801). An additional \$216,948 is assigned for subsequent year's budget, capital improvements, and retirement expenses.

As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to total fund expenditures, exclusive of debt service. The unassigned fund balance represents 45% of General Fund budgeted expenditures, while the total fund balance represents 55% of General Fund budgeted expenditures.

The Debt Service fund has a total fund balance of \$243,770. 100% of this fund balance is restricted for retirement of long-term debt.

The General Capital Projects fund has a total fund balance of \$851,343. \$931,886 of this fund balance is restricted for capital projects (unspent debt proceeds) with the remaining amount of \$80,543 shown as an unassigned deficit.

The Capital Projects Equipment fund has a total fund balance of \$219,926. \$160,000 of this fund balance is restricted for capital projects (unspent debt proceeds) with the remaining amount of \$59,926 is assigned for other equipment purchases.

The Motel Tax fund has a total fund balance of \$146,598. 100% of this fund balance is committed for tourism.

The Parkland Fees fund has a total fund balance of \$47,706. 100% of this fund balance is restricted for parks outlay.

The Tourism Commission fund has a total fund balance of \$382,021. 100% of this balance is restricted for tourism.

The Doepke Park fund has a total fund balance of \$22,242. 100% of this fund balance is committed for Doepke Park outlay.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

The Tax Incremental Financing District #1 has a total fund balance of \$443,618. \$466,659 of this fund balance is restricted for TID projects (unspent debt proceeds) with the remaining amount of \$23,041 shown as an unassigned deficit.

General Fund Budgetary Highlights

Generally the original budget is rarely modified. The Town made modifications to its original budget for additional projects approved by the Town Board during the year.

During the year, actual revenues exceeded budgeted revenues by \$127,430, primarily in intergovernmental revenues, licenses and permits and miscellaneous. Actual expenditures were lower than budgeted expenditures by \$127,366, primarily in public works.

Capital Asset and Debt Administration

Capital assets. The Town's investment in capital assets for its governmental activities as of year-end amounts to \$15,522,626 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, infrastructure (highways and bridges), and construction in progress.

TOWN OF RIB MOUNTAIN'S CAPITAL ASSETS				
(net of accumulated depreciation)				
	Governmental Activities		Change \$	Change %
	2020	2019		
Land	\$ 1,290,424	\$ 1,264,314	\$ 26,110	2%
Construction in progress	1,548,717	311,847	1,236,870	397%
Land improvements	725,301	779,204	(53,903)	-7%
Buildings	4,514,121	4,583,004	(68,883)	-2%
Machinery and equipment	171,442	186,692	(15,250)	-8%
Vehicles	957,449	902,061	55,388	6%
Infrastructure	6,315,202	6,343,484	(28,282)	0%
Total	\$ 15,522,656	\$ 14,370,606	1,152,050	8%

Major capital assets acquired or constructed during the year include:

- The replacement of the Swan Avenue culvert.
- The completion of the 2020 Peterbuilt Patrol Truck.
- Multiple roads overlaid or repaved.
- The purchase of new equipment for Flax Tot Lot and the purchase of the yard site land.

Additional information on the Town's capital assets can be found in Note 3.C. in the notes to the financial statements.

Debt Administration. As of December 31, 2020, the Town had total debt outstanding of \$7,720,000.

TOWN OF RIB MOUNTAIN'S OUTSTANDING DEBT				
General Obligation Debt and Revenue Bonds				
	Governmental Activities		Change \$	Change %
	2020	2019		
General obligation debt:				
Notes	\$ 7,720,000	\$ 7,000,000	\$ 720,000	10%

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

The Town's total debt increased by \$720,000 during the current fiscal year.

State statutes limit the amount of general obligation debt the Town may issue to 5% of its total equalized valuation. The current debt limitation for the Town is \$46,618,135, which is in excess of the Town's \$7,720,000 in outstanding general obligation debt.

Additional information on the Town's long-term debt can be found in Note 3.E. in the notes to the financial statements.

Economic Factors and Next Year's Budgets and Rates

- Revenues from other government entities will see a slight increase for 2021 from 2020. This would include General Transportation Aid.
- The Wausau Metropolitan Statistical Area (MSA) had a December 2020 unemployment rate of 3.1%, the State's unemployment rate was 4.0%. (Source <https://www.bls.gov/regions/midwest/wisconsin.htm#eag>)
- The Town Board did adopt a 2021-2025 Capital Budget as part of the annual budget for 2021. This allows the Town to plan for financing for future projects and equipment.
- There was a decrease in hotel/motel revenues with the pandemic and the impact it had on tourism.
- Desire for new residential housing remained high. However, pandemic related material shortages, significant price increases, and a decrease in the number of available lots resulted in a modest number of new dwelling units.

All of these factors were considered in preparing the Town's budget for the 2021 fiscal year.

Contacting the Town's Financial Management

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Gaylene Rhoden, Town Administrator, 227800 Snowbird Avenue, Wausau, WI 54401.

BASIC FINANCIAL STATEMENTS

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE FINANCIAL INFORMATION AS OF DECEMBER 31, 2019)**

	Governmental Activities		Component Unit Rib Mountain Community Improvement Foundation, Inc.
	2020	2019	
ASSETS			
Cash and Investments	\$ 5,787,738	\$ 4,777,473	\$ 21,851
Receivables:			
Taxes and Special Charges	2,061,927	2,023,137	-
Accounts, Net	88,829	149,938	-
Special Assessments	187,019	280,746	-
Due from Other Governments	95,735	84,873	-
Inventories and Prepaid Items	102,168	104,060	-
Investment in SAFER	1,327,739	1,042,160	-
Assets Held for Resale	-	275,821	-
Net Pension Asset	145,029	-	-
Capital Assets, Nondepreciable	2,839,141	1,576,161	-
Capital Assets, Depreciable	12,683,515	12,794,445	-
Total Assets	<u>25,318,840</u>	<u>23,108,814</u>	<u>21,851</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	344,715	455,599	-
Other Postemployment Related Amounts	29,698	6,176	-
Total Deferred Outflows of Resources	<u>374,413</u>	<u>461,775</u>	<u>-</u>
LIABILITIES			
Accounts Payable	159,843	260,402	44
Accrued and Other Current Liabilities	47,197	42,616	-
Due to Other Governments	171	6	-
Accrued Interest Payable	61,221	61,948	-
Special Deposits	42,900	52,275	-
Unearned Revenues	34,614	8,318	-
Long-Term Obligations:			
Due within One Year	1,080,000	1,120,000	-
Due in More than One Year	6,926,117	6,090,861	-
Net Pension Liability	-	163,459	-
Other Postemployment Benefits	75,890	49,057	-
Total Liabilities	<u>8,427,953</u>	<u>7,848,942</u>	<u>44</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Levied for Subsequent Year	3,583,388	3,462,516	-
Pension Related Amounts	434,375	226,253	-
Other Postemployment Related Amounts	15,317	13,783	-
Total Deferred Inflows of Resources	<u>4,033,080</u>	<u>3,702,552</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	11,533,851	9,721,369	-
Restricted:			
Retirement of debt	182,550	194,163	-
Capital projects	-	665,493	-
Tourism	382,021	283,747	-
Net Pension Asset	145,029	-	-
Investment in SAFER	1,327,739	1,042,160	-
Community Improvement Projects	-	-	21,807
Parks Outlay	47,706	63,679	-
Unrestricted	(386,676)	48,484	-
Total Net Position	<u>\$ 13,232,220</u>	<u>\$ 12,019,095</u>	<u>\$ 21,807</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General Government	\$ 606,365	\$ 43,568	\$ -	\$ -
Public Safety	627,703	43,483	32,717	-
Public Works	2,067,602	496,429	413,666	56,243
Health and Human Services	-	-	-	-
Culture and Recreation	191,419	15,869	-	475,720
Conservation and Development	262,685	6,853	-	-
Interest and Fiscal Charges	209,910	12,780	-	-
Total Primary Government	\$ 3,965,684	\$ 618,982	\$ 446,383	\$ 531,963
Component Unit:				
Rib Mountain Community Improvement Foundation, Inc.	\$ 2,919	\$ -	\$ -	\$ 22,063

GENERAL REVENUES

Taxes:
 Property Taxes
 Other Taxes
Federal and State Grants and Other Contributions
not Restricted to Specific Functions
Interest and Investment Earnings
Miscellaneous
Gain on Sale of Asset
Total General Revenues

CHANGE IN NET POSITION

Net Position - January 1

NET POSITION - DECEMBER 31

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**

Net (Expense) Revenue and Changes in Net Position		Component Unit	
Governmental Activities		Rib Mountain Community Improvement Foundation, Inc.	
2020	2019		
\$ (562,797)	\$ (694,011)	\$ -	
(551,503)	(779,632)	-	
(1,101,264)	(1,199,849)	-	
-	(5,339)	-	
300,170	(74,023)	-	
(255,832)	(303,513)	-	
(197,130)	(163,422)	-	
(2,368,356)	(3,219,789)	-	
-	-	19,144	
2,899,190	2,833,303	-	
330,711	561,801	-	
232,129	158,234	-	
45,442	134,232	25	
44,785	1,519	-	
29,224	26,000	-	
<u>3,581,481</u>	<u>3,715,089</u>	<u>25</u>	
1,213,125	495,300	19,169	
<u>12,019,095</u>	<u>11,523,795</u>	<u>2,638</u>	
<u>\$ 13,232,220</u>	<u>\$ 12,019,095</u>	<u>\$ 21,807</u>	

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2019)**

	General	Debt Service	Capital Projects	
			General	Equipment
ASSETS				
Cash and Investments	\$ 3,030,059	\$ 685,471	\$ 826,941	\$ 219,926
Receivables:				
Taxes and Special Charges	1,301,509	760,418	-	-
Accounts, Net	12,426	-	-	-
Special Assessments	-	176,095	10,924	-
Due from Other Governments	54,293	-	41,442	-
Inventories and Prepaid Items	102,168	-	-	-
Assets Held for Resale	-	-	-	-
Total Assets	\$ 4,500,455	\$ 1,621,984	\$ 879,307	\$ 219,926
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 110,949	\$ -	\$ 17,040	\$ -
Accrued and Other Current Liabilities	47,197	-	-	-
Due to Other Governments	-	-	-	-
Special Deposits	41,850	-	-	-
Unearned Revenues	8,130	-	-	-
Total Liabilities	208,126	-	17,040	-
Deferred Inflows of Resources:				
Property Taxes Levied for Subsequent Year	2,381,269	1,202,119	-	-
Special Assessments	-	176,095	10,924	-
Total Deferred Inflows of Resources	2,381,269	1,378,214	10,924	-
Fund Balances:				
Nonspendable	102,168	-	-	-
Restricted	4,801	243,770	931,886	160,000
Committed	-	-	-	-
Assigned	216,948	-	-	59,926
Unassigned	1,587,143	-	(80,543)	-
Total Fund Balances	1,911,060	243,770	851,343	219,926
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,500,455	\$ 1,621,984	\$ 879,307	\$ 219,926

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2019)**

Special Revenue Motel Tax	Other Governmental Funds	Totals	
		2020	2019
\$ 70,195	\$ 955,146	\$ 5,787,738	\$ 4,777,473
-	-	2,061,927	2,023,137
76,403	-	88,829	149,938
-	-	187,019	280,746
-	-	95,735	84,873
-	-	102,168	104,060
-	-	-	275,821
<u>\$ 146,598</u>	<u>\$ 955,146</u>	<u>\$ 8,323,416</u>	<u>\$ 7,696,048</u>
\$ -	\$ 31,854	\$ 159,843	\$ 260,402
-	-	47,197	42,616
-	171	171	6
-	1,050	42,900	52,275
-	26,484	34,614	8,318
-	59,559	284,725	363,617
-	-	3,583,388	3,462,516
-	-	187,019	280,746
-	-	3,770,407	3,743,262
-	-	102,168	379,881
-	896,386	2,236,843	1,259,393
146,598	22,242	168,840	245,337
-	-	276,874	305,111
-	(23,041)	1,483,559	1,399,447
<u>146,598</u>	<u>895,587</u>	<u>4,268,284</u>	<u>3,589,169</u>
<u>\$ 146,598</u>	<u>\$ 955,146</u>	<u>\$ 8,323,416</u>	<u>\$ 7,696,048</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2019)**

	2020	2019
RECONCILIATION TO THE STATEMENT OF NET POSITION		
Total Fund Balances as Shown on Previous Page	\$ 4,268,284	\$ 3,589,169
Amounts reported for governmental activities in the statement net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	15,522,656	14,370,606
Long-term assets are not considered available: therefore, are not reported in the funds.		
Net Pension Asset	145,029	-
Investment in SAFER	1,327,739	1,042,160
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Special Assessments	187,019	280,746
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Loss on Advance Refunding	-	-
Deferred Outflows Related to Pensions	344,715	455,599
Deferred Inflows Related to Pensions	(434,375)	(226,253)
Deferred Outflows Related to Other Postemployment Benefits	29,698	6,176
Deferred Inflows Related to Other Postemployment Benefits	(15,317)	(13,783)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and Notes Payable	(7,720,000)	(7,000,000)
Premium on Debt	(232,810)	(161,210)
Compensated Absences	(53,307)	(49,651)
Net Pension Liability	-	(163,459)
Other Postemployment Benefit	(75,890)	(49,057)
Accrued Interest on Long-Term Obligations	(61,221)	(61,948)
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 11)	\$ 13,232,220	\$ 12,019,095

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**

	General	Debt Service	Capital Projects	
			General	Equipment
REVENUES				
Taxes	\$ 1,844,701	\$ 1,074,962	\$ -	\$ -
Special Assessments	-	104,800	-	-
Intergovernmental	697,767	-	492,730	-
Licenses and Permits	90,492	-	-	-
Fines and Forfeits	259	-	-	-
Public Charges for Services	490,474	-	4,482	-
Intergovernmental Charges for Services	15,135	-	-	-
Miscellaneous	45,563	15,757	40,401	64
Total Revenues	3,184,391	1,195,519	537,613	64
EXPENDITURES				
Current:				
General Government	718,116	-	-	-
Public Safety	667,663	-	-	-
Public Works	1,320,865	-	-	-
Health and Human Services	-	-	-	-
Culture and Recreation	138,349	-	-	-
Conservation and Development	84,572	-	-	-
Debt Service:				
Principal	-	1,115,000	-	-
Interest and Fiscal Charges	-	173,173	61,159	-
Capital Outlay	444,684	-	1,296,656	313,390
Total Expenditures	3,374,249	1,288,173	1,357,815	313,390
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(189,858)	(92,654)	(820,202)	(313,326)
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	-	-	1,335,000	-
Premium on Debt Issued	-	-	95,295	-
Proceeds from Sale of Capital Assets	84	-	-	42,500
Transfers In	169,935	80,312	132,419	424,641
Transfers Out	(127,000)	-	(504,953)	-
Total Other Financing Sources (Uses)	43,019	80,312	1,057,761	467,141
NET CHANGE IN FUND BALANCES	(146,839)	(12,342)	237,559	153,815
Fund Balances - January 1	2,057,899	256,112	613,784	66,111
FUND BALANCES - DECEMBER 31	\$ 1,911,060	\$ 243,770	\$ 851,343	\$ 219,926

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**

Special Revenue	Other Governmental	Totals	
Motel Tax	Funds	2020	2019
\$ 310,238	\$ -	\$ 3,229,901	\$ 3,395,104
-	-	104,800	182,641
-	-	1,190,497	556,081
-	-	90,492	125,456
-	-	259	607
-	11,063	506,019	549,811
-	-	15,135	14,954
1,694	2,730	106,209	137,576
<u>311,932</u>	<u>13,793</u>	<u>5,243,312</u>	<u>4,962,230</u>
-	2,933	721,049	725,871
-	-	667,663	531,948
-	-	1,320,865	1,526,070
-	-	-	5,339
-	23,563	161,912	111,363
-	143,612	228,184	307,750
-	-	1,115,000	1,120,000
-	-	234,332	193,901
-	33,341	2,088,071	1,526,964
<u>-</u>	<u>203,449</u>	<u>6,537,076</u>	<u>6,049,206</u>
311,932	(189,656)	(1,293,764)	(1,086,976)
-	500,000	1,835,000	-
-	-	95,295	-
-	-	42,584	62,000
-	217,167	1,024,474	1,185,323
(391,229)	(1,292)	(1,024,474)	(1,185,323)
<u>(391,229)</u>	<u>715,875</u>	<u>1,972,879</u>	<u>62,000</u>
(79,297)	526,219	679,115	(1,024,976)
<u>225,895</u>	<u>369,368</u>	<u>3,589,169</u>	<u>4,614,145</u>
<u>\$ 146,598</u>	<u>\$ 895,587</u>	<u>\$ 4,268,284</u>	<u>\$ 3,589,169</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**

	2020	2019
RECONCILIATION TO THE STATEMENT OF ACTIVITIES		
Net Change in Fund Balances as Shown on Previous Page	\$ 679,115	\$ (1,024,976)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Assets Reported as Capital Outlay in Governmental Fund Statements	1,907,062	1,496,484
Depreciation Expense Reported in the Statement of Activities	(740,820)	(685,446)
Net Book Value of Disposals	(14,192)	(72,646)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.		
	(93,727)	(175,637)
The net income (loss) in the investment in SAFER is reported with governmental activities.		
	285,579	(119,249)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Long-Term Debt Issued	(1,835,000)	-
Premium on Debt Issued	(95,295)	-
Principal Repaid	1,115,000	1,120,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Accrued Interest on Long-Term Debt	727	6,784
Amortization of Premiums, Discounts, and Loss on Advance Refunding	23,695	23,695
Compensated Absences	(3,656)	(2,881)
Net Pension Asset (Liability)	308,488	(320,640)
Deferred Outflows of Resources Related to Pensions	(110,884)	168,400
Deferred Inflows of Resources Related to Pensions	(208,122)	85,854
Other Postemployment Benefits	(26,833)	7,727
Deferred Outflows of Resources Related to Other Postemployment Benefits	23,522	35
Deferred Inflows of Resources Related to Other Postemployment Benefits	(1,534)	(12,204)
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 12 - 13)	\$ 1,213,125	\$ 495,300

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 1,848,528	\$ 1,848,528	\$ 1,844,701	\$ (3,827)
Intergovernmental	584,213	584,213	697,767	113,554
Licenses and Permits	81,390	81,390	90,492	9,102
Fines and Forfeits	200	200	259	59
Public Charges for Services	492,600	492,600	490,474	(2,126)
Intergovernmental Charges for Services	14,930	14,930	15,135	205
Miscellaneous	35,100	35,100	45,563	10,463
Total Revenues	<u>3,056,961</u>	<u>3,056,961</u>	<u>3,184,391</u>	<u>127,430</u>
EXPENDITURES				
Current:				
General Government	723,950	723,950	718,116	5,834
Public Safety	701,111	701,111	667,663	33,448
Public Works	1,472,982	1,472,982	1,320,865	152,117
Culture and Recreation	152,036	152,036	138,349	13,687
Conservation and Development	104,748	104,748	84,572	20,176
Capital Outlay	196,788	346,788	444,684	(97,896)
Total Expenditures	<u>3,351,615</u>	<u>3,501,615</u>	<u>3,374,249</u>	<u>127,366</u>
EXCESS OF REVENUES OVER (UNDER) EXPENSES	(294,654)	(444,654)	(189,858)	254,796
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Capital Assets	-	-	84	84
Transfers In	156,654	156,654	169,935	13,281
Transfers Out	-	(104,000)	(127,000)	(23,000)
Total Other Financing Sources (Uses)	<u>156,654</u>	<u>52,654</u>	<u>43,019</u>	<u>(9,635)</u>
NET CHANGE IN FUND BALANCE	(138,000)	(392,000)	(146,839)	245,161
Fund Balance - January 1	<u>2,057,899</u>	<u>2,057,899</u>	<u>2,057,899</u>	<u>-</u>
FUND BALANCE - DECEMBER 31	<u>\$ 1,919,899</u>	<u>\$ 1,665,899</u>	<u>\$ 1,911,060</u>	<u>\$ 245,161</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – MOTEL TAX SPECIAL REVENUE FUND
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 463,512	\$ 463,512	\$ 310,238	\$ (153,274)
Miscellaneous	4,200	4,200	1,694	(2,506)
Total Revenues	<u>467,712</u>	<u>467,712</u>	<u>311,932</u>	<u>(155,780)</u>
EXPENDITURES				
Current:				
Conservation and Development	<u>5,500</u>	<u>5,500</u>	<u>-</u>	<u>5,500</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	462,212	462,212	311,932	(150,280)
OTHER FINANCING USES				
Transfers Out	<u>(463,512)</u>	<u>(463,512)</u>	<u>(391,229)</u>	<u>72,283</u>
NET CHANGE IN FUND BALANCE	(1,300)	(1,300)	(79,297)	(77,997)
Fund Balance - January 1	<u>225,895</u>	<u>225,895</u>	<u>225,895</u>	<u>-</u>
FUND BALANCE - DECEMBER 31	<u><u>\$ 224,595</u></u>	<u><u>\$ 224,595</u></u>	<u><u>\$ 146,598</u></u>	<u><u>\$ (77,997)</u></u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2020
(WITH COMPARATIVE FINANCIAL INFORMATION AS OF DECEMBER 31, 2019)**

	Custodial Fund	
	2020	2019
ASSETS		
Cash and Investments	\$ 6,177,660	\$ 5,725,552
Receivables:		
Taxes	9,074,195	8,577,524
Total Assets	15,251,855	14,303,076
 DEFERRED INFLOWS OF RESOURCES		
Property Taxes Levied for Subsequent Year	15,251,855	14,303,076
 NET POSITION		
Fiduciary Net Position - Held for Others	\$ -	\$ -

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2019)**

	Custodial Fund	
	2020	2019
ADDITIONS		
Taxes and Special Charges Collected for Other Taxing Jurisdictions	\$ 14,486,387	\$ 14,303,076
Total Additions	14,486,387	14,303,076
DEDUCTIONS		
Payments to Other Taxing Jurisdictions	14,486,387	14,303,076
Total Deductions	14,486,387	14,303,076
CHANGES IN NET POSITION	-	-
Net Position - January 1	-	-
NET POSITION - DECEMBER 31	\$ -	\$ -

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town is a municipal corporation governed by an elected five-member board. In accordance with GAAP, the basic financial statements are required to include the Town and any separate component units that have a significant operational or financial relationship with the Town. The Town has identified the following component unit that is required to be included in the basic financial statements in accordance with standards established by GASB Statement No. 61.

Rib Mountain Community Improvement Foundation, Inc.

The Rib Mountain Community Improvement Foundation, Inc. (the Foundation) is a nonprofit organization established under the laws of the state of Wisconsin. Its financial data is reported in a separate column to emphasize that it is legally separate from the Town. The Foundation is responsible for administering funds donated primarily by Town residents to promote community projects and programs within the Town's jurisdiction. The members of the Foundation's governing board are appointed by a nominating committee comprised of the Town of Rib Mountain supervisors. The Foundation is included in the Town's financial statements because the board is selected by the Town supervisors and it raises and holds economic resources almost entirely for the direct benefit of the Town or its residents. Separate financial statements are not prepared for the Foundation.

B. Joint Venture

On January 1, 2014, the Town of Rib Mountain and the Village of Weston formed the South Area Fire and Emergency Response District (SAFER) to provide fire protection, emergency medical services, and other related emergency services within each municipality and the surrounding areas. The SAFER board of directors is made up of five members, two of which are appointed by the Town and the Village of Weston and the fifth member is appointed jointly. Each municipality must approve the annual budget of SAFER.

Each municipality shall contribute funds to cover the operating and capital expenditures based on a ratio. The ratio, revised annually, for 2020 expenditures was as follows.

Village of Weston	66.43%
Town of Rib Mountain	33.57%

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Joint Venture (Continued)

The ratio is calculated based on a formula that uses equal weight based on the proportion between the municipalities for the following criteria: 1) population, 2) equalized value and 3) inspectable structures.

The Town has an equity interest in the net position of SAFER. At December 31, 2020, the Town's equity interest was \$1,327,739. Complete financial information for SAFER can be obtained by writing to the Village of Weston, 5500 Schofield Avenue, Weston, WI 54476. Summary information pertaining to the total activity of SAFER as of and for the year ended December 31, 2020 is as follows:

Total Assets	<u>\$ 3,353,817</u>
Total Deferred Outflows of Resources	<u>\$ 916,233</u>
Total Liabilities	<u>\$ 904,795</u>
Total Deferred Inflows of Resources	<u>\$ 1,154,348</u>
Net Position:	
Net Investment in Capital Assets	\$ 2,194,979
Restricted for Pension Benefits	369,247
Unrestricted (Deficit)	<u>(353,319)</u>
Total Net Position	<u>\$ 2,210,907</u>
Charges for Services	\$ 1,328,260
Operating Grants and Contributions	94,525
General Revenues	2,191,268
Expenses	<u>(2,763,355)</u>
Change in Net Position	850,698
Net Position - January 1	<u>1,360,209</u>
Net Position - December 31	<u>\$ 2,210,907</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are primarily supported by taxes and intergovernmental revenues. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

General Fund

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

Debt Service Fund

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

General Capital Projects Fund

This fund is used for the Town's capital improvements plans.

Equipment Fund

This fund is used for the Town's equipment capital outlay purchases.

Motel Tax Fund

This fund is accounts for the Town's room tax collections for the purpose of financing tourism and development activities. The major revenue source for this fund are room taxes collected by hotels within the town's borders and remitted to the Town in accordance with town ordinance.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the Town reports the following fund type:

Custodial Fund

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

D. Measurement Focus and Basis of Accounting

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

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

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

2. Property Taxes and Special Charges Receivable

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

In addition to its levy, the Town also levies and collects taxes for the Wausau School District, Marathon County, Northcentral Technical College, Rib Mountain Sanitary District, and the state of Wisconsin.

3. Accounts Receivable

Accounts receivable are recorded net of allowance for uncollectible amounts. The allowance for uncollectible accounts balance was \$2,243 for the year ended December 31, 2020.

4. Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2020 tax roll are recognized as revenue in 2021.)

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

5. Inventories

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

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

6. Prepaid Items

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

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

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Assets	Governmental Activities Years
Land Improvements	15 to 30
Buildings and Improvements	60
Vehicles	5 to 30
Machinery and Equipment	5 to 20
Infrastructure	15 to 50

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

9. Deferred Outflows/Inflows of Resources

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

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

10. Long-Term Obligations

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

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

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

11. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, 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.

12. Other Postemployment Benefits Other Than Pensions (OPEB)

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. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's 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. Fund Equity

Governmental Fund Financial Statements

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

Nonspendable fund balance – Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.

Restricted fund balance – Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.

Committed fund balance – Amounts that are constrained for specific purposes by action of the Town board. These constraints can only be removed or changed by the Town board using the same action that was used to create them.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

13. Fund Equity (Continued)

Governmental Fund Financial Statements (Continued)

Assigned fund balance – Amounts that are constrained for specific purposes by action of Town management. The Town board has not authorized a specific employee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

Unassigned fund balance – Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The Town has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide Statements

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

Net investment in capital assets – Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

Restricted net position – Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

Unrestricted net position – Net position that is neither classified as restricted nor as net investment in capital assets.

F. Use of Estimates

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

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Prior Year Information

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the Town's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

H. Reclassifications

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

NOTE 2 STEWARDSHIP AND COMPLIANCE

A. Budgets and Budgetary Accounting

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

1. Prior to November 15, the Town board reviews a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Town board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

3. Budget control is maintained at the cost center level. Cost centers are defined as follows for the governmental fund types: General and capital projects at department level; special revenue and debt service at total fund level. Once the town budget has been adopted, no further amendments shall be made except through the following process: The Town Administrator is authorized to approve intradepartmental activity transfers of funds, except for those relating to capital expenditures. Transfers of funds from one department to another or between funds require Town board approval.
4. During the year, formal budgetary integration is employed as a management control device for the governmental funds.
5. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each major department of the Town. Amendments to the budget during the year require approval by the Town board.
6. Encumbrance accounting is not used by the Town to record commitments related to unperformed contracts for goods or services.

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

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

B. Excess of Expenditures over Budget Appropriations

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

Funds	Excess Expenditures
General:	
General Government:	
Elections	\$ 17,168
Administrator	1,610
Accounting and Auditing	557
Technology	7,579
Municipal Building	3,861
Property and Liability Insurance	411
Illegal Taxes, Refunds, and Uncollectible Taxes	9,345
Other	21,641
Public Safety:	
Ambulance	916
Capital Outlay:	
Technology	15,275
Municipal Building	37,269
Road Improvement	55,852

C. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns, and counties. For the 2020 and 2021 budget year, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the Town's January 1 equalized value as a result of net new construction. The actual limit for the Town for the 2020 budget was 1.49%. The actual limit for the Town for the 2021 budget was 1.58%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin Statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

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

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

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

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

The carrying amount of the Town's cash and investments totaled \$11,987,249 on December 31, 2020 as summarized below:

Petty Cash and Cash on Hand	\$	500
Deposits with Financial Institutions		11,986,710
Investments:		
Local Government Investment Pool		39
Total		<u>\$ 11,987,249</u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:

Governmental Activities:		
Cash and Investments	\$	5,787,738
Component Unit:		
Cash and Investments		21,851
Fiduciary Fund Statement of Net Position		
Agency Fund		6,177,660
Total		<u>\$ 11,987,249</u>

Fair Value Measurements

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The Town currently has no investments that are subject to fair value measurement.

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

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk

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

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

As of December 31, 2020, \$10,069,951 of the Town's deposits with financial institutions were in excess of federal and state depository insurance limits. \$10,069,951 was collateralized with securities held by the pledging financial institution or its trust department or agent but not in the Town's name.

The Town has investments in the Wisconsin Local Government Investment Pool (LGIP) of \$39 at year-end. The 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, 2020, the fair value of the Town's share of the LGIP's assets was substantially equal to the carrying value.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk (Continued)

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin Statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The Town does not have an additional credit risk policy. The Town's investment in the Wisconsin Local Government Investment Pool is not rated.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The investments held by the Wisconsin Local Government Investment Pool mature in 12 months or less.

B. Receivables

Receivables as of year-end for the Town's individual major funds and aggregate nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	Capital Projects		Motel Tax	Nonmajor Gov't Funds	Total
			General	Equipment			
Receivables:							
Taxes	\$ 1,301,509	\$ 760,418	\$ -	\$ -	\$ -	\$ -	\$ 2,061,927
Delinquent Taxes	-	-	-	-	-	-	-
Accounts	14,669	-	-	-	76,403	-	91,072
Special Assessments	-	176,095	10,924	-	-	-	187,019
Development Loans	-	-	-	-	-	-	-
Gross Receivables	1,316,178	936,513	10,924	-	76,403	-	2,340,018
Less: Allowance for							
Uncollectibles	2,243	-	-	-	-	-	2,243
Net Total Receivables	<u>\$ 1,313,935</u>	<u>\$ 936,513</u>	<u>\$ 10,924</u>	<u>\$ -</u>	<u>\$ 76,403</u>	<u>\$ -</u>	<u>\$ 2,337,775</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 1,264,314	\$ 26,110	\$ -	\$ 1,290,424
Construction in Progress	311,847	1,460,642	223,772	1,548,717
Total Capital Assets, Nondepreciable	<u>1,576,161</u>	<u>1,486,752</u>	<u>223,772</u>	<u>2,839,141</u>
Capital Assets, Depreciable:				
Land Improvements	1,090,330	-	-	1,090,330
Buildings and Improvements	6,048,140	33,600	-	6,081,740
Machinery and Equipment	477,216	17,791	5,000	490,007
Vehicles	1,974,394	197,662	100,211	2,071,845
Infrastructure	8,693,737	395,029	-	9,088,766
Subtotals	<u>18,283,817</u>	<u>644,082</u>	<u>105,211</u>	<u>18,822,688</u>
Less Accumulated Depreciation for:				
Land Improvements	311,126	53,903	-	365,029
Buildings and Improvements	1,465,136	102,483	-	1,567,619
Machinery and Equipment	290,524	32,209	4,168	318,565
Vehicles	1,072,333	128,914	86,851	1,114,396
Infrastructure	2,350,253	423,311	-	2,773,564
Subtotals	<u>5,489,372</u>	<u>740,820</u>	<u>91,019</u>	<u>6,139,173</u>
Total Capital Assets, Depreciable, Net	<u>12,794,445</u>	<u>(96,738)</u>	<u>14,192</u>	<u>12,683,515</u>
Governmental Activities Capital Assets, Net	<u>\$ 14,370,606</u>	<u>\$ 1,390,014</u>	<u>\$ 237,964</u>	15,522,656
Less: Capital Related Debt				3,762,687
Less: Capital Related Debt Premium				185,417
Less: Capital Related Accounts Payable and Retainage Payable				<u>40,701</u>
Net Investment in Capital Assets				<u>\$ 11,533,851</u>

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

Governmental Activities:	
General Government	\$ 29,841
Public Safety	48,006
Public Works	597,823
Culture and Recreation	<u>65,150</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 740,820</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Transfers

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

Fund	Transfer In	Transfer Out
General	\$ 169,935	\$ 127,000
Debt Service	80,312	-
Motel Tax	-	391,229
Tourism Commission	217,167	-
General Capital	132,419	504,953
Equipment	424,641	-
Doepke Park	-	1,292
Total	<u>\$ 1,024,474</u>	<u>\$ 1,024,474</u>

Interfund transfers were made for the following purposes.

To Fund Part of Public Works Projects for the Year	\$ 127,000
To Transfer Room Tax Collections to Tourism Commission and General Fund	391,229
To Fund SAFER Equipment Purchases	249,641
To Cover Employee Wages in General Fund	1,292
To Fund 2020 Capital Equipment Projects	175,000
To Transfer Debt Premium for 2020 Interest Payments	80,312
Total	<u>\$ 1,024,474</u>

E. Long-Term Obligations

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

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Notes	\$ 7,000,000	\$ 1,835,000	\$ 1,115,000	\$ 7,720,000	\$ 1,080,000
Premium on Debt	161,210	95,295	23,695	232,810	-
Compensated Absences	49,651	3,656	-	53,307	-
Governmental Activities Long-Term Obligations	<u>\$ 7,210,861</u>	<u>\$ 1,933,951</u>	<u>\$ 1,138,695</u>	<u>\$ 8,006,117</u>	<u>\$ 1,080,000</u>

Total interest paid during the year on long-term debt totaled \$172,023.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/20
2013A GO Promissory Note	10/8/13	9/1/23	0.75 - 2.7%	\$ 2,165,000	\$ 1,230,000
2015A GO Promissory Note	7/8/15	3/1/25	2.1 - 3.0%	2,720,000	1,480,000
2016A GO Promissory Note	8/11/16	8/1/26	1.5 - 2.5%	2,580,000	1,420,000
2018A GO Promissory Note	9/20/18	9/1/28	3.00%	1,965,000	1,755,000
2020A GO Promissory Note	9/10/20	8/1/26	1.0 -3.0%	1,835,000	1,835,000
Total Outstanding General Obligation Debt					<u>\$ 7,720,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$7,720,000 on December 31, 2020 are detailed below:

Year Ended December 31,	Governmental Activities		
	Principal	Interest	Total
2021	\$ 1,080,000	\$ 171,781	\$ 1,251,781
2022	1,055,000	148,652	1,203,652
2023	980,000	121,875	1,101,875
2024	905,000	92,978	997,978
2025	925,000	72,278	997,278
2026-2030	2,775,000	120,605	2,895,605
Total	<u>\$ 7,720,000</u>	<u>\$ 728,169</u>	<u>\$ 8,448,169</u>

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

Legal Margin for New Debt

The Town's legal margin for creation of additional general obligation debt on December 31, 2020 was \$38,898,135 as follows:

Equalized Valuation of the Town	\$ 932,362,700
Statutory Limitation Percentage	(x) 5%
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	46,618,135
Total Outstanding General Obligation Debt Applicable to Debt Limitation	<u>7,720,000</u>
Legal Margin for New Debt	<u>\$ 38,898,135</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan

Plan Description

The WRS is a cost-sharing, multiple-employer, defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible state of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 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 WRS Financial Report, which can be found at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

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.

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement plan participants, if hired on or before December 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 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.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Postretirement 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:

Year	Core Fund Adjustment %	Variable Fund Adjustment %
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)

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 ending December 31, 2020, the WRS recognized \$47,938 in contributions from the Town.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Contributions (Continued)

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Including Teachers, Executives, and Elected Officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.65%
Protective without Social Security	6.75%	16.25%

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

At December 31, 2020, the Town reported an asset of \$145,029 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Town's proportion of the net pension asset was based on the Town's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the Town's proportion was 0.00449780%, which was a decrease of 0.00009675% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the Town recognized pension expense of \$58,545.

At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 275,298	\$ 137,768
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	296,491
Changes in Assumptions	11,300	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	10,179	116
Employer Contributions Subsequent to the Measurement Date	47,938	-
Total	<u>\$ 344,715</u>	<u>\$ 434,375</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

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

\$47,938 reported as deferred outflows related to pension resulting from the Town's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Expense</u>
2021	\$ (39,008)
2022	(29,204)
2023	6,820
2024	(76,206)
Total	\$ (137,598)

Actuarial Assumptions

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

Actuarial Valuation Date:	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.01% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Postretirement Adjustments*	1.9%*

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

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The total pension liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 actuarial valuation.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Actuarial Assumptions (Continued)

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:

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	49%	8.0%	5.1%
Fixed Income	24.5%	4.9%	2.1%
Inflation Sensitive Assets	15.5%	4.0%	1.2%
Real Estate	9%	6.3%	3.5%
Private Equity/Debt	8%	10.6%	7.6%
Multi-Asset	4%	6.9%	4.0%
Cash	-10%	0.9%	n/a
Total Core Fund	100%	7.5%	4.6%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	7.5%	4.6%
International Equities	30%	8.2%	5.3%
Total Variable Fund	100%	7.8%	4.9%

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.75%

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

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

Actuarial Assumptions (Continued)

Single Discount Rate

A single discount rate of 7.00% 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 7.00% and a municipal bond rate of 2.75% (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, 2019. 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 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members.

Sensitivity of the Town’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Town’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0%, as well as what the Town’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0%) or 1-percentage-point higher (8.0%) than the current rate:

	1% Decrease to Discount Rate (6.0%)	Current Discount Rate (7.0%)	1% Increase to Discount Rate (8.0%)
Town’s Proportionate Share of the Net Pension Liability (Asset)	\$ 373,477	\$ (145,029)	\$ (532,673)

Pension Plan Fiduciary Net Position

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

Payables to the Pension Plan

At December 31, 2020, the Town reported a payable of \$7,611 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2020.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Other Postemployment Benefits

Plan Description

The LRLIF is a cost-sharing 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 postemployment life insurance benefits for all eligible members.

OPEB Plan Fiduciary Net Position

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can be found at <https://etfonline.wi.gov/ETFGASBPublicWeb/gasb75Local.do>.

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 postretirement 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.

Contribution rates as of December 31, 2020 are:

Coverage Type	Employer Contribution
50% Postretirement Coverage	40% of Employee Contribution
25% Postretirement Coverage	20% of Employee Contribution

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Other Postemployment Benefits (Continued)

Contributions (Continued)

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, 2019 are listed below:

Life Insurance Member Contribution Rates*		
For the Year Ended December 31, 2019		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

* Disabled members under age 70 receive a waiver-of-premium benefit

During the reporting period, the LRLIF recognized \$358 in contributions from the employer.

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2020, the Town reported a liability (asset) of \$75,890 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2019 rolled forward to December 31, 2019. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The Town's proportion of the net OPEB liability (asset) was based on the Town's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2019, the Town's proportion was 0.01782200%, which was a decrease of 0.00119000% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the Town recognized OPEB expense of \$7,474.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Other Postemployment Benefits (Continued)

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

At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 3,400
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	1,432	-
Changes in Assumptions	27,996	8,347
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	270	3,570
Total	<u>\$ 29,698</u>	<u>\$ 15,317</u>

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

<u>Year Ended December 31,</u>	<u>Expense</u>
2021	\$ 2,461
2022	2,461
2023	2,307
2024	2,148
2025	1,721
Thereafter	3,283
Total	<u>\$ 14,381</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Other Postemployment Benefits (Continued)

Actuarial Assumptions

The total OPEB liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2019
Actuarial Cost Method:	Entry Age Normal
20-Year Tax-Exempt Municipal Bond Yield:	2.74%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.87%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.10% - 5.60%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total OPEB Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the January 1, 2019 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.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Other Postemployment Benefits (Continued)

Long-Term Expected Return on Plan Assets (Continued)

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return %</u>
U.S. Credit Bonds	Barclays Credit	45%	2.12%
U.S. Long Credit Bonds	Barclays Long Credit	5%	2.90%
U.S. Mortgages	Barclays MBS	50%	1.53%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return decreased slightly from 5.00% in the prior year to 4.25% in the current year. This change was primarily based on the target asset allocation and capital market expectations. The expected inflation rate also decreased slightly from 2.30% in the prior year to 2.20% in the current year. 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.

Single Discount Rate

A single discount rate of 2.87% was used to measure the total OPEB liability, as opposed to a discount rate of 4.22% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 4.10% as of December 31, 2018 to 2.74% as of December 31, 2019. 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 project 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.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Other Postemployment Benefits (Continued)

Sensitivity of the Town's Proportionate Share of Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the Town's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.87%, as well as what the Town's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.87%) or 1-percentage-point higher (3.87%) than the current rate:

	1% Decrease to Discount Rate (1.87%)	Current Discount Rate (2.87%)	1% Increase to Discount Rate (3.87%)
Town's Proportionate Share of the Net OPEB Liability (Asset)	\$ 104,791	\$ 75,890	\$ 53,901

Payable to the OPEB Plan

At December 31, 2020, the Town reported a payable of \$-0- for the outstanding amount of contribution to the Plan required for the year ended December 31, 2020.

H. Fund Equity

Nonspendable Fund Balance

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

General Fund:	
Nonspendable:	
Inventories and Prepaid Items	\$ 102,168
Total Nonspendable Fund Balance - General Fund	\$ 102,168

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Fund Equity (Continued)

Restricted Fund Balance

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

General Fund:	
Restricted for:	
Capital Projects	\$ 4,801
Special Revenue Funds:	
Restricted for:	
Park Outlay	47,706
Tourism	382,021
Total Special Revenue Fund Restrictions	<u>429,727</u>
Debt Service:	
Restricted for:	
Retirement of Long-Term Debt	243,770
Capital Projects:	
Restricted for:	
Capital Projects (Unspent Proceeds)	931,886
Equipment Purchases (Unspent Proceeds)	160,000
TIF projects (Unspent Proceeds)	466,659
Total Capital Project Fund Restrictions	<u>1,558,545</u>
Total Restricted Fund Balance	<u>\$ 2,236,843</u>

Committed Fund Balance

In the fund financial statements, portions of governmental fund balances are committed by Town Board action. At December 31, 2020, committed fund balance was as follows:

Special Revenue Funds:	
Committed for:	
Tourism	\$ 146,598
Park Outlay	22,242
Total Committed Fund Balance	<u>\$ 168,840</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Fund Equity (Continued)

Assigned Fund Balance

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

General Fund:	
Assigned for Capital Improvements	\$ 80,000
Assigned for Retirement Expenses	10,948
Assigned for Subsequent Years Budget	<u>126,000</u>
Subtotal	216,948
Capital Projects Funds:	
Equipment Fund:	
Equipment Replacement	<u>59,926</u>
Total Assigned Fund Balance	<u><u>\$ 276,874</u></u>

Minimum General Fund Balance Policy

The Town has also adopted a minimum fund balance policy of 20-25% of current year actual expenditures for the General Fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

2020 Actual General Fund Expenditures	\$ 3,374,249
Minimum Fund Balance %	(x) 20 - 25%
Minimum Fund Balance Amount	<u><u>\$674,850 - \$843,562</u></u>

The Town unassigned General Fund balance of \$1,587,143 is above the minimum fund balance amount.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION

A. Risk Management

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

The Coronavirus Disease 2019 (COVID-19) has affected global markets, supply chains, employees of organizations, and local communities. Specific to the Town, COVID-19 may impact parts of its 2021 operations and financial results. Management believes the Town is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as of June 30, 2021.

B. Contingencies

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

REQUIRED SUPPLEMENTARY INFORMATION

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.00675820%	\$ (166,000)	\$ 876,118	18.95%	102.74%
12/31/15	0.00679740%	110,456	845,080	13.07%	98.20%
12/31/16	0.00612683%	50,500	696,175	7.25%	99.12%
12/31/17	0.00529388%	(157,181)	681,415	23.07%	102.93%
12/31/18	0.00459455%	163,459	675,739	24.19%	96.45%
12/31/19	0.00449780%	(145,029)	722,230	20.08%	102.96%

**SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 62,826	\$ 62,826	\$ -	\$ 845,080	7.43%
12/31/16	45,948	45,948	-	696,175	6.60%
12/31/17	46,336	46,336	-	681,415	6.80%
12/31/18	45,268	45,268	-	675,739	6.70%
12/31/19	47,306	47,306	-	722,230	6.55%
12/31/20	47,938	47,938	-	708,211	6.77%

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
LOCAL RETIREE LIFE INSURANCE FUND
LAST TEN FISCAL YEARS**

Plan Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered- Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.01887400%	\$ 56,784	\$ 681,415	8.33%	44.81%
12/31/18	0.01901200%	49,057	675,739	7.26%	48.69%
12/31/19	0.01782200%	75,890	722,230	10.51%	37.58%

**SCHEDULE OF CONTRIBUTIONS
LOCAL RETIREE LIFE INSURANCE FUND
LAST TEN FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/18	\$ 358	\$ 358	-	\$ 675,739	0.05%
12/31/19	362	362	-	722,230	0.05%
12/31/20	358	358	-	708,211	0.05%

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2020**

NOTE 1 WISCONSIN RETIREMENT SYSTEM

Changes of Benefit Terms

There were no changes of benefit terms for any participating employer in WRS.

Changes of Assumptions

No significant change in assumptions were noted from the prior year.

The Town is required to present the last 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

NOTE 2 LOCAL RETIREE LIFE INSURANCE FUND

Changes of Benefit Terms

There were no changes of benefit terms for any participating employer in LRLIF.

Changes of Assumptions

Several actuarial assumptions changed from the prior year, including the single discount rate, long-term expected rate of return and expected inflation. Please refer to the Actuarial Assumptions section above for additional details.

The Town is required to present the last 10 fiscal years of data; however, accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

SUPPLEMENTARY INFORMATION

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
Taxes:				
General Property	\$ 1,824,228	\$ 1,824,228	\$ 1,824,228	\$ -
Forest Cropland/Managed Forest	3,600	3,600	4,291	691
Payment in Lieu of Tax	20,500	20,500	15,386	(5,114)
Interest and Penalties on Taxes	200	200	796	596
Total Taxes	<u>1,848,528</u>	<u>1,848,528</u>	<u>1,844,701</u>	<u>(3,827)</u>
Intergovernmental:				
State:				
State Shared Taxes	112,482	112,482	112,482	-
Fire Insurance Dues	30,000	30,000	32,717	2,717
Exempt Computer Aid	10,743	10,743	10,743	-
Transportation	366,788	366,788	366,291	(497)
Local Road Improvement Project	-	-	28,160	28,160
Recycling	47,000	47,000	47,375	375
Municipal Services Aid	3,000	3,000	4,234	1,234
In Lieu of Taxes - State Conservation Land	980	980	991	11
Severance/Yield/Withdrawal	100	100	-	(100)
Forest Cropland/Managed Forest	1,120	1,120	1,124	4
Payment in Lieu of Taxes	11,000	11,000	12,017	1,017
Other Grants	-	-	76,002	76,002
County or Other Local Governments:				
County Timber Sales	1,000	1,000	5,631	4,631
Total Intergovernmental	<u>584,213</u>	<u>584,213</u>	<u>697,767</u>	<u>113,554</u>
Licenses and Permits:				
Licenses:				
Liquor and Malt Beverage	16,700	16,700	16,045	(655)
Operators, Cigarette, and Other Licenses	14,500	14,500	15,250	750
Nonbusiness Licenses	5,150	5,150	5,980	830
Permits:				
Building	32,000	32,000	38,065	6,065
Zoning	3,300	3,300	4,087	787
Road Excavation	5,000	5,000	6,547	1,547
Open Pit Mine Permits	3,000	3,000	3,000	-
Other Permits	1,740	1,740	1,518	(222)
Total Licenses and Permits	<u>81,390</u>	<u>81,390</u>	<u>90,492</u>	<u>9,102</u>

See accompanying Notes to Supplementary Information

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance Final Budget - Positive (Negative)
	Original	Final		
Fines and Forfeits:				
Court Fines and Penalties	\$ 200	\$ 200	\$ 259	\$ 59
Public Charges for Services:				
General Government	7,000	7,000	2,847	(4,153)
Street Related Charges	24,900	24,900	17,997	(6,903)
Recycling	440,000	440,000	451,884	11,884
Assessment Letters	6,000	6,000	6,336	336
Weed and Nuisance Control	200	200	966	766
Developer Fees	8,000	8,000	6,853	(1,147)
Rental of Park Shelter Building	6,500	6,500	3,591	(2,909)
Total Public Charges for Services	<u>492,600</u>	<u>492,600</u>	<u>490,474</u>	<u>(2,126)</u>
Intergovernmental Charges for Services:				
Public Works	6,230	6,230	6,230	-
Other	8,700	8,700	8,905	205
Total Intergovernmental Charges for Services	<u>14,930</u>	<u>14,930</u>	<u>15,135</u>	<u>205</u>
Miscellaneous:				
Interest on Investments	31,500	31,500	33,587	2,087
Sale of Recyclable Materials	500	500	1,987	1,487
Donations	-	-	5,000	5,000
Concessions	1,100	1,100	1,204	104
Other	2,000	2,000	3,785	1,785
Total Miscellaneous	<u>35,100</u>	<u>35,100</u>	<u>45,563</u>	<u>10,463</u>
Total Revenues	<u>\$ 3,056,961</u>	<u>\$ 3,056,961</u>	<u>\$ 3,184,391</u>	<u>\$ 127,430</u>

See accompanying Notes to Supplementary Information

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
General Government:				
Town Board	\$ 42,820	\$ 42,820	\$ 41,416	\$ 1,404
Planning Commission	3,391	3,391	2,498	893
Elections	27,200	27,200	44,368	(17,168)
Legal	35,000	35,000	27,045	7,955
Board of Appeals	1,130	1,130	-	1,130
Clerk/Treasurer	63,437	63,437	62,972	465
General Office	103,692	103,692	99,798	3,894
Park Commission	2,637	2,637	2,169	468
Administrator	134,094	134,094	135,704	(1,610)
Finance Director	84,734	84,734	84,168	566
Accounting and Auditing	13,400	13,400	13,957	(557)
Tax Collection	500	500	292	208
Technology	22,700	22,700	30,279	(7,579)
Assessment of Property	27,800	27,800	26,242	1,558
Municipal Building	56,327	56,327	60,188	(3,861)
Property and Liability Insurance	24,000	24,000	24,411	(411)
Employee Benefits	22,370	22,370	18,256	4,114
Illegal Taxes, Refunds, and Uncollectible Taxes	4,000	4,000	13,345	(9,345)
Other General	-	-	21,641	(21,641)
Contingency	54,718	54,718	9,367	45,351
Total General Government	723,950	723,950	718,116	5,834
Public Safety:				
Crossing Guards	14,648	14,648	6,234	8,414
Code Enforcement Officer	109,945	109,945	86,091	23,854
Public Safety Building	8,000	8,000	6,119	1,881
Siren	3,000	3,000	2,993	7
Fire Department	250,989	250,989	250,989	-
Ambulance	217,989	217,989	218,905	(916)
Inspection	96,540	96,540	96,332	208
Total Public Safety	701,111	701,111	667,663	33,448
Public Works:				
Machinery and Equipment	78,500	78,500	58,267	20,233
Highway and Street Maintenance	631,062	631,062	542,426	88,636
Street Lighting	83,000	83,000	79,848	3,152
Snow and Ice Removal	40,336	40,336	37,750	2,586
Signs and Markings	56,013	56,013	49,367	6,646
Bridges and Culverts	32,898	32,898	27,220	5,678
Solid Waste and Recycling	425,647	425,647	414,132	11,515
Engineering	20,000	20,000	10,490	9,510
Building	105,526	105,526	101,365	4,161
Total Public Works	1,472,982	1,472,982	1,320,865	152,117

See accompanying Notes to Supplementary Information

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
Culture and Recreation:				
Parks - General	\$ 127,049	\$ 127,049	\$ 115,733	\$ 11,316
Recreation Programs	24,987	24,987	22,616	2,371
Total Culture and Recreation	<u>152,036</u>	<u>152,036</u>	<u>138,349</u>	<u>13,687</u>
Conservation and Development:				
Community Development	98,328	98,328	80,080	18,248
Economic Development	6,420	6,420	4,492	1,928
Total Conservation and Development	<u>104,748</u>	<u>104,748</u>	<u>84,572</u>	<u>20,176</u>
Capital Outlay:				
Technology	20,500	20,500	35,775	(15,275)
Municipal Building	-	-	37,269	(37,269)
Public Works Building	10,000	10,000	-	10,000
Stormwater	2,500	2,500	2,000	500
Road Improvement	163,788	313,788	369,640	(55,852)
Total Capital Outlay	<u>196,788</u>	<u>346,788</u>	<u>444,684</u>	<u>(97,896)</u>
Total Expenditures	<u>\$ 3,351,615</u>	<u>\$ 3,501,615</u>	<u>\$ 3,374,249</u>	<u>\$ 127,366</u>

See accompanying Notes to Supplementary Information

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	Special Revenue			Capital Projects	Totals
	Parkland Fees	Tourism Commission	Doepke Park	TID #1	
ASSETS					
Cash and Investments	\$ 47,706	\$ 413,875	\$ 24,947	\$ 468,618	\$ 955,146
Total Assets	<u>\$ 47,706</u>	<u>\$ 413,875</u>	<u>\$ 24,947</u>	<u>\$ 468,618</u>	<u>\$ 955,146</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 31,854	\$ -	\$ -	\$ 31,854
Due to Other Governments	-	-	171	-	171
Special Deposits	-	-	1,050	-	1,050
Unearned Revenues	-	-	1,484	25,000	26,484
Total Liabilities	<u>-</u>	<u>31,854</u>	<u>2,705</u>	<u>25,000</u>	<u>59,559</u>
Fund Balances:					
Restricted	47,706	382,021	-	466,659	896,386
Committed	-	-	22,242	-	22,242
Unassigned	-	-	-	(23,041)	(23,041)
Total Fund Balances	<u>47,706</u>	<u>382,021</u>	<u>22,242</u>	<u>443,618</u>	<u>895,587</u>
Total Liabilities and Fund Balances	<u>\$ 47,706</u>	<u>\$ 413,875</u>	<u>\$ 24,947</u>	<u>\$ 468,618</u>	<u>\$ 955,146</u>

See accompanying Notes to Supplementary Information

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Special Revenue			Capital Projects	Totals
	Parkland Fees	Tourism Commission	Doepke Park	TID #1	
REVENUES					
Public Charges for Services	\$ 7,150	\$ -	\$ 3,913	\$ -	\$ 11,063
Miscellaneous	440	2,048	179	63	2,730
Total Revenues	<u>7,590</u>	<u>2,048</u>	<u>4,092</u>	<u>63</u>	<u>13,793</u>
EXPENDITURES					
Current:					
General Government	-	2,933	-	-	2,933
Culture and Recreation	23,563	-	-	-	23,563
Conservation and Development	-	120,508	-	23,104	143,612
Capital Outlay	-	-	-	33,341	33,341
Total Expenditures	<u>23,563</u>	<u>123,441</u>	<u>-</u>	<u>56,445</u>	<u>203,449</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(15,973)	(121,393)	4,092	(56,382)	(189,656)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	-	-	500,000	500,000
Transfers In	-	217,167	-	-	217,167
Transfers Out	-	-	(1,292)	-	(1,292)
Total Other Financing Sources (Uses)	<u>-</u>	<u>217,167</u>	<u>(1,292)</u>	<u>500,000</u>	<u>715,875</u>
NET CHANGE IN FUND BALANCES	(15,973)	95,774	2,800	443,618	526,219
Fund Balances - January 1	<u>63,679</u>	<u>286,247</u>	<u>19,442</u>	<u>-</u>	<u>369,368</u>
FUND BALANCES - DECEMBER 31	<u>\$ 47,706</u>	<u>\$ 382,021</u>	<u>\$ 22,242</u>	<u>\$ 443,618</u>	<u>\$ 895,587</u>

See accompanying Notes to Supplementary Information

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



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

Town Board
Town of Rib Mountain
Marathon County, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Rib Mountain, Marathon County, Wisconsin (the Town) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated June 30, 2021.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify the following deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2020-001 and 2020-002 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town of Rib Mountain, Marathon County, Wisconsin’s Response to Findings

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

Purpose of This Report

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



CliftonLarsonAllen LLP

Stevens Point, Wisconsin
June 30, 2021

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2020**

Section I – Internal Control Over Financial Reporting

2020-001

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

Type of Finding:

- Significant Deficiency in Internal Control Over Financial Reporting

Condition: Current Town staff maintains accounting records which reflect the Town's financial transactions; however, preparing the Town's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge.

Criteria: The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required state financial reports.

Context: While performing audit procedures, it was noted that management does not have proper internal controls in place to prepare financial statements in accordance with U.S. GAAP.

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

Effect: The Town may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

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

Management Response: The Town feels the costs outweigh the benefits to train staff to prepare the annual financial report but will continue to have appropriate staff thoroughly review the report.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

Section I – Internal Control Over Financial Reporting (Continued)

2020-002

Adjustments to the Town's Financial Records

Type of Finding:

- Significant Deficiency in Internal Control Over Financial Reporting

Condition: As part of our audit, we proposed adjusting journal entries that were significant to the Town's financial statements.

Context: While performing audit procedures, it was noted that the Town does not have sufficient controls in place related to year end closing procedures.

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

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

Effect: Year-end financial records prepared by the Town may contain material misstatements.

Recommendation: We recommend the Town designate an individual to obtain additional training in order to prepare the adjusting and closing entries. We are available to assist the individual in obtaining the understanding to prepare these entries.

Management Response: Due to the unusual activity and changes related to the addition of the TID, there was an unintended misclassification. This misclassification did not change the overall ending fund values. The auditors fully expect this finding to be gone in the future as it is just a one-off item.

Section II – Compliance and Other Matters

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