

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

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2021



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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 Audit of the Financial Statements

Opinions

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, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2021, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Prior-Year Comparative Information

We have previously audited the Town's 2020 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 June 30, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, 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 and the schedules related to pensions and other postemployment benefits be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary 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 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Town Board
Town of Rib Mountain, Marathon County, Wisconsin

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2022, 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 the Town's 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 Town's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Stevens Point, Wisconsin
May 16, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

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, 2021.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources as of December 31, 2021 by \$14,472,870 (*net position*).
- The 2021 property tax rate, collected in 2022, was \$3.49 per \$1,000 of assessed property value, an increase of \$0.12. The assessed value of property within the Town increased from \$886,306,900 for tax year 2020 to \$895,236,300 for tax year 2021, an increase of 1.01% due to new construction.
- As of December 31, 2021, the Town's governmental funds reported combined ending fund balances of \$3,933,849, a decrease of \$334,435 in comparison to the prior year. The decrease was primarily due to spending down of the 2020 borrowing, the corridor study, and the start of upgrading the virtual meeting equipment and space.
- As of December 31, 2021, the General Fund's unassigned fund balance is \$1,508,500, approximately 46% of total general fund actual expenditures. \$339,948 is assigned for subsequent year's capital improvements, retirement expenses and other 2022 budgeted expenditures, and \$190,417 is considered nonspendable for inventories, prepaids, and investment in property held for resale.
- The Town's total general obligation debt decreased \$1,080,000.

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, 2021**

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 12 - 14 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 ten 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, and Equipment Capital Projects Fund, all of which are considered to be major funds. Data from the remaining six 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 Motel Tax Fund, Parkland Fees Fund, Tourism Commission Fund, ARPA 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 15 - 21 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 22 - 23 of this report.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

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 - 55 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 along with detailed general fund budget to actual schedules are presented immediately following the notes to the basic financial statements. These statements and schedules can be found on pages 56 - 66.

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, 2021, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$14,472,870.

TOWN OF RIB MOUNTAIN'S NET POSITION		
	Governmental Activities	
	2021	2020
Current and other assets	\$ 10,585,889	\$ 9,796,184
Capital Assets	<u>15,495,492</u>	<u>15,522,656</u>
Total Assets	26,081,381	25,318,840
Deferred Outflows of Resources	<u>498,871</u>	<u>374,413</u>
Long-term liabilities outstanding	6,990,901	8,082,007
Other liabilities	<u>720,650</u>	<u>345,946</u>
Total Liabilities	7,711,551	8,427,953
Deferred Inflows of Resources	<u>4,395,831</u>	<u>4,033,080</u>
Net Position		
Net investment in capital assets	12,030,648	11,533,851
Restricted	2,824,078	2,085,045
Unrestricted (deficit)	<u>(381,856)</u>	<u>(386,676)</u>
Total Net Position	\$ 14,472,870	\$ 13,232,220

83% of the Town's net position, \$12,030,648, 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.

20% of the Town's net position, \$2,824,078, represents resources that are subject to external restrictions on how they may be used. The remaining net position is *unrestricted net position (deficit)* of \$(381,856).

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

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	
	2021	2020
Revenues		
Program Revenues		
Charges for services	\$ 708,378	\$ 618,982
Operating grants and contributions	471,272	446,383
Capital grants and contributions	232,944	531,963
General revenues		
Property taxes	2,987,339	2,899,190
Other taxes	487,130	330,711
Grants and contributions not restricted to specific programs	194,351	232,129
Interest and investment earnings	4,517	45,442
Other	31,649	74,009
Total Revenues	<u>5,117,580</u>	<u>5,178,809</u>
Expenses		
General government	688,685	606,365
Public safety	531,413	627,703
Public works	1,968,445	2,067,602
Culture and recreation	248,670	191,419
Conservation and development	308,853	262,685
Interest on long-term debt	130,864	209,910
Total Expenses	<u>3,876,930</u>	<u>3,965,684</u>
Change in Net Position	1,240,650	1,213,125
Net Position - January 1	<u>13,232,220</u>	<u>12,019,095</u>
Net Position - December 31	<u>\$ 14,472,870</u>	<u>\$ 13,232,220</u>

A summary of key changes follows:

- Capital grants and contributions decreased significantly due to a large state grant received for Trillium Trail in 2020.
- Other taxes saw an increase due to a higher motel tax collections for 2021. The lessening restrictions of the prior year pandemic positively impacted the tourism industry.
- Overall expenses were lower in 2021 compared to 2020 due to the completion of larger projects in 2020, which weren't a concern for 2021.
- Interest and investment earnings decreased due to significantly lower interest rates for 2021 and less cash on hand.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

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, 2021, the Town's governmental funds reported combined ending fund balances of \$3,933,849, a decrease of \$334,435 in comparison to the prior year.

The General Fund is the main operating fund of the Town. At the end of 2021, the unassigned fund balance of the General Fund was \$1,508,500, while the total fund balance reached \$2,038,865. 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, prepayments that benefit periods beyond the end of the current year, and investment in land held for resale (\$190,417). An additional \$339,948 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 46% of General Fund budgeted expenditures, while the total fund balance represents 59% of General Fund budgeted expenditures.

The Debt Service fund has a total fund balance of \$185,049. 100% of this fund balance is restricted for retirement of long-term debt.

The General Capital Projects fund has a total fund balance of \$723,639. \$578,706 of this fund balance is restricted for capital projects (unspent debt proceeds) with the remaining amount of \$144,933 shown as an unassigned deficit.

The Capital Projects Equipment fund has a total fund balance of \$257,254. \$239,131 of this fund balance is restricted for capital projects (unspent debt proceeds) with the remaining amount of \$18,123 is assigned for other equipment purchases.

The Motel Tax fund has a total fund balance of \$146,753. 100% of this fund balance is committed for tourism.

The Parkland Fees fund has a total fund balance of \$57,010. 100% of this fund balance is restricted for parks outlay.

The Tourism Commission fund has a total fund balance of \$518,976. 100% of this balance is restricted for tourism.

The Doepke Park fund has a total fund balance of \$15,726. 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, 2021**

The ARPA fund is used to report how the Town has spent its American Rescue Plan Act allotments. Fund balance is zero at year-end.

The Tax Incremental Financing District #1 has a total fund balance of \$(9,423). \$36,519 of this fund balance is restricted for TID projects (unspent debt proceeds) with the remaining amount of \$45,942 shown as an unassigned deficit.

General Fund Budgetary Highlights

Generally, the original budget is rarely modified. The Town did not make modifications to its original budget during the year.

During the year, actual revenues exceeded budgeted revenues by \$18,867, primarily in licenses and permits. Actual expenditures were lower than budgeted expenditures by \$217,504, 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 \$15,515,108 (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			
	2021	2020	Change \$	Change %
Land	\$ 1,290,424	\$ 1,290,424	\$ -	0%
Construction in progress	233,404	1,548,717	(1,315,313)	-85%
Land improvements	1,433,297	725,301	707,996	98%
Buildings	4,219,744	4,158,748	60,996	1%
Building improvements	376,483	355,373	21,110	6%
Machinery and equipment	168,160	171,442	(3,282)	-2%
Vehicles	973,866	957,449	16,417	2%
Infrastructure	6,800,114	6,315,202	484,912	8%
Total	\$ 15,495,492	\$ 15,522,656	(27,164)	0%

Major capital assets acquired or constructed during the year include:

- The completion of the of the Trillium Trail project.
- The completion of the 2022 Peterbilt Patrol Truck.
- The completion of the municipal center garage, as well as, upgrades to the doors and security system.
- Multiple roads overlaid or repaved.

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

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

Debt Administration. As of December 31, 2021, the Town had total debt outstanding of \$6,640,000.

TOWN OF RIB MOUNTAIN'S OUTSTANDING DEBT				
General Obligation Debt and Revenue Bonds				
	Governmental Activities		Change \$	Change %
	2021	2020		
General obligation debt:				
Notes	\$ 6,640,000	\$ 7,720,000	\$ (1,080,000)	-14%

The Town's total debt decreased by \$1,080,000 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 \$48,558,480, which is in excess of the Town's \$6,640,000 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 decrease for 2022 from 2021. This would include General Transportation Aid.
- The Wausau Metropolitan Statistical Area (MSA) had a December 2021 unemployment rate of 1.8%, the State's unemployment rate was 3.1%. (Source <https://www.bls.gov/regions/midwest/wisconsin.htm#eag>)
- The Town Board did adopt a 2022-2026 Capital Budget as part of the annual budget for 2022. This allows the Town to plan for financing for future projects and equipment.
- There was an increase in hotel/ motel revenues with the lessening effects of the pandemic and return of tourism activities.
- Residential construction and remodeling remained high, despite continued product shortages, price fluctuations and further reductions in available lots. Along with strong residential activity, the Town also welcomed a number of new commercial businesses which filled empty tenant spaces as a result of an area mall closing.

All of these factors were considered in preparing the Town's budget for the 2022 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, 2021
(WITH COMPARATIVE FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

	Governmental		Component Unit
	Activities		Rib Mountain
	2021	2020	Community Improvement Foundation, Inc.
ASSETS			
Cash and Investments	\$ 5,660,944	\$ 5,787,738	\$ 54,489
Receivables:			
Taxes and Special Charges	2,145,276	2,061,927	-
Accounts, Net	149,224	88,829	-
Special Assessments	88,048	187,019	-
Due from Other Governments	234,178	95,735	-
Inventories and Prepaid Items	163,843	102,168	-
Investment in SAFER	1,843,813	1,327,739	-
Assets Held for Resale	26,574	-	-
Net Pension Asset	273,989	145,029	-
Capital Assets, Nondepreciable	1,523,828	2,839,141	-
Capital Assets, Depreciable	13,971,664	12,683,515	-
Total Assets	<u>26,081,381</u>	<u>25,318,840</u>	<u>54,489</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	458,281	344,715	-
Other Postemployment Related Amounts	40,590	29,698	-
Total Deferred Outflows of Resources	<u>498,871</u>	<u>374,413</u>	<u>-</u>
LIABILITIES			
Accounts Payable	208,613	159,843	-
Accrued and Other Current Liabilities	52,249	47,197	-
Due to Other Governments	534	171	-
Accrued Interest Payable	54,759	61,221	-
Special Deposits	38,891	42,900	-
Unearned Revenues	365,604	34,614	-
Long-Term Obligations:			
Due within One Year	1,055,000	1,080,000	-
Due in More than One Year	5,836,982	6,926,117	-
Other Postemployment Benefits	98,919	75,890	-
Total Liabilities	<u>7,711,551</u>	<u>8,427,953</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Levied for Subsequent Year	3,780,299	3,583,388	-
Pension Related Amounts	601,072	434,375	-
Other Postemployment Related Amounts	14,460	15,317	-
Total Deferred Inflows of Resources	<u>4,395,831</u>	<u>4,033,080</u>	<u>-</u>
NET POSITION			
Net Investment in Capital Assets	12,030,648	11,533,851	-
Restricted:			
Retirement of Debt	130,290	182,550	-
Tourism	518,976	382,021	-
Net Pension Asset	273,989	145,029	-
Investment in SAFER	1,843,813	1,327,739	-
Community Improvement Projects	-	-	54,489
Parks Outlay	57,010	47,706	-
Unrestricted	(381,856)	(386,676)	-
Total Net Position	<u>\$ 14,472,870</u>	<u>\$ 13,232,220</u>	<u>\$ 54,489</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General Government	\$ 688,685	\$ 65,266	\$ -	\$ -
Public Safety	531,413	70,213	35,812	-
Public Works	1,968,445	526,689	435,460	226,014
Culture and Recreation	248,670	31,932	-	6,930
Conservation and Development	308,853	5,000	-	-
Interest and Fiscal Charges	130,864	9,278	-	-
Total Primary Government	<u>\$ 3,876,930</u>	<u>\$ 708,378</u>	<u>\$ 471,272</u>	<u>\$ 232,944</u>
Component Unit:				
Rib Mountain Community Improvement Foundation, Inc.	\$ 23,525	\$ -	\$ -	\$ 56,180

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

Functions/Programs	Net (Expense) Revenue and Change in Net Position		Component Unit
	Governmental Activities		Rib Mountain Community Improvement Foundation, Inc.
	2021	2020	
GOVERNMENTAL ACTIVITIES			
General Government	\$ (623,419)	\$ (562,797)	\$ -
Public Safety	(425,388)	(551,503)	-
Public Works	(780,282)	(1,101,264)	-
Culture and Recreation	(209,808)	300,170	-
Conservation and Development	(303,853)	(255,832)	-
Interest and Fiscal Charges	(121,586)	(197,130)	-
Total Primary Government	(2,464,336)	(2,368,356)	-
Component Unit:			
Rib Mountain Community Improvement Foundation, Inc.	-	-	32,655
GENERAL REVENUES			
Taxes:			
Property Taxes	2,987,339	2,899,190	-
Other Taxes	487,130	330,711	-
Federal and State Grants and Other Contributions not Restricted to Specific Functions	194,351	232,129	-
Interest and Investment Earnings	4,517	45,442	27
Miscellaneous	8,606	44,785	-
Gain on Sale of Asset	23,043	29,224	-
Total General Revenues	3,704,986	3,581,481	27
CHANGE IN NET POSITION	1,240,650	1,213,125	32,682
Net Position - January 1	13,232,220	12,019,095	21,807
NET POSITION - DECEMBER 31	\$ 14,472,870	\$ 13,232,220	\$ 54,489

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

	General	Debt Service	Capital Projects	
			General	Equipment
ASSETS				
Cash and Investments	\$ 3,220,488	\$ 627,779	\$ 497,025	\$ 257,254
Receivables:				
Taxes and Special Charges	1,341,637	747,023	2,043	-
Accounts, Net	21,126	-	-	-
Special Assessments	-	88,048	-	-
Due from Other Governments	6,914	-	227,264	-
Inventories and Prepaid Items	163,843	-	-	-
Assets Held for Resale	26,574	-	-	-
	<u>4,780,582</u>	<u>1,462,850</u>	<u>726,332</u>	<u>257,254</u>
Total Assets	<u>\$ 4,780,582</u>	<u>\$ 1,462,850</u>	<u>\$ 726,332</u>	<u>\$ 257,254</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 140,536	\$ -	\$ 650	\$ -
Accrued and Other Current Liabilities	52,249	-	-	-
Due to Other Governments	-	-	-	-
Special Deposits	37,166	-	-	-
Unearned Revenues	14,830	-	-	-
Total Liabilities	<u>244,781</u>	<u>-</u>	<u>650</u>	<u>-</u>
Deferred Inflows of Resources:				
Property Taxes Levied for Subsequent Year	2,496,936	1,189,753	2,043	-
Special Assessments	-	88,048	-	-
Total Deferred Inflows of Resources	<u>2,496,936</u>	<u>1,277,801</u>	<u>2,043</u>	<u>-</u>
Fund Balances:				
Nonspendable	190,417	-	-	-
Restricted	-	185,049	578,706	239,131
Committed	-	-	-	-
Assigned	339,948	-	144,933	18,123
Unassigned (Deficit)	1,508,500	-	-	-
Total Fund Balances	<u>2,038,865</u>	<u>185,049</u>	<u>723,639</u>	<u>257,254</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,780,582</u>	<u>\$ 1,462,850</u>	<u>\$ 726,332</u>	<u>\$ 257,254</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

	Other Governmental Funds	Totals	
		2021	2020
ASSETS			
Cash and Investments	\$ 1,058,398	\$ 5,660,944	\$ 5,787,738
Receivables:			
Taxes and Special Charges	54,573	2,145,276	2,061,927
Accounts, Net	128,098	149,224	88,829
Special Assessments	-	88,048	187,019
Due from Other Governments	-	234,178	95,735
Inventories and Prepaid Items	-	163,843	102,168
Assets Held for Resale	-	26,574	-
Total Assets	<u>\$ 1,241,069</u>	<u>\$ 8,468,087</u>	<u>\$ 8,323,416</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 67,427	\$ 208,613	\$ 159,843
Accrued and Other Current Liabilities	-	52,249	47,197
Due to Other Governments	534	534	171
Special Deposits	1,725	38,891	42,900
Unearned Revenues	350,774	365,604	34,614
Total Liabilities	<u>420,460</u>	<u>665,891</u>	<u>284,725</u>
Deferred Inflows of Resources:			
Property Taxes Levied for Subsequent Year	91,567	3,780,299	3,583,388
Special Assessments	-	88,048	187,019
Total Deferred Inflows of Resources	<u>91,567</u>	<u>3,868,347</u>	<u>3,770,407</u>
Fund Balances:			
Nonspendable	-	190,417	102,168
Restricted	612,505	1,615,391	2,236,843
Committed	162,479	162,479	168,840
Assigned	-	503,004	276,874
Unassigned (Deficit)	(45,942)	1,462,558	1,483,559
Total Fund Balances	<u>729,042</u>	<u>3,933,849</u>	<u>4,268,284</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,241,069</u>	<u>\$ 8,468,087</u>	<u>\$ 8,323,416</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

	2021	2020
RECONCILIATION TO THE STATEMENT OF NET POSITION		
Total Fund Balances as Shown on Previous Page	\$ 3,933,849	\$ 4,268,284
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.	15,495,492	15,522,656
Long-term assets are not considered available: therefore, are not reported in the funds.		
Net Pension Asset	273,989	145,029
Investment in SAFER	1,843,813	1,327,739
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Special Assessments	88,048	187,019
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Deferred Outflows Related to Pensions	458,281	344,715
Deferred Inflows Related to Pensions	(601,072)	(434,375)
Deferred Outflows Related to Other Postemployment Benefits	40,590	29,698
Deferred Inflows Related to Other Postemployment Benefits	(14,460)	(15,317)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and Notes Payable	(6,640,000)	(7,720,000)
Premium on Debt	(197,203)	(232,810)
Compensated Absences	(54,779)	(53,307)
Other Postemployment Benefit	(98,919)	(75,890)
Accrued Interest on Long-Term Obligations	(54,759)	(61,221)
Net Position of Governmental Activities as Reported on the Statement of Net Position (See Page 12)	\$ 14,472,870	\$ 13,232,220

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, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	General	Debt Service	Capital Projects	
			General	Equipment
REVENUES				
Taxes	\$ 1,917,041	\$ 1,088,040	\$ -	\$ -
Special Assessments	-	104,651	-	-
Intergovernmental	619,318	-	227,264	-
Licenses and Permits	135,435	-	-	-
Fines and Forfeits	1,324	-	-	-
Public Charges for Services	519,577	-	12,935	-
Intergovernmental Charges for Services	15,329	-	-	-
Miscellaneous	14,017	9,693	572	187
Total Revenues	3,222,041	1,202,384	240,771	187
EXPENDITURES				
Current:				
General Government	663,665	-	-	-
Public Safety	772,675	-	-	-
Public Works	1,384,588	-	-	-
Culture and Recreation	164,690	-	-	-
Conservation and Development	78,085	-	-	-
Debt Service:				
Principal	-	1,080,000	-	-
Interest and Fiscal Charges	-	170,704	-	-
Capital Outlay	187,386	-	322,195	445,139
Total Expenditures	3,251,089	1,250,704	322,195	445,139
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(29,048)	(48,320)	(81,424)	(444,952)
OTHER FINANCING SOURCES (USES)				
Long-Term Debt Issued	-	-	-	-
Premium on Debt Issued	-	-	-	-
Proceeds from Sale of Capital Assets	14,000	-	-	36,000
Transfers In	142,853	-	400,000	446,280
Transfers Out	-	(10,401)	(446,280)	-
Total Other Financing Sources (Uses)	156,853	(10,401)	(46,280)	482,280
NET CHANGE IN FUND BALANCES	127,805	(58,721)	(127,704)	37,328
Fund Balances - January 1	1,911,060	243,770	851,343	219,926
FUND BALANCES - DECEMBER 31	\$ 2,038,865	\$ 185,049	\$ 723,639	\$ 257,254

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, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Other Governmental Funds	Totals	
		2021	2020
REVENUES			
Taxes	\$ 469,388	\$ 3,474,469	\$ 3,229,901
Special Assessments	-	104,651	104,800
Intergovernmental	37,400	883,982	1,190,497
Licenses and Permits	-	135,435	90,492
Fines and Forfeits	-	1,324	259
Public Charges for Services	20,358	552,870	506,019
Intergovernmental Charges for Services	-	15,329	15,135
Miscellaneous	979	25,448	106,209
Total Revenues	<u>528,125</u>	<u>5,193,508</u>	<u>5,243,312</u>
EXPENDITURES			
Current:			
General Government	915	664,580	721,049
Public Safety	-	772,675	667,663
Public Works	-	1,384,588	1,320,865
Culture and Recreation	10,599	175,289	161,912
Conservation and Development	233,042	311,127	228,184
Debt Service:			
Principal	-	1,080,000	1,115,000
Interest and Fiscal Charges	2,229	172,933	234,332
Capital Outlay	62,031	1,016,751	2,088,071
Total Expenditures	<u>308,816</u>	<u>5,577,943</u>	<u>6,537,076</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	219,309	(384,435)	(1,293,764)
OTHER FINANCING SOURCES (USES)			
Long-Term Debt Issued	-	-	1,835,000
Premium on Debt Issued	-	-	95,295
Proceeds from Sale of Capital Assets	-	50,000	42,584
Transfers In	338,973	1,328,106	1,024,474
Transfers Out	(871,425)	(1,328,106)	(1,024,474)
Total Other Financing Sources (Uses)	<u>(532,452)</u>	<u>50,000</u>	<u>1,972,879</u>
NET CHANGE IN FUND BALANCES	(313,143)	(334,435)	679,115
Fund Balances - January 1	1,042,185	4,268,284	3,589,169
FUND BALANCES - DECEMBER 31	<u>\$ 729,042</u>	<u>\$ 3,933,849</u>	<u>\$ 4,268,284</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 (CONTINUED)
YEAR ENDED DECEMBER 31, 2021
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	2021	2020
RECONCILIATION TO THE STATEMENT OF ACTIVITIES		
Net Change in Fund Balances as Shown on Previous Page	\$ (334,435)	\$ 679,115
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	813,466	1,907,062
Depreciation Expense Reported in the Statement of Activities	(813,673)	(740,820)
Net Book Value of Disposals	(26,957)	(14,192)
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.		
	(98,971)	(93,727)
The net income (loss) in the investment in SAFER is reported with governmental activities.		
	516,074	285,579
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	1,080,000	1,115,000
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	6,462	727
Amortization of Premiums, Discounts, and Loss on Advance Refunding	35,607	23,695
Compensated Absences	(1,472)	(3,656)
Net Pension Asset (Liability)	128,960	308,488
Deferred Outflows of Resources Related to Pensions	113,566	(110,884)
Deferred Inflows of Resources Related to Pensions	(166,697)	(208,122)
Other Postemployment Benefits	(23,029)	(26,833)
Deferred Outflows of Resources Related to Other Postemployment Benefits	10,892	23,522
Deferred Inflows of Resources Related to Other Postemployment Benefits	857	(1,534)
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (See Pages 13 - 14)	\$ 1,240,650	\$ 1,213,125

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, 2021**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 1,914,599	\$ 1,914,599	\$ 1,917,041	\$ 2,442
Intergovernmental	614,218	614,218	619,318	5,100
Licenses and Permits	87,340	87,340	135,435	48,095
Fines and Forfeits	2,500	2,500	1,324	(1,176)
Public Charges for Services	532,600	532,600	519,577	(13,023)
Intergovernmental Charges for Services	15,317	15,317	15,329	12
Miscellaneous	36,600	36,600	14,017	(22,583)
Total Revenues	<u>3,203,174</u>	<u>3,203,174</u>	<u>3,222,041</u>	<u>18,867</u>
EXPENDITURES				
Current:				
General Government	724,003	724,003	663,665	60,338
Public Safety	744,279	744,279	772,675	(28,396)
Public Works	1,523,159	1,523,159	1,384,588	138,571
Culture and Recreation	161,146	161,146	164,690	(3,544)
Conservation and Development	80,908	80,908	78,085	2,823
Capital Outlay	235,098	235,098	187,386	47,712
Total Expenditures	<u>3,468,593</u>	<u>3,468,593</u>	<u>3,251,089</u>	<u>217,504</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENSES	(265,419)	(265,419)	(29,048)	236,371
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	13,000	13,000	14,000	1,000
Transfers In	131,419	131,419	142,853	11,434
Total Other Financing Sources	<u>144,419</u>	<u>144,419</u>	<u>156,853</u>	<u>12,434</u>
NET CHANGE IN FUND BALANCE				
	(121,000)	(121,000)	127,805	248,805
Fund Balance - January 1	<u>1,911,060</u>	<u>1,911,060</u>	<u>1,911,060</u>	<u>-</u>
FUND BALANCE - DECEMBER 31	<u><u>\$ 1,790,060</u></u>	<u><u>\$ 1,790,060</u></u>	<u><u>\$ 2,038,865</u></u>	<u><u>\$ 248,805</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, 2021
(WITH COMPARATIVE FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

	Custodial Fund	
	2021	2020
ASSETS		
Cash and Investments	\$ 6,348,743	\$ 6,177,660
Receivables:		
Taxes	9,458,888	9,074,195
Total Assets	15,807,631	15,251,855
 DEFERRED INFLOWS OF RESOURCES		
Property Taxes Levied for Subsequent Year	15,807,631	15,251,855
 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, 2021
(WITH COMPARATIVE FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Custodial Fund	
	2021	2020
ADDITIONS		
Taxes and Special Charges Collected for Other Taxing Jurisdictions	\$ 15,251,743	\$ 14,486,387
Total Additions	15,251,743	14,486,387
DEDUCTIONS		
Payments to Other Taxing Jurisdictions	15,251,743	14,486,387
Total Deductions	15,251,743	14,486,387
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, 2021**

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 2021 expenditures was as follows.

Village of Weston	67.55%
Town of Rib Mountain	32.45%

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021, the Town's equity interest was \$1,843,813. 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, 2021 is as follows:

Total Assets	<u>\$ 4,516,715</u>
Total Deferred Outflows of Resources	<u>\$ 1,434,603</u>
Total Liabilities	<u>\$ 322,108</u>
Total Deferred Inflows of Resources	<u>\$ 1,827,944</u>
Net Position:	
Net Investment in Capital Assets	\$ 2,451,648
Restricted for Pension Benefits	829,994
Unrestricted	519,624
Total Net Position	<u>\$ 3,801,266</u>
Charges for Services	\$ 1,776,628
Operating Grants and Contributions	105,032
General Revenues	2,562,841
Expenses	<u>(2,854,142)</u>
Change in Net Position	1,590,359
Net Position - January 1	<u>2,210,907</u>
Net Position - December 31	<u>\$ 3,801,266</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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.

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.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the 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, 2021**

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 \$1,986 for the year ended December 31, 2021.

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 2021 tax roll are recognized as revenue in 2022.)

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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	60
Buildings Improvements	10 to 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, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. Land Held for Resale

Land held for resale consists of land and improvements and is valued at cost of acquisition, demolition, and site improvements. Land held for resale is recorded at the lower of cost or market value.

9. 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.

10. Deferred Outflows/Inflows of Resources

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

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

11. 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, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

12. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from 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.

13. 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, and OPEB expense (revenue), 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.

14. 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, assets held for resale, 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, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

14. 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, 2021**

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, 2020, 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, 2021**

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, 2021.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021 as follows:

Funds	Excess Expenditures
General:	
General Government:	
Town Board	\$ 2,115
General Office	1,872
Public Safety:	
Code Enforcement Officer	6,961
Public Safety Building	4,915
Siren	165
Inspection	18,994
Public Works:	
Signs and Markings	819
Building	10,277
Culture and Recreation:	
Parks - General	7,353
Capital Outlay:	
Municipal Building	4,927

C. Deficit Fund Equity

The following fund had deficit fund balance as of December 31, 2021:

Funds	Deficit Fund Balance
Capital Projects - TIF #1	\$ 9,423

The Town anticipates funding the above deficit from future revenues of the fund.

D. Property Tax Levy Limit Deficit Fund Equity

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns, and counties. For the 2021 and 2022 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 2021 budget was 1.58%. The actual limit for the Town for the 2022 budget was 1.15%. 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.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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".

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 \$12,064,176 on December 31, 2021 as summarized below:

Petty Cash and Cash on Hand	\$	500
Deposits with Financial Institutions		12,063,637
Investments:		
Local Government Investment Pool		39
Total		\$ 12,064,176

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:

Governmental Activities:

Cash and Investments \$ 5,660,944

Component Unit:

Cash and Investments 54,489

Fiduciary Fund Statement of Net Position

Agency Fund 6,348,743

Total \$ 12,064,176

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, 2021**

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, 2021, \$9,696,499 of the Town's deposits with financial institutions were in excess of federal and state depository insurance limits. \$9,696,499 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, 2021, 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, 2021**

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. As of December 31, 2021, the Wisconsin Local Government Investment Pool had a weighted average maturity of 61 days.

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		Nonmajor Governmental Funds	Total
			General	Equipment		
Receivables:						
Taxes	\$ 1,341,637	\$ 747,023	\$ 2,043	\$ -	\$ 54,573	\$ 2,145,276
Accounts	23,112	-	-	-	128,098	151,210
Special Assessments	-	88,048	-	-	-	88,048
Gross Receivables	1,364,749	835,071	2,043	-	182,671	2,384,534
Less: Allowance for						
Uncollectibles	1,986	-	-	-	-	1,986
Net Total Receivables	<u>\$ 1,362,763</u>	<u>\$ 835,071</u>	<u>\$ 2,043</u>	<u>\$ -</u>	<u>\$ 182,671</u>	<u>\$ 2,382,548</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 1,290,424	\$ -	\$ -	\$ 1,290,424
Construction in Progress	1,548,717	172,392	1,487,705	233,404
Total Capital Assets, Nondepreciable	<u>2,839,141</u>	<u>172,392</u>	<u>1,487,705</u>	<u>1,523,828</u>
Capital Assets, Depreciable:				
Land Improvements	1,090,330	781,031	-	1,871,361
Buildings	5,666,718	158,076	-	5,824,794
Building Improvements	415,022	31,351	-	446,373
Machinery and Equipment	490,007	29,617	-	519,624
Vehicles	2,071,845	181,021	132,295	2,120,571
Infrastructure	9,088,766	947,683	-	10,036,449
Subtotals	<u>18,822,688</u>	<u>2,128,779</u>	<u>132,295</u>	<u>20,819,172</u>
Less Accumulated Depreciation for:				
Land Improvements	365,029	73,035	-	438,064
Buildings	1,507,970	97,080	-	1,605,050
Building Improvements	59,649	10,241	-	69,890
Machinery and Equipment	318,565	32,899	-	351,464
Vehicles	1,114,396	137,647	105,338	1,146,705
Infrastructure	2,773,564	462,771	-	3,236,335
Subtotals	<u>6,139,173</u>	<u>813,673</u>	<u>105,338</u>	<u>6,847,508</u>
Total Capital Assets, Depreciable, Net	<u>12,683,515</u>	<u>1,315,106</u>	<u>26,957</u>	<u>13,971,664</u>
Governmental Activities Capital Assets, Net	<u>\$ 15,522,656</u>	<u>\$ 1,487,498</u>	<u>\$ 1,514,662</u>	15,495,492
Less: Capital Related Debt				3,318,083
Less: Capital Related Debt Premium				138,961
Less: Capital Related Accounts Payable and Retainage Payable				<u>7,800</u>
Net Investment in Capital Assets				<u>\$ 12,030,648</u>

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

Governmental Activities:	
General Government	\$ 34,679
Public Safety	46,065
Public Works	647,758
Culture and Recreation	<u>85,171</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 813,673</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Transfers

Interfund transfers for the year ended December 31, 2021 were as follows:

Fund	Transfer In	Transfer Out
General	\$ 142,853	\$ -
Debt Service	-	10,401
Motel Tax	-	469,388
Tourism Commission	328,572	-
General Capital	400,000	446,280
Equipment	446,280	-
TID #1	10,401	400,000
Doepke Park	-	2,037
Total	<u>\$ 1,328,106</u>	<u>\$ 1,328,106</u>

Interfund transfers were made for the following purposes.

To Transfer Room Tax Collections to Tourism Commission and General Fund	\$ 469,388
To Fund SAFER Equipment Purchases	236,280
To Cover Employee Wages in General Fund	2,037
To Fund Capital Equipment Projects	210,000
To Transfer Unspent Debt Proceeds for Road Project	400,000
To Transfer Debt Premium for Interest Payments	10,401
Total	<u>\$ 1,328,106</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, 2021:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Notes	\$ 7,720,000	\$ -	\$ 1,080,000	\$ 6,640,000	\$ 1,055,000
Premium on Debt	232,810	-	35,607	197,203	-
Compensated Absences	53,307	45,453	43,981	54,779	-
Governmental Activities Long-Term Obligations	<u>\$ 8,006,117</u>	<u>\$ 45,453</u>	<u>\$ 1,159,588</u>	<u>\$ 6,891,982</u>	<u>\$ 1,055,000</u>

Total interest paid during the year on long-term debt totaled \$171,781.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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 12/31/21
2013A GO Promissory Note	10/8/13	9/1/23	0.75 - 2.7%	\$ 2,165,000	\$ 820,000
2015A GO Promissory Note	7/8/15	3/1/25	2.1 - 3.0%	2,720,000	1,230,000
2016A GO Promissory Note	8/11/16	8/1/26	1.5 - 2.5%	2,580,000	1,100,000
2018A GO Promissory Note	9/20/18	9/1/28	3.00%	1,965,000	1,655,000
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>\$ 6,640,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$6,640,000 on December 31, 2021 are detailed below:

<u>Year Ended December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,055,000	\$ 148,653	\$ 1,203,653
2023	980,000	121,875	1,101,875
2024	905,000	92,978	997,978
2025	925,000	72,278	997,278
2026	780,000	55,555	835,555
2026-2030	1,995,000	65,050	2,060,050
Total	<u>\$ 6,640,000</u>	<u>\$ 556,389</u>	<u>\$ 7,196,389</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, 2021 was \$41,918,480 as follows:

Equalized Valuation of the Town	\$ 971,169,600
Statutory Limitation Percentage	<u>(x) 5%</u>
General Obligation Debt Limitation, per Section 67.03 of the Wisconsin Statutes	48,558,480
Total Outstanding General Obligation Debt Applicable to Debt Limitation	<u>6,640,000</u>
Legal Margin for New Debt	<u>\$ 41,918,480</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 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 Annual Comprehensive Financial Report (ACFR), which can be found at <https://etf.wi.gov/publications/cafr.htm>.

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 occupations and 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, 2021**

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 %
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)
2020	1.7	21

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, 2021, the WRS recognized \$50,290 in contributions from the Town.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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%	11.75%
Protective without Social Security	6.75%	16.35%

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

At December 31, 2021, the Town reported an asset of \$273,989 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. 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, 2020, the Town's proportion was 0.00438865%, which was a decrease of 0.00010915% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Town recognized pension expense (revenue) of \$(25,288).

At December 31, 2021, 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	\$ 396,545	\$ 85,415
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	514,392
Changes in Assumptions	6,214	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	5,232	1,265
Employer Contributions Subsequent to the Measurement Date	50,290	-
Total	<u>\$ 458,281</u>	<u>\$ 601,072</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Pension Plan (Continued)

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

\$50,290 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, 2022. 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>
2022	\$ (47,522)
2023	(12,416)
2024	(93,466)
2025	(39,677)
Total	<u>\$ (193,081)</u>

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.01% - 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, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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	51%	7.2%	4.7%
Fixed Income	25.0%	3.2%	0.8%
Inflation Sensitive Assets	16.0%	2.0%	-0.4%
Real Estate	8%	5.6%	3.1%
Private Equity/Debt	11%	10.2%	7.6%
Multi-Asset	4%	5.8%	3.3%
Cash	-15%	0.9%	N/A
Total Core Fund	100%	6.6%	4.1%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	6.6%	4.1%
International Equities	30%	7.4%	4.9%
Total Variable Fund	100%	7.1%	4.6%

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.4%

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, 2021**

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 2.00% (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, 2020. 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)	\$ 260,800	\$ (273,989)	\$ (666,788)

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, 2021, the Town reported a payable of \$8,392 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2021.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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

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, 2021 are:

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

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2020 are listed below:

Life Insurance Member Contribution Rates*		
For the Year Ended December 31, 2020		
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 year ended December 31, 2021, the LRLIF recognized \$377 in contributions from the employer.

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

At December 31, 2021, the Town reported a liability (asset) of \$98,919 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020. 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, 2020, the Town's proportion was 0.01798300%, which was an increase of 0.00016100% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Town recognized OPEB expense (revenue) of \$11,641.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Other Postemployment Benefits (Continued)

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

At December 31, 2021, 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	\$ -	\$ 4,720
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	1,441	-
Changes in Assumptions	38,481	6,787
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	668	2,953
Total	<u>\$ 40,590</u>	<u>\$ 14,460</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>
2022	\$ 4,855
2023	4,700
2024	4,539
2025	4,109
2026	5,271
Thereafter	2,656
Total	<u>\$ 26,130</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Other Postemployment Benefits (Continued)

Actuarial Assumptions

The total OPEB liability in the January 1, 2020 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, 2020
Measurement Date of Net OPEB Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
20-Year Tax-Exempt Municipal Bond Yield:	2.12%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.25%
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, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 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.

<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	50%	1.47%
U.S. Mortgages	Barclays MBS	50%	0.82%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Other Postemployment Benefits (Continued)

Long-Term Expected Return on Plan Assets (Continued)

The long-term expected rate of return and expected inflation rate remain unchanged from the prior year at 4.25% and 2.20%, respectively. 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 2.25% was used to measure the total OPEB liability, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. 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.

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 2.25%, 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 (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
Town's Proportionate Share of the Net OPEB Liability (Asset)	\$ 134,559	\$ 98,919	\$ 71,967

Payable to the OPEB Plan

At December 31, 2021, the Town reported a payable of \$-0- for the outstanding amount of contribution to the plan required for the year ended December 31, 2021.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

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, 2021, nonspendable fund balance was as follows:

General Fund:

Nonspendable:		
Inventories and Prepaid Items	\$	163,843
Assets Held for Resale		<u>26,574</u>
Total Nonspendable Fund Balance - General Fund		<u><u>\$ 190,417</u></u>

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2021, restricted fund balance was as follows:

Special Revenue Funds:

Restricted for:		
Park Outlay	\$	57,010
Tourism		<u>518,976</u>
Total Special Revenue Fund Restrictions		575,986

Debt Service:

Restricted for:		
Retirement of Long-Term Debt		185,049

Capital Projects:

Restricted for:		
Capital Projects (Unspent Proceeds)		578,706
Equipment Purchases (Unspent Proceeds)		239,131
TIF projects (Unspent Proceeds)		<u>36,519</u>
Total Capital Project Fund Restrictions		<u>854,356</u>

Total Restricted Fund Balance	<u><u>\$ 1,615,391</u></u>
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**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Fund Equity (Continued)

Committed Fund Balance

In the fund financial statements, portions of governmental fund balances are committed by Town Board action. At December 31, 2021, committed fund balance was as follows:

Special Revenue Funds:		
Committed for:		
Tourism	\$	146,753
Park Outlay		<u>15,726</u>
 Total Committed Fund Balance	 \$	 <u><u>162,479</u></u>

Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2021, fund balance was assigned as follows:

General Fund:		
Assigned for Capital Improvements	\$	102,000
Assigned for Retirement Expenses		10,948
Assigned for Subsequent Years Budget		<u>227,000</u>
Subtotal		<u>339,948</u>
 Capital Projects Funds:		
Equipment Fund:		
Equipment Replacement		18,123
Capital Improvements:		
Future Capital Improvements		<u>144,933</u>
Subtotal		<u>163,056</u>
 Total Assigned Fund Balance	 \$	 <u><u>503,004</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:

2021 Actual General Fund Expenditures	\$	3,251,089
Minimum Fund Balance %		(x) 20 - 25%
Minimum Fund Balance Amount		<u><u>\$650,218 - \$812,772</u></u>

The Town unassigned General Fund balance of \$1,508,500 is above the minimum fund balance amount.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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.

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.

C. Tax Incremental Financing District

The Town has established a separate capital projects fund for Tax Incremental Financing District (TIF) #1, which was created by the Town in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the District was created, the property tax base within the District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the Town to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. The Town's District is still eligible to incur project costs.

Since creation of the above District, the Town has provided various financing sources to the TIF. The foregoing amounts are not recorded as liabilities in the TIF capital project fund but can be recovered by the Town from any future excess tax increment revenues. As of December 31, 2021, the Town can recover the following costs from future excess tax increment revenues:

	Recoverable Costs
TID #1	\$ 109,423

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

	Termination Year
TID #1	2040

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 MEASUREMENT PERIODS**

Measurement Period 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%
12/31/20	0.00438865%	(273,989)	710,191	38.58%	105.26%

**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	-	710,191	6.75%
12/31/21	50,290	50,290	-	745,044	6.75%

See accompanying Notes to Required Supplementary Information.

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

Measurement Period 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%
12/31/20	0.01798300%	98,919	710,191	13.93%	31.36%

**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	-	710,191	0.05%
12/31/21	377	377	-	745,044	0.05%

See accompanying Notes to Required Supplementary Information.

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

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

The Single Discount Rate assumption used to develop total OPEB liability changed from the prior year. 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
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES –
GENERAL FUND
YEAR ENDED DECEMBER 31, 2021**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
Taxes:				
General Property	\$ 1,899,299	\$ 1,899,299	\$ 1,899,299	\$ -
Forest Cropland/Managed Forest	3,600	3,600	5,130	1,530
Payment in Lieu of Tax	11,500	11,500	11,638	138
Interest and Penalties on Taxes	200	200	974	774
Total Taxes	<u>1,914,599</u>	<u>1,914,599</u>	<u>1,917,041</u>	<u>2,442</u>
Intergovernmental:				
State:				
State Shared Taxes	112,477	112,477	112,477	-
Fire Insurance Dues	32,000	32,000	35,812	3,812
Exempt Computer Aid	10,743	10,743	10,743	-
Transportation	388,098	388,098	387,590	(508)
Recycling	47,300	47,300	47,870	570
Municipal Services Aid	4,400	4,400	4,482	82
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	1,136	16
Payment in Lieu of Taxes	12,000	12,000	11,303	(697)
County or Other Local Governments:				
County Timber Sales	5,000	5,000	6,914	1,914
Total Intergovernmental	<u>614,218</u>	<u>614,218</u>	<u>619,318</u>	<u>5,100</u>
Licenses and Permits:				
Licenses:				
Liquor and Malt Beverage	16,700	16,700	26,745	10,045
Operators, Cigarette, and Other Licenses	14,500	14,500	13,985	(515)
Nonbusiness Licenses	9,900	9,900	12,149	2,249
Permits:				
Building	33,000	33,000	60,579	27,579
Zoning	3,500	3,500	10,375	6,875
Road Excavation	5,000	5,000	6,000	1,000
Open Pit Mine Permits	3,000	3,000	3,000	-
Other Permits	1,740	1,740	2,602	862
Total Licenses and Permits	<u>87,340</u>	<u>87,340</u>	<u>135,435</u>	<u>48,095</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES -
GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
Fines and Forfeits:				
Court Fines and Penalties	\$ 2,500	\$ 2,500	\$ 1,324	\$ (1,176)
Public Charges for Services:				
General Government	7,000	7,000	4,713	(2,287)
Street Related Charges	24,900	24,900	14,068	(10,832)
Recycling	480,000	480,000	482,450	2,450
Assessment Letters	6,000	6,000	6,540	540
Weed and Nuisance Control	200	200	648	448
Developer Fees	8,000	8,000	5,000	(3,000)
Rental of Park Shelter Building	6,500	6,500	6,158	(342)
Total Public Charges for Services	<u>532,600</u>	<u>532,600</u>	<u>519,577</u>	<u>(13,023)</u>
Intergovernmental Charges for Services:				
Fire and EMS Services	-	-	7	7
Public Works	6,417	6,417	6,417	-
Other	8,900	8,900	8,905	5
Total Intergovernmental Charges for Services	<u>15,317</u>	<u>15,317</u>	<u>15,329</u>	<u>12</u>
Miscellaneous:				
Interest on Investments	33,000	33,000	2,774	(30,226)
Insurance Recoveries and Dividends	-	-	493	493
Sale of Recyclable Materials	500	500	1,289	789
Concessions	1,100	1,100	1,598	498
Other	2,000	2,000	7,863	5,863
Total Miscellaneous	<u>36,600</u>	<u>36,600</u>	<u>14,017</u>	<u>(22,583)</u>
Total Revenues	<u>\$ 3,203,174</u>	<u>\$ 3,203,174</u>	<u>\$ 3,222,041</u>	<u>\$ 18,867</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES –
GENERAL FUND
YEAR ENDED DECEMBER 31, 2021**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
General Government:				
Town Board	\$ 43,391	\$ 43,391	\$ 45,506	\$ (2,115)
Planning Commission	4,069	4,069	2,713	1,356
Elections	13,239	13,239	11,462	1,777
Legal	30,000	30,000	22,391	7,609
Board of Appeals	1,356	1,356	-	1,356
Clerk/Treasurer	65,459	65,459	55,165	10,294
General Office	119,427	119,427	121,299	(1,872)
Park Commission	3,165	3,165	2,228	937
Administrator	139,114	139,114	136,994	2,120
Finance Director	87,346	87,346	85,664	1,682
Accounting and Auditing	14,490	14,490	14,490	-
Tax Collection	500	500	269	231
Technology	41,450	41,450	40,118	1,332
Assessment of Property	26,700	26,700	25,890	810
Municipal Building	40,438	40,438	34,426	6,012
Property and Liability Insurance	26,650	26,650	26,486	164
Employee Benefits	20,000	20,000	17,462	2,538
Illegal Taxes, Refunds, and Uncollectible Taxes	4,000	4,000	102	3,898
Contingency	43,209	43,209	21,000	22,209
Total General Government	724,003	724,003	663,665	60,338
Public Safety:				
Crossing Guards	14,738	14,738	12,099	2,639
Code Enforcement Officer	114,600	114,600	121,561	(6,961)
Public Safety Building	8,000	8,000	12,915	(4,915)
Siren	3,000	3,000	3,165	(165)
Fire Department	268,659	268,659	268,659	-
Ambulance	235,659	235,659	235,659	-
Inspection	99,623	99,623	118,617	(18,994)
Total Public Safety	744,279	744,279	772,675	(28,396)
Public Works:				
Machinery and Equipment	89,000	89,000	88,127	873
Highway and Street Maintenance	669,658	669,658	566,854	102,804
Street Lighting	80,000	80,000	74,735	5,265
Snow and Ice Removal	40,381	40,381	34,883	5,498
Signs and Markings	71,082	71,082	71,901	(819)
Bridges and Culverts	33,101	33,101	18,174	14,927
Solid Waste and Recycling	430,417	430,417	420,917	9,500
Engineering	16,000	16,000	5,200	10,800
Building	93,520	93,520	103,797	(10,277)
Total Public Works	1,523,159	1,523,159	1,384,588	138,571

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES –
GENERAL FUND (CONTINUED)
YEAR ENDED DECEMBER 31, 2021**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
Culture and Recreation:				
Parks - General	\$ 136,817	\$ 136,817	\$ 144,170	\$ (7,353)
Recreation Programs	24,329	24,329	20,520	3,809
Total Culture and Recreation	<u>161,146</u>	<u>161,146</u>	<u>164,690</u>	<u>(3,544)</u>
Conservation and Development:				
Community Development	74,488	74,488	73,446	1,042
Economic Development	6,420	6,420	4,639	1,781
Total Conservation and Development	<u>80,908</u>	<u>80,908</u>	<u>78,085</u>	<u>2,823</u>
Capital Outlay:				
Technology	7,500	7,500	2,218	5,282
Municipal Building	5,000	5,000	9,927	(4,927)
Public Works Building	10,000	10,000	-	10,000
Stormwater	2,500	2,500	2,000	500
Road Improvement	185,098	185,098	173,098	12,000
Parks	25,000	25,000	143	24,857
Total Capital Outlay	<u>235,098</u>	<u>235,098</u>	<u>187,386</u>	<u>47,712</u>
Total Expenditures	<u>\$ 3,468,593</u>	<u>\$ 3,468,593</u>	<u>\$ 3,251,089</u>	<u>\$ 217,504</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	Special Revenue				
	Parkland Fees	Tourism Commission	Doepke Park	Motel Tax	ARPA Fund
ASSETS					
Cash and Investments	\$ 57,010	\$ 567,013	\$ 20,523	\$ 18,655	\$ 323,236
Receivables:					
Taxes and Special Charges	-	-	-	-	-
Accounts	-	-	-	128,098	-
Total Assets	<u>\$ 57,010</u>	<u>\$ 567,013</u>	<u>\$ 20,523</u>	<u>\$ 146,753</u>	<u>\$ 323,236</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ 48,037	\$ -	\$ -	\$ -
Due to Other Governments	-	-	534	-	-
Special Deposits	-	-	1,725	-	-
Unearned Revenues	-	-	2,538	-	323,236
Total Liabilities	<u>-</u>	<u>48,037</u>	<u>4,797</u>	<u>-</u>	<u>323,236</u>
Deferred Inflows of Resources:					
Property Taxes Levied for Subsequent Year	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted	57,010	518,976	-	-	-
Committed	-	-	15,726	146,753	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances (Deficits)	<u>57,010</u>	<u>518,976</u>	<u>15,726</u>	<u>146,753</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 57,010</u>	<u>\$ 567,013</u>	<u>\$ 20,523</u>	<u>\$ 146,753</u>	<u>\$ 323,236</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021**

	<u>Capital Projects</u>	
	TID	
	<u>#1</u>	<u>Totals</u>
ASSETS		
Cash and Investments	\$ 71,961	\$ 1,058,398
Receivables:		
Taxes and Special Charges	54,573	54,573
Accounts	-	128,098
	<u> </u>	<u> </u>
Total Assets	<u>\$ 126,534</u>	<u>\$ 1,241,069</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 19,390	\$ 67,427
Due to Other Governments	-	534
Special Deposits	-	1,725
Unearned Revenues	25,000	350,774
Total Liabilities	<u>44,390</u>	<u>420,460</u>
Deferred Inflows of Resources:		
Property Taxes Levied for Subsequent Year	91,567	91,567
Total Deferred Inflows of Resources	<u>91,567</u>	<u>91,567</u>
Fund Balances:		
Restricted	36,519	612,505
Committed	-	162,479
Unassigned (Deficit)	(45,942)	(45,942)
Total Fund Balances (Deficits)	<u>(9,423)</u>	<u>729,042</u>
	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 126,534</u>	<u>\$ 1,241,069</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021**

	Special Revenue				
	Parkland Fees	Tourism Commission	Doepke Park	Motel Tax	ARPA Fund
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 469,388	\$ -
Intergovernmental	-	-	-	-	37,400
Public Charges for Services	11,050	-	9,308	-	-
Miscellaneous	34	228	178	155	95
Total Revenues	<u>11,084</u>	<u>228</u>	<u>9,486</u>	<u>469,543</u>	<u>37,495</u>
EXPENDITURES					
Current:					
General Government	-	915	-	-	-
Culture and Recreation	1,780	-	8,819	-	-
Conservation and Development	-	190,930	-	-	-
Debt service:					
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	-	-	5,146	-	37,495
Total Expenditures	<u>1,780</u>	<u>191,845</u>	<u>13,965</u>	<u>-</u>	<u>37,495</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	9,304	(191,617)	(4,479)	469,543	-
OTHER FINANCING SOURCES (USES)					
Transfers In	-	328,572	-	-	-
Transfers Out	-	-	(2,037)	(469,388)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>328,572</u>	<u>(2,037)</u>	<u>(469,388)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	9,304	136,955	(6,516)	155	-
Fund Balances - January 1	<u>47,706</u>	<u>382,021</u>	<u>22,242</u>	<u>146,598</u>	<u>-</u>
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ 57,010</u>	<u>\$ 518,976</u>	<u>\$ 15,726</u>	<u>\$ 146,753</u>	<u>\$ -</u>

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2021**

	<u>Capital Projects</u>	
	TID	
	<u>#1</u>	<u>Totals</u>
REVENUES		
Taxes	\$ -	\$ 469,388
Intergovernmental	-	37,400
Public Charges for Services	-	20,358
Miscellaneous	289	979
Total Revenues	<u>289</u>	<u>528,125</u>
EXPENDITURES		
Current:		
General Government	-	915
Culture and Recreation	-	10,599
Conservation and Development	42,112	233,042
Debt service:		
Interest and Fiscal Charges	2,229	2,229
Capital Outlay	19,390	62,031
Total Expenditures	<u>63,731</u>	<u>308,816</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(63,442)	219,309
OTHER FINANCING SOURCES (USES)		
Transfers In	10,401	338,973
Transfers Out	<u>(400,000)</u>	<u>(871,425)</u>
Total Other Financing Sources (Uses)	<u>(389,599)</u>	<u>(532,452)</u>
NET CHANGE IN FUND BALANCES	(453,041)	(313,143)
Fund Balances - January 1	<u>443,618</u>	<u>1,042,185</u>
FUND BALANCES (DEFICITS) - DECEMBER 31	<u>\$ (9,423)</u>	<u>\$ 729,042</u>

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



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

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, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated May 16, 2022.

Report on 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 entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2021-001 that we consider to be a significant deficiency.

Report on 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's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The Town's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
May 16, 2022

**TOWN OF RIB MOUNTAIN
MARATHON COUNTY, WISCONSIN
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2021**

Internal Control Over Financial Reporting

2021-001

**Preparation of Annual Financial Report
Repeat of Finding 2020-001**

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. The Town contracts with its auditors and their knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. However, as independent auditors, CLA cannot be considered part of the Town's internal control system. As part of its internal control over preparation of its financial statements, including disclosures, the Town had implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate.

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.

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. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the Town's activities and operations. 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.