

**VILLAGE OF HARRISON, WISCONSIN**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2023**



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**VILLAGE OF HARRISON, WISCONSIN  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2023**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF NET POSITION</b>	<b>4</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>5</b>
<b>FUND FINANCIAL STATEMENTS</b>	
<b>BALANCE SHEET – GOVERNMENTAL FUNDS</b>	<b>6</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN         FUND BALANCES – GOVERNMENTAL FUNDS</b>	<b>8</b>
<b>RECONCILIATION OF THE STATEMENT OF REVENUES,         EXPENDITURES, AND CHANGES IN FUND BALANCES –         GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES</b>	<b>9</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN         FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND</b>	<b>10</b>
<b>STATEMENT OF NET POSITION – PROPRIETARY FUNDS</b>	<b>11</b>
<b>STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET         POSITION – PROPRIETARY FUNDS</b>	<b>12</b>
<b>STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS</b>	<b>13</b>
<b>STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS</b>	<b>15</b>
<b>STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –         CUSTODIAL FUNDS</b>	<b>16</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>17</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
<b>SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY     (ASSET) – WISCONSIN RETIREMENT SYSTEM</b>	<b>40</b>
<b>SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM</b>	<b>41</b>
<b>NOTE TO REQUIRED SUPPLEMENTARY INFORMATION</b>	<b>42</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS</b>	<b>43</b>
<b>COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND     CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS</b>	<b>44</b>



## INDEPENDENT AUDITORS' REPORT

Village Board  
Village of Harrison  
Harrison, Wisconsin

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Harrison, Wisconsin, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Village of Harrison's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Harrison, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and budgetary comparison information 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 Village of Harrison 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 Village of Harrison's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with GAAS, we:

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

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

**Required Supplementary Information**

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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Harrison's basic financial statements. The combining fund statements 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 combining fund statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Wauwatosa, Wisconsin  
July 23, 2024

**VILLAGE OF HARRISON, WISCONSIN  
STATEMENT OF NET POSITION  
DECEMBER 31, 2023**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 19,559,258	\$ 6,977,865	\$ 26,537,123
Receivables:			
Taxes and Special Charges	4,704,290	-	4,704,290
Accounts, Net	272	212,052	212,324
Special Assessments	1,505,507	1,074	1,506,581
Due from Other Governments	67,722	523,415	591,137
Prepaid Expenses	995,115	-	995,115
Inventory	-	29,781	29,781
Capital Assets, Nondepreciable	4,126,188	112,156	4,238,344
Capital Assets, Depreciable	20,409,419	19,653,965	40,063,384
Total Assets	51,367,771	27,510,308	78,878,079
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Amounts	1,225,269	218,392	1,443,661
Total Deferred Outflows of Resources	1,225,269	218,392	1,443,661
<b>LIABILITIES</b>			
Accounts Payable	1,398,886	150,798	1,549,684
Accrued and Other Current Liabilities	74,589	67,722	142,311
Unearned revenue	594,793	-	594,793
Accrued Interest Payable	17,522	-	17,522
Special Deposits	1,016,396	-	1,016,396
Long-Term Obligations:			
Due Within One Year	1,165,000	43,682	1,208,682
Due in More Than One Year	4,895,000	393,737	5,288,737
Net Pension Liability	327,464	56,552	384,016
Total Liabilities	9,489,650	712,491	10,202,141
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes Levied for Subsequent Year	8,813,132	-	8,813,132
Pension Related Amounts	692,055	119,516	811,571
Total Deferred Inflows of Resources	9,505,187	119,516	9,624,703
<b>NET POSITION</b>			
Net Investment in Capital Assets	22,501,081	19,766,121	42,267,202
Restricted	3,135,941	-	3,135,941
Unrestricted	7,961,181	7,130,572	15,091,753
Total Net Position	\$ 33,598,203	\$ 26,896,693	\$ 60,494,896

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF HARRISON, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES</b>							
General Government	\$ 1,515,558	\$ 329,932	\$ 381,593	\$ -	\$ (804,033)	\$ -	\$ (804,033)
Public Safety	1,374,613	854,564	79,561	-	(440,488)	-	(440,488)
Public Works	3,481,364	2,923,114	-	434,861	(123,389)	-	(123,389)
Health and Human Services	-	-	21,662	-	21,662	-	21,662
Culture and Recreation	121,053	81,195	-	-	(39,858)	-	(39,858)
Conservation and Development	1,500,009	-	69,853	-	(1,430,156)	-	(1,430,156)
Interest and Fiscal Charges	143,713	-	-	-	(143,713)	-	(143,713)
Total Governmental Activities	8,136,310	4,188,805	552,669	434,861	(2,959,975)	-	(2,959,975)
<b>BUSINESS-TYPE ACTIVITIES</b>							
Water Utility	1,510,243	1,471,597	-	726,251	-	687,605	687,605
Sewer Utility	1,022,576	1,180,420	-	752,865	-	910,709	910,709
Total Business-Type Activities	2,532,819	2,652,017	-	1,479,116	-	1,598,314	1,598,314
Total	<u>\$ 10,669,129</u>	<u>\$ 6,840,822</u>	<u>\$ 552,669</u>	<u>\$ 1,913,977</u>	(2,959,975)	1,598,314	(1,361,661)
<b>GENERAL REVENUES</b>							
Taxes:							
Property Taxes					3,701,843	-	3,701,843
Tax Increments					947,412	-	947,412
Other Taxes					522,889	-	522,889
Federal and State Grants and Other Contributions							
Not Restricted to Specific Functions					136,321	-	136,321
Interest and Investment Earnings					719,500	299,065	1,018,565
Miscellaneous					39,613	-	39,613
Total General Revenues					<u>6,067,578</u>	<u>299,065</u>	<u>6,366,643</u>
<b>CHANGE IN NET POSITION</b>							
Net Position - Beginning of Year					<u>30,490,600</u>	<u>24,999,314</u>	<u>55,489,914</u>
<b>NET POSITION - END OF YEAR</b>							
					<u>\$ 33,598,203</u>	<u>\$ 26,896,693</u>	<u>\$ 60,494,896</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF HARRISON, WISCONSIN  
BALANCE SHEET – GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

<b>ASSETS</b>	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Cash and Investments	\$ 11,997,847	\$ 203,061	\$ 2,655,474	\$ 4,702,876	\$ 19,559,258
Receivables:					
Taxes and Special Charges	2,956,208	640,229	-	1,107,853	4,704,290
Accounts, Net	272	-	-	-	272
Special Assessments	1,505,507	-	-	-	1,505,507
Prepaid Expenses	995,115	-	-	-	995,115
Due from Other Funds	847,206	-	-	-	847,206
Due from Other Governments	67,722	-	-	-	67,722
	<u>18,369,877</u>	<u>843,290</u>	<u>2,655,474</u>	<u>5,810,729</u>	<u>27,679,370</u>
<b>Total Assets</b>	<b>\$ 18,369,877</b>	<b>\$ 843,290</b>	<b>\$ 2,655,474</b>	<b>\$ 5,810,729</b>	<b>\$ 27,679,370</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 1,395,373	\$ -	\$ -	\$ 3,513	\$ 1,398,886
Accrued and Other Current Liabilities	74,589	-	-	-	74,589
Due to Other Funds	-	-	-	847,206	847,206
Unearned Revenue	-	-	-	594,793	594,793
Special Deposits	1,016,396	-	-	-	1,016,396
Total Liabilities	<u>2,486,358</u>	<u>-</u>	<u>-</u>	<u>1,445,512</u>	<u>3,931,870</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes and Special Charges Levied for Subsequent Year	5,536,650	1,200,000	-	2,076,482	8,813,132
Special Assessments	1,099,628	-	-	-	1,099,628
Total Deferred Inflows of Resources	<u>6,636,278</u>	<u>1,200,000</u>	<u>-</u>	<u>2,076,482</u>	<u>9,912,760</u>
<b>FUND BALANCES</b>					
Nonspendable	1,842,321	-	-	-	1,842,321
Restricted	-	-	2,655,474	3,135,941	5,791,415
Unassigned	7,404,920	(356,710)	-	(847,206)	6,201,004
Total Fund Balances	<u>9,247,241</u>	<u>(356,710)</u>	<u>2,655,474</u>	<u>2,288,735</u>	<u>13,834,740</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 18,369,877</b>	<b>\$ 843,290</b>	<b>\$ 2,655,474</b>	<b>\$ 5,810,729</b>	<b>\$ 27,679,370</b>

See accompanying Notes to Basic Financial Statements.



**VILLAGE OF HARRISON, WISCONSIN  
BALANCE SHEET – GOVERNMENTAL FUNDS (CONTINUED)  
DECEMBER 31, 2023**

Total Fund Balances as Shown on Previous Page	\$ 13,834,740
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 funds.	24,535,607
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	
Special Assessments	1,099,628
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Deferred Outflows Related to Pensions	1,225,269
Deferred Inflows Related to Pensions	(692,055)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Notes Payable	(6,060,000)
Net Pension Liability	(327,464)
Accrued Interest on Long-Term Obligations	<u>(17,522)</u>
Net Position of Governmental Activities as Reported on the Statement of Net Position	<u><u>\$ 33,598,203</u></u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF HARRISON, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Capital Projects	Other Governmental Funds	Total
<b>REVENUES</b>					
Taxes	\$ 2,889,135	\$ 819,368	\$ -	\$ 1,470,271	\$ 5,178,774
Special Assessments	874,207	-	-	-	874,207
Intergovernmental	740,723	-	-	381,593	1,122,316
Licenses and Permits	407,312	-	-	163,466	570,778
Fines and Forfeits	11,316	-	-	-	11,316
Public Charges for Services	1,979,193	-	-	447,995	2,427,188
Intergovernmental Charges for Services	174,349	-	-	-	174,349
Miscellaneous	756,723	-	-	-	756,723
Total Revenues	<u>7,832,958</u>	<u>819,368</u>	<u>-</u>	<u>2,463,325</u>	<u>11,115,651</u>
<b>EXPENDITURES</b>					
Current:					
General Government	941,228	-	-	390,895	1,332,123
Public Safety	1,257,088	-	-	-	1,257,088
Public Works	2,405,740	-	-	72,836	2,478,576
Culture and Recreation	40,882	-	-	-	40,882
Conservation and Development	108,015	-	-	1,137,777	1,245,792
Debt Service:					
Principal	-	830,000	-	-	830,000
Interest and Fiscal Charges	-	109,909	33,125	-	143,034
Capital Outlay	1,198,440	-	1,400,000	511,502	3,109,942
Total Expenditures	<u>5,951,393</u>	<u>939,909</u>	<u>1,433,125</u>	<u>2,113,010</u>	<u>10,437,437</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,881,565	(120,541)	(1,433,125)	350,315	678,214
<b>OTHER FINANCING SOURCES</b>					
Long-Term Debt Issued	-	-	1,400,000	-	1,400,000
Premium on Debt Issued	-	-	2,391	-	2,391
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>1,402,391</u>	<u>-</u>	<u>1,402,391</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,881,565	(120,541)	(30,734)	350,315	2,080,605
Fund Balances - Beginning of Year	<u>7,365,676</u>	<u>(236,169)</u>	<u>2,686,208</u>	<u>1,938,420</u>	<u>11,754,135</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 9,247,241</u>	<u>\$ (356,710)</u>	<u>\$ 2,655,474</u>	<u>\$ 2,288,735</u>	<u>\$ 13,834,740</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF HARRISON, WISCONSIN  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances as Shown on Previous Page \$ 2,080,605

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Assets Reported as Capital Outlay in Governmental Fund Statements	2,868,669
Loss on Disposal of Assets	(53,192)
Depreciation Expense Reported in the Statement of Activities	(1,243,248)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.

Special Assessments	125,871
Net Pension Asset	(837,677)

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Long-Term Debt Issued	(1,400,000)
Principal Repaid	830,000

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Accrued Interest on Long-Term Debt	(679)
Deferred Outflows of Resources Related to Pensions	226,179
Deferred Inflows of Resources Related to Pensions	511,075

Change in Net Position of Governmental Activities as Reported in the Statement of Activities	\$ 3,107,603
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**VILLAGE OF HARRISON, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND  
YEAR ENDED DECEMBER 31, 2023**

	Budget		Actual	Variance
	Original	Final		Final Budget - Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 2,817,412	\$ 2,817,412	\$ 2,889,135	\$ 71,723
Special Assessments	1,128,474	1,128,474	874,207	(254,267)
Intergovernmental	670,672	670,672	740,723	70,051
Licenses and Permits	304,753	304,753	407,312	102,559
Fines and Forfeits	6,500	6,500	11,316	4,816
Public Charges for Services	1,927,809	1,927,809	1,979,193	51,384
Intergovernmental Charges for Services	185,701	185,701	174,349	(11,352)
Miscellaneous	28,100	28,100	756,723	728,623
Total Revenues	<u>7,069,421</u>	<u>7,069,421</u>	<u>7,832,958</u>	<u>763,537</u>
<b>EXPENDITURES</b>				
Current:				
General Government	918,119	918,119	941,228	(23,109)
Public Safety	1,300,893	1,300,893	1,257,088	43,805
Public Works	2,312,660	2,312,660	2,405,740	(93,080)
Health and Human Services	2,200	2,200	-	2,200
Culture and Recreation	60,000	60,000	40,882	19,118
Conservation and Development	185,191	185,191	108,015	77,176
Capital Outlay	4,023,397	4,023,397	1,198,440	2,824,957
Total Expenditures	<u>8,802,460</u>	<u>8,802,460</u>	<u>5,951,393</u>	<u>2,851,067</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,733,039)	(1,733,039)	1,881,565	3,614,604
<b>OTHER FINANCING SOURCES</b>				
Long-Term Debt Issued	1,600,000	1,600,000	-	(1,600,000)
Total Other Financing Sources (Uses)	<u>1,600,000</u>	<u>1,600,000</u>	<u>-</u>	<u>(1,600,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(133,039)	(133,039)	1,881,565	2,014,604
Fund Balance - Beginning of Year	<u>7,365,676</u>	<u>7,365,676</u>	<u>7,365,676</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 7,232,637</u>	<u>\$ 7,232,637</u>	<u>\$ 9,247,241</u>	<u>\$ 2,014,604</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF HARRISON, WISCONSIN**  
**STATEMENT OF NET POSITION – PROPRIETARY FUNDS**  
**DECEMBER 31, 2023**

	Water Utility	Sewer Utility	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 2,484,534	\$ 4,493,331	\$ 6,977,865
Accounts Receivable - Municipalities and County	80,075	443,340	523,415
Accounts Receivable - Customers	119,270	93,856	213,126
Materials and Supplies	19,143	10,638	29,781
Total Current Assets	2,703,022	5,041,165	7,744,187
Non-Depreciable Capital Assets	70,720	41,436	112,156
Depreciable Capital Assets	12,118,525	15,578,955	27,697,480
Accumulated Depreciation	(3,643,657)	(4,399,858)	(8,043,515)
Total Noncurrent Assets	8,545,588	11,220,533	19,766,121
Total Assets	\$ 11,248,610	\$ 16,261,698	\$ 27,510,308
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Amounts	\$ 109,196	\$ 109,196	\$ 218,392
Total Deferred Outflows of Resources	109,196	109,196	218,392
<b>LIABILITIES</b>			
Current Liabilities:			
Other Accrued Liabilities	67,722	-	67,722
Accounts Payable	135,232	15,566	150,798
Total Current Liabilities	202,954	15,566	218,520
Long-Term Obligations:			
Due Within One Year	-	43,682	43,682
Due in More Than One Year	-	393,737	393,737
Net Pension Liability	28,276	28,276	56,552
Total Liabilities	231,230	481,261	712,491
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Related Amounts	59,758	59,758	119,516
Total Deferred Inflows of Resources	59,758	59,758	119,516
<b>NET POSITION</b>			
Net Investment in Capital Assets	8,545,588	11,220,533	19,766,121
Unrestricted	2,521,230	4,609,342	7,130,572
Total Net Position	\$ 11,066,818	\$ 15,829,875	\$ 26,896,693

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF HARRISON, WISCONSIN  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
IN NET POSITION – PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Water Utility	Sewer Utility	Total
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,467,126	\$ 1,169,809	\$ 2,636,935
Miscellaneous Revenue	4,471	10,611	15,082
Total Operating Revenues	<u>1,471,597</u>	<u>1,180,420</u>	<u>2,652,017</u>
<b>OPERATING EXPENSES</b>			
Sewage Service	-	763,332	763,332
Water Service	1,297,919	-	1,297,919
Depreciation Expense	212,324	259,244	471,568
Total Operating Expenses	<u>1,510,243</u>	<u>1,022,576</u>	<u>2,532,819</u>
<b>OPERATING INCOME (LOSS)</b>	(38,646)	157,844	119,198
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	149,552	149,513	299,065
Total Nonoperating Revenues (Expenses)	<u>149,552</u>	<u>149,513</u>	<u>299,065</u>
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	110,906	307,357	418,263
<b>CAPITAL CONTRIBUTIONS</b>	<u>726,251</u>	<u>752,865</u>	<u>1,479,116</u>
<b>CHANGE IN NET POSITION</b>	837,157	1,060,222	1,897,379
Net Position - Beginning of Year	<u>10,229,661</u>	<u>14,769,653</u>	<u>24,999,314</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 11,066,818</u></u>	<u><u>\$ 15,829,875</u></u>	<u><u>\$ 26,896,693</u></u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF HARRISON, WISCONSIN  
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Water Utility	Sewer Utility	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 1,209,016	\$ 1,259,377	\$ 2,468,393
Payments to Suppliers	(1,060,951)	(559,869)	(1,620,820)
Interfunds	(199,775)	(82,652)	(282,427)
Payments to Employees	(235,202)	(233,450)	(468,652)
Net Cash Provided (Used) by Operating Activities	(286,912)	383,406	96,494
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	(90,336)	(121,120)	(211,456)
Principal Paid on Long-Term Debt	-	(42,556)	(42,556)
Net Cash Provided by Capital and Related Financing Activities	(90,336)	(163,676)	(254,012)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	149,552	149,513	299,065
Net Cash Provided by Investing Activities	149,552	149,513	299,065
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(227,696)	369,243	141,547
Cash and Cash Equivalents - Beginning of Year	2,712,230	4,124,088	6,836,318
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,484,534</u>	<u>\$ 4,493,331</u>	<u>\$ 6,977,865</u>

See accompanying Notes to Basic Financial Statements.

**VILLAGE OF HARRISON, WISCONSIN**  
**STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2023**

	Water Utility	Sewer Utility	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ (38,646)	\$ 157,844	\$ 119,198
Adjustments to Reconcile Operating Loss to Net Cash Provided (Used) by Operating Activities:			
Depreciation	212,324	259,244	471,568
Allocated Depreciation	23,154	(22,816)	338
Effects of Changes in Operating Assets and Liabilities:			
Receivables	10,512	78,957	89,469
Prepays	5,004	5,004	10,008
Inventories	92	38	130
Deferred Outflows	(63,162)	(63,162)	(126,324)
Pension Asset	48,590	48,590	97,180
Accounts Payable and Other Current Liabilities	(273,706)	(32,312)	(306,018)
Due to Other Funds	(222,929)	(59,836)	(282,765)
Deferred Inflows	11,855	11,855	23,710
Net Cash Provided (Used) by Operating Activities	\$ (286,912)	\$ 383,406	\$ 96,494
 <b>CASH AND CASH EQUIVALENTS AT DECEMBER 31 ARE RECONCILED FROM THE BALANCE SHEET AS FOLLOWS:</b>			
Cash and Cash Equivalents	\$ 2,484,534	\$ 4,493,331	\$ 6,977,865
Restricted Cash and Cash Equivalents	-	-	-
Total Cash and Cash Equivalents	\$ 2,484,534	\$ 4,493,331	\$ 6,977,865

See accompanying Notes to Basic Financial Statements.



**VILLAGE OF HARRISON, WISCONSIN  
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS  
DECEMBER 31, 2023**

**ASSETS**

Cash and Investments	\$ 8,509,585
Receivables:	
Taxes and Special Charges	<u>9,732,700</u>
Total Assets	<u>18,242,285</u>

**LIABILITIES**

Due to Other Governments	<u>-</u>
Total Liabilities	-

**DEFERRED INFLOWS OF RESOURCES**

Property Taxes Levied for Subsequent Year	<u>18,242,285</u>
Total Deferred Inflows of Resources	<u>18,242,285</u>

**NET POSITION - RESTRICTED**

	<u><u>\$ -</u></u>
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*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF HARRISON, WISCONSIN  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS  
YEAR ENDED DECEMBER 31, 2023**

<b>ADDITIONS</b>		
Tax Collections		\$ 18,242,285
Total Additions		<u>18,242,285</u>
<b>DEDUCTIONS</b>		<u>18,242,285</u>
Total Deductions		<u>18,242,285</u>
<b>CHANGE IN NET POSITION</b>		-
Net Position - Beginning of Year		<u>-</u>
<b>NET POSITION - END OF YEAR</b>		<u><u>\$ -</u></u>

*See accompanying Notes to Basic Financial Statements.*

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Village of Harrison, Wisconsin (the Village), 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 Village are described below:

**A. Reporting Entity**

The Village is a municipal corporation governed by an elected seven-member board (the Village Board). In accordance with U.S. GAAP, the basic financial statements are required to include the Village and any separate component units that have a significant operational or financial relationship with the Village. The Village has not identified any component units that are required to be included in the basic financial statements.

**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 Village. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. The Village has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Village reports the following major governmental funds:

General Fund

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

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

Debt Service Fund

Used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Fund

Used to account for the accumulation of resources for, and the payment of, general capital projects of the Village.

The Village has the following major enterprise funds:

Harrison Utilities

Harrison Utilities operates a water and sewer utility serving customers in the Village of Harrison and surrounding communities.

In addition, the Village reports Custodial funds to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and /or other governmental units. The Villages reports tax roll collection activity in the custodial fund.

**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*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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

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

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Measurement Focus and Basis of Accounting (Continued)**

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

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

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

**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. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

**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 Village 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 Village. Special charges not paid by January 31 are held in trust by the County and remitted to the Village, including interest, when collected by the County.

**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.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**4. Special Assessments**

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made within the period of availability.

**5. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "Due from Other Funds" and "Due to Other Funds" in the fund financial statements.

**6. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual costs of \$5,000 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. Land and construction in progress are not depreciated. Other capital assets of the Village are depreciated using the straight-line method over the following estimated useful lives:

Land Improvements	20 to 40 Years
Buildings and Improvements	25 Years
Machinery and Equipment	5 to 20 Years
Infrastructure	25 Years

**7. Deferred Outflows/Inflows of Resources**

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

Governmental funds may report deferred inflows of resources for unavailable revenues and taxes levied for the subsequent year. The Village reports unavailable revenues for special assessments. These inflows are recognized as revenues in the government-wide financial statements.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**8. Long-Term Obligations**

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund 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.

**9. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**10. 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.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**10. Fund Equity (Continued)**

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

Assigned Fund Balance: Amounts that are constrained for specific purposes by action of Village management. The Village Board has authorized the Village Manager to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

Unassigned Fund Balance: Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The Village 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 and Proprietary Fund Statements

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

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

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

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

**E. Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP 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.



**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**F. Changes in Accounting Policies**

The Village adopted Statement of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, as of January 1, 2023. Implementation of this standard did not have a material impact on these financial statements.

**NOTE 2 STEWARDSHIP AND COMPLIANCE**

**A. Budgets and Budgetary Accounting**

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

1. During October, Village management submits to the Village 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 Village Board action.
2. Budgets are adopted on a basis consistent with U.S. GAAP for all governmental funds, except for the Tax Incremental District No. 1 and Tax Incremental District No. 2. 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 governmental funds adopting a budget.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Village. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Village Board.
5. Encumbrance accounting is not used by the Village to record commitments related to unperformed contracts for goods or services.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)**

**B. Deficit Fund Equity**

The following funds had a deficit fund balance as of December 31, 2023:

	Deficit Fund Balance
Fund:	
Debt Service	\$ (356,710)
TIF District No. 5	(596,206)
TIF District No. 6	(251,000)
Total	\$ (952,916)

The Village anticipates future tax increments will finance the deficit of the tax incremental districts.

**C. Property Tax Levy Limit**

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2023 budget year, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the Village's January 1 equalized value as a result of net new construction. 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 CASH AND INVESTMENTS**

The Village maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and Investments." Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

- Time deposits
- Repurchase agreements
- Securities issued by federal, state, and local governmental entities
- Statutorily authorized commercial paper and corporate securities
- Wisconsin local government investment pool

The carrying amount of the Village's cash and investments totaled \$35,046,707 as of December 31, 2023 as summarized below:

Petty Cash and Cash on Hand	\$ 323
Deposits with Financial Institutions	34,780,384
Investments:	
Wisconsin Local Government Investment Pool	266,000
Total	\$ 35,046,707

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Fair Value Measurements**

The Village categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. 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 Village currently has no investments that are subject to fair value measurement.

Deposits and investments of the Village are subject to various risks. Presented below is a discussion of the Village's deposits and investments 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 Village 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, 2023, \$2,584,141 of the Village's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Custodial Credit Risk (Continued)**

The Village has investments in the Wisconsin local government investment pool of \$248,996 at December 31, 2023. 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 Village's share of the LGIP's assets was substantially equal to the carrying value.

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

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Local Government Investment Pool has a weighted average maturity of 17 days.

**Credit Risk**

Credit risk is the risk that an issue or other counterparty to an investment will not fulfill its obligations. The Village's investment policy does not address credit risk for investments. The Village holds investments in LGIP, which is not rated.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 CAPITAL ASSETS**

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

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,565,180	\$ -	\$ -	\$ 2,565,180
Construction in Progress	131,386	1,695,829	266,207	1,561,008
Total Capital Assets, Not Being Depreciated	2,696,566	1,695,829	266,207	4,126,188
Capital Assets, Being Depreciated:				
Land Improvements	3,265,004	426,306	37,589	3,653,721
Buildings and Improvements	2,673,499	117,709	-	2,791,208
Machinery and Equipment	6,934,402	578,696	87,876	7,425,222
Infrastructure	17,550,413	316,336	66,245	17,800,504
Subtotals	30,423,318	1,439,047	191,710	31,670,655
Less Accumulated Depreciation for:				
Land Improvements	755,530	128,616	27,567	856,579
Buildings and Improvements	1,174,537	70,215	-	1,244,752
Machinery and Equipment	3,929,467	345,435	66,832	4,208,070
Infrastructure	4,296,972	698,982	44,119	4,951,835
Subtotals	10,156,506	1,243,248	138,518	11,261,236
Total Capital Assets, Being Depreciated, Net	14,334,427	195,799	53,192	20,409,419
Governmental Activities Capital Assets, Net	\$ 17,030,993	\$ 1,891,628	\$ 319,399	24,535,607
Less: Capital Related Debt				(4,690,000)
Add: Unspent Bond Proceeds				2,655,474
Net Investment in Capital Assets				\$ 22,501,081

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

<b>Governmental Activities:</b>	
General Government	\$ 102,282
Public Safety	113,032
Public Works	947,763
Culture and Recreation	80,171
Total Depreciation Expense - Governmental Activities	\$ 1,243,248

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

**Water Utility**

Capital Assets, Not Being Depreciated:				
Land	\$ 70,720	\$ -	\$ -	\$ 70,720
Construction in Progress	-	-	-	-
Total Capital Assets, Not Being Depreciated	<u>70,720</u>	<u>-</u>	<u>-</u>	<u>70,720</u>
Capital Assets, Being Depreciated:				
Supply Mains	-	22,180	-	22,180
Tran/Dist-Structures & Improve	-	336,515	-	336,515
Transmission and Distribution	6,777,671	456,259	22,180	7,211,750
Service Connections	1,656,749	180,692	-	1,837,441
Meters	805,008	63,878	14,590	854,296
Hydrants	1,161,821	91,108	-	1,252,929
Misc Structure and Improv.	699,835	-	336,515	363,320
Office Furniture and Equip.	61,208	-	-	61,208
Computers	40,774	4,138	-	44,912
Transportation	92,177	20,399	11,824	100,752
Store Equipment	-	3,553	-	3,553
Other General Plant	33,098	124	25,093	8,129
Power Operated Equipment	-	21,540	-	21,540
Subtotals	<u>11,328,341</u>	<u>1,200,386</u>	<u>410,202</u>	<u>12,118,525</u>
Less Accumulated Depreciation for:				
Supply Mains				-
Tran/Dist-Structures & Improve				-
Transmission and Distribution	1,450,489	65,810	-	1,516,299
Service Connections	702,655	50,666	-	753,321
Meters	344,984	45,631	14,590	376,025
Hydrants	395,526	26,562	-	422,088
Misc Structure and Improv.	306,133	16,213	-	322,346
Office Furniture and Equip.	64,757	3,550	-	68,307
Computers	48,583	11,399	-	59,982
Transportation	85,561	12,830	11,814	86,577
Store Equipment	-	2,817	-	2,817
Other General Plant	35,895	-	-	35,895
Subtotals	<u>3,434,583</u>	<u>235,478</u>	<u>26,404</u>	<u>3,643,657</u>
Total Capital Assets, Being Depreciated, Net	<u>14,334,427</u>	<u>964,908</u>	<u>383,798</u>	<u>8,474,868</u>
Water Utility Capital Assets, Net	<u>\$ 14,405,147</u>	<u>\$ 964,908</u>	<u>\$ 383,798</u>	8,545,588
Less: Capital Related Debt				-
Net Investment in Capital Assets				<u>\$ 8,545,588</u>

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 CAPITAL ASSETS (CONTINUED)**

**Sewer Utility**

Capital Assets, Not Being Depreciated:				
Land	\$ 41,436	\$ -	\$ -	\$ 41,436
Total Capital Assets, Not Being Depreciated	41,436	-	-	41,436
Capital Assets, Being Depreciated:				
Service Connections	1,429,501	240,025	-	1,669,526
Collecting Mains	9,200,153	613,652	26,992	9,786,813
Force Mains	1,529,258	-	-	1,529,258
Electrical Pumping Equipment	8,325	22,649	-	30,974
Lift Stations	1,898,413	-	12,390	1,886,023
Misc. Structure and Improvements	405,988	-	-	405,988
Office Furniture and Equipment	106,258	124	40,775	65,607
Computer Equipment	-	44,913	-	44,913
Transportation equipment	92,177	20,399	11,824	100,752
Other General Plant	59,101	-	-	59,101
Subtotals	<u>14,729,174</u>	<u>941,762</u>	<u>91,981</u>	<u>15,578,955</u>
Less Accumulated Depreciation for:				
Service Connections	565,443	20,144	-	585,587
Collecting Mains	2,270,336	106,063	12,390	2,364,009
Force Mains	386,020	29,056	-	415,076
Electrical Pumping Equipment	416	1,965	-	2,381
Lift Stations	486,813	37,844	-	524,657
Misc. Structure and Improvements	200,143	10,150	-	210,293
Office Furniture and Equipment	113,366	10,833	11,814	112,385
Transportation Equipment	101,227	14,470	-	115,697
Other General Plant	63,870	5,903	-	69,773
Subtotals	<u>4,187,634</u>	<u>236,428</u>	<u>24,204</u>	<u>4,399,858</u>
Total Capital Assets, Being Depreciated, Net	<u>10,541,540</u>	<u>705,334</u>	<u>67,777</u>	<u>11,179,097</u>
Business-Type Activities Capital Assets, Net	<u>\$ 10,582,976</u>	<u>\$ 705,334</u>	<u>\$ 67,777</u>	11,220,533
Less: Capital Related Debt				-
Net Investment in Capital Assets				<u>\$ 11,220,533</u>

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 5 INTERFUND RECEIVABLE, PAYABLES, AND TRANSFERS**

Interfund receivables and payables between individual funds of the Village, as reported in the fund financial statements, as of December 31, 2023 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance Operating		
Cash Deficits:		
Governmental Funds:		
General Fund	\$ 847,206	\$ -
TIF District No. 5	-	596,206
TIF District No. 6	-	251,000
Total	\$ 847,206	\$ 847,206

**NOTE 6 LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2023:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt					
Direct Placements:					
Notes	\$ 5,490,000	\$ 1,400,000	\$ 830,000	\$ 6,060,000	\$ 1,165,000
State Trust Fund Loans	-	-	-	-	-
Governmental Activities	\$ 5,490,000	\$ 1,400,000	\$ 830,000	\$ 6,060,000	\$ 1,165,000
Long-Term Obligations	\$ 5,490,000	\$ 1,400,000	\$ 830,000	\$ 6,060,000	\$ 1,165,000
Business-Type Activities:					
General Obligation Debt					
Direct Placements:					
Clean Water Fund Loans (1)	\$ 479,975	-	\$ 42,556	\$ 437,419	\$ 43,682
Governmental Activities	\$ 479,975	-	\$ 42,556	\$ 437,419	\$ 43,682
Long-Term Obligations	\$ 479,975	-	\$ 42,556	\$ 437,419	\$ 43,682

Interest paid during the year on long-term debt totaled \$81,794.

- (1) The proceeds of the Village of Harrison Sewer Utility's 2013 Sewer Clean Water Fund Loan were paid directly to the Neenah-Menasha Sewerage Commission for expansion of the regional plant. Principal and interest payments on this debt will be paid by the Neenah-Menasha Sewerage Commission under an agency agreement. The debt service is recovered by Neenah-Menasha Sewerage Commission as part of its annual use charges. The resulting due from other governments and revenue bonds of a like amount has been recorded by the Village of Harrison Sewer Utility and will be reduced as payments are made.



**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)**

**General Obligation Debt**

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
General Obligation Notes	2/13/13	5/1/32	0.5 - 2.0%	\$ 816,856	\$ 437,419
General Obligation Notes	11/17/20	3/1/30	3.75%	1,425,000	1,195,000
General Obligation Notes	11/17/20	3/1/35	2.00%	1,880,000	1,370,000
General Obligation Notes	12/31/21	6/30/22	4.00%	500,000	-
General Obligation Notes	3/31/22	9/1/32	2.00%	1,305,000	970,000
General Obligation Notes	11/15/22	9/1/32	4.00-5.00%	1,600,000	1,125,000
General Obligation Notes	12/14/23	3/1/33	5.00%	1,400,000	1,400,000
Total Outstanding					
General Obligation Debt					<u>\$ 6,497,419</u>

Annual principal and interest maturities of the outstanding general obligation debt on December 31, 2023 are detailed below:

<u>Year Ended December 31,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,165,000	\$ 134,500	\$ 43,682	\$ 10,996
2025	560,000	123,730	44,838	9,825
2026	570,000	108,780	46,024	8,623
2027	585,000	92,905	47,242	7,389
2028	600,000	76,655	48,492	6,123
2029 - 2033	2,345,000	166,481	207,142	11,140
2034 - 2035	235,000	4,750	-	-
Total	<u>\$ 6,060,000</u>	<u>\$ 707,801</u>	<u>\$ 437,420</u>	<u>\$ 54,096</u>

**Legal Margin for New Debt**

The Village's legal margin for creation of additional general obligation debt on December 31, 2023 was \$74,892,220 as follows:

Equalized Valuation at the Village	\$ 1,906,862,30
Statutory Limitation Percentage	<u>(x) 5</u>
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	95,343,11
Total Outstanding General Obligation Debt Applicable to Debt Limitation	<u>6,497,42</u>
Legal margin for New Debt	<u>\$ 88,845,69</u>

General obligation notes are direct placements in which the full faith and is secured by the Village's taxing authority. These notes are not subject to any special terms related to events of default, termination events or escalation clauses. The Clean Water Fund loan is a private placement which contains a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to be come immediately due if the lender determines that a material adverse change occurs. The Clean Water Fund Loan is secured by the Village's taxing authority.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 PENSION PLAN**

**Plan Description**

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

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

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

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

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

The WRS also provides death and disability benefits for employees.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 PENSION PLAN (CONTINUED)**

**Postretirement Adjustments**

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

The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2013	(9.6)%	9.0 %
2014	4.7 %	25.0 %
2015	2.9 %	2.0 %
2016	0.5 %	(5.0)%
2017	2.0 %	4.0 %
2018	2.4 %	17.0 %
2019	- %	(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, and 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 remained 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 year ended December 31, 2023, the WRS recognized \$91,778 in contributions from the Village.

Contribution rates as of December 31, 2023 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Including Teachers)	6.50 %	6.50 %
Protective with Social Security	6.50 %	12.00 %
Protective without Social Security	6.50 %	16.40 %

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 PENSION PLAN (CONTINUED)**

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

At December 31, 2023, the Village reported a liability of \$384,016 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension asset used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2023.

No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2022, the Village's proportion was .00724874%, which was an increase of 0.00041462% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the Village recognized pension expense of \$196,174.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 611,618	\$ 803,531
Net Differences Between Projected and Actual		
Earnings on Pension Plan Investments	652,357	-
Changes in Assumptions	75,513	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	3,430	8,040
Employer Contributions Subsequent to the Measurement Date	100,743	-
Total	<u>\$ 1,443,661</u>	<u>\$ 811,571</u>

\$100,743 reported as deferred outflows related to pension resulting from the Village's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 PENSION PLAN (CONTINUED)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 22,190
2025	109,484
2026	111,599
2027	288,074
Total	\$ 531,347

**Actuarial Assumptions**

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

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

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

Actuarial assumptions are based upon an experience study conducted in 2019 that covered a three-year period from January 1, 2016 to December 31, 2018. The Total Pension Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

**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.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 PENSION PLAN (CONTINUED)**

**Long-Term Expected Return on Plan Assets (Continued)**

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund Asset Class:			
Global Equities	48.0 %	7.6 %	5.0 %
Fixed Income	25.0	5.3	2.7
Inflation Sensitive Assets	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	<u>115.0 %</u>	7.4	4.8
Variable Fund Asset Class:			
U.S. Equities	70.0 %	7.2	4.6
International Equities	30.0	8.1	5.5
Total Variable Fund	<u>100.0 %</u>	7.7	5.1

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

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

**Single Discount Rate**

A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members 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.

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 7 PENSION PLAN (CONTINUED)**

**Sensitivity of the Village's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the Village's proportionate share of the net pension liability December 31, 2023 calculated using the discount rate of 7.0%, as well as what the Village's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.0%) or one-percentage-point higher (8.0%) than the current rate:

	1% Decrease to Discount Rate (6%)	Current Discount Rate (7%)	1% Increase to Discount Rate (8%)
Village's Proportionate Share of the Net Pension Liability (Asset)	<u>\$ 1,274,539</u>	<u>\$ 384,016</u>	<u>\$ (228,586)</u>

**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>.

**Payables to the Pension Plan**

At December 31, 2023, the Village reported a payable of \$24,202 for the outstanding amount of contributions to the pension plan.

**NOTE 8 FUND EQUITY**

**Restricted Fund Balance**

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2023, restricted fund balance was as follows:

Special Revenue Funds:	
Restricted for:	
Park Improvements	\$ 954,708
Law Enforcement Impact	94,370
Fire Department Impact	801,380
Stormwater	73,990
Total Special Revenue Fund Restricted Fund Balance	1,924,448
Capital Project Funds:	
Restricted for:	
TIF Project Costs	1,211,493
Capital Projects	2,655,474
Total Capital Project Funds	3,866,967
Total Restricted Fund Balance	\$ 5,791,415

**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 8 FUND EQUITY (CONTINUED)**

**Net Position**

The Village reports restricted net position at December 31, 2023 as follows:

Governmental Activities:

Restricted for:

Park Improvements	\$	954,708
Law Enforcement Impact		94,370
Fire Department Impact		801,380
Stormwater		73,990
Capital Projects		1,211,493
Total Restricted Net Position	<u>\$</u>	<u>3,135,941</u>

**NOTE 9 OTHER INFORMATION**

**A. Tax Incremental Financing Districts**

The Village has established separate capital projects funds for Tax Incremental District (TID) No. 1 and Tax Incremental District (TID) No. 2, Tax Incremental District (TID) No. 3, and Tax Incremental District (TID) No. 4, which were created by the Village in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the District was created, the property tax base within the District was “frozen” and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the Village to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. The Village’s District is still eligible to incur project costs.

Since creation of the above Districts, the Village has provided various financing sources to the TIDs. The foregoing amounts are not recorded as liabilities in the TID capital project funds but can be recovered by the Village from any future excess tax increment revenues.

**B. Risk Management**

The Village 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 Village completes an annual review of its insurance coverage to ensure adequate coverage. The Village has not made significant changes to coverage from the previous year. The Village’s losses have not exceed coverage in any of the prior three years.



**VILLAGE OF HARRISON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 9 OTHER INFORMATION (CONTINUED)**

**C. Contingencies**

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

**D. Commitments and Contingent Liabilities**

The Village has a contract with the City of Appleton to pay for half the cost of the storm sewer, paving, grade and gravel, and temporary asphalt paving for certain properties located in the Village boundaries and the City's utility service area. The payments are subject to certain terms and conditions as agreed upon between the Village and the City, and continue through the year December 31, 2025. The Village also has an agreement with a developer to reimburse the Village for these costs. The Village received from the developer and paid to the City \$114,099 in 2023 in accordance with this agreement.

**VILLAGE OF HARRISON, WISCONSIN  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) –  
WISCONSIN RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS**

<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>
12/31/16	0.00433812 %	\$ 35,756	\$ 657,314	5.44 %	99.12 %
12/31/17	0.00438854	(130,300)	657,579	19.82	102.93
12/31/18	0.00523332	186,185	1,023,633	18.19	96.45
12/31/19	0.00589879	(190,203)	1,051,708	18.09	102.96
12/31/20	0.00693660	(433,061)	1,257,777	34.43	105.26
12/31/21	0.00683412	(550,842)	1,069,387	0.52	106.02
12/31/22	0.00724874	384,016	1,335,011	0.29	95.72

*See accompanying Note to Required Supplementary Information.*

**VILLAGE OF HARRISON, WISCONSIN  
SCHEDULE OF CONTRIBUTIONS – WISCONSIN RETIREMENT SYSTEM  
LAST TEN FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (Fiscal Year)	Contributions as a Percentage of Covered Payroll
12/31/16	\$ 43,383	\$ 43,383	\$ -	\$ 657,314	6.60 %
12/31/17	44,716	44,716	-	657,579	6.80
12/31/18	68,583	68,583	-	1,023,633	6.70
12/31/19	68,887	68,887	-	1,051,708	6.55
12/31/20	84,900	84,900	-	1,257,777	6.75
12/31/21	72,184	72,184	-	1,069,387	6.75
12/31/22	91,777	91,777	-	1,335,011	7%
12/31/23	100,743	100,743	-	1,481,503	7%

See accompanying Note to Required Supplementary Information.

**VILLAGE OF HARRISON, WISCONSIN  
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2023**

**NOTE 1**

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

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

**VILLAGE OF HARRISON, WISCONSIN  
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

	Special Revenue						Capital Projects						Total
	Park Impact Fees Fund	Law Enforcement Impact Fees	Fire Department Impact Fees	Fire Department	Stormwater	ARPA	Tax Incremental District No. 1	Tax Incremental District No. 2	Tax Incremental District No. 3	Tax Incremental District No. 4	Tax Incremental District No. 5	Tax Incremental District No. 6	
	<b>ASSETS</b>												
Cash and Investments	\$ 957,327	\$ 94,370	\$ 801,380	\$ -	74,884	\$ 594,793	\$ 1,275,225	\$ 411,476	\$ 145,862	\$ 347,559	\$ -	\$ -	\$ 4,702,876
Receivables:													
Taxes and Special Charges	-	-	-	-	-	-	506,407	228,422	69,851	303,173	-	-	1,107,853
Total Assets	<u>\$ 957,327</u>	<u>\$ 94,370</u>	<u>\$ 801,380</u>	<u>\$ -</u>	<u>\$ 74,884</u>	<u>\$ 594,793</u>	<u>\$ 1,781,632</u>	<u>\$ 639,898</u>	<u>\$ 215,713</u>	<u>\$ 650,732</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,810,729</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>													
<b>LIABILITIES</b>													
Accounts Payable	\$ 2,619	\$ -	\$ -	\$ -	894	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,513
Unearned revenue	-	-	-	-	-	594,793	-	-	-	-	-	-	594,793
Due to Other Funds	-	-	-	-	-	-	-	-	-	-	596,206	251,000	847,206
Total Liabilities	<u>2,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>894</u>	<u>594,793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>596,206</u>	<u>251,000</u>	<u>1,445,512</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>													
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-	949,174	428,138	130,924	568,246	-	-	2,076,482
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>949,174</u>	<u>428,138</u>	<u>130,924</u>	<u>568,246</u>	<u>-</u>	<u>-</u>	<u>2,076,482</u>
<b>FUND BALANCES</b>													
Restricted	954,708	94,370	801,380	-	73,990	-	832,458	211,760	84,789	82,486	-	-	3,135,941
Unassigned	-	-	-	-	-	-	-	-	-	-	(596,206)	(251,000)	(847,206)
Total Fund Balances	<u>954,708</u>	<u>94,370</u>	<u>801,380</u>	<u>-</u>	<u>73,990</u>	<u>-</u>	<u>832,458</u>	<u>211,760</u>	<u>84,789</u>	<u>82,486</u>	<u>(596,206)</u>	<u>(251,000)</u>	<u>2,288,735</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 957,327</u>	<u>\$ 94,370</u>	<u>\$ 801,380</u>	<u>\$ -</u>	<u>\$ 74,884</u>	<u>\$ 594,793</u>	<u>\$ 1,781,632</u>	<u>\$ 639,898</u>	<u>\$ 215,713</u>	<u>\$ 650,732</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,810,729</u>

**VILLAGE OF HARRISON, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Special Revenue						Capital Projects						Total
	Park Impact Impact Fees	ARPA Grant	Law Enforcement Impact Fees	Fire Department Impact Fees	Fire Department	Storm Water	Tax Incremental District No. 1	Tax Incremental District No. 2	Tax Incremental District No. 3	Tax Incremental District No. 4	Tax Incremental District No. 5	Tax Incremental District No. 6	
<b>REVENUES</b>													
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 947,412	\$ 126,364	\$ 128,432	\$ 268,063	\$ -	\$ -	\$ 1,470,271
Intergovernmental	-	381,593	-	-	-	-	-	-	-	-	-	-	381,593
Licenses and Permits	78,422	-	8,879	76,165	-	-	-	-	-	-	-	-	163,466
Public Charges for Service	-	-	-	-	-	447,995	-	-	-	-	-	-	447,995
<b>Total Revenues</b>	<b>78,422</b>	<b>381,593</b>	<b>8,879</b>	<b>76,165</b>	<b>-</b>	<b>447,995</b>	<b>947,412</b>	<b>126,364</b>	<b>128,432</b>	<b>268,063</b>	<b>-</b>	<b>-</b>	<b>2,463,325</b>
<b>EXPENDITURES</b>													
Current:													
General Government	-	381,593	-	-	-	-	-	-	-	-	9,302	-	390,895
Public Works	-	-	-	-	-	72,836	-	-	-	-	-	-	72,836
Conservation and Development	-	-	-	-	-	-	564,593	97,054	39,083	182,500	3,547	251,000	1,137,777
Debt Service:													
Capital Outlay	210,333	-	-	-	-	301,169	-	-	-	-	-	-	511,502
<b>Total Expenditures</b>	<b>210,333</b>	<b>381,593</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>374,005</b>	<b>564,593</b>	<b>97,054</b>	<b>39,083</b>	<b>182,500</b>	<b>12,849</b>	<b>251,000</b>	<b>2,113,010</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(131,911)</b>	<b>-</b>	<b>8,879</b>	<b>76,165</b>	<b>-</b>	<b>73,990</b>	<b>382,819</b>	<b>29,310</b>	<b>89,349</b>	<b>85,563</b>	<b>(12,849)</b>	<b>(251,000)</b>	<b>350,315</b>
Fund Balances - Beginning of Year	1,086,619	-	85,491	725,215	-	-	449,639	182,450	(4,560)	(3,077)	(583,357)	-	1,938,420
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 954,708</b>	<b>\$ -</b>	<b>\$ 94,370</b>	<b>\$ 801,380</b>	<b>\$ -</b>	<b>\$ 73,990</b>	<b>\$ 832,458</b>	<b>\$ 211,760</b>	<b>\$ 84,789</b>	<b>\$ 82,486</b>	<b>\$ (596,206)</b>	<b>\$ (251,000)</b>	<b>\$ 2,288,735</b>



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