

PRELIMINARY OFFICIAL STATEMENT DATED JULY 28, 2022

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Bonds is excludable from gross income and is not an item of tax preference for federal income tax purposes. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Bonds. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

The Bonds are "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

New Issue

Rating Application Made: Moody's Investors Service, Inc.

CITY OF CHIPPEWA FALLS, WISCONSIN (Chippewa County)

\$3,805,000* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2022C

BID OPENING: August 2, 2022, 10:00 A.M., C.T.

CONSIDERATION: August 2, 2022, 6:30 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$3,805,000* General Obligation Corporate Purpose Bonds, Series 2022C (the "Bonds") are authorized pursuant to Section 67.04, Wisconsin Statutes, by the City of Chippewa Falls, Wisconsin (the "City"), for the public purposes of paying the costs of street and sewerage projects, consisting of storm water projects and current refunding certain outstanding general obligations of the City as more fully described herein. The Bonds are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF BONDS: August 23, 2022

MATURITY: As follows:

<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>	<u>Maturity</u>	<u>Amount*</u>
10/01/2023	\$370,000	10/01/2030	\$290,000	10/01/2037	\$120,000
10/01/2024	265,000	10/01/2031	185,000	10/01/2038	150,000
10/01/2025	155,000	10/01/2032	190,000	10/01/2039	120,000
10/01/2026	260,000	10/01/2033	105,000	10/01/2040	125,000
10/01/2027	270,000	10/01/2034	110,000	10/01/2041	140,000
10/01/2028	285,000	10/01/2035	115,000	04/01/2042	150,000
10/01/2029	280,000	10/01/2036	120,000		

***MATURITY ADJUSTMENTS:** The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: April 1, 2023 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on October 1, 2031 and thereafter are subject to call for prior optional redemption on October 1, 2030 or any date thereafter, at a price of par plus accrued interest.

MINIMUM BID: \$3,757,438.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$76,100 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL &

DISCLOSURE COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. ***This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Preliminary Official Statement is not to be construed as a contract with the Syndicate Manager or Syndicate Members. Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete.

Quarles & Brady LLP will serve as Disclosure Counsel to the City with respect to the Bonds. Compensation of Ehlers and Associates, Inc., payable entirely by the City, is contingent upon the delivery of the Bonds.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Preliminary Official Statement was prepared for the City for dissemination to potential investors. Its primary purpose is to disclose information regarding the Bonds to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Preliminary Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Preliminary Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which the City is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Bonds, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Bonds and all times subsequent thereto up to and including the time of the delivery of the Bonds, this Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Bonds; (3) a certificate evidencing the due execution of the Bonds, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Bonds, (b) neither the corporate existence or boundaries of the City nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the City which indicates that the City does not expect to use the proceeds of the Bonds in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

TABLE OF CONTENTS

INTRODUCTORY STATEMENT	1	GENERAL INFORMATION	30
THE BONDS	1	LOCATION	30
GENERAL	1	LARGER EMPLOYERS	30
OPTIONAL REDEMPTION	2	BUILDING PERMITS	31
AUTHORITY; PURPOSE	2	U.S. CENSUS DATA	32
ESTIMATED SOURCES AND USES	3	EMPLOYMENT/UNEMPLOYMENT DATA	32
SECURITY	3	FINANCIAL STATEMENTS	A-1
RATING	3	FORM OF LEGAL OPINION	B-1
CONTINUING DISCLOSURE	4	BOOK-ENTRY-ONLY SYSTEM	C-1
LEGAL MATTERS	4	FORM OF CONTINUING DISCLOSURE CERTIFICATE	D-1
TAX EXEMPTION	5	NOTICE OF SALE	E-1
ORIGINAL ISSUE DISCOUNT	5	BID FORM	
BOND PREMIUM	6		
QUALIFIED TAX-EXEMPT OBLIGATIONS	6		
MUNICIPAL ADVISOR	7		
MUNICIPAL ADVISOR AFFILIATED COMPANIES ...	7		
INDEPENDENT AUDITORS	7		
RISK FACTORS	7		
VALUATIONS	10		
WISCONSIN PROPERTY VALUATIONS; PROPERTY			
TAXES	10		
CURRENT PROPERTY VALUATIONS	11		
2021 EQUALIZED VALUE BY CLASSIFICATION ...	11		
TREND OF VALUATIONS	11		
LARGER TAXPAYERS	12		
DEBT	13		
DIRECT DEBT	13		
SCHEDULE OF GENERAL OBLIGATION DEBT	14		
SCHEDULE OF SEWER REVENUE DEBT	16		
SCHEDULE OF TAX INCREMENT REVENUE DEBT .	17		
SCHEDULE OF WATER REVENUE DEBT	18		
DEBT LIMIT	19		
OVERLAPPING DEBT	19		
DEBT RATIOS	20		
DEBT PAYMENT HISTORY	20		
FUTURE FINANCING	20		
TAX LEVIES AND COLLECTIONS	21		
TAX LEVIES AND COLLECTIONS	21		
PROPERTY TAX RATES	22		
LEVY LIMITS	22		
THE ISSUER	24		
CITY GOVERNMENT	24		
EMPLOYEES; PENSIONS	24		
OTHER POST EMPLOYMENT BENEFITS	25		
LITIGATION	26		
MUNICIPAL BANKRUPTCY	26		
FUNDS ON HAND	27		
ENTERPRISE FUNDS	28		
SUMMARY GENERAL FUND INFORMATION	29		

CITY OF CHIPPEWA FALLS COMMON COUNCIL

		<u>Term Expires</u>
Gregory Hoffman	Mayor	April 2023
Hayden Frey	Alderman	April 2023
Christopher Gilliam	Alderman	April 2023
Jason Hiess	Alderman	April 2023
Chuck Hull	Alderman	April 2024
Rob Kiefer	Alderman	April 2024
John Monarski	Alderman	April 2023
Paul Nadreau	Alderman	April 2024

ADMINISTRATION

Lynne Bauer, Finance Manager/Treasurer
Bridget Givens, City Clerk

PROFESSIONAL SERVICES

Robert Ferg, City Attorney, Chippewa Falls, Wisconsin

Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Roseville, Minnesota
(Other office located in Waukesha, Wisconsin)

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of Chippewa Falls, Wisconsin (the "City") and the issuance of its \$3,805,000* General Obligation Corporate Purpose Bonds, Series 2022C (the "Bonds"). Any descriptions or summaries of the Bonds, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Bonds to be included in the resolution awarding the sale of the Bonds ("Award Resolution") to be adopted by the Common Council on August 2, 2022.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Roseville, Minnesota, (651) 697-8500, the City's municipal advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE BONDS

GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of August 23, 2022. The Bonds will mature on the dates and in the amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on April 1 and October 1 of each year, commencing April 1, 2023, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2023 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Bonds are held under the book-entry system, beneficial ownership interests in the Bonds may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Bonds shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Bonds shall be payable as provided in the Award Resolution.

The City has selected Bond Trust Services Corporation, Roseville, Minnesota ("BTSC") to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

*Preliminary, subject to change.

OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after October 1, 2031 shall be subject to optional redemption prior to maturity on October 1, 2030 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Bonds are authorized pursuant to Section 67.04, Wisconsin Statutes, by the City, for the public purposes of paying the costs of street and sewerage projects, consisting of storm water projects and current refunding the portion of the City's General Obligation Corporate Purpose Bonds, Series 2014A, dated July 9, 2014 (the "Series 2014A Bonds") described below and all of the General Obligation Promissory Note, Series 2022A, which is expected to be dated July 28, 2022 (the "Series 2022A Note") as follows:

Issue Being Refunded	Date of Refunded Issue	Call Date	Call Price	Maturities Being Refunded	Interest Rates	Principal to be Refunded	CUSIP Base 169772
Series 2014A Bonds	7/9/14	10/1/22	Par	2024 (term)	3.000%	\$365,000	XE5
				2026 (term)	3.000%	225,000	XG0
				2028 (term)	3.500%	355,000	XJ4
				2030 (term)	3.750%	<u>350,000</u>	XL9
Total Series 2014A Bonds Being Refunded						<u>\$1,295,000</u>	

A portion of the proceeds of the Bonds will be used to call and prepay the Series 2014A Bonds shown above. The remaining portion of the above-described maturities of the Series 2014A Bonds will be refunded with proceeds of the Series 2022E Bonds (as defined herein).

Issue Being Refunded	Date of Refunded Issue	Call Date	Call Price	Maturity Being Refunded	Interest Rate	Principal to be Refunded
Series 2022A Note	7/28/22	8/24/22	Par	2023	2.000%	<u>\$719,000</u>
Total Series 2022A Note Being Refunded						<u>\$719,000</u>

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Bonds	<u>\$3,805,000</u>	
Total Sources		\$3,805,000
Uses		
Estimated Underwriter's Discount	\$47,563	
Costs of Issuance	68,900	
Deposit to Project Construction Fund	1,668,600	
Deposit to Refunding Fund	2,015,039	
Rounding Amount	<u>4,898</u>	
Total Uses		\$3,805,000

*Preliminary, subject to change.

SECURITY

For the prompt payment of the Bonds with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the City will be irrevocably pledged. The City will levy a direct, annual, irrevocable tax on all taxable property in the City sufficient to pay the interest on the Bonds when it becomes due and also to pay and discharge the principal on the Bonds at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

General obligation debt of the City is currently rated "Aa2" by Moody's Investors Service, Inc. ("Moody's").

The City has requested a rating on the Bonds from Moody's, and bidders will be notified as to the assigned rating prior to the sale. Such rating, if any, reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the City nor the underwriter undertake responsibility to bring to the attention of the owner of the Bonds any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Bonds, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the City shall agree to provide certain information to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events. The Disclosure Undertaking includes the two new material events effective February 27, 2019 under the Rule.

On the date of issue and delivery, the City shall execute and deliver a Continuing Disclosure Certificate, under which the City will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the City are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the City to comply with the Disclosure Undertaking will not constitute an event of default on the Bonds. However, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

In the previous five years, the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities, including the two new material events, to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the City.

LEGAL MATTERS

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City, and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the City; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B).

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Bonds. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Bonds under existing law substantially in the following form:

"The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The City has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the City comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds."

The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors as to collateral federal income tax consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Bonds may be enacted. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Bonds is less than the principal amount payable at maturity, such Bonds ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated

as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

BOND PREMIUM

To the extent that the initial offering price of certain of the Bonds is more than the principal amount payable at maturity, such Bonds ("Premium Bonds") will be considered to have bond premium.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. The amortizable bond premium of each Premium Bond is calculated on a daily basis from the issue date of such Premium Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Bond that has amortizable bond premium is not allowed any deduction for the amortizable bond premium; rather the amortizable bond premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds. Owners of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Bonds are "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the City in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

BTSC and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the City, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the City under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the City for the fiscal year ended December 31, 2020 have been audited by CliftonLarsonAllen LLP, Eau Claire, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

Following is a description of possible risks to holders of the Bonds without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here. Potential investors should read this Official Statement, including the appendices, in its entirety.

Taxes: The Bonds are general obligations of the City, the ultimate payment of which rests in the City's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the City in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State of Wisconsin (the "State") may affect the overall financial condition of the City, the taxable value of property within the City, and the ability of the City to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the City and to the Bonds. The City can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the City or the taxing authority of the City.

Ratings; Interest Rates: In the future, the City's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Bonds for resale prior to maturity.

Tax Exemption: If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Bonds may fall for purposes of resale. Noncompliance by the City with the covenants in the Award Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Bonds in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

Continuing Disclosure: A failure by the City to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Bonds to the accounts of the Beneficial Owners of the Bonds may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the City to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Bonds.

Depository Risk: Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and State insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the City, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the City may have an adverse effect on the value of the Bonds in the secondary market.

Secondary Market for the Bonds: No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof. Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Bonds will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

Cybersecurity: The City is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the City will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

Impact of the Spread of COVID-19: In late 2019, a novel strain of coronavirus (COVID-19) emerged in Wuhan, Hubei Province, China. COVID-19 has spread throughout the world, including to the United States, resulting in the World Health Organization proclaiming COVID-19 to be a pandemic and former President Trump declaring a national emergency. In response to the spread of COVID-19, the United States government, state governments, local governments and private industries have taken measures to limit social interactions in an effort to limit the spread of COVID-19. The effects of the spread of COVID-19 and the government and private responses to the spread continue to evolve. COVID-19 has caused significant disruptions to the global, national and State economy. The extent to which the coronavirus continues to impact the City and its financial condition will depend on future developments, which are uncertain and cannot be predicted by the City, including the duration of the outbreak and future measures taken to address the outbreak.

On March 12, 2020, Wisconsin Governor Tony Evers declared a public health emergency in the State in response to the growing threat of COVID-19. That declaration included direction to the state Department of Health Services to use any and all required resources to respond to and contain the outbreak. Governor Evers followed that up with a "safer at home" order (the "Order") on March 24, 2020, closing nonessential businesses, banning gatherings of any size and imposing strict travel restrictions through April 24, 2020. On April 16, 2020, the Order was extended from April 24, 2020 through May 26, 2020. On April 21, 2020, Republican legislators in the State filed a lawsuit challenging the legality of the Order. On May 13, 2020, the Wisconsin Supreme Court ruled that the State's Order is unlawful, invalid and unenforceable because the emergency rulemaking procedures under Section 227.24 of the Wisconsin Statutes and procedures established by the Wisconsin Legislature for rulemaking if criminal penalties were to follow were not followed in connection with the Order. The Supreme Court's decision does not invalidate any local health officials' orders or prevent future local health officials' orders related to the COVID-19 pandemic.

On July 30, 2020, Governor Evers issued Executive Order #82, declaring a public health emergency in Wisconsin to combat the spread of COVID-19. In conjunction with Executive Order #82, Governor Evers issued Emergency Order #1, requiring most people to wear face coverings when indoors, with certain exemptions in accordance with CDC guidelines. The public health emergency and mask orders have been extended multiple times, with the most recent extension on January 19, 2021 through March 20, 2021. On February 4, 2021, the Wisconsin Assembly voted to repeal the Governor's order requiring face coverings. Later the same day, Governor Evers issued a new Emergency Order #1 requiring the use of face coverings through April 5, 2021. On March 31, 2021, the Wisconsin Supreme Court struck down Emergency Order #1, finding that legislative approval was required to continue the order beyond its original 60-day period. The ruling does not impact the validity of local mandates.

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provides for federal payments from the Coronavirus Relief Fund to the State for the discrete purpose of covering expenses directly incurred as a result of COVID-19 between March 1 and December 30, 2020. On May 27, 2020, Governor Tony Evers announced a program titled, "Routes to Recovery: Local Government Aid Grants," which distributed \$190 million of the State's Coronavirus Relief Fund monies to all counties, cities, villages and towns across Wisconsin for unbudgeted eligible expenditures incurred due to COVID-19 between March 1 and November 17, 2020. The State allocated funds based on population with a guaranteed minimum allocation of \$5,000. The City's allocation was \$230,337. These funds were disbursed up to the amount of the allocation after eligible expenditures were reported through the State's cost tracker application. On March 11, 2021, President Biden signed the American Rescue Plan Act of 2021, which provides local governments an additional \$130.2 billion through the Coronavirus Local Fiscal Recovery Fund. These funds can be used to mitigate increased expenditures, lost revenue and economic hardship related to the COVID-19 pandemic, with half received in 2021 and half received in 2022. The City's allocation is \$1,503,668.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

CURRENT PROPERTY VALUATIONS

2021 Equalized Value	\$1,283,104,300
2021 Equalized Value Reduced by Tax Increment Valuation	\$1,120,159,100
2021 Assessed Value	\$1,221,709,200

2021 EQUALIZED VALUE BY CLASSIFICATION

	2021 Equalized Value¹	Percent of Total Equalized Value
Residential	\$701,736,800	54.691%
Commercial	447,531,000	34.879%
Manufacturing	97,712,200	7.615%
Agricultural	63,500	0.005%
Undeveloped	69,800	0.005%
Ag Forest	101,200	0.008%
Personal Property	35,889,800	2.797%
Total	<u>\$1,283,104,300</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value¹	Percent Increase/Decrease in Equalized Value
2017	\$821,204,500	\$900,213,300	3.78%
2018	881,208,700	1,000,582,900	11.15%
2019	896,517,600	1,116,087,900	11.54%
2020	1,211,818,800	1,227,874,800	10.02%
2021	1,221,709,200	1,283,104,300	4.50%

Source: Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

¹ Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2021 Equalized Value¹	Percent of City's Total Equalized Value
Mills Fleet Farm	Distribution Center	\$66,370,979	5.17%
Independence WI LLC	Sand Processing Center	29,104,110	2.27%
Chippewa Falls Warehouse	Trucking Transfer Facility	22,535,443	1.76%
Hewlett Packard Enterprise Company	Technology	17,229,475	1.34%
2 Rivers Real Estate	Real Estate	13,292,218	1.04%
Mason Shoe Manufacturing Co	Footwear	11,895,096	0.93%
Lakeland Drive LLC - Nordson EDI	Manufacturing	11,237,190	0.88%
Premium Waters Inc.	Bottled Water Company	10,681,161	0.83%
Vereit Real Estate LP	Real Estate	9,874,840	0.77%
TTM Advanced Circuits	Circuit Boards Manufacturer	9,508,995	0.74%
Total		\$201,729,507	15.72%
City's Total 2021 Equalized Value ²		\$1,283,104,300	

Source: The City.

¹ Calculated by dividing the 2021 Assessed Values by the 2021 Aggregate Ratio of assessment for the City.

² Includes tax increment valuation.

DEBT

DIRECT DEBT¹

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Bonds)*	<u>\$26,880,000</u>
-----------------------------------------------------	---------------------

Revenue Debt (see schedules following)

Total revenue debt secured by sewerage revenues (includes the Series 2022E Bonds, defined herein)*	<u>\$4,609,257</u>
-------------------------------------------------------------------------------------------------------	--------------------

Total revenue debt secured by tax increment revenues	<u>\$2,445,836</u>
------------------------------------------------------	--------------------

Total revenue debt secured by water revenues (includes the Series 2022D Bonds, defined herein)*	<u>\$1,663,988</u>
----------------------------------------------------------------------------------------------------	--------------------

Other Obligations

Issue Date	Original Amount	Name of Issue	Final Maturity	Amount Outstanding
08/09/2022	\$2,865,000	Note Anticipation Note, Series 2022B ²	08/01/2027	\$2,865,000

*Preliminary, subject to change.

¹ Outstanding debt is as of the dated date of the Bonds and excludes the obligations to be refunded.

² Preliminary, subject to change. The Note Anticipation Note is not a general obligation of the City but is secured by a pledge of the proceeds from the issuance of long-term general obligation debt.

City of Chippewa Falls, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 08/23/2022)

Calendar Year Ending	Taxable Refunding Bonds Series 2012B		Corporate Purpose Bonds Series 2014A		Corporate Purpose Bonds Series 2016A		Corporate Purpose Bonds Series 2017A		Corporate Purpose Bonds Series 2018A	
	Dated Amount	Maturity	06/12/2012 \$2,310,000	07/09/2014 \$3,970,000	06/28/2016 \$6,480,000	05/09/2017 \$3,580,000	10/03/2018 \$4,600,000	10/01	10/01	10/01
			04/01	10/01	10/01	10/01	10/01	10/01	10/01	10/01
			Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01
2022			Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023			0	2,494	340,000	60,425	280,000	43,631	155,000	36,011
2024			90,000	3,705	345,000	114,050	215,000	78,863	175,000	68,535
2025			85,000	1,211	340,000	107,150	300,000	72,413	170,000	64,423
2026					345,000	100,350	205,000	63,413	170,000	60,173
2027					355,000	93,450	115,000	57,263	180,000	55,753
2028					330,000	86,350	130,000	53,813	185,000	50,893
2029					335,000	79,750	135,000	49,913	190,000	45,713
2030					340,000	73,050	120,000	45,863	185,000	40,203
2031					345,000	66,250	240,000	42,263	85,000	34,653
2032					360,000	58,919	345,000	35,063	90,000	31,975
2033					370,000	50,819	140,000	24,713	90,000	29,140
2034					375,000	42,031	115,000	20,513	95,000	26,170
2035					385,000	32,656	120,000	17,063	95,000	23,035
2036					400,000	22,550	125,000	13,163	95,000	19,758
2037					420,000	5,775	125,000	9,100	105,000	16,480
2038							135,000	2,363	150,000	12,700
2039									200,000	7,300
2040										
2041										
2042										
			175,000	7,410	5,385,000	993,575	2,845,000	629,406	2,415,000	632,911

--Continued on next page

City of Chippewa Falls, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 08/23/2022)

Dated Amount	Corporate Purpose Bonds Series 2019A			Promissory Notes Series 2019B			Corporate Purpose Bonds Series 2020B			Corporate Purpose Bonds Series 2021A			Corporate Purpose Bonds Series 2022C			Principal Outstanding	Total P & I	Total Interest	Calendar Year Ending
	Principal	Interest		Principal	Interest		Principal	Interest		Principal	Interest		Principal	Interest					
Maturity	06/12/2019	12/01	06/12/2019	12/01	08/11/2020	12/01	12/21/2021	06/01	08/23/2022	10/01	08/23/2022	10/01	08/23/2022	10/01					
	\$2,395,000	\$700,000	\$2,395,000	\$700,000	\$2,790,000	\$2,790,000	\$7,230,000	\$7,230,000	\$3,805,000*	\$3,805,000*	\$3,805,000*	\$3,805,000*	\$3,805,000*	\$3,805,000*					
	Final Maturity 06/01	Final Maturity 06/01	Final Maturity 06/01	Final Maturity 06/01	Final Maturity 06/01	Final Maturity 06/01	Final Maturity 06/01	Final Maturity 06/01	Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01	Final Maturity 04/01					
2022	35,000	34,425	135,000	6,300	80,000	27,500	0	94,350	0	0	0	0	0	0	1,220,000	1,557,611	25,660,000	4.54%	2022
2023	35,000	67,800	140,000	8,550	130,000	53,400	430,000	180,100	370,000	133,062	370,000	133,062	370,000	133,062	1,930,000	2,638,064	23,730,000	11.72%	2023
2024	40,000	66,750	145,000	4,350	130,000	50,800	395,000	163,600	265,000	110,923	265,000	110,923	265,000	110,923	1,870,000	2,511,619	21,860,000	18.68%	2024
2025	120,000	65,550			135,000	48,200	615,000	143,400	155,000	103,900	155,000	103,900	155,000	103,900	1,765,000	2,349,985	20,095,000	25.24%	2025
2026	125,000	61,950			155,000	45,100	525,000	120,600	260,000	99,638	260,000	99,638	260,000	99,638	1,715,000	2,248,753	18,380,000	31.62%	2026
2027	125,000	58,200			155,000	42,000	505,000	102,525	270,000	92,228	270,000	92,228	270,000	92,228	1,700,000	2,186,008	16,680,000	37.95%	2027
2028	130,000	54,450			160,000	38,900	495,000	87,525	285,000	84,263	285,000	84,263	285,000	84,263	1,730,000	2,170,513	14,950,000	44.38%	2028
2029	130,000	50,550			160,000	35,700	330,000	75,115	280,000	75,713	280,000	75,713	280,000	75,713	1,545,000	1,941,228	13,405,000	50.13%	2029
2030	125,000	46,650			160,000	32,500	420,000	63,900	290,000	67,033	290,000	67,033	290,000	67,033	1,665,000	2,018,248	11,740,000	56.32%	2030
2031	135,000	42,900			135,000	29,300	400,000	53,600	185,000	57,898	185,000	57,898	185,000	57,898	1,650,000	1,959,654	10,090,000	62.46%	2031
2032	150,000	38,850			140,000	26,600	305,000	46,550	190,000	51,885	190,000	51,885	190,000	51,885	1,385,000	1,653,556	8,705,000	67.62%	2032
2033	150,000	34,350			140,000	23,800	230,000	41,200	105,000	45,615	105,000	45,615	105,000	45,615	1,210,000	1,443,679	7,495,000	72.12%	2033
2034	155,000	29,850			145,000	21,000	90,000	38,000	110,000	42,098	110,000	42,098	110,000	42,098	1,100,000	1,303,701	6,395,000	76.21%	2034
2035	160,000	25,200			145,000	18,100	85,000	36,250	115,000	38,303	115,000	38,303	115,000	38,303	1,125,000	1,298,323	5,270,000	80.39%	2035
2036	160,000	20,400			145,000	15,200	85,000	34,550	120,000	34,278	120,000	34,278	120,000	34,278	1,160,000	1,295,783	4,110,000	84.71%	2036
2037	165,000	15,600			150,000	12,300	105,000	32,650	120,000	30,018	120,000	30,018	120,000	30,018	825,000	930,630	3,285,000	87.78%	2037
2038	175,000	10,650			150,000	9,300	145,000	30,150	150,000	25,698	150,000	25,698	150,000	25,698	820,000	903,098	2,465,000	90.83%	2038
2039	180,000	2,700			155,000	6,300	360,000	25,100	120,000	20,223	120,000	20,223	120,000	20,223	815,000	869,323	1,650,000	93.86%	2039
2040					160,000	1,600	505,000	16,450	125,000	15,783	125,000	15,783	125,000	15,783	790,000	823,833	860,000	96.80%	2040
2041							570,000	5,700	140,000	11,095	140,000	11,095	140,000	11,095	710,000	726,795	150,000	99.44%	2041
2042									150,000	2,888	150,000	2,888	150,000	2,888		152,888	0	100.00%	2042
	2,295,000	726,825	420,000	19,200	537,600	2,750,000	6,595,000	1,391,350	3,805,000	1,142,534	3,805,000	1,142,534	3,805,000	1,142,534	26,880,000	6,103,287	26,880,000		

* Preliminary, subject to change.

**City of Chippewa Falls, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewer Revenue
(As of 08/23/2022)**

Dated Amount	Sewerage System Revenue Bonds (CWFL) Series 2011			Sewerage System Revenue Bonds (CWFL) Series 2015			Sewerage System Revenue Bonds Series 2022E			Calendar Year Ending
	Principal	Interest		Principal	Interest		Principal	Interest		
Maturity	04/27/2011			12/23/2015			08/23/2022			
	\$3,132,100			\$2,214,016			\$1,515,000*			
	05/01			05/01			05/01			
Calendar Year Ending	Principal	Interest		Principal	Interest		Principal	Interest		
2022	0	17,952		0	14,616		0	0		2022
2023	171,849	33,842		110,022	28,226		75,000	59,255		2023
2024	175,974	29,668		112,034	26,195		85,000	47,639		2024
2025	180,197	25,394		114,083	24,128		85,000	45,259		2025
2026	184,522	21,017		116,170	22,022		85,000	42,794		2026
2027	188,950	16,535		118,295	19,878		90,000	40,168		2027
2028	193,485	11,946		120,458	17,694		95,000	37,299		2028
2029	198,129	7,247		122,661	15,471		95,000	34,259		2029
2030	202,884	2,435		124,905	13,207		100,000	31,040		2030
2031				127,189	10,902		100,000	27,640		2031
2032				129,516	8,554		105,000	24,078		2032
2033				131,884	6,164		110,000	20,288		2033
2034				134,297	3,729		115,000	16,265		2034
2035				136,753	1,251		120,000	11,975		2035
2036							125,000	7,380		2036
2037							130,000	2,503		2037
	1,495,990	166,035		1,598,267	212,037		1,515,000	447,839		
							4,609,257	825,910	5,435,167	

* Preliminary, subject to change.

City of Chippewa Falls, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Tax Incremental Revenues
(As of 08/23/2022)

State Trust Fund Loan

Dated Amount	12/06/2016 \$3,400,000								
Maturity	03/15								
Calendar Year Ending	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending	
2023	226,472	110,063	226,472	110,063	336,535	2,219,364	9.26%	2023	
2024	236,390	100,145	236,390	100,145	336,535	1,982,974	18.92%	2024	
2025	247,301	89,234	247,301	89,234	336,535	1,735,673	29.04%	2025	
2026	258,429	78,105	258,429	78,105	336,535	1,477,243	39.60%	2026	
2027	270,059	66,476	270,059	66,476	336,535	1,207,185	50.64%	2027	
2028	282,063	54,472	282,063	54,472	336,535	925,122	62.18%	2028	
2029	294,904	41,630	294,904	41,630	336,535	630,218	74.23%	2029	
2030	308,175	28,360	308,175	28,360	336,535	322,043	86.83%	2030	
2031	322,043	14,492	322,043	14,492	336,535	0	100.00%	2031	
	2,445,836	582,977	2,445,836	582,977	3,028,813				

City of Chippewa Falls, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Water Revenues
(As of 08/23/2022)

		Water System Revenue Bonds (SDWFL) Series 2010		Water System Revenue Bonds Series 2022D	
Dated Amount	01/13/2010 \$1,417,903	08/23/2022 \$1,055,000*			
Maturity	05/01	05/01			
Calendar Year Ending	Principal	Interest	Principal	Estimated Interest	
2022	0	8,124	0	0	8,124
2023	80,279	15,177	30,000	44,918	60,094
2024	82,421	13,006	40,000	36,805	49,811
2025	84,620	10,778	40,000	35,665	46,443
2026	86,878	8,490	40,000	34,465	42,955
2027	89,196	6,142	45,000	33,126	39,268
2028	91,575	3,730	45,000	31,709	35,439
2029	94,019	1,254	45,000	30,224	31,478
2030			45,000	28,671	28,671
2031			50,000	27,033	27,033
2032			50,000	25,270	25,270
2033			50,000	23,470	23,470
2034			55,000	21,580	21,580
2035			55,000	19,545	19,545
2036			60,000	17,360	17,360
2037			60,000	15,050	15,050
2038			65,000	12,613	12,613
2039			65,000	10,045	10,045
2040			70,000	7,345	7,345
2041			70,000	4,510	4,510
2042			75,000	1,538	1,538
	608,988	66,701	1,055,000	460,940	527,641
					2,191,629

* Preliminary, subject to change.

DEBT LIMIT

The constitutional and statutory general obligation debt limit for Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$1,283,104,300
Multiply by 5%	0.05
Statutory Debt Limit	\$64,155,215
Less: General Obligation Debt*	(26,880,000)
Unused Debt Limit*	<u>\$37,275,215</u>

*Preliminary, subject to change.

OVERLAPPING DEBT¹

Taxing District	2021 Equalized Value ²	% In City	Total G.O. Debt ³	City's Proportionate Share
Chippewa County	\$7,010,535,800	18.3025%	\$7,040,000	\$1,288,496
Chippewa Falls Area Unified School District	4,010,572,892	31.9930%	56,315,000	18,016,858
Chippewa Valley Technical College District	31,188,459,239	4.1140%	76,810,000	3,159,963
City's Share of Total Overlapping Debt				<u>\$22,465,317</u>

¹ Overlapping debt is as of the dated date of the Bonds. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

² Includes tax increment valuation.

³ Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$1,283,104,300	Debt/ Per Capita 14,366¹
Total General Obligation Debt*	\$26,880,000	2.09%	\$1,871.08
City's Share of Total Overlapping Debt	<u>22,465,317</u>	<u>1.75%</u>	<u>\$1,563.78</u>
Total*	\$49,345,317	3.84%	\$3,434.86

DEBT PAYMENT HISTORY

The City has no record of default in the payment of principal and interest on its debt.

FUTURE FINANCING

The City expects to issue its \$1,055,000* Water System Revenue Bonds, Series 2022D, dated August 23, 2022 (the “Series 2022D Bonds”) and its \$1,515,000* Sewerage System Revenue Bonds, Series 2022E, dated August 23, 2022 (the “Series 2022E Bonds”) concurrently with the Bonds. The City may also issue a taxable note anticipation note in the next several months of up to approximately \$2,500,000 to finance the purchase of land. The City historically borrows annually for its capital projects, but the amount and timing has not yet been determined. Other than the proceeding, the City has no current plans for additional financing in the next 12 months.

*Preliminary, subject to change.

¹ Estimated 2021 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2017/18	\$6,698,399	100%	\$8.37
2018/19	7,128,982	100%	8.53
2019/20	7,390,651	100%	8.03
2020/21	7,628,673	100%	7.64
2021/22	7,976,110	In Process	7.12

Property tax statements are distributed to taxpayers by the town, village, and city treasurers in December of the levy year. Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Personal property taxes, special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll are collected from each taxing entity in the year following the levy year.

The spread of COVID-19 and responses taken by the United States government, state governments, local governments and private industries have caused significant disruptions to the national and State economy. See "RISK FACTORS - Impact of the Spread of COVID-19" herein. On April 15, 2020, Governor Tony Evers signed into law 2019 Wisconsin Act 185, which provided that for property taxes payable in 2020, a taxation district could, after making a general or case-by-case finding of hardship, choose to waive interest or penalties on property tax installment payments paid after April 1, 2020 but on or before October 1, 2020. In order to take such action, the county board of supervisors was required to first adopt a resolution authorizing such waiver and determining criteria for determining hardship and then the taxation district was required to subsequently adopt a similar resolution. In the case of a county adopting such a resolution, the county proportionally settled with the taxation districts any taxes, interest and penalties collected on or before July 31, 2020 on August 20, 2020, and settled the remaining unpaid taxes, interest, and penalties on September 20, 2020. Chippewa County and the City did not adopt such resolutions. The City cannot predict whether any similar legislation may be adopted in the future.

PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools¹	County	Local	Total
2017/18	\$9.07	\$3.50	\$8.37	\$20.94
2018/19	10.14	3.44	8.53	22.11
2019/20	9.36	3.28	8.03	20.67
2020/21	9.14	3.13	7.64	19.91
2021/22	8.01	2.92	7.12	18.05

Source: Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

¹ The Schools tax rate reflects the composite rate of all local school districts and technical college district.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other adjustments to and exclusions from the tax levy limit. Among the exclusions, Section 66.0602(3)(e)5. of the Wisconsin Statutes provides that the levy limit does not apply to "the amount that a political subdivision levies in that year to make up any revenue shortfall for the debt service on a revenue bond issued under Section 66.0621 by that political subdivision." Recent positions taken by Wisconsin Department of Revenue ("DOR") staff call into question the availability of this exception, including by limiting its availability depending on the circumstances surrounding the pertinent revenue shortfall. To date, such DOR positions have not been expressed formally in a declaratory ruling under Section 227.41(5)(a) of the Wisconsin Statutes, nor have they been the subject of any court challenge or resulting court ruling.

With respect to general obligation debt service, the following provisions are made:

(a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.

(b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.

(c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

The Bonds were authorized after July 1, 2005 and therefore the levy limits do not apply to taxes levied to pay debt service on the Bonds.

THE ISSUER

CITY GOVERNMENT

The City was incorporated in 1869 and is governed by a Mayor and a seven-member Common Council. The Mayor votes only in the case of a tie. All Council Members are elected to two-year terms. The appointed Finance Manager/Treasurer and City Clerk are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 115 full-time, four (4) part-time, and 11 seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2018 ("Fiscal Year 2018"), the fiscal year ended December 31, 2019 ("Fiscal Year 2019") and the fiscal year ended December 31, 2020 ("Fiscal Year 2020"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$658,103, \$681,193 and \$746,975, respectively.

The City implemented Governmental Accounting Standards Board Statement No. 68 ("GASB 68") for the fiscal year ended December 31, 2015.

GASB 68 requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2019, the total pension liability of the WRS was calculated as \$108.87 billion and the fiduciary net position of the WRS was calculated as \$112.09 billion, resulting in a net pension asset of \$3.22 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2020, the City reported an asset of \$2,090,518 for its proportionate share of the net pension asset of the WRS. The net pension asset was measured as of December 31, 2019 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was 0.06483321% of the aggregate WRS net pension asset as of December 31, 2019.

The calculation of the total pension asset and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension asset of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see Note 4.A. in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

All eligible City personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the City is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the City is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless City were to seek approval for a higher increase through a referendum). Ultimately, the City can unilaterally implement the wages for a collective bargaining unit.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the City, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. As a practical matter, it is anticipated that strikes will be rare. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is the base wage rates, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

The following bargaining units represent employees of the City:

Bargaining Unit	Expiration Date of Current Contract
Chippewa Falls International Association of Fire Fighters Local 1816	December 31, 2023
Chippewa Falls Professional Police Association	December 31, 2022

OTHER POST EMPLOYMENT BENEFITS

The City provides "other post-employment benefits" ("OPEB") (i.e., post-employment benefits, other than pension benefits, owed to its employees and former employees) to employees who have terminated their employment with the City and have satisfied specified eligibility standards through a single-employer plan. The plan allows eligible retirees to remain on the City's health care plan if the retiree pays 100% of the retiree premium. Membership of the plan consisted of two retirees receiving benefits and 112 active plan members as of December 31, 2020, the date of the latest actuarial valuation.

OPEB calculations are required to be updated every two years and be prepared in accordance with Statement No. 75 of the Governmental Accounting Standards Board ("GASB 75"). An actuarial study for the City was completed by Nyhart Actuary & Employee Benefits in November 2021, with an actuarial valuation date of December 31, 2020 (the "OPEB Report").

For Fiscal Year 2020, the City's contributions to the plan totaled \$24,682. The City's current funding practice is to pay the amount of benefits due in a given year on a "pay-as-you-go" basis.

Under GASB 75, a net OPEB liability (or asset) is calculated as the difference between the plan's total OPEB liability and the plan's fiduciary net position, which terms have similar meanings as under GASB 68 for pension plans.

As of December 31, 2020, the plan's total OPEB liability was \$1,213,162 and the plan fiduciary net position was \$0, resulting in a net OPEB liability of \$1,213,162.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. For more detailed information, see Note 4.C in "APPENDIX A - FINANCIAL STATEMENTS."

The City also participates in the Local Retiree Life Insurance Fund ("LRLIF"), which is a cost-sharing multiple-employer defined benefit plan established by Chapter 40. The ETF and the Group Insurance Board have statutory authority for program administration and oversight, including establishing contribution requirements for employers.

For Fiscal Year 2020, the City's portion of contributions to the LRLIF totaled \$2,104. For Fiscal Year 2020, the City reported a liability of \$450,102 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2019 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.105704% of the aggregate LRLIF net OPEB liability as of December 31, 2019.

The calculation of the total OPEB liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information, see Note 4.D. in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the City or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Bonds or otherwise questioning the validity of the Bonds.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Bonds are outstanding, in a way that would allow the City to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the City to file for relief under Chapter 9. If, in the future, the City were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the City could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the City is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the City could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Bonds could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Bonds, and there could ultimately be no assurance that holders of the Bonds would be paid in full or in part on the Bonds. Further, under such circumstances, there could be no assurance that the Bonds would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Bonds could be viewed as having no priority (a) over claims of other creditors of the City; (b) to any particular assets of the City, or (c) to revenues otherwise designated for payment to holders of the Bonds.

Moreover, if the City were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or state law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Bonds would not occur.

FUNDS ON HAND (as of December 31, 2021)

Fund	Total Cash and Investments
General	\$29,945,959
Special Revenue	1,192,384
Debt Service	2,134,008
Capital Projects	9,152,664
Enterprise Funds	20,338,197
Total Funds on Hand	<u><u>\$62,763,212</u></u>

ENTERPRISE FUNDS

Revenues available for debt service for the City's enterprise funds have been as follows as of December 31 each year:

	2018 Audited	2019 Audited	2020 Audited	2021 Unaudited
Water				
Total Operating Revenues	\$2,541,350	\$2,576,662	\$2,652,871	\$2,737,624
Less: Operating Expenses	<u>(1,941,848)</u>	<u>(2,082,577)</u>	<u>(1,969,427)</u>	<u>(2,021,133)</u>
Operating Income	\$599,502	\$494,085	\$683,444	\$716,491
Plus: Depreciation	663,118	685,967	713,700	770,516
Interest Income	<u>140,975</u>	<u>176,250</u>	<u>81,793</u>	<u>40,297</u>
Revenues Available for Debt Service	<u><u>\$1,403,595</u></u>	<u><u>\$1,356,302</u></u>	<u><u>\$1,478,937</u></u>	<u><u>\$1,527,304</u></u>
Wastewater				
Total Operating Revenues	\$3,066,703	\$3,111,344	\$3,155,308	\$3,141,363
Less: Operating Expenses	<u>(2,386,542)</u>	<u>(2,472,827)</u>	<u>(2,477,788)</u>	<u>(2,506,795)</u>
Operating Income	\$680,161	\$638,517	\$677,520	\$634,568
Plus: Depreciation	784,772	808,179	826,975	829,275
Interest Income	<u>170,998</u>	<u>227,768</u>	<u>52,357</u>	<u>6,403</u>
Revenues Available for Debt Service	<u><u>\$1,635,931</u></u>	<u><u>\$1,674,464</u></u>	<u><u>\$1,556,852</u></u>	<u><u>\$1,470,246</u></u>
Storm Water				
Total Operating Revenues	\$737,812	\$766,201	\$759,712	\$779,404
Less: Operating Expenses	<u>(681,174)</u>	<u>(757,357)</u>	<u>(699,015)</u>	<u>(865,123)</u>
Operating Income	\$56,638	\$8,844	\$60,697	(\$85,719)
Plus: Depreciation	212,521	226,351	232,328	243,163
Interest Income	<u>3,534</u>	<u>10,815</u>	<u>4,590</u>	<u>455</u>
Revenues Available for Debt Service	<u><u>\$272,693</u></u>	<u><u>\$246,010</u></u>	<u><u>\$297,615</u></u>	<u><u>\$157,899</u></u>

SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete statements are available upon request. Appendix A includes the 2020 audited financial statements.

FISCAL YEAR ENDING DECEMBER 31					
COMBINED STATEMENT	2018 Audited	2019 Audited	2020 Audited	2021 Unaudited	2022 Adopted Budget 1)
Revenues					
Property taxes	\$5,260,533	\$5,708,264	\$5,731,300	\$5,924,900	\$6,041,946
Intergovernmental	5,000,186	4,843,959	5,450,246	5,101,990	5,001,590
Licenses and Permits	494,704	486,870	413,532	391,093	312,560
Fine and forfeitures	96,571	90,596	75,531	78,445	92,000
Public charges for services	1,627,394	1,627,853	1,461,686	1,785,364	1,702,441
Intergovernmental charges for services	601,071	620,461	650,825	730,637	270,787
Miscellaneous	203,639	257,922	177,402	116,017	93,450
Total Revenues	\$13,284,098	\$13,635,925	\$13,960,522	\$14,128,446	\$13,514,774
Expenditures					
Current:					
General government	\$1,008,561	\$1,217,407	\$1,238,438	\$905,432	\$2,382,591
Public safety	5,969,227	6,408,262	6,448,482	6,536,688	6,605,103
Transportation facilities	2,015,884	2,062,677	2,067,758	2,142,339	1,918,924
Sanitation	273,057	275,053	275,544	273,681	263,981
Health and human services	43,670	48,472	48,666	47,406	31,250
Culture, recreation and education	2,018,429	2,090,319	1,930,669	2,081,749	2,289,175
Conservation and development	209,877	138,779	137,371	131,827	23,750
Capital Outlay	108,953	136,039	277,298	162,788	0
Total Expenditures	\$11,647,658	\$12,377,008	\$12,424,226	\$12,281,910	\$13,514,774
Excess of revenues over (under) expenditures	\$1,636,440	\$1,258,917	\$1,536,296	\$1,846,536	\$0
Other Financing Sources (Uses)					
Sale of property	\$65,418	\$108,860	\$102,586	\$141,572	
Transfers in	415,037	396,272	394,960	359,210	
Transfers out	0	0	0	0	
Total Other Financing Sources (Uses)	\$480,455	\$505,132	\$497,546	\$500,782	
Net changes in Fund Balances	\$2,116,895	\$1,764,049	\$2,033,842	\$2,347,318	
General Fund Balance January 1	\$16,197,575	\$18,314,470	\$20,078,519	\$22,112,361	
Prior Period Adjustment	0	0	0	0	
Residual Equity Transfer in (out)	0	0	0	0	
General Fund Balance December 31	\$18,314,470	\$20,078,519	\$22,112,361	\$24,459,679	
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$965,986	\$1,247,493	\$789,769	\$738,276	
Assigned	710,729	670,261	760,203	747,471	
Unassigned	16,637,755	18,160,765	20,562,389	22,973,932	
Total	\$18,314,470	\$20,078,519	\$22,112,361	\$24,459,679	

1) The 2022 budget was adopted as of December 7, 2021.

GENERAL INFORMATION

LOCATION

The City, with a 2020 U.S. Census population of 14,731, and a current estimated population of 14,366, comprises an area of 11.90 square miles and is located approximately 10 miles northeast of the City of Eau Claire, Wisconsin and 90 miles east of the Minneapolis-St. Paul, Minnesota metropolitan area. The City is the County Seat of Chippewa County.

LARGER EMPLOYERS¹

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
TTM Technologies Inc	Circuit board manufacturer	1,200
Hewlett Packard Enterprise	Software and technical computing	800 ²
Chippewa Falls Area Unified School District	Elementary and secondary education	737
Chippewa County	County government and services	505
Mills Fleet Farm	Distribution center	450
Cray Inc	Computers system designers & consultants	280
HSHS St. Joseph's Hospital	Hospital	257
Mason Companies Inc	Footwear and apparel distributor	250
Nordson	Plastic machinery & equipment	200
Dove Healthcare -Wissota Health	Convalescent home	200

Source: *Data Axle Reference Solutions, written and telephone survey, Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.*

¹ This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above. Some employers do not respond to inquiries for employment data.

² Employee count is from 2020. Current response from employer says they do not release site specific head counts as a matter of company policy.

BUILDING PERMITS

	2018	2019	2020	2021	2022 ¹
<u>New Single Family Homes</u>					
No. of building permits	21	20	15	11	3
Valuation	\$3,917,670	\$4,089,192	\$3,971,158	\$3,672,278	\$1,145,000
<u>New Multiple Family Buildings</u>					
No. of building permits	15	15	3	4	4
Valuation	\$7,622,028	\$6,620,870	\$2,400,000	\$4,280,000	\$3,780,000
<u>New Commercial/Industrial</u>					
No. of building permits	5	4	4	6	11
Valuation	\$23,286,600	\$7,015,229	\$13,767,336	\$27,548,985	\$9,187,859
<u>All Building Permits</u> (including additions and remodelings)					
No. of building permits	267	286	264	241	120
Valuation	\$42,336,752	\$61,753,927	\$37,183,789	\$48,007,650	\$20,521,899

Source: The City.

¹ As of July 13, 2022.

U.S. CENSUS DATA

Population Trend: The City

2010 U.S. Census	13,661
2020 U.S. Census	14,731
2021 Estimated Population	14,366
Percent of Change 2010 - 2020	7.83%

Income and Age Statistics

	The City	Chippewa County	State of Wisconsin	United States
2020 per capita income	\$25,514	\$31,644	\$34,450	\$35,384
2020 median household income	\$54,917	\$61,215	\$63,293	\$64,994
2020 median family income	\$63,772	\$73,941	\$80,844	\$80,069
2020 median gross rent	\$835	\$844	\$872	\$1,096
2020 median value owner occupied units	\$151,100	\$180,000	\$189,200	\$229,800
2020 median age	36.4 yrs.	41.3 yrs.	39.6 yrs.	38.2 yrs.

	State of Wisconsin	United States
City % of 2020 per capita income	74.06%	72.11%
City % of 2020 median family income	78.88%	79.65%

Housing Statistics

	<u>The City</u>		Percent of Change
	2010	2020	
All Housing Units	6,304	6,772	7.42%

Source: 2010 and 2020 Census of Population and Housing, and 2020 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

Year	<u>Average Employment</u>	<u>Average Unemployment</u>	
	Chippewa County	Chippewa County	State of Wisconsin
2018	32,370	3.3%	3.0%
2019	32,308	3.6%	3.2%
2020	31,163	6.3%	6.3%
2021 ¹	32,489	3.9%	3.8%
2022, May ¹	32,653	2.7%	2.9%

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the City's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The City has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Bonds, the City represents that there have been no material adverse change in the financial position or results of operations of the City, nor has the City incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

CITY OF CHIPPEWA FALLS, WISCONSIN

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2020



**WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING**

CLAconnect.com

**CITY OF CHIPPEWA FALLS, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2020**

PRINCIPAL OFFICERS	1
INDEPENDENT AUDITORS' REPORT	2
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	16
STATEMENT OF ACTIVITIES	17
BALANCE SHEET – GOVERNMENTAL FUNDS	18
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES	19
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	20
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	21
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	22
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	24
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	25
STATEMENT OF NET POSITION – FIDUCIARY FUNDS	27
STATEMENT OF CHANGES IN NET POSITION – FIDUCIARY FUNDS	28
NOTES TO BASIC FINANCIAL STATEMENTS	29
REQUIRED SUPPLEMENTARY INFORMATION	
1 – BUDGETARY COMPARISON SCHEDULE – GENERAL FUND	73
2 – SCHEDULE OF CHANGE IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS	74
3 – SCHEDULE OF PROPORTIONATE SHARE OF WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN ASSET/LIABILITY	75
4 – SCHEDULE OF CONTRIBUTIONS TO THE WISCONSIN RETIREMENT SYSTEM PENSION PLAN	76
5 – SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND OPEB PLAN – LAST TEN MEASUREMENT DATES	77
6 – SCHEDULE OF THE CITY'S CONTRIBUTIONS TO THE WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND OPEB PLAN – LAST TEN FISCAL YEARS	78
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	79

**CITY OF CHIPPEWA FALLS, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2020**

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS	
SCHEDULES	
NONMAJOR GOVERNMENTAL FUNDS	
A-1 – COMBINING BALANCE SHEET	80
A-2 – COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	82
A-3 – COMBINING BALANCE SHEET – TID CAPITAL PROJECTS FUNDS	84
A-4 – COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – TID CAPITAL PROJECTS FUNDS	85
GENERAL FUND	
B-1 – DETAILED BALANCE SHEET	86
B-2 – STATEMENT OF CHANGES IN ASSIGNED FUND BALANCE	87
B-3 – DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	88
WATER UTILITY ENTERPRISE FUND	
D-1 – STATEMENT OF NET POSITION	94
D-2 – STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	96
D-3 – STATEMENT OF CASH FLOWS	97
WASTEWATER UTILITY ENTERPRISE FUND	
D-4 – STATEMENT OF NET POSITION	99
D-5 – STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	101
D-6 – STATEMENT OF CASH FLOWS	102
STORM WATER UTILITY ENTERPRISE FUND	
D-7 – STATEMENT OF NET POSITION	104
D-8 – STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION	106
D-9 – STATEMENT OF CASH FLOWS	107
DEBT REPAYMENT SCHEDULES	
E-1 – GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2012A, DATED JUNE 12, 2012	108
E-2 – GENERAL OBLIGATION REFUNDING BONDS, SERIES 2012B, DATED JUNE 12, 2012	110
E-3 – GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2013B, DATED JUNE 26, 2013	111

**CITY OF CHIPPEWA FALLS, WISCONSIN
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2020**

E-4 – GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2014A, DATED JULY 9, 2014	112
E-5 – GENERAL OBLIGATION CORPORATE PURPOSE BONDS, DATED JUNE 28, 2016	113
E-6 – GENERAL OBLIGATION PROMISSORY NOTE, DATED JULY 19, 2016	115
E-7 – STATE TRUST FUND LOAN, DATED DECEMBER 6, 2016	116
E-8 – GENERAL OBLIGATION CORPORATE PURPOSE BONDS, DATED MAY 9, 2017	117
E-9 – GENERAL OBLIGATION PROMISSORY NOTE, DATED JUNE 1, 2017	119
E-10 – GENERAL OBLIGATION CORPORATE PURPOSE BONDS, DATED OCTOBER 3, 2018	120
E-11 – GENERAL OBLIGATION CORPORATE PURPOSE BONDS, DATED JUNE 12, 2019	122
E-12 – GENERAL OBLIGATION PROMISSORY NOTES, DATED JUNE 12, 2019	124
E-13 – GENERAL OBLIGATION CORPORATE PURPOSE BONDS, DATED AUGUST 11, 2020	125
E-14 – WATER SYSTEM REVENUE BONDS – SAFE DRINKING WATER LOAN PROGRAM, DATED JANUARY 13, 2010	127
E-15 – SEWERAGE SYSTEM REVENUE BONDS – CLEAN WATER FUND, DATED APRIL 27, 2011	128
E-16 – SEWERAGE SYSTEM REVENUE BONDS – CLEAN WATER FUND, DATED DECEMBER 23, 2015	129
STATISTICAL INFORMATION (UNAUDITED)	
WATER UTILITY ENTERPRISE FUND – RATE OF RETURN	130
TABLE 1 – MILL RATE AND BUDGET HISTORY	131
TABLE 2 – ASSESSED VALUES AND EQUALIZED VALUES	132
TABLE 3 – TEN LARGEST TAXPAYERS	133
TABLE 4 – OTHER STATISTICAL INFORMATION	134

**CITY OF CHIPPEWA FALLS, WISCONSIN
PRINCIPAL OFFICERS
2020**

ELECTED

Mayor	Gregory S. Hoffman
City Council President	Rob Kiefer
Aldermanic District:	
First Ward	John Monarski
Second Ward	Rob Kiefer
Third Ward	CW King
Fourth Ward	Chuck Hull
Fifth Ward	Paul Olson
Sixth Ward	Paul Nadreau
Seventh Ward	Jason Hiess

APPOINTED

City Administrator	Vacant
Clerk/Treasurer/Financial Manager	Lynne R. Bauer
City Engineer/Director of Public Works	Richard J. Rubenzer
Street Superintendent	Rick Ruf
City Inspector	Paul Lasiewicz
City Attorney	Robert Ferg
Superintendent/Manager of Public Utilities	Richard J. Rubenzer
Police Chief	Matthew Kelm
Fire Chief	Lee Douglas
Director of Parks, Recreation and Forestry	Richard Hebert
Librarian	Joe Niese



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

City Council
City of Chippewa Falls
Chippewa Falls, Wisconsin

Report on the Financial Statements

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 City of Chippewa Falls, Wisconsin (City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

City Council
City of Chippewa Falls

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Chippewa Falls, Wisconsin as of December 31, 2020, and the respective changes in the financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

During fiscal year ended December 31, 2020, the City adopted GASB Statement No. 84, *Fiduciary Activities*. The implementation of GASB Statement No. 84 resulted in the addition of a Statement of Changes in Fiduciary Net Position related to the Custodial Fund activity. Our auditors' opinion was not modified with respect to the implementation of these standards.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended December 31, 2020 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The individual and combining fund statements, debt repayment schedules, and statistical information for the year ended December 31, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020

The individual and combining fund statements and debt repayment schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual and combining fund statements and debt repayment schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2020.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated December 21, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The individual and combining fund statements for the year ended December 31, 2019 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 2019 financial statements. The individual and combining fund statements have been subjected to the auditing procedures applied in the audit of the 2019 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual and combining fund statements are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2019.

The statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
February 18, 2022

As management of the City of Chippewa Falls, Wisconsin (City), we offer the readers of the City's financial statements this narrative overview and analysis of financial activities of the City for the fiscal year ending December 31, 2020. Please consider this information in conjunction with the City's financial statements, which begin on page 16 following this narrative.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$126,184,367 (*net position*). Of this amount, \$69,857,830 represented the City's net investment in capital assets, \$15,543,687 was held for restricted purposes, and \$40,782,850 was unrestricted. The unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.
- During the fiscal year, the City's total net position increased by \$9,152,038, or approximately 7.8%, for current year activity. Net position related to the business-type activities of the City increased \$1,294,941, while net position related to governmental activities increased \$7,857,097.
- At the close of the fiscal year, the City's governmental funds reported combined ending fund balances of \$34,220,024, an increase of \$4,799,211 from the previous year.
- At the end of 2020, the unassigned general fund balance totaled \$20,562,389, or 165.5% of the general fund expenditures.
- The City's total long-term debt and obligations decreased \$291,161 during the current fiscal year. The City issued \$2,790,000 of general obligation corporate purpose bonds during 2020.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

The two government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets and deferred outflows of resources, less liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish those functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and service charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, health and human services, culture, recreation and education, and conservation and development. The business-type activities of the City include a water utility, a wastewater utility and a storm water utility.

The government-wide financial statements can be found beginning on page 16 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with various finance-related legal requirements. All of the funds of the City can be divided into three categories: *governmental funds*, *proprietary funds* and *fiduciary funds*.

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

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

The City maintains twenty-one individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, CDBG fund, debt service fund, and TID #14 capital projects fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the supplementary information section.

The basic governmental fund financial statements can be found beginning on page 18 of this report.

CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020

Proprietary funds. The City maintains one type of proprietary fund - enterprise funds. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water utility, wastewater utility and storm water utility.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds, all three are considered to be major funds of the City (water utility, wastewater utility and the storm water utility).

The basic proprietary fund financial statements can be found beginning on page 22 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

The basic fiduciary fund financial statements can be found on page 27 of this report.

Notes to the Financial Statements

The notes to the basic financial statements provide additional detail that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 29 of this report.

Supplementary Information

In addition to the basic financial statement and accompanying notes, this report presents certain required supplementary information on the City's operating budget. Required supplementary information can be found beginning on page 73 of this report.

Following the basic government-wide and fund financial statements, accompanying notes, and required supplementary information, additional supplementary information has been provided as part of this report. The supplementary information includes combining statements for the nonmajor governmental funds, individual fund statements for selected funds, various debt repayment schedules and unaudited statistical information tables. This supplementary information section of the report begins on page 80.

**CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows exceeded liabilities and deferred inflows by \$126,184,367 at the close of 2020. The largest portion of net position (55%) reflects the City's investment in capital assets, including land, land improvements, buildings, machinery and equipment, infrastructure, plant in service and construction in progress, net of related outstanding debt used to acquire the assets. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Below is a summary of the City's statement of net position:

**Condensed Statement of Net Position
December 31, 2020 and 2019**

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 54,696,415	\$ 47,110,120	\$ 21,155,066	\$ 20,897,663	\$ 75,851,501	\$ 68,007,803
Capital Assets	58,406,759	55,395,521	44,701,505	44,302,440	103,108,263	99,697,961
Internal Balances	(891,772)	28,502	891,772	(28,502)	-	-
Total Assets	112,211,401	102,534,143	66,748,363	65,171,621	178,959,764	167,705,764
Deferred Outflows of Resources	4,812,807	5,581,521	544,821	605,174	5,357,628	6,186,695
Long-Term Liabilities	28,219,254	30,273,023	9,354,792	9,475,857	37,574,046	39,748,880
Other Liabilities	1,012,315	1,647,288	308,189	280,354	1,320,504	1,927,642
Total Liabilities	29,231,569	31,920,311	9,862,981	9,756,211	39,094,550	41,676,522
Deferred Inflows of Resources	18,537,055	14,796,866	701,420	376,742	19,238,475	15,173,608
Net Position						
Net Investment in						
Capital Assets	34,091,333	30,051,087	35,766,497	35,271,314	69,857,830	65,322,401
Restricted	11,594,033	8,934,859	3,946,654	4,115,057	15,540,687	13,049,716
Unrestricted	23,570,218	22,412,741	17,212,632	18,247,471	40,782,850	38,660,212
Total Net Position	\$ 89,255,564	\$ 81,398,487	\$ 56,928,783	\$ 55,633,842	\$ 126,184,367	\$ 117,032,329

An additional portion of the City's net position (12%) represents resources that are subject to other restrictions as to how they may be used. The remaining \$40,782,850 of total net position (33%) may be used to meet the City's on-going obligations to its citizens and creditors. It is important to note that \$17,212,632 of this unrestricted net position is related to the City's business-type activities. Consequently, they generally may not be used to fund governmental activities.

At the end of 2020, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

**CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

The condensed statement of changes in net position presented below shows that total net position of the City increased \$9,152,038, or approximately 7.8%, over the prior year. The change from current year activity consisted of an increase in net position related to governmental activities in the amount of \$7,857,097 and an increase in net position related to business-type activities in the amount of \$1,294,941.

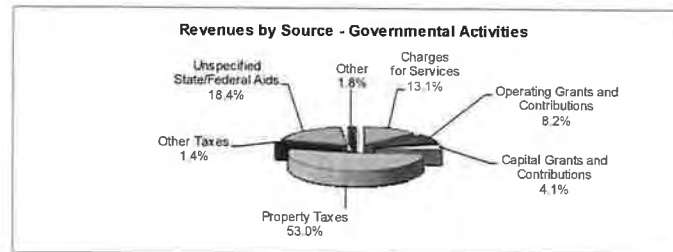
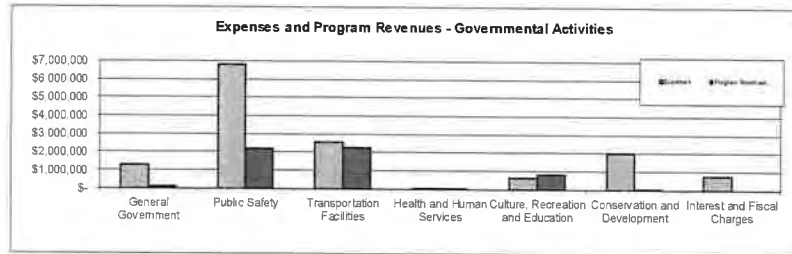
The following is a summary of the changes in the City's net position for the years ended December 31, 2020 and 2019:

**Condensed Statement of Changes in Net Position
Years Ended December 31, 2020 and 2019**

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues:						
Charges for Services	\$ 2,828,371	\$ 2,937,189	\$ 6,567,891	\$ 6,454,207	\$ 9,396,262	\$ 9,391,376
Operating Grants and Contributions	1,779,473	1,249,621	-	-	1,779,473	1,249,521
Capital Grants and Contributions	876,208	1,824,954	362,865	374,070	1,239,074	2,199,024
General Revenues:						
Property Taxes	11,449,732	10,772,278	-	-	11,449,732	10,772,278
Other Taxes	313,384	394,339	-	-	313,384	394,339
State and Federal Aids not Restricted to Specific Programs	3,987,810	3,979,124	-	-	3,987,810	3,979,124
Other	363,657	881,060	139,740	414,833	503,397	1,295,793
Total Revenues	21,618,636	22,019,445	7,069,496	7,243,110	28,688,132	29,262,555
Expenses:						
General Government	1,307,446	1,285,142	-	-	1,307,446	1,285,142
Public Safety	6,827,767	7,539,894	-	-	6,827,767	7,539,894
Transportation Facilities	2,536,342	4,095,083	-	-	2,536,342	4,095,083
Health and Human Services	48,666	48,472	-	-	48,666	48,472
Culture, Recreation and Education	633,316	3,784,078	-	-	633,316	3,784,078
Conservation and Development	2,014,985	2,293,603	-	-	2,014,985	2,293,603
Interest and Fiscal Charges	784,277	808,081	-	-	784,277	808,081
Water	-	-	2,016,766	2,147,236	2,016,766	2,147,236
Wastewater	-	-	2,624,525	2,623,378	2,624,525	2,623,378
Storm Water	-	-	742,034	808,192	742,034	808,192
Total Expenses	14,152,799	19,854,353	5,383,295	5,578,606	19,536,094	25,433,155
Change in Net Position Before Transfers	7,465,837	2,165,092	1,686,201	1,664,504	9,152,038	3,829,396
Transfers	391,260	392,572	(391,260)	(392,572)	-	-
Change in Net Position	7,857,097	2,557,664	1,294,941	1,271,932	9,152,038	3,829,396
Beginning Net Position	81,398,487	58,640,821	55,633,842	54,361,910	117,032,329	113,202,833
Ending Net Position	\$ 89,255,564	\$ 61,398,487	\$ 56,928,783	\$ 55,633,842	\$ 126,184,367	\$ 117,032,329

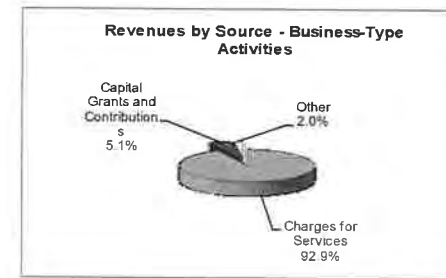
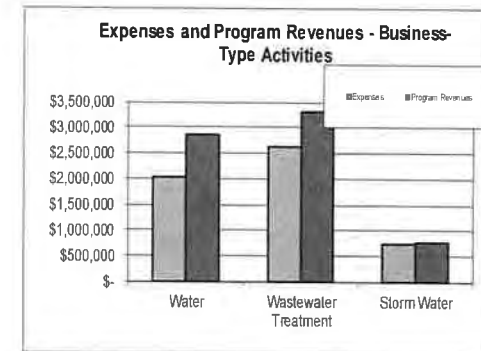
**CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

A review of statement of activities can provide a concise picture of how the various functions/programs of the City are funded. The following charts draw data from the statement of activities. For governmental services the City is highly dependent on property taxes (53.0%) and unspecified state and federal aids (18.4%) for funding, while deriving 25.4% from various program revenues.



In the case of business-type activities, the data shows a considerably different picture. Charges for services (92.9%) replace property taxes as the primary revenue.

**CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**



FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

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

Governmental Funds

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

**CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

As of December 31, 2020, the City's governmental funds reported combined ending fund balances of \$34,220,024, an increase of \$4,799,211 from the previous year. The governmental funds comprising this balance are shown below:

	Fund Balances at 12/31/2020						Current Year Change
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total	
Major funds:							
General Fund	\$ 789,769	\$ -	\$ -	\$ 780,203	\$ 20,562,389	\$ 22,112,361	\$ 2,033,842
CDBG Fund	-	327,463	-	-	-	327,463	156,459
Debt Service Fund	-	211,783	-	-	-	211,783	16,124
TID #14 Capital Projects Fund	-	130,309	-	-	-	130,309	373,042
Nonmajor Funds:							
Special Revenue Funds	607,501	843,243	402,387	-	(737,922)	1,115,209	286,275
Capital Projects Funds	-	7,803,143	2,751,684	-	(31,848)	10,322,939	1,523,469
	<u>\$ 1,397,270</u>	<u>\$ 9,115,941</u>	<u>\$ 3,153,991</u>	<u>\$ 780,203</u>	<u>\$ 19,782,619</u>	<u>\$ 34,220,024</u>	<u>\$ 4,799,211</u>

The general fund is the primary operating fund used to account for the governmental operations of the City. As a measure of the general fund's liquidity, it may be useful to compare both total fund balance and unassigned fund balance to measures of operating volume such as fund expenditures or fund revenues. The total year-end general fund balance of \$22,112,361 represented 178.0% of total general fund expenditures reported on the statement of revenues, expenditures and changes in fund balances while the unassigned balance of \$20,562,389 represented 165.5% of the same amount.

The general fund's total fund balance increased \$2,033,842 during the year, while the unassigned portion of the fund increased \$2,401,624. The City's general fund had an outstanding interfund advance due from the various tax incremental district capital project funds and the city-wide donation fund at that date in the amount of \$769,466 which is part of the fund's nonspendable fund balance. The ability of the general fund to recover these advances will reduce the nonspendable balance and increase the general fund unassigned balance.

The CDBG fund increased \$156,459 during the year, which included loan repayments of \$224,572 and new loan expenditures of \$57,432.

The debt service fund had a total fund balance of \$211,783 at December 31, 2020, which is all considered restricted for the repayment of debt service. The debt service fund has an interfund advance of \$777,699 from the City's water utility enterprise fund. This advance was used to pay off the City's share of the Wisconsin Retirement System's pension liability in 2004 and is scheduled for repayment through the year 2030.

The TID #14 fund balance increased \$373,042 during the year due to the tax increment exceeding current year capital expenditures. This change resulted in an ending fund balance of \$130,309 at December 31, 2020. This fund balance is considered restricted for future capital projects and expenditures.

**CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

The nonmajor governmental funds are aggregated in the *other governmental funds* column and include various special revenue funds and capital projects funds. The accumulated fund balances of these funds increased \$2,219,744 during 2020. These funds are further detailed in the supplementary information section of this report.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in greater detail. As shown below, the net position of the enterprise-type proprietary funds at the end of 2020 totaled \$56,928,783, an increase of \$1,294,941 from the previous year.

**Condensed Statement of Changes in Net Position for Enterprise Funds
Years Ended December 31, 2020 and 2019**

	Water Utility		Wastewater Utility		Storm Water Utility		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Operating Revenues	\$ 2,852,871	\$ 2,576,662	\$ 3,155,308	\$ 3,111,344	\$ 759,712	\$ 766,201	\$ 6,567,891	\$ 6,454,207
Operating Expenses:								
Depreciation	713,700	685,967	826,975	808,179	232,326	228,351	1,773,003	1,720,497
Other	1,225,727	1,286,510	1,950,612	1,864,648	406,567	531,906	3,573,277	3,592,264
Operating Income	<u>913,444</u>	<u>-64,805</u>	<u>397,529</u>	<u>638,517</u>	<u>80,619</u>	<u>8,844</u>	<u>1,421,561</u>	<u>1,141,446</u>
Nonoperating Revenues/ (Expenses)	34,454	111,591	(94,380)	77,217	(38,399)	(40,020)	(98,325)	148,788
Income Before								
Contributions and Transfers	717,898	605,676	583,140	715,734	22,298	(31,179)	1,323,336	1,290,234
Capital Contributions	196,452	235,776	166,413	87,350	-	50,942	382,865	374,070
Transfers	<u>(281,260)</u>	<u>(262,572)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(281,260)</u>	<u>(262,572)</u>
Change in Net Position	<u>\$23,060</u>	<u>448,882</u>	<u>748,553</u>	<u>803,084</u>	<u>22,298</u>	<u>19,786</u>	<u>1,394,941</u>	<u>1,371,322</u>
Net Position - Beginning	<u>22,401,963</u>	<u>21,853,071</u>	<u>26,040,505</u>	<u>25,237,421</u>	<u>7,191,384</u>	<u>7,171,518</u>	<u>53,633,842</u>	<u>54,362,110</u>
Net Position - Ending	<u>\$ 22,825,043</u>	<u>\$ 22,401,963</u>	<u>\$ 26,790,058</u>	<u>\$ 26,040,505</u>	<u>\$ 7,213,682</u>	<u>\$ 7,191,384</u>	<u>\$ 56,928,783</u>	<u>\$ 55,533,432</u>

GENERAL FUND BUDGETARY HIGHLIGHTS

As shown in the *Budgetary Companion Schedule* for the general fund (in required supplementary information), the City did not amend its budget during the year. The final net change in fund balance was an increase of \$2,033,842. General fund expenditures and other financing uses were \$634,985 less than budgeted amounts, while general fund revenues and other financing sources were \$1,398,857 more than budget amounts. The positive budget variance in revenues is mainly due to higher intergovernmental revenues, higher franchise fees and building permits collected, higher charges for services for the City's ambulance service, as well as, insurance dividends and the sale of property. The positive budget variance in expenditures is primarily due to turnover in City staff. Even though the turnover resulted in retirement payouts being incurred, these were budgeted, and such vacancies were filled at lower rates.

**CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of December 31, 2020 and 2019 were as shown below:

**Capital Assets, Net of Accumulated Depreciation
December 31, 2020 and 2019**

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Not Subject to Depreciation:						
Land and Land Rights	\$ 2,910,620	\$ 2,910,620	\$ 312,951	\$ 312,961	\$ 3,223,581	\$ 3,223,581
Construction Work in Progress	395,600	4,297,239	-	363,390	395,600	4,660,629
Non-Utility Property	-	-	2,916	2,916	2,916	2,916
Subject to Depreciation:						
Buildings	16,001,224	15,839,945	-	-	16,001,224	15,839,945
Land Improvements	12,997,926	6,596,181	-	-	12,997,926	6,596,181
Equipment and Vehicles	8,306,153	8,147,296	-	-	8,306,153	8,147,296
Infrastructure	49,238,807	47,624,138	-	-	49,238,807	47,624,138
Water System Plant	-	-	27,248,017	26,071,724	27,248,017	26,071,724
Wastewater System Plant	-	-	34,394,710	33,657,984	34,394,710	33,657,984
Storm Water Plant	-	-	11,704,165	11,294,211	11,704,165	11,294,211
Subtotal	89,850,330	85,415,419	73,652,769	71,703,885	163,503,099	157,119,305
Accumulated Depreciation	<u>31,443,572</u>	<u>30,019,888</u>	<u>28,951,264</u>	<u>27,401,246</u>	<u>60,404,836</u>	<u>57,421,144</u>
	<u>\$ 58,406,758</u>	<u>\$ 55,395,531</u>	<u>\$ 44,701,505</u>	<u>\$ 44,302,639</u>	<u>\$ 103,108,263</u>	<u>\$ 99,827,861</u>

Some of the more significant additions to the City's capital assets during 2020 included: (in thousands)

• City infrastructure additions	\$ 2,077.0
• Water system and equipment additions	961.9
• Wastewater system and equipment additions	788.3
• Storm water system additions	421.9

Additional information related to the City's capital assets is reported in Note 3 C following the basic financial statements

**CITY OF CHIPPEWA FALLS, WISCONSIN
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2020**

Long-Term Obligations

At December 31, 2020 and for the previous year, the City had outstanding long-term debt and other long-term obligations as shown below:

**Outstanding Long-Term Obligations
December 31, 2020 and 2019**

	Governmental Activities		Business-Type Activities		Total Outstanding		%
	2020	2019	2020	2019	2020	2019	
Long-Term Debt							
General Obligation Debt							
Bonds	\$ 21,575,000	\$ 21,425,000	\$ 4,460,000	\$ 3,995,000	\$ 26,035,000	\$ 25,420,000	2.4%
Notes	776,548	1,064,730	-	-	776,548	1,064,730	-27.0
Tax Increment Revenue Bonds	2,869,942	3,068,037	-	-	2,869,942	3,068,037	-6.5
Unamortized Debt Premium	440,066	377,885	71,549	40,502	511,615	418,387	22.3
Unamortized Debt Discount	(19,708)	(24,082)	(4,591)	(5,433)	(24,300)	(29,515)	-17.7
Water Revenue Bonds	-	-	763,341	984,502	763,341	984,502	-22.5
Sewer Revenue Bonds	-	-	3,640,117	3,904,363	3,640,117	3,904,363	-6.8
Subtotal	25,642,147	25,911,570	8,930,416	8,918,934	34,572,563	34,830,504	-0.7
Other Long-Term Obligations							
Compensated Absence Payable	1,014,268	1,058,882	170,151	150,696	1,184,419	1,209,578	-2.1
Estimated Landfill Postclosure Costs	149,209	157,270	-	-	149,209	157,270	-5.1
Total	<u>\$ 26,805,624</u>	<u>\$ 27,127,722</u>	<u>\$ 9,100,567</u>	<u>\$ 9,069,630</u>	<u>\$ 35,906,191</u>	<u>\$ 36,197,352</u>	-0.8

Under Wisconsin State Statutes, the outstanding general obligation long-term debt of a municipality may not exceed 5% of the equalized property value of all taxable property within the jurisdiction. The applicable debt of the City outstanding at December 31, 2020 totaled \$26,811,848 approximately 44% of the maximum legal limit of \$61,393,740.

On August 11, 2020, the City issued General Obligation Corporate Purpose Bonds, Series 2020B in the amount of \$2,790,000. The bonds accrue interest at 2.00 percent and mature June 1, 2040. The bonds were used to finance various capital equipment purchases, street improvement projects, water system improvement projects, and sewer system improvement projects.

Additional information related to the City's long-term debt is reported in Note 3 E following the basic financial statements.

CURRENTLY KNOWN FACTS BEARING ON THE CITY'S FUTURE

The City Council adopted a 2021 general fund budget that was balanced.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Chippewa Falls' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the office of the Financial Manager, 30 West Central Street, Chippewa Falls, Wisconsin 54729.

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2020**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 34,914,723	\$ 14,373,429	\$ 49,288,152
Taxes Receivable	10,067,795	-	10,067,795
Special Assessments Receivable	1,749,495	1,068,915	2,818,410
Accounts Receivable	741,608	1,150,354	1,891,962
Due from Other Governments	313,168	-	313,168
Interest Receivable	53,345	-	53,345
Long-Term Receivables	4,946,674	-	4,946,674
Inventories	17,219	148,083	165,302
Land Contracts and Land Held for Resale	4,000	-	4,000
Other Assets	-	4,591	4,591
Internal Balances	(891,772)	891,772	-
Restricted Assets:			
Cash and Investments	-	4,207,584	4,207,584
Wisconsin Retirement System Net Pension Asset	1,888,388	202,130	2,090,518
Capital Assets:			
Capital Assets Not Being Depreciated	3,306,220	315,877	3,622,097
Capital Assets Being Depreciated	86,544,110	73,346,892	159,891,002
Accumulated Depreciation	<u>(31,443,572)</u>	<u>(28,861,264)</u>	<u>(60,404,836)</u>
Total Assets	<u>112,211,401</u>	<u>66,748,363</u>	<u>178,959,764</u>
DEFERRED OUTFLOWS OF RESOURCES			
Wisconsin Retirement System Pension Plan Related	4,424,908	472,605	4,897,513
OPEB Single-Employer Plan Related	236,723	37,325	274,048
State Life Insurance OPEB Plan Related	151,178	34,891	186,067
Total Deferred Outflows of Resources	<u>4,812,807</u>	<u>544,821</u>	<u>5,357,628</u>
LIABILITIES			
Vouchers and Accounts Payable	644,017	263,650	907,667
Accrued Interest Payable	218,410	44,539	262,949
Payroll Taxes and Withholdings	143,551	-	143,551
Due to Other Governments	6,337	-	6,337
Long-Term Liabilities:			
Due Within One Year	2,774,328	706,320	3,480,648
Due in More Than One Year	24,031,296	8,398,838	32,430,134
Total OPEB Liability Single-Employer Plan	1,047,928	165,234	1,213,162
State Life Insurance Net OPEB Liability	<u>365,702</u>	<u>84,400</u>	<u>450,102</u>
Total Liabilities	<u>29,231,569</u>	<u>9,662,981</u>	<u>38,894,550</u>
DEFERRED INFLOWS OF RESOURCES			
Subsequent Year's Property Taxes	12,297,581	-	12,297,581
Wisconsin Retirement System Pension Plan Related	5,658,493	605,675	6,264,168
OPEB Single-Employer Plan Related	524,373	82,680	607,053
State Life Insurance OPEB Plan Related	<u>56,608</u>	<u>13,065</u>	<u>69,673</u>
Total Deferred Inflows of Resources	<u>18,537,055</u>	<u>701,420</u>	<u>19,238,475</u>
NET POSITION			
Net Investment in Capital Assets	34,091,333	35,766,497	69,857,830
Restricted for:			
Debt Service Funds	-	256,225	256,225
Capital Projects and Plant Replacement	6,406,730	3,491,298	9,898,028
Housing/Business Loan Programs	2,455,672	-	2,455,672
Pension Plan Asset	1,888,388	202,130	2,090,518
Other Purposes	843,243	-	843,243
Unrestricted	<u>23,570,218</u>	<u>17,212,632</u>	<u>40,782,850</u>
Total Net Position	<u>\$ 69,255,584</u>	<u>\$ 56,928,783</u>	<u>\$ 126,184,367</u>

See accompanying Notes to Basic Financial Statements

(16)

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

Functions/Programs	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
Primary Government:						
Governmental Activities						
General Government	\$ 1,307,448	\$ 93,244	\$ 17,187	\$ (1,197,015)	\$ -	\$ (1,197,015)
Public Safety	6,827,787	1,707,914	479,462	(4,640,391)	-	(4,640,391)
Public Works	2,536,342	444,808	1,236,175	(262,612)	-	(262,612)
Health and Human Services	48,666	4,778	-	(43,888)	-	(43,888)
Culture, Recreation and Education	633,316	574,647	21,430	260,896	223,657	223,657
Conservation and Development	2,014,985	2,980	25,219	(1,964,220)	-	(1,964,220)
Interest and Fiscal Charges	<u>784,277</u>	-	-	<u>(784,277)</u>	-	<u>(784,277)</u>
Total Governmental Activities	<u>14,152,799</u>	<u>2,828,371</u>	<u>1,779,473</u>	<u>(8,668,746)</u>	-	<u>(8,668,746)</u>
Business-Type Activities						
Water	2,016,766	2,652,871	-	196,452	832,557	832,557
Wastewater Treatment	2,524,525	3,155,308	-	168,413	697,196	697,196
Storm Water	<u>742,004</u>	<u>759,712</u>	-	-	17,708	17,708
Total Business-Type Activities	<u>5,383,295</u>	<u>6,567,891</u>	-	-	<u>1,547,461</u>	<u>1,547,461</u>
Total Primary Government	<u>\$ 19,536,094</u>	<u>\$ 9,396,262</u>	<u>\$ 1,779,473</u>	<u>\$ 1,239,074</u>	<u>(8,668,746)</u>	<u>(7,121,285)</u>
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes				5,668,778	-	5,668,778
Property Taxes, Levied for Debt Purposes				1,721,873	-	1,721,873
Property Taxes, Levied for TIF Districts				4,059,081	-	4,059,081
Other Taxes				313,384	-	313,384
State and Federal Aids Not Restricted to Specific Functions				3,987,810	-	3,987,810
Interest and Investment Earnings				169,717	138,740	308,457
Miscellaneous				84,719	-	84,719
Gain on Sale of Property				129,221	-	129,221
Transfers				391,260	(391,260)	-
Total General Revenues and Transfers				<u>16,525,843</u>	<u>(252,520)</u>	<u>16,273,323</u>
Change in Net Position				7,857,097	1,294,941	9,152,038
Net Position - Beginning of Year				61,398,487	55,633,842	117,032,329
Net Position - End of Year				<u>\$ 69,255,584</u>	<u>\$ 56,928,783</u>	<u>\$ 126,184,367</u>

See accompanying Notes to Basic Financial Statements

(17)

**CITY OF CHIPPEWA FALLS, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2020**

	General Fund	CDBG Fund	Debt Service Fund	TID #14 Capital Projects Fund	Other Governmental Funds	Totals
ASSETS						
Treasurer's Cash and Investments	\$ 22,931,611	\$ 337,405	\$ 993,282	\$ 407,598	\$ 10,244,827	\$ 34,914,723
Taxes Receivable	3,632,212	-	1,775,895	2,081,204	2,578,484	10,067,795
Special Assessments Receivable	-	-	-	-	1,749,495	1,749,495
Accounts Receivable	705,298	-	-	-	36,310	741,608
Due from Other Governments	313,168	-	-	-	-	313,168
Due from Other Funds	702,150	-	-	-	1,118,421	1,820,571
Land Contracts and Land Held for Resale	4,000	-	-	-	-	4,000
Interest Receivable	-	-	-	-	53,345	53,345
Inventories	17,219	-	-	-	-	17,219
Advances to Other Funds	769,466	-	-	-	-	769,466
Installment Loans Receivable	-	423,887	-	-	2,620,465	3,044,352
Loans Receivable	-	1,704,322	-	-	198,000	1,902,322
Total Assets	\$ 29,075,124	\$ 2,465,614	\$ 2,769,177	\$ 2,488,802	\$ 18,599,347	\$ 55,398,064
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Vouchers and Accounts Payable	\$ 147,039	\$ 9,942	\$ 3,800	\$ -	\$ 483,236	\$ 644,017
Payroll Withholdings	143,551	-	-	-	-	143,551
Due to Other Governmental Units	6,337	-	-	-	-	6,337
Due to Other Funds	567,882	-	-	277,289	1,099,473	1,934,644
Advances from Other Funds	-	-	777,599	-	769,466	1,547,165
Total Liabilities	864,809	9,942	781,499	277,289	2,342,175	4,275,714
Deferred Inflows of Resources:						
Subsequent Year's Property Taxes	5,861,998	-	1,775,895	2,081,204	2,578,484	12,297,581
Unavailable Loans Receivable	-	2,128,209	-	-	491,085	2,619,294
Unavailable Special Assessments	-	-	-	-	1,749,495	1,749,495
Unavailable Land Contract	4,000	-	-	-	-	4,000
Unavailable Ambulance Revenues	231,956	-	-	-	-	231,956
Total Deferred Inflows of Resources	6,097,954	2,128,209	1,775,895	2,081,204	4,819,064	16,902,326
Fund Balances:						
Nonspendable	789,769	-	-	-	607,501	1,397,270
Restricted	-	327,463	211,783	130,309	8,446,386	9,115,941
Committed	-	-	-	-	3,153,991	3,153,991
Assigned	760,203	-	-	-	-	760,203
Unassigned	20,582,389	-	-	-	(769,770)	19,792,619
Total Fund Balances	22,112,361	327,463	211,783	130,309	11,438,106	34,220,024
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 29,075,124	\$ 2,465,614	\$ 2,769,177	\$ 2,488,802	\$ 18,599,347	\$ 55,398,064

See accompanying Notes to Basic Financial Statements

(18)

**CITY OF CHIPPEWA FALLS, WISCONSIN
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2020**

Total Fund Balances - Governmental Funds		\$ 34,220,024
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. These assets consist of:		
Land	\$ 2,910,620	
Buildings	16,001,224	
Land Improvements	12,997,926	
Equipment and Vehicles	8,306,153	
Infrastructure	49,238,807	
Construction Work in Progress	395,600	
Accumulated Depreciation	(31,443,572)	58,406,758
Some receivables including special assessments, are reported as deferred inflows in the fund financial statements but are recognized as revenue when earned in the government-wide statements		4,604,745
Net Wisconsin Retirement System pension asset (liability) and related deferred outflows and inflows of resources are recorded only on the Statement of Net Position. Balances at year-end are:		
Net Pension Asset (Liability)	1,888,388	
Deferred Outflows of Resources	4,424,908	
Deferred Inflows of Resources	(5,658,493)	654,803
Other Postemployment Benefits and related deferred outflows and inflows of resources are recorded only on the Statement of Net Position. Balances at year-end are:		
Single-Employer Total OPEB Liability	(1,047,928)	
Deferred Outflows of Resources - Single-Employer Plan	236,723	
Deferred Inflows of Resources - Single-Employer Plan	(524,373)	
State Life Insurance Net OPEB Liability	(365,702)	
Deferred Outflows of Resources - State Life Insurance	151,176	
Deferred Inflows of Resources - State Life Insurance	(56,608)	(1,606,712)
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities consist of:		
Bonds Payable	(21,575,000)	
Notes Payable	(776,848)	
State Trust Fund Loan	(2,869,942)	
Accrued Interest Payable	(218,410)	
Landfill Postclosure Costs	(149,209)	
Compensated Absences Payable	(1,014,268)	(26,603,677)
Debt discounts and premiums are amortized over the lives of the related debt in the statement of net position. In the governmental funds these costs are considered expenditures/other financing uses when incurred. These costs include:		
Unamortized Debt Premium	(440,066)	
Unamortized Debt Discount	19,709	(420,357)
Net Position of Governmental Activities		\$ 69,255,584

See accompanying Notes to Basic Financial Statements

(19)

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2020**

	General Fund	CDBG Fund	Debt Service Fund	TID #14 Capital Projects Fund	Other Governmental Funds	Totals
REVENUES						
Taxes	\$ 5,731,300	\$ -	\$ 1,721,873	\$ 1,812,751	\$ 2,497,412	\$ 11,763,336
Special Assessments	-	-	-	-	592,320	592,320
Intergovernmental	5,450,246	-	-	-	300,696	5,750,942
Licenses and Permits	413,532	-	-	-	-	413,532
Fines and Forfeits	75,531	-	-	-	-	75,531
Public Charges for Services	1,461,686	-	-	-	-	1,461,686
Intergovernmental Charges for Services	650,825	-	-	-	-	650,825
Miscellaneous	-	-	-	-	-	-
Interest	46,384	311	167	-	135,971	182,833
Rent	4,850	-	-	-	-	4,850
Donations	-	-	-	-	460,266	460,266
Loan Repayments	-	224,572	-	-	36,077	260,549
Other	126,168	-	-	-	-	126,168
Total Revenues	13,960,522	224,883	1,722,040	1,812,751	4,022,742	21,742,938
EXPENDITURES						
General Government	1,238,438	-	-	-	-	1,238,438
Public Safety	6,448,482	-	-	-	3,893	6,452,375
Transportation Facilities	2,067,758	-	-	-	-	2,067,758
Sanitation	275,544	-	-	-	-	275,544
Health and Human Services	48,666	-	-	-	-	48,666
Culture, Recreation and Education	1,930,669	-	-	-	374,678	2,305,347
Conservation and Development	137,371	68,424	-	1,439,709	237,265	1,882,769
Capital Outlay	277,288	-	-	-	1,834,166	2,111,464
Debt Service:						
Principal Retirement	-	-	2,410,977	-	-	2,410,977
Interest and Fiscal Charges	-	-	806,019	-	40,504	846,523
Debt Issuance Costs	-	-	18,573	-	-	18,573
Total Expenditures	12,424,226	68,424	3,235,569	1,439,709	2,490,506	19,658,434
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,536,296	156,459	(1,513,529)	373,042	1,532,236	2,084,504
OTHER FINANCING SOURCES (USES)						
Sale of Property	102,586	-	-	-	27,385	129,971
Long-Term Debt Issued	-	-	-	-	2,075,000	2,075,000
Debt Premium	-	-	110,906	-	7,570	118,476
Transfers In	394,960	-	1,416,747	-	500,581	2,314,288
Transfers Out	-	-	-	-	(1,923,038)	(1,923,038)
Total Other Financing Sources (Uses)	497,546	-	1,529,653	-	687,508	2,714,707
NET CHANGE IN FUND BALANCES	2,033,842	156,459	16,124	373,042	2,219,744	4,799,211
Fund Balances (Deficits), January 1	20,078,519	171,004	185,659	(242,733)	9,218,364	29,420,813
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 22,112,361	\$ 327,463	\$ 211,783	\$ 130,309	\$ 11,438,108	\$ 34,220,024

See accompanying Notes to Basic Financial Statements

(20)

**CITY OF CHIPPEWA FALLS, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2020**

Net Change in Fund Balances - Total Governmental Funds

\$ 4,799,211

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

Capital outlays are reported as expenditures in governmental funds. However in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlays Reported in Governmental Fund Statements	\$ 5,129,736	
Depreciation Expense Reported in the Statement of Activities	(2,025,725)	3,104,011

In the statement of activities, only the gain or loss on the sale of land, buildings and equipment is reported whereas in the governmental funds, the entire proceeds of sales increase financial resources. Thus, the change in net position differs from the change in fund balances by the cost of land, buildings and equipment removed

(92,774)

Receivables not currently available are reported as deferred inflows in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

(198,841)

Pension expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on the statement of activities are measured by the change in net pension asset/liability and related deferred outflows and inflows of resources.

(38,673)

OPEB expenditures in the governmental funds are measured by current year employee contributions. OPEB expenses on the statement of activities are measured by the change in OPEB asset/liability and related deferred outflows and inflows of resources.

(68,832)

Long-term debt incurred in governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the statement of net position and does not affect the statement of activities. In the current year, these amounts consist of:

General Obligation Bonds		(2,075,000)
--------------------------	--	-------------

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consist of:

Bond Principal Retirement	1,925,000	
Note Principal Retirement	287,882	
Taxable Notes and Bonds	198,095	2,410,977

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These activities consist of:

Net Change in Accrued Interest Payable	28,897	
Net Change in Compensated Absences Balance	44,614	
Net Change in Landfill Postclosure Care Costs	8,061	
Net Change in Debt Premium	(62,181)	
Net Change in Debt Discount	(4,373)	15,018

Change in Net Position of Governmental Activities

\$ 7,857,097

See accompanying Notes to Basic Financial Statements.

(21)

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2020**

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Storm Water Utility	Totals
ASSETS				
Current Assets:				
Cash and Investments	\$ 6,514,121	\$ 7,255,567	\$ 603,741	\$ 14,373,429
Customer Accounts Receivable	483,678	488,094	177,683	1,149,455
Special Assessments Receivable	431,255	637,660		1,068,915
Other Accounts Receivable	899			899
Due from Other Funds:				
Accounts Receivable on Tax Roll	78,092	68,924	17,353	164,369
Due from Governmental Funds	359,321	679,721	266,460	1,305,502
Due from Water Utility		465,817		465,817
Due from Wastewater Utility	199,201			199,201
Inventories	93,815	-	54,268	148,083
Total Current Assets	8,160,382	9,595,783	1,119,505	18,875,670
Restricted Assets:				
Cash and Investments:				
Bond Redemption Fund Investments	101,266	190,027		291,293
Replacement Fund Cash and Investments		3,916,291		3,916,291
Wisconsin Retirement System Net Pension Asset	95,145	85,507	11,478	202,130
Total Restricted Assets	196,411	4,201,825	11,478	4,409,714
Capital Assets:				
Land and Land Rights	135,570	177,391		312,961
Nonutility Property	2,916			2,916
Utility Plant in Service	27,248,017	34,394,710	11,704,165	73,346,892
Less Accumulated Depreciation	(10,855,665)	(14,497,780)	(3,607,839)	(28,961,284)
Total Capital Assets	16,530,838	20,074,341	8,096,326	44,701,505
Other Assets:				
Advances to Other Funds	777,699			777,699
Unamortized Debt Discount		1,523	3,068	4,591
Total Other Assets	777,699	1,523	3,068	782,290
Total Assets	25,665,330	33,873,472	9,230,377	68,769,179
DEFERRED OUTFLOWS OF RESOURCES				
Wisconsin Retirement System Pension Plan Related	222,569	223,416	26,620	472,605
OPEB Single-Employer Plan Related	14,388	22,033	904	37,325
State Life Insurance OPEB Plan Related	12,555	20,424	1,912	34,891
Total Deferred Outflows of Resources	249,512	265,873	29,436	544,821

See accompanying Notes to Basic Financial Statements

(22)

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
DECEMBER 31, 2020**

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Storm Water Utility	Totals
LIABILITIES				
Current Liabilities Payable From				
Current Assets:				
Accounts Payable	\$ 108,071	\$ 151,428	\$ 4,151	\$ 263,650
Due to Governmental Funds:				
Taxes Accrued	391,260			391,260
Other	361,322	520,845	548,188	1,430,355
Due to Water Utility		199,201		199,201
Accrued Interest Payable			9,472	9,472
Current Portion of Long-Term Debt (Net of Portion Payable from Restricted Assets)	45,000		90,000	135,000
Current Portion of Unused Vested Employee Benefits	30,683	37,149	2,334	70,166
Total Current Liabilities Payable from Current Assets	936,336	908,623	654,145	2,499,104
Current Liabilities Payable from				
Restricted Assets:				
Accrued Interest Payable	7,941	27,126	-	35,067
Current Portion of Long-Term Debt	76,161	424,993	-	501,154
Total Current Liabilities Payable from Restricted Assets	84,102	452,119	-	536,221
Long-Term Liabilities:				
Revenue Bonds (Net of Current Portion)	1,518,676	5,435,661	1,344,517	8,298,854
Unused Vested Employee Benefits	34,949	63,300	1,735	99,984
Other Postemployment Benefits Payable	63,691	97,539	4,004	165,234
State Life Insurance Net OPEB Liability	30,375	49,406	4,618	84,400
Total Long-Term Liabilities	1,647,691	5,645,906	1,354,875	8,648,472
Total Liabilities	2,668,129	7,006,648	2,009,020	11,683,797
DEFERRED INFLOWS OF RESOURCES				
Wisconsin Retirement System Pension Plan Related	285,099	286,184	34,392	605,675
OPEB Single-Employer Plan Related	31,870	48,807	2,003	82,680
State Life Insurance OPEB Plan Related	4,701	7,648	716	13,065
Total Deferred Inflows of Resources	321,670	342,639	37,111	701,420
NET POSITION				
Net Investment in Capital Assets	14,891,001	14,213,687	6,661,809	35,766,497
Restricted for Debt Service	93,325	162,901	-	256,226
Restricted for Asset Replacement	-	3,491,298	-	3,491,298
Restricted for Wisconsin Retirement System Pension Plan	95,145	95,507	11,478	202,130
Unrestricted	7,845,572	8,826,665	540,395	17,212,632
Total Net Position	\$ 22,925,043	\$ 26,790,058	\$ 7,213,682	\$ 56,928,783

See accompanying Notes to Basic Financial Statements

(23)

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Storm Water Utility	Totals
OPERATING REVENUES				
Charges for Services	\$ 2,436,159	\$ 2,541,559	\$ 749,907	\$ 5,727,625
Other Operating Revenues	216,712	613,749	9,805	840,266
Total Operating Revenues	2,652,871	3,155,308	759,712	6,567,891
OPERATING EXPENSES				
Operation, Maintenance and Administrative	1,255,727	1,650,813	466,687	3,373,227
Depreciation	713,700	826,975	232,328	1,773,003
Total Operating Expenses	1,969,427	2,477,788	699,015	5,146,230
OPERATING INCOME (LOSS)	683,444	677,520	60,697	1,421,661
NONOPERATING REVENUES (EXPENSES)				
Interest Income	81,793	52,357	4,590	138,740
Interest Expense	(49,023)	(136,429)	(43,484)	(228,936)
Amortization of Debt Related Items	1,684	(10,308)	495	(8,129)
Total Nonoperating Revenues (Expenses)	34,454	(94,380)	(38,399)	(98,325)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	717,898	583,140	22,298	1,323,336
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital Contributions by Private Sources	196,452	166,413	-	362,865
Transfer Out	(391,260)	-	-	(391,260)
Total Capital Contributions and Transfers	(194,808)	166,413	-	(28,395)
CHANGE IN NET POSITION	523,090	749,553	22,298	1,294,941
Net Position, January 1	22,401,953	26,040,505	7,191,384	55,633,842
NET POSITION, DECEMBER 31	<u>\$ 22,925,043</u>	<u>\$ 26,790,058</u>	<u>\$ 7,213,682</u>	<u>\$ 56,928,783</u>

See accompanying Notes to Basic Financial Statements

(24)

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Storm Water Utility	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 2,600,441	\$ 3,124,705	\$ 768,230	\$ 6,493,376
Cash Received (Paid) for Wastewater Building Rent	(12,000)	12,000	-	-
Cash Received (Paid) for Water Meter Charges to Wastewater	99,999	(99,999)	-	-
Cash Payments to Suppliers for Goods and Services	(201,567)	(622,337)	(106,095)	(929,999)
Cash Payments for Employee Services	(870,786)	(715,576)	(375,802)	(1,962,164)
Net Cash Provided by (Used for) Operating Activities	1,616,087	1,699,793	266,333	3,601,213
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers Out	(391,260)	-	-	(391,260)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Cash Received from Capital Contributions	6,821	-	-	6,821
Cash Payments for Capital Assets	(1,209,026)	(1,463,555)	(379,697)	(3,052,278)
Cash Payments for Construction Work in Progress	(206,470)	(150)	-	(206,620)
Cash Received from Special Assessments	78,885	145,474	-	224,359
Cash Received from Long-Term Debt	-	455,000	260,000	715,000
Cash Paid for Debt Issuance Costs	-	6,812	-	6,812
Cash Paid for Principal on Long-Term Debt	(271,161)	(386,177)	(70,000)	(727,338)
Cash Paid for Interest on Long-Term Debt	(54,485)	(142,746)	(32,068)	(229,299)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(1,655,636)	(1,385,342)	(221,765)	(3,262,743)
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash Received from Interest on Investments	81,793	52,357	4,590	138,740
NET CHANGE IN CASH AND CASH EQUIVALENTS	(349,016)	365,808	69,158	85,950
Cash and Cash Equivalents, January 1	6,964,403	10,996,077	534,583	18,495,063
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 6,615,387</u>	<u>\$ 11,361,885</u>	<u>\$ 603,741</u>	<u>\$ 18,581,013</u>

See accompanying Notes to Basic Financial Statements

(25)

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Business-Type Activities - Enterprise Funds			
	Water Utility	Wastewater Utility	Storm Water Utility	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR)				
OPERATING ACTIVITIES				
Operating Income	\$ 683,444	\$ 677,520	\$ 60,697	\$ 1,421,661
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities:				
Change in Pension Plan Related Items:				
Asset/Liability	(196,724)	(197,472)	(23,732)	(417,928)
Deferred Outflows of Resources	53,798	53,789	6,798	114,385
Deferred Inflows of Resources	144,962	145,513	17,487	307,962
Change in OPEB Related Items:				
Asset/Liability	23,013	38,836	2,789	64,638
Deferred Outflows of Resources	(20,191)	(31,782)	(2,059)	(54,032)
Deferred Inflows of Resources	5,844	10,350	522	16,716
Depreciation	713,700	826,975	232,328	1,773,003
(Increase) Decrease in Assets:				
Customer Accounts Receivable	5,115	(40,109)	1,215	(33,779)
Other Accounts Receivable	(404)	-	-	(404)
Accounts Receivable on Tax Roll	42,858	21,506	7,303	71,667
Due from Other Funds	227,656	-	958	228,614
Inventories	(7,309)	-	(12,629)	(19,938)
Increase (Decrease) in Liabilities:				
Accounts Payable	(53,018)	84,879	(5,741)	26,120
Due to Other Funds	(12,000)	95,074	-	83,074
Unused Vested Employee Benefits	5,343	13,714	397	19,454
Net Cash Provided by (Used for) Operating Activities	\$ 1,616,087	\$ 1,898,793	\$ 286,333	\$ 3,601,213
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS				
Cash and Investments Per Statement of Net Position:				
Cash and Investments	\$ 6,514,121	\$ 7,255,567	\$ 603,741	\$ 14,373,429
Cash and Investments - Restricted	101,266	4,106,318	-	4,207,584
Total Cash and Cash Equivalents	\$ 6,615,387	\$ 11,361,885	\$ 603,741	\$ 18,581,013
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Contributions of Capital Assets	\$ 186,344	\$ 166,413	\$ -	\$ 352,757

See accompanying Notes to Basic Financial Statements.

(26)

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2020**

	Custodial Fund
ASSETS	
Cash and Investments	\$ 2,536,318
Taxes Receivable	9,717,998
Total Assets	12,254,316
DEFERRED INFLOWS OF RESOURCES	
Succeeding Year's Property Tax	12,254,316
NET POSITION	
Restricted	\$ -

See accompanying Notes to Basic Financial Statements.

(27)

**CITY OF CHIPPEWA FALLS, WISCONSIN
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
YEAR ENDED DECEMBER 31, 2020**

	Custodial Fund
ADDITIONS	
Tax Collections for Other Governments	\$ 11,641,864
DEDUCTIONS	
Payments of Taxes to Other Governments	11,641,864
CHANGE IN NET POSITION	-
Net Position, January 1	-
NET POSITION, DECEMBER 31	\$ -

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Chippewa Falls (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

A. Reporting Entity

The City of Chippewa Falls is governed by a mayor/council form of government. The council consists of seven members elected from seven wards within the City and the mayor

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

The basic financial statements of the City consist of the primary government and the Redevelopment Authority of the City of Chippewa Falls. The Redevelopment Authority has been treated as a "blended component unit" for reporting purposes. A blended component unit, although a legally separate entity, is in substance, part of the government's operations and so data from the unit is combined with data of the primary government. Transactions of the Redevelopment Authority during 2020 consisted solely of the transactions relating to its revolving loan fund. These transactions have been presented in a separate special revenue fund as described further in this note.

B. Government-Wide and Fund Financial Statements

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

Government-Wide Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report financial information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

CITY OF CHIPPEWA FALLS, 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)

Government-Wide Statements (Continued)

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

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, deferred inflows of resources, net position, fund equity, revenues, and expenditures/expenses.

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. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

CDBG Fund – The CDBG Fund, a special revenue fund, is used to account for the restricted CDBG funding and the related revolving loan funds. The major revenue sources are grants and loan repayments.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of governmental funds. For report purposes, the City has considered its individual debt service funds as one fund.

TID #14 Fund – The TID #14 Capital Projects Fund is used to account for resources accumulated to be used for capital projects as approved as part of the TID plan.

All remaining governmental funds are aggregated and reported as nonmajor funds.

CITY OF CHIPPEWA FALLS, 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)

Fund Financial Statements (Continued)

The City reports the following major enterprise funds:

Water Utility – This fund accounts for the operations of the water system. Utility operations are subject to regulation by the Wisconsin Public Service Commission.

Wastewater Utility – This fund accounts for the operations of the wastewater collection system and treatment facilities.

Storm Water Utility – This fund accounts for the operations of the storm water collection system and related activities.

The City had no other enterprise funds.

Additionally, the City reports the following fiduciary fund:

Custodial Fund – This fund is used to account for assets held by the City on behalf of individuals, private organizations and/or other governmental units. The custodial fund is primarily used to account for the collection of property taxes for other governmental entities.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables, if material, are recorded as revenues when services are provided.

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed 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 City considers revenues reported in the governmental funds to be available if they are collected within sixty days after the end of the current fiscal period. State and Federal aids under cost reimbursement programs are generally recognized when earned if expected to be collected in the subsequent year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting (Continued)

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. Property taxes, miscellaneous taxes, public charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are generally considered to be measurable and available only when cash is received by the government.

The City reports deferred inflows of resources on its statement of net position and fund balance sheets. Deferred inflows arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the City before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred inflows of resources or the liability for unearned revenue is removed from the statement of net position and fund balance sheet and revenue is recognized.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water utility, wastewater utility, and storm water utility are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

CITY OF CHIPPEWA FALLS, 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 Equity

1. Deposits and Investments

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

Investment of City funds is restricted by state statutes. Available investments are limited to:

1. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
2. Bonds or securities issued or guaranteed by the federal government.
3. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, or by the University of Wisconsin Hospitals and Clinics Authority.
4. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
5. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
6. Bonds or securities issued under the authority of the municipality.
7. The local government investment pool.
8. Repurchase agreements with public depositories, with certain conditions.

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

Investment of most trust funds is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. Those sections give broad authority to use such funds to acquire various kinds of investments including stocks, bonds and debentures.

Investments of the City are stated at amortized cost.

CITY OF CHIPPEWA FALLS, 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 Equity (Continued)

2. Receivables and Payables

Property Taxes. Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. Tax roll amounts that have been levied for other taxing jurisdictions are recorded in the City's custodial fund. Since City property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows in the funds budgeted therefore.

Real property taxes are payable in full on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges (including delinquent utility billings) and special taxes placed on the tax roll are payable in full on or before January 31. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the Chippewa County Treasurer for collection in February. Chippewa County subsequently settles in full with the City in August of the same year, including settlement for uncollected delinquent special assessments and special charges. (The County has the option to settle in full for delinquent special assessments and special charges or to remit them to the City as collections are received.) Delinquent personal property taxes are retained by the City for collection. A portion of the general fund balance is considered nonspendable for the City's investment in delinquent taxes.

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

Accounts Receivable. Accounts receivable for ambulance service provided are offset by an allowance for uncollectibles. All other accounts receivable are considered to be collectible in full.

CITY OF CHIPPEWA FALLS, 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 Equity (Continued)

2. Receivables and Payables (Continued)

Loans Receivable. The City has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The City records a loan receivable when the loan has been made and funds have been disbursed. The amounts recorded as economic development and housing rehabilitation loans receivable have not been reduced by an allowance for uncollectible accounts. It is the City's policy in the fund statements to record deferred inflows of resources for the net amount of the receivable balance in the fund financing the loan. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

Interfund Balances. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statement as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds, if material, are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

CITY OF CHIPPEWA FALLS, 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 Equity (Continued)

5. Capital Assets

Government-Wide Statements. Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. 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 assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capitalization thresholds (the dollar valued above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$5,000	N/A	
Buildings	5,000	Straight-line	20-50 Years
Land Improvements	5,000	Straight-line	10-20 Years
Equipment and Vehicles	5,000	Straight-line	3-10 Years
Utility Systems	5,000	Straight-line	4-100 Years
Infrastructure	5,000	Straight-line	20-80 Years

Fund Financial Statements. In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for in the same manner as in the government-wide statements.

6. Deferred Outflows/Inflows of Resources

The City reports decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. The City reports deferred outflows of resources for pension and OPEB related items.

CITY OF CHIPPEWA FALLS, 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 Equity (Continued)

6. Deferred Outflows/Inflows of Resources (Continued)

The City's governmental activities and governmental fund financial statements report a separate section for deferred inflows of resources. This separate financial statement element reflects an increase in net position or fund equity that applies to a future period. The City will not recognize the related revenue until a future event occurs. The City has two types of items which occur related to revenue recognition. The first occurs because property tax receivables are recorded in the current year, but the revenue will be recorded in the subsequent year. The second type of deferred inflow of resources occurs because governmental fund revenues are not recognized until available (collected not later than 60 days after the end of the City's year) under the modified accrual basis of accounting. The City reports deferred inflows of resources for pension and OPEB related items.

7. Compensated Absences

It is the City's policy to permit employees to accumulate paid leave benefits. Liabilities for accumulated employee leave benefits are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The City's policies and estimated liabilities at year end are further discussed in Note 4 B.

8. Other Postemployment Benefits (OPEB) – Single Employer Plan

Under the provisions of various employee and union contracts the City provides a retirement program for certain employees which includes certain health insurance benefits. The liability is actuarially determined.

9. Wisconsin Retirement System Pension Plan Benefits

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

CITY OF CHIPPEWA FALLS, 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 Equity (Continued)

10. Other Postemployment Benefits (OPEB) – Multiple Employer Plan

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and the deferred inflows of resources related to OPEB, OPEB expense and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

11. Long-Term Obligations/Conduit Debt

In the government-wide financial statements and proprietary 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 type statement of net position. In the governmental fund financial statements, 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.

The City has approved the issuance of industrial revenue bonds (IRB's) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. Prior year IRB's outstanding were paid in full during the current year, resulting in no outstanding balance at the end of the year.

12. Equity Classifications

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

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

CITY OF CHIPPEWA FALLS, 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 Equity (Continued)

12. Equity Classifications (Continued)

Fund Financial Statements. In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the Council. Unassigned fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. The City has established a policy that the general fund minimum unassigned fund balance should be between 15 and 25 percent of general fund expenditures.

Committed fund balance is required to be established, modified, or rescinded by resolution of the City Council prior to each year end. Based on resolution of the City Council, the Finance Manager has the authority to establish or modify assigned fund balance. When restricted and unrestricted fund balance is available for expenditure, it is the City's practice to first use restricted fund balance. When committed, assigned, and unassigned fund balance is available for expenditure, it is the City's practice to use committed, assigned and finally unassigned fund balance.

NOTE 2 STEWARDSHIP AND ACCOUNTABILITY

The following schedule summarizes funds with deficit balances at December 31, 2020. The schedule identifies how these deficits will be eliminated.

Fund	Deficit Amount	Recovery Plan
City Wide Donation	\$ 737,922	Future donations collected
TID #8	21,774	Future tax increment collections
TID #15	10,074	Future tax increment collections

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments

The City's cash and investments balances at December 31, 2020 are shown in the financial statements as follows:

Governmental Funds	\$ 34,914,723
Proprietary Funds	18,581,013
Fiduciary Funds	2,536,318
	<u>\$ 56,032,054</u>

The above cash and investments balances consisted of the following:

Deposits in Financial Institutions	\$ 1,755,567
Deposits in Local Government Investment Pool	54,275,132
Petty Cash	1,355
	<u>\$ 56,032,054</u>

Deposits at Financial Institutions

The City's balances at individual financial institutions were subject to coverage under federal depository insurance, a bank deposit guaranty bond and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). Federal depository insurance provides for coverage of up to \$250,000 for time and savings deposits and up to an additional \$250,000 for demand accounts. In addition, funds held for others (such as trust funds) are subject to coverage under the name of the party for whom the funds are held. Coverage has also been provided to the City by a financial institution in the form of a bank deposit guarantee bond. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the City to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk is the risk that, in the event of bank failure, the City's deposits may not be returned. At December 31, 2020, the City's deposits were not exposed to custodial credit risk.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments

The City's investments at December 31, 2020 consisted of deposits in external investment pools as described below:

Deposits in State Local Government Pooled-Investment Fund. The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local governmental unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2020 was 30 days.

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The City's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.D.1.

The City's investments in LGIP are recorded at amortized cost.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables

Other accounts receivable at December 31, 2020 are further detailed as follows:

Community Development Block Grant Loans Receivable

The City has participated in the Small Cities Community Development Block Grant (CDBG) program, part of which was used to finance housing rehabilitation as specified within the contracts signed with the Wisconsin Department of Development.

At December 31, 2020 the City had outstanding 23 installment loans and land contracts under the CDBG program totaling \$423,887. These loans are being repaid to the City under terms established through the program. Receivables have been recorded in the special revenue fund in the amount of the outstanding balances of these loans and are equally offset by a deferred inflow recorded therein. Revenue is recognized in the special revenue fund as collections are received on these loans.

The City also had 142 mortgage loans outstanding at December 31, 2020 totaling \$1,704,322. These notes become due and payable in the event that the maker -

- a no longer continues to occupy the premises securing this note as a full time residence, or
- b transfers any legal or equitable interest in the mortgaged premises to anyone for any reason.

These loans are recorded as long-term receivables and deferred inflows in the special revenue fund. Collections on these loans are recognized as revenue in the special revenue fund at the time of their receipt.

Proceeds from the collection of the above loans are restricted for financing similar rehabilitation projects.

Redevelopment Authority Loans Receivable

The City established the Redevelopment Authority of the City of Chippewa Falls in 1995. In conjunction with its creation, the City contributed \$298,000 to the Redevelopment Authority from its Tax Incremental District No. 4 Fund, \$300,000 was contributed in 1997 and \$400,000 was contributed in 2003, to be used to finance economic development loans. The following loans were outstanding at December 31, 2020:

Shoe Factory Holdings, L.L.C. On June 6, 1995 the City loaned Shoe Factory Holdings L.L.C. \$198,000 for the development of the building located at 36 West River Street known as the Chippewa Shoe Building. The loan is deferred for thirty years at 0% interest with the developer having the right to prepay the loan at any time. The loan becomes due and payable if the property is sold or transferred. At December 31, 2020 the outstanding loan balance equaled the original loan of \$198,000.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Receivables (Continued)

Redevelopment Authority Loans Receivable (Continued)

Cobban Block, LLC. On April 13, 2004 the City agreed to loan Cobban Block, LLC. \$475,000 to construct a building at 201 North Bridge Street to be used as its primary business location. The City and Cobban Block, LLC had two separate loan agreements and promissory notes related to this project. The first note is for \$400,000 and the second is for \$75,000. The \$400,000 loan has a term of fifteen years and the \$75,000 loan has a term of twenty years. Both loans bear an interest rate of 5.0%. In 2017, the loans were consolidated and the outstanding loan balance at December 31, 2020 was \$239,741. A subsequent amendment to the original agreement(s) deferred interest on the loans until a later date. The related interest receivable balance at December 31, 2020 was \$53,345.

CABCAR, LLC. On January 31, 2007 the City agreed to loan CABCAR, LLC \$48,000 to purchase a building at 33 Pine Street. The term of the loan is for twenty years and the loan bears an interest rate of 6.0%, which is payable monthly. The loan was paid in full during the current year, resulting in no outstanding loan balance as of December 31, 2020.

These loans are to be repaid to the City under terms established by the above loan agreements. Receivables have been recorded in the redevelopment authority revolving loan special revenue fund in the amount of the outstanding balances of these loans and are equally offset by deferred inflows recorded in these funds. Revenue is recognized in the special revenue fund as collections are received on these loans.

Short Elliott Hendrickson (S.E.H.). As part of a development agreement entered into by the City on December 18, 2012, the City and Authority loaned Short Elliott Hendrickson (S.E.H.) \$2,627,000 and \$900,000, respectively, for the development of land in TID #12. Both loans are interest free and mature 20 years from the date of the agreement. At December 31, 2020, the outstanding balance of these loans totaled \$1,773,224 and \$607,500, respectively.

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets

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

Governmental Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 2,910,620	\$ -	\$ -	\$ 2,910,620
Construction Work in Progress	4,297,239	523,351	4,424,990	395,600
Total Capital Assets Not Being Depreciated	7,207,859	523,351	4,424,990	3,306,220
Capital Assets Being Depreciated:				
Buildings	15,839,945	161,279	-	16,001,224
Land Improvements	6,596,181	6,401,745	-	12,997,926
Equipment and Vehicles	8,147,296	391,352	232,495	8,306,153
Infrastructure	47,624,138	2,076,999	462,330	49,238,807
Total Capital Assets Being Depreciated	78,207,560	9,031,375	694,825	86,544,110
Total Capital Assets	85,415,419	9,554,726	5,119,815	89,850,330
Accumulated Depreciation:				
Buildings	4,389,022	329,145	-	4,718,167
Land Improvements	2,454,156	352,209	-	2,806,365
Equipment and Vehicles	4,805,141	453,088	189,033	4,869,196
Infrastructure	18,571,579	881,283	413,018	19,049,844
Total Accumulated Depreciation	30,019,898	2,025,725	602,051	31,443,572
Net Capital Assets - Governmental Activities	\$ 55,395,521	\$ 7,529,001	\$ 4,517,764	\$ 58,406,758

Depreciation was charged to governmental functions as follows:

General Government	\$ 8,294
Public Safety	377,453
Public Works	1,159,637
Culture, Recreation and Education	292,832
Conservation and Development	187,509
	<u>\$ 2,025,725</u>

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Water Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	\$ 135,570	\$ -	\$ -	\$ 135,570
Nonutility Property	2,916	-	-	2,916
Construction Work in Progress	362,790	206,470	569,260	-
Total Capital Assets Not Being Depreciated	501,276	206,470	569,260	138,486
Capital Assets Being Depreciated:				
Source of Supply	531,676	2,123	-	533,799
Pumping Plant	2,287,274	5,000	-	2,292,274
Water Treatment	4,842,411	531,236	30,725	5,142,922
Transmission and Distribution	17,630,941	639,607	107,183	18,163,365
Administration and General Assets	979,422	146,690	10,455	1,115,657
Total Capital Assets Being Depreciated	26,071,724	1,324,656	148,363	27,248,017
Total Capital Assets	26,573,000	1,531,126	717,623	27,386,503
Less Accumulated Depreciation	10,290,328	713,700	148,363	10,855,665
Net Capital Assets - Water Utility	16,282,672	817,426	569,260	16,530,838
Wastewater Utility:				
Capital Assets Not Being Depreciated:				
Land and Land Rights	177,391	-	-	177,391
Construction Work in Progress	600	150	750	-
Total Capital Assets Not Being Depreciated	177,991	150	750	177,391
Capital Assets Being Depreciated:				
Collection System	12,070,654	536,561	15,510	12,591,705
Sludge Disposal Operations	1,084,843	16,781	-	1,101,624
Treatment and Disposal Plant	18,821,380	47,714	12,992	18,856,102
Administration and General Assets	1,681,107	187,817	23,645	1,845,279
Total Capital Assets Being Depreciated	33,657,984	788,873	52,147	34,394,710
Total Capital Assets	33,835,975	789,023	52,897	34,572,101
Less Accumulated Depreciation	13,722,932	826,975	52,147	14,497,760
Net Capital Assets - Wastewater Utility	20,113,043	(37,952)	750	20,074,341

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital Assets (Continued)

Business-Type Activities (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Storm Water Utility:				
Capital Assets Being Depreciated:				
Power Operated Equipment	\$ 981,477	\$ 6,596	\$ -	\$ 988,073
Computer Equipment	44,295	-	-	44,295
Storm Sewer Collection System	10,257,689	415,333	12,475	10,660,547
Storm Ponds	11,250	-	-	11,250
Total Capital Assets	11,294,711	421,929	12,475	11,704,165
Less Accumulated Depreciation	3,387,986	232,328	12,475	3,607,839
Net Capital Assets - Storm Water Utility	7,906,725	189,601	-	8,096,326
 Net Capital Assets - Business-Type Activities	 \$ 44,302,440	 \$ 969,075	 \$ 570,010	 \$ 44,701,505

Depreciation was charged to business-type activities as follows:

Water	\$ 713,700
Wastewater	826,975
Storm Water	232,328
	<u>\$ 1,773,003</u>

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2020 were as follows:

Due to/from Other Funds

	Receivable	Payable
Governmental Activity:		
General Fund	\$ 702,150	\$ 567,882
TID #14 Capital Projects Fund	-	277,289
Other Nonmajor Governmental Funds	1,118,421	1,089,473
Total Governmental Activity	1,820,571	1,934,644
Business-Type Activity:		
Water Fund	636,614	752,582
Wastewater Fund	1,214,462	720,046
Storm Water Fund	283,813	548,188
Total Business-Type Activity	2,134,889	2,020,816
Total	<u>\$ 3,955,460</u>	<u>\$ 3,955,460</u>

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables and Transfers (Continued)

Advances from/to Other Funds

	Receivable	Payable
Governmental Activity:		
General Fund	\$ 769,466	\$ -
Debt Service Fund	-	777,699
Other Nonmajor Governmental Funds	-	769,466
Total Governmental Activity	769,466	1,547,165
Business-Type Activity:		
Water Fund	777,699	-
Total	<u>\$ 1,547,165</u>	<u>\$ 1,547,165</u>

Long-term interfund advances were recorded from the City's general fund to its Tax Incremental District #8 and Tax Incremental District #15 funds at December 31, 2020 in the amounts of \$21,774, and \$10,074, respectively, to finance the cash overdrafts and fund deficits in the TID funds at that date. It is anticipated that these advances will be reduced as tax incremental revenues become available in the TID funds. The City also recorded an interfund advance from the general fund to the City-wide donation fund in the amount of \$737,618 to finance a cash overdraft/fund deficit. It is anticipated that this advance will be reduced as donations are received in this fund.

A long-term advance was recorded from the City's Water Utility to its Debt Service Fund at December 31, 2020 in the amount of \$777,699. This includes the initial advance of \$750,000 plus accrued interest of \$27,699. This advance, made during 2004, was used to finance a portion of the City's payoff of its Wisconsin Retirement System's prior service liability. The City has a repayment schedule for this advance that has a stated interest rate of 4.0%. The term of the repayment schedule is twenty-five years with the first twenty years being interest only. The final scheduled payment on the advance is January 30, 2030.

Interfund balances that are owed within the governmental activities and business-type activities are eliminated in the statement of net position.

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables and Transfers (Continued)

Interfund Transfers

The following is a schedule of interfund transfers:

	Transfer In	Transfer Out
Governmental Activity:		
General Fund	\$ 394,960	\$ -
Debt Service Fund	1,418,747	-
Other Nonmajor Governmental Funds	500,581	1,923,028
Total Governmental Activity	2,314,288	1,923,028
Business-Type Activity:		
Water Fund	-	391,260
Total	\$ 2,314,288	\$ 2,314,288

The transfers from the TID funds and the general fund to the debt service fund were made to finance the funds' share of current year debt maturities. The transfers between tax incremental districts were made from the donor TIDs to the recipient TIDs per plan amendments. The transfer from the water utility enterprise fund to the general fund consisted of the 2020 tax equivalent payable at year end.

E. Long-Term Obligations

Changes in Long-Term Obligations

Changes in long-term obligations of the City for the year ended December 31, 2020 were as follows:

	Balances 1/1/20	Additions	Reductions	Balances 12/31/20	Amounts Due Within One Year
Long-Term Debt:					
<u>Governmental Activities:</u>					
General Obligation Bonds	\$ 21,425,000	\$ 2,075,000	\$ 1,925,000	\$ 21,575,000	\$ 1,935,000
General Obligation Notes	700,000	-	145,000	555,000	135,000
General Obligation Notes -					
Direct Borrowings	364,730	-	142,842	221,888	146,907
Subtotal	22,489,730	2,075,000	2,212,842	22,351,888	2,216,907
Taxable Tax Increment Notes -					
Direct Borrowings	3,068,037	-	198,095	2,869,942	207,387
Unamortized Debt Premium	377,885	118,476	55,295	440,066	59,786
Unamortized Debt Discount	(24,082)	-	(4,373)	(19,709)	(3,416)
Total Governmental Activities	25,911,570	2,193,476	2,462,899	25,642,147	2,480,664
<u>Business-Type Activities:</u>					
Water System Revenue Bonds	964,502	-	221,161	743,341	76,161
Sewer System Revenue Bonds	3,904,363	-	264,246	3,640,117	269,993
General Obligation Bonds	3,995,000	715,000	250,000	4,460,000	290,000
Unamortized Debt Premium	40,502	36,282	5,235	71,549	-
Unamortized Debt Discount	(5,433)	-	(842)	(6,275)	-
Total Business-Type Activities	8,918,934	751,282	739,800	8,930,416	636,154
Total Long-Term Debt	\$ 34,830,504	\$ 2,944,758	\$ 3,202,699	\$ 34,572,563	\$ 3,116,818

(48)

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Changes in Long-Term Obligations (Continued)

	Balances 1/1/20	Additions	Reductions	Balances 12/31/20	Amounts Due Within One Year
Other Long-Term Liabilities:					
<u>Governmental Activities:</u>					
Employee Vacation and					
Sick Leave Liability	\$ 1,058,882	\$ 489,981	\$ 544,595	\$ 1,014,268	\$ 285,764
Landfill Postclosure Care Costs	157,270	-	8,061	149,209	7,900
	\$ 1,216,152	\$ 489,981	\$ 552,656	\$ 1,153,477	\$ 293,664
<u>Business-Type Activities:</u>					
Employee Vacation and					
Sick Leave Liability	\$ 150,686	\$ 124,937	\$ 105,482	\$ 170,151	\$ 70,166

The City's estimated liabilities for employee vacation and sick leave are discussed in Note 4 B. The City's estimated liability for landfill closure costs is discussed in Note 4 E.

Current Year Borrowing

On August 11, 2020, the City issued General Obligation Corporate Purpose Bonds, Series 2020B in the amount of \$2,790,000. The bonds accrue interest at 2.00 percent and mature June 1, 2040. A portion of the proceeds (\$750,000) was used to current refund Series 2020A note. The refunding transaction resulted in an economic gain of \$56,488 and future debt service savings of \$2,170. The remaining portion of the proceeds (\$2,040,000) were used to finance a new shop building, a new ambulance, and various street and utility improvements.

Security and Default

The outstanding long-term obligations of the City contain the following provisions:

General Obligation Notes and Bonds

These are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal and interest on the notes as they become due. The levy, under current tax law, may be levied without limitation to rate or amount. Principal and interest paid for the current year from the governmental activities was \$2,841,004 and the tax levy was \$1,721,873. There were also transfers from other funds of \$1,418,747. Principal and interest paid for the current year from the business-type activities was \$377,310.

State Trust Fund Loans

The City's outstanding notes from direct borrowings related to governmental activities of \$2,869,942 are subject to a statutory provision that an event of late or nonpayment, a 1% per month penalty will be charged and the payment will be collected through a reduction in payments from the state of Wisconsin. The notes are payable only from and secured by a pledge of the City. Principal and interest paid for the current year and debt service total transfer in amounts were \$336,535.

(49)

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Long-Term Debt

Annual Requirements for Retirement. Individual general obligation long-term debt issued outstanding at December 31, 2020 and annual requirements for their retirement are as follows:

	Year	Principal	Interest	Total
General Obligation Corporate Purpose Bonds, \$6,085,000, issued 6/12/12, due 6/1/32, interest at 2.00%-3.00%	2021	\$ 345,000	\$ 86,945	\$ 431,945
	2022	310,000	80,045	390,045
	2023	300,000	73,846	373,846
	2024	250,000	67,545	317,545
	2025	350,000	62,045	412,045
	2026-2030	1,420,000	196,908	1,616,908
	2031-2032	500,000	17,248	517,248
		<u>3,475,000</u>	<u>584,582</u>	<u>4,059,582</u>
Taxable General Obligation Refunding Bonds, \$2,310,000, issued 6/12/12, due 4/1/24, interest at 0.45%-2.85%	2021	115,000	9,560	124,560
	2022	130,000	6,613	136,613
	2023	90,000	3,705	93,705
	2024	85,000	1,211	86,211
		<u>420,000</u>	<u>21,089</u>	<u>441,089</u>
General Obligation Corporate Purpose Bonds, \$4,405,000, issued 6/26/13, due 6/1/33, interest at 2.00%-3.25%	2021	260,000	67,938	347,938
	2022	265,000	82,088	347,088
	2023	270,000	75,462	345,462
	2024	275,000	68,038	343,038
	2025	380,000	60,476	440,476
	2026-2030	1,160,000	155,915	1,315,915
	2031-2033	360,000	22,996	382,996
		<u>2,970,000</u>	<u>552,913</u>	<u>3,522,913</u>
General Obligation Corporate Purpose Bonds, \$3,970,000, issued 7/9/14, due 10/1/30, interest at 3.00%-3.75%	2021	135,000	69,000	204,000
	2022	195,000	64,950	259,950
	2023	255,000	59,100	314,100
	2024	240,000	51,450	291,450
	2025	235,000	44,250	279,250
	2026-2030	1,050,000	121,875	1,171,875
		<u>2,110,000</u>	<u>410,625</u>	<u>2,520,625</u>
General Obligation Corporate Purpose Bonds, \$6,460,000, issued 6/28/16, due 4/1/36, interest at 0.60%-2.75%	2021	335,000	127,550	462,550
	2022	340,000	120,850	460,850
	2023	345,000	114,050	459,050
	2024	340,000	107,150	447,150
	2025	345,000	100,350	445,350
	2026-2030	1,705,000	398,850	2,103,850
	2031-2035	1,890,000	206,975	2,096,975
	2036	420,000	5,775	425,775
		<u>5,720,000</u>	<u>1,181,550</u>	<u>6,901,550</u>
General Obligation Promissory Note \$353,500, issued 7/19/16, due 6/1/21, interest at 2.50%	2021	74,150	1,901	76,051

(50)

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Long-Term Debt (Continued)

Annual Requirements for Retirement (Continued)

	Year	Principal	Interest	Total
G.O. Corporate Purpose Bonds, Series 2017A \$3,580,000, issued 5/9/17, due 4/1/37, interest at 3.00-3.50% (Street and Utility Improvements and 2008A Current Refunding)	2021	\$ 220,000	\$ 93,863	\$ 313,863
	2022	280,000	87,262	367,262
	2023	215,000	78,862	293,862
	2024	300,000	72,412	372,412
	2025	205,000	63,412	268,412
	2026-2030	740,000	249,112	989,112
	2031-2035	845,000	110,512	955,512
	2036-2037	<u>260,000</u>	<u>11,465</u>	<u>271,465</u>
		<u>3,065,000</u>	<u>766,900</u>	<u>3,831,900</u>
General Obligation Promissory Note 2017B \$353,500, issued 6/1/17, due 6/1/22, interest at 3.00%	2021	72,757	4,431	77,188
	2022	74,941	2,248	77,189
		<u>147,698</u>	<u>6,679</u>	<u>154,376</u>
G.O. Corporate Purpose Bonds, Series 2018A \$4,600,000, issued 10/3/18, due 10/1/38, interest at 1.90-3.55%	2021	740,000	87,562	827,562
	2022	155,000	72,022	227,022
	2023	175,000	68,536	243,536
	2024	170,000	64,422	234,422
	2025	170,000	60,172	230,172
	2026-2030	825,000	227,210	1,052,210
	2031-2035	465,000	130,080	595,080
	2036-2038	<u>455,000</u>	<u>36,481</u>	<u>491,481</u>
		<u>3,155,000</u>	<u>746,485</u>	<u>3,901,485</u>
G.O. Corporate Purpose Bonds, Series 2019A \$2,395,000, issued 6/12/19, due 6/1/39, interest at 3.00%	2021	35,000	69,900	104,900
	2022	35,000	68,850	103,850
	2023	35,000	67,800	102,800
	2024	40,000	66,750	106,750
	2025	120,000	65,550	185,550
	2026-2030	635,000	271,800	906,800
	2031-2035	750,000	171,150	921,150
	2036-2039	<u>680,000</u>	<u>49,350</u>	<u>729,350</u>
		<u>2,330,000</u>	<u>831,150</u>	<u>3,161,150</u>
G.O. Promissory Notes, Series 2019B \$700,000, issued 6/12/19, due 12/1/24, interest at 3.00%	2021	135,000	16,650	151,650
	2022	135,000	12,600	147,600
	2023	140,000	8,550	148,550
	2024	<u>145,000</u>	<u>4,350</u>	<u>149,350</u>
		<u>555,000</u>	<u>42,150</u>	<u>597,150</u>
G.O. Promissory Notes, Series 2020B \$2,790,000, issued 8/11/2020, due 6/1/2040, interest at 2.00%	2021	40,000	72,850	112,850
	2022	80,000	55,000	135,000
	2023	130,000	53,400	183,400
	2024	130,000	50,800	180,800
	2025	155,000	49,200	203,200
	2026-2030	790,000	194,200	984,200
	2031-2035	705,000	118,800	823,800
	2036-2040	<u>760,000</u>	<u>44,700</u>	<u>804,700</u>
		<u>2,790,000</u>	<u>637,950</u>	<u>3,427,950</u>
Total General Obligation Debt		<u>\$ 26,811,848</u>	<u>\$ 26,811,848</u>	<u>\$ 26,811,848</u>

(51)

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

General Obligation Debt Limitation. Section 67.03(1) of the Wisconsin Statutes provides that the amount of indebtedness of a municipality shall not exceed 5% of the equalized valuation of the taxable property in the municipality. At December 31, 2020, the City's debt limit amounted to \$61,393,740 and indebtedness subject to the limitation totaled \$26,811,848.

Taxable Notes and Bonds

Annual Requirements for Retirement. Individual taxable long-term debt issued outstanding at December 31, 2020 and annual requirements for the retirement are as follows:

	Year	Principal	Interest	Total
State Trust Fund Loan \$3,400,000 issued 12/6/16, due 3/15/31, interest at 4.50%	2021	\$ 207,387	\$ 129,147	\$ 336,534
	2022	216,720	119,815	336,535
	2023	226,472	110,063	336,535
	2024	236,390	100,145	336,535
	2025	247,301	89,234	336,535
	2026-2030	1,413,630	269,043	1,682,673
	2031	322,042	14,492	336,534
Total Taxable Notes and Bonds		\$ 2,869,942	\$ 831,939	\$ 3,701,881

Water System Revenue Bonds

The City authorized, by Resolution No. 2001-02 dated January 16, 2001, the issuance of \$2,257,879 water system revenue bonds through the State of Wisconsin Safe Drinking Water Loan Fund for the purpose of financing the construction of the nitrate removal plant that was completed in December 1999. The City's full faith and credit do not back the revenue bonds, which are backed instead by a pledge of utility revenues. The revenue bonds bear interest at a rate of 2.97 percent and are being amortized over twenty years. Principal and interest payments in 2020 were \$146,979 and \$2,183, respectively. These bonds were paid in full at December 31, 2020.

On January 13, 2010, the City issued \$1,271,956 water system revenue bonds through the State of Wisconsin Safe Drinking Water Loan Fund for the purpose of financing the water treatment plant project. In 2011, the City issued an additional \$145,948 to finance the remaining costs of this project. The City's full faith and credit do not back the revenue bonds, which are backed instead by a pledge of utility revenues. The revenue bonds bear an interest of 2.668 percent and are being amortized over twenty years. The City paid principal and interest of \$74,182 and \$23,309, respectively, during 2020.

The bonds are payable from a pledge of revenues of the water utility system. Principal and interest paid for the current year and total customer net revenues were \$244,699 and \$683,444.

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Water System Revenue Bonds (Continued)

The outstanding balance on the bonds at December 31, 2020 and future requirements for their retirement at that date were as follows:

	Year	Principal	Interest	Total
Water System Revenue Bonds, dated 1/13/10, due 2029, interest at 2.668%	2021	\$ 76,161	\$ 19,350	\$ 95,511
	2022	78,193	17,291	95,484
	2023	80,279	15,177	95,456
	2024	82,421	13,006	95,427
	2025	84,620	10,778	95,398
	2026-2029	361,667	19,617	381,284
Total Water System Revenue Bonds		\$ 763,341	\$ 95,219	\$ 858,560

The revenue bonds may not be prepaid without the consent of the State. Consent may be withheld by the State at the State's sole discretion.

According to the resolution authorizing the issuance of the water system revenue bonds, the water utility is to set aside gross revenues in separate and special funds as follows:

- 1) Operation and Maintenance Fund
- 2) Debt Service Fund
- 3) Depreciation Fund
- 4) Surplus Fund

Special requirements pertaining to the establishment, use and balances required in the above funds are detailed in the authorizing resolution. Balances as of December 31, 2020 in the debt service fund and the depreciation fund were \$101,266 and \$5,487,342, respectively.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Sewer System Revenue Bonds

On April 27, 2011, the City issued \$2,947,737 sewerage system revenue bonds under the State of Wisconsin Clean Water Fund to finance multiple projects, including the wastewater treatment plant project and the River/Bay Street lift station project. In 2012, the City issued an additional \$184,363 to finance the remaining costs. The City's full faith and credit do not back the revenue bonds, which are backed instead by a pledge of utility revenues. The revenue bonds bear an interest of 2.400 percent and are being amortized over 20 years. Principal and interest payments in 2020 were \$160,047 and \$45,785, respectively.

On December 23, 2015, the City issued \$2,461,700 sewerage system revenue bonds under the State of Wisconsin Clean Water Fund to finance multiple wastewater utility projects. In 2015, \$50,000 of this available funding was disbursed to the City, in 2016 an additional \$2,007,092 was disbursed, and in 2017 a final disbursement of \$156,924 was made. The City's full faith and credit do not back the revenue bonds, which are backed instead by a pledge of utility revenues. The revenue bonds bear an interest of 1.829 percent and are being amortized over twenty years with final maturity on May 1, 2035. In 2020, principal and interest payments were \$104,199 and \$34,102, respectively.

The bonds are payable from a pledge of revenues of the sewer utility system. Principal and interest paid for the current year and total customer net revenues were \$344,134 and \$677,520, respectively.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Obligations (Continued)

Sewer System Revenue Bonds (Continued)

The outstanding balances on the bonds at December 31, 2020 and future requirements for their retirement at that date were as follows:

	Year	Principal	Interest	Total
Sewer System Revenue Bonds, originally dated 4/27/11, project closeout 9/26/12, due 2030, interest at 2.400%	2021	\$ 163,888	\$ 41,898	\$ 205,786
	2022	167,822	37,918	205,740
	2023	171,849	33,842	205,691
	2024	175,974	29,668	205,642
	2025	180,197	25,394	205,591
	2026-2030	967,969	59,178	1,027,147
		1,827,699	227,898	2,055,597
Sewer System Revenue Bonds dated 12/23/2015, Due 5/1/2035 interest at 1.829%	2021	106,105	32,179	138,284
	2022	108,046	30,220	138,266
	2023	110,022	28,226	138,248
	2024	112,034	26,195	138,229
	2025	114,083	24,128	138,211
	2026 - 2030	602,489	88,272	690,761
	2031 - 2035	659,639	30,600	690,239
		1,812,418	259,820	2,072,238
Total Sewer System Revenue Bonds		\$ 3,640,117	\$ 487,718	\$ 4,127,835

The revenue bonds may not be prepaid without the consent of the State. Consent may be withheld by the State at the State's sole discretion.

According to the resolution authorizing the issuance of the sewer system revenue bonds, the wastewater utility is to set aside gross revenues in separate and special funds as follows:

- 1) Operation and Maintenance Fund
- 2) Debt Service Fund
- 3) Depreciation Fund
- 4) Surplus Fund

Special requirements pertaining to the establishment, use and balances required in the above funds are detailed in the authorizing resolution. Balances as of December 31, 2020 in the debt service fund and the depreciation fund were \$190,027 and \$5,683,916, respectively.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Governmental Fund Balances

The governmental fund balances reported on the fund financial statements at December 31, 2020 consisted of the following:

	Total	Nonspendable	Restricted	Committed	Assigned	Unassigned
Major Funds:						
General Fund	\$ 22,112,361	\$ -	\$ -	\$ -	\$ -	\$ -
Inventories	-	17,219	-	-	-	-
Delinquent Taxes	-	3,084	-	-	-	-
Advances to Other Funds	-	769,466	-	-	-	-
PAC Equipment	-	-	-	-	8,563	-
Street Equipment Carryover	-	-	-	-	118,300	-
Street Equipment Fund	-	-	-	-	192,783	-
Police Department Carryover	-	-	-	-	3,680	-
Fire Department Carryover	-	-	-	-	20,000	-
Pool Study	-	-	-	-	760	-
Data Processing	-	-	-	-	2,500	-
Personnel Services	-	-	-	-	2,500	-
Special Legal Counsel - Negotiations	-	-	-	-	10,000	-
Parks and Recreation Carryover	-	-	-	-	25,000	-
Library Carryover	-	-	-	-	2,500	-
Safety Fund	-	-	-	-	28,635	-
Jurisdictional Transfer Projects	-	-	-	-	345,292	-
Unassigned	-	-	-	-	-	20,562,359
CDBG Fund	327,463	-	327,463	-	-	-
Debt Service Fund	211,783	-	211,783	-	-	-
Tax Incremental District #14	130,308	-	130,308	-	-	-
Nonmajor Funds:						
Special Revenue Funds:						
Business Improvement District Fund	1,500	-	-	1,500	-	-
Park Donation Fund	729,463	-	729,463	-	-	-
Redevelopment Authority Revolving Fund	846,526	637,501	-	239,125	-	-
City Wide Donation Fund	(737,822)	-	-	-	-	(737,822)
City Wide Grant Fund	113,780	-	113,780	-	-	-
Room Tax Fund	161,762	-	-	161,762	-	-
Capital Projects Funds:						
Special Assessment Fund	2,751,604	-	-	2,751,604	-	-
Public Works Construction Fund	1,492,932	-	1,492,932	-	-	-
Tax Incremental District #4	28,766	-	28,766	-	-	-
Tax Incremental District #5	701,003	-	701,003	-	-	-
Tax Incremental District #7	220,351	-	220,351	-	-	-
Tax Incremental District #8	(21,774)	-	-	-	-	(21,774)
Tax Incremental District #10	63,823	-	63,823	-	-	-
Tax Incremental District #11	1,984,150	-	1,984,150	-	-	-
Tax Incremental District #12	2,942,259	-	2,942,259	-	-	-
Tax Incremental District #13	159,859	-	159,859	-	-	-
Tax Incremental District #15	(10,074)	-	-	-	-	(10,074)
	<u>\$ 34,720,004</u>	<u>\$ 1,387,270</u>	<u>\$ 9,115,841</u>	<u>\$ 3,153,991</u>	<u>\$ 760,203</u>	<u>\$ 19,792,619</u>

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Tax Incremental Districts

The City has created several tax incremental financing districts (TIF districts or TIDs) in accordance with Section 66.1105 of the Wisconsin Statutes. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after creation of the district. The tax on the increased value is called a tax increment.

The City had ten tax incremental districts in existence during 2020. The resolution creating TID #4 was dated November 16, 1993. The resolution creating TID #5 was dated November 18, 1997. The resolution creating TID #7 was dated March 20, 2001. The resolution creating TID #8 was dated July 16, 2002. At the creation of these districts, the statutes provided that no project costs could be expended later than seven years after the creation date of the district. The statutes further allowed the municipality to collect tax increments for sixteen years after the last project expenditure was made or until the net project cost of the district had been recovered, whichever occurred first. The state enacted several changes relating to tax incremental district for 2005 (with amending legislation in 2006). One of these changes extends the expenditure period for all current and future districts to five years prior to the termination of the district's unextended maximum life. For those districts that had reached the end of its expenditure period prior to October 1, 2004, it allows a municipality to expend additional project costs included in the project plan (subject to certain conditions). The resolution creating TID #10 was dated May 3, 2005. The resolution creating TID #11 was dated September 2, 2008, and the resolution creating TID #12 was dated May 1, 2012. The resolution creating TID #13 was dated April 7, 2015. The resolution creating TID #14 was dated July 28, 2015 and TID #15 creation resolution was dated July 17, 2018.

The project plans, on file in the City administrative offices, details the proposed projects, the estimated years of construction or site acquisition and the estimated costs of the individual project components.

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Tax Incremental Districts (Continued)

Project costs uncollected at the dissolution date are absorbed by the municipality

A summary of project costs and revenues of the individual districts from inception through December 31, 2020 is shown below:

	TID #4	TID #5	TID #7	TID #8	TID #10	TID #11	TID #12	TID #13	TID #14	TID #15
Accumulated Project Costs										
Project Expenditures	\$ 2,189,820	\$ 6,119,077	\$ 802,151	\$ 488,625	\$ 202,000	\$ -	\$ 9,677,642	\$ 258,000	\$ 2,969,301	\$ -
Loan Pool Creation	998,000	-	-	-	-	-	-	-	-	-
Administrative Costs	153,040	274,309	30,878	22,312	22,478	30,538	30,534	9,700	22,532	13,300
Interest and Fiscal Charges	1,846,185	3,165,716	322,881	332,057	-	-	1,257,246	183	1,786	-
Donor TID Transfer Out	-	-	175,000	-	511,080	888,354	-	-	-	-
Total Project Costs	5,200,045	9,562,104	1,330,039	852,974	725,558	918,932	10,965,522	267,883	2,992,619	13,300
Accumulated Project Revenues										
Tax Increments	1,989,225	5,391,895	1,578,648	740,967	763,136	10,857,837	934,691	403,859	3,086,865	3,238
Payments in Lieu of Taxes	245,225	3,108	1,850	-	-	-	-	-	26,283	-
Tax Exempt Computer Ad	52,952	1,314,385	7,922	2,746	18,692	23,863	14,599	4,787	-	-
Intergovernmental Grants	441,268	28,385	4,431	457	4,403	8,837	879,483	22,378	-	-
Other Contributions	20,000	-	-	-	12,150	-	-	-	-	-
Sale of Property	-	-	-	-	-	-	513,330	-	-	-
Interest Income	-	249,606	-	-	-	-	-	-	-	-
Debt Premium	-	-	-	-	-	-	64,338	-	-	-
Recurrent TID Transfer In	7,480,141	1,818,659	-	-	-	8,362,371	-	-	-	-
Total Project Revenues	12,758,811	8,600,103	1,591,061	746,200	798,381	10,880,237	9,472,839	427,742	3,112,828	3,238
Future Project Revenues										
Necessary to Recover Project Costs to Date	\$ (28,786)	\$ 958,997	\$ -	\$ 106,774	\$ -	\$ -	\$ 1,492,684	\$ -	\$ (130,308)	\$ 10,074
Excess of Accumulated Revenues Over Projects Costs to Date		\$ 220,351		\$ 63,823	\$ 1,994,150		\$ 199,859			

The preceding summaries of transactions are reconcilable to the fund balances (deficits) in the TIDs at December 31, 2020 as follows:

	TID #4	TID #5	TID #7	TID #8	TID #10	TID #11	TID #12	TID #13	TID #14	TID #15
Outstanding Long-term Debt										
Payable from TID Funds	-	-	-	-	-	-	-	-	-	-
G.O. Bonds Dated 5/13/12	-	1,040,000	-	-	-	-	-	-	-	-
G.O. Bonds Dated 10/31/16	-	620,000	-	-	-	-	-	-	-	-
G.O. Bonds Dated 6/26/12	-	-	-	460,000	-	-	1,848,337	-	-	-
Revenue Bonds Dated 5/13/12	-	-	-	-	-	-	-	-	-	-
State Trust Fund Loan	-	-	-	-	-	-	2,889,843	-	-	-
Less Unrecovered Project Costs (Add Excess Revenues at Year End)	28,786	(958,997)	220,351	(106,774)	63,823	1,994,150	(1,492,684)	189,859	130,308	(10,074)
Fund Balance (Deficit) at December 31, 2020	\$ 28,786	\$ (701,003)	\$ 220,351	\$ (21,774)	\$ 63,823	\$ 1,994,150	\$ 2,842,259	\$ 189,859	\$ 130,308	\$ (10,074)

The deficits in the TID #8 and TID #15 funds at December 31, 2020 were partially financed with advances from the general fund.

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Short-Term Borrowing

On June 23, 2020, the City issued \$840,000 General Obligation Promissory Note, Series 2020A, for the purpose of interim financing certain capital expenditures. The note accrued interest at 2.00% and was due March 1, 2021. The note was refunded with the issuance of debt Series 2020B on August 11, 2020.

NOTE 4 OTHER INFORMATION

A. Wisconsin Retirement System Pension Plan Benefits

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 and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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

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

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

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

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

The WRS also provides death and disability benefits for employees.

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. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the fiscal reporting period January 1, 2020 through December 31, 2020, the WRS recognized \$746,975 in contributions from the employer.

Contribution rates for 2020 are:

	Employee	Employer
General (including Teachers)	6.75%	6.75%
Executives and Elected Officials	6.75%	6.75%
Protective with Social Security	6.75%	11.99%
Protective without Social Security	6.75%	16.59%

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
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	0.0	(10.0)

(60)

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

At December 31, 2020, the City reported an asset of \$2,090,518 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the City's proportion was 0.06483321 percent, which was an increase of 0.00209930 percent from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the City recognized pension expense of \$811,692. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 3,968,282	\$ (1,985,858)
Changes of Assumptions	162,906	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(4,273,763)
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	19,350	(4,547)
City Contributions Subsequent to the Measurement Date	746,975	-
Total	\$ 4,897,513	\$ (6,264,168)

\$746,975 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Pension Expense Amount
2021	\$ (627,109)
2022	(467,687)
2023	77,352
2024	(1,096,186)
2025	-

(61)

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

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

Actuarial Valuation Date:	December 31, 2018
Measurement Date of Net Pension Liability (Asset)	December 31, 2019
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Inflation:	3.0%
Salary Increases:	3.1% to 8.6% including inflation
Mortality:	Wisconsin 2018 Mortality Table
Post-retirement Adjustments*:	1.9%

*No post-retirement 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 post-retirement discount rate.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the table on the following page:

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

Asset Class	Core Asset Allocation		Variable Asset Allocation	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equities	N/A	N/A	70%	4.6%
International Equities	N/A	N/A	30%	5.3%
Global Equities	49%	5.1%	N/A	N/A
Fixed Income	24.5%	2.1%	N/A	N/A
Inflation Sensitive Assets	15.5%	1.2%	N/A	N/A
Real Estate	9%	3.5%	N/A	N/A
Private Equity/Debt	8%	7.6%	N/A	N/A
Multi-Asset	4%	4.0%	N/A	N/A
Totals	110%		100%	

Discount Rate. A single discount rate of 7.00% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.75% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2019). In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,383,459	\$ (2,090,518)	\$ (7,678,176)

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

Pension Plan Fiduciary Net Position Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>

B. Compensated Absences

It is the City's policy to permit employees to accumulate vacation, compensatory time, and sick leave benefits. Vacation is granted to employees in varying amounts based on length of service and terms of employment. Employees earn one day of sick leave per month with a maximum accumulation of ninety days. Upon retirement, an employee is entitled to a payment for 80 days or a portion thereof, based on length of service, of unused sick leave. To be eligible for the maximum benefit, an employee must have worked 20 years for the City.

Liabilities for accumulated vacation, compensatory time and sick leave are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The estimated liabilities for unused vacation, compensatory time, and sick leave payable from governmental funds at December 31, 2020 were \$285,764, \$11,600, and \$716,904, respectively. The estimated liabilities for vacation and sick leave in the proprietary funds at that date were \$70,166 and \$99,985, respectively.

C. Other Postemployment Benefit Plan

The City reports its postemployment healthcare benefits in accordance with Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. The City engaged an actuary to determine the City's liability.

General Information About the OPEB Plan

Single-Employer Plan Description All employees who retire through the Wisconsin Retirement System are eligible to participate in the retiree medical plan if they pay 100% of the retiree premium. Coverage may continue after 65 if the retiree pays 100% of the post-65 premium. The post-65 retiree premium is assumed to be entirely self-sustaining (i.e. not subsidized).

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

Employees Covered by Benefit Terms At December 31, 2020, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	2
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	112
	<u>114</u>

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Total OPEB Liability

The City's total OPEB liability of \$1,213,162 was measured as of December 31, 2020.

Actuarial Assumptions The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuary Cost Method:	Entry Age Normal
Amortization Method:	Level % of Salary
Discount Rate:	2.12%
Inflation:	2.50%
Healthcare Cost Trend Rates	8.0% initially, decreasing 0.5% to 4.5%, and level thereafter
Municipal Bond Rate Source	Bond Buyer 20-Bond GO Index
Retirement Age:	Wisconsin 2018 Mortality Table
Mortality:	SOA Pub-2010, using Scale MP-2020

The discount rate was based on the 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

Change in the Total OPEB Liability

	Total OPEB Liability (a)
Balance at December 31, 2019	\$ 1,043,519
Changes for the year:	
Service Cost	99,329
Interest	36,857
Differences Between Expected and Actual Experience	(181,732)
Changes of Assumptions or Other Input	239,871
Benefit Payments	(24,682)
Net Changes	169,643
Balance at December 31, 2020	\$ 1,213,162

There were no changes in benefit terms or assumptions during the reporting period. The discount rate for the reporting period was 2.12% compared to 3.26% in the prior period.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.12 percent) or 1-percentage-point higher (3.12 percent) than the current discount rate:

		1% Decrease (1.12%)	Current Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB Liability	12/31/20	\$ 1,319,728	\$ 1,213,162	\$ 1,113,303

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.0 percent) or 1-percentage-point higher (9.0 percent) than the current healthcare cost trend rates:

		1% Decrease (7.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (8.0% decreasing to 4.5%)	1% Increase (9.0% decreasing to 5.5%)
Total OPEB Liability	12/31/20	\$ 1,049,743	\$ 1,213,162	\$ 1,410,698

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Other Postemployment Benefit Plan (Continued)

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

For the year ended December 31, 2020, the City recognized OPEB expense of \$86,897. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ (533,911)
Changes of Assumptions or Other Input	274,048	(73,142)
Total	\$ 274,048	\$ (607,053)

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

Year Ended December 31,	OPEB Expense Amount
2021	\$ (49,290)
2022	(49,290)
2023	(49,290)
2024	(49,290)
2025	(49,290)
Thereafter	(86,555)

D. Other Postemployment Benefits – Multiple Employer Plan

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

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

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

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Other Postemployment Benefits – Multiple Employer Plan (Continued)

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

Contribution rates as of December 31, 2020 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2019 are:

Attained Age	Basic
Under 30	\$ 0.05
30-34	0.06
35-39	0.07
40-44	0.08
45-49	0.12
50-54	0.22
55-59	0.39
60-64	0.49
65-69	0.57

During the reporting period, the LRLIF recognized \$2,104 in contributions from the City.

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

At December 31, 2020, the City reported a liability of \$450,102 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018 and rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2019, the City's proportion was 0.105704 percent, which was an increase of 0.000795 percent from its proportion measured as of December 31, 2018.

(68)

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Other Postemployment Benefits – Multiple Employer Plan (Continued)

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

For the year ended December 31, 2020, the City recognized OPEB expense of \$49,572. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ (20,164)
Changes of Assumptions or Other Input	166,047	(49,509)
Net Difference Between Projected and Actual Earnings on OPEB Investments	8,491	-
Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions	9,425	-
Contributions Subsequent to the Measurement Date	2,104	-
Total	\$ 186,067	\$ (69,673)

\$2,104 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction to the net OPEB liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

Year Ended December 31,	OPEB Expense Amount
2021	\$ 19,837
2022	19,837
2023	18,922
2024	17,979
2025	14,610
Thereafter	23,105

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

Actuarial Valuation Date:	January 1, 2019
Measurement Date of Net OPEB Liability (Asset):	December 31, 2019
Actuary Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.74%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.87%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

(69)

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Other Postemployment Benefits – Multiple Employer Plan (Continued)

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

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

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

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

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

Single Discount Rate. A single discount rate of 2.87% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 4.22% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 4.10% as of December 31, 2018 to 2.74% as of December 31, 2019. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

D. Other Postemployment Benefits – Multiple Employer Plan (Continued)

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

The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036. The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate. The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.87%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.87) or 1-percentage-point higher (3.87%) than the current rate:

		1% Decrease (1.87%)	Current Discount Rate (2.87%)	1% Increase (3.87%)
City's Proportionate Share of the Net OPEB Liability (Asset)	12/31/20	\$ 621,524	\$ 450,102	\$ 319,694

OPEB Plan Fiduciary Net Position. Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://eff.wi.gov/publications/cafr.htm>

E. Landfill Postclosure Care Costs

The City is responsible for postclosure costs at a landfill site previously used by the City. The site has been closed and the City has taken steps necessary to comply with Wisconsin Department of Natural Resources directives concerning monitoring of this site.

The Department of Natural Resources approved a revised groundwater monitoring plan in 1997. The plan requires that the leachate, four private wells and twenty-three monitoring wells be tested annually for volatile organic compounds, field parameters, and indicator parameters. The monitoring for this site will be required indefinitely.

A liability of \$149,209 has been recorded in the City's financial statements at December 31, 2020 for the estimated liability for the future monitoring of this landfill.

CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 4 OTHER INFORMATION (CONTINUED)

F. Contingencies

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

G. Risk Management

The City is exposed to various risks of loss related to torts; thefts of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this commercial coverage in any of the past three years.

H. Subsequent Events

On April 27, 2021, the City issued General Obligation Promissory Note, Series 2021 in the amount of \$1,269,000 for the purpose of interim financing of capital improvements. The note accrues interest at 2.00 percent and matures March 1, 2022.

On December 21, 2021, the City issued General Obligation Corporate Purpose Bonds, Series 2021A in the amount of \$7,230,000. A portion of the proceeds (\$5,705,000) was used to current refund Series 2012A, 2013B, and 2021. The refunding transaction resulted in a net economic gain of \$347,411 and future net debt service savings of \$372,479. The remaining portion of the proceeds were used to finance various street and utility improvements. The bonds accrue interest at 2.00 – 4.00 percent and mature June 1, 2041.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

**CITY OF CHIPPEWA FALLS, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 5,725,892	\$ 5,725,892	\$ 5,731,300	\$ 5,408
Intergovernmental	4,656,737	4,656,737	5,450,246	793,509
Licenses and Permits	312,610	312,610	413,532	100,922
Fines and Forfeits	96,000	96,000	75,531	(20,469)
Public Charges for Services	1,314,883	1,314,883	1,461,686	146,803
Intergovernmental Charges for Services	558,039	558,039	650,825	92,786
Miscellaneous:				
Interest	32,750	32,750	46,384	13,634
Rent	3,600	3,600	4,850	1,250
Other	10,000	10,000	126,168	116,168
Total Revenues	12,710,511	12,710,511	13,960,522	1,250,011
EXPENDITURES				
General Government	1,696,159	1,696,159	1,238,438	457,721
Public Safety	6,347,059	6,347,059	6,448,482	(101,423)
Public Works	2,359,978	2,359,978	2,343,302	16,676
Health and Human Services	48,666	48,666	48,666	-
Culture, Recreation and Education	2,275,770	2,275,770	1,930,669	345,101
Conservation and Development	133,219	133,219	137,371	(4,152)
Capital Outlay	198,360	198,360	277,298	(78,938)
Total Expenditures	13,059,211	13,059,211	12,424,226	634,985
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(348,700)	(348,700)	1,536,296	1,884,996
OTHER FINANCING SOURCES (USES)				
Sale of Property	-	-	102,586	102,586
Transfers In	348,700	348,700	394,960	46,260
Total Other Financing Sources (Uses)	348,700	348,700	497,546	148,846
NET CHANGE IN FUND BALANCE	\$ -	\$ -	2,033,842	\$ 2,033,842
Fund Balance, January 1			20,078,519	
FUND BALANCE, DECEMBER 31			<u>\$ 22,112,361</u>	

See Notes to Required Supplementary Information

(73)

SCHEDULE 2

**CITY OF CHIPPEWA FALLS, WISCONSIN
SCHEDULE OF CHANGE IN THE CITY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

	2018	2019	2020
Total OPEB Liability			
Service Cost	\$ 108,147	\$ 88,576	\$ 99,329
Interest	51,907	42,217	36,857
Differences Between Expected and Actual Experience	(450,583)	(68,679)	(181,732)
Changes of Assumptions or Other Input	(104,489)	72,706	239,871
Benefit Payments	(75,198)	(59,156)	(24,682)
Net Change in Total OPEB Liability	(470,216)	75,664	169,643
Total OPEB Liability - Beginning	1,438,071	967,855	1,043,519
Total OPEB Liability - Ending	<u>\$ 967,855</u>	<u>1,043,519</u>	<u>1,213,162</u>
Covered Employee Payroll	\$ 6,492,957	6,392,446	6,436,039
City's Total OPEB Liability as a Percentage of Covered Employee Payroll	14.91%	16.32%	18.85%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

See Notes to Required Supplementary Information

(74)

SCHEDULE 3

CITY OF CHIPPEWA FALLS, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF
WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN ASSET/LIABILITY
LAST TEN MEASUREMENT DATES
(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

Measurement Date: December 31,	2014	2015	2016	2017	2018	2019
City's proportion of the net pension liability (asset)	0.06222753%	0.06044143%	0.06051941%	0.06153410%	0.06273391%	0.06483321%
City's proportionate share of the net pension liability (asset)	\$ (1,528,477)	\$ 982,187	\$ 498,825	\$ (1,827,020)	\$ 2,231,875	\$ (2,090,518)
City's covered payroll	\$ 6,345,276	\$ 6,450,437	\$ 6,469,702	\$ 6,598,350	\$ 6,734,088	\$ 7,053,670
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	24.09%	15.23%	7.71%	27.69%	33.14%	29.64%
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.74%	98.20%	99.12%	102.93%	96.45%	102.96%

See Notes to Required Supplementary Information

SCHEDULE 4

CITY OF CHIPPEWA FALLS, WISCONSIN
SCHEDULE OF CONTRIBUTIONS TO THE
WISCONSIN RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS
(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)

Fiscal Year Ended: December 31,	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 580,872	\$ 577,332	\$ 651,144	\$ 658,103	\$ 681,193	\$ 746,975
Contributions in Relation to the Contractually Required Contributions	(580,872)	(577,332)	(651,144)	(658,103)	(681,193)	(746,975)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 6,450,437	\$ 6,469,702	\$ 6,598,311	\$ 6,734,088	\$ 7,053,670	\$ 7,181,266
Contributions as a Percentage of Covered Payroll	9.01%	8.92%	9.87%	9.77%	9.66%	10.40%

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

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

See Notes to Required Supplementary Information

SCHEDULE 5

**CITY OF CHIPPEWA FALLS, WISCONSIN
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND OPEB PLAN
LAST TEN MEASUREMENT DATES
(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Measurement Date: December 31,	2017	2018	2019
City's proportion of the net OPEB liability (asset)	0.10370100%	0.10490900%	0.10570400%
City's proportionate share of the net OPEB liability (asset)	\$ 311,893	\$ 270,701	\$ 450,102
City's covered payroll	\$ 4,360,924	\$ 5,906,000	\$ 5,932,000
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	7.15%	4.58%	7.59%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	44.81%	48.68%	37.58%

See Notes to Required Supplementary Information

(77)

SCHEDULE 6

**CITY OF CHIPPEWA FALLS, WISCONSIN
SCHEDULE OF THE CITY'S CONTRIBUTIONS TO THE
WISCONSIN LOCAL RETIREE LIFE INSURANCE FUND OPEB PLAN
LAST TEN FISCAL YEARS
(PRESENTED PROSPECTIVELY FROM IMPLEMENTATION)**

Fiscal Year Ended: December 31,	2018	2019	2020
Contractually Required Contribution	\$ 1,826	\$ 2,071	\$ 2,104
Contributions in Relation to the Contractually Required Contributions	(1,826)	(2,071)	(2,104)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
City's Covered Payroll	\$ 4,360,924	\$ 5,906,000	\$ 5,932,000
Contributions as a Percentage of Covered Payroll	0.04%	0.04%	0.04%

See Notes to Required Supplementary Information

(78)

**CITY OF CHIPPEWA FALLS, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2020**

BUDGETARY INFORMATION

GASB Statement No. 34 requires the presentation of budgetary comparison schedules for the general fund and for each major special revenue fund. Budgetary information is derived from the City's annual operating budget. The City did not formally adopt a budget for the CDBG fund, a major special revenue fund.

The City's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes and on a basis consistent with generally accepted accounting principles. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. The City's legal budget is adopted at the major function level in the general fund (i.e., general government) and at the fund level in all other funds. The City exercises budgetary expenditure control at the department level.

Budget amounts in the financial statements include both original adopted budget and the final budget. Changes to the budget during the year, if any, generally include amendments authorized by the governing body, additions of approved carryover amounts and appropriations of revenues and other sources for specified expenditures/uses. Appropriated budget amounts in the general fund lapse at the end of the year unless specifically carried over for financing subsequent year expenditures.

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

CITY OF CHIPPEWA FALLS, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2020

SCHEDULE A-1

	Special Revenue Funds						
	Business Improvement District	Park Donation Fund	Redevelopment Authority Revolving Loan Fund	City Wide Donation Fund	City Wide Grant Fund	Room Tax Fund	Special Revenue Fund Total
ASSETS							
Cash and Investments	\$ 1,500	\$ 733,226	\$ 240,625	\$ -	\$ 113,780	\$ 158,991	\$ 1,246,122
Taxes Receivable	105,000	-	-	-	-	-	105,000
Special Assessments Receivable	-	-	-	-	-	-	-
Accounts Receivable	-	1,556	-	-	-	34,754	36,310
Due from Other Funds	-	-	-	-	-	-	-
Interest Receivable	-	-	53,345	-	-	-	53,345
Installment Loans Receivable	-	-	847,241	-	-	-	847,241
Deferred Loans Receivable	-	-	198,000	-	-	-	198,000
Total Assets	<u>\$ 106,500</u>	<u>\$ 734,782</u>	<u>\$ 1,339,211</u>	<u>\$ -</u>	<u>\$ 113,780</u>	<u>\$ 193,745</u>	<u>\$ 2,488,018</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Vouchers Payable	\$ -	\$ 5,319	\$ 1,500	\$ 304	\$ -	\$ 31,983	\$ 39,106
Due to Other Funds	-	-	-	-	-	-	-
Advances from General Fund	-	-	-	737,618	-	-	737,618
Total Liabilities	-	5,319	1,500	737,922	-	31,983	776,724
Deferred Inflows of Resources:							
Subsequent Year's Property Taxes	105,000	-	-	-	-	-	105,000
Unavailable Loans Receivable	-	-	491,085	-	-	-	491,085
Unavailable Special Assessments	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	105,000	-	491,085	-	-	-	596,085
Fund Balances:							
Nonspendable	-	-	607,501	-	-	-	607,501
Restricted	-	728,463	-	-	113,780	-	842,243
Committed	1,500	-	239,125	-	-	161,762	402,387
Unassigned	-	-	-	(737,922)	-	-	(737,922)
Total Fund Balances	1,500	728,463	846,626	(737,922)	113,780	161,762	1,115,209
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 106,500</u>	<u>\$ 734,782</u>	<u>\$ 1,339,211</u>	<u>\$ -</u>	<u>\$ 113,780</u>	<u>\$ 193,745</u>	<u>\$ 2,488,018</u>

(80)

**CITY OF CHIPPEWA FALLS, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
DECEMBER 31, 2020**

SCHEDULE A-1

	Capital Projects Funds				Total Nonmajor Governmental Funds
	Special Assessment Fund	Public Works Construction Fund	Various TID Funds	Capital Projects Fund Total	
ASSETS					
Cash and Investments	\$ 3,108,800	\$ 1,142,357	\$ 4,745,948	\$ 8,996,705	\$ 10,244,837
Taxes Receivable	-	-	2,473,484	2,473,484	2,473,484
Special Assessments Receivable	1,749,495	-	-	1,749,495	1,749,495
Accounts Receivable	-	-	-	-	36,310
Due from Other Funds	-	1,118,421	-	1,118,421	1,118,421
Interest Receivable	-	-	-	-	53,245
Installment Loans Receivable	-	-	1,773,224	1,773,224	2,620,465
Deferred Loans Receivable	-	-	-	-	188,000
Total Assets	\$ 4,858,295	\$ 2,260,778	\$ 8,992,256	\$ 16,111,329	\$ 18,599,347
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Vouchers Payable	\$ 397,196	\$ 35,569	\$ 408,961	\$ 444,130	\$ 483,239
Due to Other Funds	-	732,277	-	1,068,473	1,068,473
Advances from General Fund	-	-	31,848	31,848	789,495
Total Liabilities	397,196	767,846	440,409	1,585,451	2,342,175
Deferred Inflows of Resources:					
Subsequent Year's Property Taxes	-	-	2,473,484	2,473,484	2,576,484
Unavailable Loans Receivable	-	-	-	-	491,095
Unavailable Special Assessments	1,749,495	-	-	1,749,495	1,749,495
Total Deferred Inflows of Resources	1,749,495	-	2,473,484	4,222,979	4,816,064
Fund Balances:					
Nonspendable	-	-	-	-	807,501
Restricted	-	1,492,832	6,110,211	7,603,143	8,446,396
Committed	2,751,604	-	-	2,751,604	3,153,881
Unassigned	-	-	(31,848)	(31,848)	(789,770)
Total Fund Balances	2,751,604	1,492,832	6,078,363	10,322,859	11,458,108
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,858,295	\$ 2,260,778	\$ 8,992,256	\$ 16,111,329	\$ 18,599,347

(B1)

**CITY OF CHIPPEWA FALLS, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2020**

SCHEDULE A-2

	Special Revenue Funds					
	Business Improvement District	Park Donation Fund	Redevelopment Authority Revolving Loan Fund	City Wide Donation Fund	City Wide Grant Fund	Room Tax Fund
REVENUES:						
Taxes	\$ 99,000	\$ -	\$ -	\$ -	\$ -	\$ 152,082
Special Assessments	-	-	-	-	-	-
Intergovernmental	-	20,193	-	-	74,764	-
Miscellaneous:						
Interest on Investments	-	1,977	5,233	-	-	-
Donations	-	412,076	-	48,168	-	-
Loan Repayments	-	-	36,077	-	-	-
Total Revenues	99,000	434,248	42,310	48,168	74,764	152,082
EXPENDITURES:						
Public Safety	-	-	-	3,653	-	-
Culture, Recreation and Education	-	195,244	-	5,407	34,112	139,915
Conservation and Development	99,000	-	73,046	-	-	-
Capital Outlay	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Total Expenditures	99,000	195,244	73,046	9,300	34,112	139,915
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	239,004	(30,736)	38,868	40,652	12,167
OTHER FINANCING SOURCES (USES):						
Sale of City Property	-	-	-	-	-	-
Long-Term Debt Issued	-	-	-	-	-	-
Debt Premium	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	-	(3,700)	-	-	-	-
Total Other Financing Sources (Uses)	-	(3,700)	-	-	-	(3,700)
NET CHANGE IN FUND BALANCES	-	235,304	(30,736)	38,868	40,652	12,167
Fund Balances, January 1	1,500	494,159	877,362	(776,810)	73,128	149,595
FUND BALANCES, DECEMBER 31	\$ 1,500	\$ 729,463	\$ 846,626	\$ (737,922)	\$ 113,780	\$ 161,762
						\$ 1,115,208

(B2)

**CITY OF CHIPPEWA FALLS, WISCONSIN
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED DECEMBER 31, 2020**

SCHEDULE A-2

	Capital Projects Funds				Total Nonmajor Governmental Funds
	Special Assessment Fund	Public Works Construction Fund	Various TID Funds	Capital Project Fund Total	
REVENUES:					
Taxes	\$ -	\$ -	\$ 2,246,330	\$ 2,246,330	\$ 2,497,412
Special Assessments	592,320	-	-	592,320	592,320
Intergovernmental	-	427	205,312	205,739	300,896
Miscellaneous:					
Interest on Investments	-	127,761	-	127,761	135,971
Donations	-	-	-	-	460,266
Loan Repayments	-	-	-	-	36,077
Total Revenues	592,320	128,186	2,451,642	3,172,150	4,022,742
EXPENDITURES:					
Public Safety	-	-	-	-	3,893
Culture, Recreation and Education	-	-	-	-	374,676
Conservation and Development	-	-	65,219	65,219	237,265
Capital Outlay	-	1,834,166	-	1,834,166	1,834,166
Interest and Fiscal Charges	-	39,912	592	40,504	40,504
Total Expenditures	-	1,874,078	65,811	1,939,889	2,460,506
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	592,320	(1,745,890)	2,385,831	1,232,261	1,532,236
OTHER FINANCING SOURCES (USES):					
Sale of City Property	-	27,385	-	27,385	27,385
Long-Term Debt Issued	-	2,075,000	-	2,075,000	2,075,000
Debt Premium	-	7,570	-	7,570	7,570
Transfers In	-	-	500,581	500,581	500,581
Transfers Out	(104,020)	-	(1,815,306)	(1,919,326)	(1,923,626)
Total Other Financing Sources (Uses)	(104,020)	2,109,855	(1,314,727)	691,108	687,506
NET CHANGE IN FUND BALANCES	488,300	364,065	1,071,104	1,923,469	2,219,744
Fund Balances, January 1	2,263,304	1,126,867	5,007,259	8,398,430	9,218,364
FUND BALANCES, DECEMBER 31	<u>\$ 2,751,604</u>	<u>\$ 1,492,932</u>	<u>\$ 6,078,363</u>	<u>\$ 10,322,899</u>	<u>\$ 11,438,108</u>

(83)

**CITY OF CHIPPEWA FALLS, WISCONSIN
TID CAPITAL PROJECTS FUNDS (NONMAJOR)
COMBINING BALANCE SHEET
DECEMBER 31, 2020**

SCHEDULE A-3

	TID #4	TID #5	TID #7	TID #8	TID #10	TID #11	TID #12	TID #13	TID #15	Totals
ASSETS										
Cash and Investments	\$ 28,766	\$ 701,003	\$ 220,351	\$ -	\$ 63,823	\$ 1,994,150	\$ 1,327,536	\$ 406,859	\$ -	\$ 4,745,548
Taxes Receivable	137,356	672,184	135,669	94,278	61,625	863,393	341,066	140,517	7,366	2,473,484
Installment Loans Receivable	-	-	-	-	-	-	1,773,224	-	-	1,773,224
Total Assets	<u>\$ 166,122</u>	<u>\$ 1,373,187</u>	<u>\$ 356,020</u>	<u>\$ 94,278</u>	<u>\$ 125,448</u>	<u>\$ 2,877,543</u>	<u>\$ 3,441,916</u>	<u>\$ 550,376</u>	<u>\$ 7,366</u>	<u>\$ 8,992,256</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Vouchers Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 158,561	\$ 250,000	\$ -	\$ 408,561
Due to Other Funds	-	-	-	-	-	-	-	-	-	-
Advances from Other Funds	-	-	-	21,774	-	-	-	-	10,074	31,848
Total Liabilities	-	-	-	21,774	-	-	158,561	250,000	10,074	440,409
Deferred Inflows of Resources:										
Subsequent Year's Property Taxes	137,356	672,184	135,669	94,278	61,625	863,393	341,066	140,517	7,366	2,473,484
Fund Balances (Deficits):										
Restricted	28,766	701,003	220,351	-	63,823	1,994,150	2,942,259	159,859	-	6,110,211
Unassigned	-	-	-	(21,774)	-	-	-	-	(10,074)	(31,848)
Total Fund Balances (Deficits)	<u>28,766</u>	<u>701,003</u>	<u>220,351</u>	<u>(21,774)</u>	<u>63,823</u>	<u>1,994,150</u>	<u>2,942,259</u>	<u>159,859</u>	<u>(10,074)</u>	<u>6,078,363</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 166,122</u>	<u>\$ 1,373,187</u>	<u>\$ 356,020</u>	<u>\$ 94,278</u>	<u>\$ 125,448</u>	<u>\$ 2,877,543</u>	<u>\$ 3,441,916</u>	<u>\$ 550,376</u>	<u>\$ 7,366</u>	<u>\$ 8,992,256</u>

(84)

**CITY OF CHIPPEWA FALLS, WISCONSIN
TID CAPITAL PROJECTS FUNDS (NONMAJOR)
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED DECEMBER 31, 2020**

SCHEDULE A-4

	TID #4	TID #5	TID #7	TID #8	TID #10	TID #11	TID #12	TID #13	TID #15	Totals
REVENUES:										
Taxes	\$ 117,076	\$ 511,655	\$ 102,955	\$ 77,570	\$ 54,672	\$ 1,009,714	\$ 250,037	\$ 119,425	\$ 3,226	\$ 2,246,330
Intergovernmental Revenues	3,529	169,149	3,393	115	4,147	2,412	5,644	16,822	-	205,312
Total Revenues	120,605	680,804	106,348	77,685	58,819	1,012,126	255,681	136,347	3,226	2,451,642
EXPENDITURES:										
Conservation and Development	2,150	2,150	15,672	2,150	2,150	2,150	34,997	2,150	1,650	65,219
Interest and Fiscal Charges	-	-	-	592	-	-	-	-	-	592
Total Expenditures	2,150	2,150	15,672	2,742	2,150	2,150	34,997	2,150	1,650	65,811
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	118,455	678,654	90,676	74,944	56,669	1,009,976	220,684	134,197	1,576	2,385,831
OTHER FINANCING SOURCES (USES):										
Transfers In	-	320,581	-	-	-	-	180,000	-	-	500,581
Transfers Out	-	(712,520)	-	(37,403)	(50,581)	(450,200)	(564,804)	-	-	(1,815,308)
Total Other Financing Uses	-	(391,939)	-	(37,403)	(50,581)	(450,200)	(384,804)	-	-	(1,314,727)
NET CHANGE IN FUND BALANCES	118,455	286,715	90,676	37,541	6,088	559,776	(164,120)	134,197	1,576	1,071,104
Fund Balances (Deficits), January 1	(69,669)	414,288	129,675	(59,315)	57,735	1,434,174	3,106,379	25,662	(11,650)	5,007,259
FUND BALANCES (DEFICITS), DECEMBER 31	\$ 28,756	\$ 701,003	\$ 220,351	\$ (21,774)	\$ 63,823	\$ 1,894,150	\$ 2,942,259	\$ 159,859	\$ (10,074)	\$ 6,078,363

(85)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL FUND
DETAILED BALANCE SHEET
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2019)**

SCHEDULE B-1

	2020	2019
ASSETS		
Treasurer's Cash and Investments	\$ 22,931,611	\$ 19,655,549
Current Taxes Receivable	3,629,128	3,871,662
Delinquent Personal Property Taxes	3,084	4,031
Accounts Receivable	705,298	566,072
Due from Other Governmental Units	313,168	371,028
Due from Other Funds	702,150	1,337,303
Inventories	17,219	27,915
Land Held for Resale	4,000	4,750
Advances to Other Funds	769,466	1,215,547
Total Assets	\$ 29,075,124	\$ 27,053,857
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE		
Liabilities:		
Vouchers and Accounts Payable	\$ 147,039	\$ 293,102
Payroll Withholdings	143,551	179,752
Due to Other Governmental Units	6,337	6,933
Due to Other Funds	567,882	506,254
Total Liabilities	864,809	986,041
Deferred Inflows of Resources		
Subsequent Year's Property Taxes	5,861,998	5,851,220
Unavailable Land Contract	4,000	4,750
Unavailable Ambulance Revenues	231,956	133,327
Total Deferred Inflows of Resources	6,097,954	5,989,297
Fund Balance:		
Nonspendable:		
Delinquent Taxes	3,084	4,031
Inventories	17,219	27,915
Advances to Other Funds	769,466	1,215,547
Assigned	760,203	670,261
Unassigned	20,562,389	18,160,765
Total Fund Balance	22,112,361	20,078,519
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 29,075,124	\$ 27,053,857

(86)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL FUND
STATEMENT OF CHANGES IN ASSIGNED FUND BALANCE
YEAR ENDED DECEMBER 31, 2020**

SCHEDULE B-2

Assigned Account/Purpose	Balance 1/1/20	Tax Levy	Revenues	Transfers		Total Available	Expenditures	Balance 12/31/20
				In	Out			
Assigned:								
PAC Equipment	\$ 8,553	\$ -	\$ -	\$ -	\$ -	\$ 8,553	\$ -	\$ 8,553
Street Equipment Fund	102,851	-	89,942	-	-	192,793	-	192,793
Pool Study	750	-	-	-	-	750	-	750
Carryovers:								
Street Department	118,000	-	-	-	-	118,000	-	118,000
Police Department	3,680	-	-	-	-	3,680	-	3,680
Fire Department	20,000	-	-	-	-	20,000	-	20,000
Data Processing	2,500	-	-	-	-	2,500	-	2,500
Personnel Services	2,500	-	-	-	-	2,500	-	2,500
Special Legal Counsel - Negotiations	10,000	-	-	-	-	10,000	-	10,000
Parks and Recreation Department	25,000	-	-	-	-	25,000	-	25,000
Library	2,500	-	-	-	-	2,500	-	2,500
Safety Programs	28,635	-	-	-	-	28,635	-	28,635
Jurisdictional Transfer Projects	345,292	-	-	-	-	345,292	-	345,292
Total Assigned Fund Balance	670,261	-	89,942	-	-	760,203	-	760,203
Nonspendable	1,247,493	-	-	(457,724)	-	789,769	-	789,769
Unassigned	18,160,765	\$ 5,658,778	8,304,388	852,684	-	32,986,615	12,424,226	20,562,389
	<u>\$ 20,078,519</u>	<u>\$ 5,658,778</u>	<u>\$ 8,394,330</u>	<u>\$ 394,860</u>	<u>\$ -</u>	<u>\$ 34,536,587</u>	<u>\$ 12,424,226</u>	<u>\$ 22,112,361</u>

(87)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

SCHEDULE B-3

	2020		Variance Positive (Negative)	2019 Actual
	Final Budget	Actual		
REVENUES:				
Taxes:				
General Property Taxes	\$ 5,668,778	\$ 5,668,778	\$ -	\$ 5,631,551
Mobile Home Taxes	14,500	14,341	(159)	15,691
Interest on Taxes	200	220	20	323
Taxes from Ecumenical Housing	2,400	2,400	-	2,400
Other Payments in Lieu of Taxes	40,000	44,057	4,057	55,811
Payment in Lieu of Taxes - DNR	14	14	-	14
Other Taxes	-	1,490	1,490	2,474
Total Taxes	5,725,892	5,731,300	5,408	5,708,264
Intergovernmental:				
State Shared Taxes	3,206,293	3,238,690	32,397	3,208,058
Expenditure Restraint Program	201,184	230,950	29,766	197,247
Tax Exempt Computer Aid	140,000	202,634	62,634	202,634
Fire Insurance Tax	30,882	46,242	17,360	45,832
State Aid for Law Enforcement	3,000	3,200	200	3,200
Highway Maintenance	54,400	55,252	852	55,390
State Aid for Local Streets	577,880	680,639	102,759	610,877
Mass Transit Aid	274,351	500,284	225,933	268,283
State Aid for Recycling	23,193	25,220	2,027	25,192
State Aid for EMS/Ambulance	5,600	6,345	745	6,875
State Payments for Municipal Services	121,680	121,450	(230)	176,850
Other Grants and Aids	-	4,443	4,443	19,102
County Hazardous Material Grant	6,500	7,336	836	12,999
Library Act 150 Revenue	11,774	14,118	2,344	11,420
Video Service Provider Fees	-	17,187	17,187	-
COVID Funding	-	294,256	294,256	-
Total Intergovernmental	4,656,737	5,450,246	793,509	4,843,959

(88)

SCHEDULE B-3

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

	2020			
	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
REVENUES: (CONTINUED)				
Licenses and Permits:				
Licenses:				
Liquor and Malt Beverages	\$ 22,000	\$ 18,720	\$ (3,280)	\$ 24,212
Operators	7,250	6,675	(575)	7,525
Cigarette	800	750	(150)	800
Franchise Fees	115,360	149,984	34,624	167,251
Bicycle	-	4	4	4
Dog	3,000	4,778	1,778	4,922
Sundry Licenses	11,600	11,340	(260)	12,075
Permits:				
Building	80,000	133,189	53,189	140,874
Electrical	14,000	7,090	(6,910)	34,475
Plumbing	14,000	16,835	2,835	21,785
Street Opening	23,000	34,786	11,786	22,416
Heating	14,000	18,696	4,696	39,671
Dance	1,500	1,710	210	2,060
Driveway	1,000	1,800	800	2,596
Sundry Permits	5,000	7,075	2,075	6,204
Total Licenses and Permits	312,610	413,532	100,922	486,870
Fines and Forfeits:				
Court Penalties and Costs	68,000	46,756	(21,244)	58,232
Parking Violations	28,000	28,775	775	32,364
Total Fines and Forfeits	96,000	75,531	(20,469)	90,596
Public Charges for Services:				
Publication Fees	500	499	(1)	613
Reproduction Fees	5,000	2,191	(2,809)	6,702
Police Department Revenue	6,350	5,438	(912)	6,504
Fire Department Revenue	500	5	(495)	3,444
Fire Department Revenue - Plan Review	1,000	-	(1,000)	135
Ambulance Fees	851,300	1,107,352	256,052	1,122,235
Recycling	244,419	297,816	53,397	299,211
Engineering Reviews	400	1,580	1,180	1,525
Other Street Department Earnings	5,000	13,071	8,071	11,296
Record Search Fees	6,000	10,675	4,675	11,100
Library Fees	20,000	3,326	(16,674)	13,131
Swimming Pool Revenue	75,000	-	(75,000)	62,831
Park Fees -	45,750	14,309	(31,441)	50,039
Recreation Program Fees	51,364	2,084	(49,280)	34,605
Zoning Review Fee	2,000	2,880	880	4,007
Other Charges for Service	300	360	60	675
Total Public Charges for Services	1,314,883	1,461,686	146,803	1,627,853

(89)

SCHEDULE B-3

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

	2020			
	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
REVENUES: (CONTINUED)				
Intergovernmental Charges for Services:				
County Library Program	\$ 350,739	\$ 404,944	\$ 54,205	\$ 361,579
Police Department Revenues	7,500	3,750	(3,750)	6,157
School Resource Officer	45,000	55,451	10,451	54,750
Fire Department Revenues	7,800	2,396	(5,404)	9,042
Per Capita Ambulance Fees	110,000	162,079	52,079	153,914
Hazardous Material Reimbursement	35,000	19,659	(15,341)	30,266
Street Equipment Charges to Others	2,000	2,546	546	4,753
Total Intergovernmental Charges for Services	558,039	650,825	92,786	620,461
Miscellaneous:				
Interest:				
General Fund Investments	20,000	42,413	22,413	93,907
Special Assessments	-	3,379	3,379	1,784
Advance to Other Funds	12,750	592	(12,158)	6,910
Rent:				
Rental of City Buildings	3,600	4,850	1,250	5,100
Other:				
Donations	-	17,242	17,242	83,452
Insurance Recoveries	-	54,175	54,175	22,203
Insurance Dividends	10,000	53,734	43,734	44,027
Miscellaneous	-	1,017	1,017	529
Total Miscellaneous Revenues	46,350	177,402	131,052	257,922
Total Revenues	12,710,511	13,960,522	1,250,011	13,635,925
EXPENDITURES:				
General Government:				
Legislative:				
Council	26,588	51,798	(25,210)	85,756
Legal:				
City Attorney	74,000	73,500	500	73,720
Special Legal Counsel	18,000	7,136	10,864	14,139
Codification of Ordinances	2,945	1,628	1,317	1,546
General Administration:				
Mayor	12,211	11,203	1,008	11,271
Clerk	182,709	181,557	1,152	165,395

(90)

SCHEDULE B-3

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

	2020		Variance Positive (Negative)		2019 Actual	
	Final Budget	Actual				
EXPENDITURES: (CONTINUED)						
General Government: (Continued)						
General Administration: (Continued)						
Elections	\$ 28,635	\$ 59,510	\$ (30,875)		\$ 10,157	
Personnel Services	537,854	11,481	526,373		38,273	
Data Processing	99,213	163,852	(64,639)		87,710	
Central Duplicating	8,384	3,122	5,262		4,261	
Financial Administrative:						
Independent Auditing	26,400	32,804	(6,404)		87,667	
Treasurer/Finance	279,366	268,979	10,387		267,470	
Assessment of Property	98,445	94,452	3,993		94,548	
General Insurance	182,483	144,415	38,068		149,389	
General Buildings and Plant:						
City Hall	108,304	129,556	(21,252)		118,109	
Tax Refunds	10,822	3,445	7,177		7,996	
Total General Government	1,696,159	1,238,438	457,721		1,217,407	
Public Safety:						
Police and Fire Commission	3,000	6,190	(3,190)		12,998	
Police Department	3,075,481	2,926,526	148,955		2,796,366	
Fire Department	3,092,055	3,299,239	(207,184)		3,379,509	
Building Inspector	127,778	120,095	7,683		121,481	
Sealer of Weights and Measures	3,200	3,200	-		3,200	
Tornado Warning System	4,250	1,520	2,730		211	
Dam Maintenance	6,295	72,214	(65,919)		79,509	
HazMat Response Team	35,000	19,498	15,502		14,968	
Total Public Safety	6,347,059	6,448,482	(101,423)		6,408,262	
Public Works:						
Transportation Facilities:						
Superintendent of Streets	793,508	750,784	42,724		793,878	
Director of Public Works	292,258	276,240	16,018		290,029	
Street Department Time Off With Pay	1,500	408	1,092		552	
City Shop	179,150	150,223	28,927		250,155	
Street Department Buildings and Equipment	10,500	12,075	(1,575)		14,230	
Street Cleaning and Flushing	3,000	2,336	664		2,246	
Street Signs and Markings	16,000	17,505	(1,505)		1,483	
Curb and Gutter Maintenance	9,000	10,392	(1,392)		3,093	
Street Lighting	172,500	194,180	(21,680)		156,507	
Cilling Streets	102,435	131,868	(29,433)		125,878	
Snow and Ice Removal	94,000	92,755	1,245		98,336	
Tree and Brush Control	900	2,722	(1,822)		-	
Sidewalk and Crosswalk Maintenance	8,000	8,788	(788)		12,917	

(91)

SCHEDULE B-3

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

	2020		Variance Positive (Negative)		2019 Actual	
	Final Budget	Actual				
EXPENDITURES: (CONTINUED)						
Public Works: (Continued)						
Transportation Facilities: (Continued)						
Traffic Controls	\$ 35,500	\$ 33,542	\$ 1,958		\$ 6,837	
Bridges	2,000	70	1,930		1,489	
Mass Transit Program	<u>371,987</u>	<u>383,870</u>	<u>(11,883)</u>		<u>305,047</u>	
Total Transportation Facilities	<u>2,092,238</u>	<u>2,067,758</u>	<u>24,480</u>		<u>2,062,677</u>	
Sanitation:						
Landfill - Site Maintenance	7,900	8,061	(161)		7,947	
Yard Waste Disposal	9,000	8,282	718		10,374	
Recycling	249,840	259,001	(9,361)		256,032	
Weed Control	<u>1,200</u>	<u>200</u>	<u>1,000</u>		<u>700</u>	
Total Sanitation	<u>267,740</u>	<u>275,544</u>	<u>(7,804)</u>		<u>275,053</u>	
Total Public Works	2,359,978	2,343,302	16,676		2,337,730	
Health and Human Services:						
Health Officer	1,750	1,750	-		1,750	
Animal Control	16,156	16,156	-		15,962	
Social Services	<u>30,760</u>	<u>30,760</u>	<u>-</u>		<u>30,760</u>	
Total Health and Human Services	48,666	48,666	-		48,472	
Culture, Recreation and Education:						
Library	1,098,297	1,067,724	30,573		1,022,032	
Park and Recreation Administration	688,181	599,973	88,208		639,787	
Parks	143,710	142,266	1,444		161,281	
Zoo	59,777	47,265	12,512		65,250	
Cable Television	40,000	-	40,000		1,250	
Recreation	40,814	7,681	33,133		25,206	
Sports Complex	81,654	52,989	28,665		74,712	
Outdoor Pool	122,602	12,276	110,326		100,066	
Celebrations, Entertainment and Promotion	<u>735</u>	<u>495</u>	<u>240</u>		<u>735</u>	
Total Culture, Recreation and Education	2,275,770	1,930,669	345,101		2,090,319	
Conservation and Development:						
Forestry	23,750	21,238	2,512		20,941	
City Planner	88,693	96,809	(8,116)		94,107	
Zoning	750	610	140		-	
Economic Development	<u>20,026</u>	<u>18,714</u>	<u>1,312</u>		<u>23,731</u>	
Total Conservation and Development	133,219	137,371	(4,152)		138,779	

(92)

SCHEDULE B-3

CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL FUND
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)

	2020			
	Final Budget	Actual	Variance Positive (Negative)	2019 Actual
EXPENDITURES: (CONTINUED)				
Capital Outlay:				
General Government	\$ 111,720	\$ 29,287	\$ 82,433	\$ 15,890
Public Safety	50,799	53,593	(2,794)	72,892
Public Works	31,589	191,283	(159,694)	36,851
Culture, Recreation and Education	4,252	3,135	1,117	10,406
Total Capital Outlay	<u>198,360</u>	<u>277,298</u>	<u>(78,938)</u>	<u>136,039</u>
Total Expenditures	<u>13,059,211</u>	<u>12,424,226</u>	<u>634,985</u>	<u>12,377,008</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(348,700)	1,536,296	1,884,996	1,258,917
OTHER FINANCING SOURCES (USES):				
Sale of General City Property	-	102,586	102,586	108,860
Transfers In	<u>348,700</u>	<u>394,960</u>	<u>46,260</u>	<u>396,272</u>
Total Other Financing Sources (Uses)	<u>348,700</u>	<u>497,546</u>	<u>148,846</u>	<u>505,132</u>
NET CHANGE IN FUND BALANCE	-	2,033,842	2,033,842	1,764,049
Fund Balance, January 1	<u>20,078,519</u>	<u>20,078,519</u>	-	<u>18,314,470</u>
FUND BALANCE, DECEMBER 31	<u>\$ 20,078,519</u>	<u>\$ 22,112,361</u>	<u>\$ 2,033,842</u>	<u>\$ 20,078,519</u>

SCHEDULE D-1

CITY OF CHIPPEWA FALLS, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2019)

	2020	2019
ASSETS		
Current Assets:		
Cash and Investments:		
Operations	\$ 1,027,935	\$ 1,497,278
Depreciation Fund	5,486,186	5,277,113
Customer Accounts Receivable	483,678	488,793
Accounts Receivable on Tax Roll	78,092	120,950
Other Accounts Receivable	899	495
Special Assessments Receivable	431,255	451,328
Due from Governmental Funds	359,321	682,051
Due from Wastewater Utility	199,201	104,127
Inventories	93,815	86,506
Total Current Assets	<u>8,160,382</u>	<u>8,708,641</u>
Restricted Assets:		
Cash and Investments:		
Special Redemption Fund	101,266	190,012
Wisconsin Retirement System Pension Plan Asset	95,145	-
Total Restricted Assets	<u>196,411</u>	<u>190,012</u>
Capital Assets:		
Land and Land Rights	135,570	135,570
Nonutility Property	2,916	2,916
Construction Work in Progress	-	362,790
Utility Plant in Service	27,248,017	26,071,724
Less Accumulated Depreciation	<u>(10,855,665)</u>	<u>(10,290,328)</u>
Total Capital Assets	<u>16,530,838</u>	<u>16,282,672</u>
Other Assets:		
Long-Term Advance to Governmental Fund	750,000	750,000
Accrued Interest Receivable on Long-Term Advance to Governmental Fund	<u>27,699</u>	<u>27,699</u>
Total Other Assets	<u>777,699</u>	<u>777,699</u>
Total Assets	<u>25,665,330</u>	<u>25,959,024</u>
DEFERRED OUTFLOWS OF RESOURCES		
Wisconsin Retirement System Pension Plan Related	222,569	276,367
OPEB Single-Employer Plan Related	14,388	3,383
State Life Insurance OPEB Related	<u>12,555</u>	<u>3,369</u>
Total Deferred Outflows of Resources	<u>249,512</u>	<u>283,119</u>

**CITY OF CHIPPEWA FALLS, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2019)**

SCHEDULE D-1

	2020	2019
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 108,071	\$ 161,089
Due to Governmental Funds:		
Taxes Accrued	391,260	392,572
Other	361,322	956,659
Current Portion of Bonds Payable (Net of Portion Payable from Restricted Assets)	45,000	50,000
Current Portion of Unused Vested Employee Benefits	30,683	28,696
Total Current Liabilities	936,336	1,589,016
Current Liabilities Payable from Restricted Assets:		
Accrued Interest Payable	7,941	13,403
Current Portion of Bonds Payable (Net of Portion Payable from Current Assets)	75,161	221,161
Total Current Liabilities Payable from Restricted Assets	84,102	234,564
Long-Term Liabilities:		
Bonds Payable (Net of Current Portion)	1,518,676	1,641,521
Total OPEB Liability Single-Employer Plan	63,691	53,950
Unused Vested Employee Benefits	34,949	31,593
Wisconsin Retirement System Net Pension Liability	-	101,579
State Life Insurance Net OPEB Liability	30,375	17,103
Total Long-Term Liabilities	1,647,691	1,845,746
Total Liabilities	2,668,129	3,669,326
DEFERRED OUTFLOWS OF RESOURCES		
Wisconsin Retirement System Pension Plan Related	285,099	140,137
OPEB Single-Employer Plan Related	31,870	26,153
State Life Insurance OPEB Related	4,701	4,574
Total Deferred Inflows of Resources	321,670	170,864
NET POSITION		
Net Investment in Capital Assets	14,891,001	14,263,231
Restricted for Debt Service	93,325	176,609
Restricted for Pension Plan	95,145	-
Unrestricted	7,845,572	7,962,113
Total Net Position	\$ 22,925,043	\$ 22,401,953

**CITY OF CHIPPEWA FALLS, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

SCHEDULE D-2

	2020	2019
OPERATING REVENUES		
Sales of Water:		
Residential	\$ 827,532	\$ 775,340
Commercial	374,188	359,930
Industrial	497,834	474,687
Public Authorities	141,149	146,847
Public Fire Protection	540,444	515,881
Private Fire Protection	55,012	54,714
Other Operating Revenues	216,712	249,263
Total Operating Revenues	2,652,871	2,576,662
OPERATING EXPENSES		
Operation and Maintenance:		
Operation	647,284	655,448
Maintenance	255,547	367,705
Administrative and General	352,896	373,457
Total Operation and Maintenance	1,255,727	1,396,610
Depreciation	713,700	685,967
Total Operating Expenses	1,969,427	2,082,577
OPERATING INCOME	683,444	494,085
NONOPERATING REVENUES (EXPENSES)		
Interest Income	81,793	176,250
Loss on Removal of Plant Assets	-	(1,263)
Interest Expense	(49,023)	(50,045)
Amortization of Debt Related Items	1,684	(13,351)
Total Nonoperating Revenues (Expenses)	34,454	111,591
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	717,898	605,676
CAPITAL CONTRIBUTIONS AND TRANSFERS		
Plant Contributed by Developers	77,300	109,090
Assessments for Plant Additions	109,044	103,663
Hook-Up Fees	10,108	23,025
Transfers Out	(391,260)	(392,572)
Total Capital Contributions and Transfers	(194,808)	(156,794)
CHANGE IN NET POSITION	523,090	448,882
Net Position, January 1	22,401,953	21,953,071
NET POSITION, DECEMBER 31	\$ 22,925,043	\$ 22,401,953

SCHEDULE D-3

**CITY OF CHIPPEWA FALLS, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 2,600,441	\$ 2,624,996
Cash Received for Water Meter Related Charges to Wastewater Utility	99,999	104,127
Cash Payments to Suppliers for Goods and Services	(201,567)	(1,067,725)
Cash Payments for Employee Services	(870,786)	(843,068)
Cash Paid for Wastewater Building Rent	(12,000)	(12,000)
Net Cash Provided by (Used for) Operating Activities	<u>1,616,087</u>	<u>806,330</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Payment of Tax Equivalents	(391,260)	(392,572)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Received for Capital Contributions	6,621	23,025
Cash Received for Salvage on Plant Retired	-	10,519
Cash Payments for Capital Assets	(1,209,026)	(561,949)
Cash Payments for Construction Work in Progress	(206,470)	-
Cash Received from Special Assessments	78,885	82,616
Cash Paid for Plant Removal	-	(6,980)
Cash Received from Debt Proceeds	-	345,000
Cash Paid for Debt Principal	(271,161)	(240,166)
Cash Paid for Debt Interest	(54,485)	(46,231)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(1,655,636)</u>	<u>(394,166)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on Investments	<u>81,793</u>	<u>176,250</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>(349,016)</u>	<u>195,842</u>
Cash and Cash Equivalents, January 1	<u>6,964,403</u>	<u>6,768,561</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 6,615,387</u></u>	<u><u>\$ 6,964,403</u></u>

SCHEDULE D-3

**CITY OF CHIPPEWA FALLS, WISCONSIN
WATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

	2020	2019
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating Income	\$ 683,444	\$ 494,085
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used for) Operating Activities:		
Net Change in Wisconsin Pension System Related Items:		
Asset / Liability	(196,724)	188,368
Deferred Outflows of Resources	53,798	(115,107)
Deferred Inflows of Resources	144,962	(30,797)
Net Change in OPEB Related Items:		
Asset / Liability	23,013	(1,326)
Deferred Outflows of Resources	(20,191)	(3,686)
Deferred Inflows of Resources	5,844	4,584
Depreciation	713,700	685,967
(Increase) Decrease in Assets:		
Customer Accounts Receivable	5,115	72,309
Accounts Receivable on Tax Roll	42,858	66,907
Other Accounts Receivable	(404)	13,245
Due from Other Funds	227,656	(683,528)
Inventories	(7,309)	8,115
Increase (Decrease) in Liabilities:		
Accounts Payable	(53,018)	117,467
Due to Other Funds	(12,000)	(12,000)
Unused Vested Employee Benefits	5,343	1,727
Net Cash Provided by (Used for) Operating Activities	<u>\$ 1,616,087</u>	<u>\$ 806,330</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 1,027,935	\$ 1,497,278
Cash and Investments - Restricted	<u>101,266</u>	<u>5,467,125</u>
Total Cash and Cash Equivalents	<u><u>\$ 1,129,201</u></u>	<u><u>\$ 6,964,403</u></u>
NONCASH INVESTING AND FINANCING ACTIVITIES		
Contributions of Capital Assets	\$ 186,344	\$ 212,753

**CITY OF CHIPPEWA FALLS, WISCONSIN
WASTEWATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2019)**

SCHEDULE D-4

	2020	2019
ASSETS		
Current Assets:		
Cash and Investments:		
Operations	\$ 1,571,651	\$ 1,776,657
Depreciation Fund	5,683,916	5,251,595
Customer Accounts Receivable	488,094	447,985
Accounts Receivable on Tax Roll	68,924	90,430
Special Assessments Receivable	637,660	701,543
Due from Governmental Funds	679,721	519,180
Due from Water Utility	465,817	361,084
Total Current Assets	<u>9,595,783</u>	<u>9,148,474</u>
Restricted Assets:		
Cash and Investments:		
Bond Redemption Fund Investments	190,027	182,212
Replacement Fund Cash and Investments	3,916,291	3,785,613
Wisconsin Retirement System Net Pension Asset	95,507	-
Total Restricted Assets	<u>4,201,825</u>	<u>3,967,825</u>
Capital Assets:		
Land and Land Rights	177,391	177,391
Construction Work in Progress	-	600
Utility Plant in Service	34,394,710	33,657,984
Less Accumulated Depreciation	<u>(14,497,760)</u>	<u>(13,722,932)</u>
Total Capital Assets	<u>20,074,341</u>	<u>20,113,043</u>
Other Assets:		
Unamortized Debt Discount	<u>1,523</u>	<u>1,902</u>
Total Assets	<u>33,873,472</u>	<u>33,231,244</u>
DEFERRED OUTFLOWS OF RESOURCES		
Wisconsin Retirement System Pension Plan Related	223,416	277,205
OPEB Single-Employer Plan Related	22,033	4,960
State Life Insurance OPEB Related	<u>20,424</u>	<u>5,715</u>
Total Deferred Outflows of Resources	<u>265,873</u>	<u>287,880</u>

(99)

**CITY OF CHIPPEWA FALLS, WISCONSIN
WASTEWATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2019)**

SCHEDULE D-4

	2020	2019
LIABILITIES		
Current Liabilities Payable from Current Assets:		
Accounts Payable	\$ 151,428	\$ 66,549
Due to Governmental Funds	520,845	1,015,825
Due to Water Utility	199,201	104,127
Current Portion of Unused Vested Employee Benefits	37,149	32,939
Total Current Liabilities Payable from Current Assets	<u>908,623</u>	<u>1,219,440</u>
Current Liabilities Payable from Restricted Assets:		
Accrued Interest Payable	27,126	29,377
Current Portion of Long-Term Debt	424,993	399,246
Total Current Liabilities Payable from Restricted Assets	<u>452,119</u>	<u>428,623</u>
Long-Term Liabilities:		
Long-Term Debt (Net of Current Portion)	5,435,661	5,379,910
Total OPEB Liability Single-Employer Plan	97,539	79,099
Unused Vested Employee Benefits	63,300	53,796
Wisconsin Retirement System Net Pension Liability	-	101,965
State Life Insurance Net OPEB Liability	<u>49,406</u>	<u>29,010</u>
Total Long-Term Debt	<u>5,645,906</u>	<u>5,643,780</u>
Total Liabilities	<u>7,006,648</u>	<u>7,291,843</u>
DEFERRED INFLOWS OF RESOURCES		
Wisconsin Retirement System Pension Plan Related	286,184	140,671
OPEB Single-Employer Plan Related	48,807	38,345
State Life Insurance OPEB Related	<u>7,648</u>	<u>7,760</u>
Total Deferred Inflows of Resources	<u>342,639</u>	<u>186,776</u>
NET POSITION		
Net Investment in Capital Assets	14,213,687	14,333,887
Restricted for Debt Service	162,901	152,835
Restricted for Asset Replacement	3,491,298	3,386,367
Restricted for Wisconsin Retirement System Pension Plan	95,507	-
Unrestricted	<u>8,826,665</u>	<u>8,167,416</u>
Total Net Position	<u>\$ 26,790,058</u>	<u>\$ 26,040,505</u>

(100)

SCHEDULE D-5

**CITY OF CHIPPEWA FALLS, WISCONSIN
WASTEWATER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2019)**

	2020	2019
OPERATING REVENUES:		
Sewerage Revenues:		
Residential	\$ 971,428	\$ 961,470
Commercial	436,036	422,975
Industrial	943,127	911,580
Public Authorities	190,968	213,368
Rent	46,951	22,791
Other Operating Revenues	566,798	579,160
Total Operating Revenues	<u>3,155,308</u>	<u>3,111,344</u>
OPERATING EXPENSES:		
Operation and Maintenance:		
Operation	928,917	948,022
Maintenance	221,739	200,516
Administrative and General	500,157	516,110
Total Operation and Maintenance	<u>1,650,813</u>	<u>1,664,648</u>
Depreciation	826,975	808,179
Total Operating Expenses	<u>2,477,788</u>	<u>2,472,827</u>
OPERATING INCOME	677,520	638,517
NONOPERATING REVENUES (EXPENSES):		
Interest Income	52,357	227,768
Gain (Loss) on Removal of Capital Assets	-	1,333
Interest Expense	(136,429)	(134,706)
Amortization of Debt Related Items	<u>(10,308)</u>	<u>(17,178)</u>
Total Nonoperating Revenue (Expense)	<u>(94,380)</u>	<u>77,217</u>
INCOME BEFORE CONTRIBUTIONS	583,140	715,734
CAPITAL CONTRIBUTIONS AND TRANSFERS:		
Plant Additions Funded by Private Sources	<u>166,413</u>	<u>87,350</u>
CHANGE IN NET POSITION	749,553	803,084
Net Position, January 1	<u>26,040,505</u>	<u>25,237,421</u>
NET POSITION, DECEMBER 31	<u><u>\$ 26,790,058</u></u>	<u><u>\$ 26,040,505</u></u>

SCHEDULE D-6

**CITY OF CHIPPEWA FALLS, WISCONSIN
WASTEWATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2019)**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Utility Customers	\$ 3,124,705	\$ 3,228,796
Cash Received for Wastewater Building Rent	12,000	12,000
Cash Paid for Water Meter Related Charges to Wastewater Utility	(99,999)	(104,127)
Cash Payments to Suppliers for Goods and Services	(622,337)	(809,798)
Cash Payments for Employee Services	<u>(715,576)</u>	<u>(697,440)</u>
Net Cash Provided by (Used for) Operating Activities	1,698,793	1,629,431
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	(1,463,555)	(703,129)
Cash Payments for Construction Work in Progress	(150)	-
Cash Received from Special Assessments	145,474	110,410
Cash Received from Debt Proceeds	455,000	365,000
Cash Paid for Debt Issuance Costs	6,812	-
Cash Payments for Principal on Long-Term Debt	(386,177)	(373,474)
Cash Payments for Interest on Long-Term Debt	<u>(142,746)</u>	<u>(134,822)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	(1,385,342)	(736,015)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Received from Interest on Investments	<u>52,357</u>	<u>227,768</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	365,808	1,121,184
Cash and Cash Equivalents, January 1	<u>10,996,077</u>	<u>9,874,893</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 11,361,885</u></u>	<u><u>\$ 10,996,077</u></u>

SCHEDULE D-6

CITY OF CHIPPEWA FALLS, WISCONSIN
WASTEWATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2019)

	2020	2019
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating Income	\$ 677,520	\$ 638,517
Adjustments to Reconcile Operating Income to Net Cash		
Provided by (Used for) Operating Activities:		
Change in Pension Plan Related Items:		
Asset / Liability	(197,472)	191,204
Deferred Outflows of Resources	53,789	(111,392)
Deferred Inflows of Resources	145,513	(35,089)
Change in OPEB Plan Related Items:		
Asset / Liability	38,836	4,266
Deferred Outflows of Resources	(31,782)	(6,492)
Deferred Inflows of Resources	10,350	7,809
Depreciation	826,975	808,179
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(40,109)	77,507
Accounts Receivable on Tax Roll	21,506	51,945
Increase (Decrease) in Liabilities:		
Accounts Payable	84,879	(1,867)
Due to Other Funds	95,074	4,066
Unused Vested Employee Benefits	13,714	778
Net Cash Provided by (Used for) Operating Activities	<u>\$ 1,698,793</u>	<u>\$ 1,629,431</u>
RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 1,571,651	\$ 1,776,657
Cash and Investments - Restricted	<u>4,106,318</u>	<u>9,219,420</u>
Total Cash and Cash Equivalents	<u>\$ 5,677,969</u>	<u>\$ 10,996,077</u>
NONCASH INVESTING AND FINANCING ACTIVITIES		
Contributions of Capital Assets	\$ 166,413	\$ 87,350

SCHEDULE D-7

CITY OF CHIPPEWA FALLS, WISCONSIN
STORM WATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)

	2020	2019
ASSETS		
Current Assets:		
Cash and Investments	\$ 603,741	\$ 534,583
Customer Accounts Receivable	177,683	178,898
Accounts Receivable on Tax Roll	17,353	24,656
Due from Governmental Funds	266,460	538,471
Inventories	54,268	41,639
Total Current Assets	<u>1,119,505</u>	<u>1,318,247</u>
Restricted Assets:		
Wisconsin Retirement System Net Pension Asset	<u>11,478</u>	<u>-</u>
Capital Assets:		
Utility Plant in Service	11,704,165	11,294,711
Less Accumulated Depreciation	<u>(3,607,839)</u>	<u>(3,387,986)</u>
Total Capital Assets	<u>8,096,326</u>	<u>7,906,725</u>
Other Assets:		
Unamortized Debt Discount	<u>3,068</u>	<u>3,531</u>
Total Assets	<u>9,230,377</u>	<u>9,228,503</u>
DEFERRED OUTFLOWS OF RESOURCES		
Wisconsin Retirement System Pension Plan Related	26,620	33,418
OPEB Single-Employer Plan Related	904	183
State Life Insurance OPEB Related	<u>1,912</u>	<u>574</u>
Total Deferred Outflows of Resources	<u>29,436</u>	<u>34,175</u>

SCHEDULE D-7

**CITY OF CHIPPEWA FALLS, WISCONSIN
STORM WATER UTILITY ENTERPRISE FUND
STATEMENT OF NET POSITION (CONTINUED)
DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

LIABILITIES**Current Liabilities:**

Accounts Payable	\$ 4,151	\$ 9,892
Due to Governmental Funds	548,188	777,967
Accrued Interest Payable	9,472	10,044
Current Portion of Unused Vested Employee Benefits	2,334	1,957
Current Portion of Bonds Payable	90,000	70,000
Total Current Liabilities	654,145	869,860

Long-Term Liabilities:

Unused Vested Employee Benefits	1,735	1,715
Total OPEB Liability Single-Employer Plan	4,004	2,922
Wisconsin Retirement System Net Pension Liability	-	12,254
State Life Insurance Net OPEB Liability	4,619	2,912
Bonds Payable	1,344,517	1,162,529
Total Long-Term Liabilities	1,354,875	1,182,332
Total Liabilities	2,009,020	2,052,192

DEFERRED INFLOWS OF RESOURCES

Wisconsin Retirement System Pension Plan Related	34,392	16,905
OPEB Single-Employer Plan Related	2,003	1,416
State Life Insurance OPEB Related	716	781
Total Deferred Inflows of Resources	37,111	19,102

NET POSITION

Net Investment in Capital Assets	6,661,809	6,674,196
Restricted for Wisconsin Retirement System Pension Plan	11,478	-
Unrestricted	540,395	517,188
Total Net Position	\$ 7,213,682	\$ 7,191,384

(105)

SCHEDULE D-8

**CITY OF CHIPPEWA FALLS, WISCONSIN
STORM WATER UTILITY ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)**

	2020	2019
OPERATING REVENUES		
Charges for Service:		
Residential	\$ 179,353	\$ 181,520
Commercial	245,568	252,330
Industrial	181,528	171,585
Public Authorities	143,458	137,502
Other Operating Revenues	9,805	23,264
Total Operating Revenues	759,712	766,201
OPERATING EXPENSES		
Operation and Maintenance:		
Street Cleaning and Flushing	94,251	113,410
Snow Removal	32,565	108,230
Storm Sewer Maintenance	59,988	44,525
Storm Pond Maintenance	666	883
Yard Waste	31,761	11,542
Accounting and Collecting	40,764	38,036
Uncollectible Accounts	52	-
Administrative and General	169,176	181,409
Outside Services Employed	18,380	15,161
Miscellaneous General Expense	19,084	17,810
Total Operation and Maintenance	466,687	531,006
Depreciation	232,328	226,351
Total Operating Expenses	699,015	757,357
OPERATING INCOME (LOSS)	60,697	8,844
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	4,590	10,815
Interest Expense	(43,484)	(41,769)
Amortization of Debt Related Items	495	(516)
Loss on the Disposal of Capital Assets	-	(8,550)
Total Nonoperating Revenues (Expenses)	(38,399)	(40,020)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	22,298	(31,176)
CAPITAL CONTRIBUTIONS AND TRANSFERS		
Plant Contributed by Private Sources	-	50,942
CHANGE IN NET POSITION	22,298	19,766
Net Position, January 1	7,191,384	7,171,618
NET POSITION, DECEMBER 31	\$ 7,213,682	\$ 7,191,384

(106)

SCHEDULE D-9

CITY OF CHIPPEWA FALLS, WISCONSIN
STORM WATER UTILITY ENTERPRISE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2019)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 768,230	\$ 767,904
Cash Payments to Suppliers for Goods and Services	(106,095)	(131,498)
Cash Payments for Employee Services	(375,802)	(373,759)
Net Cash Provided by (Used for) Operating Activities	286,333	262,647
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Payments for Capital Assets	(379,697)	(493,245)
Transfer of Debt Proceeds	260,000	185,000
Principal Payments on Long-Term Debt	(70,000)	(65,000)
Interest Payments on Long-Term Debt	(32,058)	(31,890)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(221,755)	(405,135)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash Received from Interest on Investments	4,580	10,815
NET CHANGE IN CASH AND CASH EQUIVALENTS	69,158	(131,673)
Cash and Cash Equivalents, January 1	534,583	666,256
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 603,741	\$ 534,583
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 60,697	\$ 8,844
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Change in Pension Plan Related Items:		
Asset / Liability	(23,732)	19,950
Deferred Outflows of Resources	6,798	(19,118)
Deferred Inflows of Resources	17,487	1,748
Change in OPEB Plan Related Items:		
Asset / Liability	2,789	885
Deferred Outflows of Resources	(2,059)	(450)
Deferred Inflows of Resources	522	766
Depreciation	232,328	226,351
(Increase) Decrease in Assets:		
Customer Accounts Receivable	1,215	10,996
Accounts Receivable on Tax Roll	7,303	(9,293)
Decrease in Due From Other Funds	958	-
Inventories	(12,629)	18,395
Increase (Decrease) in Liabilities:		
Accounts Payable	(5,741)	3,109
Unused Vested Employee Benefits	397	464
Net Cash Provided by Operating Activities	\$ 286,333	\$ 262,647
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Contributions of Capital Assets	\$ -	\$ 50,942

DEBT REPAYMENT SCHEDULES

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS
SERIES 2012A, DATED JUNE 12, 2012
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-1

Date Due	Rate	Annual Requirements					Expected Funding Sources				
		Total	Principal	Interest	General City	Assessments	TID #5	TID #4	TID #8	Sewer	
6/1/21		\$ 43,472.50	\$ -	\$ 43,472.50	\$ 28,412.50	\$ 1,310.00	\$ 13,150.00	\$ -	\$ -	\$ 600.00	
12/1/21	2.00	388,472.50	345,000.00	43,472.50	218,412.50	56,310.00	53,150.00	-	-	60,600.00	
6/1/22		40,022.50	-	40,022.50	26,512.50	760.00	12,750.00	-	-	-	
12/1/22	2.00	350,022.50	310,000.00	40,022.50	191,512.50	55,760.00	102,790.00	-	-	-	
6/1/23		36,922.50	-	36,922.50	24,862.50	210.00	11,850.00	-	-	-	
12/1/23	2.10	336,922.50	300,000.00	36,922.50	209,862.50	20,210.00	106,850.00	-	-	-	
6/1/24		33,772.50	-	33,772.50	22,920.00	-	10,852.50	-	-	-	
12/1/24	2.20	283,772.50	250,000.00	33,772.50	177,920.00	-	105,852.50	-	-	-	
6/1/25		31,022.50	-	31,022.50	21,215.00	-	9,807.50	-	-	-	
12/1/25	2.35	361,022.50	350,000.00	31,022.50	276,215.00	-	104,807.50	-	-	-	
6/1/26		26,910.00	-	26,910.00	18,218.75	-	8,691.25	-	-	-	
12/1/26	2.45	331,910.00	305,000.00	26,910.00	223,218.75	-	108,691.25	-	-	-	

(108)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS
SERIES 2012A, DATED JUNE 12, 2012 (CONTINUED)
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-1

Date Due	Rate	Annual Requirements					Expected Funding Sources				
		Total	Principal	Interest	General City	Assessments	TID #5	TID #4	TID #8	Sewer	
6/1/27		\$ 23,173.75	\$ -	\$ 23,173.75	\$ 15,707.50	\$ -	\$ 7,466.25	\$ -	\$ -	\$ -	
12/1/27	2.55	288,173.75	265,000.00	23,173.75	180,707.50	-	107,466.25	-	-	-	
6/1/28		19,795.00	-	19,795.00	13,603.75	-	6,191.25	-	-	-	
12/1/28	2.65	279,795.00	260,000.00	19,795.00	168,603.75	-	111,191.25	-	-	-	
6/1/29		16,350.00	-	16,350.00	11,550.00	-	4,800.00	-	-	-	
12/1/29	3.00	291,350.00	275,000.00	16,350.00	181,550.00	-	109,800.00	-	-	-	
6/1/30		12,225.00	-	12,225.00	9,000.00	-	3,225.00	-	-	-	
12/1/30	3.00	327,225.00	315,000.00	12,225.00	218,000.00	-	106,225.00	-	-	-	
6/1/31		7,500.00	-	7,500.00	5,650.00	-	1,850.00	-	-	-	
12/1/31	3.00	357,500.00	350,000.00	7,500.00	245,650.00	-	111,850.00	-	-	-	
6/1/32		152,250.00	150,000.00	2,250.00	152,250.00	-	-	-	-	-	
		<u>\$ 4,059,582.50</u>	<u>\$ 3,475,000.00</u>	<u>\$ 584,582.50</u>	<u>\$ 2,642,955.00</u>	<u>\$ 134,560.00</u>	<u>\$ 1,220,867.50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,200.00</u>	
					Principal	\$ 2,245,000.00	\$ 130,000.00	\$ 1,040,000.00	\$ -	\$ -	\$ 60,000.00
					Interest	387,955.00	4,560.00	180,867.50	-	-	1,200.00
					Total	<u>\$ 2,642,955.00</u>	<u>\$ 134,560.00</u>	<u>\$ 1,220,867.50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,200.00</u>

(109)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION REFUNDING BONDS
SERIES 2012B, DATED JUNE 12, 2012
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-2

Date Due	Rate	Annual Requirements			Expected Funding Sources			
		Total	Principal	Interest	Total	General City	TID #4	TID #8
4/1/21	2.30	\$ 120,441.25	\$ 115,000.00	\$ 5,441.25	\$ 120,441.25	\$ 79,418.75	\$ -	\$ 41,022.50
10/1/21		4,118.75	-	4,118.75	4,118.75	3,556.25	-	562.50
4/1/22	2.50	134,118.75	130,000.00	4,118.75	134,118.75	88,556.25	-	45,562.50
10/1/22		2,493.75	-	2,493.75	2,493.75	2,493.75	-	-
4/1/23	2.85	92,493.75	90,000.00	2,493.75	92,493.75	92,493.75	-	-
10/1/23		1,211.25	-	1,211.25	1,211.25	1,211.25	-	-
4/1/24	2.85	86,211.25	85,000.00	1,211.25	86,211.25	86,211.25	-	-
		<u>\$ 441,088.75</u>	<u>\$ 420,000.00</u>	<u>\$ 21,088.75</u>	<u>\$ 441,088.75</u>	<u>\$ 353,941.25</u>	<u>\$ -</u>	<u>\$ 87,147.50</u>
					Principal	\$ 420,000.00	\$ 335,000.00	\$ -
					Interest	21,088.75	18,941.25	-
					Total	<u>\$ 441,088.75</u>	<u>\$ 353,941.25</u>	<u>\$ 87,147.50</u>

(110)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2013B
DATED JUNE 26, 2013
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-3

Date Due	Rate	Annual Requirements			Expected Funding Sources	
		Total	Principal	Interest	General City	TID #12
6/1/21		\$ 43,968.76	\$ -	\$ 43,968.76	\$ 21,746.88	\$ 22,221.88
12/1/21	2.250	303,968.76	260,000.00	43,968.76	96,746.88	207,221.88
6/1/22		41,043.76	-	41,043.76	20,903.13	20,140.63
12/1/22	2.500	306,043.76	265,000.00	41,043.76	100,903.13	205,140.63
6/1/23		37,731.26	-	37,731.26	19,903.13	17,828.13
12/1/23	2.750	307,731.26	270,000.00	37,731.26	99,903.13	207,828.13
6/1/24		34,018.76	-	34,018.76	18,803.13	15,215.63
12/1/24	2.750	309,018.76	275,000.00	34,018.76	98,803.13	210,215.63
6/1/25		30,237.51	-	30,237.51	17,703.13	12,534.38
12/1/25	3.000	410,237.51	380,000.00	30,237.51	197,703.13	212,534.38
6/1/26		24,537.51	-	24,537.51	15,003.13	9,534.38
12/1/26	3.000	354,537.51	330,000.00	24,537.51	145,003.13	209,534.38
6/1/27		19,587.51	-	19,587.51	13,053.13	6,534.38
12/1/27	3.125	309,587.51	290,000.00	19,587.51	98,053.13	211,534.38
6/1/28		15,056.25	-	15,056.25	11,725.00	3,331.25
12/1/28	3.250	310,056.25	295,000.00	15,056.25	101,725.00	208,331.25
6/1/29		10,262.50	-	10,262.50	10,262.50	-
12/1/29	3.500	110,262.50	100,000.00	10,262.50	110,262.50	-
6/1/30		8,512.50	-	8,512.50	8,512.50	-
12/1/30	3.500	153,512.50	145,000.00	8,512.50	153,512.50	-
6/1/31		5,975.00	-	5,975.00	5,975.00	-
12/1/31	3.500	105,975.00	100,000.00	5,975.00	105,975.00	-
6/1/32		4,225.00	-	4,225.00	4,225.00	-
12/1/32	3.250	104,225.00	100,000.00	4,225.00	104,225.00	-
6/1/33	3.250	162,600.00	160,000.00	2,600.00	162,600.00	-
		<u>\$ 3,522,912.64</u>	<u>\$ 2,970,000.00</u>	<u>\$ 552,912.64</u>	<u>\$ 1,743,231.32</u>	<u>\$ 1,779,681.32</u>
				Principal	\$ 1,405,000.00	\$ 1,565,000.00
				Interest	338,231.32	214,681.32
				Total	<u>\$ 1,743,231.32</u>	<u>\$ 1,779,681.32</u>

(111)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS (CONTINUED)
DATED JUNE 28, 2016
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-5

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION PROMISSORY NOTE
DATED JULY 19, 2016
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-6

Date Due	Rate	Annual Requirements			Expected Funding Sources				
		Total	Principal	Interest	General City	Special Assessments	Water	Sewer	Storm
4/1/28		\$ 39,875.00	\$ -	\$ 39,875.00	\$ 37,218.76	\$ -	\$ 1,068.75	\$ 915.63	\$ 671.88
10/1/28	2.000	374,875.00	335,000.00	39,875.00	352,218.76	-	11,068.75	5,915.63	5,671.88
4/1/29		36,525.00	-	36,525.00	34,068.76	-	968.75	865.63	621.88
10/1/29	2.000	376,525.00	340,000.00	36,525.00	354,068.76	-	10,968.75	5,865.63	5,621.88
4/1/30		33,125.00	-	33,125.00	30,868.76	-	868.75	815.63	571.88
10/1/30	2.125	378,125.00	345,000.00	33,125.00	355,868.76	-	10,968.75	5,815.63	5,571.88
4/1/31		29,459.38	-	29,459.38	27,415.63	-	762.50	762.50	518.75
10/1/31	2.250	389,459.38	360,000.00	29,459.38	362,415.63	-	10,762.50	10,762.50	5,518.75
4/1/32		25,409.38	-	25,409.38	23,646.88	-	650.00	650.00	462.50
10/1/32	2.375	395,409.38	370,000.00	25,409.38	368,646.88	-	10,650.00	10,650.00	5,462.50
4/1/33		21,015.63	-	21,015.63	19,550.00	-	531.25	531.25	403.13
10/1/33	2.500	396,015.63	375,000.00	21,015.63	369,550.00	-	10,531.25	10,531.25	5,403.13
4/1/34		16,328.13	-	16,328.13	15,175.00	-	406.25	406.25	340.63
10/1/34	2.625	401,328.13	385,000.00	16,328.13	375,175.00	-	10,406.25	10,406.25	5,340.63
4/1/35		11,275.00	-	11,275.00	10,450.00	-	275.00	275.00	275.00
10/1/35	2.750	411,275.00	400,000.00	11,275.00	380,450.00	-	10,275.00	10,275.00	10,275.00
4/1/36	2.750	425,775.00	420,000.00	5,775.00	395,362.50	-	10,137.50	10,137.50	10,137.50
		<u>\$ 6,901,550.04</u>	<u>\$ 5,720,000.00</u>	<u>\$ 1,181,550.04</u>	<u>\$ 6,223,212.72</u>	<u>\$ 240,300.00</u>	<u>\$ 191,762.50</u>	<u>\$ 136,200.10</u>	<u>\$ 110,075.12</u>
				Principal	\$ 5,135,000.00	\$ 225,000.00	\$ 160,000.00	\$ 110,000.00	\$ 90,000.00
				Interest	1,088,212.72	15,300.00	31,762.50	26,200.10	20,075.12
				Total	<u>\$ 6,223,212.72</u>	<u>\$ 240,300.00</u>	<u>\$ 191,762.50</u>	<u>\$ 136,200.10</u>	<u>\$ 110,075.12</u>

(114)

Date Due	Rate	Annual Requirements		
		Total	Principal	Interest
6/1/21	2.60	<u>\$ 76,051.00</u>	<u>\$ 74,150.00</u>	<u>\$ 1,901.00</u>

(115)

SCHEDULE E-7

CITY OF CHIPPEWA FALLS, WISCONSIN
STATE TRUST FUND LOAN
DATED DECEMBER 6, 2016
OUTSTANDING DECEMBER 31, 2020

Date Due	Rate	Annual Requirements		
		Total	Principal	Interest
3/15/21	4.50	\$ 336,534.74	\$ 207,387.32	\$ 129,147.42
3/15/22	4.50	336,534.74	216,719.75	119,814.99
3/15/23	4.50	336,534.74	226,472.14	110,062.60
3/15/24	4.50	336,534.74	236,389.76	100,144.98
3/15/25	4.50	336,534.74	247,300.92	89,233.82
3/15/26	4.50	336,534.74	258,429.46	78,105.28
3/15/27	4.50	336,534.74	270,058.79	66,475.95
3/15/28	4.50	336,534.74	282,062.60	54,472.14
3/15/29	4.50	336,534.74	294,904.25	41,630.49
3/15/30	4.50	336,534.74	308,174.94	28,359.80
3/15/31	4.50	336,534.73	322,042.80	14,491.93
		<u>\$ 3,701,882.13</u>	<u>\$ 2,869,942.73</u>	<u>\$ 831,939.40</u>

CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS
DATED MAY 9, 2017
OUTSTANDING DECEMBER 31, 2020

SCHEDULE E-8

Date Due	Rate	Annual Requirements			Expected Funding Sources			
		Total	Principal	Interest	Total	General City	Wastewater	Water
4/1/21		\$ 46,931.25	\$ -	\$ 46,931.25	\$ 46,931.25	\$ 30,506.25	\$ 6,075.00	\$ 5,700.00
10/1/21	3.00	266,931.25	220,000.00	46,931.25	266,931.25	185,506.25	26,075.00	55,350.00
4/1/22		43,631.25	-	43,631.25	43,631.25	28,181.25	5,775.00	5,400.00
10/1/22	3.00	323,631.25	280,000.00	43,631.25	323,631.25	173,181.25	25,775.00	95,400.00
4/1/23		39,431.25	-	39,431.25	39,431.25	26,006.25	5,475.00	4,000.00
10/1/23	3.00	254,431.25	215,000.00	39,431.25	254,431.25	106,006.25	25,475.00	94,000.00
4/1/24		36,206.25	-	36,206.25	36,206.25	24,806.25	5,175.00	2,700.00
10/1/24	3.00	336,206.25	300,000.00	36,206.25	336,206.25	189,806.25	25,175.00	92,700.00
4/1/25		31,706.25	-	31,706.25	31,706.25	22,331.25	4,875.00	1,350.00
10/1/25	3.00	236,706.25	205,000.00	31,706.25	236,706.25	92,331.25	24,875.00	91,350.00
4/1/26		28,631.25	-	28,631.25	28,631.25	21,281.25	4,575.00	-
10/1/26	3.00	143,631.25	115,000.00	28,631.25	143,631.25	91,281.25	24,575.00	27,775.00
4/1/27		26,906.25	-	26,906.25	26,906.25	20,231.25	4,275.00	-
10/1/27	3.00	156,906.25	130,000.00	26,906.25	156,906.25	105,231.25	24,275.00	27,400.00
4/1/28		24,956.25	-	24,956.25	24,956.25	18,956.25	3,975.00	-
10/1/28	3.00	159,956.25	135,000.00	24,956.25	159,956.25	103,956.25	28,975.00	27,025.00
4/1/29		22,931.25	-	22,931.25	22,931.25	17,681.25	3,600.00	-
10/1/29	3.00	142,931.25	120,000.00	22,931.25	142,931.25	87,681.25	28,600.00	26,650.00

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS (CONTINUED)
DATED MAY 9, 2017
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-8

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION PROMISSORY NOTE
DATED JUNE 1, 2017
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-9

Date Due	Rate	Total	Principal	Interest
6/1/21	3.00	\$ 77,188.34	\$ 72,757.41	\$ 4,430.93
6/1/22	3.00	77,188.34	74,940.14	2,248.20
		<u>\$ 154,376.68</u>	<u>\$ 147,697.55</u>	<u>\$ 6,679.13</u>

Date Due	Rate	Annual Requirements			Expected Funding Sources				
		Total	Principal	Interest	Total	General City	Wastewater	Water	Storm
4/1/30		\$ 21,131.25	\$ -	\$ 21,131.25	\$ 21,131.25	\$ 16,631.25	\$ 3,225.00	\$ -	\$ 1,275.00
10/1/30	3.00	261,131.25	240,000.00	21,131.25	261,131.25	116,631.25	113,225.00	-	31,275.00
4/1/31		17,531.25	-	17,531.25	17,531.25	15,131.25	1,575.00	-	825.00
10/1/31	3.00	362,531.25	345,000.00	17,531.25	362,531.25	225,131.25	106,575.00	-	30,825.00
4/1/32		12,356.25	-	12,356.25	12,356.25	11,981.25	-	-	375.00
10/1/32	3.00	152,356.25	140,000.00	12,356.25	152,356.25	126,981.25	-	-	25,375.00
4/1/33		10,256.25	-	10,256.25	10,256.25	10,256.25	-	-	-
10/1/33	3.00	125,256.25	115,000.00	10,256.25	125,256.25	125,256.25	-	-	-
4/1/34		8,531.25	-	8,531.25	8,531.25	8,531.25	-	-	-
10/1/34	3.25	128,531.25	120,000.00	8,531.25	128,531.25	128,531.25	-	-	-
4/1/35		6,581.25	-	6,581.25	6,581.25	6,581.25	-	-	-
10/1/35	3.25	131,581.25	125,000.00	6,581.25	131,581.25	131,581.25	-	-	-
4/1/36		4,550.00	-	4,550.00	4,550.00	4,550.00	-	-	-
10/1/36	3.50	129,550.00	125,000.00	4,550.00	129,550.00	129,550.00	-	-	-
4/1/37	3.50	137,362.50	135,000.00	2,362.50	137,362.50	137,362.50	-	-	-
		<u>\$ 3,831,900.00</u>	<u>\$ 3,065,000.00</u>	<u>\$ 766,900.00</u>	<u>\$ 3,831,900.00</u>	<u>\$ 2,539,650.00</u>	<u>\$ 502,200.00</u>	<u>\$ 418,400.00</u>	<u>\$ 371,650.00</u>
			Principal		\$ 3,065,000.00	\$ 1,970,000.00	\$ 405,000.00	\$ 380,000.00	\$ 310,000.00
			Interest		766,900.00	569,650.00	97,200.00	38,400.00	61,650.00
			Total		<u>\$ 3,831,900.00</u>	<u>\$ 2,539,650.00</u>	<u>\$ 502,200.00</u>	<u>\$ 418,400.00</u>	<u>\$ 371,650.00</u>

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS
DATED OCTOBER 3, 2018
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-10

Date Due	Rate	Annual Requirements			Expected Funding Sources			
		Total	Principal	Interest	General City	TID #5	Sewer	Storm
4/1/21		\$ 43,781.25	\$ -	\$ 43,781.25	\$ 25,825.00	\$ 6,510.00	\$ 3,310.00	\$ 8,336.25
10/1/21	2.100	783,781.25	740,000.00	43,781.25	80,825.00	626,510.00	28,310.00	48,336.25
4/1/22		36,011.25	-	36,011.25	25,047.50	-	3,047.50	7,916.25
10/1/22	2.250	191,011.25	155,000.00	36,011.25	115,047.50	-	28,047.50	47,916.25
4/1/23		34,267.50	-	34,267.50	24,035.00	-	2,766.25	7,466.25
10/1/23	2.350	209,267.50	175,000.00	34,267.50	134,035.00	-	27,766.25	47,466.25
4/1/24		32,211.25	-	32,211.25	22,742.50	-	2,472.50	6,996.25
10/1/24	2.500	202,211.25	170,000.00	32,211.25	122,742.50	-	32,472.50	46,996.25
4/1/25		30,086.25	-	30,086.25	21,492.50	-	2,087.50	6,496.25
10/1/25	2.600	200,086.25	170,000.00	30,086.25	121,492.50	-	32,087.50	45,496.25
4/1/26		27,876.25	-	27,876.25	20,192.50	-	1,707.50	5,976.25
10/1/26	2.700	207,876.25	160,000.00	27,876.25	125,192.50	-	31,707.50	50,976.25
4/1/27		25,446.25	-	25,446.25	18,775.00	-	1,302.50	5,368.75
10/1/27	2.800	210,446.25	185,000.00	25,446.25	128,775.00	-	31,302.50	50,368.75
4/1/28		22,856.25	-	22,856.25	17,235.00	-	882.50	4,738.75
10/1/28	2.900	212,856.25	180,000.00	22,856.25	127,235.00	-	35,882.50	49,738.75
4/1/29		20,101.25	-	20,101.25	15,640.00	-	375.00	4,086.25
10/1/29	3.000	205,101.25	185,000.00	20,101.25	125,640.00	-	25,375.00	54,086.25
4/1/30		17,326.25	-	17,326.25	13,990.00	-	-	3,336.25
10/1/30	3.150	102,326.25	85,000.00	17,326.25	78,990.00	-	-	23,336.25

(120)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS (CONTINUED)
DATED OCTOBER 3, 2018
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-10

Date Due	Rate	Annual Requirements			Expected Funding Sources			
		Total	Principal	Interest	General City	TID #5	Sewer	Storm
4/1/31		\$ 15,987.50	-	\$ 15,987.50	\$ 12,986.25	\$ -	\$ -	\$ 3,021.25
10/1/31	3.150	105,987.50	90,000.00	15,987.50	82,986.25	-	-	23,021.25
4/1/32		14,570.00	-	14,570.00	11,863.75	-	-	2,706.25
10/1/32	3.300	104,570.00	90,000.00	14,570.00	81,863.75	-	-	22,706.25
4/1/33		13,085.00	-	13,085.00	10,708.75	-	-	2,376.25
10/1/33	3.300	108,085.00	95,000.00	13,085.00	85,708.75	-	-	22,376.25
4/1/34		11,517.50	-	11,517.50	9,471.25	-	-	2,046.25
10/1/34	3.450	106,517.50	95,000.00	11,517.50	84,471.25	-	-	22,046.25
4/1/35		9,878.75	-	9,878.75	8,177.50	-	-	1,701.25
10/1/35	3.450	104,878.75	95,000.00	9,878.75	83,177.50	-	-	21,701.25
4/1/36		8,240.00	-	8,240.00	6,883.75	-	-	1,356.25
10/1/36	3.600	113,240.00	105,000.00	8,240.00	86,883.75	-	-	26,356.25
4/1/37		6,350.00	-	6,350.00	5,443.75	-	-	906.25
10/1/37	3.600	156,350.00	150,000.00	6,350.00	130,443.75	-	-	25,906.25
4/1/38		3,650.00	-	3,650.00	3,193.75	-	-	456.25
10/1/38	3.650	203,650.00	200,000.00	3,650.00	178,193.75	-	-	25,456.25
		<u>\$ 3,601,485.00</u>	<u>\$ 3,155,000.00</u>	<u>\$ 746,485.00</u>	<u>\$ 2,246,667.50</u>	<u>\$ 633,020.00</u>	<u>\$ 290,922.50</u>	<u>\$ 730,575.00</u>
					Principal	\$ 1,700,000.00	\$ 620,000.00	\$ 255,000.00
					Interest	546,967.50	13,020.00	35,922.50
					Total	<u>\$ 2,246,967.50</u>	<u>\$ 633,020.00</u>	<u>\$ 290,922.50</u>
								<u>\$ 730,575.00</u>

(121)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS
DATED JUNE 12, 2019
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-11

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS (CONTINUED)
DATED JUNE 12, 2019
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-11

Date Due	Rate	Annual Requirements			Expected Funding Sources			
		Total	Principal	Interest	General City	Water	Sewer	Storm
6/1/21		\$ 34,950.00	\$ -	\$ 34,950.00	\$ 22,275.00	\$ 4,875.00	\$ 5,175.00	\$ 2,625.00
12/1/21	3.00	69,950.00	35,000.00	34,950.00	22,275.00	19,875.00	20,175.00	7,625.00
6/1/22		34,425.00	-	34,425.00	22,275.00	4,650.00	4,950.00	2,550.00
12/1/22	3.00	68,425.00	35,000.00	34,425.00	22,275.00	19,650.00	19,950.00	7,550.00
6/1/23		33,900.00	-	33,900.00	22,275.00	4,425.00	4,725.00	2,475.00
12/1/23	3.00	66,900.00	35,000.00	33,900.00	22,275.00	19,425.00	19,725.00	7,475.00
6/1/24		33,375.00	-	33,375.00	22,275.00	4,200.00	4,500.00	2,400.00
12/1/24	3.00	73,375.00	40,000.00	33,375.00	22,275.00	19,200.00	19,500.00	12,400.00
6/1/25		32,775.00	-	32,775.00	22,275.00	3,975.00	4,275.00	2,250.00
12/1/25	3.00	152,775.00	120,000.00	32,775.00	102,275.00	18,975.00	19,275.00	12,250.00
6/1/26		30,975.00	-	30,975.00	21,075.00	3,750.00	4,050.00	2,100.00
12/1/26	3.00	155,975.00	125,000.00	30,975.00	106,075.00	18,750.00	19,050.00	12,100.00
6/1/27		29,100.00	-	29,100.00	19,600.00	3,525.00	3,825.00	1,950.00
12/1/27	3.00	154,100.00	125,000.00	29,100.00	104,800.00	18,525.00	18,825.00	11,950.00
6/1/28		27,225.00	-	27,225.00	18,525.00	3,300.00	3,600.00	1,800.00
12/1/28	3.00	157,225.00	130,000.00	27,225.00	108,525.00	18,300.00	18,600.00	11,800.00
6/1/29		25,275.00	-	25,275.00	17,175.00	3,075.00	3,375.00	1,650.00
12/1/29	3.00	155,275.00	130,000.00	25,275.00	107,175.00	18,075.00	18,375.00	11,650.00
6/1/30		23,325.00	-	23,325.00	15,825.00	2,650.00	3,150.00	1,500.00
12/1/30	3.00	148,325.00	125,000.00	23,325.00	95,825.00	17,650.00	23,150.00	11,500.00
6/1/31		21,450.00	-	21,450.00	14,625.00	2,625.00	2,850.00	1,350.00
12/1/31	3.00	156,450.00	135,000.00	21,450.00	104,625.00	17,625.00	22,850.00	11,350.00

(122)

Date Due	Rate	Annual Requirements			Expected Funding Sources			
		Total	Principal	Interest	General City	Water	Sewer	Storm
6/1/32		\$ 19,425.00	\$ -	\$ 19,425.00	\$ 13,275.00	\$ 2,400.00	\$ 2,550.00	\$ 1,200.00
12/1/32	3.00	169,425.00	150,000.00	19,425.00	113,275.00	22,400.00	22,550.00	11,200.00
6/1/33		17,175.00	-	17,175.00	11,775.00	2,100.00	2,250.00	1,050.00
12/1/33	3.00	167,175.00	150,000.00	17,175.00	111,775.00	22,100.00	22,250.00	11,050.00
6/1/34		14,925.00	-	14,925.00	10,275.00	1,800.00	1,950.00	900.00
12/1/34	3.00	169,925.00	155,000.00	14,925.00	115,275.00	21,800.00	21,950.00	10,900.00
6/1/35		12,600.00	-	12,600.00	8,700.00	1,500.00	1,650.00	750.00
12/1/35	3.00	172,600.00	160,000.00	12,600.00	118,700.00	21,500.00	21,650.00	10,750.00
6/1/36		10,200.00	-	10,200.00	7,050.00	1,200.00	1,350.00	600.00
12/1/36	3.00	170,200.00	160,000.00	10,200.00	117,050.00	21,200.00	21,350.00	10,600.00
6/1/37		7,600.00	-	7,600.00	5,400.00	900.00	1,050.00	450.00
12/1/37	3.00	172,800.00	165,000.00	7,600.00	120,400.00	20,900.00	21,050.00	10,450.00
6/1/38		5,325.00	-	5,325.00	3,675.00	600.00	750.00	300.00
12/1/38	3.00	180,325.00	175,000.00	5,325.00	123,675.00	20,600.00	25,750.00	10,300.00
6/1/39		182,700.00	180,000.00	2,700.00	126,875.00	20,300.00	25,375.00	10,150.00
		<u>\$ 3,161,150.00</u>	<u>\$ 2,330,000.00</u>	<u>\$ 831,150.00</u>	<u>\$ 2,043,975.00</u>	<u>\$ 426,800.00</u>	<u>\$ 457,425.00</u>	<u>\$ 230,950.00</u>
Principal					\$ 1,485,000.00	\$ 325,000.00	\$ 345,000.00	\$ 175,000.00
Interest					558,875.00	103,800.00	112,425.00	55,950.00
Total					<u>\$ 2,043,975.00</u>	<u>\$ 426,800.00</u>	<u>\$ 457,425.00</u>	<u>\$ 230,950.00</u>

(123)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION PROMISSORY NOTES
DATED JUNE 12, 2019
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-12

Date Due	Rate	Annual Requirements		
		Total	Principal	Interest
6/1/21		\$ 8,325.00	\$ -	\$ 8,325.00
12/1/21	3.00	143,325.00	135,000.00	8,325.00
6/1/22		6,300.00	-	6,300.00
12/1/22	3.00	141,300.00	135,000.00	6,300.00
6/1/23		4,275.00	-	4,275.00
12/1/23	3.00	144,275.00	140,000.00	4,275.00
6/1/24		2,175.00	-	2,175.00
12/1/24	3.00	147,175.00	145,000.00	2,175.00
		<u>\$ 597,150.00</u>	<u>\$ 555,000.00</u>	<u>\$ 42,150.00</u>

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2020B
DATED AUGUST 11, 2020
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-13

Date Due	Rate	Annual Requirements			Expected Funding Sources		
		Total	Principal	Interest	Total	General City	Sewer
6/1/21		\$ 44,950.00	\$ -	\$ 44,950.00	\$ 44,950.00	\$ 33,430.55	\$ 7,330.56
12/1/21	3.00	67,900.00	40,000.00	27,900.00	67,900.00	20,750.00	29,550.00
6/1/22		27,500.00	-	27,500.00	27,500.00	20,750.00	4,300.00
12/1/22	3.00	107,500.00	80,000.00	27,500.00	107,500.00	60,750.00	29,300.00
6/1/23		26,700.00	-	26,700.00	26,700.00	20,350.00	4,050.00
12/1/23	3.00	156,700.00	130,000.00	26,700.00	156,700.00	120,350.00	24,050.00
6/1/24		25,400.00	-	25,400.00	25,400.00	19,350.00	3,850.00
12/1/24	3.00	155,400.00	130,000.00	25,400.00	155,400.00	119,350.00	23,850.00
6/1/25		24,100.00	-	24,100.00	24,100.00	18,350.00	3,650.00
12/1/25	3.00	179,100.00	155,000.00	24,100.00	179,100.00	143,350.00	23,650.00
6/1/26		22,550.00	-	22,550.00	22,550.00	17,100.00	3,450.00
12/1/26	3.00	177,550.00	155,000.00	22,550.00	177,550.00	142,100.00	23,450.00
6/1/27		21,000.00	-	21,000.00	21,000.00	15,850.00	3,250.00
12/1/27	3.00	176,000.00	155,000.00	21,000.00	176,000.00	140,850.00	23,250.00
6/1/28		19,450.00	-	19,450.00	19,450.00	14,600.00	3,050.00
12/1/28	3.00	179,450.00	160,000.00	19,450.00	179,450.00	144,600.00	23,050.00
6/1/29		17,850.00	-	17,850.00	17,850.00	13,300.00	2,850.00
12/1/29	3.00	177,850.00	160,000.00	17,850.00	177,850.00	143,300.00	22,850.00
6/1/30		16,250.00	-	16,250.00	16,250.00	12,000.00	2,650.00
12/1/30	3.00	176,250.00	160,000.00	16,250.00	176,250.00	142,000.00	22,650.00
6/1/31		14,650.00	-	14,650.00	14,650.00	10,700.00	2,450.00
12/1/31	3.00	149,650.00	135,000.00	14,650.00	149,650.00	110,700.00	22,450.00

(125)

(124)

**CITY OF CHIPPEWA FALLS, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2020B (CONTINUED)
DATED AUGUST 11, 2020
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-13

Date Due	Rate	Annual Requirements			Expected Funding Sources				
		Total	Principal	Interest	Total	General City	Sewer	Storm	
6/1/32		\$ 13,300.00	\$ -	\$ 13,300.00	\$ 13,300.00	\$ 9,700.00	\$ 2,250.00	\$ 1,350.00	
12/1/32	3.00	153,300.00	140,000.00	13,300.00	153,300.00	109,700.00	27,250.00	16,350.00	
6/1/33		11,900.00	-	11,900.00	11,900.00	8,700.00	2,000.00	1,200.00	
12/1/33	3.00	151,900.00	140,000.00	11,900.00	151,900.00	108,700.00	27,000.00	16,200.00	
6/1/34		10,500.00	-	10,500.00	10,500.00	7,700.00	1,750.00	1,050.00	
12/1/34	3.00	155,500.00	145,000.00	10,500.00	155,500.00	112,700.00	26,750.00	16,050.00	
6/1/35		9,050.00	-	9,050.00	9,050.00	6,650.00	1,500.00	900.00	
12/1/35	3.00	154,050.00	145,000.00	9,050.00	154,050.00	111,650.00	26,500.00	15,900.00	
6/1/36		7,600.00	-	7,600.00	7,600.00	5,600.00	1,250.00	750.00	
12/1/36	3.00	152,600.00	145,000.00	7,600.00	152,600.00	110,600.00	26,250.00	15,750.00	
6/1/37		6,150.00	-	6,150.00	6,150.00	4,550.00	1,000.00	600.00	
12/1/37	3.00	156,150.00	150,000.00	6,150.00	156,150.00	114,550.00	26,000.00	15,600.00	
6/1/38		4,650.00	-	4,650.00	4,650.00	3,450.00	750.00	450.00	
12/1/38	3.00	154,650.00	150,000.00	4,650.00	154,650.00	113,450.00	25,750.00	15,450.00	
6/1/39		3,150.00	-	3,150.00	3,150.00	2,350.00	500.00	300.00	
12/1/39	3.00	156,150.00	155,000.00	3,150.00	156,150.00	117,350.00	25,500.00	15,300.00	
6/1/40	3.00	161,600.00	160,000.00	1,600.00	161,600.00	121,200.00	25,250.00	15,150.00	
		<u>\$ 3,427,950.00</u>	<u>\$ 2,790,000.00</u>	<u>\$ 637,950.00</u>	<u>\$ 3,427,950.00</u>	<u>\$ 2,552,480.55</u>	<u>\$ 556,230.56</u>	<u>\$ 319,238.89</u>	
					Principal	\$ 2,790,000.00	\$ 2,075,000.00	\$ 455,000.00	\$ 260,000.00
					Interest	637,950.00	477,480.55	101,230.56	59,238.89
					Total	<u>\$ 3,427,950.00</u>	<u>\$ 2,552,480.55</u>	<u>\$ 556,230.56</u>	<u>\$ 319,238.89</u>

(126)

**CITY OF CHIPPEWA FALLS, WISCONSIN
WATER SYSTEM REVENUE BONDS – SAFE DRINKING
WATER LOAN PROGRAM DATED JANUARY 13, 2010
OUTSTANDING DECEMBER 31, 2020**

SCHEDULE E-14

Payment Date	Total	Principal	Interest
5/1/21	\$ 86,344.03	\$ 76,161.05	\$ 10,182.98
11/1/21	9,166.99	-	9,166.99
5/1/22	87,360.01	78,193.02	9,166.99
11/1/22	8,123.90	-	8,123.90
5/1/23	88,403.10	80,279.22	8,123.88
11/1/23	7,052.97	-	7,052.97
5/1/24	89,474.03	82,421.06	7,052.97
11/1/24	5,953.47	-	5,953.47
5/1/25	90,573.54	84,620.06	5,953.48
11/1/25	4,824.64	-	4,824.64
5/1/26	91,702.36	86,877.72	4,824.64
11/1/26	3,665.69	-	3,665.69
5/1/27	92,861.32	89,195.62	3,665.70
11/1/27	2,475.82	-	2,475.82
5/1/28	94,051.19	91,575.36	2,475.83
11/1/28	1,254.21	-	1,254.21
5/1/29	<u>95,272.80</u>	<u>94,018.59</u>	<u>1,254.21</u>
	<u>\$ 858,560.07</u>	<u>\$ 763,341.70</u>	<u>\$ 95,218.37</u>

Interest at 2.668%

(127)

SCHEDULE E-15

CITY OF CHIPPEWA FALLS, WISCONSIN
SEWERAGE SYSTEM REVENUE BONDS – CLEAN WATER FUND
DATED APRIL 27, 2011
OUTSTANDING DECEMBER 31, 2020

Payment Date	Total	Principal	Interest
5/1/21	\$ 185,820.63	\$ 163,888.24	\$ 21,932.39
11/1/21	19,965.73	-	19,965.73
5/1/22	187,787.29	167,821.55	19,965.74
11/1/22	17,951.87	-	17,951.87
5/1/23	189,801.15	171,849.27	17,951.88
11/1/23	15,889.68	-	15,889.68
5/1/24	191,863.34	175,973.65	15,889.69
11/1/24	13,778.00	-	13,778.00
5/1/25	193,975.02	180,197.02	13,778.00
11/1/25	11,615.64	-	11,615.64
5/1/26	196,137.38	184,521.75	11,615.63
11/1/26	9,401.37	-	9,401.37
5/1/27	198,351.65	188,950.27	9,401.38
11/1/27	7,133.97	-	7,133.97
5/1/28	200,619.05	193,485.08	7,133.97
11/1/28	4,812.15	-	4,812.15
5/1/29	202,940.87	198,128.72	4,812.15
11/1/29	2,434.61	-	2,434.61
5/1/30	205,318.41	202,883.81	2,434.60
	<u>\$ 2,055,597.81</u>	<u>\$ 1,827,699.36</u>	<u>\$ 227,898.45</u>

Interest at 2.400%

(128)

SCHEDULE E-16

CITY OF CHIPPEWA FALLS, WISCONSIN
SEWERAGE SYSTEM REVENUE BONDS – CLEAN WATER FUND
DATED DECEMBER 23, 2015
OUTSTANDING DECEMBER 31, 2020

Date Due	Annual Requirements		
	Total	Principal	Interest
5/1/21	\$ 122,679.59	\$ 106,105.03	\$ 16,574.56
11/1/21	15,604.23	-	15,604.23
5/1/22	123,649.92	108,045.69	15,604.23
11/1/22	14,616.15	-	14,616.15
5/1/23	124,638.01	110,021.85	14,616.16
11/1/23	13,610.01	-	13,610.01
5/1/24	125,644.16	112,034.15	13,610.01
11/1/24	12,585.45	-	12,585.45
5/1/25	126,668.70	114,083.25	12,585.45
11/1/25	11,542.16	-	11,542.16
5/1/26	127,711.99	116,169.83	11,542.16
11/1/26	10,479.79	-	10,479.79
5/1/27	128,774.37	118,294.59	10,479.78
11/1/27	9,397.98	-	9,397.98
5/1/28	129,856.17	120,458.19	9,397.98
11/1/28	8,296.39	-	8,296.39
5/1/29	130,957.76	122,661.37	8,296.39
11/1/29	7,174.65	-	7,174.65
5/1/30	132,079.51	124,904.85	7,174.66
11/1/30	6,032.40	-	6,032.40
5/1/31	133,221.76	127,189.36	6,032.40
11/1/31	4,869.26	-	4,869.26
5/1/32	134,384.88	129,515.64	4,869.24
11/1/32	3,684.84	-	3,684.84
5/1/33	135,569.31	131,884.49	3,684.82
11/1/33	2,478.75	-	2,478.75
5/1/34	136,775.40	134,296.65	2,478.75
11/1/34	1,250.60	-	1,250.60
5/1/35	138,003.55	136,752.94	1,250.61
	<u>\$ 2,072,237.74</u>	<u>\$ 1,812,417.88</u>	<u>\$ 259,819.86</u>

Interest at 1.829%

(129)

**CITY OF CHIPPEWA FALLS, WISCONSIN
WATER UTILITY ENTERPRISE FUND
RATE OF RETURN
YEAR ENDED DECEMBER 31, 2020
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2019)**

**STATISTICAL INFORMATION
(UNAUDITED)**

	2020	2019
RATE BASE [AVERAGE BALANCES]:		
Utility Plant	\$ 17,393,219	\$ 16,701,720
Less: Accumulated Depreciation	<u>7,323,273</u>	<u>6,986,316</u>
Net Utility Plant in Service	10,069,946	9,715,404
Add: Materials and Supplies	90,160	90,563
Less: Regulatory Liability	<u>168,413</u>	<u>216,531</u>
RATE BASE	<u><u>\$ 9,991,693</u></u>	<u><u>\$ 9,589,436</u></u>
OPERATING INCOME (Regulatory Basis)	<u><u>\$ 498,547</u></u>	<u><u>\$ 320,126</u></u>
RATE OF RETURN	<u><u>4.99%</u></u>	<u><u>3.34%</u></u>

**CITY OF CHIPPEWA FALLS, WISCONSIN
MILL RATE AND BUDGET HISTORY
DECEMBER 31, 2020**

TABLE 1

City Budget and Tax Levies for the Past Ten Years:

Year of Levy/Budget	Levy Rate per \$1,000 of Assessed Value	Levy Rate per \$1,000 of Equalized Value	General Fund Budgeted Expenditures
2011/12	8 554	8 176	\$ 11,947,964
2012/13	8 551	8 588	11,739,597
2013/14	8 597	8 672	11,979,623
2014/15	8 591	8 589	11,910,625
2015/16	8 997	8 742	12,028,770
2016/17	9 036	8 471	12,194,590
2017/18	9 180	8 374	12,278,524
2018/19	9 685	8 529	12,504,994
2019/20	9 991	8 244	12,936,301
2020/21	7 737	6 295	13,059,211

Mill Rates per \$1,000 of Assessed Value for the Past Five Years:

Year of Levy:	2016	2017	2018	2019	2020
State	\$ 0.181	\$ -	\$ -	\$ -	\$ -
County	3.726	3.840	3.908	4.083	3.169
City	9.036	9.180	9.685	9.991	7.737
School District	9.189	8.998	10.552	10.632	8.342
Technical College	<u>0.935</u>	<u>0.945</u>	<u>0.961</u>	<u>1.020</u>	<u>0.917</u>
Gross Tax Rate	<u>23.068</u>	<u>22.964</u>	<u>25.106</u>	<u>25.726</u>	<u>20.165</u>
School Tax Credit	<u>(1.459)</u>	<u>(1.578)</u>	<u>(1.447)</u>	<u>(1.484)</u>	<u>(1.134)</u>
Net Tax Rate	<u>\$ 21.609</u>	<u>\$ 21.386</u>	<u>\$ 23.659</u>	<u>\$ 24.242</u>	<u>\$ 19.031</u>

(131)

**CITY OF CHIPPEWA FALLS, WISCONSIN
ASSESSED VALUES AND EQUALIZED VALUES
DECEMBER 31, 2020
(UNAUDITED)**

TABLE 2

Total Assessed and Equalized Values for the Past Ten Years:

	Assessed Value	% Change	Equalized Value	% Change	Ratio of Assessed to Equalized Value
2011	\$ 739,655,860	2.15%	\$ 773,817,100	3.01%	95.59%
2012	798,205,330	7.92%	794,847,900	2.72%	100.42%
2013	806,084,410	0.99%	799,102,400	0.54%	100.87%
2014	817,505,620	1.42%	817,664,900	2.32%	99.98%
2015	816,085,660	-0.17%	839,938,100	2.72%	97.16%
2016	813,267,140	-0.35%	867,418,800	3.27%	93.76%
2017	821,204,500	0.98%	900,213,300	3.78%	91.22%
2018	881,208,700	7.31%	1,000,582,900	11.15%	88.07%
2019	896,517,600	1.74%	1,116,087,900	11.54%	80.33%
2020	1,211,818,800	35.17%	1,227,874,800	10.02%	98.69%

Equalized Value by Class of Property for 2020:

	Assessed Value	Percent to Total	Equalized Value	Percent to Total	Ratio of Assessed to Equalized Value
Real Estate:					
Residential	\$ 651,741,800	53.78%	\$ 660,131,300	53.76%	98.73%
Commercial	380,013,300	31.36%	378,417,500	30.82%	100.42%
Manufacturing	126,150,000	10.41%	127,841,200	10.41%	98.68%
Agricultural	111,300	0.01%	51,300	0.00%	216.96%
Forest	-	0.00%	453,200	0.04%	0.00%
Other	6,700	0.00%	-	0.00%	100.00%
Total Real Estate	1,158,023,100	95.56%	1,166,894,500	95.03%	99.24%
Total Personal Property	<u>53,795,700</u>	<u>4.44%</u>	<u>60,980,300</u>	<u>4.97%</u>	<u>88.22%</u>
Total	<u>\$ 1,211,818,800</u>	<u>100.00%</u>	<u>\$ 1,227,874,800</u>	<u>100.00%</u>	<u>98.69%</u>

Percentage Mix of Equalized Value by Class of Property for the Past Five Years:

	2016	2017	2018	2019	2020
Real Estate:					
Residential	56.27%	57.02%	53.60%	54.16%	53.76%
Commercial	26.44%	26.79%	31.23%	30.04%	30.82%
Manufacturing	11.96%	11.58%	11.32%	10.37%	10.41%
Agricultural	0.01%	0.01%	0.00%	0.00%	0.00%
Forest	0.04%	0.04%	0.04%	0.03%	0.04%
Other	0.08%	0.00%	0.00%	0.00%	0.00%
Personal Property	<u>5.20%</u>	<u>4.56%</u>	<u>3.81%</u>	<u>5.40%</u>	<u>4.97%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

(132)

**CITY OF CHIPPEWA FALLS, WISCONSIN
TEN LARGEST TAXPAYERS
DECEMBER 31, 2020
(UNAUDITED)**

TABLE 3

Name	Product/Business	Assessed Valuation 1/1/20	Net Taxes 2020 Tax Roll
Mills Fleet Farm	Distribution Center	\$ 65,432,200	\$ 1,245,173
EOG Resources Inc	Sand Processing Plant	43,736,700	832,289
Chippewa Falls Warehouse, Inc.	Trucking Transfer Facility	18,307,900	348,181
Hewlett Packard Enterprise Company	Technology	15,765,400	299,679
Mason Shoe Mfg.	Footwear	11,285,800	214,194
Lakeland Drive LLC-Nordson EDI	Manufacturing	11,099,300	211,171
Premium Waters Inc	Bottled Water Company	10,602,000	201,648
TTM Advanced Circuits	Circuit Boards Manufacturer	9,164,500	174,292
Spectrum Industries Inc	Office Furniture	9,035,900	171,727
Abode Rentals of CF LLC	Real Estate	8,417,500	158,790

* Based on Net Rate of 019030872

NOTE: This includes all real estate and personal property.

**CITY OF CHIPPEWA FALLS, WISCONSIN
OTHER STATISTICAL INFORMATION
DECEMBER 31, 2020
(UNAUDITED)**

TABLE 4

Date of Incorporation	1869
Form of Government	Charter Ordinance Seven Member Council - Mayor
Area:	
1920-1970	8 square miles
1980	9.696 square miles
1990	10.409 square miles
2000	11.43 square miles
2010	11.82 square miles
2020	11.85 square miles
Population:	
1890	8,670
1900	8,094
1910	8,893
1920	9,130
1930	9,539
1940	10,368
1950	11,088
1960	11,728
1970	12,351
1980	12,270
1990	12,747
2000	12,925
2010	13,515
2020	14,927
Building Permits and Construction:	

**CITY OF CHIPPEWA FALLS, WISCONSIN
OTHER STATISTICAL INFORMATION (CONTINUED)
DECEMBER 31, 2020
(UNAUDITED)**

TABLE 4

Fire Protection:	
Number of stations	2
Number of full-time employees	27
Firefighting units	6
Ambulance units	4
Police Protection:	
Number of stations	1
Number of employees	27
Number of police vehicle units	12
Parks and Recreation:	
Number of outdoor skating facilities	1
Number of parks (including neighborhood facilities)	22
Total parks area	459.2 acres
Education:	
Number of elementary schools	8
Number of middle schools	2
Number of high schools	2
Area of district	186 square miles
Municipal Water and Sewer:	
Sewer system:	
Sewer customers	6,009
Water system:	
Number of meters in service as of December 31, 2020	6,131
Number of meters (net) added during 2020	(213)
Average daily consumption - in gallons:	
Measured	1,991,000
Pumped	2,387,000
Maximum daily capacity - water production - in gallons	8,490,000
Watermain Footage	497,679
Fire hydrants	867
Maximum gallons pumped in any one day - July 30, 2020	4,604,000
Minimum gallons pumped in any one day - December 25, 2020	935,000
Storage capacity - in gallons	2,750,000
Paved, graded and graveled streets	98.68
Elections:	
Number of wards	7
Number of votes cast in last municipal election - April 7, 2020	3,116
Total number of registered voters	7,250
Percentage of registered voters voting in last election	42.98%
Library:	
Circulation in 2020	114,252
Interlibrary Loan (MORE)	42,941
Number of volumes as of December 31, 2020	323,735
Number of employees	13 FTE

FORM OF LEGAL OPINION

(See following pages)

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

August 23, 2022

Re: City of Chippewa Falls, Wisconsin ("Issuer")
\$3,805,000 General Obligation Corporate Purpose Bonds, Series 2022C,
dated August 23, 2022 ("Bonds")

We have acted as bond counsel to the Issuer in connection with the issuance of the Bonds. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Bonds are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on the dates and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
October 1, 2023	\$370,000	____%
October 1, 2024	265,000	____
October 1, 2025	155,000	____
October 1, 2026	260,000	____
October 1, 2027	270,000	____
October 1, 2028	285,000	____
October 1, 2029	280,000	____
October 1, 2030	290,000	____
October 1, 2031	185,000	____
October 1, 2032	190,000	____
October 1, 2033	105,000	____
October 1, 2034	110,000	____
October 1, 2035	115,000	____
October 1, 2036	120,000	____
October 1, 2037	120,000	____
October 1, 2038	150,000	____
October 1, 2039	120,000	____
October 1, 2040	125,000	____
October 1, 2041	140,000	____
April 1, 2042	150,000	____

Interest is payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2023.

The Bonds maturing on October 1, 2031 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on October 1, 2030 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

【The Bonds maturing in the years _____ are subject to mandatory redemption by lot as provided in the Bonds, at the redemption price of par plus accrued interest to the date of redemption and without premium.】

We further certify that we have examined a sample of the Bonds and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Bonds have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.

2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Bonds, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Bonds.

3. The interest on the Bonds is excludable from federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Chippewa Falls, Chippewa County, Wisconsin (the "Issuer") in connection with the issuance of \$3,805,000* General Obligation Corporate Purpose Bonds, Series 2022C, dated August 23, 2022 (the "Securities"). The Securities are being issued pursuant to resolutions adopted on June 21, 2022 and August 2, 2022 (collectively, the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated August 3, 2022 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Common Council of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the City of Chippewa Falls, Chippewa County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Finance Manager/Treasurer of the Issuer who can be contacted at City Hall, 30 West Central Street, Chippewa Falls, Wisconsin 54729, phone (715) 726-2718, fax (715) 726-2759.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ended December 31, 2021, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections

of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - Direct Debt
2. DEBT - Debt Limit
3. VALUATIONS - Current Property Valuations
4. TAX LEVIES AND COLLECTIONS - Tax Levies and Collections

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Issuer;

13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this

Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 23rd day of August, 2022.

(SEAL)

Gregory S. Hoffman
Mayor

Bridget Givens
City Clerk

NOTICE OF SALE

\$3,805,000* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2022C CITY OF CHIPPEWA FALLS, WISCONSIN

Bids for the purchase of \$3,805,000* General Obligation Corporate Purpose Bonds, Series 2022C (the "Bonds") of the City of Chippewa Falls, Wisconsin (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on August 2, 2022, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 6:30 P.M., Central Time, on the same date. The bid offering to purchase the Bonds upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

PURPOSE

The Bonds are authorized pursuant to Section 67.04, Wisconsin Statutes, by the City, for the public purposes of paying the costs of street and sewerage projects, consisting of storm water projects and current refunding certain outstanding general obligations of the City. The Bonds are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Bonds as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Bonds will be dated August 23, 2022, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature as follows:

<u>Date</u>	<u>Amount*</u>	<u>Date</u>	<u>Amount*</u>	<u>Date</u>	<u>Amount*</u>
10/1/2023	\$370,000	10/1/2030	\$290,000	10/1/2037	\$120,000
10/1/2024	265,000	10/1/2031	185,000	10/1/2038	150,000
10/1/2025	155,000	10/1/2032	190,000	10/1/2039	120,000
10/1/2026	260,000	10/1/2033	105,000	10/1/2040	125,000
10/1/2027	270,000	10/1/2034	110,000	10/1/2041	140,000
10/1/2028	285,000	10/1/2035	115,000	04/1/2042	150,000
10/1/2029	280,000	10/1/2036	120,000		

ADJUSTMENT OPTION

* The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on April 1 and October 1 of each year, commencing April 1, 2023, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2023 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

PAYING AGENT

The City has selected Bond Trust Services Corporation, Roseville, Minnesota ("BTSC") to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after October 1, 2031 shall be subject to optional redemption prior to maturity on October 1, 2030 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

DELIVERY

On or about August 23, 2022, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Bonds must be received by the City at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City, and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the City; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B).

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Bonds. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

SUBMISSION OF BIDS

Bids must not be for less than \$3,757,438 plus accrued interest on the principal sum of \$3,805,000 from date of original issue of the Bonds to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$76,100 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the City requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Bonds are "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the City will enter into an undertaking for the benefit of the holders of the Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Bonds. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Bonds are awarded by the City to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Bonds prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Syndicate Manager will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Common Council

City of Chippewa Falls, Wisconsin

BID FORM

The Common Council
City of Chippewa Falls, Wisconsin (the "City")

August 2, 2022

RE: \$3,805,000* General Obligation Corporate Purpose Bonds, Series 2022C (the "Bonds")
DATED: August 23, 2022

For all or none of the above Bonds, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$3,757,438) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing as follows:

_____ % due	10/01/2023	_____ % due	10/01/2030	_____ % due	10/01/2037
_____ % due	10/01/2024	_____ % due	10/01/2031	_____ % due	10/01/2038
_____ % due	10/01/2025	_____ % due	10/01/2032	_____ % due	10/01/2039
_____ % due	10/01/2026	_____ % due	10/01/2033	_____ % due	10/01/2040
_____ % due	10/01/2027	_____ % due	10/01/2034	_____ % due	10/01/2041
_____ % due	10/01/2028	_____ % due	10/01/2035	_____ % due	04/01/2042
_____ % due	10/01/2029	_____ % due	10/01/2036		

* The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2023 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.) All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$76,100 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about August 23, 2022.

This bid is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the City with the reoffering price of the Bonds within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Bonds identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: _____ NO: _____.

If the competitive sale requirements are not met, we elect to use either the: _____ 10% test, or the _____ hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: _____ By: _____
Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from August 23, 2022 of the above bid is \$ _____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of Chippewa Falls, Wisconsin, on August 2, 2022.

By: _____ By: _____
Title: _____ Title: _____