

TOWN OF LINN, WISCONSIN
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2023



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YEAR ENDED DECEMBER 31, 2023**

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INDEPENDENT AUDITORS' REPORT

To the Town Board
Town of Linn, Wisconsin
Walworth County, Wisconsin

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Linn, Wisconsin (the Town), as of and for the year ended December 31, 2023, 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, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2023, and the respective changes in financial position 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). 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.

To the Town Board
Town of Linn, Wisconsin

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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.

To the Town Board
Town of Linn, Wisconsin

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedule of proportionate share of pension asset/liability, schedule of contributions – Wisconsin Retirement System, and schedule of proportionate share of net OPEB liability, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town’s basic financial statements. The budgetary comparison schedules 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 budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



CliftonLarsonAllen LLP

Milwaukee, Wisconsin
May 3, 2024

**TOWN OF LINN, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

| | Governmental Activities |
|---|----------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 7,974,663 |
| Receivables: | |
| Taxes | 4,410,002 |
| Accounts | 51,418 |
| Special Charges | 411,820 |
| Special Assessments | 2,341 |
| Prepaid Items | 44,825 |
| Capital assets, Nondepreciable | 369,255 |
| Capital assets, Depreciable | 13,617,906 |
| Total Assets | 26,882,230 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred Outflows Related to Pension | 1,461,200 |
| Deferred Outflows Related to OPEB | 47,444 |
| Total Deferred Outflows of Resources | 1,508,644 |
| LIABILITIES | |
| Accounts Payable | 186,661 |
| Accrued Liabilities | 29,489 |
| Road Bond Deposits | 25,500 |
| Short-term Note Payable | 2,985,000 |
| Unearned Revenue | 215,072 |
| Accrued Interest | 22,138 |
| Noncurrent Liabilities | |
| Due Within One Year | 305,809 |
| Due in More than One Year | 1,850,167 |
| Total Liabilities | 5,619,836 |
| DEFERRED INFLOWS OF RESOURCES | |
| Subsequent Year Property Tax Levy | 5,579,829 |
| Unearned Revenue - Special Charges | 530,298 |
| Deferred Inflows Related to Pension | 820,084 |
| Deferred Inflows Related to OPEB | 76,045 |
| Total Deferred Inflows of Resources | 7,006,256 |
| NET POSITION | |
| Net Investment in Capital Assets | 9,391,796 |
| Restricted | 138,414 |
| Unrestricted | 6,234,572 |
| Total Net Position | 15,764,782 |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | \$ 28,390,874 |

See accompanying Notes to the Financial Statements.

**TOWN OF LINN, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> | | | <u>Net (Expense) Revenue and Changes in Net Position</u> |
|--|---------------------|---------------------------------|---|---|--|
| | | <u>Changes for Services</u> | <u>Operating Grants and Contributions</u> | <u>Capital Grants and Contributions</u> | |
| Governmental Activities: | | | | | |
| General Government | \$ 901,823 | \$ 60,714 | \$ 56,014 | \$ - | \$ (785,095) |
| Public Safety | 1,908,083 | 340,351 | 109,562 | - | (1,458,170) |
| Public Works | 1,250,891 | 3,673 | 417,273 | - | (829,945) |
| Health and Sanitation | 519,381 | 529,782 | 10,645 | - | 21,046 |
| Leisure, Conservation and Development | 301,356 | 175,709 | - | - | (125,647) |
| Nondepartmental and Development | 161,850 | - | - | - | (161,850) |
| Interest and Fiscal Charges | 43,077 | - | - | - | (43,077) |
| Total | <u>\$ 5,086,461</u> | <u>\$ 1,110,229</u> | <u>\$ 593,494</u> | <u>\$ -</u> | <u>(3,382,738)</u> |
| General Revenues: | | | | | |
| Property Taxes Levied for General Purposes | | | | | 3,819,915 |
| Property Taxes Levied for Debt Service | | | | | 234,875 |
| Other Taxes | | | | | 155,410 |
| Franchise Taxes | | | | | 23,397 |
| Gain on Sale of Capital Assets | | | | | 21,591 |
| Investment Income | | | | | 268,424 |
| Miscellaneous | | | | | 5,857 |
| Total General Revenues | | | | | <u>4,529,469</u> |
| Change in Net Position | | | | | 1,146,731 |
| Net Position - Beginning | | | | | <u>14,618,051</u> |
| Net Position - Ending | | | | | <u>\$ 15,764,782</u> |

See accompanying Notes to the Financial Statements.

**TOWN OF LINN, WISCONSIN
BALANCE SHEET – GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

| | General Fund | Debt Service Fund | Total |
|--|----------------------|----------------------|----------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 7,747,678 | \$ 226,985 | \$ 7,974,663 |
| Receivables: | | | |
| Taxes | 4,410,002 | - | 4,410,002 |
| Accounts | 51,418 | - | 51,418 |
| Special Charges | 411,820 | - | 411,820 |
| Special Assessments | 2,341 | - | 2,341 |
| Prepaid Items | 44,825 | - | 44,825 |
| Total Assets | <u>\$ 12,668,084</u> | <u>\$ 226,985</u> | <u>\$ 12,895,069</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts Payable | \$ 186,661 | \$ - | \$ 186,661 |
| Accrued Liabilities | 29,489 | - | 29,489 |
| Road Bond Deposits | 25,500 | - | 25,500 |
| Accrued Interest Payable | 16,144 | - | 16,144 |
| Unearned Revenues | 215,072 | - | 215,072 |
| Short-term Note Payable | 2,985,000 | - | 2,985,000 |
| Total Liabilities | <u>3,457,866</u> | <u>-</u> | <u>3,457,866</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Subsequent Year Property Tax Levy | 5,352,844 | 226,985 | 5,579,829 |
| Unearned Revenue - Special Charges | 530,298 | - | 530,298 |
| Unavailable Revenue - Special Assessments | 6,326 | - | 6,326 |
| Total Deferred Inflows of Resources | <u>5,889,468</u> | <u>226,985</u> | <u>6,116,453</u> |
| FUND BALANCES | | | |
| Nonspendable | 44,825 | - | 44,825 |
| Restricted | 138,414 | - | 138,414 |
| Assigned | 1,247,419 | - | 1,247,419 |
| Unassigned | 1,890,092 | - | 1,890,092 |
| Total Fund Balances | <u>3,320,750</u> | <u>-</u> | <u>3,320,750</u> |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | <u>\$ 12,668,084</u> | <u>\$ 226,985</u> | <u>\$ 12,895,069</u> |

See accompanying Notes to the Financial Statements.

**TOWN OF LINN, WISCONSIN
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
DECEMBER 31, 2023**

Amounts reported for governmental activities in the statement of net position are different as a result of:

| | | |
|---|----|-------------|
| Total Fund Balances - Governmental Funds | \$ | 3,320,750 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Some receivables that are no currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements: | | |
| Special assessments not yet due | | 6,326 |
| Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. | | |
| | | 13,987,161 |
| Some deferred outflows and inflows of resources are not related to the current period and, therefore, are not reported in the funds: | | |
| Deferred outflows of resources related to pension benefits | | 1,461,200 |
| Deferred outflows of resources related to OPEB | | 47,444 |
| Deferred inflows of resources related to pension benefits | | (820,084) |
| Deferred inflows of resources related to OPEB | | (76,045) |
| Some liabilities are not due and payable in the current period and therefore are not reported in the funds: | | |
| Notes payable | | (1,530,000) |
| Financed purchase | | (80,365) |
| Compensated absences | | (71,750) |
| Net pension (liability) asset | | (388,647) |
| OPEB liability | | (85,214) |
| Accrued interest on long-term obligations | | (5,994) |
| | | (1,530,000) |
| Net Position of Governmental Funds | \$ | 15,764,782 |

See accompanying Notes to the Financial Statements.

TOWN OF LINN, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

| | General Fund | Debt Service Fund | Total |
|--|---------------------|----------------------|---------------------|
| REVENUES | | | |
| Taxes | \$ 3,975,325 | \$ 234,875 | \$ 4,210,200 |
| Special Assessments | 30,524 | - | 30,524 |
| Intergovernmental | 593,494 | - | 593,494 |
| Licenses and Permits | 252,300 | - | 252,300 |
| Fine, Forfeitures and Penalties | 32,460 | - | 32,460 |
| Charges for Services | 822,329 | - | 822,329 |
| Investment Income | 268,424 | - | 268,424 |
| Miscellaneous | 5,857 | - | 5,857 |
| Total Revenues | 5,980,713 | 234,875 | 6,215,588 |
| EXPENDITURES | | | |
| Current: | | | |
| General Government | 767,640 | - | 767,640 |
| Public Safety | 1,621,100 | - | 1,621,100 |
| Public Works | 605,305 | - | 605,305 |
| Health and Sanitation | 519,381 | - | 519,381 |
| Leisure, Conservation, and Development | 276,888 | - | 276,888 |
| Nondepartmental and General | 161,850 | - | 161,850 |
| Capital Outlay | 1,421,733 | - | 1,421,733 |
| Debt Service: | | | |
| Principal | 25,350 | 210,000 | 235,350 |
| Interest and Fiscal Charges | 18,797 | 24,875 | 43,672 |
| Total Expenditures | 5,418,044 | 234,875 | 5,652,919 |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | 562,669 | - | 562,669 |
| OTHER FINANCING SOURCES (USES) | | | |
| Sale of City Property | 25,869 | - | 25,869 |
| Net Other Financing Sources (Uses) | 25,869 | - | 25,869 |
| NET CHANGE IN FUND BALANCES | 588,538 | - | 588,538 |
| Fund Balances - Beginning of Year | 2,732,212 | - | 2,732,212 |
| FUND BALANCES - END OF YEAR | \$ 3,320,750 | \$ - | \$ 3,320,750 |

See accompanying Notes to the Financial Statements.

TOWN OF LINN, WISCONSIN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

| | | |
|---|----|-------------------------|
| Net change in fund balances - governmental funds | \$ | 588,538 |
| Amounts reported for governmental activities in the statement of activities are different as a result of: | | |
| 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 in the statement of activities. | | 1,421,733 |
| Certain capital outlay that is reported as an expenditure in the general fund governmental financial statements is capitalized in the statement of activities. | | (70,323) |
| Depreciation that is reported in the statement of activities | | (913,733) |
| Net book value of assets disposed | | (4,278) |
| Changes in the net pension and OPEB liabilities and related deferred outflows and inflows of resources are as follows: | | |
| Net pension asset/liability | | (959,594) |
| Deferred outflows of resources - pension | | 340,532 |
| Deferred inflows of resources - pension | | 526,624 |
| Net other postemployment benefits (OPEB) liability | | 45,813 |
| Deferred outflows of resources - OPEB | | (12,312) |
| Deferred inflows of resources - OPEB | | (40,260) |
| Principal paid on long-term debt | | 235,350 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | |
| Special assessments not yet due | | (3,987) |
| 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 debt | | 595 |
| Changes in compensated absences | | (7,967) |
| Change in net position of governmental activities | \$ | <u><u>1,146,731</u></u> |

See accompanying Notes to the Financial Statements.

**TOWN OF LINN, WISCONSIN
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

| | Original & Final Budget | Actual | Variance With Budget |
|--|----------------------------|---------------------|----------------------------|
| REVENUES | | | |
| Taxes | \$ 3,948,226 | \$ 3,975,325 | \$ 27,099 |
| Special Assessments | 11,000 | 30,524 | 19,524 |
| Intergovernmental | 780,440 | 593,494 | (186,946) |
| Licenses and Permits | 127,550 | 252,300 | 124,750 |
| Fine, Forfeitures and Penalties | 27,500 | 32,460 | 4,960 |
| Charges for Services | 741,510 | 822,329 | 80,819 |
| Investment Income | 36,000 | 268,424 | 232,424 |
| Miscellaneous | 4,200 | 5,857 | 1,657 |
| Total Revenues | <u>5,676,426</u> | <u>5,980,713</u> | <u>304,287</u> |
| EXPENDITURES | | | |
| Current: | | | |
| General Government | 597,290 | 767,640 | (170,350) |
| Public Safety | 1,637,063 | 1,621,100 | 15,963 |
| Public Works | 836,565 | 605,305 | 231,260 |
| Health and Sanitation | 519,397 | 519,381 | 16 |
| Leisure, Conservation, and Development | 254,918 | 276,888 | (21,970) |
| Nondepartmental and General | 154,825 | 161,850 | (7,025) |
| Capital Outlay | 1,665,081 | 1,421,733 | 243,348 |
| Debt Service: | | | |
| Principal | 25,350 | 25,350 | - |
| Interest and Fiscal Charges | 24,875 | 18,797 | 6,078 |
| Total Expenditures | <u>5,715,364</u> | <u>5,418,044</u> | <u>297,320</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | (38,938) | 562,669 | 601,607 |
| OTHER FINANCING SOURCES (USES) | | | |
| Sale of City Property | 23,000 | 25,869 | 2,869 |
| Net Other Financing Sources (Uses) | <u>23,000</u> | <u>25,869</u> | <u>2,869</u> |
| NET CHANGE IN FUND BALANCES | (15,938) | 588,538 | 604,476 |
| Fund Balances - Beginning of Year | <u>2,732,212</u> | <u>2,732,212</u> | <u>-</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 2,716,274</u> | <u>\$ 3,320,750</u> | <u>\$ 604,476</u> |

See accompanying Notes to the Financial Statements.

**TOWN OF LINN, WISCONSIN
STATEMENT OF NET POSITION-FIDUCIARY FUND
DECEMBER 31, 2023**

| | <u>Tax Collection Fund</u> |
|---|--------------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 4,434,133 |
| Receivables: | |
| Taxes (net) | <u>19,854,119</u> |
| Total Assets | <u><u>\$ 24,288,252</u></u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION | |
| LIABILITIES | |
| Due to Other Governments | <u>\$ 4,434,133</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Unavailable Revenue - Property Taxes | <u>19,854,119</u> |
| NET POSITION | |
| Restricted | <u>-</u> |
| Total Net Position | <u>-</u> |
| Total Liabilities, Deferred Inflows of Resources, and Net Position | <u><u>\$ 24,288,252</u></u> |

See accompanying Notes to the Financial Statements.

**TOWN OF LINN, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION-FIDUCIARY FUND
DECEMBER 31, 2023**

| | Tax Collection Fund |
|---|--------------------------------|
| ADDITIONS | |
| Property Taxes Collected for Other Governments | \$ 16,086,171 |
| DEDUCTIONS | |
| Property Taxes Distributed to Other Governments | 16,086,171 |
| Change in Net Position | - |
| Net Position - Beginning | - |
| Net Position - Ending | \$ - |

See accompanying Notes to the Financial Statements.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Town of Linn, Wisconsin (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental 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.

Reporting Entity

The financial reporting of the Town is defined by the GASB to consist of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. The Town does not report any component units within their financial statements.

Government-wide and Fund Financial Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds) as described below:

Government-Wide Statements

The statement of net position and the statement of activities present financial information about the Town's governmental activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The fund statements provide information about the Town's funds, including fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds; each displayed in a separate column.

The Town has the following major governmental funds:

General Fund – The General Fund is the operating fund of the Town. It is used to account for all financial resources of the Town except those accounted for in another fund.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Additionally, the Town has the following fiduciary fund:

Tax Collection Fund – The Custodial Tax Collection Fund accounts for assets controlled by the Town that are for the benefit of individuals, private organizations, and/or other governmental units.

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. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Town gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Fiduciary custodial funds do not have a measurement focus, and are reported on the accrual basis of accounting.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, pension and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under noncancellable lease agreements are reported as other financing sources.

Under the terms of grant agreements, the Town may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

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

1. Cash and Cash Equivalents

The Town's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Cash and cash equivalent balances for individual funds are pooled unless maintained in segregated accounts.

State statutes permit the Town to invest available cash balances, other than debt service funds, in time deposits of authorized depositories, U.S. Treasury obligations, U.S. agency issues, high-grade commercial paper, and the local government pooled-investment fund administered by the state investment board. Available balances in the debt service fund may be invested in municipal obligations, obligations of the United States, and the local government investment pool fund.

2. Receivables and Payables

Property Taxes. Revenue for property taxes is recognized in the governmental funds in the year for which the taxes are levied. The Town considers property tax revenue to be available if it is collected during the current year. Property taxes levied in December 2023 are intended to finance the next calendar year expenditures.

In addition to property taxes for the Town, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as deferred inflows of resources or due to other taxing units on the accompanying balance sheet. Taxes are levied in December on the assessed value as of the prior January 1.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property tax calendar – 2023 tax roll:

| | |
|--|------------------|
| Lien date and levy date | December 2023 |
| Tax bills mailed | December 2023 |
| Payment in full, or | January 31, 2024 |
| First installment due | January 31, 2024 |
| Second installment due | July 31, 2024 |
| Personal property taxes in full | January 31, 2024 |
| Final Settlement with the County | August 2024 |
| Tax deed – 2023 delinquent real estate taxes | October 2026 |

Accounts Receivable. The Town’s accounts receivable have been evaluated for an allowance for uncollectible accounts. The Town has determined that no allowance is considered necessary at December 31, 2023. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof.

3. Prepaid Items

Expendable supplies or noncapital items acquired for initial use in subsequent fiscal periods are recorded as prepaid items. Prepaid insurance or service contracts are not recorded unless their recognition as an expenditure would result in more than one year’s cost being recorded. Prepaid supplies are valued at the lower of cost (first-in, first-out method) or net realizable value.

4. Capital Assets

Capital assets are reported at actual cost or estimated historical costs based on an appraisal conducted by an independent third-party appraisal firm. Donated assets are reported at estimated acquisition value at the time received.

Assets not being depreciated include land. Capital assets are defined by the Town as assets with an initial cost of more than \$3,000 and an estimated useful life in excess of two years. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

| <u>Asset Class</u> | <u>Years</u> |
|----------------------------------|--------------|
| Buildings and Other Improvements | 15 - 50 |
| Machinery and Equipment | 3 - 10 |
| Infrastructure | 15 - 30 |

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Deferred Outflows of Resources

The Town reports decreases in net position or fund balance that relate to future periods as deferred outflows of resources in a separate section of its government-wide statement of net position or governmental fund balance sheet. Deferred outflows of resources are reported in these financial statements related to pensions and other postemployment benefits.

6. Deferred Inflows of Resources

The Town reports increases in net position or fund balance that relate to future periods as deferred inflows of resources in a separate section of its government-wide statement of net position or governmental fund balance sheet. The Town reports deferred inflows of resources related to property taxes levied for the subsequent year, unavailable and unearned revenues, pensions and other postemployment benefits.

7. Compensated Absences

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

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

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liability at December 31, 2023 are determined on the basis of current salary rates and include salary related payments.

8. Other Postemployment Benefits (OPEB) - Local Retiree Life Insurance Fund (LRLIF) Benefits

The fiduciary net position of the LRLIF has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring following:

1. Net OPEB Liability,
2. Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-Employment Benefits, and
3. 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 member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

9. Pension Benefits – Wisconsin Retirement System

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

1. Net Pension Liability / Asset,
2. Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, and
3. Pension Expense (Revenue).

Information about the fiduciary net position of the WRS and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the 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.

10. Long-term Obligations

In the government-wide financial statements, outstanding long-term debt and other long-term obligations are reported as liabilities.

In the fund financial statements, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. In the government-wide financial statement, premiums are capitalized on the statement of net position and amortized over the life of the related debt.

11. Equity Classifications

Fund equity, representing the difference between assets and deferred outflows of resources, less liabilities and deferred inflows of resources, is classified as follows in the Town's financial statements:

Government-Wide Statements. Fund equity is classified as net position in the government-wide financial statements and is displayed in three components. 1) Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. 2) Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. 3) All other net position is displayed as unrestricted.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements. In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. 1) Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. 2) Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. 3) Committed fund balance represents constraints on spending that the government imposes upon itself by formal action by the Town Board prior to the close of the fiscal period. Committed fund balance is required to be established, modified, or rescinded by resolution of the Town Board prior to each year-end. 4) Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the board. Assignments may take place after the end of the reporting period. 5) Unassigned fund balance is the residual classification for the Town's general fund and includes all spendable amounts not contained in the other classifications.

When restricted and unrestricted fund balance is available for an expenditure, it is the Town's policy to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for an expenditure, it is the Town's policy to use committed, assigned, and finally unassigned fund balance.

NOTE 2 CASH AND CASH EQUIVALENTS

The Town maintain a cash and cash equivalents pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and cash equivalents.

The Town's cash and investments balances at December 31, 2023 were comprised of the following:

| | Carrying Amount | Bank Balances |
|---|--------------------|------------------|
| Cash and Cash Equivalents | | |
| Local Bank Deposits | \$ 12,326,614 | \$ 12,378,305 |
| Local Government Investment Pool (LGIP) | 82,182 | 82,182 |
| | \$ 12,408,796 | \$ 12,460,487 |

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 CASH AND CASH EQUIVALENTS (CONTINUED)

The Town's cash and cash equivalents balances at December 31, 2023 are presented in the financial statements as follows:

| | |
|---|----------------------|
| Per Government-wide Statement of Net Position | |
| Cash and Cash Equivalents | \$ 7,974,663 |
| Per Fiduciary Statement Net Position | |
| Tax Custodial Fund | 4,434,133 |
| | <u>\$ 12,408,796</u> |

Custodial Credit Risk

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

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for demand deposit accounts and \$250,000 for time deposit accounts.

Any losses caused by failure of public depositories are also covered by the State Deposit Guarantee Fund. The fund provides coverage of \$400,000 in each financial institution and the Local Government Investment Pool above the applicable insurance coverage provided by the FDIC. However, although the fund had reserves available at December 31, 2023, the future availability of resources to cover the losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provided that the amount in the fund will be used to repay public depositors for losses until the appropriation is exhausted, at which time the fund is abolished. This coverage has been considered in computing custodial credit risk.

The Town does not have any deposits exposed to custodial credit risk as uninsured and uncollateralized. The Town maintains an agreement with its primary financial institution whereby deposits in excess of FDIC insured amounts are collateralized by the bank.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The Town had deposits in the external Wisconsin Local Government Investment Pool, which is not rated.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town had deposits in the external Wisconsin Local Government Investment Pool, which had a weighted average maturity of 17 days at December 31, 2023. Funds are available for withdrawal from the Pool with 1 day notice.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 CASH AND CASH EQUIVALENTS (CONTINUED)

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2023, the fair value of the Town's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

NOTE 3 RECEIVABLES

All of the receivables of the Town are expected to be collected within one year.

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

| | <u>Unavailable</u> | <u>Unearned</u> | <u>Tax Levy</u> | <u>Total</u> |
|---------------------------------|--------------------|-------------------|---------------------|---------------------|
| Property Tax Receivable | \$ - | \$ - | \$ 5,579,829 | \$ 5,579,829 |
| Special Charges Not Yet Due | - | 530,298 | - | 530,298 |
| Special Assessments Not Yet Due | 6,326 | - | - | 6,326 |
| | <u>\$ 6,326</u> | <u>\$ 530,298</u> | <u>\$ 5,579,829</u> | <u>\$ 6,116,453</u> |

TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 CAPITAL ASSETS

Changes in the capital assets for the year ended December 31, 2023 were as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|-------------------|-----------------|----------------------|
| Governmental Activities | | | | |
| Capital Assets, Nondepreciable | | | | |
| Land | \$ 369,255 | \$ - | \$ - | \$ 369,255 |
| Subtotal | 369,255 | - | - | 369,255 |
| Capital Assets, Depreciable | | | | |
| Buildings and Other Improvements | 2,899,532 | 30,927 | - | 2,930,459 |
| Machinery and Equipment | 5,227,668 | 102,598 | 256,957 | 5,073,309 |
| Infrastructure | 16,626,230 | 1,217,885 | - | 17,844,115 |
| Subtotal | <u>24,753,430</u> | <u>1,351,410</u> | <u>256,957</u> | <u>25,847,883</u> |
| Less Accumulated Depreciation: | | | | |
| Buildings and Other Improvements | 916,188 | 221,416 | - | 1,137,604 |
| Machinery and Equipment | 3,640,612 | 193,333 | 252,679 | 3,581,266 |
| Infrastructure | 7,012,123 | 498,984 | - | 7,511,107 |
| Subtotal | <u>11,568,923</u> | <u>913,733</u> | <u>252,679</u> | <u>12,229,977</u> |
| Capital Assets, Depreciable, Net | <u>13,184,507</u> | <u>437,677</u> | <u>4,278</u> | <u>13,617,906</u> |
| Total Governmental Activities Capital Assets, Net | <u>\$ 13,553,762</u> | <u>\$ 437,677</u> | <u>\$ 4,278</u> | <u>\$ 13,987,161</u> |

Depreciation was charged to the following functions within the statement of activities:

| | |
|--|-------------------|
| Governmental Activities | |
| General Government | \$ 89,794 |
| Public Safety | 183,775 |
| Public Works | 627,839 |
| Leisure, Conservation and Development | <u>12,325</u> |
| Total Depreciation | <u>\$ 913,733</u> |

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS

Long-term obligations of the Town for the year ended December 31, 2023 were as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance | Amounts Due Within One Year |
|--------------------------------|----------------------|-------------------|-------------------|---------------------|-----------------------------------|
| Governmental Activities | | | | | |
| Notes Payable | | | | | |
| General Obligation Note from | | | | | |
| Direct Placements | \$ 1,740,000 | \$ - | \$ 210,000 | \$ 1,530,000 | \$ 210,000 |
| Financed Purchase | 105,715 | - | 25,350 | 80,365 | 26,056 |
| Subtotal | <u>1,845,715</u> | <u>-</u> | <u>235,350</u> | <u>1,610,365</u> | <u>236,056</u> |
| Other Liabilities | | | | | |
| Other Postemployment Benefits | 131,027 | - | 45,813 | 85,214 | - |
| Pension Benefits | - | 388,647 | - | 388,647 | - |
| Compensated Absences | 63,783 | 77,720 | 69,753 | 71,750 | 69,753 |
| Subtotal | <u>194,810</u> | <u>466,367</u> | <u>115,566</u> | <u>545,611</u> | <u>69,753</u> |
| Total Governmental Activities | | | | | |
| Long-Term Obligations | <u>\$ 2,040,525</u> | <u>\$ 466,367</u> | <u>\$ 350,916</u> | <u>\$ 2,155,976</u> | <u>\$ 305,809</u> |

Long-term general obligation debt outstanding on December 31, 2023 is detailed as follows:

| Governmental Activities General Obligation Debt | Date of Issue | Interest Rates | Date of Maturity | Original Indebtedness | Balance 12/31/2023 |
|--|------------------|-------------------|---------------------|--------------------------|-----------------------|
| General Obligation Promissory Notes | 04/19/12 | 0.75 - 1.45% | 03/01/30 | \$ 2,155,000 | \$ 1,530,000 |

Annual principal and interest maturities of the outstanding long-term general obligation notes of \$1,530,000 on December 31, 2023 are as follows:

| <u>Years</u> | Governmental Activities General Obligation Note | |
|--------------|--|------------------|
| | Principal | Interest |
| 2024 | \$ 210,000 | \$ 16,985 |
| 2025 | 215,000 | 14,913 |
| 2026 | 215,000 | 12,709 |
| 2027 | 220,000 | 10,315 |
| 2028 | 220,000 | 7,675 |
| 2029 - 2030 | 450,000 | 6,412 |
| Total | <u>\$ 1,530,000</u> | <u>\$ 69,009</u> |

The Town's full faith and credit back the outstanding long-term notes.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)

Short-term General Obligation Debt

The Town issues short-term debt annually to finance public work projects. The Town's full faith and credit back the note. The short-term debt outstanding at December 31, 2023 was issued on December 1, 2023 and matures on December 1, 2024, when all principal and unpaid interest is due.

| | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> | <u>Amounts Due Within One Year</u> |
|------------------------------|------------------------------|------------------|------------------|---------------------------|--|
| General Fund | | | | | |
| Short-term Notes Payable | | | | | |
| General Obligation Note from | | | | | |
| Direct Placements | \$ 1,482,826 | \$ 2,985,000 | \$ 1,482,826 | \$ 2,985,000 | \$ 2,985,000 |

Legal Debt Margin

Wisconsin state statutes restrict the Town's general obligation debt to 5% of the equalized value of all property in the Town. This amount is compared below with the outstanding debt on December 31, 2023:

| | |
|-------------------------|------------------------------|
| | <u>12/31/2023</u> |
| 5% Limit | <u>\$ 150,523,110</u> |
| Aggregate Indebtedness | <u>4,515,000</u> |
| Total Legal Debt Margin | <u><u>\$ 146,008,110</u></u> |

Financed Purchase

The Town has entered into an agreement to finance the purchase of equipment on October 19, 2022, with an agreement end date of November 19, 2026. The Town is required to make annual principal and interest payments at an interest rate of 2.75%.

The future minimum obligations of payments under this agreement at December 31, 2023 is as follows:

| <u>Years</u> | Governmental Activities | |
|--------------|-----------------------------|------------------------|
| | Financed Purchase Liability | |
| | <u>Principal</u> | <u>Interest</u> |
| 2024 | \$ 26,056 | \$ 2,238 |
| 2025 | 26,782 | 1,512 |
| 2026 | 27,527 | 767 |
| Total | <u><u>\$ 80,365</u></u> | <u><u>\$ 4,517</u></u> |

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 PENSION BENEFITS – WISCONSIN RETIREMENT SYSTEM (WRS)

General Information About the Plan

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government, and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

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

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

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

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

The WRS also provides death and disability benefits for employees.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 PENSION BENEFITS – WISCONSIN RETIREMENT SYSTEM (WRS) (CONTINUED)

General Information About the Plan (continued)

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

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

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

During the reporting period, the WRS recognized \$103,764 in contributions from the Town.

Contribution rates as of December 31, 2023 are:

| Employee Category | Employee | Employer |
|---|----------|----------|
| General (Including Teachers, Executive, and Elected Officials) | 6.80% | 6.80% |
| Protective with Social Security | 6.80% | 13.20% |
| Protective without Social Security | 6.80% | 18.10% |

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 PENSION BENEFITS – WISCONSIN RETIREMENT SYSTEM (WRS) (CONTINUED)

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

At December 31, 2023, the Town reported a liability (asset) of \$388,647 for its proportionate share of the Net Pension Liability (Asset). The Net Pension Liability (Asset) was measured as of December 31, 2022, and the Total Pension Liability used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of December 31, 2021, rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Town's proportion of the Net Pension Liability (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, 2022, the Town's proportion was 0.00733615%, which was an increase of 0.00025253% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Town recognized pension expense of \$196,122.

At December 31, 2023, the Town reported Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions from the following sources:

| | <u>Deferred Outflow of Resources</u> | <u>Deferred Inflow of Resources</u> |
|---|--|---|
| Difference Between Projected and Actual Experience | \$ 618,995 | \$ 813,220 |
| Net Differences Between Projected and Actual Earnings on Pension Plan Investments | 660,223 | - |
| Changes in Assumptions | 76,424 | - |
| Changes in Proportion and Differences Between Employer and Contributions and Proportionate Share of Contributions | 1,794 | 6,864 |
| Employer Contributions Subsequent to the Measurement Date | 103,764 | - |
| | <u>\$ 1,461,200</u> | <u>\$ 820,084</u> |

\$103,764 reported as deferred outflows of resources related to pension resulting from the Town's contributions subsequent to the measurement date will be recognized as a reduction to (addition to) the net pension liability (asset) in the year ended December 31, 2024.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 PENSION BENEFITS – WISCONSIN RETIREMENT SYSTEM (WRS) (CONTINUED)

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

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension will be recognized in pension expense (revenue) as follows:

| Year Ended December 31 | Deferred Outflow/Inflow of Resources |
|------------------------|--|
| 2024 | \$ 21,619 |
| 2025 | 110,752 |
| 2026 | 113,293 |
| 2027 | 291,688 |
| | \$ 537,352 |

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

| | |
|--|--|
| Actuarial Valuation Date: | December 31, 2021 |
| Measurement Date of Net Pension Liability/Asset: | December 31, 2022 |
| Experience Study: | January 1, 2018-December 31, 2020 Published November 19, 2021 |
| Actuarial Cost Method: | Entry Age Normal |
| Actuarial Valuation Method: | Fair Value |
| Long-term Expected Rate of Return: | 6.80% |
| Discount Rate: | 6.80% |
| Salary Increases | |
| Wage Inflation: | 3.00% |
| Seniority/Merit: | 0.10% - 5.60% |
| Mortality: | 2020 WRS Experience Mortality Table |
| Post-retirement Adjustments:* | 1.70% |

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

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

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 PENSION BENEFITS – WISCONSIN RETIREMENT SYSTEM (WRS) (CONTINUED)

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

Asset Allocation Targets and Expected Returns (1)
As of December 31, 2022

| Core Fund Asset Class | Asset Allocation % | Long-term Expected Nominal Rate of Return % | Long-term Expected Real Rate of Return % (2) |
|----------------------------|--------------------|---|--|
| Public Equity | 48.0 | 7.6 | 5.0 |
| Public Fixed Income | 25.0 | 5.3 | 2.7 |
| Inflation Sensitive | 19.0 | 3.6 | 1.1 |
| Real Estate | 8.0 | 5.2 | 2.6 |
| Private Equity/Debt | 15.0 | 9.6 | 6.9 |
| Total Core Fund (3) | 115.0 | 7.4 | 4.8 |
| Variable Fund Asset | | | |
| U.S. Equities | 70.0 | 7.2 | 4.6 |
| International Equities | 30.0 | 8.1 | 5.5 |
| Total Variable Fund | 100.0 | 7.7 | 5.1 |

(1) Asset allocations are managed within established ranges; target percentages may differ from actual monthly allocations

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

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

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 6 PENSION BENEFITS – WISCONSIN RETIREMENT SYSTEM (WRS) (CONTINUED)

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

Single Discount rate. A single discount rate of 6.8% was used to measure the Total Pension Liability for the current and prior year. The discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

| | <u>1% Decrease to Discount Rate (5.8%)</u> | <u>Current Discount Rate (6.8%)</u> | <u>1% Increase to Discount Rate (7.8%)</u> |
|---|--|---|--|
| Town of Linn's Proportionate Share of the Net Pension Liability (Asset) | \$ 1,289,908 | \$ 388,647 | \$ (231,342) |

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

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS

General Information About the Other Postemployment Benefits

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

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

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found using the link above.

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

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

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

Contribution rates as of December 31, 2023 are:

| Coverage Type | Employer Contribution |
|------------------------------|----------------------------|
| 50% Post Retirement Coverage | 40% of Member Contribution |
| 25% Post Retirement Coverage | 20% of Member Contribution |

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

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

General Information About the Other Postemployment Benefits (continued)

Life Insurance
Member Contribution Rates*
For the Year Ended December 31, 2022

| 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

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

At December 31, 2023 the Town reported a liability (asset) of \$85,214 for its proportionate share of the Net OPEB Liability (Asset). The Net OPEB Liability (Asset) was measured as of December 31, 2022, and the Total OPEB Liability used to calculate the Net OPEB Liability (Asset) was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The 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, 2022, the Town's proportion was 0.022367%, which was an increase of 0.000198% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Town recognized OPEB expense (revenue) of \$6,758.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

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

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

| | <u>Deferred Outflow of Resources</u> | <u>Deferred Inflow of Resources</u> |
|---|--|---|
| Difference Between Projected and Actual Experience | \$ - | \$ 8,339 |
| Net Differences Between Projected and Actual Earnings on OPEB Plan Investments | 1,599 | - |
| Changes in Assumptions | 30,616 | 50,299 |
| Changes in Proportion and Differences Between Employer and Contributions and Proportionate Share of Contributions | 15,229 | 17,407 |
| | <u>\$ 47,444</u> | <u>\$ 76,045</u> |

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB will be recognized in OPEB expense (revenue) as follows:

| <u>Year Ended December 31</u> | <u>Deferred Outflow/Inflow of Resources</u> |
|-------------------------------|---|
| 2024 | \$ (3,508) |
| 2025 | (3,237) |
| 2026 | (430) |
| 2027 | (3,747) |
| 2028 | (10,110) |
| 2029 | (7,569) |
| | <u>\$ (28,601)</u> |

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

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

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

| | |
|---|--|
| Actuarial Valuation Date: | January 1, 2022 |
| Measurement Date of Net OPEB Liability/Asset: | December 31, 2022 |
| Experience Study: | January 1, 2018-December 31, 2020 Published November 19, 2021 |
| Actuarial Cost Method: | Entry Age Normal |
| 20 Year Tax-Exempt Municipal Bond Yield:* | 3.72% |
| Long-term Expected Rate of Return: | 4.25% |
| Discount Rate: | 3.76% |
| Salary Increases | |
| Wage Inflation: | 3.00% |
| Seniority/Merit: | 0.10% - 5.60% |
| Mortality: | 2020 WRS Experience Mortality Table |

**Based on the Bond Buyers GO Index*

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

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

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

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

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

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

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

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

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

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 7 OTHER POSTEMPLOYMENT BENEFIT (OPEB) OBLIGATIONS (CONTINUED)

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

Sensitivity of the Town’s proportionate share of the 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 3.76%, 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 (2.76%) or 1-percentage-point higher (4.76%) than the current rate:

| | 1% Decrease to Discount Rate (2.76%) | Current Discount Rate (3.76%) | 1% Increase to Discount Rate (4.76%) |
|---|--|-------------------------------------|--|
| Town of Linn's Proportionate Share of the Net OPEB Liability (Asset) | \$ 116,181 | \$ 85,214 | \$ 61,482 |

NOTE 8 RISK MANAGEMENT

The Town has purchased commercial insurance policies for various risks of loss related to litigation, theft, damage, or destruction of assets, errors or omissions, injuries to employees, or acts of God. Payments of premiums for these policies are recorded as expenditures in the general fund of the Town. During the year ended December 31, 2023, the Town paid a settlement of \$165,000 related to a claim that was filed against the Town in 2021. The claim was related to the Town entering private property for the purpose of stabilizing a Town road and maintaining proper drainage flow. This settlement is recorded as an expenditure in the general fund of the Town for the year ended December 31, 2023. No other settlements that exceeded insurance coverage have been paid in the past three years.

NOTE 9 STEWARDSHIP AND COMPLIANCE

The Town reviews and adopts its annual budget by December or earlier of the preceding year. Budgets are adopted on a basis consistent with accounting principles general accepted in the United States of America for the Town’s General Fund. The budgetary information included in the accompanying financial statements is comprised of the original approved budget, plus or minus approved revisions of budgeted revenues and expenditures.

The budget may be amended for supplemental appropriations periodically during the year. Budget changes required a two-thirds approval by the Town Board. The Town did not make amendments to its budget during the year ended December 31, 2023. The budget includes certain amounts that are intended to be carried over and spent in future years. The cumulative amounts of those carryover appropriations are included in assigned fund balances.

**TOWN OF LINN, WISCONSIN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 10 FUND BALANCE

The fund balance of the general fund is restricted at December 31, 2023 for the following purposes:

| | | |
|-------------------------------|-----------|----------------|
| Fire 2% | \$ | 129,720 |
| Rescue Squad State Aid | | 8,694 |
| Total Restricted Fund Balance | <u>\$</u> | <u>138,414</u> |

The fund balance of the general fund has been assigned at December 31, 2023 for the following purposes:

| | | |
|-------------------------------|-----------|------------------|
| Bridge Construction | \$ | 250,420 |
| Highway Equipment Replacement | | 185,190 |
| Buildings | | 18,176 |
| Building Permits | | 12,843 |
| Property Acquisition | | 75,500 |
| Police Communications | | 31,644 |
| Police Vehicles and Equipment | | 40,873 |
| Parks | | 17,708 |
| Fire/EMS Equipment | | 260,590 |
| Fire/EMS Building | | 70,865 |
| Fire/EMS Staffing | | 44,736 |
| Comprehensive Land | | 35,000 |
| Utilities Carryover | | 1,000 |
| Human Resources Consulting | | 10,000 |
| Fire Boat Operations | | 1,694 |
| Harbor | | 12,590 |
| Reassessment | | 61,000 |
| Radios | | 100,000 |
| Clerk/Administration | | 17,590 |
| Total Assigned Fund Balance | <u>\$</u> | <u>1,247,419</u> |

NOTE 11 COMMITMENTS AND CONTINGENCIES

The Town participates in several federal and state grant programs, which may be subject to program compliance audits and possible future adjustments to expenditures reported for federal and state reimbursement. The amount, if any, of expenditures that may be disallowed cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

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

REQUIRED SUPPLEMENTARY INFORMATION

**TOWN OF LINN, WISCONSIN
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023**

Schedule of Proportionate Share of the Net Pension Liability / Asset – Last 10 Measurement Periods*

| <u>Plan Year Ending</u> | <u>Proportion of the Net Pension Liability (Asset)</u> | <u>Proportionate Share of the Net Pension Liability (Asset)</u> | <u>Covered Payroll (Plan Year)</u> | <u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u> | <u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)</u> |
|-------------------------|--|---|------------------------------------|--|---|
| 12/31/2015 | 0.00514796% | \$ 83,653 | \$ 561,976 | 14.89% | 98.20% |
| 12/31/2016 | 0.00531763% | 43,829 | 645,414 | 6.79% | 99.12% |
| 12/31/2017 | 0.00573322% | (170,226) | 653,544 | -26.05% | 102.93% |
| 12/31/2018 | 0.00613782% | 218,364 | 683,070 | 31.97% | 96.45% |
| 12/31/2019 | 0.00644778% | (207,905) | 762,248 | -27.28% | 102.96% |
| 12/31/2020 | 0.00668520% | (417,573) | 797,589 | -52.35% | 105.26% |
| 12/31/2021 | 0.00708362% | (570,947) | 867,388 | -65.82% | 106.02% |
| 12/31/2022 | 0.00733615% | 388,647 | 880,677 | 44.13% | 95.72% |

Schedule of Contributions – Wisconsin Retirement System– Last 10 Fiscal Years*

| <u>Fiscal Year Ending</u> | <u>Contractually Required Contributions</u> | <u>Contributions in Relation to the Contractually Required Contributions</u> | <u>Contribution Deficiency (Excess)</u> | <u>Covered Payroll (Fiscal Year)</u> | <u>Contributions as a Percentage of Covered Payroll</u> |
|---------------------------|---|--|---|--------------------------------------|---|
| 12/31/2015 | \$ 48,701 | \$ 48,701 | \$ - | \$ 561,976 | 8.67% |
| 12/31/2016 | 55,079 | 55,079 | - | 645,414 | 8.53% |
| 12/31/2017 | 64,202 | 64,202 | - | 653,544 | 9.82% |
| 12/31/2018 | 64,481 | 64,481 | - | 683,070 | 9.44% |
| 12/31/2019 | 70,458 | 70,458 | - | 762,248 | 9.24% |
| 12/31/2020 | 79,477 | 79,477 | - | 797,589 | 9.96% |
| 12/31/2021 | 86,684 | 86,684 | - | 867,388 | 9.99% |
| 12/31/2022 | 88,399 | 88,399 | - | 880,677 | 10.04% |
| 12/31/2023 | 103,764 | 103,764 | - | 940,721 | 11.03% |

*This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

See accompanying notes to required supplementary information.

**TOWN OF LINN, WISCONSIN
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023**

Schedule of Proportionate Share of Net OPEB Liability– Last 10 Measurement Periods*

| <u>Plan Year Ending</u> | <u>Proportion of the Net OPEB Liability (Asset)</u> | <u>Proportionate Share of the Net OPEB Liability (Asset)</u> | <u>Covered Payroll (Plan Year)</u> | <u>Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll</u> | <u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)</u> |
|-----------------------------|---|--|--|---|--|
| 12/31/2017 | 0.02159600% | \$ 64,973 | \$ 908,174 | 7.15% | 44.81% |
| 12/31/2018 | 0.02033800% | 52,479 | 589,000 | 8.91% | 48.69% |
| 12/31/2019 | 0.01844000% | 78,521 | 672,000 | 11.68% | 37.58% |
| 12/31/2020 | 0.02613800% | 143,778 | 691,000 | 20.81% | 31.36% |
| 12/31/2021 | 0.02216900% | 131,027 | 831,000 | 15.77% | 29.57% |
| 12/31/2022 | 0.02236700% | 85,214 | 824,000 | 10.34% | 38.81% |

*This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

See accompanying notes to required supplementary information.

**TOWN OF LINN, WISCONSIN
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023**

NOTE 1 WISCONSIN RETIREMENT SYSTEM – PENSION BENEFITS

Changes in Benefit Terms and Assumptions related to Pension Liabilities (Assets)

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

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

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

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

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

**TOWN OF LINN, WISCONSIN
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023**

NOTE 1 WISCONSIN RETIREMENT SYSTEM – PENSION BENEFITS (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions:

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|---------------------------------------|---|---|---|---|---|
| Valuation Date: | December 31, 2020 | December 31, 2019 | December 31, 2018 | December 31, 2017 | December 31, 2016 |
| Actuarial Cost Method: | Frozen Entry Age | Frozen Entry Age | Frozen Entry Age | Frozen Entry Age | Frozen Entry Age |
| Amortization Method: | Level Percent of Payroll-Closed Amortization Period | Level Percent of Payroll-Closed Amortization Period | Level Percent of Payroll-Closed Amortization Period | Level Percent of Payroll-Closed Amortization Period | Level Percent of Payroll-Closed Amortization Period |
| Amortization Period: | 30 Year closed from date of participation in WRS | 30 Year closed from date of participation in WRS | 30 Year closed from date of participation in WRS | 30 Year closed from date of participation in WRS | 30 Year closed from date of participation in WRS |
| Asset Valuation Method: | Five Year Smoothed Market (Closed) | Five Year Smoothed Market (Closed) | Five Year Smoothed Market (Closed) | Five Year Smoothed Market (Closed) | Five Year Smoothed Market (Closed) |
| Actuarial Assumptions | | | | | |
| Net Investment Rate of Return: | 5.4% | 5.4% | 5.4% | 5.5% | 5.5% |
| Weighted based on assumed rate for: | | | | | |
| Pre-retirement: | 7.0% | 7.0% | 7.0% | 7.2% | 7.2% |
| Post-retirement: | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Salary Increases | | | | | |
| Wage Inflation: | 3.0% | 3.0% | 3.0% | 3.2% | 3.2% |
| Seniority/Merit: | 0.1%-5.6% | 0.1%-5.6% | 0.1%-5.6% | 0.1%-5.6% | 0.1%-5.6% |
| Post-retirement Benefit Adjustments*: | 1.9% | 1.9% | 1.9% | 2.1% | 2.1% |
| Retirement Age: | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015-2017. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2018 valuation pursuant to an experience study of the period 2015 - 2017. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014. |
| Mortality: | Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%). | Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%). | Wisconsin 2018 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2018 fully generational improvement scale (multiplied by 60%). | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%). | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational improvement scale (multiplied by 50%). |

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

**TOWN OF LINN, WISCONSIN
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023**

NOTE 1 WISCONSIN RETIREMENT SYSTEM – PENSION BENEFITS (CONTINUED)

Significant methods and assumptions used in calculating Wisconsin Retirement System Actuarially Determined Contributions (continued):

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---------------------------------------|--|--|--|--|--|
| Valuation Date: | December 31, 2015 | December 31, 2014 | December 31, 2013 | December 31, 2012 | December 31, 2011 |
| Actuarial Cost Method: | Frozen Entry Age | Frozen Entry Age | Frozen Entry Age | Frozen Entry Age | Frozen Entry Age |
| Amortization Method: | Level Percent of Payroll-Closed Amortization Period | Level Percent of Payroll-Closed Amortization Period | Level Percent of Payroll-Closed Amortization Period | Level Percent of Payroll-Closed Amortization Period | Level Percent of Payroll-Closed Amortization Period |
| Amortization Period: | 30 Year closed from date of participation in WRS | 30 Year closed from date of participation in WRS | 30 Year closed from date of participation in WRS | 30 Year closed from date of participation in WRS | 30 Year closed from date of participation in WRS |
| Asset Valuation Method: | Five Year Smoothed Market (Closed) | Five Year Smoothed Market (Closed) | Five Year Smoothed Market (Closed) | Five Year Smoothed Market (Closed) | Five Year Smoothed Market (Closed) |
| Actuarial Assumptions | | | | | |
| Net Investment Rate of Return: | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% |
| Weighted based on assumed rate for: | | | | | |
| Pre-retirement: | 7.2% | 7.2% | 7.2% | 7.2% | 7.2% |
| Post-retirement: | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Salary Increases | | | | | |
| Wage Inflation: | 3.2% | 3.2% | 3.2% | 3.2% | 3.2% |
| Seniority/Merit: | 0.1%-5.6% | 0.1%-5.6% | 0.1%-5.6% | 0.1%-5.6% | 0.1%-5.6% |
| Post-retirement Benefit Adjustments*: | 2.1% | 2.1% | 2.1% | 2.1% | 2.1% |
| Retirement Age: | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2012 - 2014. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2012 valuation pursuant to an experience study of the period 2009 - 2011. | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2009 valuation pursuant to an experience study of the period 2006 - 2008. |
| Mortality: | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience adjusted for future mortality improvements using the MP-2015 fully generational | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality. | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality. | Wisconsin 2012 Mortality Table. The rates based on actual WRS experience projected to 2017 with scale BB to all for future improvements (margin) in mortality. | Wisconsin Projected Experience Table - 2005 for women and 90% of the Wisconsin Projected Experience Table - 2005 for men. |

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

**TOWN OF LINN, WISCONSIN
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023**

NOTE 2 OTHER POSTEMPLOYMENT BENEFITS – LIFE INSURANCE

Changes in Benefit Terms and Assumptions related to LRLIF OPEB Liabilities (Assets)

Benefit Terms: There were no recent changes in benefit terms.

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

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

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

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

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

SUPPLEMENTARY INFORMATION

**TOWN OF LINN, WISCONSIN
GENERAL FUND
SCHEDULE OF REVENUES – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2023**

| REVENUES | Budget | | Actual | Variance |
|-------------------------------------|---------------------|---------------------|---------------------|--|
| | Original | Final | | Final Budget - Positive (Negative) |
| Taxes: | | | | |
| Town Taxes | \$ 3,818,226 | \$ 3,818,226 | \$ 3,819,847 | \$ 1,621 |
| Room Tax | 130,000 | 130,000 | 155,410 | 25,410 |
| Managed Forest Lands | - | - | 68 | 68 |
| Total Taxes | <u>3,948,226</u> | <u>3,948,226</u> | <u>3,975,325</u> | <u>27,099</u> |
| Special Assessments | <u>11,000</u> | <u>11,000</u> | <u>30,524</u> | <u>19,524</u> |
| Intergovernmental: | | | | |
| State Shared Revenue | 34,355 | 34,355 | 33,915 | (440) |
| State Transportation Aid | 359,142 | 359,142 | 359,189 | 47 |
| Boating Enforcement Aid | 35,000 | 35,000 | 31,653 | (3,347) |
| Fire Insurance Dues | 53,000 | 53,000 | 63,249 | 10,249 |
| EMS Transport Aid | 6,500 | 6,500 | 2,000 | (4,500) |
| Law Enforcement Aid | 1,500 | 1,500 | 960 | (540) |
| Exempt Computer Aid | 88 | 88 | 88 | - |
| Recycling Grant | 11,000 | 11,000 | 10,645 | (355) |
| DNR Aids | 80 | 80 | 13 | (67) |
| Municipal Services Aid | 1,600 | 1,600 | 1,585 | (15) |
| Video Services Aid | 14,461 | 14,461 | 14,461 | - |
| Disaster Assistance | - | - | 11,700 | 11,700 |
| Real Estate Chargeback | - | - | 5,952 | 5,952 |
| American Resuce Plan Act Grant | 263,714 | 263,714 | 58,084 | (205,630) |
| Total Intergovernmental | <u>780,440</u> | <u>780,440</u> | <u>593,494</u> | <u>(186,946)</u> |
| Licenses and Permits: | | | | |
| Business and Occupational | 5,500 | 5,500 | 5,888 | 388 |
| Dog Licenses | 50 | 50 | 556 | 506 |
| Building Permits/Zoning Fees | 88,000 | 88,000 | 211,219 | 123,219 |
| Fireworks and Other Permits | 6,000 | 6,000 | 8,350 | 2,350 |
| Golf Cart Registration | 2,000 | 2,000 | 640 | (1,360) |
| Cable TV Franchise Fees | 23,000 | 23,000 | 23,397 | 397 |
| Planning and Zoning Permits | 3,000 | 3,000 | 2,250 | (750) |
| Total Licenses and Permits | <u>127,550</u> | <u>127,550</u> | <u>252,300</u> | <u>124,750</u> |
| Fines and Forfeitures | <u>27,500</u> | <u>27,500</u> | <u>32,460</u> | <u>4,960</u> |
| Charges for Services: | | | | |
| Recycling and Garbage Charges | 515,100 | 515,100 | 527,582 | 12,482 |
| Fuel Rebate - Garbage and Recycling | 2,200 | 2,200 | 2,200 | - |
| Boat Launching Fees | 90,500 | 90,500 | 104,659 | 14,159 |
| Boat Stall Rent | 62,000 | 62,000 | 70,410 | 8,410 |
| Clerk's and Legal Fees | 2,000 | 2,000 | 1,479 | (521) |
| Police Department Fees | 6,000 | 6,000 | 3,163 | (2,837) |
| Rescue Squad Fees | 35,000 | 35,000 | 66,972 | 31,972 |
| Highway Department Fees | 2,000 | 2,000 | 3,673 | 1,673 |
| Town Hall Rent | 200 | 200 | 200 | - |
| Cell Tower Rent | 24,410 | 24,410 | 39,716 | 15,306 |
| Post Office Rent | 2,100 | 2,100 | 2,275 | 175 |
| Total Charges for Services | <u>741,510</u> | <u>741,510</u> | <u>822,329</u> | <u>80,819</u> |
| Investment Income: | <u>36,000</u> | <u>36,000</u> | <u>268,424</u> | <u>232,424</u> |
| Miscellaneous Revenues: | | | | |
| All Other | <u>4,200</u> | <u>4,200</u> | <u>5,857</u> | <u>1,657</u> |
| Total Miscellanous Revenues | <u>4,200</u> | <u>4,200</u> | <u>5,857</u> | <u>1,657</u> |
| Total Revenues | <u>\$ 5,676,426</u> | <u>\$ 5,676,426</u> | <u>\$ 5,980,713</u> | <u>\$ 304,287</u> |

**TOWN OF LINN, WISCONSIN
GENERAL FUND
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2023**

| EXPENDITURES | Budget | | Actual | Variance Final Budget - Positive (Negative) |
|--|------------------|------------------|------------------|--|
| | Original | Final | | |
| General Government: | | | | |
| Town Board Salaries | \$ 35,000 | \$ 35,000 | \$ 35,000 | \$ - |
| Town Board Benefits | 2,678 | 2,678 | 2,678 | - |
| Town Board Other Expenditures | 6,750 | 6,750 | 8,672 | (1,922) |
| Ordinance Codification | 3,300 | 3,300 | 2,650 | 650 |
| Legal Counsel-General | 28,000 | 28,000 | 44,830 | (16,830) |
| Legal Counsel-Public Relations | - | - | 10,586 | (10,586) |
| Municipal Court - Prosecution/Legal | 15,000 | 15,000 | 19,400 | (4,400) |
| Municipal Court | 25,681 | 25,681 | 20,826 | 4,855 |
| Administrator/Treasurer | 97,500 | 97,500 | 97,500 | - |
| Clerk-Salaries | 40,000 | 40,000 | 40,000 | - |
| Clerk-Assistant | 22,550 | 22,550 | 22,592 | (42) |
| Clerk-Treasurer/Assistant/Admin/Benefits | 38,884 | 38,884 | 38,753 | 131 |
| Clerk-Treasurer Training | 3,000 | 3,000 | 870 | 2,130 |
| Clerk-Treasurer Other Expenditures | 17,350 | 17,350 | 13,908 | 3,442 |
| Elections | 9,600 | 9,600 | 8,380 | 1,220 |
| ITC | 20,512 | 20,512 | 15,589 | 4,923 |
| Auditing and Accounting | 18,000 | 18,000 | 13,835 | 4,165 |
| Property Assessment | 33,815 | 33,815 | 33,881 | (66) |
| Town Buildings and Grounds Expenditures | 154,670 | 154,670 | 135,613 | 19,057 |
| Legal Settlement | - | - | 165,000 | (165,000) |
| Contingency: | | | | |
| Ice Storm Disaster | - | - | 14,770 | - |
| Tax Payment Chargebacks | - | - | 10,966 | - |
| Miscellaneous Expenditures | - | - | 11,341 | - |
| Contingency Subtotal | 25,000 | 25,000 | 37,077 | (12,077) |
| Total General Government | 597,290 | 597,290 | 767,640 | (170,350) |
| Public Safety: | | | | |
| Police Salaries | 611,265 | 611,265 | 625,234 | (13,969) |
| Police Benefits | 228,132 | 228,132 | 201,120 | 27,012 |
| Police Other Expenditures | 86,679 | 86,679 | 92,523 | (5,844) |
| Geneva Lake Law Enforcement Agency | 73,000 | 73,000 | 73,000 | - |
| Water Safety Patrol | 13,875 | 13,875 | 13,875 | - |
| Emergency Government - Siren Maintenance | 5,000 | 5,000 | 1,972 | 3,028 |
| Fire Salaries | 57,602 | 57,602 | 45,272 | 12,330 |
| Fire Benefits | 5,354 | 5,354 | 8,606 | (3,252) |
| Fire Other Expenditures | 145,263 | 145,263 | 109,729 | 35,534 |
| Emergency Medical Services | 128,993 | 128,993 | 92,270 | 36,723 |
| EMS Staffing | 200,000 | 200,000 | 184,296 | 15,704 |
| EMS - American Rescue Plan Act | - | - | 5,774 | (5,774) |
| Building Inspector | 70,400 | 70,400 | 153,343 | (82,943) |
| Code Enforcement | 11,500 | 11,500 | 13,874 | (2,374) |
| Code Enforcement - Elm Street Raze | - | - | 212 | (212) |
| Total Public Safety | 1,637,063 | 1,637,063 | 1,621,100 | 15,963 |
| Public Works: | | | | |
| Highway Salaries | 218,436 | 218,436 | 215,015 | 3,421 |
| Highway Benefits | 82,710 | 82,710 | 71,074 | 11,636 |
| Highway Operational Maintenance | 255,600 | 255,600 | 243,191 | 12,409 |
| Highway Other Expenditures | 15,800 | 15,800 | 11,993 | 3,807 |
| Street Lighting | 12,500 | 12,500 | 11,722 | 778 |
| Other Maintenance - American Rescue Plan Act | 251,519 | 251,519 | 52,310 | 199,209 |
| Total Public Works | 836,565 | 836,565 | 605,305 | 231,260 |

**TOWN OF LINN, WISCONSIN
GENERAL FUND
SCHEDULE OF EXPENDITURES – BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | <u>Budget</u> | | <u>Actual</u> | <u>Variance Final Budget - Positive (Negative)</u> |
|---|---------------------|---------------------|---------------------|--|
| | <u>Original</u> | <u>Final</u> | | |
| Health and Sanitation | | | | |
| Yard Waste and Clean Sweep | 3,100 | 3,100 | 3,084 | 16 |
| Recycling Expenditures | 188,409 | 188,409 | 188,409 | - |
| Garbage Expenditures | <u>327,888</u> | <u>327,888</u> | <u>327,888</u> | <u>-</u> |
| Total Health and Sanitation | <u>519,397</u> | <u>519,397</u> | <u>519,381</u> | <u>16</u> |
| Leisure, Conservation and Development | | | | |
| Piers Salaries | 25,000 | 25,000 | 20,371 | 4,629 |
| Piers Benefits | 1,913 | 1,913 | 1,559 | 354 |
| Piers Other Expenditures | 75,325 | 75,325 | 83,656 | (8,331) |
| Williams Bay Beach Charges | 15,000 | 15,000 | 16,100 | (1,100) |
| Parks and Other Expenditures | 41,880 | 41,880 | 41,616 | 264 |
| Geneva Lake Level Corp | 4,800 | 4,800 | 4,800 | - |
| Tourism Development | <u>91,000</u> | <u>91,000</u> | <u>108,786</u> | <u>(17,786)</u> |
| Total Leisure, Conservation and Development | <u>254,918</u> | <u>254,918</u> | <u>276,888</u> | <u>(21,970)</u> |
| Nondepartmental and General: | | | | |
| Property and Liability Insurance | 79,754 | 79,754 | 81,945 | (2,191) |
| Health Insurance Copayments | 33,700 | 33,700 | 32,735 | 965 |
| Workers Compensation Insurance | <u>41,371</u> | <u>41,371</u> | <u>47,170</u> | <u>(5,799)</u> |
| Total Nondepartmental and General | <u>154,825</u> | <u>154,825</u> | <u>161,850</u> | <u>(7,025)</u> |
| Capital Outlay: | | | | |
| Town Hall | 33,900 | 33,900 | 35,839 | (1,939) |
| Administrative | 20,700 | 20,700 | 8,541 | 12,159 |
| Police and Fire | 270,600 | 270,600 | 51,821 | 218,779 |
| Highway Equipment | 75,000 | 75,000 | 71,627 | 3,373 |
| Parks | 10,400 | 10,400 | 5,400 | 5,000 |
| Road and Bridge Construction | 1,221,481 | 1,221,481 | 1,220,859 | 622 |
| Boat Launches | <u>33,000</u> | <u>33,000</u> | <u>27,646</u> | <u>5,354</u> |
| Total Capital Outlay | <u>1,665,081</u> | <u>1,665,081</u> | <u>1,421,733</u> | <u>243,348</u> |
| Debt Service: | | | | |
| Principal | 25,350 | 25,350 | 25,350 | - |
| Interest and Fiscal Charges | <u>24,875</u> | <u>24,875</u> | <u>18,797</u> | <u>6,078</u> |
| Total Debt Service | <u>50,225</u> | <u>50,225</u> | <u>44,147</u> | <u>6,078</u> |
| Total Expenditures | <u>\$ 5,715,364</u> | <u>\$ 5,715,364</u> | <u>\$ 5,418,044</u> | <u>\$ 297,320</u> |



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