

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2020



CLAconnect.com

WEALTH ADVISORY
OUTSOURCING
AUDIT, TAX, AND
CONSULTING

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2020**

INDEPENDENT ACCOUNTANTS' REVIEW REPORT	1
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	3
STATEMENT OF ACTIVITIES	4
FUND FINANCIAL STATEMENTS	
BALANCE SHEET – GENERAL FUND	5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GENERAL FUND	6
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	8
STATEMENT OF NET POSITION – FIDUCIARY FUND	9
STATEMENT OF CHANGES IN NET POSITION – FIDUCIARY FUND	10
NOTES TO BASIC FINANCIAL STATEMENTS	11
SUPPLEMENTARY INFORMATION	
GENERAL FUND	
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES	24
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES	26



INDEPENDENT ACCOUNTANTS' REVIEW REPORT

Town Board
Town of Cooperstown
Manitowoc County, Wisconsin

We have reviewed the accompanying financial statements of the governmental activities, the major fund and the aggregate remaining fund information of the Town of Cooperstown, Manitowoc County, Wisconsin (the Town) as of December 31, 2020, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Town Board
Town of Cooperstown
Manitowoc County, Wisconsin

Required Supplementary Information

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

Supplementary Information

The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.



CliftonLarsonAllen LLP

Green Bay, Wisconsin
February 3, 2021

BASIC FINANCIAL STATEMENTS

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

ASSETS

Cash and Investments	\$	254,757
Receivables:		
Taxes and Special Charges		211,128
Accounts		1,885
Inventories		4,676
Capital Assets, Nondepreciable		56,329
Capital Assets, Depreciable		<u>794,378</u>
 Total Assets		 1,323,153

LIABILITIES

Accounts Payable		6,191
Accrued and Other Current Liabilities		2,245
Accrued Interest Payable		142
Long-Term Obligations:		
Due Within One Year		7,781
Due in More than One Year		<u>22,884</u>
 Total Liabilities		 39,243

DEFERRED INFLOWS OF RESOURCES

Property Taxes Levied for Subsequent Year		315,688
---	--	---------

NET POSITION

Net Investment in Capital Assets		820,042
Unrestricted		<u>148,180</u>
 Total Net Position		 <u>\$ 968,222</u>

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

Functions/Programs	Expenses	Program Revenues		Totals	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		
GOVERNMENTAL ACTIVITIES					
General Government	\$ 106,229	\$ 554	\$ 7,655	\$ (98,020)	
Public Safety	116,844	6,422	4,692	(105,730)	
Public Works	349,455	45,815	267,411	(36,229)	
Conservation and Development	721	700	-	(21)	
Interest and Fiscal Charges	1,242	-	-	(1,242)	
Total Governmental Activities	\$ 574,491	\$ 53,491	\$ 279,758	(241,242)	
GENERAL REVENUES					
Taxes:					
Property Taxes				301,501	
Other Taxes and Franchise Fees				8,090	
Federal and State Grants and Other Contributions					
Not Restricted to Specific Functions				50,997	
Interest and Investment Earnings				627	
Miscellaneous				3,088	
Total General Revenues				364,303	
CHANGE IN NET POSITION				123,061	
Net Position - January 1				845,161	
NET POSITION - DECEMBER 31				\$ 968,222	

See accompanying Notes to Basic Financial Statements.

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
BALANCE SHEET
GENERAL FUND
DECEMBER 31, 2020
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

ASSETS

Cash and Investments	\$	254,757
Receivables:		
Taxes and Special Charges		211,128
Accounts		1,885
Inventories		4,676
		4,676
Total Assets	\$	472,446

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE

Liabilities:		
Accounts Payable	\$	6,191
Accrued and Other Current Liabilities		2,245
		8,436
Total Liabilities		8,436
Deferred Inflows of Resources:		
Property Taxes Levied for Subsequent Year		315,688
Fund Balance:		
Nonspendable		4,676
Committed		74,377
Unassigned		69,269
		148,322
Total Fund Balance		148,322
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$	472,446

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balance as Shown Above	\$	148,322
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund.		850,707
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Notes Payable		(30,665)
Accrued Interest on Long-Term Obligations		(142)
		(30,807)
Net Position of Governmental Activities as Reported on the Statement of Net Position (See Page 3)	\$	968,222

See accompanying Notes to Basic Financial Statements.

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
YEAR ENDED DECEMBER 31, 2020
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

REVENUES

Taxes	\$	309,591
Intergovernmental		330,755
Licenses and Permits		8,645
Fines and Forfeits		195
Public Charges for Services		14,568
Intergovernmental Charges for Services		31,851
Miscellaneous		1,947
Total Revenues		697,552

EXPENDITURES

Current:		
General Government		99,618
Public Safety		116,844
Public Works		308,611
Conservation and Development		721
Debt Service:		
Principal		7,503
Interest and Fiscal Charges		1,277
Capital Outlay		145,387
Total Expenditures		679,961

NET CHANGE IN FUND BALANCE

17,591

Fund Balance - January 1

130,731

FUND BALANCE - DECEMBER 31

\$ 148,322

See accompanying Notes to Basic Financial Statements.

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL FUND
YEAR ENDED DECEMBER 31, 2020
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balance as Shown on Previous Page	\$	17,591
Amounts reported for governmental activities in the statement of activities are different because:		
<p>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.</p>		
Capital Assets Reported as Capital Outlay in Governmental Fund Statements		145,387
Depreciation Expense Reported in the Statement of Activities		(47,455)
<p>Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Principal Repaid		7,503
<p>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:</p>		
Accrued Interest on Long-Term Debt		35
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (See Page 4)	\$	123,061

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2020
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Taxes	\$ 301,501	\$ 301,501	\$ 309,591	\$ 8,090
Intergovernmental	291,533	291,533	330,755	39,222
Licenses and Permits	9,150	9,150	8,645	(505)
Fines and Forfeits	-	-	195	195
Public Charges for Services	3,000	3,000	14,568	11,568
Intergovernmental Charges for Services	30,000	30,000	31,851	1,851
Miscellaneous	400	400	1,947	1,547
Total Revenues	<u>635,584</u>	<u>635,584</u>	<u>697,552</u>	<u>61,968</u>
EXPENDITURES				
Current:				
General Government	109,000	109,000	99,618	9,382
Public Safety	122,335	122,335	116,844	5,491
Public Works	287,004	330,004	308,611	21,393
Conservation and Development	3,000	3,000	721	2,279
Debt Service:				
Principal	7,503	7,503	7,503	-
Interest and Fiscal Charges	1,277	1,277	1,277	-
Capital Outlay	189,000	146,000	145,387	613
Total Expenditures	<u>719,119</u>	<u>719,119</u>	<u>679,961</u>	<u>39,158</u>
NET CHANGE IN FUND BALANCE	(83,535)	(83,535)	17,591	101,126
Fund Balance - January 1	<u>130,731</u>	<u>130,731</u>	<u>130,731</u>	<u>-</u>
FUND BALANCE - DECEMBER 31	<u><u>\$ 47,196</u></u>	<u><u>\$ 47,196</u></u>	<u><u>\$ 148,322</u></u>	<u><u>\$ 101,126</u></u>

See accompanying Notes to Basic Financial Statements.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUND
DECEMBER 31, 2020
 (SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	<u>Custodial Fund</u>
ASSETS	
Cash and Investments	<u>\$ 654,644</u>
LIABILITIES	
Due to Other Governments	<u>654,644</u>
NET POSITION	
Fiduciary Net Position - Held for Others	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUND
YEAR ENDED DECEMBER 31, 2020
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)**

	<u>Custodial Fund</u>
ADDITIONS	
Property Taxes and Special Charges Collected	\$ 1,249,969
DEDUCTIONS	
Payments to Other Taxing Jurisdictions	<u>1,249,969</u>
CHANGE IN NET POSITION	-
Net Position - January 1	<u>-</u>
NET POSITION - DECEMBER 31	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The Town is a municipal corporation governed by an elected five member board. In accordance with GAAP, the basic financial statements are required to include the Town (the primary government) and any separate component units that have a significant operational or financial relationship with the Town. The Town has not identified any component units that are required to be included in the basic financial statements in accordance with standards established in GASB Statement No. 61.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues are reported. The Town has no business-type activities.

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

Separate financial statements are provided for the general fund.

The Town reports the following major governmental fund:

General Fund

This is the Town's primary operating fund. It accounts for all financial resources of the general government.

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

General Fund (Continued)

The Town also reports the following fiduciary fund:

Custodial Fund

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

C. 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 when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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

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

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

1. Cash and Investments

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

2. Property Taxes and Special Charges/Receivable

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

In addition to its levy, the Town also levies and collects taxes for the Denmark School District, Mishicot School District, Reedsville School District, Manitowoc County, Northeast Wisconsin Technical College and the Lakeshore Technical College.

3. Accounts Receivable

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

4. Inventories

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

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

4. Inventories (Continued)

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

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$2,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Assets	Years
Buildings and Improvements	20 - 40
Machinery and Equipment	5 - 20
Vehicles	7
Infrastructure	15 - 30

6. Deferred Outflows/Inflows of Resources

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

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

7. Long-Term Obligations

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

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

8. Fund Equity

Governmental Fund Financial Statements

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

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

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

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

Assigned fund balance. Amounts that are constrained for specific purposes by action of Town management. The Town Board has not authorized an employee to assign fund balance.

Unassigned fund balance. Amounts that are available for any purpose.

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

8. Fund Equity (Continued)

Governmental Fund Financial Statements (Continued)

The Town has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide Statements

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

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

Restricted net position. Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation. There is no restricted net position on December 31, 2020.

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

E. Use of Estimates

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

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 STEWARDSHIP AND COMPLIANCE

A. Budgets and Budgetary Accounting

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

1. Prior to December, the Town Clerk submits to the Town Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Town Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the general fund.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Town. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Town Board.
5. Encumbrance accounting is not used by the Town to record commitments related to unperformed contracts for goods or services.

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

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

B. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2020 and 2021 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the Town's January 1 equalized value as a result of net new construction. The actual limit for the Town for the 2020 budget was 0.68%. The actual limit for the Town for the 2021 budget was 2.07%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The Town maintains various cash and investment accounts which are displayed on the financial statements as "Cash and investments".

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

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

The carrying amount of the Town's cash and investments totaled \$909,401 on December 31, 2020 as summarized below:

Petty Cash and Cash on Hand	\$	6
Deposits with Financial Institutions		909,395
Total		\$ 909,401

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position		
Cash and Investments	\$	254,757
Fiduciary Fund Statement of Net Position		
Custodial Fund		654,644
Total		\$ 909,401

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements

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

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

Custodial Credit Risk

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

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

As of December 31, 2020, \$257,395 of the Town's deposits with financial institutions were in excess of federal and state depository insurance limits. The entire amount was collateralized with securities held by the pledging financial institution or its trust department or agent but not in the Town's name.

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 55,774	\$ -	\$ -	\$ 55,774
Construction in Progress	-	555	-	555
Total Capital Assets, Nondepreciable	<u>55,774</u>	<u>555</u>	<u>-</u>	<u>56,329</u>
Capital Assets, Depreciable:				
Buildings and Improvements	80,904	-	-	80,904
Machinery and Equipment	385,762	-	-	385,762
Vehicles	20,211	-	-	20,211
Infrastructure	<u>911,399</u>	<u>144,832</u>	<u>-</u>	<u>1,056,231</u>
Subtotals	<u>1,398,276</u>	<u>144,832</u>	<u>-</u>	<u>1,543,108</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	43,399	1,949	-	45,348
Machinery and Equipment	306,525	6,610	-	313,135
Vehicles	20,211	-	-	20,211
Infrastructure	<u>331,140</u>	<u>38,896</u>	<u>-</u>	<u>370,036</u>
Subtotals	<u>701,275</u>	<u>47,455</u>	<u>-</u>	<u>748,730</u>
Total Capital Assets, Depreciable Net	<u>697,001</u>	<u>97,377</u>	<u>-</u>	<u>794,378</u>
Governmental Activities Capital Assets, Net	<u>\$ 752,775</u>	<u>\$ 97,932</u>	<u>\$ -</u>	850,707
Less: Capital Related Debt				<u>(30,665)</u>
Net Investment in Capital Assets				<u>\$ 820,042</u>

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

Governmental Activities	
General Government	\$ 6,610
Public Works	<u>40,845</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 47,455</u>

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Long-Term Obligations

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

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Direct Borrowings					
General Obligation Notes	\$ 38,168	-	\$ 7,503	\$ 30,665	\$ 7,781

The Town's outstanding general obligation notes from direct borrowings of \$30,665 contain a provision that in an event of default, outstanding amounts shall at the option of the lender, without notice, mature and become immediately payable.

Total interest paid during the year on long-term debt totaled \$1,277.

General Obligation Debt

General obligation direct borrowings outstanding on December 31, 2020 totaled \$30,665 and were comprised of the following issues:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/20</u>
General Obligation Notes	8/14/19	8/1/24	3.55%	\$ 40,000	\$ 30,665

Annual principal and interest maturities of the outstanding general obligation debt of \$30,665 on December 31, 2020 are detailed below:

<u>Year Ended December 31,</u>	<u>Governmental Activities</u>	
	<u>Direct Borrowings - General Obligation Notes</u>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 7,781	\$ 999
2022	8,065	715
2023	8,359	421
2024	6,460	117
Total	\$ 30,665	\$ 2,252

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

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Legal Margin for New Debt

The Town's legal margin for creation of additional general obligation debt on December 31, 2020 was \$6,445,690 as follows:

Equalized Valuation of the Town	\$ 129,527,100
Statutory Limitation Percentage	(x) 5%
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	6,476,355
Net Outstanding General Obligation Debt Applicable to Debt Limitation	30,665
Legal Margin for New Debt	\$ 6,445,690

E. Fund Equity

Nonspendable Fund Balance

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

General Fund Nonspendable Inventory	\$ 4,676
---	----------

Committed Fund Balance

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

General Fund Committed for:	
General Public Building	\$ 500
General Government Outlay	565
Highway and Street Outlay	20,000
Highway Equipment Outlay	12,300
Highway Building Outlay	870
Revaluation Fund	8,000
Subsequent Years' Budget	32,142
Total Committed Fund Balance	\$ 74,377

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION

A. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Town completes an annual review of its insurance coverage to ensure adequate coverage.

B. Contingencies

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

NOTE 5 RISKS AND UNCERTAINTIES

The Coronavirus Disease 2019 (COVID-19) has affected global markets, supply chains, employees of organizations and local communities. Specific to the Town, COVID-19 may impact parts of its 2021 operations and financial results. Management believes the Town is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimate as of December 31, 2020.

SUPPLEMENTARY INFORMATION

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
Taxes				
General Property	\$ 301,501	\$ 301,501	\$ 301,501	\$ -
Forest Crop/MFL Taxes	-	-	7,277	7,277
Interest on Taxes	-	-	813	813
Total Taxes	301,501	301,501	309,591	8,090
Intergovernmental				
State:				
State Shared Taxes	49,395	49,395	49,864	469
Fire Insurance Dues	4,692	4,692	4,692	-
Tax exempt computer aid	-	-	18	18
Transportation	162,489	162,489	191,959	29,470
Municipal Service Aid	-	-	316	316
Forest Crop Aid	-	-	209	209
Payment in Lieu of Taxes	600	600	590	(10)
Election	-	-	1,071	1,071
Recycling	6,000	6,000	7,095	1,095
Routes to Recovery	-	-	6,495	6,495
Other state payments	-	-	89	89
County:				
Bridge Aid	68,357	68,357	68,357	-
Total Intergovernmental	291,533	291,533	330,755	39,222
Licenses and Permits				
Licenses:				
Business and Occupational	650	650	704	54
Dog	1,000	1,000	1,039	39
Permits:				
Building	7,500	7,500	6,177	(1,323)
Zoning	-	-	700	700
Other	-	-	25	25
Total Licenses and Permits	9,150	9,150	8,645	(505)
Fines and Forfeits				
Court Fines and Penalties	-	-	195	195
Public Charges for Services				
General Government	-	-	554	554
Highway	-	-	9,197	9,197
Garbage and Recycling	3,000	3,000	4,817	1,817
Total Public Charges for Services	3,000	3,000	14,568	11,568

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
Intergovernmental Charges for Services				
Highway	\$ 30,000	\$ 30,000	\$ 31,851	\$ 1,851
Miscellaneous				
Interest on Investments	400	400	627	227
Donations	-	-	100	100
Sale of Property and Equipment	-	-	1,210	1,210
Other	-	-	10	10
Total Miscellaneous	<u>400</u>	<u>400</u>	<u>1,947</u>	<u>1,547</u>
Total Revenues	<u>\$ 635,584</u>	<u>\$ 635,584</u>	<u>\$ 697,552</u>	<u>\$ 61,968</u>

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
YEAR ENDED DECEMBER 31, 2020**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
General Government				
Town Board	\$ 19,950	\$ 19,950	\$ 17,569	\$ 2,381
Legal	2,000	2,000	1,818	182
General Administration	24,550	24,550	23,876	674
Financial Administration	17,000	17,000	16,013	987
Town Hall	18,000	18,000	8,926	9,074
Elections	8,000	8,000	7,301	699
Assessor	7,000	7,000	6,800	200
Insurance and Bonds	12,500	12,500	10,783	1,717
Routes to Recovery	-	-	6,532	(6,532)
Total General Government	<u>109,000</u>	<u>109,000</u>	<u>99,618</u>	<u>9,382</u>
Public Safety				
Constable	1,500	1,500	1,152	348
Inspection	5,000	5,000	1,654	3,346
Fire Department	99,192	99,192	97,491	1,701
Rescue Squad	16,643	16,643	16,547	96
Total Public Safety	<u>122,335</u>	<u>122,335</u>	<u>116,844</u>	<u>5,491</u>
Public Works				
Salaries and Wages	71,800	71,800	69,591	2,209
Street Maintenance	158,200	201,200	182,618	18,582
Street Lighting	2,998	2,998	2,428	570
Garbage Collection	35,100	35,100	34,991	109
Recycling	18,900	18,900	18,977	(77)
Weed and Nuisance Control	6	6	6	-
Total Public Works	<u>287,004</u>	<u>330,004</u>	<u>308,611</u>	<u>21,393</u>
Conservation and Development				
Planning Commission	3,000	3,000	721	2,279
Capital Outlay				
Public Works	189,000	146,000	145,387	613
Debt Service				
Principal	7,503	7,503	7,503	-
Interest and Fiscal Charges	1,277	1,277	1,277	-
Total Debt Service	<u>8,780</u>	<u>8,780</u>	<u>8,780</u>	<u>-</u>
Total Expenditures	<u>\$ 719,119</u>	<u>\$ 719,119</u>	<u>\$ 679,961</u>	<u>\$ 39,158</u>