Village of Somers
7511 12th Street
Somers, WI 53171

Village Work Session Meeting
Agenda
Tuesday, November 1st, 2022
5:30 p.m.

Village Board Work Session Meeting:	
Item #	
1	Call to Order
2	Administrator’s Report
3	President & Trustee Reports
4	2021 Audit Presentation by Kathryn Andrea
5	Discuss condition of 100th Avenue and possible remedies
6	Making a Difference Plaque Presentation
7	Discuss original “Class A” Class “A” combo alcohol license application for 7-Eleven
8	Discuss Tobacco application for 7-Eleven
9	Discuss and review proposed First Amendment to Development Agreement Between the Village of Somers and SCS Pike Creek, LLC for “The Savannah at Pike Creek”
10	Discuss and review proposed Administrator Contract with Jason J. Peters term ending December 31st, 2025
11	Review tentative agenda for Village Board meeting on November 9, 2022
12	Adjourn

I hereby certify that as the designee of the chief elected official of the Village of Somers, I posted this notice of the November 1st, 2022, Village Work Session & Agenda in 1 public place & on the Village website.

Dated this 28th day of October 2022. Brandi Baker, Clerk-Treasurer

Requests from person with disabilities who need assistance to participate in this meeting should be made to the Clerk’s Office at 262-859-2822 with as much notice as possible. **Notice is hereby given that members of the Village Board may participate telephonically. Notice is hereby given that members of the Town Board may be in attendance for the sole purpose of gathering information. A quorum may be present. However, no Board action will be taken**

Original Post Date: October 28th, 2022

Established 1843
Somers
VILLAGE & TOWN
www.somers.org
P.O. Box 197, Somers, WI 53171 • PH: (262) 859-2822 • FAX: (262) 859-2331

VILLAGE OF SOMERS
VILLAGE BOARD
WORK SESSION ITEM MEMORANDUM

WORK SESSION: November 1st, 2022

TO: Village President Stoner and Village Trustees

FROM: Jason J. Peters, Administrator

AGENDA ITEM: #2 Administrator's Report

Below please find a bulleted summary of major issues that Administration has worked on since our October 4th Work Session:

Development

- The Somers/Paris IGA Commission met on October 10th to review the following:
  - Request from Bobcat Plus LLC to rezone Tax Parcel #82-4-221-131-0201, approximately 4.3 acres of land located at 1242 122nd Ave. in the Village of Somers Growth Area, west of I-94 from A-1, Agricultural Preservation District and R-2, Suburban Single-Family Residential District to B-3 Highway Business District and PUD – Planned Unit Development Overlay District. The Commission also reviewed their request for a conditional use permit for operation of their proposed sales, parts and service business including equipment display for light construction equipment. Their recommendation (5-0) was to approve both matters.

- The Plan Commission met on October 10th to review the following:
  - The above referenced recommendation from the Somers/Paris IGA Commission on Bobcat Plus's request for Rezone and Conditional Use Permit. The Plan Commission also reviewed the Site Plan and Exterior Fenestration. Their recommendation was to approve. The Board reviewed this matter at our October 18th Work Session and approved the project subject to a developer's agreement at our October 25th Board Meeting.
  - Concept review from Archives and Armory PMML Wisconsin LLC for an indoor shooting range facility on Tax Parcel #82-4-222-181-0201. This project was included in the site plan for the Pritzker Archives & Memorial Park Center. This

facility will be located on the eastern portion of their parcel along the East frontage Road. The project is known as Mission 94. This will be an indoor firearms education training center. No portion of this range will be outdoor. The concept was warmly received by the Plan Commission. The developer will now be completing their plans to submit to the Plan Commission and Board for actual approvals.

- The Plan Commission will meet on November 14th to review the following:

    - Request from Turn Key Real Estate, LLC, 9815 15th Street, Kenosha, WI 53144 (Owner), Jon Oelke, 9815 15th Street, Kenosha, WI 53144 (Agent), for approval of a Certified Survey Map (dated October 10, 2022 by Jeffrey K. Rampart of J.K.R. Surveying, Inc.) to create one (1) 22,045 sq. ft. Lot and one (1) 15,000 sq. ft. Lot from Tax Parcel #82-4-222-162-0125.

- On October 11th, Administrator Peters attended the NAIOP (National Commercial Real Estate Development Association) annual convention in Chicago. Administrator Peters took part in a panel discussion entitled "Fixing the Development Approvals Process".

- On October 12th, Engineering, Public Works and Administration met with the Flint Development Team and Globe Contractors in regards to the recently awarded contract to bring public infrastructure to their project. This team met on site on October 19th to further refine everyone's schedules.

- On October 14th, Administration, President Stoner, and Trustee Nelson met with representatives from Golden Oil regarding a potential project near I-94 and CTH E. They presented an updated concept and were seeking additional input from the Village.

- On October 18th, Administrator Peters held his monthly update call with the Pritzker Development Team. We will be bringing a proposed amendment to the development agreement to an upcoming work session. If you drive by the site, you will note the front of building now has a driveway installed.

- Our monthly scheduled development meeting for developers were held on October 6th and October 20th. On the 6th we met with representatives from Hawthorn Hollow to further refine how to address their proposed conditional use permit and we met with a developer who is proposing a smaller single family home subdivision. On October 20th, we met with a developer interested in bringing a self-storage project, a developer interested in bringing a possible church to the Village, and a developer interested in the Maple Crest site.

- On October 24th, Administrator Peters met with representatives from Hawthorne Luxury Apartments. They will be submitting a concept plan for additional multi-family units to the north of their current development.

- In Somers Market Center, US Cellular was granted occupancy and the new Chipotle Building is now fully enclosed.

US Cellular


Chipotle

- In the I-94 corridor the Becknell building is now fully vertical and HSA began mass grading on their site.

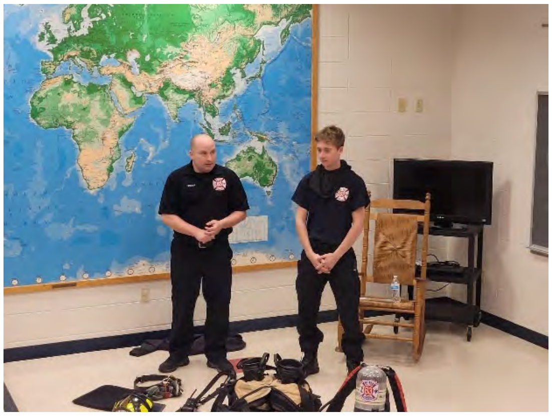

Becknell


HSA

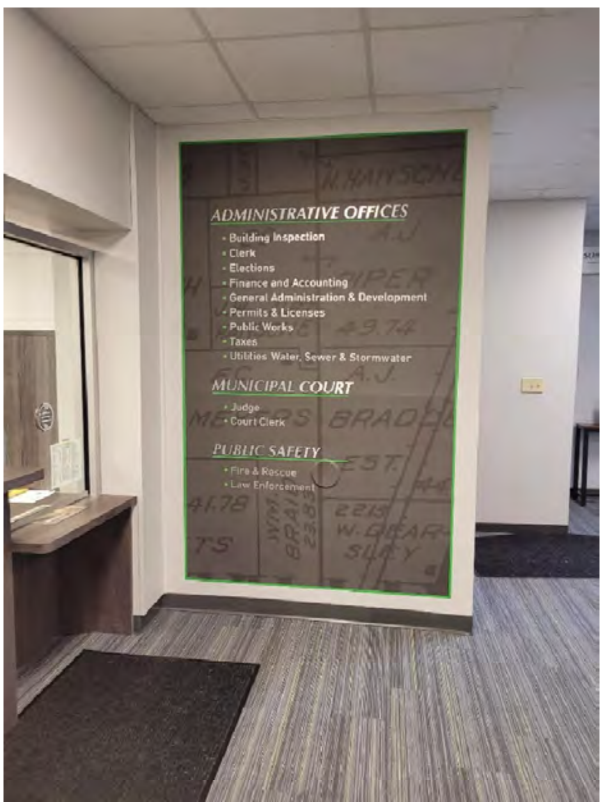
Administration

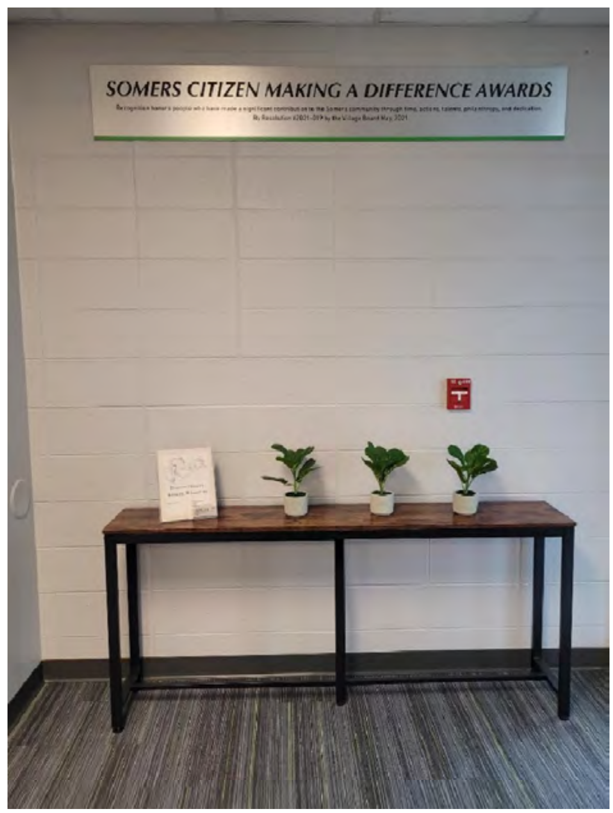
- Staff continues to work to finalize the 2023 Budget. Everything is now on tract for the Public Hearing on this matter to be held on November 22nd.

- On October 5th, Somers Fire and Rescue conducted their annual Fire Prevention demonstrations at Somers Elementary.



- On October 25th, our new lobby signage was installed, as well as the signage for the "Making a Difference Awards".





- Our Audit will be on the agenda for November 9th.

- A reminder that Trick or Treating will be held October 31st from 4 p.m. to 7 p.m. This is posted on Somers.org and our Village/Town Sign.

- Also, a reminder that our regularly scheduled Board Meetings for the month of November will be held on Wednesday November 9th due to the Election on November 8th.

Clerk

- On October 25th, Clerk Baker, Administrator Peters, Trustee Nelson, President Stoner and Attorney Davison meet to discuss a proposed draft of new Ordinance to address Cabaret Licenses and Special Events. Based on this meeting, we hope to bring a draft of both proposals to the Work Session in December.

- General Election is on Tuesday November 8th, we are expecting a big turnout. We are currently holding early in person absentee voting, and we are having a comparable turnout to the 2020 Presidential Election. So far, the election is running smoothly, and I am hoping Election Day is a huge success.

Somers Village & Town Established 1843

Development Pipeline

Last updated: 10/28/2022

Name of Developer	Type of Development (Residential, Commercial, Industrial, Mixed Use)	Location	Date Engaged	Pre-Deve. Agree.	Current Zoning	Requested Zoning	Current Comp Plan	Comp Plan Requested	Neighbor. Plan	CSM or Plat	Public Improv. Needed	Est. Improv. Costs	Acres	Current Value	Est. Value	Build Out Year	Year Full Assessed on Tax Roll	TIF Dist.	Requested Assistance	Proposed Assistance	Assistance Committed	Plan Comm. Date	Board Final Approval	Devel. Agree. Date	Comp Plan Ord	NOTES
Akil Ajmeri 3308 Green Bay Road	Multi-Tenant Commercial Building w/ Ayra Liquor Store as anchor	Somers Market north of Jiffy Lube	1/7/2021	No	A-1	B-3	Commercial	Commercial	Southeast	No	No		0.95	$375,000		2021	2022	2	N/A	N/A	N/A	3/8/2021 Concept				03/21 Plan Commission Meeting heard concept 02/22 Met w/ Developer, moving forward pending easment with RCG
Alliance Development	Chipolte	Somers Market	1/14/2022	Yes	B-4	B-4 w PUD	Commercial	Commercial	Southeast	N/A	N/A	N/A	1.1082			2022	2023	2	N/A	None	N/A	4/11/2022	Approved 05/10/2022	6/23/2022	N/A	01/22 Intial Meeting w/ Developers, Same Developers as Starbucks building 4/22 PC Recommened approval 4/22 Developer submitted updated plans based on PC
Bear Development Willow Creek	Multi-Family Townhouse Single Family	Hwy E by lift station	8/23/2018	Yes	R-9 A-2 C-1		High Density Residential Secondary Environmental Other Conservancy Land Non-farmed Wetland Street & Highway ROW		Somers Center East		Road Water Sewer		40.54	$11,500				4								10/8/2018 Conceptual Presented to Plan Commission 01/2019 Bear updating plan, will come back to Plan Commission 04/2019 Bear has new plan & working with administration to bring to Plan Commission 05/2019 Met with Bear & Root Pike Win, TID 4 amendments to be made so 35% rule is followed 6/2019 TID 4 amends will go to JRB, Plan Commission & Board in July 19 8/13 TID Amendments Finalized, Developer hoping to Bring Plans in Fall 4/20 Spoke to Developer, bringing in new concept plan 11/20 Met wi/ Developer, concept with single family & owner occupied duplexes
Becknell	Industrial/ Warehouse	East Frontage	Spring 21	Yes	A-1	BP-1	Business/Industrial Secondary Environmental Other Conservancy	No	Kilborn	Yes	Road Water Sewer	$800,000	132.1	$294,600	$60,000,000	Phase I 2022	Phase I 2023	6 3	Yes, offsite water main	$460,000	$460,000	9/13/201	09/28/2021 Comp, Zoning, Site 11/09/2021 DA	10/8/2021	N/A	4/21 Introductory meeting 7/21 Submitted materials 8/21 Weekly meetings regarding possible development agreement 09/13 Plan Commission Approved 9/28 Board Approved 10/05 Board will review DA 11/21 DA Approved 12/21 DA Executed by Viillage being recored 06/22 Watermain should be completed in June 9/22 Building is completely vertical
Bobcat Plus	Bobcat Dealership	Somers Expansion Area (West of 94)	Fall 2021	Yes	R-2 Paris	B-3	Commercial	Commercial	N/A IGA	Yes	Sewer Water		4.32	$202,000		2023	2024	N/A	N/A	N/A	N/A	IGA Concept 8/8/2022 IGA Meeting 10/10/2022 Plan Commission 10/10/2022	10/25/2022			9/21 1st intro meeting. Submitted letter requesting review by IGA 8/22 IGA Committee heard concept 9/22 Filed for Plan Commission meeting 10/22 Approved by IGA and Conditionally Approved by Board
Blue Paint Development, LLC	Multi-Family	743 -769 Sheridan Road	Off & On Conversations since 2018	Yes	B-3	R-11, C-1 & PUD overlay	High-Density Res., PE	High-Density Res., PEC	Lakeshore	N/A	N/A	N/A	5.57	$724,000	$27,000,000	2021	2022	N/A	N/A	N/A	N/A	Concept 5/11/2020 7/12/2021 9/13/2021	09/28/2021 Zoning, Site	8/3/2022		the past few years, suggested that he bring a concept to Plan Commission. Concept will be heard at 5/11/2020 PC 06/20 Developer held community meeting 12/20 Project has gone dormant, have not heard from Developer 04/21 received call from developer will be pursing the project 05/21 Predevelpers executed, meeting with Developer, will be submitting for Plan Commission 07/21 Plan Commission recommendation to deny 07/21 Board Reviewed voted to deny 07/21 resubmitted alternate plan for Sept Plan Commission 09/13 Plan Commission Approved 9/28 Board Approved

Carthage College	Maintence Facility Building	17th Street	10/1/2021	Yes	R-10	I-1	Medium Density Residential	Government & Institutional	Lakeshore	YES	N/A	N/A	1.3	$302,000		2023		N/A	N/A	N/A	N/A	5/9/2022 9/12/2022	6/14/2022 9/27/2022		Drafted Needs to be sent to Board after DA Signed	11/21 Board reviewed billboard regulations due to Adams outdoor sign on property 3/22 Submitted Plans for May PC 6/22 Will be on June agenda for approval 7/22 will be resubmitting project to add parcel to the East. 8/22 Resubmitted for Sept Plan Commission 9/22 Plan Commission approval, Board Review, Board Approved
CWP West Corp	Mister Car Wash	Somers Market	5/12/2022	Yes	B-4	B-4 w PUD	Commercial	Commercial	Southeast	N/A	N/A	N/A	2.1			2023	2024	2	N/A	None	N/A	8/8/2022	10/25/2022		N/A	8/22 Board reviewed at Work Session. Waiting on RCG to address property issues 9/22 Updated Exhibits, RCG to address problems in Oct 10/22 Approved by Board
Edgar Terrance Homes & Management	Multi-Family	88th Ave Eagle Chataua	2/17/2021	Yes	R-11	R-11	Medium Density Residential	No	Hawthorne	N/A	N/A	N/A	1.05	$75,000		2022	2023	N/A	N/A	N/A	N/A	06/14/201	7/13/2021	3/22/2022	N/A	02/21 Meet with developer 4/21 submitted plans for June Plan Commission 6/21 Plan Commission Reviewed & Approved 3/22 DA Executed 08/22 Under contstruction
First Industrial Realty Trust (Building D)	Industrial	Somers First Park 94		Under DA	BP-1	N/A	Business/Industrial Park	N/A	South Central	YES	Water		234.5	$1,542,700	$25,000,000	2023	2024	1			$1M for water main, Could be as high as $3	5/9/2022	Approved 05/24/2022	5/25/2022	N/A	01/2019 Waiting for Building 3 This will most likely have to be a build to suit 05/2019 Informed Building 3 will happen in 2019 8/13 Doug reviewing utilities, Building 3 could be 600,000 sq ft 12/19 Notified plans ready for 570K sqft building 01/20 Doug Reviewing Sewer & Water Extensions 04/20 CSMs Submitted, will be heard by PC in May 05/20 CSM heard by PC, later pulled from Board Agenda by Developer 01/21 4th Amendment to DA 02/21 CSM Approved 3/22 New plans & CSM Submitted for 3rd Building 08/22 Under construction 09/22 Builing went veritcal
Flint Development	Industrial 1.8 M sq ft 3 buildings	Somers Expansion Area (West of 94)	6/14/2021	Yes	A-1 Paris	BP-1	Commercial	Business/ Industrial	N/A IGA	Yes	Sewer Water	$4,000,000	128.31	$179,500	$75,000,000	2022	2023	N/A	N/A	N/A	N/A	IGA 8/11/2021 Concept 11/17/2021 Approve 12/13/2021 Comp & Rezone	02/08/2022 approved subject to DA	7/26/2022		7/21 1st intro meeting. Submitted letter requesting review by IGA 8/11 IGA Committee heard concept., 9/28 Developer planning on October submission for Dec Plan Commission 10/29 Submitted plans for Plan Commission & IGA 11/21 IGA approved use 3/22 Developer still reviewing offsite utlitiies 4/22 Developer working on DA 6/22 DA almost complete 6/22 Grading permit granted, DA will be signed once final Exhibits Oked 7/22 Grading began , DA executed & recorded 9/22 Public Improvements went out to Bid
Home Inspired Senior Living	40 room Community Based Residential Faciality/assisted living	1200 Village Centre Drive	3/16/2022	Yes	B-2	I-1	Mixed Use	Government & Institutional	Somers Center West	N/A	N/A		2.34	$1,350,000	$2,500,000	2023	2024	N/A	N/A	N/A	N/A	Concept 06/13/2022				6/2022 Concept reviewed by Plan Commission. They agreed w/ the project 10/22 Will be submitting for 12/22 Plan Commission
HSA Commerical	Industrail 1 building up to 900K sq ft	Darby Lane Farms CTH S/142	8/18/2021	Yes	A-1	BP-1	Business/Industrial Other Conservancy Secondary Enviro	N/A	Kilbourn South	No	Sewer Water		65.18	$90,300	$50,000,000	2022	2023	3	N/A	N/A	N/A	11/8/2021 Rezone 11/29/2021 Site Plan	12/14/2021	7/18/2022		9/24 Submitted for November Plan Commission 12/21 Approved by Board, DA Completed 02/22 DA needs to be recorded 4/22 Developer confirmed that they will be 900K sq ft as oppossed to 700k sq ft 6/22 Hope to break ground in fall 7/22 DA recorded 8/22 Grading begain

Kwik Trip (142)	Convenience Store	94 & Hwy 142	10/22/2018	Yes	A-1	B-3 A-1 R-2 PUD	Commercial Other Conservancy Land	N/A	Kilbourn South	YES	Street Water Sewer Lift Station		39.36	$59,200		2022	2023	3	N/A	N/A	N/A	2/8/2021	2/23/2021	7/2/2021		8/13 Submitted Documents for Rezone & CSM, Will be heard in Oct 10/19 Waiting on FEMA, DOT, & Developer for documents 06/20 Meeting held will be moving forward with conversations with DOT 11/20 Developer working with staff for proposed easements & new site plan layout 12/20 Developer hopes to submit for February Plan Commission 02/21 Plan Commission & Board Approved 02/21 Need Final Exhibits for DA 04/21 Developer Agreement meeting 05/21 Updated exhibits submitted, 07/21 DA Executed 8/21 Building permits issued 6/22 August Opening
Mastercraft	45 lot single family	9027 12th Street	12/1/2020	Yes	A-2	R-4.5	Medium-Density Residential, Nonfarmed Wetland, Other Conservancy Land to be Preserved	Medium-Density Residential, Nonfarmed Wetland, Other Conservancy Land to be Preserved	Somers West	Plat	Sewer Water Roads	$800,000	23.19	$84,800	$20,000,000							03/08/2021 Concept tabled until 04/12/2021 11/8/2021				12/20 Began discussion with Developer for Single homes 02/21 Concept Submitted 04/21 Concept meeting held, Developer will be submitting for rezoning 9/24 Plat Submitted for Nov Plan Commission 11/21 Board reviewed Plat 02/22 Board reviewed Water 03/22 Project on hold per Developler 4/22 Developer exporing other options for water
Somersville EA & E	Multi-Family Duplexes & Apts 521 total units "Somersville"	EA & A	4/1/2020	Yes	R-4, R-5, R-8, R-9, C-1	R-11	Medium Density Residential Conservancy	High Density Residential	Somers Center West	CSM	N/A	N/A	66.8	$15,200	$60,000,000	2022	2023	N/A	N/A	N/A	N/A	11/9/2020	12/8/2020 Conditionally Approved			06/20 held first official meeting w/ developer & his consultants 8/20 Concept Meeting Held 9/25 Plans Submitted for Nov 9th Plan Commission 11/20 Plan Commission, 1st work session 12/20 Conditionally Approved by Plan Commission & Board 03/21 Reaching final engineering for DA 05/21 meeting wi/ engineering firm, expected updated exhibits soon 8/21 Exhibits nearing completion 10/21 Additional round of Engineer Comments given to Developer 02/22 Exhibits completed DA coming to Board in March 3/22 Developer reviewing DA 05/22 Meeting with Developer to discuss increase cost of project 9/22 No new activity
Stonestreet Partners, LLC	Mixed Use Residential Multi-Family 50 acres Commercial 18 acres Est. 300 units of multi-family	CTH L & STH 31	7/10/2020	Yes	A-1	R-11 B-3 C-1 PUD	Commercial Primary Environmental Corridor Other Conservancy	High-Density Residential Commercial Primary Environmental Corridor Other Conservancy	Somers Center East	CSM	Road Water Sewer	$8,500,000	89.77	$22,000	$60,000,000	2022	2023	5	Yes, Road		$5,000,000	1/11/2021	02/09/2021 Conditionally 02/23/2021 CSM 10/5/2021 DA Approved	11/18/2021	2021-032	7/20 Presented Concept to Plan Commission Hopes to submit in October 11/20 Submitted Plans, Staff met to discuss changes, resubmitting for Jan. 12/20 Schedule for Jan Plan Commission 01/21 Plan Commission Approved 02/21 Board Conditionally Approved, meetings with Developer for DA 03/21 meeting with developer for DA 4/21 meetings w/ developer for DA 05/21 meeting w/ developer on DA, updated exhibits submitted 07/21 reviewed updated submissions, another round of updated plans 8/21 Exhibits nearing complete & DA language being workout b/w parties 10/05 Board will review DA 10/21 DA approved. Need updated CSM then DA will be executed 02/22 Expect to break ground in March 3/22 Watermain work started 4/22 Watermain connect completed 7/22 Working on private ROW easment issue 08/22 Grading started 9/22 STH 31 improvements underway & on site utilitiies
Stream Realty	Industrail 3 Buildings up to 950K sq ft	Groh Farm CTH S/142	11/1/2021	Yes	A-1, A-2, R-2, R-3	BP-1 w/PUD	Business/Industrial Other Conservancy Secondary Enviro	N/A	Kilbourn South	No	Sewer Water		90	$775,000	$50,000,000	2023	2024	3	N/A	N/A	N/A	7/11/2022	10/11/2022			7/22 Developer will be working on access issue with County, will be brought to Board after issue worked out 10/22 Conditionally approved, need to finalize DA

Tawani	Mixed Use Institutional Recreational	West of H	2/2/2018	Yes	A-1 A-2 C-2	PR-1 I-1 C-2	Business/Industrial Park", "Secondary Environmental Corridor" and "Other Conservancy Land to be Preserved	Business/Industrial Park, Park and Recreational, Secondary Environmental Corridor and "Other Conservancy Land to be Preserved"	Kilborn Somers West	CSM	Road Water Sewer	$14,500,000	238.28	$1,155,100	$150,000,000			6	Yes, Sewer & Water	Developer fronting Cost up to $14.6	Village pays Overage	9/16/2019 9/9/2020 CSM Combining	11/12/2019 Project 01/14/2020 DA Terms 9/22/2020 CSM Approved	2/13/2020	2021-032	2/2019 Developer still working on PAs As part will be institutional, will need to discuss PILOT agreement 4/2019 Meeting w/ group regarding status of project 05/2019 Meeting w/ group, hope to submit plans this summer 6/2019 Press Release that project is in Somers 6/18/2019 Meeting with project team to discuss their progress 7/19 Packet submitted for Plan Commission, still working on developers agreement 8/19 Necessary CSM for project approved by Plan Commission 8/27/19 CSM approved 8/19 Plan Commission meeting will be 9/16 9/16 Plan Commission public hearing held, large public presents against outdoor clay course. Commission Tabled CUP 9/17 Email received from developer stating clays "off the table" 9/20 Met w/ developer to discuss next steps 11/19 Conditional approval granted subject to Developers agreement
Walia E & 94	Mixed Use Commercial	Southeast Corner CTH E & 94	8/6/2020	No	A-2	B-4 or B094	Commercial	Commercial	Kilbourn	CSM	Water		15.45			2021	2022	6	Not at this time	N/A	N/A	12/14/2020 Concept Meeting 02/09/2021 CSM	02/23/2021 CSM			8/20 Meetings w/ Developer, County, DOT 10/20 Proposed CSM 11/20 Submitted concept for Dec Plan Commission 12/20 Plan Commission heard concept 02/21 CSM approved 05/21 meetings with developer on next steps 06/21 meeting with Developer & possible hotel 01/22 Meet w/ Developer to review updated concept layout

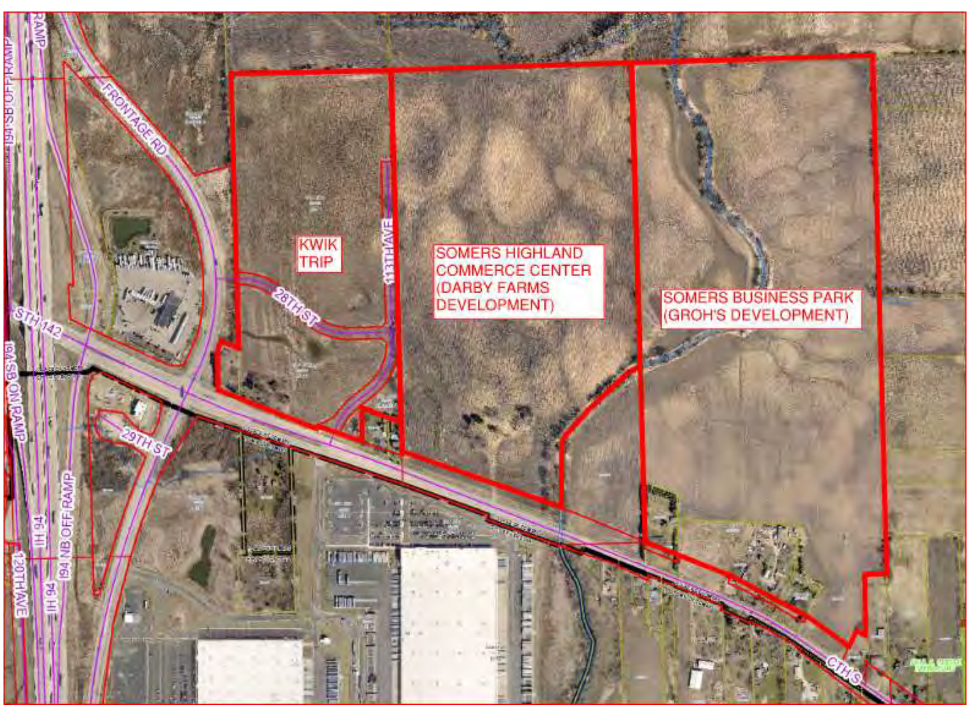
VILLAGE OF SOMERS
Engineer's Report
October 27, 2022

Water and Sewer Improvements Under Tawani Letter of Credit

- Water main and sanitary sewer: Project Number 190375
  - PTS is the Contractor
  - A final payment application and final change order is near completion. The final cost for the water main was $3,617,661.25; the final cost of the sanitary sewer is $5,450,680.35.
- Sewage Lift Station and Water Transfer Station: Project No's 201226 and 201227
  - Both stations are operating. Substantial Completion will be the 14 days after the generator start-up provided the Village has the necessary warranties. We are expecting the final paperwork from the Contractor in the next month.
  - The current contract value is $2,987,716.62.
- Project Budget Comparison: The Village has a letter of credit from Tawani for $14.5M; the estimated total project cost at completion is $14.4M.

Kwik Trip at I-94/Darby Farms/Grohs Developments – All Fronting on CTH S

- See the snip below. These three projects impact each other because the water and sanitary extend from the I-94 East Frontage area. Kwik Trip is near acceptance; Darby Farms is near final plan approval; and Groh is only in the concept approval phase. Darby Farms will need access, water, and sanitary service from the Kwik Trip; Groh's will need water and sanitary service from Darby Farms. Darby Farms cannot be approved until Kwik Trip is accepted; Groh's cannot be approved until Darby Farms is accepted. A more detailed description of each development follows.



Kwik Trip at I-94 – Project No. 190376

- This development has constructed public roadways, water main, and sanitary sewer.
- 113th Avenue (a public roadway) runs, generally north to south, along the eastern property line from CTH S to the northerly limits of the current development.
- 28th Street (a public roadway) runs, generally west to east following the southern boundary of the Kwik Trip store portion of the development, from the Easterly Frontage Road of I-94 to 113th Avenue.
- The Kwik Trip store portion of the development has six driveway access points, three off 113th Avenue and three off 28th Street.
- Below is a proposed list of requirements for acceptance of the public improvements:

  1. Replace the damaged section of curb and gutter.
  2. Provide the roadway signs with the street names.
  3. Provide a separate easement for the future sanitary sewer extension to the Golden Oil property; this was not on the recorded CSM (Document 1907536); the area should be at least as large as the vision triangle on the recorded CSM.
  4. Assist HSA in relocating the WE Energies light pole that is near the access to the HSA property directly east; trucks will collide with this structure.
  5. Straighten the three light poles installed by WE Energies.
  6. Provide lien waivers from any contractor involved with the construction of the public improvements.
  7. Provide a breakdown of cost for the water utility itemized by pipe size, valve size, hydrants, and water service size.
  8. Provide a breakdown of cost for sanitary sewer utility itemized by pipe size and manhole size.

Somers Highland Commerce Center (Darby Farms Development) – Project No. 212046

- This project is an industrial building on the property directly east of the Kwik Trip development. See the snip of the concept plan below.
- The developer is HSA Acquisitions. Developer's design and construction engineer is Pinnacle Engineering.
- Grading has begun on the site.
- We met with the design team today. Revised plans and supporting documents have been submitted. Review is expected to be complete in the next week.
- Utilities will be extended from public mains constructed on the Kwik Trip site.
- All roadways within this development are proposed to be privately-owned and to the public. There are roadway connections at CTH S and two at 113th Avenue (Kwik Trip development). Access point to CTH S is near the east property line. Access points to 113th Avenue align with the most northerly Kwik Trip driveway and 28th Street.

- Private roadways extend north from CTH S connection in two branches along the east and west sides of the development. The 113th connection points are off the westerly branch of the private roadways.

Somers Business Park (Groh's Development) – Project No. 220818

- This is the property east of the Darby Farms (HSA) development; see the snip of the concept plan below.
- Developer is Stream Industrial Development Services. The developer's engineer is Pinnacle Engineering.
- Utilities for this site need to extend through the Darby Farms development. A public roadway is proposed to extend along the east edge of the development from CTH S to northerly development limits.
- Eight driveway/private-owned roadway connections to the public roadway are proposed.
- A second access (privately-owned) to CTH S is proposed near the west side of the development.
- A privately-owned roadway paralleling CTH S is proposed near the south edge of the development that connects the second access to CTH S with the proposed public roadway.
- There is no direct access connection is proposed to the Darby Farms development.
  We recently received an updated submittal.

Golden Oil Sanitary Sewer Connection – Project No. 212153

- The developer is Golden Oil; the developer's design engineer is Excel Engineering.
- We are reviewing a revised submittal.
- This connection will be a requirement following the Village acceptance of the Kwik Trip public improvements.

Savanah at Pike Creek– Project No. 201664

- This project is an approximately 65-acre townhouse development at the northwest corner of the intersection of CTH L (18th Street) and STH 31 (Green Bay Road). It also includes two outlots for future commercial development. The development will consist of both public and private infrastructure. The developer is the Stoneleigh Company. Developer's design and construction engineer is Kimley-Horn.
- The 24-inch water main is installed but not planned to be operational until tested following rough grading in the Spring of 2023.

Somersville Development – Project No. 201665

- This project is an approximately 52-acre apartment and townhouse development adjacent to Somers Elementary School. The developer is Cardinal Capital Management. Developer's engineer is Manhard Consulting.

- We plan to observe the construction of the public improvements if this project moves forward. There is no recent activity; this may not be part of the next report.

Shoreland Lutheran Development – Project No. 221313

- There was a kick-off meeting on June 16, 2022. The developer's design and construction engineer is Excel Engineering.
- They are planning a two-phase expansion; the first phase will include the relocation of the athletic fields, the addition of concession and restrooms near the athletic fields, and the grading and stormwater management of the entire site. The entire site will be brought to current code for stormwater with this project, not just the proposed improvements. The second phase will include building expansions and require Village water service. There is no recent action on this; this may not be part of the next report.

Storm Water Utility Improvements: 56th Avenue and 12th Avenue – Project No. 220816

- Globe Contractors, Inc. is the Contractor.
- This project includes the repair of the existing storm sewer adjacent to 56th Avenue and the storm improvements near 12th Avenue.
- Punchlist items remain; we expect final payment in December.

Becknell Development – Project No. 211386

- This project is an industrial spec building on a planned unit development with access to the East Frontage Road. The developer's design and construction engineer is Pinnacle Engineering.
- AW Oakes has installed the watermain and sanitary sewer. The water main connection from 100th Avenue to the East Frontage Road is complete and operational.

Becknell Offsite and First Park 94 Phase 2 Water Main – Project No's. 212121/ 212502

- The Contractor is Willkomm Excavating, Inc.
- The water main connection from 100th Avenue to the East Frontage Road is operational.
- We expect final payment in November.

Stormwater Pond Inventory and Sediment Collection – Project No. 210862

- This project is necessary to satisfy the requirements of the Village MS4 Permit. The Village needs to inventory the regulated stormwater ponds, collect, and test sediment samples, and plan for future sediment removal from the ponds.
- We provided survey datum, a draft pond inventory report, and direction to staff on data collection.
- Staff is currently collecting developer agreement information and preparing for sediment collection and testing. There is no recent action on this item.

Flint 94 Development— Project No. 211728

- This is the planned 3-building development west of I-94 and south of 12th St.
- The Developer is Flint 94 Commerce Center, LLC; their engineer is Pinnacle Engineering.
- This development involves both on-site and offsite public water and sanitary utilities.
- Globe is the contractor for the offsite water main and sanitary sewer.
- Globe plans on starting the week of October 31, 2022, and has a substantial completion date of January 31, 2023.
- Brinkmann is the general contractor on the Flint 94 site; Townsend is the underground utility subcontractor.
- We plan to observe construction on all the public utilities and plan to be the construction engineer for the offsite utilities.

45th Avenue and 63rd Avenue Sewage Pumping Station Replacements—Project No. 201061

- The project includes the replacement of the suction lift sewage pumping equipment with submersible design like the 7th Street LS on Sheridan Road.
- Design is progressing.
- We plan to obtain bids in late November so the equipment can be ordered and installed in the summer of 2023.

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Somers
VILLAGE & TOWN
www.somers.org
P.O. Box 197, Somers, WI 53171 • PH: (262) 859-2822 • FAX: (262) 859-2331

VILLAGE OF SOMERS
VILLAGE BOARD
WORK SESSION ITEM MEMORANDUM

WORK SESSION: November 1st, 2022

TO: Village President Stoner and Village Trustees

FROM: Jason J. Peters, Administrator

AGENDA ITEM: #4 2021 Audit Presentation by Kathryn Andrea

COMMENTS:

Our 2021 Audit has been completed by Andrea & Orendorff, LLP. Paper copies of the Audit have been previously placed in your mailboxes. Kathryn Andrea will be attending the meeting to review our 2021 Audit. If you have any questions before hand, please let us know.

ATTACHMENTS:

2021 Draft Audit

2021 Draft Management Representation letter

DRAFT

VILLAGE OF SOMERS

KENOSHA COUNTY, WISCONSIN

FINANCIAL STATEMENTS AND

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED

DECEMBER 31, 2021

Andrea & Orendorff LLP
6300 76th Street Suite 200
Kenosha, WI 53142
262 657-7716

VILLAGE OF SOMERS
Table of Contents
December 31, 2021

DRAFT

INDEPENDENT AUDITOR'S REPORT

To the Village Board
Village of Somers
Kenosha County, Wisconsin

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Somers, Wisconsin as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to previously present fairly the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Somers, Wisconsin, as of December 31, 2021, or the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village of Somers, Wisconsin, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 21, and the OPEB and pension schedules on pages 94 through 98 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Somers, Wisconsin's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Village of Somers 2020 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated November 9, 2021. In our opinion, the summarized comparative information for the government funds presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Andrea & Orendorff LLP
Kenosha, Wisconsin
November 9, 2022

Our discussion and analysis of the Village of Somers's financial performance provides an overview of the Village's financial activities for the year ended December 31, 2021.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position, the Statement of Activities and the Fund financial statements provide information about the long-term finances and the activities of the Village as a whole. Governmental activities reflect how services were financed in the short-term and what balance remains for future spending. The Village's fund financial statements report the Village's operations in more detail than government-wide statements. The Statement of Net Position and Statement of Activities provide information about the Village's most significant funds. Our analysis of the Village as a whole begins on page 22.

Reporting the Village as a Whole

One of the most important questions asked about the Village's finances - "Is the Village as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Village as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting. Most private-sector companies use accrual basis of accounting. All the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Village's net position and changes in them. You can think of the Village's net position - the difference between assets and liabilities - as one way to measure the Village's financial health, or financial position. Over time, increases or decreases in the Village's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the Village's financial health, you will need to consider other non-financial factors, such as changes in the Village's property tax base and the condition of the Village's roads, both of which have shown significant improvement.

To aid in the understanding of the Statement of Activities, some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the Village's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing, through fees and grants.

In the Statement of Net Position and the Statement of Activities, we divide the Village into three kinds of activities:

<u>Governmental activities</u>: Most of the Village's basic services are reported here, including public safety, highway, parks, planning, capital projects, and administration. Property taxes, licensure fees, fines, donations and state and federal grants finance most of these activities.

Reporting the Village as a Whole (continued)

Governmental Activities: (continued)
The functions and programs of the primary government, along with the composition of each function by Village department are listed below.

- General Government includes the Village Board, Municipal Court, Village office, Clerk-Treasurer, Elections, Board of Review, Village Assessor, audit fees, legal fees, engineering, Village Hall, membership dues, advertising and publications, property and liability insurance, and Debt Service payments.

- Public Safety includes the Somers Fire and Rescue department and the Village's Building Inspection department. The Village entered into a contract to provide general law enforcement services with the Kenosha County Sheriff's Department for 24 hours per day beginning January 1, 2021.

- Public Works includes the maintenance of all Village & Town roads, operation of municipal sewer & water utilities, related facilities and street lighting.

- Solid Waste Collection is a contracted service for garbage and recycling pickup.

- Leisure Activities includes a recreation program which offers softball, soccer, golf & basketball.

- Conservation and Development includes the Plan Commission, the Board of Appeals, the Park Committee and the eleven Tax Incremental Districts. In an effort to save costs, the Village contracts with Kenosha County Planning & Development for zoning oversight.

Business-type activities:
The Village charges fees to customers for the business-type services it provides. The business-type activities include the Somers Water Utility, Storm Water Utility and the two sewer utilities – KR and Utility District #1. Water rates are established by the Public Service Commission of Wisconsin based on fact and circumstances presented in rate case petitions by the water utility management. Once granted, water rates are implemented with the review and approval of the Somers Water Commissioners. Rates for sewer service are established by the sewer utility management subject to approval by the Village of Somers Sewer Commission.

Fiduciary activities:
The Village collects property taxes on behalf of other governments. Collected taxes are included in cash and offset with a matching liability to the government. Uncollected taxes are recorded as a receivable.

Reporting the Village's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds - not the Village as a whole. The Village, by the nature of its activity, utilizes three types of funds – governmental, proprietary, and fiduciary, requiring different accounting approaches.

Governmental Funds

Most of the Village's basic services are reported in Governmental Funds, which focus on how money flows in and out of those funds and balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides.

Governmental Fund information helps determine the financial resources that can be spent in the near future to finance the Village's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations following the respective Governmental Funds' statements.

The Governmental Funds include the General Fund, a 10-year Capital Projects Fund, Debt Service Funds, and Tax Incremental Districts #1-11. Additionally, the Village reports other governmental activities including park improvement, restricted federal funding, and drainage the non-major Special Revenue funds. The General Fund includes General Government, Public Safety, Public Works, Solid Waste Collection, Leisure Activities, and Conservation and Development. The Capital Projects Fund is used to account for infrastructure projects, developer's incentive payments & on-going TIF project expenses. The Debt Service Fund serves as a clearing account for present and future debt payments.

Proprietary Funds

The Village uses Proprietary Funds to account for its business-type activities such as the Somers Water Utility, Storm Water Utility, the KR Sewer District and Utility District #1. The Proprietary Funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. The Village's Proprietary Fund is the same as the business-type activities we report in the government-wide statements but provides more detail and additional information such as cash flows.

Fiduciary Funds

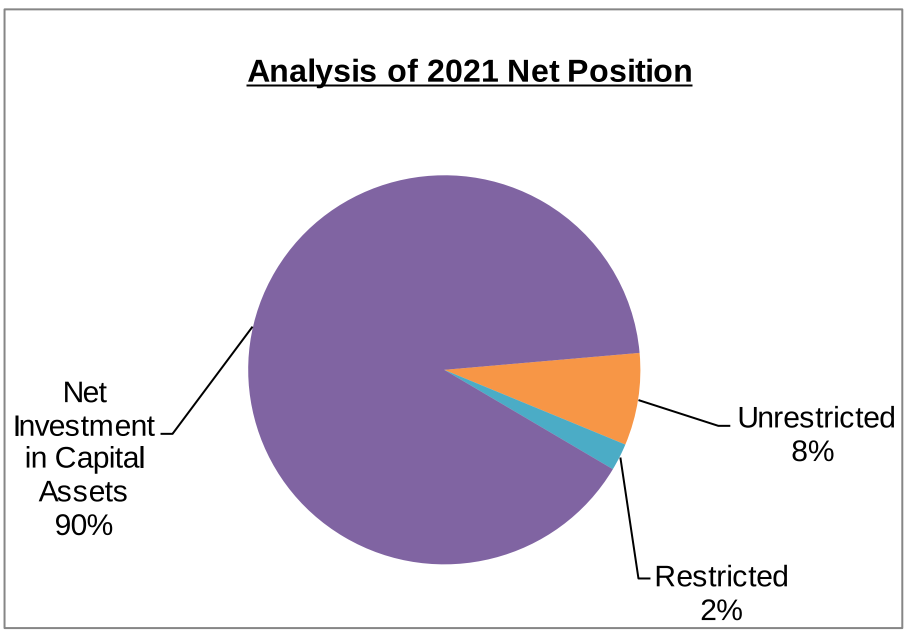
The Village uses a Fiduciary Fund to account for taxes collected by the Village on behalf of other municipalities. The fiduciary fund is reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

The Village as a Whole

<u>Government-wide Financial Analysis</u>
The condensed financial statements on page 8 and 9 present the net position of the Village and changes in net position. These statements are presented with comparisons to 2020. Net position may serve over time as a useful indicator of a government's financial position. In 2021, the Village's assets exceeded liabilities by $36,447,257 as compared to having assets in excess of liabilities of $33,550,965 in 2020.

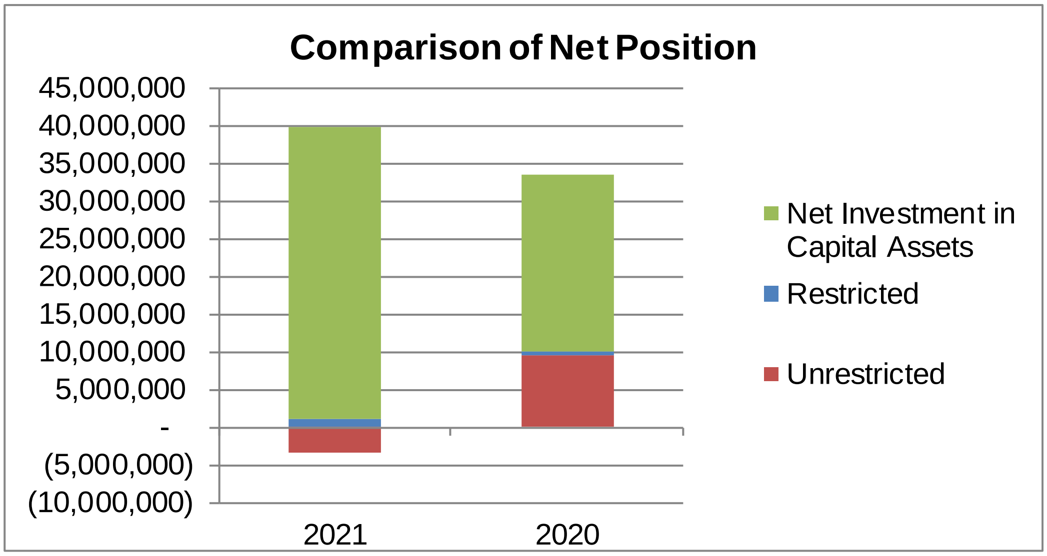
The largest portion of the Village's 2021 net position (106%, compared to 70% for 2020) reflects the Village's investment in capital assets less any outstanding related debt used to acquire those assets. The Village uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. A deficit of approximately $3,300,000 (surplus of $9,476,000 for 2020) is in the category of unrestricted net assets which may be used to meet the Village's ongoing obligations to citizens and creditors. This represents -8% and 28% of total net position each year, respectively.

In 2021, the other 2% of net position reflected the non-expendable use as it relates to the net pension asset as a result of GASB 68. For 2020, restricted net position was also 2% of the total.



The Village as a Whole (continued)

Government-wide Financial Analysis (continued)



VILLAGE OF SOMERS
STATEMENT OF NET POSITION
December 31, 2021

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	$ 19,193,249	$ 14,612,134	$ 8,120,384	$ 8,970,406	$ 27,313,633	$ 23,582,540
Capital assets	16,842,813	16,216,840	57,081,594	37,546,345	73,924,407	53,763,185
Total Assets	36,036,062	30,828,974	65,201,978	46,516,751	101,238,040	77,345,725
Deferred outflows of resources	1,718,176	1,301,471	246,431	178,215	1,964,607	1,479,686
Long-term liabilities outstanding	31,311,501	18,595,788	13,938,795	10,949,078	45,250,296	29,544,866
Other liabilities	6,176,504	4,212,665	4,013,613	2,072,083	10,190,117	6,284,748
Total liabilities	37,488,005	22,808,453	17,952,408	13,021,161	55,440,413	35,829,614
Deferred inflows of resources	11,041,067	8,938,035	273,910	506,797	11,314,977	9,444,832
Net position:						
Net investment in capital assets	12,034,561	963,511	26,750,534	22,630,731	38,785,095	23,594,242
Restricted	860,799	428,732	105,565	52,315	966,364	481,047
Unrestricted	(23,670,194)	(1,008,286)	20,365,992	10,483,962	(3,304,202)	9,475,676
Total Net Position	$ (10,774,834)	$ 383,957	$ 47,222,091	$ 33,167,008	$ 36,447,257	$ 33,550,965

The Village as a Whole (continued)

Government-wide Financial Analysis (continued)

VILLAGE OF SOMERS

CHANGES IN NET POSITION

For the Year Ended December 31, 2021

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	$ 1,183,444	$ 1,023,671	$ 4,461,146	$ 4,040,667	$ 5,644,590	$ 5,064,338
Operating grants and contributions	317,227	346,392	-	5,874	317,227	352,266
General revenues:						
Property taxes	3,469,193	3,462,634	303,707	303,034	3,772,900	3,765,668
Other taxes	3,057,740	3,159,597	-	-	3,057,740	3,159,597
Grants and contributions not restricted to specific programs	483,786	516,440	-	-	483,786	516,440
Other revenues	303,478	535,227	134,714	258,037	438,192	793,264
Total revenues	8,814,868	9,043,961	4,899,567	4,607,612	13,714,435	13,651,573
Expenses:						
General government	1,251,975	1,284,591	-	-	1,251,975	1,284,591
Public safety	2,749,345	2,625,818	-	-	2,749,345	2,625,818
Public works	977,211	1,057,189	-	-	977,211	1,057,189
Solid waste collection	691,149	672,932	-	-	691,149	672,932
Leisure activities	25,613	61,850	-	-	25,613	61,850
Conservation and development	1,048,384	1,029,870	-	-	1,048,384	1,029,870
Interest on long-term debt	752,345	692,105	-	-	752,345	692,105
Sewer	-	-	2,117,970	2,065,359	2,117,970	2,065,359
Water	-	-	1,204,151	1,014,450	1,204,151	1,014,450
Total expenses	7,496,022	7,424,355	3,322,121	3,079,809	10,818,143	10,504,164
Excess (deficiency) of revenues over expenditures	1,318,846	1,619,606	1,577,446	1,527,803	2,896,292	3,147,409
Contributions and transfers	(12,477,637)	(127,746)	12,477,637	1,874,376	-	1,746,630
Increase (decrease) in net position	(11,158,791)	1,491,860	14,055,083	3,402,179	2,896,292	4,894,039
Net position - beginning of year	383,957	(1,107,903)	33,167,008	29,764,829	33,550,965	28,656,926
Net position - end of year	$ (10,774,834)	$ 383,957	$ 47,222,091	$ 33,167,008	$ 36,447,257	$ 33,550,965

The Village as a Whole (continued)

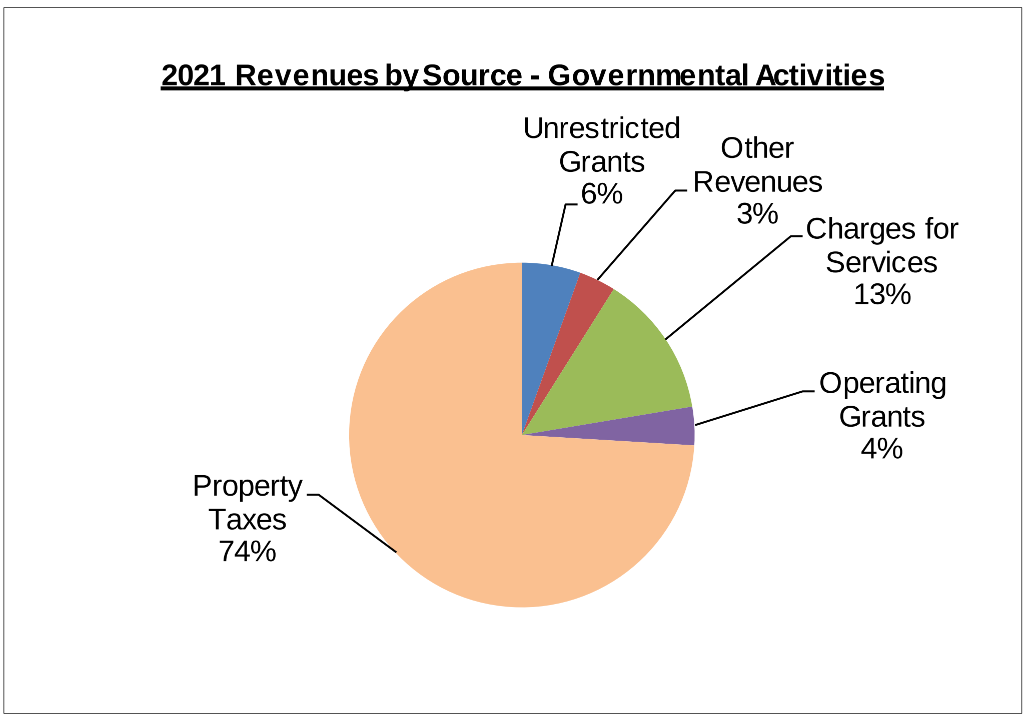
Government-Wide Financial Analysis (Continued)

Revenues:
Total revenues for the Village increased by $62,862 due to significant developer donations in connection with TID development, offset by reductions in other taxes and miscellaneous revenues.

Expenditures:
Expenditures increased by $313,979 for the Village. This is due to general inflation and increased cost of labor, materials, and other services purchased by the Village.

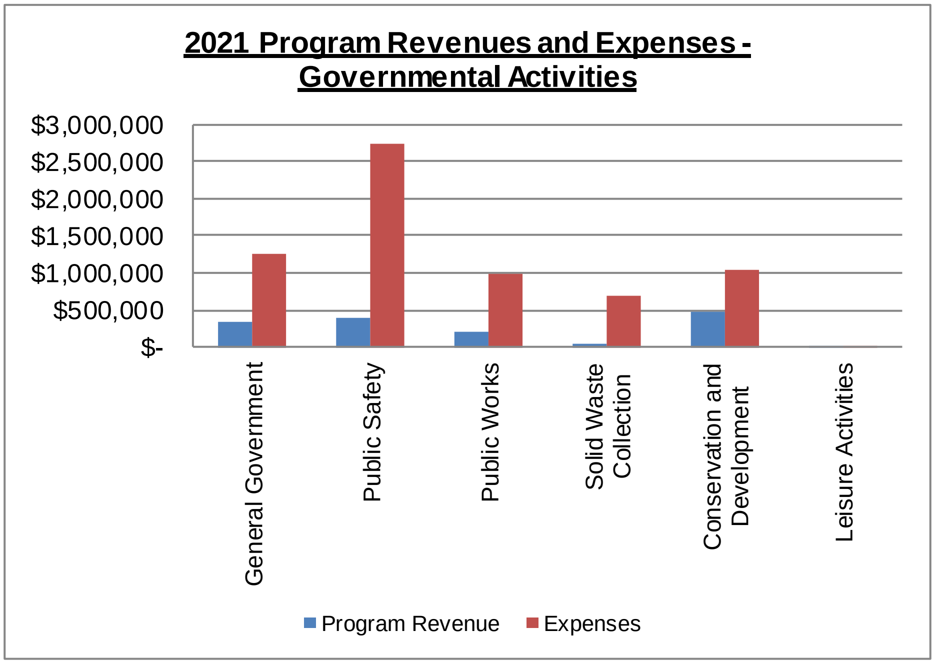
REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES

This chart illustrates the percent of revenue sources that fund the Village's governmental activities.



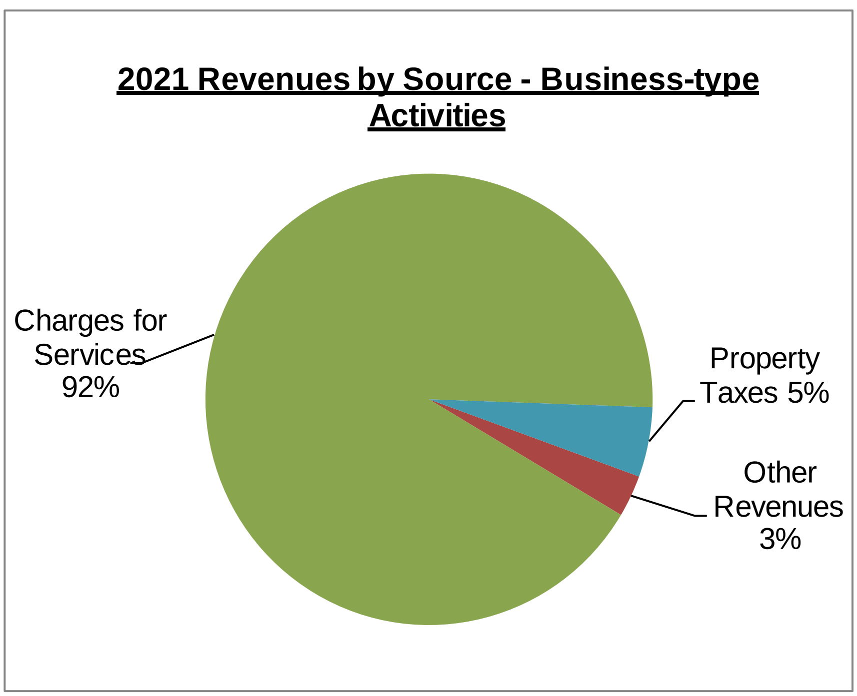
REVENUES BY SOURCE – GOVERNMENTAL ACTIVITIES (continued)

The following chart shows the portion of expenses by function that is covered by program revenues.



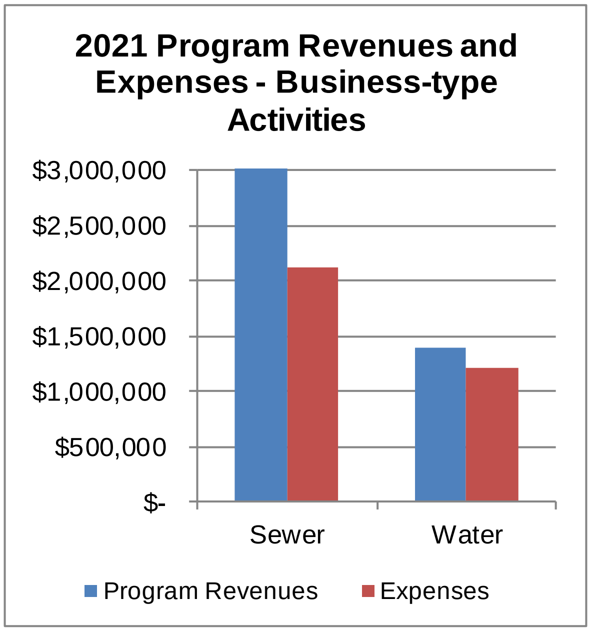
REVENUES BY SOURCE – BUSINESS-TYPE ACTIVITIES

This chart illustrates the percent of revenue sources that fund the Village's business-type activities.



PROGRAM REVENUES AND EXPENSES – BUSINESS-TYPE ACTIVITIES

The following chart shows the portion of expenses by function that is covered by program revenues for business-type activities.



The Village's Funds

The Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. These funds, along with major changes that occurred in the Village's funds are described below.

In 2021, the Village Board continued to follow policies that cover the areas of debt and capitalization. The Village finalized a 10-year Capital Improvement Plan, long-range Financial Management Plan and a Utility study in 2020 and continues to follow those.

General Fund
The General Fund closed out in 2021 with an increase of $63,838. This happened due to additional intergovernmental revenue and local revenue in excess of anticipated amounts. The Unrestricted General Fund balance of $3.1 million is 59% of General Fund expenditures. The Village's fund balance policy requires at least a seventeen percent reserve.

The following table shows total General fund balances for the past three years:

	2019	2020	2021
General fund	**$ 3,401,475**	**$ 3,026,402**	**$ 3,090,240**

The Village's Funds (continued)

Special Revenue Funds
The Parks and Drainage funds are long standing funds to be used for park and drainage improvement projects. In 2021, the ARPA fund was added to account for funds received and spent under the American Rescue Plan Act.

Since being involved with the Root-Pike Water Shed Initiative, the Village of Somers has utilized drainage funds to promote educational programs to teach the public about the benefits of preserving our natural resources. The programs chosen for this educational initiative were carefully reviewed to ensure they satisfy the requirements for the State of Wisconsin's Storm Water Management Discharge Permit.

The Park Committee's goal is to increase residents' involvement and enjoyment of their community through park land improvement. A Veteran's Walkway continues to have purchases of Memorial bricks.

The ARPA funding received in 2021 was unspent at year-end, and will be earned over the next two years as allowable expenditures are made.

Capital Projects Fund
The Capital Projects Fund is reviewed on an annual basis & approved by the Village Board. The Board continues to follow a 10-year Capital Projects Budget.

Debt Service Fund
The sole purpose is for servicing governmental debt. All of the Tax Incremental Districts' debt is included in the Debt Service. The fund balance closed out the year with $4,216,070 compared to $3,003,750 in 2020.

Tax Incremental Districts
TIF District deficits are anticipated to be funded with future incremental taxes levied over the life of the district.

Tax Incremental District #1
This District has a fund balance of $1,002,736. This is due to developer incentives, administrative & engineering costs exceeding initial estimates. The fund also has unspent debt proceeds at year-end, resulting in a positive fund balance. Remaining debt proceeds will be spent in the following year.

Tax Incremental District #2
The Village financed projects for TID #2. The fund balance is a deficit of $359. The fund's expenditures were supported by a transfer from the debt service fund.

Tax Incremental District #3
Located near I-94 and HWY 142. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 388.42 acres, with a base valuation of $1,763,329. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $71,898,929. During the year, the District issued debt and expended funds for utility improvements, which were contributed to the Utility District. There is an ending fund deficit of $513,908.

The Village's Funds (continued)

Tax Incremental District #4
Located near CTH E and HWY 31. This is a mixed-use district, with commercial and residential uses proposed. The District encompasses 150.10 acres, with a base valuation of $1,040,101. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $71,175,701. The Village financed projects for TID #4, resulting in the fund deficit of $185,330.

Tax Incremental District #5
Is bisected by CTH L and runs north to south along HWY 31. This is a mixed-use district, with commercial, industrial, and residential uses proposed. The District encompasses 536.47 acres, with a base valuation of $1,274,382. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $71,409,982. The Village financed projects for TID #5, resulting in the fund deficit of $58,665.

Tax Incremental District #6
Located near CTH E and I-94. This is a mixed-use district, with commercial, industrial, institutional, and residential uses proposed. The District encompasses 663.34 acres, with a base valuation of $2,238,343. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $72,373,943. During the year, the District issued debt and expended funds for utility improvements, which were contributed to the Utility District. There is an ending fund deficit of $1,059,967.

Tax Incremental District #7
Located near CTH KR and I-94. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 1,678.55 acres, with a base valuation of $7,976,467. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $78,082,067. Minimal expenditures were made for the District during the year. There is an ending fund deficit of $18,350.

Tax Incremental District #8
Located near CTH E and I-94. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 220.76 acres, with a base valuation of $343,953. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $70,479,553. During the year, the District issued debt and expended funds for utility improvements, which were contributed to the Utility District. There is an ending fund deficit of $231,948.

Tax Incremental District #9
Located near the lake front on the northern part of HWY 32. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 6.23 acres, with a base valuation of $1,983,575. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $72,119,175. Minimal expenditures were made for the District during the year. There is an ending fund deficit of $18,308.

The Village's Funds (continued)

Tax Incremental District #10
Located near 11 Place and HWY 32. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 12.47 acres, with a base valuation of $3,067,895. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the proposed District, totals $73,203,495. Minimal expenditures were made for the District during the year. There is an ending fund deficit of $7,235.

Tax Incremental District #11
Located near CTH S and CTH H. This is a mixed-use district, with commercial and industrial uses proposed. District encompasses 66.49 acres, with a base valuation of $185,414. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $70,612,301. Minimal expenditures were made for the District during the year. There is an ending fund deficit of $18,300.

Enterprise Funds
Somers Water Utility, Utility District #1 and KR Sewer Utility all operate as enterprise funds. All of the enterprise funds account for contributed capital as revenue received in the year the capital asset is recognized.

Somers Water Utility Fund
The Water Utility closed 2021 with an increase in net position of $5,163,110 due to $5 million of contributed water mains from the TID funds. Management, in concert with consulting engineers and Board oversight, continues to develop Village-wide plans that address new development in areas to be serviced by municipal water.

Sewer Utility District #1 Fund
Overall, the Sewer Utility District #1 closed out the year with an increase in net position of $3,176,659. Total net operating income for the Sewer Utility District #1 in 2021 was $1,021,189. This fund has an unrestricted net position at year end 2021 of $24.3 million.

Sewer system maintenance is critical for the health and safety of our residents. To ensure seamless service to the sewer customer base, Sewer Utility District #1 employs camera aided visual inspection to determine the need and type of periodic maintenance best suited. The District continues to use its VAC truck to maintain the Utility's infrastructure. In 2020, the District continued the sewer lateral program to reduce inflow/infiltration. This proactive approach is fully compliant both with DNR regulation and our collective concern for the environment. In 2020, the Village obtained the loan in the amount of $5 million for the rehabilitation/replacement of Sewer Mains and laterals in the Sheridan Road Corridor. The loan was granted and the project began in Spring of 2021 and is expected to be completed in 2022.

The Village's Funds (continued)

KR Sewer Utility Fund

The KR Sewer Utility was established to service a small area along the County Highway KR border, Racine County to the north. The sewer line flows into the Mount Pleasant Interceptor Sewer and ultimately east to the Racine Sewer treatment plant.

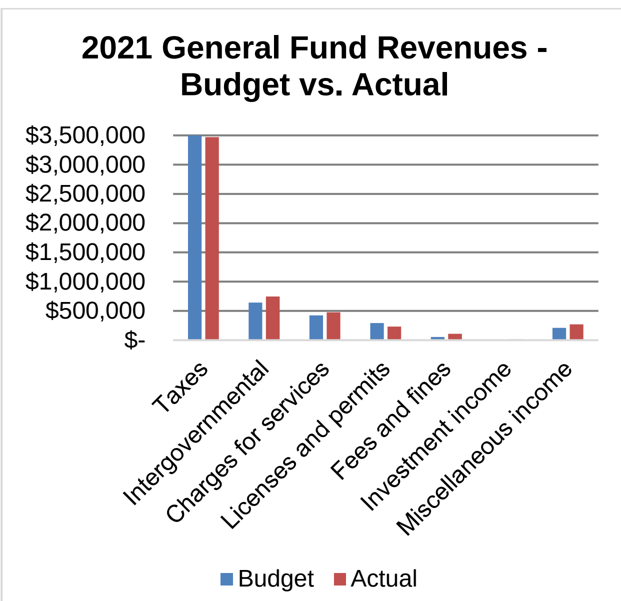
For this service, the utility pays a set amount per quarter to the Village of Mount Pleasant for the treatment of sewer and an annual rental charge for the conveyance line on KR. In 2021, the Utility experienced an operating loss of $12,289.

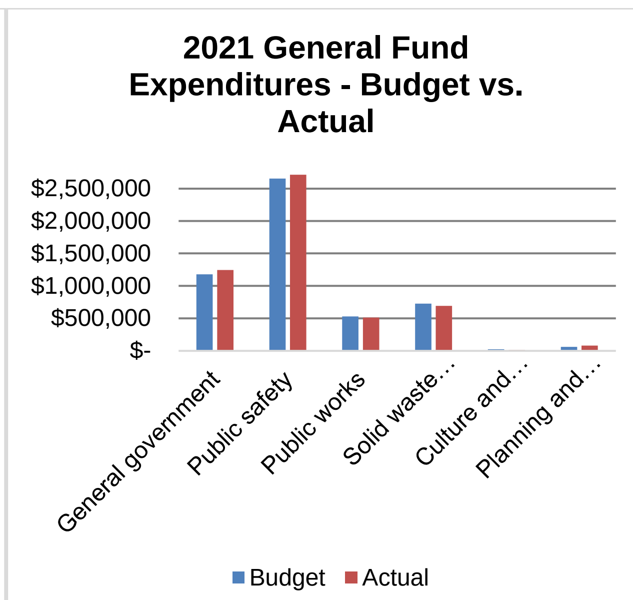
The KR Sewer Utility has a multi-jurisdictional agreement to help Racine Sewer Utility reconstruct the aging treatment plant. On an annual basis, a series of calculations based on property values is performed. The agreement and the resulting calculation, determines who owes money to City of Racine Sewer Utility and who receives money.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village General Fund has fund balance of $3,090,240 which is a $63,838 increase from 2020. This is a result of the Village receiving additional intergovernmental revenue.

Below is a summary of the General Fund's actual revenues and expenditures compared to budgeted amounts.





CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of December 2021, the Village had $73,924,407 invested in capital assets including buildings, parks, vehicles, equipment, and infrastructure. See Note IV C. on page 58 for more detail on capital assets. A summary report of capital assets is as follows:

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Intangible Assets	$ 38,732	$ 38,732	$ 60,393	$ 60,393	$ 99,125	$ 99,125
Construction in Progress	-	-	19,496,712	2,163,813	19,496,712	2,163,813
Land	1,143,695	1,032,477	-	-	1,143,695	1,032,477
Land Improvements	5,007,303	4,852,337	-	-	5,007,303	4,852,337
Utility Plant in Service	-	-	48,112,272	44,908,336	48,112,272	44,908,336
Buildings	6,062,626	6,037,764	-	-	6,062,626	6,037,764
Machinery & Equipment	5,976,811	5,860,622	2,806,092	2,799,890	8,782,903	8,660,512
Infrastructure	12,776,508	12,713,311	-	-	12,776,508	12,713,311
Total Capital Assets	31,005,675	30,535,243	70,475,469	49,932,432	101,481,144	80,467,675
Less: Accumulated Depreciation	(14,162,862)	(14,318,403)	(13,393,875)	(12,386,086)	(27,556,737)	(26,704,489)
Total Net Capital Assets	$ 16,842,813	$ 16,216,840	$ 57,081,594	$ 37,546,346	$ 73,924,407	$ 53,763,186

Debt

At the end of the year, the Village's outstanding general obligation (GO) debt and Revenue Bonds totaled $35,486,780. See Note IV E. on page 62 for more detail on debt.

Debt Outstanding 12/31/20	$ 30,201,694
Debt Issued	11,336,134
Principal Retired	(6,051,048)
Debt Outstanding 12/31/21	$ 35,486,780
Breakdown of Outstanding Debt:	
Revenue Bonds	$ 13,081,134
Capital Leases	25,646
Tax Increment Project Revenue Bond	425,000
General Obligation Debt	21,955,000
Debt Outstanding 12/31/21	$ 35,486,780

Management has calculated the net pension expense and liability as required by the Governmental Accounting Standards Board (GASB) Statement No. 68 – *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans,* as well as the expenses and liabilities for other post-employment benefits required by GASB Statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* Please see Note V A. on page 74 and Note V B. on page 80 for further information on this calculation.

ECONOMIC FACTORS AND DEVELOPMENT PROJECT UPDATES

Somers is a small community located along Interstate 94 (I-94) in southeastern Wisconsin's Kenosha County, between Milwaukee and Chicago. With a board and management team that have recently instituted a number of fiscal planning practices and policy changes, the Village has seen solid financial performance over the past three fiscal years after recovering from a period of negative reserves and weak budgetary performance. We expect the Village to sustain a structurally balanced budget with very strong reserves going forward. The Village has continued to invest heavily in bringing infrastructure to the I-94 Corridor area. These investments have spurred interest in the area and the Village is starting to see the fruits of its efforts.

The DNR received a straddling community diversion application from the Village of Somers in February 2021. After receiving the application, the DNR invited the public to provide comments on the application and received public testimony at a hearing in November 2021. The Village expects its approval in early 2022. This will allow the Village to divert up to an annual average of 1.2 million gallons of water per day over the subcontinental divide and allow the Village to serve new development with municipal utilities.

Two Tax Incremental Financing Districts were created in 2015 in order to facilitate economic development and have proven to be highly successful. TIF District #1 encompasses the First Park LLC development. The first building was completed in June 2016 and a second building followed shortly thereafter. Both buildings are 100% leased. First Park 94 has continued its efforts to bring a third building to TIF District #1 by having proposed plans reviewed by the Village. In 2021, the Village completed installation of over 4000 feet of sanitary sewer main to help fuel further development in TID #1 and serve areas near the I-94 Corridor.

TIF District #2 runs along the central corridor of the Village. TID #2 abuts a Wal-Mart Supercenter and Sam Club. It is home to a Festival Foods grocery store and Kwik Trip convenience store. It is also home to Somers Market Square Apartments. Phase 1 included 280 units and was completed in 2017. Phase 2 added an additional 50 units and was completed in 2019. They have over a 90% occupancy rate. These apartments spurred additional Commercial Development in TIF District #2. These additions include the following: Burger King; Firestone, Jiffy Lube; multi-tenant building anchored by Starbucks, Shopko Optical, Jersey Mike's, and US Nail Bar; Oakfire Restaurant, a 9700 square foot woodfire pizza restaurant. In 2021, an additional multi-tenant building anchor by a Taco Bell broke ground. A new Popeye's Louisiana Chicken was approved and broke ground in 2021, as well as a Dunkin Donuts.

The Village is working with developers from throughout the country on new development. Based on this strong interest in development, the Village Board established nine (9) new TIF districts in 2018.

TIF District #4 is home to the Hawthorn Luxury Apartments complex. The project was completed in 2021 and added an additional 241 units of market rate apartments. They have over a 90% occupancy rate. The WVRC Emergency Vet Clinic was also completed and occupied in 2021.

TIF District #5 saw its first development take shape in 2021. The Village entered into a development agreement with SCS Pike Creek, LLC to bring 338 units of market rate apartments to the Village. The original 88-acre parcel is located on the Northwest corner of STH 31 and CTH L. Approximately 64 acres will be home to the multi-family project and the remaining acreage will be retained by the original owner for a future commercial project.

TIF District #6 has begun to take shape. In 2020, The Village entered into a development agreement with Tawani Enterprises Inc to bring the Pritzker Archives & Memorial Park Center to Somers. The project will include a Museum Space, archival space, community green space, the world's only Cold War Memorial, and a Firearms Education and Training Center. In 2021, the one-of-a-kind archival center was nearly completed and hopes to open in early 2023. The project brought an estimated $14.5 Million dollars of sewer and water to the Village. The work on this infrastructure began in 2021 and will be completed in 2022. This infrastructure has opened up over 1,000 acres for potential future development. In 2021, Becknell Industries and the Village entered into an agreement to bring a Class "A" warehousing/industrial building on approximately 50 acres. The building will be approximately 795,000 sq. ft. This building is scheduled to break ground in 2022. Becknell's concept plan also calls for the possibility of two additional buildings totaling approximately 900,000 sq. ft. These buildings would be located in the adjacent TIF District #3.

TIF District #3 had additional development take shape in 2021. The Village entered into a development agreement with Kwik Trip to bring a travel center to CTH S and the East Frontage Road. The project includes a Kwik Trip travel center with convenience store, car wash, and outside dining area, with fueling for autos and trucks and a 105-space truck parking area. This project broke ground in 2021 and is scheduled to be completed in 2022. In late 2021, the Village entered into a development agreement with HSA Acquisitions to bring a "Class A" warehousing/industrial building to approximately 65 acres located off of CTH S. The building would be approximately 905,000 sq. ft. The project is scheduled to begin in 2022.

Development has also taken place outside of the Village's TIF Districts. Bear Development's Pike Ridge project was completed in 2021. This included occupancy of 80 units of senior living and 16 townhomes. Golden Oil completed the construction of a service station & new corporate office building. Along Lake Michigan a new 68-unit multi-family building was approved in 2021 for site that has sat vacant for many years.

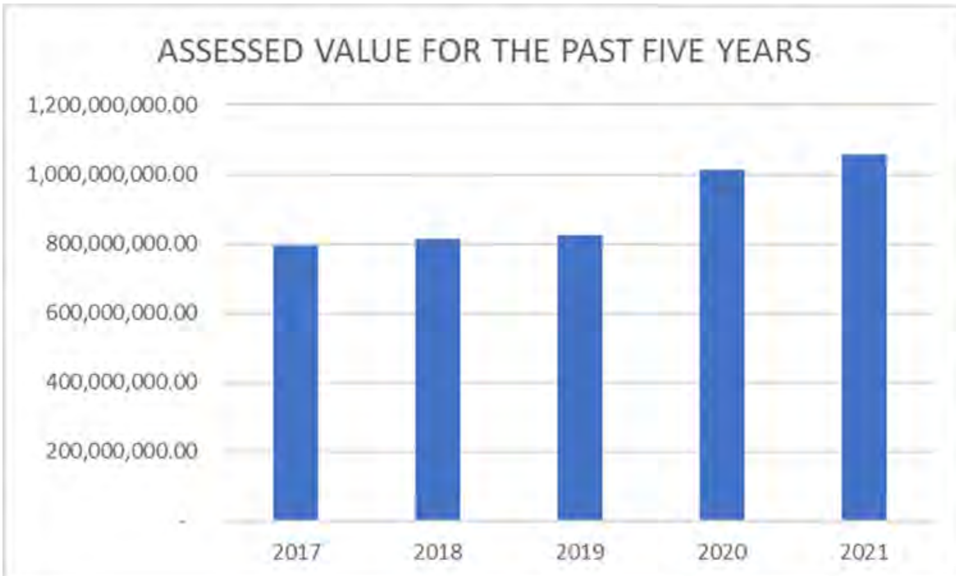
The Paris Intergovernmental Agreement, finalized in 2017, is a historic agreement between the Village of Somers, City of Kenosha & Town of Paris. The agreement opened 2,000 acres of land for development which is estimated at a potential improved value of $2 billion. In 2021, the Village approved its first attachment of land from the Town of Paris to the Village under said agreement. This attachment was spurred by a developer wishing to bring over 1.8 million square feet of warehousing/industrials building to the growth area. In 2021, this project was approved by the Village of Somers/Town of Paris Intergovernmental Commission is scheduled to begin in 2022.

RATING CHANGE

The Village maintains its S&P Global Ratings of 'AA-' rating for taxable general obligation (GO) refunding bonds. The outlook is stable.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

ASSESSED VALUE TRENDS



CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, taxpayers, customers, and creditors with a comprehensive overview of the Village's finances and to show the Village's accountability for the money it receives. If you have questions about this report or need additional information, contact the Village of Somers at 7511 12th Street, P.O. Box 197, Somers, WI.

Jason Peters
Village Administrator

VILLAGE OF SOMERS
STATEMENT OF NET POSITION
December 31, 2021

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 11,972,255	$ 6,905,208	$ 18,877,463
Receivables	4,800,123	778,919	5,579,042
Prepaid expenses	3,562	1,318	4,880
Restricted assets			
Cash and cash equivalents	695,268	225,571	920,839
Internal balances	144,814	(144,814)	-
Deferred special assessments - noncurrent	716,428	248,617	965,045
Net pension asset	860,799	105,565	966,364
Capital assets			
Land and construction in progress	1,143,693	19,496,710	20,640,403
Other capital assets, net of depreciation	15,699,120	37,584,884	53,284,004
Total capital assets	16,842,813	57,081,594	73,924,407
Total assets	36,036,062	65,201,978	101,238,040
DEFERRED OUTFLOW OF RESOURCES			
Related to pension	1,442,247	178,968	1,621,215
Related to post-employment benefits	275,929	67,463	343,392
Total deferred outflows of resources	1,718,176	246,431	1,964,607
LIABILITIES			
Accounts payable and accrued expenses	2,357,626	2,461,599	4,819,225
Due to other governments	7,386	-	7,386
Deposits & trust accounts	79,885	-	79,885
Accrued interest	142,982	93,652	236,634
Unearned revenues	497,594	-	497,594
Long-term liabilities			
Other post-employment benefits	1,540,775	295,285	1,836,060
Debt due within one year	2,190,832	1,458,362	3,649,194
Debt due in more than one year	30,670,925	13,643,510	44,314,435
Total liabilities	37,488,005	17,952,408	55,440,413
DEFERRED INFLOWS OF RESOURCES			
Related to property tax levy	8,798,838	-	8,798,838
Related to pension	1,946,256	238,681	2,184,937
Related to post-employment benefits	144,664	35,229	179,893
Deferred gain on refunding	151,309	-	151,309
Total deferred inflows of resources	11,041,067	273,910	11,314,977
NET POSITION			
Net investment in capital assets	12,034,561	26,750,534	38,785,095
Restricted	860,799	105,565	966,364
Unassigned (deficit)	(23,670,194)	20,365,992	(3,304,202)
Total net position	$ (10,774,834)	$ 47,222,091	$ 36,447,257

See accompanying notes to the financial statements.

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VILLAGE OF SOMERS
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities							
General government	$ 1,251,975	$ 351,195	$ -	$ -	$ (900,780)	$ -	$ (900,780)
Public safety	2,749,345	355,947	49,893	-	(2,343,505)	-	(2,343,505)
Public works	977,211	87,447	129,282	-	(760,482)	-	(760,482)
Solid waste collection	691,149	390	29,872	-	(660,887)	-	(660,887)
Leisure activities	25,613	9,135	-	-	(16,478)	-	(16,478)
Conservation and development	1,048,384	379,330	108,180	-	(560,874)	-	(560,874)
Interest on long-term debt	752,345	-	-	-	(752,345)	-	(752,345)
Total governmental activities	7,496,022	1,183,444	317,227	-	(5,995,351)	-	(5,995,351)
Business-type activities							
Sewer	2,117,970	3,075,800	-	-	-	957,830	957,830
Water	1,204,151	1,385,346	-	-	-	181,195	181,195
Total business-type activities	3,322,121	4,461,146	-	-	-	1,139,025	1,139,025
Total primary government	$ 10,818,143	$ 5,644,590	$ 317,227	$ -	(5,995,351)	1,139,025	(4,856,326)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					3,469,193	303,707	3,772,900
Property taxes, levied for debt service					3,057,740	-	3,057,740
Grants and contributions not restricted to specific programs					483,786	-	483,786
Unrestricted investment earnings					33,549	5,567	39,116
Miscellaneous					269,929	129,147	399,076
Total general revenues					7,314,197	438,421	7,752,618
Contributions & transfers:							
Capital contributed to utilities					(12,477,637)	12,477,637	-
Total contributions & transfers					(12,477,637)	12,477,637	-
Change in net position					(11,158,791)	14,055,083	2,896,292
Net position - January 1					383,957	33,167,008	33,550,965
Total net position at end of year					$ (10,774,834)	$ 47,222,091	$ 36,447,257

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021

	General Fund	Debt Service Fund	Tax Incremental District #1	Tax Incremental District #6	Nonmajor Governmental Funds	Total Governmental Funds	2020 Total Governmental Funds
ASSETS							
Cash and Investments	$ 5,666,128	$ 3,648,716	$ 1,033,548	$ 255,359	$ 1,368,504	$ 11,972,255	$ 8,658,790
Receivables							
Property taxes	4,635,395	4,401,267	25,727	-	-	9,062,389	6,881,661
Ambulance fees	73,056	-	-	-	-	73,056	173,701
Miscellaneous	49,077	-	-	-	42,595	91,672	166,520
Due from other funds	1,545,010	-	-	-	-	1,545,010	914,766
Prepaid expenses	3,562	-	-	-	-	3,562	3,513
Restricted cash	22,614	567,354	-	-	105,300	695,268	670,205
Deferred special assessments	-	-	425,968	-	290,460	716,428	796,565
TOTAL ASSETS	$ 11,994,842	$ 8,617,337	$ 1,485,243	$ 255,359	$ 1,806,859	$ 24,159,640	$ 18,265,721
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	$ 279,388	$ -	$ 41,875	$ 1,315,326	$ 662,984	$ 2,299,573	$ 580,195
Accrued compensation	58,054	-	-	-	-	58,054	132,497
Developer deposits	-	-	-	-	25,000	25,000	105,000
Due to other governments	7,386	-	-	-	-	7,386	7,386
Special deposits & trust accounts	54,885	-	-	-	-	54,885	51,308
Due to other funds	4,838,410	-	-	-	988,779	5,827,189	4,082,319
Unearned revenues	-	-	-	-	497,594	497,594	-
TOTAL LIABILITIES	5,238,123	-	41,875	1,315,326	2,174,357	8,769,681	4,958,705
DEFERRED INFLOWS OF RESOURCES							
Deferred property tax levy	3,666,479	4,401,267	25,727	-	-	8,093,473	6,508,987
Special assessments	-	-	414,905	-	290,460	705,365	788,576
Other deferred revenue	-	-	-	-	-	-	74,380
TOTAL DEFERRED INFLOWS OF RESOURCES	3,666,479	4,401,267	440,632	-	290,460	8,798,838	7,371,943
FUND BALANCES							
Nonspendable							
Prepaid items	3,562	-	-	-	-	3,562	3,513
Restricted							
Tax incremental districts	-	-	1,002,736	-	-	1,002,736	17,439
Drainage fund	-	-	-	-	139,214	139,214	139,188
Park fund	-	-	-	-	59,884	59,884	52,456
Debt service	-	4,216,070	-	-	-	4,216,070	3,003,750
Assigned							
Fourth of July Parade	3,773	-	-	-	-	3,773	4,773
Subsequent year expenditures	525,848	-	-	-	-	525,848	29,785
Unassigned	2,557,057	-	-	(1,059,967)	(857,056)	640,034	2,684,169
TOTAL FUND BALANCES	3,090,240	4,216,070	1,002,736	(1,059,967)	(657,958)	6,591,121	5,935,073
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 11,994,842	$ 8,617,337	$ 1,485,243	$ 255,359	$ 1,806,859	$ 24,159,640	$ 18,265,721

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2021

Fund balance - total governmental funds	$	6,591,121
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		16,842,813
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Net pension asset		860,799
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Deferred outflows related to pensions		1,442,247
Deferred inflows related to pensions		(1,946,256)
Deferred outflows related to other postemployment benefits		275,929
Deferred inflows related to other postemployment benefits		(144,664)
		(372,744)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable		(32,282,398)
Premium on debt		(345,759)
Compensated absences		(233,600)
Other postemployment benefit		(1,540,775)
Deferred gain on refunding		(151,309)
Accrued interest on long-term obligations		(142,982)
		(34,696,823)
Net position	$	(10,774,834)

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

	General Fund	Debt Service Fund	Tax Incremental District #1	Tax Incremental District #6	Nonmajor Governmental Funds	Total Governmental Funds	2020 Total Governmental Funds
REVENUES							
Taxes	$ 3,469,193	$ 3,057,740	$ -	$ -	$ -	$ 6,526,933	$ 6,622,231
Intergovernmental revenues	745,626	-	-	-	55,385	801,011	862,833
Charges for services	473,041	94,880	84,210	4,148	185,149	841,428	661,742
Licenses and permits	232,431	-	-	-	-	232,431	317,655
Fees and fines	109,583	-	-	-	-	109,583	44,274
Investment income	14,528	6,589	12,173	210	49	33,549	111,829
Miscellaneous income	269,929	-	-	-	-	269,929	538,061
Total Revenues	5,314,331	3,159,209	96,383	4,358	240,583	8,814,864	9,158,625
EXPENDITURES							
Current:							
General government	1,245,048	-	-	-	14,742	1,259,790	1,181,007
Public safety	2,691,763	-	-	-	8,948	2,700,711	2,404,999
Public works	510,303	-	-	-	49,079	559,382	540,822
Solid waste collection	691,427	-	-	-	-	691,427	661,164
Leisure activities	11,436	-	-	-	326	11,762	61,591
Conservation and development	79,913	-	54,061	535,279	385,774	1,055,027	1,796,799
Capital outlay	20,603	-	-	111,218	1,356,425	1,488,246	1,225,588
Debt service:							
Principal retirement	-	1,965,754	-	-	-	1,965,754	1,673,652
Interest and other charges	-	642,960	45,070	-	25,968	713,998	683,945
Total Expenditures	5,250,493	2,608,714	99,131	646,497	1,841,262	10,446,097	10,229,567
Excess (deficiency) of revenues over expenditures	63,838	550,495	(2,748)	(642,139)	(1,600,679)	(1,631,233)	(1,070,942)
OTHER FINANCING SOURCES (USES)							
Proceeds from long-term debt	-	415,000	2,425,000	5,239,446	6,388,977	14,468,423	2,153,035
Refunding debt issued	-	885,000	-	-	-	885,000	815,000
Payment to current noteholder	-	(842,042)	-	-	-	(842,042)	(879,579)
Premium on issuance of debt	-	226,630	17,262	-	9,645	253,537	81,855
Capital contributions to utility	-	-	(1,453,007)	(5,510,279)	(5,514,351)	(12,477,637)	-
Transfers from other funds	-	-	-	-	22,763	22,763	1,054,341
Transfers to other funds	-	(22,763)	-	-	-	(22,763)	(1,054,341)
Total Other Financing Sources (Uses)	-	661,825	989,255	(270,833)	907,034	2,287,281	2,170,311
Net change in fund balance	63,838	1,212,320	986,507	(912,972)	(693,645)	656,048	1,099,369
FUND BALANCES - Beginning of Year	3,026,402	3,003,750	16,229	(146,995)	35,687	5,935,073	4,835,704
FUND BALANCES - END OF YEAR	$ 3,090,240	$ 4,216,070	$ 1,002,736	$ (1,059,967)	$ (657,958)	$ 6,591,121	$ 5,935,073

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

Net change in fund balances - total governmental funds	$ 656,048
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital asset additions reported as capital outlay in governmental fund statements	1,488,246
Depreciation expense reported in the statement of activities	(862,271)
	625,975
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Long-term debt issued	(15,678,606)
Premium on debt issued	23,207
Principal repaid	2,807,796
	(12,847,602)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Change in accrued interest on long-term debt	10,094
Change in compensated absences	118,535
Pension expense	300,103
Other postemployment benefits expense	(21,944)
	406,788
Change in net assets of governmental activities	$ (11,158,791)

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2021

Description	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Taxes	$ 3,502,240	$ 3,502,240	$ 3,469,193	$ (33,047)
Intergovernmental revenues	642,118	642,118	745,626	103,508
Charges for services	424,940	424,940	473,041	48,101
Licenses and permits	292,977	292,977	232,431	(60,546)
Fees and fines	55,100	55,100	109,583	54,483
Investment income	10,000	10,000	14,528	4,528
Miscellaneous income	209,700	209,700	269,929	60,229
Total revenues	5,137,075	5,137,075	5,314,331	177,256
Expenditures				
Current:				
General government	1,176,546	1,176,546	1,245,048	(68,502)
Public safety	2,653,757	2,653,757	2,712,366	(58,609)
Public works	528,201	528,201	510,303	17,898
Solid waste collection	725,865	725,865	691,427	34,438
Culture and recreation	21,577	21,577	11,436	10,141
Planning and development	59,914	59,914	79,913	(19,999)
Total expenditures	5,165,860	5,165,860	5,250,493	(84,633)
OTHER FINANCING SOURCES (USES)				
Contingency	28,785	28,785	-	-
Total other financing sources and uses	28,785	28,785	-	-
Net change in fund balance	-	-	63,838	63,838
Fund balance - beginning of year	3,026,402	3,026,402	3,026,402	-
Fund balance - end of year	$ 3,026,402	$ 3,026,402	$ 3,090,240	$ 63,838

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2021

	Business-Type Activities				
	KR Utility District	Utility District #1	Somers Water	Storm Water Utility (Non-major)	Total
ASSETS					
Current assets					
Cash and investments	$ 437,726	$ 5,766,333	$ -	$ 701,149	$ 6,905,208
Accounts receivable	16,800	418,234	260,895	-	695,929
Tax levy receivable from General Fund	7,725	76,423	39,503	287,766	411,417
Other receivables	-	30,586	52,404	-	82,990
Due from other funds	29,143	-	-	-	29,143
Prepaid expenses	98	732	488	-	1,318
Restricted cash	-	138,885	86,686	-	225,571
Total current assets	491,492	6,431,193	439,976	988,915	8,351,576
Noncurrent assets					
Due from other funds - noncurrent	323,860	-	-	-	323,860
Utility plant in service	1,662,168	27,771,971	18,678,135	-	48,112,274
Machinery and equipment	-	2,300,415	505,678	-	2,806,093
Construction in progress	5,396,735	6,779,635	7,300,542	19,798	19,496,710
Intangible assets	-	37,027	23,366	-	60,393
Accumulated depreciation	(853,124)	(8,818,971)	(3,721,781)	-	(13,393,876)
Non-Capital Assets:					
Deferred special assessments	30,984	147,927	69,706	-	248,617
Net pension asset	10,675	56,447	38,443	-	105,565
Total noncurrent assets	6,571,298	28,274,451	22,894,089	19,798	57,759,636
Total Assets	7,062,790	34,705,644	23,334,065	1,008,713	66,111,212
DEFERRED OUTFLOW OF RESOURCES					
Deferred outflows - pension contribution	1,906	13,065	6,954	-	21,925
Deferred outflows - pension	15,880	83,973	57,190	-	157,043
Deferred outflows - post-employment benefits	5,023	40,189	22,251	-	67,463
Total deferred outflows of resources	22,809	137,227	86,395	-	246,431
Total Assets and Deferred Outflows of Resources	7,085,599	34,842,871	23,420,460	1,008,713	66,357,643

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2021

	Business-Type Activities				
	KR Utility District	Utility District #1	Somers Water	Storm Water Utility (Non-major)	Total
LIABILITIES					
Current liabilities					
Accounts payable	$ 33,714	$ 1,198,179	$ 910,320	$ 2,338	$ 2,144,551
Wages payable	591	4,409	2,262	-	7,262
Due to other funds - current	-	-	585,374	-	585,374
Accrued interest	-	68,314	25,338	-	93,652
Other liabilities	-	-	22,020	287,766	309,786
Current portion of long-term debt payable	422	943,612	514,328	-	1,458,362
Total current liabilities	34,727	2,214,514	2,059,642	290,104	4,598,987
Noncurrent liabilities					
Due to other funds - noncurrent	-	-	323,860	-	323,860
Other post-employment benefits	36,737	147,716	110,832	-	295,285
Capital lease obligation	-	25,646	-	-	25,646
General obligation debt payable	2,039	8,005,102	5,610,653	70	13,617,864
Total noncurrent liabilities	38,776	8,178,464	6,045,345	70	14,262,655
Total Liabilities	73,503	10,392,978	8,104,987	290,174	18,861,642
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pension	24,136	127,626	86,919	-	238,681
Deferred inflows - post-employment benefits	2,623	20,988	11,618	-	35,229
Total deferred inflows of resources	26,759	148,614	98,537	-	273,910
Total liabilities and deferred inflows of resources	100,262	10,541,592	8,203,524	290,174	19,135,552
NET POSITION					
Invested in capital assets, net of related debt	756,177	17,120,089	8,854,470	19,798	26,750,534
Restricted for net pension asset	10,675	56,447	38,443	-	105,565
Unrestricted	6,218,485	7,124,743	6,324,023	698,741	20,365,992
Total Net Position	$ 6,985,337	$ 24,301,279	$ 15,216,936	$ 718,539	$ 47,222,091

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2021

	Business-Type Activities				
	KR Utility District	Utility District #1	Somers Water	Storm Water Utility (Non-major)	Total
OPERATING REVENUES					
Charges for services	$ 207,574	$ 2,586,533	$ 1,381,272	$ 281,573	$ 4,456,952
Miscellaneous operating revenue	-	120	4,074	-	4,194
Total operating revenues	207,574	2,586,653	1,385,346	281,573	4,461,146
OPERATING EXPENSES					
Personnel	39,351	290,728	143,768	70	473,917
Materials and supplies	740	20,750	446,040	5,824	473,354
Contractual and other services	146,529	607,185	148,877	41,051	943,642
Miscellaneous operating expenses	-	2,348	5,982		8,330
Depreciation	33,243	644,453	330,092	-	1,007,788
Total operating expense	219,863	1,565,464	1,074,759	46,945	2,907,031
Operating income (loss)	(12,289)	1,021,189	310,587	234,628	1,554,115
NON-OPERATING REVENUES (EXPENSES)					
Tax levy for debt service	-	303,707	-	-	303,707
Investment income	655	791	4,121	-	5,567
Interest and fiscal charges	-	(239,372)	(118,051)	-	(357,423)
Miscellaneous revenue	572	13,457	8,998	-	23,027
Miscellaneous expenses	-	(46,326)	(11,341)	-	(57,667)
Total non-operating revenue (expenses)	1,227	32,257	(116,273)	-	(82,789)
Income (loss) before capital contributions and transfers	(11,062)	1,053,446	194,314	234,628	1,471,326
CAPITAL CONTRIBUTIONS and TRANSFERS					
Connection fees	-	106,120	-	-	106,120
Capital contributions	5,491,748	2,017,093	4,968,796	-	12,477,637
Total contributions and transfers	5,491,748	2,123,213	4,968,796	-	12,583,757
Change in net position	5,480,686	3,176,659	5,163,110	234,628	14,055,083
Net position at beginning of year	1,504,651	21,124,620	10,053,826	483,911	33,167,008
Total net position at end of year	$ 6,985,337	$ 24,301,279	$ 15,216,936	$ 718,539	$ 47,222,091

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2021

	Business-type Activities				
	KR Utility District	Utility District #1	Somers Water	Storm Water District (Non-major)	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Received from customers	$ 203,556	$ 2,729,539	$ 1,279,324	$ 275,379	$ 4,487,798
Paid to suppliers for goods and services	(169,452)	178,693	172,066	(45,797)	135,510
Paid to employees	(28,873)	(195,062)	(102,640)	70	(326,505)
Cash Flows from Operating Activities	5,231	2,713,170	1,348,750	229,652	4,296,803
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Tax levy	-	(3,500)	-	6,194	2,694
Interfund loans payments received (paid)	29,093	-	(110,877)	-	(81,784)
Miscellaneous income/(expense)	572	13,457	8,998	-	23,027
Cash Flows from Noncapital Financing Activities	29,665	9,957	(101,879)	6,194	(56,063)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Debt retired	(1,092)	(2,692,018)	(439,119)	70	(3,132,159)
Interest paid	-	(262,152)	(110,770)	-	(372,922)
Debt issued	-	3,327,554	2,928,578	-	6,256,132
Connection fees received	-	106,120	-	-	106,120
Acquisition and construction of capital assets	(7,472)	(4,428,248)	(3,629,681)	-	(8,065,401)
Cash Flows from Capital and Financing Activities	(8,564)	(3,948,744)	(1,250,992)	70	(5,208,230)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income	655	791	4,121	-	5,567
Cash Flows from Investing Activities	655	791	4,121	-	5,567
Net Change in Cash and Cash Equivalents	26,987	(1,224,826)	-	235,916	(961,923)
Cash, Cash Equivalents and Restricted Cash - Beginning of Year	410,739	7,130,044	86,686	465,233	8,092,702
Cash, Cash Equivalents and Restricted Cash - End of Year	$ 437,726	$ 5,905,218	$ 86,686	$ 701,149	$ 7,130,779

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2021

	Business-type Activities				
	KR Utility District	Utility District #1	Somers Water	Storm Water District (Non-major)	Totals
RECONCILIATION OF OPERATING INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Income (Loss)	$ (12,289)	$ 1,021,189	$ 310,587	$ 234,628	$ 1,554,115
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities:					
Depreciation expense	33,243	644,453	330,092	-	1,007,788
Change in pension related assets, liabilities, and deferred outflows and deferred inflows	(4,086)	(30,366)	(16,194)	-	(50,646)
Miscellaneous Expense	-	(46,326)	(11,341)	-	(57,667)
Change in Other Post Employment Benefits	1,073	10,600	5,514	-	17,187
Changes in assets and liabilities:					
Accounts receivable	(4,018)	142,886	(106,022)	(6,194)	26,652
Prepaid items	(2)	(10)	(7)	-	(19)
Accounts payable	(8,690)	970,744	836,121	1,218	1,799,393
NET CASH FLOWS FROM OPERATING ACTIVITIES	$ 5,231	$ 2,713,170	$ 1,348,750	$ 229,652	$ 4,296,803

VILLAGE OF SOMERS
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUND
December 31, 2021

ASSETS	
Cash and cash equivalents	$ 5,855,172
Taxes receivable	6,299,879
Total Assets	$ 12,155,051
LIABILITIES	
Due to other governments	$ 12,155,051
Total Liabilities	$ 12,155,051

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUND
For the Year Ended December 31, 2021

	Custodial Tax Collection Fund
ADDITIONS	
Taxes Collected on Behalf of Other Taxing Entities	$ 13,442,660
DEDUCTIONS	
Taxes Remitted to Other Taxing Entities	(13,442,660)
CHANGE IN NET POSITION	-
NET POSITION - BEGINNING	-
NET POSITION - ENDING	$ -

See accompanying notes to the financial statements.

INDEX TO NOTES TO FINANCIAL STATEMENTS

INDEX TO NOTES TO FINANCIAL STATEMENTS (continued)

NOTE Page

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Somers, Wisconsin conform to generally accepted accounting principles as applicable to governmental units.

The Town of Somers was formed in 1843. In January, 2015, the Wisconsin Department of Administration approved the Incorporation application for a portion of the Town to become a Village. The Incorporation Referendum was approved by the voters and Wisconsin issued the Incorporation Certificate on April 24, 2015. This marked the beginning of the Village of Somers which coexists with the Town of Somers. On January 1, 2016, the incorporated Village portion began operations. A remnant of the Town of Somers remains. Please see note *V F. - Intergovernmental Agreement Between Town of Somers and Village of Somers* for more detail. The scope of this audit report specifically covers the Village of Somers. For purposes of clarity in the notes, when the report refers to prior years' information, the term "Village" will be used in place of "Town".

The Village Board is composed of seven Trustees which includes a President who is elected as provided by 61.20(1), Wisconsin Statutes. Each of the Board members are elected to a two-year staggered term. The Village provides the following services: public safety, public works, public health and welfare, culture, recreation, planning and development, sewerage treatment and waterworks.

A. REPORTING ENTITY

This report includes all of the funds of the Village. The reporting entity for the Village consists 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 their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate tax exempt organization should be reported as a component unit of a reporting entity if all the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents, (2) the primary government is entitled to or has the ability to otherwise access a majority of the economic resources received or held by the separate organization, and (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to or has the ability to otherwise access are significant to that primary government. This report does not contain any component units.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village currently does have assets that qualify for reporting in this category which are the amounts related to pension benefits and other post-employment benefits and the difference between the amount paid to the fund and the actuarially determined value.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Village has three types of inflows that qualify for reporting in this category: property taxes, other post-employment benefits, and pension liability. These amounts will be recognized as an inflow of resources in the subsequent year for which it was levied.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses are allocated based on management estimates of employees' time spent across the Village's various functions. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

Fund Financial Statements

Financial statements of the reporting entity are organized into funds, each of which, are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows, liabilities, deferred inflows, 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.

Funds are organized as major funds or non-major funds within the governmental, proprietary, and fiduciary statements. An emphasis is placed on major funds within the governmental and proprietary categories.

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and

b. The same element of the individual governmental fund or enterprise fund that met the 10 percent test is at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

c. In addition, any other governmental or proprietary fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

Fund Financial Statements (continued)

The Village reports the following major governmental funds:

Major Governmental Funds

- General Fund – accounts for the Village's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- Debt Service Fund – accounts for resources accumulated and payments made for principal and interest on long-term debt other than enterprise debt. This includes the debt for the Village's Tax Incremental Districts.
- Tax Incremental District #1 – accounts for all activity related to the First Park LLC development.
- Tax Incremental District #6 – accounts for the Village's district on the east border of I-94 and Highway E.

The Village reports the following major enterprise funds:

Major Enterprise Funds

- Utility District #1 – accounts for the sewer operations of the Village.
- Somers Water Utility – accounts for water operations of the Village.
- KR Utility District – accounts for the sewer operations of the Village.

The Village reports the following non-major governmental and enterprise funds:

Non-Major Governmental Funds

- Capital Projects Fund - accounts for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds accounts for resources legally restricted to supporting expenditures for capital projects. Also includes the following:
  - Tax Incremental District #2 – accounts for all activity related to Somers Market area development.
  - Tax Increment Districts #3-5 and #7-11. These are new districts in various areas of Somers that the Village intends to develop.
- Special Revenue Funds – used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. These funds are:
  - Park Improvement
  - Drainage
  - American Rescue Plan Act

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

Fund Financial Statements (continued)

Non-Major Enterprise Funds

- Stormwater Utility Fund – accounts for the stormwater operations of the Village.

The Village reports the following fiduciary funds:

- Custodial Fund – The Village reports the funds that it holds for other governments related to the tax levy and collection in a custodial fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The government-wide Statement of Net Position and Statement of Activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Fund Financial Statements

Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. 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. Receivables are recorded as revenues when services are provided.

The business-type activities follow all pronouncements of the Governmental Accounting Standards Board and have elected not to follow Financial Accounting Standards Board guidance issued after November 30, 1989.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. *MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION* (continued)

Fund Financial Statements (continued)

The revenues susceptible to accrual are ambulance services. All other Governmental Fund type revenues are recognized when received.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and unearned revenue. Amounts received prior to the entitlement period are also recorded as unearned revenue.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in the future years are reflected as receivables and deferred inflows of resources. Delinquent special assessments being held for collection by the Village are reported as receivables and nonspendable fund balance in the General Fund.

Licenses and permits, fines, forfeitures and penalties, public charges for services and commercial revenues (except investment earnings), are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings and mobile home fees are recorded as earned since they are measurable and available.

The Village reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows of resources arise from taxes levied in the current year which are for subsequent years' operations. For governmental fund financial statements, unearned revenues arise when a 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 before the Village 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 Village has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Both the Tax Incremental Financing District No. 1 (TID #1) and Tax Incremental Financing District No. 2 (TID #2) were created in 2015 under the provisions of Wisconsin Statute Section 66.1105. 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 the creation date of the district. That tax on the increased value is called a tax increment. Project costs may not be incurred longer than 5 years prior to the termination date of the district. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or maximum life based on the resolution date and type of District, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the municipality.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (continued)

Fund Financial Statements (continued)

For TID #1, the equalized value of the increment of existing tax incremental districts within Somers, plus the base value of the TID #1, totals $476,300 and it has been declared to be an Industrial District. The plan assumes that development will increase this value to between $75 million and $150 million over the span of the project. The project costs for TID #1 were estimated to be $12,597,000.

For TID #2, the equalized value of the increment of existing tax incremental districts within Somers, plus the base value of the TID #2, totals $3,665,400 and it has been declared to be a mixed-use development. The plan assumes that development will increase this value to approximately $57.5 million over the span of the project. The project costs for TID #2 were estimated to be $9.5 million.

TID #3 is located near I-94 and HWY 142. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 388.42 acres, with a base valuation of $1,763,329. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $71,898,929.

TID #4 is located near CTH E and HWY 31. This is a mixed-use district, with commercial and residential uses proposed. The District encompasses 150.10 acres, with a base valuation of $1,040,101. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $71,175,701.

TID #5 is bisected by CTH L and runs north to south along HWY 31. This is a mixed-use district, with commercial, industrial, and residential uses proposed. The District encompasses 536.47 acres, with a base valuation of $1,274,382. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $71,409,982.

TID #6 is located near CTH E and I-94. This is a mixed-use district, with commercial, industrial, institutional, and residential uses proposed. The District encompasses 663.34 acres, with a base valuation of $2,238,343. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $72,373,943.

TID #7 is located near CTH KR and I-94. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 1,678.55 acres, with a base valuation of $7,976,467. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $78,082,067.

TID #8 is located near CTH E and I-94. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 220.76 acres, with a base valuation of $343,953. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $70,479,553.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. *Measurement Focus, Basis of Accounting, and Financial Statement Presentation* (continued)

Fund Financial Statements (continued)

TID #9 is located near the lake front on the northern part of HWY 32. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 6.23 acres, with a base valuation of $1,983,575. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $72,119,175.

TID #10 is located near 11 Place and HWY 32. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 12.47 acres, with a base valuation of $3,067,895. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the proposed District, totals $73,203,495.

TID #11 is located near CTH S and CTH H. This is a mixed-use district, with commercial and industrial uses proposed. The District encompasses 66.49 acres, with a base valuation of $185,414. The equalized value of the increment of existing tax incremental districts within the Village, plus the base value of the District, totals $70,612,301.

The Proprietary and Fiduciary Fund types are accounted for on an economic resources measurement focus using the accrual basis of accounting. Revenues are recorded when they are earned or able to be calculated, including unbilled water and sewer services which are accrued. Expenses are recorded at the time liabilities are incurred.

The proprietary funds have elected to follow all pronouncements of the Governmental Accounting Standards Board and have elected not to follow Financial Accounting Standards Board guidance issued after November 30, 1989. The 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 Village's proprietary funds 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.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the Village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Wisconsin Statutes restrict the investments of the Village to:

- Time deposits in financial institutions
- Securities issued or guaranteed by the Federal governments
- Municipal obligations of Wisconsin entities
- State of Wisconsin Local Government Pooled Investment Fund
- Repurchase agreements which are secured by securities issued or guaranteed by the Federal government
- Securities maturing in seven years or less and having the highest or second highest rating category of nationally recognized rating agency
- Securities of open-end management investment companies or investment trusts if the portfolio is limited to specified securities

No significant violations of these restrictions occurred during the year.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2021, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note IV A. for further information.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

2. Receivables

Wisconsin cities, villages and towns are charged with the responsibility of assessing taxable property and collecting taxes and making distributions to counties, school districts and other public bodies, including sanitary districts. All assessments are made as of January 1st.

Taxes on real and personal property are levied in December of each year by the Village of Somers in the amounts that when collected in the ensuing year, along with revenues, are sufficient to cover operating expenses, debt service and other expenditures of the Village. The Village's taxpayers have two options for the payment of their real estate taxes. One option is to pay the total amount of taxes due by January 31st. The other option is to utilize an installment plan whereby one-half of real estate taxes plus total special assessments must be paid by January 31st. The second and final payment must be made not later than July 31st. Taxes unpaid by July 31st become delinquent and are turned over to the county for collection. Personal property taxes are due on or before January 31st.

Initially, all taxes are collected by city, village and town treasurers who then make settlements with counties, school districts and other public bodies including sanitary districts. Kenosha County settles with the Village for all real estate taxes due and payable by January 31st. The Village receives a portion of their real estate levy in February, except for the amount of taxes that have been postponed for payment in July. These postponed taxes are paid to Kenosha County no later than July 31st and the Village receives these funds in August.

The Village has the right under the Wisconsin Statutes to place delinquent water and sewer bills on the tax rolls for collection. No allowance for uncollectible accounts is considered necessary at year end.

Property tax calendar - 2021 tax roll:

Lien date and levy date	December 2021
Tax bills mailed	December 2021
Payment in Full, or First installment due	January 31, 2022
Second installment due	July 31, 2022
Personal property taxes in full	January 31, 2022
Tax settlement with Village:	
First settlement	January 15, 2022
Second settlement	February 20, 2022
Final settlement	August 15, 2022

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

2. Receivables (continued)

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as “due to and from other funds.” Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds.” Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

3. Inventories and Prepaid Items

Inventories are generally used for construction and the operation and maintenance work and not for resale. They are valued at lower of cost or market based on average prices and charged to construction, operation and maintenance expense when used.

Prepaid balances are for the payments made by the Village in the current year to provide services occurring in the subsequent fiscal year, and the reserve to prepaid items has been recognized to signify that a portion of the fund balance is not available for other subsequent expenditures.

4. Restricted Assets

The General Fund has restricted assets in the amount of $22,614 on December 31, 2021. These funds are to be used for costs that arise after the land has been developed at Somers Market.

Special Revenue Funds were established to account for impact fees, as required by state statutes, in order to provide funds which may be necessary to pay for capital costs that are required to accommodate land development. At year end, the restricted cash amount in the Drainage Fund was $46,255.

Another Special Revenue Fund was established called the Park Fund that accumulated impact fees. They were established, by contract between the Village and the developer, to provide funds necessary to pay for the engineering, construction and legal fees during land development. At year end, this amount was $59,045 which is reported in the Park Fund.

As a requirement of the Village’s Bonds, total restricted cash for bond reserves of $786,625 was allocated out of the General Fund for debt service. Of this amount, $215,854 is allocated to debt service for Tax Incremental District #1, $351,500 is allocated to debt service for Tax Incremental District #2, $132,586 is allocated to the Utility District #1, and $86,686 is allocated to the Somers Water Fund.

In the Utility District #1, cash of $6,299 is restricted for the DNR replacement fund.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

5. Capital Assets

Government-Wide Financial Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than $5,000 for general capital assets and infrastructure assets, and an estimated useful life based on the asset type. All capital assets are valued at historical cost, or estimated historical cost, if actual amounts are unavailable based on the records of the Village. Donated fixed assets are recorded at their estimated fair value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	50-100	Years
Land Improvements	20	Years
Machinery and Equipment	5-40	Years
Infrastructure	15-50	Years

Fund Financial Statements

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

6. Other Assets

In governmental funds, debt issuance costs are recognized as expenditures in the current period.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

7. Compensated Absences

Under terms of employment, employees are granted sick leave/casual days and vacation days in varying amounts. Seventy-five percent of all unused accumulated sick leave/casual days will be paid to the employee upon termination of employment with the Village, up to a maximum of 90 days and/or 720 hours. No more than 90 days of sick leave/casual days may be accumulated. Vacation days can be carried over into the next year and must be used within the first quarter of the following year. For employees represented under a contract, vacation benefits are subject to the terms of the Collective Bargaining Agreement.

Vacation and casual days are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Accumulated liabilities at December 31, 2021 are determined on the basis of current salary rates and salary-related payments.

8. Long-Term Obligations/Conduit Debt

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable as well as other postemployment benefits and vested vacation and sick days.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources. The payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the balance sheet.

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

8. Long-Term Obligations/Conduit Debt (continued)

The Village does not engage in conduit debt transactions.

9. Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured.

Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. See Note V D. on commitments and contingencies.

10. Equity Classifications

Government-Wide Financial Statements

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

a. Net investment in capital assets – includes the Village's capital assets (net of accumulated depreciation) reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position – includes assets that have third party (statutory, bond covenant, or granting agency) limitations on their use. The Village typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.

c. Unrestricted net position – typically includes unrestricted liquid assets. The Village has the authority to revisit or alter this designation.

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

NOTE I – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY (continued)

10. Equity Classifications (continued)

Fund Financial Statements

Governmental fund equity is classified as fund balance. GASB 54 requires the fund balance amounts to be reported in the following categories:

a. Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form, or because they are legally or contractually required to be maintained intact.
b. Restricted – Amounts that can be spent only for the specific purposed stipulated by constitution, external resource providers, or through enabling legislation.
c. Committed – Amounts that can be used only for the specific purposed determined by a formal action or resolution of the Board of Trustees (the Village's highest level of decision-making authority).
d. Assigned – Amounts that are intended to be used for a particular purpose expressed by the Board or other authorized committee or individual.
e. Unassigned – All amounts not included in other spendable classifications.

The Village's policy is to use fund balances in the following order: restricted, committed, assigned, and unassigned. The Village has adopted a policy requiring the General Fund to have at least 17% of its operating expenditures in reserve. Proprietary fund equity is classified the same as in the government-wide statements.

NOTE II – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities." All liabilities, both current and long-term, are reported in the statement of net position. Following are details of these differences:

Bonds and notes payable December 31, 2020	$ (21,627,684)
New proceeds	(15,678,606)
Amortization of debt discount and issue costs	23,207
Vacation/sick day accrual	118,536
Other postemployment benefits (OPEB)	(45,780)
Principal retirements	2,807,796
Bonds and notes payable December 31, 2021	$ (34,402,531)

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental* funds and *changes in net position of governmental* activities as reported in the government-wide statement of activities.

One element of that reconciliation states that "bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position." Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. This is the amount by which repayments exceeded debt issued.

Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this ($12,847,602) difference are as follows:

New proceeds	$ (15,678,606)
Amortization of bond costs	23,207
Principal repayments – General Obligation debt	2,807,796
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	$ (12,847,602)

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note I.

A budget has been adopted for the general fund, special revenue funds, debt service fund, and capital projects funds and comparisons of actual to budget for the general fund is presented in the general-purpose financial statements. Budgetary comparisons are not required for proprietary funds.

The budgeted amounts presented include any amendments made. Board approvals are required to transfer budgeted amounts within departments, between departments, or changes to the overall budget.

Appropriations lapse at year-end unless specifically carried over.

B. GOVERNMENTAL FUNDS - EXCESS EXPENDITURES OVER APPROPRIATIONS

The Village controls expenditures at the appropriation unit level. The detail of those items can be found in the Village‘s year end budget to actual report. In 2021, the Village had the following appropriations over budget:

Appropriation	Amount Over Budget		Reason
General government	$	68,502	Additional municipal services required
Public safety	$	58,609	Additional firefighter hours required
Planning and development	$	19,999	Additional planning services required

C. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end. The following funds have deficit fund balances as of December 31, 2021:

Fund	Deficit Balance	
Tax Incremental District #2	$	359
Tax Incremental District #3		513,908
Tax Incremental District #4		185,330
Tax Incremental District #5		58,665
Tax Incremental District #6		1,059,967
Tax Incremental District #7		18,350
Tax Incremental District #8		231,948
Tax Incremental District #9		18,308
Tax Incremental District #10		7,235
Tax Incremental District #11		18,300

The tax incremental districts' deficits are anticipated to be funded with future incremental taxes levied over the life of the district.

NOTE III – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

D. LIMITATIONS ON THE VILLAGE'S TAX LEVY RATE AND ITS ABILITY TO ISSUE NEW DEBT

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

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Cash and cash equivalent balances as disclosed on the accompanying financial statements are comprised of the following:

	Unrestricted	Restricted	Total
Petty cash	$ 1,714	$ -	$ 1,714
Demand deposits			
Interest bearing	9,378,124	786,626	10,164,750
Non-interest bearing	500	-	500
Other cash	9,497,125	134,213	9,631,338
Fiduciary			
Tax deposits	-	5,855,172	5,855,172
Total cash and cash equivalents	$ 18,877,463	$ 6,776,011	$ 25,653,474

Per statement of net position - cash and cash equivalents	$ 18,877,463
Per statement of net position - restricted cash	920,839
Per statement of fiduciary net position - cash and cash equivalents	5,855,172
	$ 25,653,474

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

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

A. DEPOSITS AND INVESTMENTS (continued)

Wisconsin Local Government Investment Pool (LGIP)

The Village has investments in LGIP of $9,631,338 at year end. The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2021, the fair value of the Village's share of the LGIP's assets was substantially equal to the carrying value.

Deposits in the local government investment pool (LGIP) are pooled along with the deposits of all of the LGIP participants. The balance in the LGIP represents a pro-rated share of the total investments in the LGIP portfolio, meaning that the LGIP balance is insured to the same extent that the entire LGIP portfolio is insured. As of December 31, 2021, 84.00% was invested in various US Government investments which are backed by the federal government and not insured; and 16.00% was invested in various certificates of deposits and banker's acceptance notes which are guaranteed by the state deposit guarantee fund up to their insurance limitations.

Fluctuating cash flows during the year due to tax collections, receipt of state aids and/or proceeds from borrowing may have resulted in uninsured balances during the year significantly exceeding uninsured amounts at year end.

The Village maintains cash deposits within the LGIP. The deposit and investment balances of the various fund types on December 31, 2021 were as follows:

Local Government Investment Pool		
General Fund	$	9,507,317
Park Fund		59,045
Drainage		46,255
Utility District #1		6,299
Water Fund		12,422
	$	9,631,338

The Village has not formally adopted a deposit and investment policy but follows the requirements of the Wisconsin State statutes.

<u>Deposits – Custodial Credit Risk</u>
Custodial credit risk is the risk that in the event of the failure of the custodian holding the Village's deposits, the deposits may not be returned.

The Village has an agreement with the bank for collateralization of its deposits and investments. The bank has pledged $17,417,355 of various securities as collateralization for the Village's deposits.

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

A. DEPOSITS AND INVESTMENTS (continued)

At December 31, 2021, the reported amount of the Village's deposits, including LGIP, was $25,653,474 and the bank balance, including LGIP, was $21,977,833. Of this balance, $7,690,324 was not covered by federal depository insurance, collateralized securities, or by the Wisconsin insurance program. In addition, the Village maintained petty cash funds in the amount of $1,714. The Village does not have a policy related to credit risk and believes it is not exposed to any major risk of loss in relation to its deposits.

Investments
The Village has no investments.

B. RECEIVABLES

Revenues of the Village are reported net of uncollectible amounts. Total uncollectible amounts related to receivables of the governmental funds increased by $202,354 to arrive at an ending balance for the current period of $808,301.

In the Water Fund, the deferred special assessments are recorded net of the uncollectible amount of $220,362.

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

C. CAPITAL ASSETS

The valuation of the Village's fixed assets of the governmental funds is based on historical costs and an inventory done by the staff. The additions column represents the new assets in 2021. The deletions column represents the assets that were discarded in 2021. Capital asset valuation for the year ended December 31, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital Assets not being depreciated:				
Land	$ 1,032,477	$ 111,218	$ -	$ 1,143,695
Construction in Progress	-	-	-	-
Land Improvements	4,185,036	-	-	4,185,036
Total Capital Assets not being depreciated	5,217,513	111,218	-	5,328,731
Other Capital Assets:				
Land Improvements	667,301	154,966	-	822,267
Buildings	6,037,764	24,862	-	6,062,626
Machinery & Equipment	5,860,622	780,572	(664,383)	5,976,811
Intangible Assets	38,732	-	-	38,732
Infrastructure	12,713,311	416,626	(353,429)	12,776,508
Total Other Capital Assets at Historical Cost	25,317,730	1,377,026	(1,017,812)	25,676,944
Less: Accumulated Depreciation	(14,318,403)	(862,271)	1,017,812	(14,162,862)
Net Total Other Capital Assets	10,999,327	514,755	-	11,514,082
Net Total Government Activities Capital Assets	$ 16,216,840	$ 625,973	$ -	$ 16,842,813

Add: Net book value of fixed assets reported in Proprietary Funds and paid for by Governmental Funds	$ 15,266,455
Less debt related to capital assets	(20,813,100)
Net investment in capital assets for government-wide statements	$ 11,296,168

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

C. CAPITAL ASSETS (continued)

Depreciation expense was charged to functions as follows:

Governmental Activities		
General Government	$	59,032
Public Safety		325,401
Public Works		465,048
Leisure Activities		11,629
Planning & Development		1,161
Total Governmental Activities - D	$	862,271

	Beginning Balance	Additions	Deletions	Ending Balance
Business-Type Activities				
Capital Assets not being depreciated:				
Intangible Asset - Easement	$ 21,660	$ -	$ -	$ 21,660
Construction in Progress	2,163,813	19,013,563	(1,680,664)	19,496,712
Total Capital Assets not being depreciated	2,185,473	19,013,563	(1,680,664)	19,518,372
Other Capital Assets:				
Utility Plant in Service	44,908,336	3,374,628	(170,692)	48,112,272
Machinery & Equipment	2,799,890	6,202	-	2,806,092
Intangible Asset - Software	38,733	-	-	38,733
Total Other Capital Assets at Historical Cost	47,746,959	3,380,830	(170,692)	50,957,097
Less: Accumulated Depreciation	(12,386,087)	(1,007,788)	-	(13,393,875)
Net Total Other Capital Assets	35,360,872	2,373,042	(170,692)	37,563,222
Net Total Business-Type Activities Capital Assets	$ 37,546,345	$ 21,386,605	$ (1,851,356)	$ 57,081,594

Add: Net book value of fixed assets reported in Proprietary Funds and paid for by Governmental Funds	$ (15,266,455)
Less debt related to capital assets	(15,064,535)
Net investment in capital assets for government-wide statements	$ 26,750,604

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

C. CAPITAL ASSETS (continued)

Depreciation expense was charged to functions as follows:

Business - Type Activities		
Utility District #1	$	644,453
Somers Water Utility		330,092
KR Utility District		33,243
Total Business - Type Activities Dep	$	1,007,788

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The interfund balances shown below reflect a long term loan formalized between the funds due to major projects completed in prior years not funded by external debt. The Water Fund owed $584,372 to the KR Utility District with an interest rate of 0.17% over 20 years with a maturity date of 2033. As of December 31, 2021, the balance is $353,003.

	Principal	Interest
For Year Ending December 31,		
2022	$ 29,143	$ 600
2023	29,192	551
2024	29,242	501
2025	29,292	451
2026-2030	147,208	1,506
2031-2033	88,926	303
	$ 353,003	$ 3,912

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (continued)

The following is a schedule of interfund receivables and payables.

	Amount due from (to) other funds		
Fund	Inter-fund Cash	Inter-fund Taxes	Total
General Fund	$ 1,545,010	$ (4,838,411)	$ (3,293,401)
Debt Service	-	4,401,267	4,401,267
TID #1	-	25,727	25,727
TID #2	(320)	-	(320)
TID #3	(518,797)	-	(518,797)
TID #4	(116,179)	-	(116,179)
TID #5	(58,665)	-	(58,665)
TID #7	(18,350)		(18,350)
TID #8	(231,948)	-	(231,948)
TID #9	(18,308)	-	(18,308)
TID #10	(7,912)	-	(7,912)
TID #11	(18,300)	-	(18,300)
Water Utility	(556,231)	39,503	(516,728)
KR Utility Dist.	-	7,725	7,725
Utility Dist. #1	-	76,423	76,423
Storm Water Utility	-	287,766	287,766
	$ -	$ -	$ -

All of these balances will be repaid within the year.

All balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. For the Statement of Net Position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

Amounts owed between governmental and business-type activities are shown as "internal balances" on the Statement of Net Position.

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

D. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (continued)

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The following are transfers for 2021:

Fund	In	Out	Reason
KR Utility District	$5,491,748	$ -	Fund Utility improvements
Utility District #1	2,017,093	-	Fund Utility improvements
Somers Water Fund	4,968,796	-	Fund Utility improvements
TID #1	-	1,453,007	Fund Utility improvements
TID #3	-	3,488,671	Fund Utility improvements
TID #6	-	5,510,279	Fund Utility improvements
TID #8	-	2,025,680	Fund Utility improvements
TID #2	22,763	-	Fund TID development
Debt Service Fund	-	22,763	Fund TID development

E. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable:					
General Obligation Bond	$ 6,014,888	$ 885,000	$ 928,947	$ 5,970,941	$ 1,024,381
General Obligation Corporate Purpose	4,320,000	4,195,000	275,000	8,240,000	465,000
Revenue Bonds	6,265,000	-	200,000	6,065,000	270,000
Promissory Note	507,848	-	507,848	-	-
State Trust Fund Loan	896,001	-	896,001	-	-
Tax Increment Project Revenue Bond	425,000	-	-	425,000	350,000
Add/(Subtract) Deferred Amounts For:					
(Discounts)/Premiums	43,783	325,183	23,207	345,759	-
Total Bonds and Notes Payable	18,472,520	5,405,183	2,831,003	21,046,700	2,109,381
Other Liabilities:					
Post Retirement Benefits	1,494,994	45,780	-	1,540,774	-
Vested Vacation and Sick Days	352,134	-	118,536	233,598	81,451
Developer Reimbursement Obligation	1,308,036	10,273,423	-	11,581,459	-
Total Other Liabilities	3,155,164	10,319,203	118,536	13,355,831	81,451
Total Governmental Activities-					
Long-Term Liabilities	$ 21,627,684	$ 15,724,386	$ 2,949,539	$ 34,402,531	$ 2,190,832

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

E. *LONG TERM OBLIGATIONS* (continued)

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-Type Activities					
Bonds and Notes Payable:					
General Obligation Bond	$ 6,925,112	$ 1,855,000	$ 1,036,053	$ 7,744,059	$ 1,165,619
Capital Leases	50,389	-	24,743	25,646	25,646
Promissory Note	26,234	-	26,234	-	-
State Trust Fund Loan	2,021,222	-	2,021,222	-	-
Revenue Bonds	2,750,000	4,401,134	135,000	7,016,134	260,546
Add/(Subtract) Deferred Amounts For:					
Premium (Discounts)	174,538	125,218	20,991	278,765	-
Total Bonds and Notes Payable	11,947,495	6,381,352	3,264,243	15,064,604	1,451,811
Other Liabilities:					
Post Retirement Benefits	278,098	17,187	-	295,285	-
Vested Vacation and Sick Days	30,405	12,183	5,320	37,268	5,933
Total Other Liabilities	308,503	29,370	5,320	332,553	5,933
Total Business-Type Activities- Long-Term Liabilities	$ 12,255,998	$ 6,410,722	$ 3,269,563	$ 15,397,157	$ 1,457,744

GENERAL OBLIGATION DEBT

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village and Town may not exceed five percent of the equalized value of taxable property within the Village and Town's jurisdiction. The debt limit as of December 31, 2021, was $46,851,000.

The Village's legal margin for creation of additional general obligation debt on December 31, 2021 was $24,870,354 as follows:

Equalized valuation of the Village	$ 937,020,000
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	46,851,000
Net outstanding general obligation debt applicable to debt limitation	21,980,646
Legal margin for new debt	$ 24,870,354

The Village is not obligated in any manner for special assessment debt.

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

E. LONG TERM OBLIGATIONS (continued)

GENERAL OBLIGATION DEBT (continued)

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/21
Governmental Activities - General Obligation Debt					
General Obligation Refunding Bond	2015	2026	2.00 - 3.50%	$ 199,220	$ 129,629
General Obligation Corporate Purpose Bonds	2016	2025	2.00 - 3.00%	5,170,000	4,045,000
General Obligation Refunding Bond	2017	2027	2.02%	4,364,002	1,961,312
General Obligation Refunding Bond	2018	2036	3.15% - 4.5%	1,675,000	1,500,000
General Obligation Refunding Bond	2020	2030	2.00%	1,660,000	1,495,000
General Obligation Refunding Bond	2021	2041	0.30% - 3.00%	5,080,000	5,080,000
Total Governmental Activities - General Obligation Debt					$ 14,210,941

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

E. LONG-TERM OBLIGATIONS (continued)

GENERAL OBLIGATION DEBT (continued)

Business type activities debt service requirements to maturity are as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/21
Business Type Activities - General Obligation Debt					
Capital Lease	2012	2022	3.63%	$ 219,986	$ 25,646
General Obligation Refunding Bond	2015	2027	2.00 - 3.50%	8,975,780	5,840,371
General Obligation Refunding Bond	2017	2027	2.02%	84,098	48,688
General Obligation Refunding Bond	2021	2041	0.30% - 3.00%	1,855,000	1,855,000
Total Business Type Activities - General Obligation Debt					$ 7,769,705
Total General Obligation Debt					$ 21,980,646

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

E. LONG-TERM OBLIGATIONS (continued)

GENERAL OBLIGATION DEBT (continued)

Annual principal and interest maturities of the outstanding general obligation debt of $25,327,080 on December 31, 2021 are detailed below:

	Governmental Activities Debt		Business-Type Activities Debt		Total	
Years	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 1,489,381	$ 402,104	$ 1,191,265	$ 228,106	$ 2,680,646	$ 630,210
2023	1,544,598	313,624	1,190,402	173,481	2,735,000	487,105
2024	1,115,032	278,321	1,199,968	137,638	2,315,000	415,959
2025	1,100,358	251,161	1,219,642	101,343	2,320,000	352,504
2026	1,150,141	223,109	1,214,859	63,468	2,365,000	286,577
2027-2031	4,091,431	757,592	1,163,569	102,346	5,255,000	859,938
2032-2036	3,320,000	269,641	590,000	23,800	3,910,000	293,441
2037-2041	400,000	20,700	-	-	400,000	20,700
	$ 14,210,941	$ 2,516,252	$ 7,769,705	$ 830,182	$ 21,980,646	$ 3,346,434

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued).

E. LONG TERM OBLIGATIONS (continued)

REVENUE BONDS

Revenue bonds outstanding on December 31, 2021 totaled $13,506,134 and was comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/21
Governmental Activities - Revenue Bonds					
Revenue Bond	2017	2037	3.08%	3,165,000	$ 2,675,000
Bonds	2018	2036	3.5% - 5%	3,515,000	3,390,000
Tax Increment Project Revenue Bond	2018	2023	None	875,000	425,000
Total Governmental Activities - Revenue Bonds					$ 6,490,000

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/21
Business Type Activities - Revenue Bonds					
Revenue Bonds	2016	2036	2.00 - 3.00%	2,055,000	$ 1,635,000
Revenue Bonds	2017	2037	2.00 - 4.00%	1,420,150	980,000
Safe Drinking Water Loan	2021	2050	1.595%	2,918,578	2,918,578
Clean Water Fund Loan	2021	2050	1.595%		1,482,556
Total Business Type Activities - Revenue Bonds					$ 7,016,134
Total Revenue Bonds					$ 13,506,134

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued).

E. LONG TERM OBLIGATIONS (continued)

***REVENUE BONDS** (continued)*

Annual principal and interest maturities of the outstanding revenue bonds of $17,293,577 on December 31, 2021 are detailed below:

	Governmental Activities Debt		Business-Type Activities Debt		Total	
Years	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 620,000	$ 236,936	$ 260,546	$ 143,327	$ 880,546	$ 380,263
2023	400,000	226,596	267,469	139,655	667,469	366,251
2024	340,000	214,866	269,423	134,286	609,423	349,152
2025	345,000	202,591	276,407	128,336	621,407	330,927
2026	345,000	190,041	283,423	121,728	628,423	311,769
2027-2031	2,040,000	700,980	1,503,504	501,355	3,543,504	1,202,335
2032-2036	2,190,000	259,592	1,703,955	307,157	3,893,955	566,749
2037-2041	210,000	3,413	863,975	159,676	1,073,975	163,089
2042-2046	-	-	853,933	92,979	853,933	92,979
2047-2015	-	-	733,499	23,629	733,499	23,629
	$ 6,490,000	$ 2,035,015	$ 7,016,134	$ 1,752,128	$ 13,506,134	$ 3,787,143

<u>Current Refundings</u>

On March 30, 2021, the Village issued $885,000 in general obligation bonds with an average interest rate of 0.93% to current refund four prior issues, $842,042 of outstanding STF Loans with an average interest rate of 4.75%. The net proceeds of $845,899 (after payment of $31,763 in insurance and other issuance costs less an underwriting discount of $7,338) were used to prepay the outstanding debt service requirements on the old loans.

The cash flow requirements on the refunded bonds prior to the current refunding was $1,096,536. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $112,247.

<u>Governmental-activity revenue bonds</u>

The Bonds are not general obligations of the Village but are special, limited obligations of the Village payable from revenues that are appropriated by the Village Board of the Village. The Village Board fully expects and anticipates that each year debt service is due on the Bonds, it shall appropriate Available Tax Increment to be derived from property in the TID in an amount sufficient to pay such amount in full. If a shortfall does occur, it will appropriate funds from other available funds of the Village sufficient to fund any such shortfall.

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued).

E. LONG TERM OBLIGATIONS (continued)

Business-type activity revenue bonds
The Village has pledged future utility district and water customers revenues, net of specified operating expenses, to repay the utility district and the water revenue bonds.

Other Debt Information

For debt with variable rates, each debt payment has a specified interest rate.

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes it is in compliance with all significant limitations and restrictions.

The Village entered into an agreement with Bear Development for a tax increment revenue bond in exchange for infrastructure improvements paid for by Bear. Payment of the bond is dependent on the Village having sufficient TID revenues and other factors that are expected to occur.

F. RESTRICTED ASSETS

The Village's Restricted Assets at December 31, 2021 consisted of cash and cash equivalents as follows:

General Fund	$ 22,614
Debt Service	
Tax Incremental District #1	$ 215,854
Tax Incremental District #2	351,500
Total Debt Service	$ 567,354
Special Revenue Funds	
Drainage	$ 46,255
Ravine Park	25,003
Park	34,042
Total Special Revenue Funds	$ 105,300
Utility District #1	
Debt Service	$ 132,586
Utility District Replacement Account	6,299
Total Utility District #1	$ 138,885
Somers Water	
Debt Service	$ 86,686
Total Somers Water	$ 86,686
Total Restricted Cash and Assets	$ 920,839

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued).

G. LEASE DISCLOSURES

Capital Leases – Lessee/Lessor

The Village entered into a lease-purchase agreement on November 30, 2012 for a customized truck for use by Utility District #1 in the amount of $319,986 with a down payment of $100,000 in 2012. The lease amount of $319,986 began accruing interest on that date at 3.63% maturing on October 31, 2022. The vehicle was delivered in April, 2013 and depreciation began in 2013. The lease has been accrued as a long-term liability in the UD#1 Fund at December 31, 2012. The lease payments have been included in the schedule of debt service requirements in Note E. above and are shown separately below with the depreciation schedule of the truck.

	Utility District #1
Asset	
Machinery and Equipment	$ 319,986
Less: Accumulated depreciation	(239,990)
Net Machinery and Equipment	$ 79,996

Future Lease Payments

	Principal	Interest
2022	$ 25,646	$ 699
	$ 25,646	$ 699

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

H. GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES NET POSITION

Governmental activities net position reported on the government-wide Statement of Net Position at December 31, 2021 includes the following:

GOVERNMENTAL ACTIVITIES

Net Investment in Capital Assets	
Land and construction in progress	$ 1,143,693
Other capital assets, net of accumulated depreciation	15,699,120
Business-type capital assets bonded with government-type debt	15,266,455
Less: related long-term debt outstanding (net of unspent proceeds of debt and vacation accrual)	(20,074,707)
Total Investment in Capital Assets	12,034,561
Restricted for net pension asset	860,799
Unrestricted (deficit)	(23,670,194)
Total Governmental Activities Net Position	$ (10,774,834)

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

H. GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES NET POSITION (continued)

BUSINESS-TYPE ACTIVITIES

	KR Utility District	Utility District #1	Somers Water	Storm Water Utility	Total
Net Investment in Capital Assets					
Land and construction in progress	$ 5,396,735	$ 6,779,635	$ 7,300,542	$ 19,798	$ 19,496,710
Other capital assets, net of accumulated depreciation	809,044	21,290,442	15,485,398	-	37,584,884
Less: related long-term debt outstanding (net of unspent proceeds of debt and vacation accrual	-	(8,953,066)	(6,111,539)	-	(15,064,605)
Net book value of fixed assets reported in Proprietary Funds and paid for by Governmental Funds	(5,449,602)	(1,996,922)	(7,819,931)	-	(15,266,455)
Total Investment in Capital Assets	756,177	17,120,089	8,854,470	19,798	26,750,534
Restricted for net pension asset	10,675	56,447	38,443	-	105,565
Unrestricted	6,218,485	7,124,743	6,324,023	698,741	20,365,992
Total Business-Type Activities Net Position	$ 6,985,337	$ 24,301,279	$ 15,216,936	$ 718,539	$ 47,222,091

NOTE IV – DETAILED NOTES ON ALL FUNDS (continued)

H. GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES NET POSITION (continued)

Governmental fund balances reported on the fund financial statements at December 31, 2021 include the following:

Nonspendable	
Major Funds	
General Fund - prepaid expenses	$ 3,562
Total Nonspendable	$ 3,562
Restricted	
Major Funds	
Debt Service - debt service purposes only	$ 4,216,070
Non-Major Funds	
Tax Incremental Districts - TID purposes only	$ 1,002,736
Drainage Fund - drainage purposes only	139,214
Park Fund - park purposes only	59,884
Total Restricted	$ 5,417,904
Assigned	
Major Funds	
Fourth of July Parade	$ 3,773
General Fund - subsequent year expenditures	524,848
General Fund - unspent donation	1,000
Total Assigned	$ 529,621
Unassigned	
Major Funds	
General Fund - undesignated funds	$ 2,557,057
Non-Major Funds	
Tax Incremental Districts - deficit (See Note III C.)	(1,917,023)
Total Unassigned	$ 640,034

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Summary of Significant Accounting Policies

Pensions*.* For purposes of measuring the Net Pension Liability (Asset), Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, and Pension Expense (Revenue), information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

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

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

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

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

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

NOTE V – OTHER INFORMATION (continued)

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

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

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
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)
2020	1.7	21.0

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

During the reporting period, the WRS recognized $182,465 in contributions from the employer.

Contribution rates as of December 31, 2020 are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.65%
Protective without Social Security	6.75%	16.25%

NOTE V – OTHER INFORMATION (continued)

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

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

At December 31, 2021, the Village reported a net pension asset of $966,364 for its proportionate share of the Net Pension Asset. The Net Pension Asset was measured as of December 31, 2020, and the Total Pension Liability used to calculate the Net Pension Liability (Asset) was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the Net Pension Asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the Village's proportion was 0.01547884%, which was an increase of 0.00056012% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021 the Village recognized pension revenue of ($158,243).

At December 31, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,398,624	$ 301,261
Net differences between projected and actual earnings on pension plan investments	-	1,814,270
Changes in assumptions	21,918	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	17,066	69,406
Employer contributions subsequent to the measurement date	183,608	-
Total	$ 1,621,216	$ 2,184,937

$183,608 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

NOTE V – OTHER INFORMATION (continued)

A. *EMPLOYEES' RETIREMENT SYSTEM* (continued)

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

Year ended December 31	Deferred Outflow of Resources	Deferred Inflows of Resources
2021	$ 903,365	$ (1,127,389)
2022	765,300	(824,952)
2023	336,879	(662,475)
2024	140,126	(278,182)
2025	-	-
Total	$ 2,145,670	$ (2,892,998)

Actuarial assumptions*.* The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset)	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases: Inflation Seniority/Merit	 3.0% 0.1% - 5.6%
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, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

NOTE V – OTHER INFORMATION (continued)

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

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

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

Asset Allocation Targets and Expected Returns
As of December 31, 2019

Core Fund Asset Class	Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.1
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	115	6.6	4.1
Variable Fund Asset Class			
U.S. Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%
Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

NOTE V – OTHER INFORMATION (continued)

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

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

Single Discount rate. A single discount rate of 7.00% was used to measure the Total Pension Liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Village's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Village'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 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate 6.00%	Current Discount Rate 7.00%	1% Increase to Discount Rate 8.00%
Entity's proportionate share of the net pension liability (asset)	$ 919,845	$ (966,364)	$ (2,351,773)

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

NOTE V – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

RETIREE HEALTH INSURANCE

Plan Descriptions and Benefit Information

The Village of Somers Retiree Health Insurance Plan is a single-employer plan. The plan is administered by the Village and does not issue a standalone financial report. Certain retirees and certain non-represented employees of the Village, identified by name in the employee manual, are eligible for the benefit, along with the Village's new and existing firefighters. The Village pays a portion of these individuals' health insurance premiums for continued coverage under the then-existing Village group health insurance plan following retirement and until eligibility for Medicare insurance. Alternatively, retirees who have become eligible for Medicare supplemental insurance, may be entitled to payments of a portion of their Medicare supplemental health insurance premiums based upon a pre-determined and approved schedule available in the employee manual. The partial premium payments are for the retiree only and do not include family or spousal coverage. As related to OPEB, retirees are retired firefighters or non-represented employees or who were eligible for health insurance coverage from the Village for a period of not less than five (5) years prior to retirement and who have retired from such employment with the Village in good standing. Apart from the firefighters, no benefit is available for any retiree who was not a full-time, non-represented employee of the Village on or before January 1, 2011.

Funding Policy

The Village contribution is based on actual pay-as-you-go expenditures. Premium payments are made as a reimbursement of eligible costs directly to the retiree according to the details set forth in the employee manual. This manual, and the post-employment benefits offered have been established and can be amended by the Somers Village Board. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4. The trust does not meet the criterion that the Village's contributions be irrevocable.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The Village generated an OPEB financial report with a valuation date of December 31, 2020 through the GASB help website, a service of the actuarial firm, Milliman, Inc. This calculation was rolled forward to December 31, 2021. This method is called the Alternative Measurement Method, which is done in place of a full actuarial valuation.

NOTE V – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

RETIREE HEALTH INSURANCE *(*continued)

Assumptions and methods used in this valuation are summarized as follows:

Age Adjustment Factor:	1.253
Average Retirement Age:	50 for Fire Dept; 65 for others
Employer Future Premium Contribution:	Remain a level % of the total cost over time
Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level Percentage of Payroll
Assets Backing OPEB Liability:	$0
Plan Asset Return:	0.000%
Bond Yield:	3.460%
Discount Rate:	3.460%
Measurement Date:	12/31/2020
Prior Measurement Date:	12/31/2019
Prior Year Discount Rate:	3.850%
Projected Salary Increases:	2.00%
Amortization Period:	20
Percentage Participation:	100.00%
NOL and ADC:	Calculated using the Alternative Measurement Method in accordance with GASB methodology.
Mortality Table:	Pub-2010 Public Retirement Plans Mortality Tables, with mortality Improvement projected for 10 years.
Turnover Assumption:	Derived from data maintained by the U.S. Office of Personnel Management regarding the most recent experience of the employee group covered by the Federal Employees Retirement System

The Village adopted the current employee manual providing these other post-employment benefits with an effective date of January 1, 2011. The Village has not established a separate, irrevocable trust to fund the annual OPEB cost. The Village used a 20-year tax-exempt municipal bond yield rate since the plan's net position is not projected to cover benefit payments. The Village administers the plan and has not allocated administrative expenses specifically to the plan.

NOTE V – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

RETIREE HEALTH INSURANCE *(*continued)

The Village reported an OPEB liability of $1,260,448 for the year ended December 31, 2021. Below is a calculation of the liability using a discount rate that is 1% greater and 1% less than the baseline rate shown on the previous table:

	1% Decrease	Healthcare Cost Baseline Trend Rate	1% Increase
Net OPEB liability	$ 1,101,311	$ 1,260,448	$ 1,444,504

Changes to the OPEB liability from the prior year to the current year are explained below:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at December 31, 2020	$ 1,300,638	$ -	$ 1,300,638
Changes for the year:			
Service cost	29,939	-	29,939
Interest	43,567	-	43,567
Contributions and benefit payments	(4,323)	-	(4,323)
Economic/demographic gains or losses	69,592	-	69,592
Changes in assumptions or inputs	(178,965)	-	(178,965)
Net changes	(40,190)	-	(40,190)
Balance at December 31, 2021	$ 1,260,448	$ -	$ 1,260,448

The Village recognized an OPEB expense of ($31,544) for the year ended December 31, 2021. No payables were outstanding as of the end of the year.

Information about the number of active/inactive employees and retirees was as follows:

Village of Somers Retiree Health Insurance Plan	
Inactive employees or beneficiaries currently receiving benefit payments	6
Active employees	10
	16

NOTE V – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

RETIREE HEALTH INSURANCE *(continued)*

The healthcare baseline trend rate used in the calculation is as follows:

	Medical	Pharmacy	Dental	Vision
Year 1	4.90%	5.90%	3.50%	3.00%
Year 2	4.80%	4.80%	3.50%	3.00%
Year 3	4.70%	4.70%	3.00%	3.00%
Year 4	4.70%	4.70%	3.00%	3.00%
Year 5	4.60%	4.60%	3.00%	3.00%
Year 6	4.50%	4.50%	3.00%	3.00%
Year 7	4.40%	4.40%	3.00%	3.00%
Year 8	4.30%	4.30%	3.00%	3.00%
Year 9	4.30%	4.30%	3.00%	3.00%
Year 10	4.30%	4.30%	3.00%	3.00%

Below is a calculation of the OPEB liability using a 1% decrease and a 1% increase to the base healthcare trend rates:

	1% Decrease	Healthcare Cost Baseline Trend Rate	1% Increase
Net OPEB liability	$ 1,101,311	$ 1,260,448	$ 1,444,504

LOCAL RETIREE LIFE INSURANCE FUND (LRLIF)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Other Post-Employment Benefits (OPEB). The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the Net OPEB Liability, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Other Post-Employment Benefits, OPEB Expense (Revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

NOTE V – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) *(continued)*
OPEB Plan Fiduciary Net Position. ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at http://etf.wi.gov/publications/cafr.htm
Benefits provided*.* The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired 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.

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, 2021 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, 2020 are as listed below:

Life Insurance Employee Contribution Rates* For the year ended December 31, 2019		
Attained Age	**Basic**	**Supplemental**
Under 30	$0.05	$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57
*Disabled members under age 70 receive a waiver-of-premium benefit.		

During the reporting period, the LRLIF recognized $2,086 in contributions from the employer.

NOTE V – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) *(continued)*

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

At December 31, 2021, the Village reported a liability of $575,612 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2020 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net OPEB liability (asset) was based on the Village's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2020, the Village's proportion was 0.10464300%, which was a decrease of 0.00630900% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Village recognized OPEB expense of $61,996 for the Fund. No payables were outstanding as of the end of the year.

At December 31, 2021, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 27,466
Net differences between projected and actual earnings on OPEB plan investments	8,380	-
Changes in assumptions	223,921	39,495
Changes in proportion and differences between employer contributions and proportionate share of contributions	105,068	112,932
Contributions subsequent to the measurement date	6,021	-
Total	$ 343,390	$ 179,893

$6,021 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

NOTE V – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) (continued)

Year ended December 31		Expense
2021	$	29,630
2022		28,724
2023		27,790
2024		26,446
2025		32,514
2026		11,886
Thereafter		486
Total	$	157,476

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, 2020
Measurement Date of Net OPEB Liability (Asset)	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.12%
Long-Term Expected Rated of Return:	4.25%
Discount Rate:	2.25%
Salary Increases Inflation: Seniority/Merit:	 3.00% 0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total OPEB Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation.

NOTE V – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

LOCAL RETIREE LIFE INSURANCE FUND (LRLIF) *(continued)*

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

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2019

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Credit Bonds	Barclays Credit	50%	1.47%
US Mortgages	Barclays MBS	50%	0.82%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.20% respectively. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

NOTE V – OTHER INFORMATION (continued)

B. OTHER POSTEMPLOYMENT BENEFITS (OPEB) (continued)

Single Discount rate. A single discount rate of 2.25% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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

Sensitivity of the Village's proportionate share of the net OPEB liability (asset) to changes in the discount rate. The following presents the Village's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 2.25 percent, as well as what the Village's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease to Discount Rate (1.87%)	Current Discount Rate (2.87%)	1% Increase to Discount Rate (3.87%)
Entity's proportionate share of the net OPEB liability (asset)	$ 782,997	$ 575,612	$ 418,773

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://etf.wi.gov/publications/cafr.htm

NOTE V – OTHER INFORMATION (continued)

C. RISK MANAGEMENT

The Village of Somers is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. It is the policy of the Village of Somers to purchase commercial insurance for the risks of losses to which it is exposed.

D. COMMITMENTS AND CONTINGENCIES

From time to time, the Village 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 Village's Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

Funding for the operating budget of the Village comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the Village. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the Village.

E. UNCERTAINTIES

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The Village is closely monitoring its assets and its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of COVID-19 on the Village's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Village's customers, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact The Village's financial position and changes in net position, fund balance and cash flows is uncertain and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

NOTE V – OTHER INFORMATION (continued)

F. INTERGOVERNMENTAL AGREEMENT BETWEEN TOWN OF SOMERS AND VILLAGE OF SOMERS

On April 24th, 2015, the Secretary of State for the State of Wisconsin issued an incorporation certificate, recognizing the Village of Somers (Village) as an independent Wisconsin municipality consisting of lands that were formerly located in the Town of Somers (Town).

The Town provided municipal services to the property owners and residents of the Town prior to the incorporation of the Village and in order to continue the adequate provision of services on a cost effective basis, the Town and Village entered into an agreement whereby the Village will provide the majority or all municipal services for the benefit of the Town and Village, and the Town and Village will share the costs of these services in accordance with the proportions and other terms listed below.

The Town and Village of Somers did annex a portion of the "Remnant Town" into the Village, leaving the remaining “B” area to be annexed by the City of Kenosha as a result of a boundary agreement between the Town of Somers and the City of Kenosha.

Wisconsin statute §66.0235 requires the Town and Village to apportion assets and liabilities as a result of the recent incorporation of the Village and further apportionment will be required in accordance with the boundary adjustments detailed in the Agreement.

Terms of the Agreement:
Term shall be 10 years from the effective date with mutual 10-year renewal until such time that the "B" Area is annexed to the City. The "Effective Date" shall be Midnight of December 31, 2015.

Apportionments of Assets and Liabilities:
Before apportioning any other asset or liability, all monetary assets and liabilities presently owned or owed by the Town shall be apportioned in accordance with the formula contained at §66.0235(2)(b) based upon the average assessed valuation for the preceding five (5) years of the post-boundary-line change Town and Village areas, respectively. Because all assets permitted by law will be transferred by the Town to the Village, the goal is to ensure that assets and liabilities that must be divided by law are divided in the appropriate proportion before deciding the apportionment of any other tangible asset.

The majority of debt of the Town and Village is General Obligation (GO) Debt issued either through competitive bids, through the State Trust Fund, or by other means and backed by the full faith and credit of the Town prior to incorporation. It is required that this debt be apportioned between the Village and Town regardless of the purpose for which it was issued unless otherwise permitted by law.

Following apportionment, and as determined by the apportionment board, the Town may lease any real estate, buildings, road maintenance equipment, park equipment, vehicles, fire and rescue equipment, garbage and recycling equipment, and other similar non-monetary assets that it retains after apportionment, to the Village in exchange for payment of $1.00 in annual consideration (the Village's compliance with the other terms and conditions contained in this Agreement will serve as additional consideration for said lease the receipt of which is acknowledged by Town).

NOTE V – OTHER INFORMATION (continued)

F. INTERGOVERNMENTAL AGREEMENT BETWEEN TOWN OF SOMERS AND VILLAGE OF SOMERS (continued)

Provision of Municipal Services:
All *public works and related services* that were previously provided by the Town for the benefit of the Town shall hereafter be provided by the Village for the benefit of the Town and Village.

The Village shall provide *fire and rescue services* to its own property owners and residents and to the Town's property owners and residents.

Parties to this agreement agree to jointly operate the *Somers Municipal Court* and share in its cost and revenue.

The Town is presently a party to a contract with a private contracted service providing *refuse and recycling services* to property owners and residents. This contract continued in force and effect for the duration of their term. The contract with the private vendor was be transferred to the Village on the effective date of this intergovernmental agreement.

The Village shall be responsible for the maintenance of all *parks* located in the Town and Village.

Town and Village shall share all employees and administrative staff. The employees will be employees of the Village and the Town shall contribute to the cost. The record keeping will be performed by the Village staff. All employees of the Town shall be terminated by the Town and rehired by the Village on terms identical to the terms of their current employment with the Town. Any Collective Bargaining Agreement shall be assigned from the Town to the Village as of the Effective Date.

The Town and Village shall appoint a common *Clerk and Treasurer* and share the cost.

Payment of Expenses Related to Shared Services:
Unless otherwise agreed by the Parties, the Town and Village shall be jointly responsible for the cost of all shared services in the nature of public works, public safety, refuse and recycling, parks, administrative staff, and costs resulting from the provision of similar services, as referenced above.

The Town and Village shall each pay the proportion of total expenses equal to their respective share of the total assessed value of all real and personal property located in the Town and Village in the prior year. This value shall be based upon legally taxable value as determined by the Village assessor.

Apportionment of Levy:
The apportionment of the levy shall be based upon the property originally approved by the State Department of Administration to become a Village, plus any subsequent properties annexed to the Village by ordinance adopted by the Village Board. In this case, to the degree practicable, the mill rate of the Village shall equal the mill rate of the Town. For the 2017 budget and subsequent budgets, the apportionment ratio shall be as determined by the Kenosha County Division of Land Information using the best information available as determined by the Division of Land Information. For 2021, the levy was assessed in compliance with these terms.

NOTE V – OTHER INFORMATION (continued)

F. INTERGOVERNMENTAL AGREEMENT BETWEEN TOWN OF SOMERS AND VILLAGE OF SOMERS (continued)

Assignment of Revenue:
The Town does hereby agree to assign revenues to the Village to the degree allowed by State or Federal agencies.

Contracts:
All contracts held by the Town in 2015 through 2017 were transferred to the Village.

Capital Expenditures:
The cost of any new capital equipment or other asset necessary or useful for the provision of the municipal services contemplated herein shall be apportioned between the Town and Village in a proportion equal to their respective shares of the total assessed value of all real and personal property located in the Town and Village in the prior year.

Capital Financing & Debt:
In accordance with 66.0301, all existing debt of the Town that was not already transferred to the Village on May 26, 2015 (the "Existing Debt") was transferred to the Village. It is the intention of the Village and the Town that each municipality share the cost of the Existing Debt in proportion to the assessed value (TID out) of each municipality. In order to evidence the intention to share the cost of the Existing Debt, the Town shall issue a general obligation promissory note (the "Note") to the Village for its proportionate share of the Existing Debt based upon its share of assessed value.

The Village will issue all future debt (the "New Debt") to fund municipal projects pursuant to this IGA, to include GO debt, leases, revenue bonds, conduit debt, or any other debt needed to fund the joint budget, the Utility, or any TIF district in the Village including refunding bonds. Therefore, in order to be able to adjust the principal amount of the Note to reflect either or both (1) any change in the proportionate share of assessed value and/or (2) additional obligations of the Town in connection with additional debt issued by the Village on behalf of the Town, the Note shall be issued for a two-year term. The payments due in the first year of the Note will reflect the Town's share of debt service on the Existing Debt and the New Debt in that same year and the payments due in the second year will be the remaining principal plus interest.

GO debt service for general fund debt, or other debt intended to be funded by tax levy through operation of this agreement shall be apportioned between the Town and Village based upon assessed value in accord with apportionment and assessment standards.

Resolution No. 2015-19 was signed on December 22, 2015 as a result of the incorporation of the Village and the existence of the Town. This resolution authorizes the issuance of a $241,410.01 General Obligation promissory note to the Village of Somers to pay the Town's share of the cost of obligations incurred by the Town or on behalf of the Town.

Tax provisions of the note: For the purpose of paying the principal and interest of the note, the full faith, credit, and resources of the Town are irrevocably pledged, and it is levied upon all of the taxable property of the Town as a direct annual irrepealable tax in the years 2020 and 2021 for the payments due in the years 2020 and 2021 in the amounts in the following schedule.

NOTE V – OTHER INFORMATION (continued)

F. INTERGOVERNMENTAL AGREEMENT BETWEEN TOWN OF SOMERS AND VILLAGE OF SOMERS (continued)

Payment Date	Principal	Interest	Total-Year
3/1/2020	$ -	$ 17,323	$ 17,323
9/1/2020	104,059	-	104,059
3/1/2021	-	12,408	12,408
9/1/2021	85,174	-	85,174

The Town's revenues are recorded within the Village's accounts so therefore this note is considered paid to the Village and not an outstanding receivable.

G. INCORPORATION AND CLASSIFICATION OF TOWN RELATED REVENUE AND EXPENDITURES INTO THIS REPORT

According to the IGA, the Village provides all services required by the Town and the Town reimburses these services based on their assessed valuation. The budget and the levy reflect those of both municipalities. Therefore, for accounting and management purposes, the Village records all of the revenues and expenditures of the Town in the Village's general ledger. For purposes of this audit report, Town revenues from the State or external sources are reported in the same classification in the Village books as the Village revenue. The expenditures of the Town are also reported in this audit report in the same functional categories as the Village expenditures.

H. SUBSEQUENT EVENTS

Management evaluated subsequent events through November 9, 2022, the date the financial statements were available to be issued. In March 2022, the village authorized sale of $1.067 million General Obligation Promissory Notes to finance construction projects. Management is not aware of any other events that would require disclosure in the financial statement footnotes.

I. UPCOMING ACCOUNTING PRONOUNCEMENTS

In June 2017, the GASB issued Statement No. 87, *Leases*. The Statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. This statement is effective for reporting periods beginning after June 15, 2021. The Village is currently evaluating the impact this standard will have on the financial statements when adopted.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF SOMERS

KENOSHA COUNTY, WISCONSIN

Schedule of Changes in Health Insurance OPEB Liability

Last 10 Fiscal Years

	2018	2019	2020	2021
Total OPEB Liability				
Balance as of Prior Measurement Date	$1,349,694	$1,147,677	$1,159,112	$1,300,638
Service Cost	46,073	32,110	29,939	29,939
Interest on Total OPEB Liability	34,792	50,745	43,567	43,567
Effect of Plan Changes	-	-	-	-
Effect of Economic/Demographic Gains of Losses	(63,230)	(63,231)	69,592	69,592
Effect of Assumptions Changes or Inputs	(211,463)	-	3,820	(178,965)
Benefit Payments	-	-	-	-
Employer Contributions	(8,189)	(8,189)	(5,392)	(4,323)
Employee Contributions	-	-	-	-
Net Investment Income	-	-	-	-
Administrative Expenses	-	-	-	-
Balance as of Current Measurement Date	$1,147,677	$1,159,112	$1,300,638	$1,260,448

Schedule of Proportionate Share of the Net OPEB Liability (Asset)
Retiree Health Insurance Plan - Last 10 Fiscal Years*

Plan Year Ending	Net OPEB Liability	Fiduciary Net Position	Covered Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/2017	$ 1,349,694	$ -	$ 796,915	0.00%	0.00%
12/31/2018	1,147,677	-	802,342	0.00%	0.00%
12/31/2019	1,159,112	-	1,011,066	0.00%	0.00%
12/31/2020	1,300,638	-	939,915	0.00%	0.00%
12/31/2021	1,260,448	-	910,388	0.00%	0.00%

*This schedule is required to show data for the last ten fiscal years. More years will be added as data becomes available.

See Notes to Required Supplementary Information.

VILLAGE OF SOMERS

KENOSHA COUNTY, WISCONSIN

Schedule of Proportionate Share of the Net OPEB Liability (Asset)
Local Government Life Insurance Fund - Last 10 Fiscal Years*

Plan Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered Employee Payroll	Share of the Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/2017	0.09932600%	$ 298,830	$ 4,176,942	7.15%	44.81%
12/31/2018	0.10632000%	274,341	1,711,000	16.03%	48.69%
12/31/2019	0.11095200%	472,455	1,810,000	26.10%	37.58%
12/31/2020	0.10464300%	575,612	1,889,000	30.47%	31.36%

*This schedule is required to show data for the last ten fiscal years. More years will be added as data becomes available.

See Notes to Required Supplementary Information.

VILLAGE OF SOMERS

KENOSHA COUNTY, WISCONSIN

Schedule of Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System - Last 10 Fiscal Years

Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Employee Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/15	0.01304000%	$ 320,298	$ 1,376,535	-23.27%	102.74%
12/31/16	0.01232447%	58,610	1,430,073	14.00%	98.2%
12/31/17	0.01962601%	(582,718)	1,709,958	-14.93%	102.93%
12/31/18	0.02081402%	740,497	1,822,913	40.62%	96.45%
12/31/19	0.01491872%	(481,047)	1,902,152	-25.29%	102.96%
12/31/20	0.01547884%	(966,364)	2,010,496	-48.07%	210.52%

Schedule of Employer Contributions
Wisconsin Retirement System - Last 10 Fiscal Years

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
12/31/15	$ 115,376	$ 115,376	$ -	$ 1,376,535	8.32%
12/31/16	115,160	115,160	-	1,430,073	8.05%
12/31/17	148,649	148,649	-	1,709,958	8.69%
12/31/18	154,402	154,402	-	1,822,913	8.47%
12/31/19	159,140	159,140	-	1,924,363	8.27%
12/31/20	185,017	185,017	-	1,902,152	9.73%
12/31/21	183,608	183,608	-	2,010,496	9.13%

*These schedules are required to show data for the last ten fiscal years. More years will be added as data becomes available.

See Notes to Required Supplementary Information.

Notes to Required Supplementary Information
December 31, 2021

NOTE A – GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NOS. 68 AND 71

The Village implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* for the fiscal year ended December 31, 2015. Information for prior years is not available. The amounts presented for each fiscal year were determined as of the calendar year end that occurred with in the fiscal year.

NOTE B – GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 75

The Village implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the fiscal year ended December 31, 2018. Information for prior years is not available. The Village currently has no assets accumulated in a trust for the single employer plan.

NOTE C – WISCONSIN RETIREMENT SYSTEM

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

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The Village is required to present the last ten fiscal years of data; however, accounting standards allow the presentation of as many years as are available until the ten fiscal years are presented.

VILLAGE OF SOMERS

KENOSHA COUNTY, WISCONSIN

SUPPLEMENTARY INFORMATION

VILLAGE OF SOMERS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2021

	Special Revenue Funds				Capital Projects Funds			
	Drainage Fund	Park Fund	ARPA Fund	Total Special Revenue Funds	Tax Incremental District #2	Tax Incremental District #3	Tax Incremental District #4	Tax Incremental District #5
ASSETS								
Cash and investments	$ 92,959	$ 25,839	$ 497,594	$ 616,392	$ -	$ -	$ -	$ -
Miscellaneous receivable	-	-	-	-	-	42,212	-	383
Restricted cash	46,255	59,045	-	105,300	-	-	-	-
Deferred special assessments	-	-	-	-	290,460	-	-	-
TOTAL ASSETS	$ 139,214	$ 84,884	$ 497,594	$ 721,692	$ 290,460	$ 42,212	$ -	$ 383
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ -	$ -	$ -	$ -	$ 39	$ 37,323	$ 69,151	$ 383
Due to other funds	-	-	-	-	320	518,797	116,179	58,665
Developer deposits	-	25,000	-	25,000	-	-	-	-
Unearned revenues	-	-	497,594	497,594	-	-	-	-
TOTAL LIABILITIES	-	25,000	497,594	522,594	359	556,120	185,330	59,048
DEFERRED INFLOWS OF RESOURCES								
Deferred special assessments	-	-	-	-	290,460	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	290,460	-	-	-
FUND BALANCES								
Restricted								
Drainage fund	139,214	-	-	139,214	-	-	-	-
Park fund	-	59,884	-	59,884	-	-	-	-
Unassigned	-	-	-	-	(359)	(513,908)	(185,330)	(58,665)
Total fund balances (deficit)	139,214	59,884	-	199,098	(359)	(513,908)	(185,330)	(58,665)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 139,214	$ 84,884	$ 497,594	$ 721,692	$ 290,460	$ 42,212	$ -	$ 383

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (continued)
December 31, 2021

	Capital Projects Funds							
	Tax Incremental District #7	Tax Incremental District #8	Tax Incremental District #9	Tax Incremental District #10	Tax Incremental District #11	Capital Projects Fund	Total Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS								
Cash and investments	$ -	$ -	$ -	$ 720	$ -	$ 751,392	$ 752,112	$ 1,368,504
Miscellaneous receivable	-	-	-	-	-	-	42,595	42,595
Restricted cash	-	-	-	-	-	-	-	105,300
Deferred special assessments	-	-	-	-	-	-	290,460	290,460
TOTAL ASSETS	$ -	$ -	$ -	$ 720	$ -	$ 751,392	$ 1,085,167	$ 1,806,859
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ -	$ -	$ -	$ 43	$ -	$ 556,045	$ 662,984	$ 662,984
Due to other funds	18,350	231,948	18,308	7,912	18,300	-	988,779	988,779
Developer deposits	-	-	-	-	-	-	-	25,000
Unearned revenues	-	-	-	-	-	-	-	497,594
TOTAL LIABILITIES	18,350	231,948	18,308	7,955	18,300	556,045	1,651,763	2,174,357
DEFERRED INFLOWS OF RESOURCES								
Deferred special assessments	-	-	-	-	-	-	290,460	290,460
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	290,460	290,460
FUND BALANCES								
Restricted								
Drainage fund	-	-	-	-	-	-	-	139,214
Park fund	-	-	-	-	-	-	-	59,884
Unassigned	(18,350)	(231,948)	(18,308)	(7,235)	(18,300)	195,347	(857,056)	(857,056)
Total fund balances (deficit)	(18,350)	(231,948)	(18,308)	(7,235)	(18,300)	195,347	(857,056)	(657,958)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ -	$ -	$ -	$ 720	$ -	$ 751,392	$ 1,085,167	$ 1,806,859

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

	Special Revenue Funds			Capital Projects Funds			
	Drainage Fund	Park Fund	Total Special Revenue Funds	Tax Incremental District #2	Tax Incremental District #3	Tax Incremental District #4	Tax Incremental District #5
REVENUES							
Intergovernmental	$ -	$ 7,731	$ 7,731	$ -	$ -	$ -	$ -
Charges for services	-	-	-	-	137,533	6,376	41,240
Investment income	26	23	49	-	-	-	-
Total Revenues	26	7,754	7,780	-	137,533	6,376	41,240
EXPENDITURES							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Leisure activities	-	326	326	-	-	-	-
Conservation and development	-	-	-	23,371	178,674	86,175	81,591
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Interest and other charges	-	-	-	961	-	-	-
Total Expenditures	-	326	326	24,332	178,674	86,175	81,591
Excess (deficiency) of revenues over expenditures	26	7,428	7,454	(24,332)	(41,141)	(79,799)	(40,351)
OTHER FINANCING SOURCES (USES)							
Proceeds from general obligation debt	-	-	-	-	3,184,761	-	-
Premium on bonds	-	-	-	-	-	-	-
Capital contributions to utility	-	-	-	-	(3,488,671)	-	-
Transfers in	-	-	-	22,763	-	-	-
Total other financing sources and uses	-	-	-	22,763	(303,910)	-	-
Net change in fund balance	26	7,428	7,454	(1,569)	(345,051)	(79,799)	(40,351)
FUND BALANCES - BEGINNING OF YEAR (DEFICIT)	139,188	52,456	191,644	1,210	(168,857)	(105,531)	(18,314)
FUND BALANCES - END OF YEAR (DEFICIT)	$ 139,214	$ 59,884	$ 199,098	$ (359)	$ (513,908)	$ (185,330)	$ (58,665)

VILLAGE OF SOMERS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended December 31, 2021

	Capital Projects Funds							
	Tax Incremental District #7	Tax Incremental District #8	Tax Incremental District #9	Tax Incremental District #10	Tax Incremental District #11	Capital Projects Fund	Total Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES								
Intergovernmental	$ -	$ -	$ -	$ -	$ -	$ 47,654	$ 47,654	$ 55,385
Charges for services	-	-	-	-	-	-	185,149	185,149
Investment income	-	-	-	-	-	-	-	49
Total Revenues	-	-	-	-	-	47,654	232,803	240,583
EXPENDITURES								
General government	-	-	-	-	-	14,742	14,742	14,742
Public safety	-	-	-	-	-	8,948	8,948	8,948
Public works	-	-	-	-	-	49,079	49,079	49,079
Leisure activities	-	-	-	-	-	-	-	326
Conservation and development	675	673	674	973	675	12,293	385,774	385,774
Capital outlay	-	-	-	-	-	1,356,425	1,356,425	1,356,425
Debt service:								
Interest and other charges	-	-	-	-	-	25,007	25,968	25,968
Total Expenditures	675	673	674	973	675	1,466,494	1,840,936	1,841,262
Excess (deficiency) of revenues over expenditures	(675)	(673)	(674)	(973)	(675)	(1,418,840)	(1,608,133)	(1,600,679)
OTHER FINANCING SOURCES (USES)								
Proceeds from general obligation debt	-	1,849,216	-	-	-	1,355,000	6,388,977	6,388,977
Premium on bonds	-	-	-	-	-	9,645	9,645	9,645
Capital contributions to utility	-	(2,025,680)	-	-	-	-	(5,514,351)	(5,514,351)
Transfers in	-	-	-	-	-	-	22,763	22,763
Total other financing sources and uses	-	(176,464)	-	-	-	1,364,645	907,034	907,034
Net change in fund balance	(675)	(177,137)	(674)	(973)	(675)	(54,195)	(701,099)	(693,645)
FUND BALANCES - BEGINNING OF YEAR (DEFICIT)	(17,675)	(54,811)	(17,634)	(6,262)	(17,625)	249,542	(155,957)	35,687
FUND BALANCES - END OF YEAR (DEFICIT)	$ (18,350)	$ (231,948)	$ (18,308)	$ (7,235)	$ (18,300)	$ 195,347	$ (857,056)	$ (657,958)

VILLAGE OF SOMERS
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
December 31, 2021

	Governmental Debt Service Fund	Tax Increment District #1 Debt Service Fund	Tax Increment District #2 Debt Service Fund	Tax Increment District #3 Debt Service Fund	Tax Increment District #4 Debt Service Fund	Tax Increment District #5 Debt Service Fund	Tax Increment District #6 Debt Service Fund
ASSETS							
Cash and investments	$ 87,073	$ 2,299,747	$ 1,110,271	$ -	$ 98,602	$ 3,010	$ 4,052
Property taxes receivable	1,152,876	945,868	1,547,204	23,422	688,596	447	14,403
Restricted cash	-	215,854	351,500	-	-	-	-
TOTAL ASSETS	$ 1,239,949	$ 3,461,469	$ 3,008,975	$ 23,422	$ 787,198	$ 3,457	$ 18,455
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES AND FUND BALANCES							
DEFERRED INFLOWS OF RESOURCES							
Deferred property tax levy	1,152,873	945,869	1,547,204	23,422	688,596	447	14,404
TOTAL DEFERRED INFLOWS OF RESOURCES	1,152,873	945,869	1,547,204	23,422	688,596	447	14,404
FUND BALANCES							
Restricted							
Debt service	87,076	2,515,600	1,461,771	-	98,602	3,010	4,051
Total fund balances	87,076	2,515,600	1,461,771	-	98,602	3,010	4,051
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 1,239,949	$ 3,461,469	$ 3,008,975	$ 23,422	$ 787,198	$ 3,457	$ 18,455

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS (continued)
December 31, 2021

	Tax Increment District #7 Debt Service Fund	Tax Increment District #8 Debt Service Fund	Tax Increment District #9 Debt Service Fund	Tax Increment District #10 Debt Service Fund	Tax Increment District #11 Debt Service Fund	Total Debt Service Funds
ASSETS						
Cash and investments	$ 32,944	$ 689	$ 4,987	$ 7,014	$ 327	$ 3,648,716
Property taxes receivable	27,799	304	(654)	-	1,002	4,401,267
Restricted cash	-	-	-	-	-	567,354
TOTAL ASSETS	$ 60,743	$ 993	$ 4,333	$ 7,014	$ 1,329	$ 8,617,337
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES AND FUND BALANCES						
DEFERRED INFLOWS OF RESOURCES						
Deferred property tax levy	27,799	305	(654)	-	1,002	4,401,267
TOTAL DEFERRED INFLOWS OF RESOURCES	27,799	305	(654)	-	1,002	4,401,267
FUND BALANCES						
Restricted						
Debt service	32,944	688	4,987	7,014	327	4,216,070
Total fund balances	32,944	688	4,987	7,014	327	4,216,070
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 60,743	$ 993	$ 4,333	$ 7,014	$ 1,329	$ 8,617,337

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
For the Year Ended December 31, 2021

	Governmental Debt Service Fund	Tax Increment District #1 Debt Service Fund	Tax Increment District #2 Debt Service Fund	Tax Increment District #3 Debt Service Fund	Tax Increment District #4 Debt Service Fund	Tax Increment District #5 Debt Service Fund
REVENUES						
Taxes	$ 1,076,125	$ 1,011,944	$ 942,859	$ -	$ 2,301	$ -
Charges for services	-	-	-	-	94,880	-
Investment income	-	3,964	2,623	-	1	-
Total Revenues	1,076,125	1,015,908	945,482	-	97,182	-
EXPENDITURES						
Debt service:						
Principal	1,386,795	303,959	275,000	-	-	-
Interest and fiscal charges	139,588	234,263	269,109	-	-	-
Total Expenditures	1,526,383	538,222	544,109	-	-	-
Excess (deficiency) of revenues over expenditures	(450,258)	477,686	401,373	-	97,182	-
OTHER FINANCING SOURCES (USES)						
Proceeds from general obligation debt	415,000	-	-	-	-	-
Refunding debt issued	-	885,000	-	-	-	-
Premium on bonds	87,680	138,950	-	-	-	-
Payment to current noteholder	-	(842,042)	-	-	-	-
Transfers out	-	-	(22,763)	-	-	-
Total other financing sources and uses	502,680	181,908	(22,763)	-	-	-
Net change in fund balance	52,422	659,594	378,610	-	97,182	-
FUND BALANCES - BEGINNING OF YEAR (DEFICIT)	34,654	1,856,006	1,083,161	-	1,420	3,010
FUND BALANCES - END OF YEAR	$ 87,076	$ 2,515,600	$ 1,461,771	$ -	$ 98,602	$ 3,010

See accompanying notes to the financial statements.

VILLAGE OF SOMERS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS (continued)
For the Year Ended December 31, 2021

	Tax Increment District #6 Debt Service Fund	Tax Increment District #7 Debt Service Fund	Tax Increment District #8 Debt Service Fund	Tax Increment District #9 Debt Service Fund	Tax Increment District #10 Debt Service Fund	Tax Increment District #11 Debt Service Fund	Total Debt Service Funds
REVENUES							
Taxes	$ 735	$ 18,136	$ 216	$ 2,317	$ 3,035	$ 72	$ 3,057,740
Charges for services	-	-	-	-	-	-	94,880
Investment income	1	-	-	-	-	-	6,589
Total Revenues	736	18,136	216	2,317	3,035	72	3,159,209
EXPENDITURES							
Debt service:							
Principal	-	-	-	-	-	-	1,965,754
Interest and fiscal charges	-	-	-	-	-	-	642,960
Total Expenditures	-	-	-	-	-	-	2,608,714
Excess (deficiency) of revenues over expenditures	736	18,136	216	2,317	3,035	72	550,495
OTHER FINANCING SOURCES (USES)							
Proceeds from general obligation debt	-	-	-	-	-	-	415,000
Refunding debt issued	-	-	-	-	-	-	885,000
Premium on bonds	-	-	-	-	-	-	226,630
Payment to current noteholder	-	-	-	-	-	-	(842,042)
Transfers out	-	-	-	-	-	-	(22,763)
Total other financing sources and uses	-	-	-	-	-	-	661,825
Net change in fund balance	736	18,136	216	2,317	3,035	72	1,212,320
FUND BALANCES - BEGINNING OF YEAR (DEFICIT)	3,315	14,808	472	2,670	3,979	255	3,003,750
FUND BALANCES - END OF YEAR	$ 4,051	$ 32,944	$ 688	$ 4,987	$ 7,014	$ 327	$ 4,216,070

See accompanying notes to the financial statements.

November 9, 2022

Andrea & Orendorff, LLP
10411 Corporate Drive, Suite 104
Pleasant Prairie, WI 53158

This representation letter is provided in connection with your audit of the financial statements of the Village of Somers, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of November 9, 2022, the following representations made to you during your audit.

Financial Statements

1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated February 1, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.

2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.

3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties, if any, have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.

8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

9) Guarantees, whether written or oral, under which the Village is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

10) We have provided you with:

    a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.

    b) Additional information that you have requested from us for the purpose of the audit.

    c) Unrestricted access to persons within the Village from whom you determined it necessary to obtain audit evidence.

    d) Minutes of the meetings of Town and Village Boards or summaries of actions of recent meetings for which minutes have not yet been prepared.

11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

13) We have no knowledge of any fraud or suspected fraud that affects the Village and involves—

    - Management,
    - Employees who have significant roles in internal control, or
    - Others where the fraud could have a material effect on the financial statements.

14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Village's financial statements communicated by employees, former employees, regulators, or others.

15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.

16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

17) We have disclosed to you the names of the Village's related parties and all the related party relationships and transactions, including any side agreements, if any.

Government-specific

18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

19) We have a process to track the status of audit findings and recommendations.

20) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.

21) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

22) The Village has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.

23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.

24) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.

25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

26) As part of your audit, you assisted with preparation of the financial statements and disclosures and maintenance of our fixed assets schedule. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures and schedule of fixed assets.

27) The Village has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

28) The Village has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

29) The financial statements include all fiduciary activities required by GASBS No. 84 .

30) The financial statements properly classify all funds and activities in accordance with GASBS No. 34 , as amended.

31) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

32) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

33) Investments are properly valued.

34) Provisions for uncollectible receivables have been properly identified and recorded.

35) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.

36) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

37) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

38) Deposits and investment securities are properly classified as to risk and are properly disclosed.

39) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

40) We have appropriately disclosed the Village's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

41) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

42) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

43) With respect to the combining statements:

a) We acknowledge our responsibility for presenting the combining statements in accordance with accounting principles generally accepted in the United States of America, and we believe the combining statements, including their form and content, are fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the combining statements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

b) If the combining statements are not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature: ______________________________ Signature: ______________________________

Title: ___________________________________ Title: ___________________________________

Established 1843
Somers
VILLAGE & TOWN
www.somers.org
P.O. Box 197, Somers, WI 53171 • PH: (262) 859-2822 • FAX: (262) 859-2331

VILLAGE OF SOMERS
VILLAGE BOARD
WORK SESSION ITEM MEMORANDUM

WORK SESSION: November 1st, 2022

TO: Village President Stoner and Board of Trustees

PREPARED BY: Jason J. Peters, Administrator

AGENDA ITEM: #5 Discuss condition of 100th Avenue and possible remedies

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BACKGROUND:

On October 11th, the Board was presented with a Petition to request that 100th Avenue be "patched while waiting reconstruction for the future". At our October 25th Board Meeting, President Stoner requested that this matter be placed on our November 1st Work Session for discussion.

COMMENTS:

Public Works Superintendent Smith will be on hand to discuss options to address these concerns. While the Petition is asking for patching, Administration would like to note that the Village is aware that 100th Avenue needs to be addressed. Earlier this year, the DOT announced the 2023- 2026 Bipartisan Infrastructure Law (BIL) STP-Local Program. BIL includes approximately $1.3 billion in federal funding for transportation projects in Wisconsin over the next 5 years. Municipalities were encouraged to apply for these "additional funds" by early summer. The Village did apply to this program to reconstruct the entire length of 100th Avenue from CTH KR to CTH S. The approximate cost of this reconstruction was $5,000,000.

The DOT announced the awarded projects in early October. The Village's project was not selected. It should be noted that the whole Southeastern region of the State did not fare well in having projects awarded. The awarded projects can be found using the following link:

https://wisconsindot.gov/Documents/doing-bus/local-gov/astnce-pgms/highway/bil23-projects.pdf

The Village will continue to apply for DOT programs to address this roadway.

ATTACHMENTS:

100th Avenue Petition

2023- 2026 BIL STP-Local Program Application

This petition is to request 100th
Ave get patched while waiting
reconstruction for the future.

If you have any questions
feel free to call me.

Dez 262-206-6892
Paul 262-206-0730

We, the undersigned, are petitioning to have 100th Avenue in Somers, repaired. It needs to be done this fall of 2022. It is ruining our vehicles.

	Signature	Address	Phone #(optional)
1	Jason Christensen	9905 12th ST.	262-664-3323
2	Kim Christensen	9905 12th St	[illegible]
3	Audrey Weddel	1275 100th Ave	
4	Ronald J. Buckle	1276 100th AVE.	262. 770-0685
5	RJ Buckle Jr	1266 100th AVE	262-859-2248
6	[illegible]	2441 100th Ave	262-206-6882
7	[illegible]	2441 100th Ave	262-206-0730
8	Debbie Simes	9314-14th Street	262-620-2798
9	Beverly Simes	9314-14 St	262-914-1133
10	Joe Semas	9314-14st	"
11	[illegible]	9314-14th Street	
12	Christina Englund	1370 95th Ave	(262)951-8650
13	Sean Englund	1370 95TH Ave	(262)515-5770
14	[illegible]	1378 95th Ave	(262) 705-8727
15	Joan Dollinger	1454-95 Ave	(262) 945-0339
16	[illegible]	1454 95 Ave	(262) 945-0339
17	[illegible]	5611 52 St	262-818-0385
18	Dana Zehrke	1451-95 AVE	
19	[illegible] Jensen	1428 95th AVE	
20	Pat Hayes	1408 94th AVE	262 496 5019
21	[illegible]	1408 94 ave	262-232-2530
22	[illegible]	9917-14 St	262-854-5109
23	James Barrett	9907-14th	262 859-0037
24	Kathy Hanney	9711-14th St	262 412 2971
25	Kristine Sneds	262-994-6673	9903-14 St

We, the undersigned, are petitioning to have 100th Avenue in Somers, repaired. It needs to be done this fall of 2022. It is ruining our vehicles.

	Signature	Address	Phone #(optional)
26	[illegible]	1330-97 ave	2628180344
27	Cheryl Peaslee	1333-97th Ave	262-945-6518
28	[illegible]	1315-97th Ave	262-859-2046
29	[illegible]	1318 97th Ave	262-945-3539
30	[illegible]	1318 97th Ave	262-945-2421
31	[illegible]	1318 97th Ave	715-415-2750
32	[illegible]	1318-97 Ave	262-945-6140
33	Kathy [illegible]	1318-97 Ave	262-945-1298
34	Adam Krantz	1318-97 Ave	262-945-2420
35	AnneBeth	9522-13 st	262 945-0883
36	[illegible]	9522-13th st	262-945-0883
37	[illegible]	9621 13th st	262-939-8854
38	[illegible]	9621 13th st	262-331-0647
39	Susan Mann	1360-97th Ave	262-859-2341
40	[illegible]	[illegible]	[illegible]
41	Tracy [illegible]	1319-98th ave	262-914-7735
42	Carl Tews	1310-98th Ave	
43	Steve [illegible]	1212 97th Ave	262-960-7736
44	JOSEPH GALLO	1235 97TH AVE	262 859 2830
45	[illegible]	1532 100th Ave	224-321-6277
46	Richard Kimble	12901 Burlington Rd	262 818 4937
47	[illegible]	2316-100th Ave	262-859-9335
48	Sandy Kipp	2316-100 Ave	262 859-9335
49	[illegible]	2830 100 Ave	262-859-9490
50	[illegible]	[illegible]	262-220-3882

We, the undersigned, are petitioning to have 100th Avenue in Somers, repaired. It needs to be done this fall of 2022. It is ruining our vehicles.

Signature	Address	Phone #(optional)
51 Theresa Jenkerma	3010 - 100th Ave	
52 [illegible]	3110 100th Ave	
53 Jackie Altrauther	3216 - 100th Ave	
54 Jaime Cumbridge	3330 100th Ave	
55 Brian Cumbridge	3330 100th Ave	
56 [illegible]	9220 - 38 Ave	
57 Paul J. [illegible]	3015 - 100 AVE	
58 Adolphus Seaman	2031 - 100 Ave	
59 Brian Gross	1435 94 Ave	
60 Karen Gross	1435 - 94 Ave.	
61 Robert [illegible]	2031 - 100th Ave	
62 Theresa Gross	2015 - 100th AVE	
63 [illegible]	1541 100th Ave	815-451-7211
64 Thomas [illegible]	1338 95th Ave	
65 Bruce F Herm	1349 - 95th Ave	262-859-2400
66 Chris Lenertz	1343 95th AVE	
67 Kirsten McCollum	1313 95th Ave	Ø
68 Daniel J. Rodach	1301 - 95th AVE	262 - 945 - 5389
69 Colleen [illegible]	9320 12th Pl	
70 [illegible]	9320 12th Pl	
71 Mark R [illegible]	9319 - 12 PL	
72 Charles R. Vines	1251 - 93 AVE	
73 [illegible] R Voss	1221 - 93 Ave	
74 Janice Lewandowski	1208 93RD AVE	262-859-2269
75 Anthony Milisauskas	9414 - 12th Place	262 - 859 - 3036

We, the undersigned, are petitioning to have 100th Avenue in Somers, repaired. It needs to be done this fall of 2022. It is ruining our vehicles.

Signature	Address	Phone #(optional)
[illegible]	1438 97TH AVE	847-343-5424
[illegible]	1470 97th Ave	262-515-6287
Tom Vogel	9700 15th St	
[illegible]	1405 97th Ave	
[illegible]	9800 14th Place	
[illegible]	9800 14th Pl	
S [illegible]	9810 14th Pl	
[illegible]	9825 14th Pl	
[illegible]	9815 14th PL	
[illegible]	1465 98th Ave	
[illegible]	1465 98th Ave	
Brian [illegible]	1455-98th Ave	
Laura Knudson	1445 98th Ave	
Kori Martin	1500 98th Ave	
[illegible]	1500 98th Ave	
[illegible]	9815 15th St.	
[illegible]	9815 15th ST.	
[illegible]	9825-15TH ST.	
[illegible]	9925 15TH ST	
Bill Grabowski	9920 15th ST	
Robert [illegible]	9910 15th ST	
Linda Seymour	9820-15th St	
Ravi Shankar	1470 98th Ave.	
Kory Doyle	9720 15th St	
Michael B DeLuca	1346 97th Ave Kenosha WI.	

(100)

We, the undersigned, are petitioning to have 100th Avenue in Somers, repaired. It needs to be done this fall of 2022. It is ruining our vehicles.

Signature	Address	Phone #(optional)
[illegible]	10606 7th ST	262-308-9332
[illegible]	809 72 AVE	262 620-0047
Amber [illegible]	10606 7th st	262-308-2027
[illegible]	10606 7th St	262-308-9933
[illegible]	8415 12th St	262-620-6977
[illegible]	929 88 AVE	(262)620-2068

We, the undersigned, are petitioning to have 100th Avenue in Somers, repaired. It needs to be done this fall of 2022. It is ruining our vehicles.

Signature	Address	Phone #(optional)
10 Ronald K [illegible]	1250 95th Ave	~~262~~
102 [illegible]	2441 100th ave	262-287-2059
103 [illegible] Stockton	9314 14th Street	NA
[illegible]	1532 100th Ave	847-912-4628

WisDOT **FFY 2023- 2026 BIL STP-Local** Program Application

NOTE: This application is for Federal Fiscal Year (FFY) 2023-FFY 2026 projects funded by the Bipartisan Infrastructure Law (BIL). The BIL contains a new provision which allows states to fund up to 15% of small urban and rural federal funding allocations on minor collectors and local roads. This new federal program provides flexibility to states to fund roadways that previously were not eligible for federal funds. The roadway must be functionally classified as a Minor Collector or Local Road to be eligible for STP-Local funding. The roadway must be located outside of urbanized areas (less than 50,000) to be eligible for STP-Local funds. An individual application or Pre-Project Award Flexibility Agreement (located here) is required for each new potential FFY 2023 - FFY 2026 STP-Local program project. Please review the application instructions (see link below) to assist you in completing the application.

FFY23-26 STP-Local Application Instructions

Population Category:	**Functional Classification:**	**Municipality Type:**
5,000 to 20,000	**Local**	**Village**

Project Description

Project Sponsor: **Village of Somers** Facility Owner: **Same as Sponsor**

Project Location:

Municipality: **Village of Somers** County: **Kenosha**

On Route: **100th Ave**

At Route (Start): **CTH KR** Offset: (tenths of a mile)

Toward Route (End): **CTH S**

Is the project a planning, administration, or other non-infrastructure project? ☐ Yes ☒ No If yes, please select the type of project and provide a brief explanation: **SELECT**

NOTE: Attach an 8½ x 11 map showing the project location. A WISLR map is REQUIRED (refer to the following link) http://wisconsindot.gov/Pages/doing-bus/local-gov/wislr/default.aspx

Length of Project: **4.3** (tenths of a mile)

Average Daily Traffic (ADT): **930** ADT Year: **2005** Posted or Statutory Speed Limit(s): **40** (mph)

NOTE: Roadway must be functionally classified as a Minor Collector or Local Road to be eligible for STP-Local funding.

Existing Facility

Number of Lanes: **2** Lane Width: **11** Cross Section: ☒ Rural ☐ Urban

Pavement Type: **Asphalt** If Combination, explain: Pavement Width:

Pavement Rating: **3** Pavement Condition: Year Last Improved: **2001**

Shoulder Type: **Gravel** If Combination, explain: Shoulder Width: **1 ft**

Existing Sidewalk? ☐ Yes, one side ☐ Yes, both sides ☒ No

Existing bicycle accommodations? ☐ Yes, on street ☐ Yes, off street ☒ No

If Yes to either of previous questions, are bicycle/pedestrian accommodations designated as part of a regional or local bicycle or pedestrian system?

☐ Yes ☐ No

☐ Lighting: **SELECT** Lighting Style: **SELECT**

Any federal-aid-eligible structures within the existing facility? ☐ Yes ☒ No If yes, please indicate the structure ID #(s):

Does a railroad facility exist within 1000 feet of the project limits? ☐ Yes ☒ No If yes, specify: **SELECT** Owner of Railroad facility

NOTE: If there are any pertinent railroad considerations, design funds may be included for Railroad Review Costs.

Known Safety Issues? ☐ Yes ☒ No If yes, specify: (consider applying for Highway Safety Improvement Program [HSIP] funds if applicable)

Is this project within a F4R site? ☐ Yes ☒ No If yes, has an evaluation been completed:

NOTE: Refer to the following link, *Facilities Repeatedly Requiring Repair and Reconstruction (F4R)*
https://wisconsindot.gov/Pages/doing-bus/local-gov/astnce-pgms/highway/f4r.aspx

Project Justification

Explain why the project is needed, including the scope and appropriate detail on the project's uniqueness and complexity. Describe specific deficiencies such as pavement cracking, edge raveling, surface deterioration, substandard geometrics, etc. Include and separately identify any 100% locally funded components of the project that are part of the overall improvement.

100th Avenue is a local road. It connects CTH KR on the north to Burlington Road on the south. It is an asphalt road with rural cross section. The roadway shows base failures and deteriorated asphalt pavement. The road was last rehabilitated in 2001. The asphalt is fatigued and requires replacement.

We anticipate reconstructing the road with the existing asphalt width of 22 feet and with 3 foot gravel shoulders.

Proposed Improvement

NOTE: Applicants should refer to the traffic data and design standards information in the instructions prior to completing this section of the application.

Improvement Type: **Reconstuction** If Combination, explain: Overall Length: **23021** (feet)

☒ Rural Cross Section Length: **4.3** (tenths of a mile)

☐ Urban Cross Section Length: (tenths of a mile)

Will the project add lanes? ☐ Yes ☐ No If Yes, describe which part(s) of the project will receive additional lanes:

Grading: ☒ Minimal ☐ Moderate ☐ Extensive

New Pavement Type: **Hot Mix Asphalt** If Combination, explain: Width: **22 feet** Length: **23021 feet**

New Shoulder Type: **Gravel** If Combination, explain: Width: **3 feet** Length: **23021 feet**

☐ Sidewalk One side or both: Width: Length:

Are bicycle/pedestrian accommodations required as part of a local or regional plan? ☐ Yes ☐ No If yes, specify:

☐ Curb and Gutter Length:

☐ Signals Location:

☐ Roundabout Location:

NOTE: Refer to FDM 11-26 for modern roundabout information (http://wisconsindot.gov/rdwy/fdm/fd-11-26.pdf).

☐ Railroad improvements

☐ Lighting: **SELECT** Lighting Style: **SELECT**

☐ Beam Guard

☒ Permanent and Temporary Pavement Marking

☒ Permanent and Temporary Signing

☐ Storm Sewer

☐ Structure Structure Type: **SELECT** Work Required: **SELECT**

Structure #(s): Sizes and Descriptions:

Traffic Management During Construction: **SELECT**

Do you anticipate submittal of an exception to standards request? ☐ Yes ☐ No

If yes, please describe:

Environmental/Cultural Issues

Agriculture	☐ Yes	☐ No	☒ Not Investigated	Comments:
Archaeological sites	☐ Yes	☐ No	☒ Not Investigated	Comments:
Historical sites	☐ Yes	☐ No	☒ Not Investigated	Comments:
Lakes, waterways, floodplains	☐ Yes	☐ No	☒ Not Investigated	Comments:
Wetland	☐ Yes	☐ No	☒ Not Investigated	Comments:
Stormwater management	☐ Yes	☐ No	☒ Not Investigated	Comments:
Hazardous materials sites	☐ Yes	☐ No	☒ Not Investigated	Comments:
Hazardous materials on existing structure	☐ Yes	☐ No	☒ Not Investigated	Comments:
Upland habitat	☐ Yes	☐ No	☒ Not Investigated	Comments:
Endangered/threatened/migratory species	☐ Yes	☐ No	☒ Not Investigated	Comments:
Section 4(f)	☐ Yes	☐ No	☒ Not Investigated	Comments:
Section 6(f)	☐ Yes	☐ No	☐ Not Investigated	Comments:
Through/adjacent to tribal land	☐ Yes	☐ No	☒ Not Investigated	Comments:

Miscellaneous Issues

Construction Schedule Restrictions (trout, migratory bird, local events): ☐ Yes ☒ No

If yes, please explain.

Has there been any real estate acquired or transferred in anticipation of this project? ☐ Yes ☒ No

If yes, please explain.

Right of Way: **(NOTE: It is recommended that local funds be used to acquire right of way.)**

Check all that are applicable.

☐ None ☐ Less than ½ acre ☐ More than ½ acre

☐ Parklands ☐ Large parcels ☐ Strips ☐ Temporary interests

Other Concept Notes: Provide any additional relevant project information that has not been covered in another section of the application.

CONFIDENTIAL INFORMATION

Cost Estimate, Project Priority, and Scheduling

Applicants should reference the following WisDOT web page prior to completing this section of the application: http://wisconsindot.gov/Pages/doing-bus/local-gov/astnce-pgms/highway/tools.aspx

NOTE: Requesting design and construction projects in the same fiscal year is not allowed.

NOTE: All applications must include a sheet documenting the calculations performed to create the estimate(s).

☒ **Tied Projects? All requests for design must be tied to a construction project. Please indicate which projects will be tied (if applicable): 100th Avenue Reconstruction (Design and Construction)**

☒ **Construction:**

Project Priority: 1 of 2

☐ FY 2023 ☐ FY 2024 ☒ FY 2025 ☐ FY 2026 ☐ FY 2027

	Total	**Federal Share**	**Local Share**
Participating Roadway Cost	$**4,487,365.31**	$**3,589,892.25**	$**897,473.06**
Participating Structure Cost	$**0**	$**0**	$**0**
Total Participating Cost	$**4,487,365.31**	$**3,589,892.25**	$**897,473.06**
Non-Participating Roadway Cost (100% Local)	$**0**	$0	$**0**
Non- Participating Structure Cost (100% Local)	$**0**	$0	$**0**
Total Non-Participating Construction Cost	$**0**	$0	$**0**
A. Subtotal Construction Costs	$**4,487,365.31**	$**3,589,892.25**	$**897,473.06**
B. Construction Engineering Costs (Coordinate with WisDOT Region)	$**673,104.90**	$**538,483.84**	$**134,620.96**
C. State Review for Construction (Provided by WisDOT Region)	$**20,000.00**	$**16,000.00**	$**4,000.00**
Total Construction Cost Estimate with Construction Engineering and State Review (sum lines A, B and C)	$**5,180,470.11**	$**4,144,376.09**	$**1,036,094.02**

NOTE: All estimates will be reviewed by WisDOT Region staff for consistency with current practices and approaches. WisDOT Region staff, in agreement with the local sponsor, may revise estimates in these categories due to the complexity of the project or other factors. WisDOT will notify the sponsor of any changes to estimates within the application and determine whether the sponsor wishes to continue with the application with the revised estimate.

☒ **Design:**

☐ 100% Locally Funded (state review is required to be included as 100% locally funded) **OR**

☒ 80% Federally Funded ("design only" projects are not allowed)

Project Priority:

☐ FY 2023 ☒ FY 2024 ☐ FY 2025 ☐ FY 2026 ☐ FY 2027

	Total	**Federal Share**	**Local Share**
A. Design Plan Development	$**673,104.80**	$**538,483.84**	$**134,620.96**
B. State Review for Design (provided by WisDOT Region)	$**20,000.00**	$**16,000.00**	$**4,000.00**
Total Design Cost Estimate with State Review (sum lines A and B)	$**693.104.80**	$**554,483.84**	$**138,620.96**

NOTE: WisDOT Region staff, in agreement with local sponsor, may revise estimates in the Plan Development, State Review for Design, and State Review for Construction categories based on the complexity of the project or other factors.

NOTE: Costs for Railroad Review of plans will be added when there are pertinent railroad considerations.

☐ **Real Estate:** (Recommend funding with local funds.)

Project Priority:

☐ FY 2023 ☐ FY 2024 ☐ FY 2025 ☐ FY 2026 ☐ FY 2027

Total Real Estate Cost (Round to next $1,000) **$**

☐ Utility: (Compensable utility costs must be $50,000 minimum per utility. Recommend funding with local funds.)

Project Priority:

☐ FY 2023 ☐ FY 2024 ☐ FY 2025 ☐ FY 2026 ☐ FY 2027

Total Utility Cost (Round to next $1,000) $

NOTE: WisDOT Utility Policy link: http://wisconsindot.gov/rdwy/fdm/fd-18-01.pdf

☐ Other (Planning, Administration, or Other Non-infrastructure)

Please select the type of project: **SELECT**

Project Priority:

☐ FY 2023 ☐ FY 2024 ☐ FY 2025 ☐ FY 2026 ☐ FY 2027

Total Other Cost (Round to next $1,000) $

WisDOT Information – Shaded area to be completed by WisDOT staff only.

Additional Confidential Information	
FOR WISDOT USE ONLY – enter the following information at application review	
WisDOT Region Reviewer:	Date:
WisDOT Region Comments on Application:	

FOR WISDOT USE ONLY – enter the following information after project approval

Approved Federal Funding Amount:	Construction: **$**
	Design: **$**
	Real Estate: **$**
	Utility: **$**
	Other: **$**
	TOTAL: **$**

Key Program Requirements Confirmation

Please confirm your understanding of the following project conditions by **typing your name, title and initials** in the boxes at the bottom of this page. **A Head of Government/Designee with fiscal authority for the project sponsor, not a consultant, must initial below AND sign the next page of this application.**

a. All Federal Funding will be limited at the estimate amount unless an increase is approved by WisDOT. Additional costs incurred over the limit will be 100% the responsibility of the project sponsor.

b. A federally funded design project must be tied to a construction project. Stand alone design projects are no longer eligible for funding (this does not apply to MPO area projects).

c. Only new projects may apply, existing projects are ineligible for additional funds through the new cycle process. Existing projects requiring additional funds are encouraged to use the existing Project Change and Cost Increase processes.

d. Federally-funded projects must be designed in accordance with all applicable federal design standards (even if the design for a federally-funded project was 100% locally funded).

e. The sponsor must provide matching dollar funding of at least 20% of project costs.

f. The sponsor must not incur costs for any phase of the project until that phase has been authorized for federal charges and the WisDOT Region has notified the sponsor that it can begin incurring costs. Otherwise, the sponsor risks incurring costs that will not be eligible for federal funding.

g. As the work progresses, the state will bill the project sponsor for work completed which is not chargeable to federal funds. Upon completion of the project, a final audit will be made to determine the final division of costs. If reviews or audits show any of the work to be ineligible for federal funding, the project sponsor will be responsible for any withdrawn costs associated with the ineligible work.

h. The project sponsor will pay to the state all costs incurred by the state in connection with the improvement that exceed federal financing commitments or are ineligible for federal financing. In order to guarantee the project sponsor's foregoing agreements to pay the state, the project sponsor, through its duly authorized officers or officials, agrees and authorizes the state to set off and withhold the required reimbursement amount as determined by the state from any moneys otherwise due and payable by the state to the municipality.

i. If the project sponsor should withdraw the project, it will reimburse the state for any costs incurred by the state on behalf of the project.

j. For 100% locally funded design projects, costs for design plan development and state review for design are 100% the responsibility of the local project sponsor. Project sponsors may not seek federal funding for only state review for design projects.

k. The sponsor agrees to state delivery and oversight costs by WisDOT staff and their agents. These costs include review of design and construction documents for compliance with federal and state requirements, appropriate design standards, and other related review. These costs will vary with the size and complexity of the project. The sponsor agrees to add these costs to the project under the same 80% federal and 20% local match requirements.

l. Transportation construction projects using federal funds except sidewalks, are likely general improvements that primarily benefit the public at large and for which special assessments cannot be levied under s. 66.0703, Wis. Stats. Municipalities desiring to obtain the required local project funding through special assessments levied against particular parcels should seek advice of legal counsel. See Hildebrand v. Menasha, 2011 WI App 83.

I confirm that I have read and understand project conditions (a) through (l) listed above:

Name: **George Stoner** Title: **Village President**

Accepted (please type your initials here): *GAS*

Contact Information and Signatures

Application prepared by a consultant? ☒ Yes ☐ No If yes, consultant information and signature required below.

Consultant Company Name: **Baxter & Woodman** Company Location (City, State): **Burlington, WI**

Consultant Signature (electronic only)**:** *Douglas Snyder* **Date: 05/27/2022**

NOTE: It is **not permissible** for a consultant to fill out applications gratis (or for a small fee) for a municipality and then be selected to do the design work on a project **unless** the municipality either:

a. uses a one-step QBS process with the scope of work to include the grant application and the design services, if authorized; or

b. uses a two-step QBS process with the scope of work for the first selection for the preparation of the grant application(s) and the second selection for the actual design(s).

In both cases, all costs incurred prior to WisDOT project authorization are the responsibility of the municipality.

See FDM 8-5-3 for additional information: **http://wisconsindot.gov/rdwy/fdm/fd-08-05.pdf**

Sponsor Agency: **Village of Somers**	
Contact Person: **George Stoner**	(Note: must be Head of Government or Designee)
Title: **Village President**	
Address: **7511 12th St, Somers, WI**	
Telephone: **262 859 2822**	
Email: **gstoner@somers.org**	

Only one project sponsor is allowed per project. As a representative of the project sponsor, the individual that signs below confirms that the information in this project application is accurate. A local official, not a consultant, must sign the application. I understand that completion of this application does not guarantee project approval for federal funding.

Head of Government/Designee Signature (electronic only)**:** George Stoner

Date: 05/27/2055

Local Unit of Government Agency (**when owner differs from sponsor**):

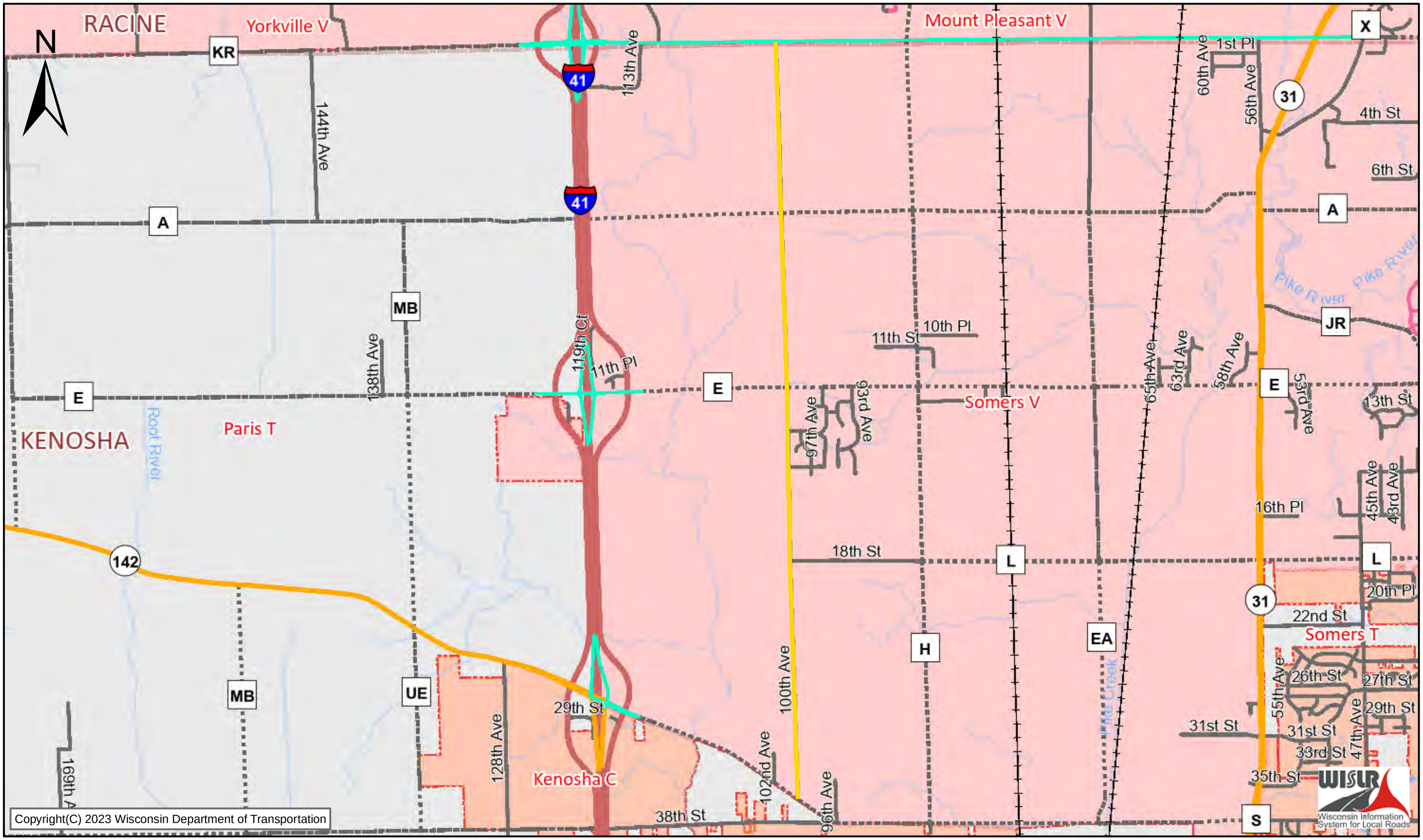
Owner Signature (when owner differs from sponsor) (electronic only)**:** **Date:**

WisDOT Information – Shaded area to be completed by WisDOT staff only.

FOR WISDOT USE ONLY – enter the following information at application review	
NOTE: Please add any WisDOT application comments in the comments section on the Confidential page A-6.	
Subprogram:	Project Improvement Type:
Region Reviewer's Name:	
Reviewer's Title:	
Date Received:	
WisDOT Region Reviewers Signature:	Date:

FOR WISDOT USE ONLY – enter the following information after project approval
Project ID(s):

WISLR Map



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0 0.325 0.65 1.3 mi

0 0.5 1 2 km

Railroads

State Trunk Network

Interstate Highway

USH Highway

USH Connecting Highway

State Trunk Highways

STH Connecting Highways

On-Off Ramp

Connector

Frontage Road

Wayside

Rest Area

Weigh Station

County Roads

County Trunk Hwy

County Forest Roads

Other County Roads

Local Roads

Municipal/Local Roads

Ineligible Roads

Rivers

Lakes

Cities/Villages/Towns

City

Village

Town

Counties

Established 1843
Somers
VILLAGE & TOWN
www.somers.org
P.O. Box 197, Somers, WI 53171 • PH: (262) 859-2822 • FAX: (262) 859-2331

VILLAGE OF SOMERS
VILLAGE BOARD
WORK SESSION ITEM MEMORANDUM

WORK SESSION: November 1, 2022

TO: Village President Stoner and Board of Trustees

PREPARED BY: Brandi Baker, Clerk-Treasurer

AGENDA ITEM: #6 Presentation of the Making a Difference Plaques

BACKGROUND:

At the October 25, 2022, Village Board Meeting, five making a Difference Citizen Recognition Award were approved for the following citizens:

- Larry Gitzlaff
- Ruth Teuscher
- Minnie Ozanne
- Ernest and Dolores Tabbert

COMMENTS:

Trustee Sinnen has submitted the Plaque designs and will be presenting the finished plaques to the Board at this work session

A presentation to of the Plaques to the Family's of the citizens awarded the Making a Difference Awards will be held at the November 9, 2022 Village Board Meeting

ATTACHMENTS:

None

Established 1843
Somers
VILLAGE & TOWN
www.somers.org
P.O. Box 197, Somers, WI 53171 • PH: (262) 859-2822 • FAX: (262) 859-2331

VILLAGE OF SOMERS
VILLAGE BOARD
WORK SESSION ITEM MEMORANDUM

WORK SESSION: November 1, 2022

TO: Village President Stoner and Board of Trustees

PREPARED BY: Brandi Baker, Clerk-Treasurer

AGENDA ITEM: #7 Discussion on Original "Class A" and Class "A" Combo Alcohol License application for 7-Eleven

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BACKGROUND:

Current owner of the current 7-eleven located at 1150 Green Bay Rd in Somers WI, is selling the business back to the 7-Eleven, Inc corporation As a result, 7-Eleven corporation must apply for an original "Class A" and Class "A" Combo Alcohol License.

COMMENTS:

This will require a public hearing at the November 9, 2022 Village Board Meeting.

ATTACHMENTS:

7-Eleven Original Alcohol License application

Original Alcohol Beverage Retail License Application

(Submit to municipal clerk.)

For the license period beginning: ______________ (mm dd yyyy) ending: 06/30/2023 (mm dd yyyy)

To the Governing Body of the: ☐ Town of ☑ Village of ☐ City of } Somers

County of Kenosha

Aldermanic Dist. No. ______ (if required by ordinance)

Check one: ☐ Individual ☐ Partnership ☐ Limited Liability Company ☑ Corporation/Nonprofit Organization

Applicant's Wisconsin Seller's Permit Number 456-000014084-1-04

FEIN Number 75-1085131

TYPE OF LICENSE REQUESTED	FEE
☒ Class A beer	$ 100.00
☐ Class B beer	$
☐ Class C wine	$
☒ Class A liquor	$ 500.00
☐ Class A liquor (cider only)	$ N/A
☐ Class B liquor	$
☐ Reserve Class B liquor	$
☐ Class B (wine only) winery	$
Publication fee	$ 40.00
TOTAL FEE	$ 640.00

-Pd Chk 3537 3538

Name (individual / partners give last name, first, middle; corporations / limited liability companies give registered name)

7-Eleven, Inc.

An "Auxiliary Questionnaire," Form AT-103, must be completed and attached to this application by each individual applicant, by each member of a partnership, and by each officer, director and agent of a corporation or nonprofit organization, and by each member/manager and agent of a limited liability company. List the full name and place of residence of each person.

Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
President / Member: 0% De Pinto	Joseph		2212 Vaquero Estates Westlake, TX 76262
Vice President / Member: 0% Gasaway	Rankin		17623 Cedar Creek Canyon Southlake TX 76092
Secretary / Member: "	"		" "
Treasurer / Member:			
Agent: Walters	Stacy		8993 N. Park Plaza Ct #315 Brown Deer WI 53223
Directors/Managers: Walters	Stacy		8993 N. Park Plaza Ct. #315 Brown Deer WI 53223

1. Trade Name 7-Eleven #35842J Business Phone Number (262) 553-9940
2. Address of Premises 1150 Green Bay Rd. Post Office & Zip Code Kenosha, WI 53144
3. Premises description: Describe building or buildings where alcohol beverages are to be sold and stored. The applicant must include all rooms including living quarters, if used, for the sales, service, consumption, and/or storage of alcohol beverages and records. (Alcohol beverages may be sold and stored only on the premises described.)
   1 level convenience store with back room and office
   Back room and office
4. Legal description (omit if street address is given above): ______________
5. (a) Was this premises licensed for the sale of liquor or beer during the past license year? ☑ Yes ☐ No
   (b) If yes, under what name was license issued?
   NJ Convenience Inc. d/b/a 7-Eleven #35842A

6. Is individual, partners or agent of corporation/limited liability company subject to completion of the responsible beverage server training course for this license period? **If yes, explain** ☐ Yes ☒ No

7. Is the applicant an employe or agent of, or acting on behalf of anyone except the named applicant? ☐ Yes ☒ No
If yes, explain.

8. Does any other alcohol beverage retail licensee or wholesale permittee have any interest in or control of this business? **If yes, explain** ☐ Yes ☒ No

9. (a) **Corporate/limited liability company applicants only:** Insert state Texas and date ______ of registration.

(b) Is applicant corporation/limited liability company a subsidiary of any other corporation or limited liability company? **If yes, explain** ☐ Yes ☒ No

(c) Does the corporation, or any officer, director, stockholder or agent or limited liability company, or any member/manager or agent hold any interest in any other alcohol beverage license or permit in Wisconsin? ☒ Yes ☐ No
If yes, explain.
7-Eleven #35648J 2703 E. ~~Blt~~ Beltline Hwy. Madison WI 53713

10. Does the applicant understand they must register as a Retail Beverage Alcohol Dealer with the federal government, Alcohol and Tobacco Tax and Trade Bureau (TTB) by filing (TTB form 5630.5d) before beginning business? [phone 1-877-882-3277] ☒ Yes ☐ No

11. Does the applicant understand they must hold a Wisconsin Seller's Permit? [phone (608) 266-2776] ☒ Yes ☐ No

12. Does the applicant understand that they must purchase alcohol beverages only from Wisconsin wholesalers, breweries and brewpubs? ☒ Yes ☐ No

READ CAREFULLY BEFORE SIGNING: Under penalty provided by law, the applicant states that each of the above questions has been truthfully answered to the best of the knowledge of the signer. Any person who knowingly provides materially false information on this application may be required to forfeit not more than $1,000. Signer agrees to operate this business according to law and that the rights and responsibilities conferred by the license(s), if granted, will not be assigned to another. (Individual applicants, or one member of a partnership applicant must sign; one corporate officer, one member/manager of Limited Liability Companies must sign.) Any lack of access to any portion of a licensed premises during inspection will be deemed a refusal to permit inspection. Such refusal is a misdemeanor and grounds for revocation of this license.

Contact Person's Name (Last, First, M.I.)	Title/Member	Date
P Gasaway Rankin	VP/Sec	9.1.2022
Signature	Phone Number	Email Address
Phil Rankin	(972)828-7011	

TO BE COMPLETED BY CLERK

Date received and filed with municipal clerk	Date reported to council / board	Date provisional license issued	Signature of Clerk / Deputy Clerk
Date license granted	Date license issued	License number issued	

AT-106 (R. 3-19)

6. Is individual, partners or agent of corporation/limited liability company subject to completion of the responsible beverage server training course for this license period? **If yes, explain** ☐ Yes ☒ No

7. Is the applicant an employe or agent of, or acting on behalf of anyone except the named applicant? ☐ Yes ☒ No
If yes, explain.

8. Does any other alcohol beverage retail licensee or wholesale permittee have any interest in or control of this business? **If yes, explain** ☐ Yes ☒ No

9. (a) **Corporate/limited liability company applicants only:** Insert state Texas and date ____ of registration.

   (b) Is applicant corporation/limited liability company a subsidiary of any other corporation or limited liability company? **If yes, explain** ☐ Yes ☒ No

   (c) Does the corporation, or any officer, director, stockholder or agent or limited liability company, or any member/manager or agent hold any interest in any other alcohol beverage license or permit in Wisconsin? ☒ Yes ☐ No
   If yes, explain.
   7-Eleven #35848 J 2703 E. ~~Blt~~ Beltline Hwy. Madison WI 53713

10. Does the applicant understand they must register as a Retail Beverage Alcohol Dealer with the federal government, Alcohol and Tobacco Tax and Trade Bureau (TTB) by filing (TTB form 5630.5d) before beginning business? [phone 1-877-882-3277] ☒ Yes ☐ No

11. Does the applicant understand they must hold a Wisconsin Seller's Permit? [phone (608) 266-2776] ☒ Yes ☐ No

12. Does the applicant understand that they must purchase alcohol beverages only from Wisconsin wholesalers, breweries and brewpubs? ☒ Yes ☐ No

READ CAREFULLY BEFORE SIGNING: Under penalty provided by law, the applicant states that each of the above questions has been truthfully answered to the best of the knowledge of the signer. Any person who knowingly provides materially false information on this application may be required to forfeit not more than $1,000. Signer agrees to operate this business according to law and that the rights and responsibilities conferred by the license(s), if granted, will not be assigned to another. (Individual applicants, or one member of a partnership applicant must sign; one corporate officer, one member/manager of Limited Liability Companies must sign.) Any lack of access to any portion of a licensed premises during inspection will be deemed a refusal to permit inspection. Such refusal is a misdemeanor and grounds for revocation of this license.

Contact Person's Name (Last, First, M.I.)	Title/Member	Date
Gasaway, Rankin P	VP/Sec	9.1.2022
Signature	**Phone Number**	**Email Address**
X [signature]	(972)828-7011	

TO BE COMPLETED BY CLERK

Date received and filed with municipal clerk	Date reported to council / board	Date provisional license issued	Signature of Clerk / Deputy Clerk
10-6-22	11-9-22		
Date license granted	**Date license issued**	**License number issued**	

AT-106 (R. 3-19)

Auxiliary Questionnaire
Alcohol Beverage License Application

Submit to municipal clerk.

Individual's Full Name *(please print)* *(last name)*	*(first name)*	*(middle name)*
WALters	Stacy	A

Home Address *(street/route)*	Post Office	City	State	Zip Code
8993 N ParkPlaza ct	APt 315	Brown Deer	WI	53223

Home Phone Number	Age	Date of Birth	Place of Birth
414-393-7927	39	4/02/1983	laurel Mississippi

The *above named individual* provides the following information as a person who is *(check one)*:

☐ Applying for an alcohol beverage license as an **individual.**

☐ A member of a **partnership** which is making application for an alcohol beverage license.

☒ Manager/Agent of 7-Eleven INC.
(Officer / Director / Member / Manager / Agent) *(Name of Corporation, Limited Liability Company or Nonprofit Organization)*

which is making application for an alcohol beverage license.

The *above named individual* provides the following information to the licensing authority:

1. How long have you continuously resided in Wisconsin prior to this date? 1989
2. Have you ever been convicted of any offenses (other than traffic unrelated to alcohol beverages) for violation of any federal laws, any Wisconsin laws, any laws of any other states or ordinances of any county or municipality? ☐ Yes ☒ No
   If yes, give law or ordinance violated, trial court, trial date and penalty imposed, and/or date, description and status of charges pending. *(If more room is needed, continue on reverse side of this form.)*
3. Are charges for any offenses presently pending against you (other than traffic unrelated to alcohol beverages) for violation of any federal laws, any Wisconsin laws, any laws of other states or ordinances of any county or municipality? ☐ Yes ☒ No
   If yes, describe status of charges pending.
4. Do you hold, are you making application for or are you an officer, director or agent of a corporation/nonprofit organization or member/manager/agent of a limited liability company holding or applying for any other alcohol beverage license or permit? ☐ Yes ☒ No
   If yes, identify.
   (Name, Location and Type of License/Permit)
5. Do you hold and/or are you an officer, director, stockholder, agent or employe of any person or corporation or member/manager/agent of a limited liability company holding or applying for a wholesale beer permit, brewery/winery permit or wholesale liquor, manufacturer or rectifier permit in the State of Wisconsin? ☐ Yes ☒ No
   If yes, identify.
   (Name of Wholesale Licensee or Permittee) *(Address By City and County)*
6. Named individual must list in chronological order last two employers.

Employer's Name	Employer's Address	Employed From	To
TARGET	2950 S.CHASE Ave Milwakee	2/2015	5/2017
Potowatami Casino	1721 W Canal St. Millwaukee	5/2017	8/2017

READ CAREFULLY BEFORE SIGNING: Under penalty provided by law, the undersigned states that each of the above questions has been truthfully answered to the best of the knowledge of the signer. The signer agrees that he/she is the person named in the foregoing application; that the applicant has read and made a complete answer to each question, and that the answers in each instance are true and correct. The undersigned further understands that any license issued contrary to Chapter 125 of the Wisconsin Statutes shall be void, and under penalty of state law, the applicant may be prosecuted for submitting false statements and affidavits in connection with this application. Any person who knowingly provides materially false information on this application may be required to forfeit not more than $1,000.

Stacy Walter
(Signature of Named Individual)

AT-103 (R. 7-18) Wisconsin Department of Revenue

11:48 LTE

Done Stacy AJ Walter Bart licen...

315289

CLASS D OPERATOR'S LICENSE

BART - 0235294
EFF DATE: 01/01/2021 EXP DATE: 12/31/2022

STACY AJ WALTERS

city clerk
www.milwaukee.gov/license

MILWAUKEE

City Hall - Room 105 - 200 East Wells Street - Milwaukee, WI 53202-3570 - Phone (414) 286-2238 - Fax (414) 286-3057
Email: license@milwaukee.gov - Website: www.milwaukee.gov/license

city of milwaukee
www.milwaukee.gov/license

city clerk

license required to be displayed or carried

EXPIRATION DATE: 12/31/2022
LIC. NO: BART 0235294
LICENSE: CLASS D OPERATOR'S LICENSE

STACY AJ WALTERS
W436-7818-3622-00

STACY AJ WALTERS
8993 N PARK PLAZA CT, APT
BROWN DEER, WI 53223-1822

Schedule for Appointment of Agent by Corporation / Nonprofit Organization or Limited Liability Company

Submit to municipal clerk.

All corporations/organizations or limited liability companies applying for a license to sell fermented malt beverages and/or intoxicating liquor must appoint an agent. The following questions must be answered by the agent. The appointment must be signed by an officer of the corporation/organization or one member/manager of a limited liability company and the recommendation made by the proper local official.

To the governing body of: ☒ Town ☒ Village ☐ City of Somers County of Kenosha

The undersigned duly authorized officer/member/manager of 7-Eleven Inc.
(Registered Name of Corporation / Organization or Limited Liability Company)

a corporation/organization or limited liability company making application for an alcohol beverage license for a premises known as 7-Eleven #35842J
(Trade Name)

located at 1150 Green Bay Rd. Kenosha WI 53144

appoints X Stacy Walters
(Name of Appointed Agent)

X 8993 N Park Plaza Ct #315 Brown Deer WI 53223
(Home Address of Appointed Agent)

to act for the corporation/organization/limited liability company with full authority and control of the premises and of all business relative to alcohol beverages conducted therein. Is applicant agent presently acting in that capacity or requesting approval for any corporation/organization/limited liability company having or applying for a beer and/or liquor license for any other location in Wisconsin?

☐ Yes ☒ No If so, indicate the corporate name(s)/limited liability company(ies) and municipality(ies).

Is applicant agent subject to completion of the responsible beverage server training course? ☐ Yes ☐ No

X How long immediately prior to making this application has the applicant agent resided continuously in Wisconsin? 1989

Place of residence last year X 8993 N Park Plaza Ct #315 Brown Deer WI 53223

For: 7-Eleven, Inc.
(Name of Corporation / Organization / Limited Liability Company)

By: [signature]
(Signature of Officer / Member / Manager)

Any person who knowingly provides materially false information in an application for a license may be required to forfeit not more than $1,000.

ACCEPTANCE BY AGENT

I, Stacy Walters, hereby accept this appointment as agent for the
(Print / Type Agent's Name)

corporation/organization/limited liability company and assume full responsibility for the conduct of all business relative to alcohol beverages conducted on the premises for the corporation/organization/limited liability company.

X Stacy Walter — 8/15/22 — X Agent's age 39
(Signature of Agent) (Date)

X 8993 N Park Plaza Ct #315 Brown Deer WI 53223 — X Date of birth 4/[illegible]/83
(Home Address of Agent)

APPROVAL OF AGENT BY MUNICIPAL AUTHORITY
(Clerk cannot sign on behalf of Municipal Official)

I hereby certify that I have checked municipal and state criminal records. To the best of my knowledge, with the available information, the character, record and reputation are satisfactory and I have no objection to the agent appointed.

Approved on ________ by ________________ Title ________________
(Date) (Signature of Proper Local Official) (Town Chair, Village President, Police Chief)

AT-104 (R. 4-18) Wisconsin Department of Revenue

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VILLAGE OF SOMERS
VILLAGE BOARD
WORK SESSION ITEM MEMORANDUM

WORK SESSION: November 1, 2022

TO: Village President Stoner and Board of Trustees

PREPARED BY: Brandi Baker, Clerk-Treasurer

AGENDA ITEM: # 8 Discussion on Tobacco License application from 7- Eleven

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BACKGROUND:

Current owner of the current 7-eleven located at 1150 Green Bay Rd in Somers WI, is selling the business back to the 7-Eleven, Inc corporation. As a result, 7-Eleven, Inc must apply for an original Tobacco License.

ATTACHMENTS:

7-Eleven Tobacco Application

Application for Cigarette and Tobacco Products Retail License

Submit to municipal clerk.

MUNICIPAL USE ONLY
License Number
Period Covered
Date of Issuance

Applicant's Wisconsin 15-digit Sales Tax Account Number: 456-0000140841-04

← This must be issued in the same Legal Name of the licensee below.

Legal Name (corporation, limited liability company, partnership or sole proprietorship): 7-Eleven Inc.		Federal Employer Identification No. (FEIN): 75-1085131
Trade or Business Name (if different than Legal Name): 7-Eleven # 35842 J		Telephone Number: ( )
Business Address (License Location): 1150 Green Bay Rd.	Business Located in: ☑ City ☐ Village ☑ Town	Business Telephone: (262)553-9940
Municipality: Kenosha — State: WI — Zip Code: 53144	of Somers	County: Kenosha
Mailing Address (if different than Business Address): P.O. Box 139044	Municipality: Dallas	State: TX — Zip Code: 75313

Organization (check one)

☐ Sole Proprietor ☐ Wisconsin Corporation – Enter date incorporated: ______

☐ Partnership ☒ Out-of-State Corporation – Are you registered to do business in Wisconsin? ☒ Yes ☐ No

☐ Other (describe) ______

☒ Yes ☐ No 1. Does the applicant understand that they must purchase cigarettes and tobacco products only from distributors, jobbers, or subjobbers, who hold a permit with the Wisconsin Department of Revenue?

☒ Yes ☐ No 2. Does the applicant understand that they must obtain a Tobacco Products Distributor permit if purchasing untaxed tobacco products from an out-of-state company? (Tobacco Products Distributor permit is available from the Wisconsin Department of Revenue at 608-266-6701. See application form CTP-129, revenue.wi.gov/dorforms/ctp-129.pdf.)

☒ Yes ☐ No 3. Does the applicant understand that they cannot purchase/exchange cigarettes or tobacco products from another retailer, including transferring existing stock to a new owner?

☒ Yes ☐ No 4. Does the applicant understand that they must provide employees with tobacco sales training approved by the Wisconsin Department of Health Services? (https://witobaccocheck.org)

☒ Yes ☐ No 5. Does the applicant understand that they may not sell, give or otherwise provide cigarettes/tobacco products and nicotine products to minors (including electronic cigarettes containing nicotine)?

☒ Yes ☐ No 6. Does the applicant understand that they may not sell single cigarettes?

☒ Yes ☐ No 7. Does the applicant understand that cigarette and tobacco products invoices must be kept on the licensed premises for two years from the date of the invoice and be available for inspection by the Wisconsin Department of Revenue/law enforcement and that failure to comply can result in criminal penalties, including loss of cigarettes/tobacco products?

☒ Yes ☐ No 8. Does the applicant understand that only cigarettes and roll-your-own (RYO) tobacco products listed on the Wisconsin Department of Justice's website labeled "Directory of Certified Tobacco Manufacturers and Brands" at www.doj.state.wi.us/dls/tobacco-directory may be sold in Wisconsin?

Cigarettes / Tobacco will be sold ☒ over counter ☐ through vending machine ☐ both

READ CAREFULLY BEFORE SIGNING: Under penalty provided by law, the applicant states that each of the above questions has been truthfully answered to the best of the knowledge of the applicant. Applicant agrees to operate this business according to law and that the rights and responsibilities conferred by the license(s), if granted, cannot be assigned to another.Any lack of access to any por-tion of a licensed premises during inspection will be deemed a refusal to permit inspection. Such refusal is a misdemeanor and grounds for revocation of this license. Any person who knowingly provides materially false information on this application may be required to forfeit not more than $1,000.

X ______
(Officer of Corporation / Member / Manager of Limited Liability Company / Partner / Individual)

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations in effect as of September 19, 2019: Sections 134.65, 134.66, 139.321, 139.79, 139.76, 995.10, and 995.12, Wis. Stats.

Established 1843
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www.somers.org
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VILLAGE OF SOMERS
VILLAGE BOARD
WORK SESSION ITEM MEMORANDUM

WORK SESSION: November 1st, 2022

TO: Village President Stoner and Board of Trustees

PREPARED BY: Jason J. Peters, Administrator

AGENDA ITEM: #9 Discuss and review proposed First Amendment to Development Agreement Between the Village of Somers and SCS Pike Creek, LLC for "The Savannah at Pike Creek"

BACKGROUND:

In October of 2021, the Village entered into a Developer's Agreement with SCS Pike Creek, LLC for "The Savannah at Pike Creek" project. As you will recall, this market rate multi-family project composed of single-story buildings and a club house is located at the corner of CTH L and STH 31. It will bring 338 units of multi-family housing to approximately 64 acres.

UPDATE:

As a part of the Developer's Agreement the Village, agreed to reimburse the developer for a portion of their infrastructure costs from TID revenues. In turn the developer guaranteed certain valuations of the project beginning in 2023 and ending in 2026. The Developer's Agreement also included a provision that states that the PUD and Zoning could be revoked by the Village if the Developer does not commence construction on two buildings by October 2022 complete all the buildings shown in Phase I by January 1st, 2025.

In March of this year work was completed to connect the water main to the property. In August, the developer started mass grading for the site. While the Developer has begun to make progress on the project, they have been slowed down by supply chain issues and a private right of way easement issue. Due to this fact they did not fulfill the October 2022 deadline for commencing the two buildings and they will not make their guaranteed value schedule. Administration has been working with the Developer since late summer on a proposed amendment to the Developer's Agreement.

COMMENTS:

Attorney Davison has drafted the proposed first amendment to the developer's agreement that shifts the dates of the guaranteed values by one year and shifts the state of completion for all buildings in Phase I to January 1st, 2026.

Administration would note that the Developer's team has been very diligent on trying to bring this project in under the original time frames and does not believe that this is a situation where the developer was simply "dragging" their feet. Administration would request that this matter be placed on our November 9th Board Meeting for action and would recommend approval.

ATTACHMENTS:

Proposed First Amendment to Development Agreement

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT BETWEEN THE VILLAGE OF SOMERS AND SCS PIKE CREEK, LLC FOR "THE SAVANNAH AT PIKE CREEK" A PROPOSED PLANNED UNIT DEVELOPMENT BEING A PART OF SECTION 15, TOWN 2 NORTH, RANGE 22 EAST

WITNESS THIS AGREEMENT made and entered into on this _____ day of ______________, 2022, by and between the Village of Somers, Kenosha County, Wisconsin, the Village of Somers Utility District ("District") and the Village of Somers Water Utility ("Utility") (the Village of Somers, the Utility and the District are hereinafter collectively referred to as the "Village") and SCS Pike Creek, LLC, a Wisconsin limited liability company organized and existing under the laws of the State of Wisconsin (referred to as "Developer").

WHEREAS, on the 28th day of October, 2021, the Village and the Developer entered into a Development Agreement for the development of "The Savannah at Pike Creek", which Agreement was recorded in the office of the Register of Deeds for Kenosha County, Wisconsin, on November 18, 2021, as Document No. 1916098, and which is referred to herein as the "Development Agreement"; and

WHEREAS, the parties which to modify the Development Agreement relative to the sequencing of various construction activities by the Village for improvements as stated in the Development Agreement and as delineated in this First Amendment to Development Agreement.

NOW, THEREFORE, based upon the mutual promises contained herein, the parties agree as follows:

1. **Modification of Development Agreement**. The parties hereby agree that the Development Agreement as it relates to Section IV.B.1. and 2. entitled "**Guarantee of Incremental Values by Developer**" located at pages 24 and 25 of the Development Agreement shall be modified as follows:

"B. GUARANTEE OF INCREMENTAL VALUES BY DEVELOPER.

Village and Developer agree that the Base Value of the Property is Twenty-four Thousand Fifty-seven and 00/100 ($24,057.00) Dollars. For purposes of this Agreement, the Developer's guarantee of the creation of Incremental Value of the Property shall be in addition to the Base Value.

1. Developer guarantees that the Incremental Value of the Residential Component of the Property will be not less than Five Million and 00/100 ($5,000,000.00) Dollars on January 1, 2024, not less than Twenty Million and no/100 ($20,000,000) Dollars on January 1, 2025, and not less than Thirty-five Million and 00/100 ($35,000,000.00) Dollars on January 1, 2026, and not less than Forty-eight Million and 00/100 ($48,000,000.00) Dollars as of January 1, 2027 (each of the foregoing amounts is referred to herein as the "Guaranteed Incremental Value" and each date as the "Valuation Date"), Developer guarantees that the Forty-eight Million and 00/100 ($48,000,000.00) Dollars Guaranteed Incremental Value will continue through the Term of this Agreement.

2. For the tax year of the 2024 Valuation Date and thereafter ending with the Term of this Agreement, Developer guarantees that the amount due to Village on the Value of the Residential Component of the Property shall be not less than the Guaranteed Incremental Value in Section IV.B.1. of this Agreement above, plus the Base Value, multiplied by the assessment ratio for the relevant year and multiplied by the mill rate for the relevant year. Developer agrees that, in the event the property taxes due for any year covered by this Agreement are less than the taxes which would be generated on the Base Value plus the Guaranteed Incremental Value in Section IV.B. of this Agreement, Village may submit a bill to Developer for the differential ("Differential Payment"). For example, assume a Valuation Date of January 1, 2024. Assuming the assessment ratio be One Hundred (100%) percent and the mill rate be $21.61/K, the amount required to be paid to Village under this Agreement (before any Developer reimbursement) for taxes for 2024 is One Hundred Eight Thousand Fifty and 00/100 ($108,050.00) Dollars. If the assessed amount for the Residential Component of the Property which would be due on the amount of property taxes billed, with the same assumptions, is on January 1, 2024, Four Million and 00/100 ($4,000,000.00) Dollars, or taxes due of Eighty-six Thousand Four Hundred Forty and 00/100 ($86,440.00) Dollars, the billable Differential Payment is Twenty-one Thousand Six Hundred Ten and 00/100 ($21,610.00) Dollars. Such a billing shall be submitted to Developer by Village by January 15 of the year following the relevant tax year and shall be paid in full by Developer, without interest thereon, by February 15 of that year. If not fully paid when due, the amount remaining unpaid on and after February 15 shall accrue interest at the rate of six (6%) percent per annum until fully paid, notwithstanding any other provision of this Agreement.

2. **Additional Modification of Development Agreement**. The parties hereby agree that the Development Agreement as it relates to Section III.F.3. entitled "**P.U.D. APPROVAL AND ZONING; PERMITS AND ASSESSMENTS**" located at page 23 of the Development Agreement shall be modified as follows:

"F. P.U.D. APPROVAL AND ZONING; PERMITS AND ASSESSMENTS.

3. The Planned Unit Development and zoning approvals granted by virtue of this Agreement shall be in effect for an initial period of two (2) years from the date of this Agreement. In the event that the Developer fails to obtain approval for the construction of at least two (2) multi-family buildings and commence construction on such building(s)

in Phase I within two (2) years of the date of this Agreement and all buildings depicted on the Site Plan for Phase I completed by January 1, 2026, then, after notice and hearing before the Village Board, the Village may choose to revoke such P.U.D. and zoning approvals for the remainder of the project."

3. **Survival of All Other Terms and Conditions of Development Agreement**. Except as modified herein, all of the terms and conditions of the Development Agreement between the Village and Developer shall remain in full force and effect as if fully stated herein.

WITNESS OUR HANDS AND SEALS this _____ day of _____________, 2022.

VILLAGE OF SOMERS

By:____
George Stoner, President

Attest:____
Brandi Baker, Clerk/Treasurer

STATE OF WISCONSIN)
) ss.
COUNTY OF KENOSHA)

Personally came before me this _____ day of _______________, 2022, the above named George Stoner, President and Brandi Baker, Clerk/Treasurer of the Village of Somers, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

____
Printed Name:___________________________
Notary Public; State of Wisconsin
My commission expires_________________.

DEVELOPER

SCS PIKE CREEK, LLC

By: ______________________________________

Printed Name:________________________, its____________

STATE OF __________)
) ss.
COUNTY OF _________)

Personally came before me this _____ day of _______________, 2022, the above _________________________, on behalf of SCS PIKE CREEK, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same.

____

Printed Name:__________________________

Notary Public; ____________ County, ______

My commission expires_________________.

Legal Description:

(Phase I)

Part of Lot 1 and all of Lot 4 of Certified Survey Map No. 2995 recorded with the Kenosha County, Wisconsin Register of Deeds Office on November 3, 2021, as Document Number 1914842, being a part of the Southwest 1/4 and Southeast 1/4 of Section 15, Township 2 North, Range 22 East of the Fourth Principal Meridian, in the Village of Somers, County of Kenosha and State of Wisconsin.

(Phase II)

Lot 3, Certified Survey Map No. 2996 recorded with the Kenosha County, Wisconsin Register of Deeds Office on November 3, 2021, as Document Number 1914843, being a part of the Southwest 1/4 and Southeast 1/4 of Section 15, Township 2 North, Range 22 East of the Fourth Principal Meridian, in the Village of Somers, County of Kenosha and State of Wisconsin.

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VILLAGE OF SOMERS
VILLAGE BOARD
WORK SESSION ITEM MEMORANDUM

MEETING DATE: November 1st, 2022

TO: Village President Stoner and Village Trustees

PREPARED BY: Jason J. Peters, Administrator

AGENDA ITEM: #10 Discuss and review proposed Administrator Contract with Jason J. Peters term ending December 31st, 2025

BACKGROUND:

Administrator Peters employment contract with the Village/Town of Somers is set to expire at the end of 2022. The Board discussed a new contract with Administrator Peters in closed work sessions on October 4th and October 18th. Based on these discussions, Attorney Davison has drafted and presented to Administrator Peters a new contract to continue serving as your Administrator.

COMMENTS:

Major deal points

3-year term beginning January 1, 2023, and ending December 31st, 2025

Base salary of $120,00 in 2023, $125,000 in 2024, and $130,000 in 2025

Super majority to remove without cause

EMPLOYMENT AGREEMENT

This Agreement for employment of a Village/Town Administrator is entered into this ______ day of ______________, 2022, by and between the Village of Somers (hereinafter called "Employer") and Jason Peters (hereinafter called "Employee" and also referred to herein as "Administrator").

ARTICLE I
DUTIES AND RESPONSIBILITIES OF EMPLOYEE

The Employee shall have those duties and responsibilities as set forth in Village and Town ordinances and the job description enacted or established by the Village and Town of Somers relative to the position of Village and Town Administrator. The Administrator, subject to the limitations defined in ordinances and resolutions to be adopted by the Village and Town of Somers, from time to time, and the laws of the State of Wisconsin, shall be the Administrator of the Village and Town, responsible to the Village and Town Boards for proper administration of the business affairs of the Village and Town, the statutes of the State of Wisconsin, the ordinances of the Village and Town of Somers, and the resolutions and directives of the Village and Town Boards. The Employee shall be subject to all provisions set forth in the Personnel Policy and Procedures Manual of the Village of Somers that are not in conflict with the terms of this Agreement.

ARTICLE II
TERM

The term of this Agreement shall be from January 1, 2023 to December 31, 2025.

ARTICLE III
SALARY

The annual base salary of the Employee pursuant to this Employment Agreement shall be One Hundred Twenty Thousand ($120,000.00) Dollars with an effective date of January 1, 2023. Base salary, for purposes of this Agreement, shall be that salary paid to Employee to discharge his duties as Administrator of the Village and Town of Somers. Base salary shall be adjusted in accordance with this paragraph. In addition to base salary, Employee shall be entitled to additional salary to discharge his duties as Administrator for the Village and Town of Somers by annual increases of Five Thousand ($5,000.00) Dollars per year, beginning January 1, 2024 (for calendar year 2024) and an additional increase of Five Thousand ($5,000.00) Dollars beginning on January 1, 2025 (for calendar year 2025) such that the total base salary plus additional salary for the Employee shall be One Hundred Twenty-five Thousand ($125,000.00) Dollars for calendar year 2024 and One Hundred Thirty Thousand ($130,000.00) Dollars for calendar year 2025. Future annual salary may be further adjusted upwards based upon performance reviews, which will take into consideration adherence to goals and objectives established by the Village Board.

ARTICLE IV
HEALTH INSURANCE

The Employer agrees to provide a health insurance plan for the Employee and his family. The health insurance plan shall have the same benefits as are currently in effect for other non-represented employees of the Village of Somers pursuant to the Wisconsin Retirement System (WRS) Plan currently in effect.

ARTICLE V
RETIREMENT BENEFITS

The Employer agrees to pay the maximum eligible contribution which is allowed under state law of the Employee's contribution to the Wisconsin Retirement Fund for which other full-time non-represented employees of the Village of Somers are eligible.

ARTICLE VI
VACATION DAYS, HOLIDAYS,
PERSONAL LEAVE, SICK LEAVE AND FUNERAL LEAVE

The Employee shall receive three (3) weeks vacation per year during the term of this Agreement for a total of fifteen (15) paid vacation days per year beginning January 1, 2023. The Employee shall receive holidays, personal leave, sick leave and funeral leave in accordance with the same benefits as currently in effect for other non-represented employees of the Village of Somers. All such benefits shall accrue from Commencement Date of the Employee's employment with the Village. Employee periodically shall have a review of performance as is described in the Village's Non-Represented Employee Manual.

ARTICLE VII
MILEAGE REIMBURSEMENT

The Employee shall have a privately owned motor vehicle available for duties associated with this Agreement, and shall be reimbursed for the use of the privately owned motor vehicle utilized in the course of his employment at the rate of One Hundred Fifty ($150.00) Dollars per month for all travel within the Village and Town limits of Somers and within a thirty (30) mile radius of the Village and Town limits of Somers. For all travel beyond the thirty (30) mile radius, the Employee shall be reimbursed on a per mile basis at the then-current IRS approved mileage reimbursement rates. All reimbursement shall be payable on a monthly basis.

ARTICLE VIII
PROFESSIONAL FEES

The Employer shall be responsible for payment of Employee's costs of maintaining membership in the Wisconsin City/County Management Association (WCMA). The Employee may attend WCMA and conferences of recognized associations, including the

Wisconsin League of Municipalities Association, whenever sufficient funds are available and if authorized by the Village Board.

ARTICLE IX
APPOINTMENT, EMPLOYEE TERMINATION

The Employee shall be appointed on the basis of merit with due regard to training, experience, administrative ability, and general fitness for the office, by a majority vote of the Village Board. The Administrator shall be appointed for a term of January 1, 2023 through December 31, 2025.

The Administrator may be discharged or terminated for cause at any time by a Resolution passed by a vote of the Village Board following a due process hearing on such alleged wrongful conduct pursuant to the Village Employee and Procedures Manual and must be made by a majority of not less than five (5) members of the Village Board.

The Administrator may be discharged or terminated at any time without reason and without cause by a majority vote of not fewer than five (5) members of the Village Board.

If terminated without cause, the Employee shall receive written notice of termination and a copy of the resolution. Following notice of termination as described herein, the Employee shall receive six (6) months salary and health insurance coverage as severance compensation. This severance compensation shall be paid at the Employee's then-current salary at the time of normal Village pay periods. The Employee agrees not to file for unemployment compensation benefits until after aforesaid compensation has expired.

If terminated for cause, the Employee shall not be entitled to receive any severance compensation, but shall be entitled to any accrued vacation or other benefits to which he is entitled under the Village's Employee and Procedure Manual.

The parties agree that the Employee may terminate this Agreement by giving the Employer a minimum of ninety (90) calendar days written notice prior to the Employee's final day of employment. The Employee's final day of employment shall be defined as the last day of actual work in service to the Employer. In the event Employee voluntarily terminates this Agreement and does not give ninety (90) days notice prior to December 31, 2025, he shall not be entitled to any severance compensation, but shall be entitled to any accrued vacation or other benefits to which he is entitled under the Village's Employee and Procedures Manual. Nothing in this paragraph shall prevent the Village and the Employee from mutually agreeing upon further extensions of the term of this Agreement or the Employee's employment by the Village following December 31, 2025.

ARTICLE X
CONSTRUCTION

This Agreement shall be construed under the laws of the State of Wisconsin.

ARTICLE XI
SEVERABILITY

If any Article or section of this Agreement, or any supplements thereto should be held invalid by operation or law or by any tribunal of confident jurisdiction or if compliance with or enforcement of any matter herein should be restrained by such tribunal, by operation of law, then the remainder of this Agreement and any supplements thereto shall not hereby be affected.

ARTICLE XII
ASSIGNMENT OF RIGHTS

The rights of each party under this Agreement are personal to that party and may not be assigned or transferred to any other person, firm, corporation or other entity without the prior, express and written consent of the other party.

ARTICLE XIII
BINDING EFFECT

This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors and legal assigns of the parties.

ARTICLE XIV
NO WAIVER

The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and conditions of this Agreement, shall not be construed as thereafter waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

ARTICLE XV
EFFECT OF PARTIAL INVALIDITY

The invalidity of any portion of this Agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the parties agree that the remaining provision shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.

ARTICLE XVI
AUTHORITY OF VILLAGE

By executing this Agreement below, the representative of the Village warrants and represents that the undersigned Village President has full authority to enter into this Agreement, such authority being authorized by motion or resolution at a duly noticed and convened meeting of the Village of Somers, conducted under the laws of the State of Wisconsin.

Dated this ______ day of ______________, 2022.

EMPLOYER
Village of Somers

By:____
George Stoner, President

Attest:____
Brandi Baker, Clerk/Treasurer

EMPLOYEE/ADMINISTRATOR

By:____
Jason Peters

Village of Somers
7511 12th Street
Somers, WI 53171

Village Board Meeting
Tentative Agenda
Wednesday, November 9, 2022
5:30 p.m.

Village Board Meeting:	
Item #	
1	Call to order
2	Pledge of Allegiance
3	Consent and Approval of Minutes of Regular meetings on October 25, 2022 Vouchers dated October 27, 2022 and November 3, 2022
4	Correspondence:
5	Citizens Comments
6	President and Trustee Comments
7	Making a Difference Plaque Presentation
8	Action on proposed First Amendment to Development Agreement Between the Village of Somers and SCS Pike Creek, LLC for "The Savannah at Pike Creek"
9	Public Hearing on "Class A" Class "A" combo alcohol license application for 7-Eleven
10	Action on "Class A" Class "A" combo alcohol license application for 7-Eleven
11	Action on Tobacco application for 7-Eleven
12	Approval of Operator's Licenses: None
13	Adjourn

I hereby certify that as the designee of the chief elected official of the Village of Somers, I posted this notice of the November 9, 2022 Village Board Meeting & Tentative Agenda in 1 public place & on the Village website.

Dated this 28th day of October 2022 Brandi Baker, Clerk-Treasurer

Requests from person with disabilities who need assistance to participate in this meeting should be made to the Clerk's Office at 262-859-2822 with as much notice as possible. **Notice is hereby given that members of the Village Board may participate telephonically. Notice is hereby given that members of the Town Board may be in attendance for the sole purpose of gathering information. A quorum may be present. However, no Board action will be taken**

Original Post Date: October 28, 2022