

**CITY OF AMERY, WISCONSIN**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2018**

**CITY OF AMERY, WISCONSIN  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2018**

<b>INDEPENDENT AUDITORS' REPORT</b>	1
<b>BASIC FINANCIAL STATEMENTS</b>	
STATEMENT OF NET POSITION	4
STATEMENT OF ACTIVITIES	5
BALANCE SHEET – GOVERNMENTAL FUNDS	6
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES	8
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	9
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	11
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	12
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	13
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	14
STATEMENT OF NET POSITION – FIDUCIARY FUNDS	16
STATEMENT OF CHANGES IN NET POSITION – FIDUCIARY FUNDS	17
NOTES TO BASIC FINANCIAL STATEMENTS	18
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
SCHEDULE	
1 – BUDGETARY COMPARISON SCHEDULE - GENERAL FUND	46
SCHEDULE	
2 – BUDGETARY COMPARISON SCHEDULE - LIBRARY FUND	47
3 – SCHEDULE OF PROPORTIONATE SHARE OF WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN (ASSET) LIABILITY – LAST TEN MEASUREMENT PERIODS	48
4 – SCHEDULE OF CONTRIBUTIONS TO WISCONSIN RETIREMENT SYSTEM PENSION PLAN – LAST TEN FISCAL YEARS	49
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	50

**CITY OF AMERY, WISCONSIN  
TABLE OF CONTENTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2018**

**SUPPLEMENTARY INFORMATION**

**COMBINING AND INDIVIDUAL FUND STATEMENTS**

**SCHEDULES**

**NONMAJOR GOVERNMENTAL FUNDS**

A-1 – COMBINING BALANCE SHEET 51

A-2 – COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES 52

**GENERAL FUND**

B-1 – DETAILED BALANCE SHEET 53

B-2 – DETAILED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL 54

**DEBT SERVICE FUNDS**

C-1 – DETAILED BALANCE SHEET 59

C-2 – DETAILED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES 60

**WATER UTILITY ENTERPRISE FUND**

D-1 – STATEMENT OF NET POSITION 61

D-2 – STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET  
POSITION 62

D-3 – STATEMENT OF CASH FLOWS 63

D-4 – SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES 64

**SEWER UTILITY ENTERPRISE FUND**

D-5 – STATEMENT OF NET POSITION 65

D-6 – STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET  
POSITION 66

D-7 – STATEMENT OF CASH FLOWS 67

D-8 – SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES 68



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## INDEPENDENT AUDITORS' REPORT

The City Council  
City of Amery  
Amery, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Amery, Wisconsin (City) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Amery, Wisconsin as of December 31, 2018, and the respective changes in the financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### ***Required Supplementary Information***

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

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

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the City's basic financial statements for the year ended December 31, 2017 which are not presented with the accompanying financial statements. In our report dated May 6, 2018, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that

City Council  
City of Amery

collectively comprise the City's basic financial statements. The 2017 individual fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2017 individual fund statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.



**CliftonLarsonAllen LLP**

Hudson, Wisconsin  
August 20, 2019

**CITY OF AMERY, WISCONSIN  
STATEMENT OF NET POSITION  
DECEMBER 31, 2018**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 2,346,718	\$ 891,409	\$ 3,238,127
Land Held for Resale	250,780	-	250,780
Taxes Receivable	1,932,806	17,670	1,950,476
Accounts Receivable	107,900	257,144	365,044
Due from Other Governmental Units	50,793	-	50,793
Prepayments	24,381	-	24,381
Inventories	-	26,031	26,031
Special Assessments Receivable	30,274	14,583	44,857
Long-Term Receivables	303,237	-	303,237
Internal Balances	55,000	(55,000)	-
Restricted Assets:			
Cash and Investments	-	178,563	178,563
Net Wisconsin Retirement System Pension Asset	241,015	72,603	313,618
Capital Assets:			
Capital Assets Not Being Depreciated	929,255	51,699	980,954
Capital Assets Being Depreciated	11,841,227	9,674,135	21,515,362
Accumulated Depreciation	(5,671,936)	(5,446,672)	(11,118,608)
<b>Total Assets</b>	<b>12,441,450</b>	<b>5,682,165</b>	<b>18,123,615</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Related	441,476	132,989	574,465
<b>LIABILITIES</b>			
Vouchers and Accounts Payable	220,122	25,250	245,372
Accrued Interest Payable	17,520	2,475	19,995
Payroll Taxes and Withholdings	53,385	-	53,385
Due to Other Governmental Units	16,504	-	16,504
Special Deposits	31,143	-	31,143
Due to Fiduciary Funds	16,000	-	16,000
Noncurrent Liabilities:			
Amounts Due Within One Year	455,979	98,065	554,044
Amounts Due in More than One Year	3,018,096	441,157	3,459,253
<b>Total Liabilities</b>	<b>3,828,749</b>	<b>566,947</b>	<b>4,395,696</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Succeeding Year's Property Taxes	2,294,288	-	2,294,288
Wisconsin Retirement System Pension Related	477,300	143,780	621,080
<b>Total Deferred Inflows of Resources</b>	<b>2,771,588</b>	<b>143,780</b>	<b>2,915,368</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	5,131,737	3,772,199	8,903,936
Restricted For:			
Capital Projects and Plant Replacement	1,294,158	178,563	1,472,721
Housing and Business Loan Programs	364,164	-	364,164
WRS Pension Asset	241,015	72,603	313,618
Other Purposes	222,833	-	222,833
Unrestricted	(971,318)	1,081,062	109,744
<b>Total Net Position</b>	<b>\$ 6,282,589</b>	<b>\$ 5,104,427</b>	<b>\$ 11,387,016</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2018**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>PRIMARY GOVERNMENT</b>							
<b>GOVERNMENTAL ACTIVITIES</b>							
General Government	\$ 683,773	\$ 46,907	\$ -	\$ -	\$ (636,866)	\$ -	\$ (636,866)
Public Safety	1,394,296	225,845	52,129	-	(1,116,322)	-	(1,116,322)
Public Works	1,001,710	219,984	211,397	11,457	(558,872)	-	(558,872)
Health and Human Services	4,207	-	-	-	(4,207)	-	(4,207)
Culture, Recreation, and Education	628,215	6,517	217,192	116,687	(287,819)	-	(287,819)
Conservation and Development	178,770	-	750	-	(178,020)	-	(178,020)
Interest and Fiscal Charges	59,804	-	-	-	(59,804)	-	(59,804)
Total Governmental Activities	3,950,775	499,253	481,468	128,144	(2,841,910)	-	(2,841,910)
<b>BUSINESS-TYPE ACTIVITIES</b>							
Water	311,798	455,624	-	-	-	143,826	143,826
Sewer	653,399	665,110	-	-	-	11,711	11,711
Total Business-Type Activities	965,197	1,120,734	-	-	-	155,537	155,537
Total Primary Government	\$ 4,915,972	\$ 1,619,987	\$ 481,468	\$ 128,144	(2,841,910)	155,537	(2,686,373)
<b>GENERAL REVENUES</b>							
Taxes							
Property Taxes, Levied for General Purposes					1,829,487	-	1,829,487
Property Taxes, Levied for TIF Districts					505,183	-	505,183
Other Taxes					80,960	-	80,960
Grants and Contributions not Restricted for a Particular Purpose					596,131	-	596,131
Interest and Investment Earnings					41,859	612	42,471
Miscellaneous					243,790	-	243,790
<b>TRANSFERS</b>					82,360	(82,360)	-
Total General Revenues and Transfers					3,379,770	(81,748)	3,298,022
<b>CHANGE IN NET POSITION</b>							
Net Position - Beginning of Year					5,744,729	5,030,638	10,775,367
<b>NET POSITION - END OF YEAR</b>					\$ 6,282,589	\$ 5,104,427	\$ 11,387,016

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2018**

	General Fund	CDBG Housing Revolving Loan Fund	Library Fund	Debt Service Fund	Tax Incremental District #5 Fund
<b>ASSETS</b>					
Treasurer's Cash and Investments	\$ 737,622	\$ 36,468	\$ 240,452	\$ 9,819	\$ 1,216,158
Land Held for Resale	250,780	-	-	-	-
Taxes Receivable	1,228,734	-	200,000	-	161,339
Special Assessments Receivable	30,274	-	-	-	-
Accounts Receivable	107,900	-	-	-	-
Due from Other Governmental Units	-	-	-	-	-
Due from Other Funds	250,469	-	-	-	-
Prepayments	24,381	-	-	-	-
Advances to Other Funds	58,740	-	-	-	-
Long-Term Receivables	-	288,389	-	-	-
<b>Total Assets</b>	<b>\$ 2,688,900</b>	<b>\$ 324,857</b>	<b>\$ 440,452</b>	<b>\$ 9,819</b>	<b>\$ 1,377,497</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Vouchers and Accounts Payable	\$ 141,694	\$ -	\$ 17,619	\$ -	\$ -
Payroll Withholdings	53,385	-	-	-	-
Due to Other Governmental Units	16,504	-	-	-	-
Due to Other Funds	-	-	-	22,267	-
Due to Fiduciary Funds	16,000	-	-	-	-
Advance from Other Funds	-	3,740	-	-	-
Special Deposits	31,143	-	-	-	-
<b>Total Liabilities</b>	<b>258,726</b>	<b>3,740</b>	<b>17,619</b>	<b>22,267</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>					
Succeeding Year's Property Taxes	1,590,216	-	200,000	-	161,339
Unavailable Revenue - Special Assessments	32,637	-	-	-	-
Unavailable Revenue - Long-Term Receivables	-	288,389	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,622,853</b>	<b>288,389</b>	<b>200,000</b>	<b>-</b>	<b>161,339</b>
<b>Fund Balances:</b>					
Nonspendable	362,873	-	-	-	-
Restricted	-	32,728	222,833	9,819	1,216,158
Assigned	13,401	-	-	-	-
Unassigned	431,047	-	-	(22,267)	-
<b>Total Fund Balances</b>	<b>807,321</b>	<b>32,728</b>	<b>222,833</b>	<b>(12,448)</b>	<b>1,216,158</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 2,688,900</b>	<b>\$ 324,857</b>	<b>\$ 440,452</b>	<b>\$ 9,819</b>	<b>\$ 1,377,497</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
BALANCE SHEET (CONTINUED)  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2018**

	Tax Incremental District #6 Fund	Capital Improvements Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Treasurer's Cash and Investments	\$ 2,227	\$ -	\$ 103,972	\$ 2,346,718
Land Held for Resale	-	-	-	250,780
Taxes Receivable	255,206	35,400	52,127	1,932,806
Special Assessments Receivable	-	-	-	30,274
Accounts Receivable	-	-	-	107,900
Due from Other Governmental Units	-	50,793	-	50,793
Due from Other Funds	-	-	-	250,469
Prepayments	-	-	-	24,381
Advances to Other Funds	-	-	-	58,740
Long-Term Receivables	-	-	14,848	303,237
<b>Total Assets</b>	<b>\$ 257,433</b>	<b>\$ 86,193</b>	<b>\$ 170,947</b>	<b>\$ 5,356,098</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Vouchers and Accounts Payable	\$ -	\$ 60,809	\$ -	\$ 220,122
Payroll Withholdings	-	-	-	53,385
Due to Other Governmental Units	-	-	-	16,504
Due to Other Funds	-	206,090	22,112	250,469
Due to Fiduciary Funds	-	-	-	16,000
Advance from Other Funds	-	-	-	3,740
Special Deposits	-	-	-	31,143
<b>Total Liabilities</b>	<b>-</b>	<b>266,899</b>	<b>22,112</b>	<b>591,363</b>
<b>Deferred Inflows of Resources:</b>				
Succeeding Year's Property Taxes	255,206	35,400	52,127	2,294,288
Unavailable Revenue - Special Assessments	-	-	-	32,637
Unavailable Revenue - Long-Term Receivables	-	-	14,848	303,237
<b>Total Deferred Inflows of Resources</b>	<b>255,206</b>	<b>35,400</b>	<b>66,975</b>	<b>2,630,162</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	362,873
Restricted	2,227	-	103,972	1,587,737
Assigned	-	-	-	13,401
Unassigned	-	(216,106)	(22,112)	170,562
<b>Total Fund Balances</b>	<b>2,227</b>	<b>(216,106)</b>	<b>81,860</b>	<b>2,134,573</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 257,433</b>	<b>\$ 86,193</b>	<b>\$ 170,947</b>	<b>\$ 5,356,098</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2018**

**TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS** **\$ 2,134,573**

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$ 929,255	
Land Improvements	1,682,703	
Buildings	4,725,172	
Equipment and Vehicles	3,476,694	
Infrastructure	1,956,658	
Accumulated Depreciation	<u>(5,671,936)</u>	7,098,546

Some receivables, including special assessments, are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 335,874

Net Wisconsin Retirement System pension plan asset/liability and related deferred outflows and inflows are recorded only on the Statement of Net Position. Balances at year-end are:

Net Pension Plan Asset		241,015
Deferred Outflows of Resources		441,476
Deferred Inflows of Resources		(477,300)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:

General Obligation Bonds Payable	1,880,000	
General Obligation Notes Payable	630,198	
Capital Leases Payable	48,411	
Accrued Interest on Long-Term Debt	17,520	
Compensated Absences Payable	203,822	
Estimated Landfill Postclosure Liability	<u>673,246</u>	(3,453,197)

The premium on debt issued is deferred in the statement of net position and amortized over the life of the related debt. In the governmental funds the premium is considered an other financing source when received. (38,398)

**TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES** **\$ 6,282,589**

**CITY OF AMERY, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2018**

	General Fund	CDBG Housing Revolving Loan Fund	Library Fund	Debt Service Fund	Tax Incremental District #5 Fund
<b>REVENUES</b>					
Taxes	\$ 1,544,555	\$ -	\$ 187,540	\$ -	\$ 170,225
Special Assessments	2,446	-	-	-	-
Intergovernmental	853,080	-	191,155	-	933
Licenses and Permits	50,130	-	-	-	-
Fines and Forfeits	41,050	-	-	-	-
Public Charges for Services	236,069	-	-	-	-
Intergovernmental Charges for Services	201,019	-	-	-	-
Miscellaneous:					
Interest	41,950	4	2	-	-
Rent	110,132	-	-	-	-
Sale of Property	2,694	-	-	-	-
Donations	3,580	-	26,037	-	-
Loan Repayments	-	-	-	-	-
Other	54,749	-	2,521	-	-
<b>Total Revenues</b>	<b>3,141,454</b>	<b>4</b>	<b>407,255</b>	<b>-</b>	<b>171,158</b>
<b>EXPENDITURES</b>					
General Government	689,501	-	-	-	-
Public Safety	1,170,573	-	-	-	-
Public Works	926,244	-	-	-	-
Health and Human Services	4,207	-	-	-	-
Culture, Recreation, and Education	160,370	-	380,267	-	-
Conservation and Development	20,795	76	-	-	30,507
Debt Service:					
Principal Retirement	-	-	-	179,390	-
Principal Retirement on Refinanced Debt	-	-	-	25,000	-
Interest and Fiscal Charges	-	-	-	72,733	-
<b>Total Expenditures</b>	<b>2,971,690</b>	<b>76</b>	<b>380,267</b>	<b>277,123</b>	<b>30,507</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>169,764</b>	<b>(72)</b>	<b>26,988</b>	<b>(277,123)</b>	<b>140,651</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	110,000	-	-	-	-
Transfers In	82,360	-	-	437,123	-
Transfers Out	(344,637)	-	-	-	-
Payment on Refunding Bond	-	-	-	(160,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(152,277)</b>	<b>-</b>	<b>-</b>	<b>277,123</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>17,487</b>	<b>(72)</b>	<b>26,988</b>	<b>-</b>	<b>140,651</b>
Fund Balances - Beginning of Year	789,834	32,800	195,845	(12,448)	1,075,507
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 807,321</b>	<b>\$ 32,728</b>	<b>\$ 222,833</b>	<b>\$ (12,448)</b>	<b>\$ 1,216,158</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES (CONTINUED)  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2018**

	Tax Incremental District #6 Fund	Capital Improvements Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 276,234	\$ 178,352	\$ 58,724	\$ 2,415,630
Special Assessments	-	-	-	2,446
Intergovernmental	6,554	116,687	111	1,168,520
Licenses and Permits	-	-	-	50,130
Fines and Forfeits	-	-	-	41,050
Public Charges for Services	-	-	-	236,069
Intergovernmental Charges for Services	-	-	-	201,019
Miscellaneous:				
Interest	-	-	2	41,958
Rent	-	-	-	110,132
Sale of Property	50,380	-	-	53,074
Donations	-	-	-	29,617
Loan Repayments	-	-	6,585	6,585
Other	-	-	-	57,270
Total Revenues	333,168	295,039	65,422	4,413,500
<b>EXPENDITURES</b>				
General Government	-	-	-	689,501
Public Safety	-	177,315	-	1,347,888
Public Works	-	79,969	-	1,006,213
Health and Human Services	-	-	-	4,207
Culture, Recreation, and Education	-	242,040	-	782,677
Conservation and Development	114,965	-	15,894	182,237
Debt Service:				
Principal Retirement	-	-	-	179,390
Principal Retirement on Refinanced Debt	-	-	-	25,000
Interest and Fiscal Charges	-	-	-	72,733
Total Expenditures	114,965	499,324	15,894	4,289,846
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	218,203	(204,285)	49,528	123,654
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-Term Debt Issued	-	-	-	110,000
Transfers In	-	-	-	519,483
Transfers Out	(92,486)	-	-	(437,123)
Principal Payments on Refinanced Debt	-	-	-	(160,000)
Total Other Financing Sources (Uses)	(92,486)	-	-	32,360
<b>NET CHANGE IN FUND BALANCES</b>	125,717	(204,285)	49,528	156,014
Fund Balances - Beginning of Year	(123,490)	(11,821)	32,332	1,978,559
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 2,227</u>	<u>\$ (216,106)</u>	<u>\$ 81,860</u>	<u>\$ 2,134,573</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2018**

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** \$ 156,014

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

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

Capital Outlays Reported in Governmental Fund Statements	\$ 478,642	
Depreciation Expense Reported in the Statement of Activities	<u>(422,524)</u>	56,118

In the statement of activities, only the gain or loss on the disposal of capital assets is reported whereas in the governmental funds, the proceeds from sales increase, financial resources and trade-ins are not reflected in capital outlays. (6,462)

Receivables not currently available are reported as deferred inflows of resources in the fund financial statements, but are recognized as revenue when earned in the government-wide statements. (3,758)

Pension expenditures in the governmental funds are measured by current year employee contributions. Pension expenses on the statement of activities are measured by the change in net pension asset, liability and related deferred outflows and inflows of resources. (46,045)

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

General Obligation Notes		(110,000)
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Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In the current year, these amounts consist of:

General Obligation Bonds Principal Retirement	185,000	
General Obligation Notes Principal Retirement	134,106	
Capital Lease Principal Retirement	<u>47,216</u>	366,322

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

Net Change in Accrued Interest Payable	3,070	
Amortization of Debt Premium	5,133	
Net Change in Compensated Absences Payable	114,674	
Net Change in Estimated Landfill Postclosure Liability	<u>2,794</u>	<u>125,671</u>

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 537,860

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2018**

	Business-Type Activities - Joint Water and Sewer Enterprise Fund		
	Water Utility	Sewer Utility	Totals
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and Investments	\$ 495,234	\$ 396,175	\$ 891,409
Customer Accounts Receivable	101,826	155,318	257,144
Accounts Receivable on Tax Roll	6,727	10,943	17,670
Inventories	26,031	-	26,031
Total Current Assets	<u>629,818</u>	<u>562,436</u>	<u>1,192,254</u>
<b>Restricted Assets:</b>			
Equipment Replacement Fund Investments	-	178,563	178,563
Wisconsin Retirement System Pension Asset	31,174	41,429	72,603
Total Restricted Assets	<u>31,174</u>	<u>219,992</u>	<u>251,166</u>
<b>Capital Assets:</b>			
Utility Plant in Service	4,462,584	5,263,250	9,725,834
Less: Accumulated Depreciation	1,953,358	3,493,314	5,446,672
Net Capital Assets	<u>2,509,226</u>	<u>1,769,936</u>	<u>4,279,162</u>
<b>Other Assets:</b>			
Special Assessments Receivable	-	14,583	14,583
Total Assets	<u>3,170,218</u>	<u>2,566,947</u>	<u>5,737,165</u>
<b>DEFERRED OUTFLOWS OR RESOURCES</b>			
Wisconsin Retirement System Pension Related	57,102	75,887	132,989
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	3,185	22,065	25,250
Accrued Interest Payable	2,475	-	2,475
Current Portion of Long-Term Debt:			
General Obligation Bonds	90,000	-	90,000
Accrued Compensated Absences	2,118	5,947	8,065
Total Current Liabilities	<u>97,778</u>	<u>28,012</u>	<u>125,790</u>
<b>Long-Term Liabilities (Net of Current Portion):</b>			
Advance from Other Funds	27,500	27,500	55,000
General Obligation Bonds	405,000	-	405,000
Unamortized Bond Premium	11,963	-	11,963
Accrued Compensated Absences	6,353	17,841	24,194
Total Long-Term Liabilities	<u>450,816</u>	<u>45,341</u>	<u>496,157</u>
Total Liabilities	<u>548,594</u>	<u>73,353</u>	<u>621,947</u>
<b>DEFERRED INFLOWS OR RESOURCES</b>			
Wisconsin Retirement System Pension Related	61,735	82,045	143,780
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,002,263	1,769,936	3,772,199
Restricted for Pension Plan	31,174	41,429	72,603
Restricted for Equipment Replacement	-	178,563	178,563
Unrestricted	583,554	497,508	1,081,062
Total Net Position	<u>\$ 2,616,991</u>	<u>\$ 2,487,436</u>	<u>\$ 5,104,427</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2018**

	Business-Type Activities - Joint Water and Sewer Enterprise Fund		
	Water Utility	Sewer Utility	Totals
<b>OPERATING REVENUES</b>			
Sales of Water/Sewerage Revenues:			
Residential	\$ 143,175	\$ 346,351	\$ 489,526
Commercial	55,408	138,853	194,261
Industrial	24,478	78,147	102,625
Public Authorities	20,557	44,073	64,630
Multifamily Residential	32,844	53,703	86,547
Private Fire Protection	7,807	-	7,807
Public Fire Protection	150,054	-	150,054
Total Sales of Water/Sewerage Revenues	<u>434,323</u>	<u>661,127</u>	<u>1,095,450</u>
Other Operating Revenues	21,301	3,983	25,284
Total Operating Revenues	<u>455,624</u>	<u>665,110</u>	<u>1,120,734</u>
<b>OPERATING EXPENSES</b>			
Operation and Maintenance	195,783	494,205	689,988
Depreciation	106,335	159,194	265,529
Total Operating Expenses	<u>302,118</u>	<u>653,399</u>	<u>955,517</u>
<b>OPERATING INCOME (LOSS)</b>	153,506	11,711	165,217
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Revenue	612	-	612
Interest Expense	(11,389)	-	(11,389)
Other	1,709	-	1,709
Total Nonoperating Revenues (Expenses)	<u>(9,068)</u>	<u>-</u>	<u>(9,068)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	144,438	11,711	156,149
<b>TRANSFERS:</b>			
Transfer to Governmental Funds - Property Tax Equivalent	(82,360)	-	(82,360)
<b>CHANGE IN NET POSITION</b>	62,078	11,711	73,789
Net Position - Beginning of Year	<u>2,554,913</u>	<u>2,475,725</u>	<u>5,030,638</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,616,991</u>	<u>\$ 2,487,436</u>	<u>\$ 5,104,427</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2018**

	Business-Type Activities - Joint Water and Sewer Enterprise Fund		
	Water	Sewer	Totals
	Utility	Utility	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Utility Customers	\$ 285,031	\$ 667,230	\$ 952,261
Cash Received for Public Fire Protection	150,054	-	150,054
Cash Received (Paid) for Meter Related Charges	19,460	(22,308)	(2,848)
Cash Paid to Suppliers for Goods and Services	(101,299)	(300,173)	(401,472)
Cash Paid for Employee Services	(114,686)	(215,508)	(330,194)
Net Cash Provided by (Used for) Operating Activities	238,560	129,241	367,801
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Advance from the General Fund	27,500	27,500	55,000
Cash Payments for Tax Equivalent	(82,360)	-	(82,360)
Net Cash Provided by (Used for) Noncapital Financing Activities	(54,860)	27,500	(27,360)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Cash Payments for Capital Assets	(38,661)	(261,232)	(299,893)
Cash Received from Customer Contributions	-	5,209	5,209
Principal Paid on Long-Term Debt	(85,000)	-	(85,000)
Interest Paid on Long-Term Debt	(11,814)	-	(11,814)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(135,475)	(256,023)	(391,498)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	612	-	612
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	48,837	(99,282)	(50,445)
Cash and Cash Equivalents - Beginning of Year	446,397	674,020	1,120,417
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 495,234	\$ 574,738	\$ 1,069,972

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2018**

	Business-Type Activities - Joint Water and Sewer Enterprise Fund		
	Water Utility	Sewer Utility	Totals
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 153,506	\$ 11,711	\$ 165,217
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	106,335	159,194	265,529
Net Change in Wisconsin Pension Asset	(31,174)	(41,429)	(72,603)
Net Change in Wisconsin Pension Deferred Outflow	(24,681)	1,923	(22,758)
Net Change in Wisconsin Pension Liability	(4,167)	(10,001)	(14,168)
Net Change in Wisconsin Pension Deferred Inflow	48,616	50,559	99,175
(Increase) Decrease in Assets:			
Customer Accounts Receivable	(346)	2,422	2,076
Accounts Receivable on Tax Roll	(733)	(302)	(1,035)
Inventories	(516)	-	(516)
Decrease (Increase) in Liabilities:			
Accounts Payable	(2,341)	8,131	5,790
Accrued Compensated Absences	(5,939)	(52,967)	(58,906)
Net Cash Provided by (Used for) Operating Activities	\$ 238,560	\$ 129,241	\$ 367,801
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>			
Cash and Investments per Statement of Net Position:			
Cash and Investments	\$ 495,234	\$ 396,175	\$ 891,409
Cash and Investments - Restricted	-	178,563	178,563
	495,234	574,738	1,069,972
<b>CASH AND CASH EQUIVALENTS</b>	<b>\$ 495,234</b>	<b>\$ 574,738</b>	<b>\$ 1,069,972</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2018**

	Private Purpose Trust Fund <u>Fire Department Retirement Fund</u>	<u>Tax Agency Fund</u>
<b>ASSETS</b>		
Cash and Investments	\$ 97,345	\$ 886,638
Taxes Receivable	-	1,960,320
Due from Governmental Funds	<u>16,000</u>	<u>-</u>
Total Assets	<u>113,345</u>	<u>\$ 2,846,958</u>
<b>LIABILITIES</b>		
Due to Other Governmental Units:		
County	\$ -	\$ 900,709
Special Purpose District	-	30,411
School	-	1,844,066
Technical College	-	<u>71,772</u>
Total Liabilities	<u>-</u>	<u>\$ 2,846,958</u>
<b>NET POSITION</b>		
Held for Retirement Benefits	<u>\$ 113,345</u>	

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED DECEMBER 31, 2018**

	<u>Private Purpose Trust Fund</u>
	<u>Fire Department Retirement Fund</u>
<b>ADDITIONS</b>	
Contribution from General Fund	\$ 8,000
<b>DEDUCTIONS</b>	
Retirement Benefits Paid	<u>-</u>
<b>CHANGE IN NET POSITION</b>	8,000
Net Position - Beginning of Year	<u>105,345</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 113,345</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The City of Amery is governed by a mayor/council form of government. The council consists of four members elected from wards with two members elected at-large.

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

The basic financial statements of the City consist of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the City.

**B. Government-Wide and Fund Financial Statements**

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

**Government-Wide Statements**

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

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

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 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 is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, fund equity, revenues, and expenditures/expenses.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

**CDBG Housing Revolving Loan Fund** – The CDBG Housing Revolving Loan Fund, a special revenue fund, is used to account for the initial CDBG funding and ongoing activities of the revolving loan fund that are restricted for the purpose of financing loans for housing rehabilitation.

**Library Fund** – The Library Fund is used to account for the accumulation of resources used to support the library operations.

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

**Tax Incremental District #5 Fund** – The Tax Incremental District #5 Fund, a capital projects fund, is used to account for financial resources to be used for funding projects within the scope of the TID #5 project plan.

**Tax Incremental District #6 Fund** – The Tax Incremental District #6 Fund, a capital projects fund, is used to account for financial resources to be used for funding projects within the scope of the TID #6 project plan.

**Capital Improvements Fund** – The Capital Improvements fund, a capital projects fund, is used to account for financial resources to be used for funding ongoing capital improvements of the City within the scope of the City plans.

All remaining governmental funds are aggregated and reported as nonmajor funds. The City reports the following major enterprise funds:

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

**Sewer Utility** – This fund accounts for the operations of the sewer collection system and treatment facilities.

The City had no other enterprise funds to report as nonmajor funds.

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

**Fund Financial Statements (Continued)**

Additionally, the City reports the following fiduciary funds:

**Agency Fund** – The agency fund is used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and/or other governmental units. The agency fund is primarily used to account for the collection of property taxes for the governmental units.

**Private Purpose Trust Fund** – The private purpose trust fund is used to account for a retirement plan established for members of the fire department (see also Note 4.B.).

**C. Measurement Focus and Basis of Accounting**

The government-wide financial statements, the proprietary funds and fiduciary trust fund financial statements, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables, if material, are recorded as revenues when services are provided. Fiduciary agency funds do not have a measurement focus.

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

Governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are deemed to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City generally considers revenues reported in the governmental funds to be available if they are collected within sixty days after the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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

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

Property taxes, miscellaneous taxes, public charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are generally considered to be measurable and available only when cash is received by the government.

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

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity**

**1. Deposits and Investments**

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

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

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

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

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

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

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

**1. Deposits and Investments (Continued)**

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

Investments of the City are stated at fair value.

**2. Receivables and Payables**

**Property Taxes.** Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1. The resulting tax roll is recorded as receivable by the City at year end with amounts due to other governmental units recorded as liabilities in the agency fund. Since City property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted therefore.

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

**Special Assessments.** Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2018 tax roll are recognized as revenue in 2019.) Special assessments recorded in proprietary funds and in the government-wide financial statement are recorded as revenue at the time the assessments are subject to collection procedures.

**Accounts Receivable.** Accounts receivable in the community micro-loan fund (\$14,848). All accounts receivable are considered to be collectible in full.

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

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

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

**2. Receivables and Payables (Continued)**

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

**3. Inventories and Prepaid Items**

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

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

**4. Restricted Assets**

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

**5. Capital Assets**

**Government-Wide Statements.** Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with initial, individual costs as shown below and an estimated useful life of two years or greater. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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

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

**5. Capital Assets (Continued)**

**Government-Wide Statements (Continued).** Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if material, is included as part of the capitalized value of the assets constructed. The City's policy is to prospectively report infrastructure acquired after adoption of GASB Statement No. 34.

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

Assets	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Land	\$ 5,000	N/A	N/A
Land Improvements	5,000	Straight-line	10 - 50 Years
Buildings and Improvements	5,000	Straight-line	20 - 50 Years
Machinery and Equipment	5,000	Straight-line	4 - 15 Years
Infrastructure	5,000	Straight-line	20 - 50 Years
Utility Systems	Various	Straight-line	4 - 100 Years

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

**6. Deferred Outflows of Resources**

The City would report decreases in net position or fund equity that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position or governmental fund balance sheet. A deferred outflow of resources is reported in these financial statements for pension related items.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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

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

**7. Deferred Inflows of Resources**

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

**8. Compensated Absences**

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

**9. Wisconsin Retirement System Pension Plan Benefits**

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

**10. Long-Term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

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

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

**11. Defining Operating Revenue and Expense**

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

**12. Use of Restricted Resources**

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

**13. Equity Classifications**

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

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

**Fund Financial Statements.** In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that will never be converted to cash or will not be converted to cash soon enough to affect the current period. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the City Council. Based on resolution of the City Council, the City Clerk/Treasurer and City Administrator have been authorized to establish or modify assigned fund balance.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

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

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

**13. Equity Classifications (Continued)**

**Fund Financial Statements (Continued).** Unassigned fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. It is the City's policy that at the end of each fiscal year, the City will maintain a minimum unassigned portion of fund balance between 20% and 30%.

Committed fund balance is required to be established, modified, or rescinded by resolution of the City Council prior to each year end.

**NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Generally accepted accounting principles require the disclosure of individual funds that have deficit balances at year end. At December 31, 2018 certain funds had deficit balances as shown below:

Tax Incremental District #8	\$	(22,112)
Capital Improvements Fund		(216,106)
Debt Service Fund		(12,448)
		\$ (250,666)

The deficit in the Tax Incremental District #8 fund is financed by intergovernmental fund due to/from the general fund, see Note 3.D. The due to will be repaid as funds become available from tax increment and loan repayment collections.

The deficit in the capital improvements fund is financed by the subsequent tax levy.

The deficit in the debt service fund is financed by intergovernmental fund due to/from the general fund, see Note 3.D. The due to will be repaid as funds become available from tax increment and loan repayment collections.

Expenditures in excess of budget for fiscal year 2018 were as follows:

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
General Fund				
General Government	\$ 683,513	\$ 683,513	\$ 689,501	\$ (5,988)
Public Safety	1,091,648	1,091,648	1,170,573	(78,925)
Public Works	841,024	841,024	926,244	(85,220)
Health and Human Services	375	375	4,207	(3,832)
Library Fund				
Culture, Recreation, and Education	353,036	353,036	380,267	(27,231)

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

The City's cash and investments balances at December 31, 2018 as shown in the financial statements as follows:

Governmental Funds	\$ 2,346,718
Proprietary Funds	1,069,972
Fiduciary Funds	983,983
Total	\$ 4,400,673

The above cash and investments balances consisted of the following:

Deposits at Financial Institutions	\$ 4,399,673
Petty Cash	1,000
Total	\$ 4,400,673

**Deposits at Financial Institutions**

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

Custodial credit risk for deposits is the risk that, in the event of failure, the City's deposits may not be returned. At December 31, 2018, the City's had \$1,993,602 that were uninsured and uncollateralized, therefore, the City was subject to custodial credit risk.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Receivables/Deferred Inflows of Resources**

**Other Receivables**

**Housing Rehabilitation Loans Receivable.** The City was awarded Community Development Block Grants for financing housing rehabilitation loans. At December 31, 2018, the City had twenty-four (24) outstanding deferred loans totaling \$288,389. The deferred loans become due and payable in full in the event that the maker no longer continues to occupy the premises securing the loan as a full-time residence, or if the maker transfers any legal or equitable interest in the mortgage premises to anyone for any reason.

The deferred loans have been recorded as receivables in the revolving loan special revenue fund and are equally offset by deferred inflows of resources. Collections on these loans are recognized as revenue in the special revenue fund at the time of their receipt. Proceeds from the collection of the above loans are restricted for financing similar rehabilitation projects.

**C. Capital Assets**

Capital assets activity for the year ended December 31, 2018 is as follows:

**Governmental Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets Not Being Depreciated				
Land	\$ 929,255	\$ -	\$ -	\$ 929,255
Capital Assets Being Depreciated				
Land Improvements	1,440,663	242,040	-	1,682,703
Buildings	4,725,172	-	-	4,725,172
Equipment and Vehicles	3,261,632	236,602	21,540	3,476,694
Infrastructure	1,956,658	-	-	1,956,658
Total Capital Assets Being Depreciated	<u>11,384,125</u>	<u>478,642</u>	<u>21,540</u>	<u>11,841,227</u>
Total Capital Assets	12,313,380	478,642	21,540	12,770,482
Accumulated Depreciation:				
Land Improvements	1,032,058	36,323	-	1,068,381
Buildings	1,681,212	116,242	-	1,797,454
Equipment and Vehicles	2,185,201	209,438	15,078	2,379,561
Infrastructure	366,019	60,521	-	426,540
Total Accumulated Depreciation	<u>5,264,490</u>	<u>422,524</u>	<u>15,078</u>	<u>5,671,936</u>
Net Capital Assets - Governmental Activities	<u>\$ 7,048,890</u>	<u>\$ 56,118</u>	<u>\$ 6,462</u>	<u>\$ 7,098,546</u>

Depreciation was charged to governmental functions as follows:

Public Safety	\$ 157,505
Public Works	187,571
Culture, Recreation and Education	77,448
Total Depreciation - Governmental Activities	<u>\$ 422,524</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

**Business-Type Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
<b>Joint Water and Sewer Utility:</b>				
<b>Water Department:</b>				
Capital Assets Not Being Depreciated				
Land and Land Rights	\$ 15,359	\$ -	\$ -	\$ 15,359
Capital Assets Being Depreciated:				
Source of Supply	198,218	-	-	198,218
Pumping Plant	259,772	-	-	259,772
Water Treatment	13,455	-	-	13,455
Transmission and Distribution	3,804,273	-	-	3,804,273
General Plant	132,845	38,662	-	171,507
Total Capital Assets Being Depreciated	4,408,563	38,662	-	4,447,225
Total Capital Assets	4,423,922	38,662	-	4,462,584
Less Accumulated Depreciation	1,847,022	106,336	-	1,953,358
Net Capital Assets - Water Utility	2,576,900	(67,674)	-	2,509,226
<b>Sewer Department:</b>				
Capital Assets Not Being Depreciated				
Land and Land Rights	36,340	-	-	36,340
Construction Work in Progress	20,483	-	20,483	-
Total Capital Assets Not Being Depreciated	56,823	-	20,483	36,340
Capital Assets Being Depreciated:				
Collection System	1,501,074	-	-	1,501,074
Pumping System	241,636	249,447	-	491,083
Treatment and Disposal Plant	3,076,600	-	-	3,076,600
General Plant	125,884	32,269	-	158,153
Total Capital Assets Being Depreciated	4,945,194	281,716	-	5,226,910
Total Capital Assets	5,002,017	281,716	20,483	5,263,250
Less Accumulated Depreciation	3,334,120	159,194	-	3,493,314
Net Capital Assets - Sewer Utility	1,667,897	122,522	20,483	1,769,936
Net Capital Assets - Business-Type Activities	\$ 4,244,797	\$ 54,848	\$ 20,483	\$ 4,279,162

Depreciation was charged to business-type activities as follows:

Water	\$ 106,336
Sewer	159,194
Total Depreciation - Business-Type Activities	\$ 265,530

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of December 31, 2018 was as follows:

**Due to/from Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purposes</u>
General Fund	Tax Incremental District #8 Fund	\$ 22,122	Finance Cash Deficit
General Fund	Capital Projects Fund	206,090	Finance Cash Deficit
General Fund	Debt Service Fund	22,267	Finance Cash Deficit
Fire Department Retirement Fund	General Fund	16,000	Retirement Fund Contribution
		<u>\$266,479</u>	

**Advances from/to Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purposes</u>
General Fund	CDBG Housing Revolving Loan Fund	\$ 3,740	Administrative Expense Reimbursement
General Fund	Water Utility Fund	27,500	Financing of Capital Asset Purchase
General Fund	Sewer Utility Fund	27,500	Financing of Capital Asset Purchase
		<u>\$ 58,740</u>	

**Interfund Transfers**

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Purposes</u>
General Fund	Water Department Fund	\$ 82,360	Property Tax Equivalent
Debt Service Fund	General Fund	344,637	Finance Current Maturities
Debt Service Fund	Tax Incremental District #6 Fund	92,486	Finance Current Maturities
		<u>\$519,483</u>	

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations**

**Changes in Long-Term Obligations**

Changes in long-term obligations of the City for the year ended December 31, 2018 were as follows:

	Balance 1/1/18	Issued	Retired	Balance 12/31/18	Amounts Due Within One Year
<b>Primary Government</b>					
<b>Governmental Activities</b>					
General Obligation Bonds	\$ 2,065,000	\$ -	\$ 185,000	\$ 1,880,000	\$ 220,000
General Obligation Notes	654,304	110,000	134,106	630,198	136,612
Capital Leases Payable	95,627	-	47,216	48,411	48,411
Bond Premiums	43,531	-	5,133	38,398	-
Compensated Absences	318,496	203,822	318,496	203,822	50,956
Estimated Landfill Postclosure Liability	676,040	-	2,794	673,246	-
	<u>\$ 3,852,998</u>	<u>\$ 313,822</u>	<u>\$ 692,745</u>	<u>\$ 3,474,075</u>	<u>\$ 455,979</u>
<b>Governmental Activities - Long-Term Liabilities</b>					
<b>Business-Type Activities</b>					
General Obligation Bonds	\$ 580,000	\$ -	\$ 85,000	\$ 495,000	\$ 90,000
Bond Premiums	13,672	-	1,709	11,963	-
Compensated Absences	91,165	32,259	91,165	32,259	8,065
	<u>\$ 684,837</u>	<u>\$ 32,259</u>	<u>\$ 177,874</u>	<u>\$ 539,222</u>	<u>\$ 98,065</u>
<b>Business-Type Activities - Long-Term Liabilities</b>					

The City's estimated liabilities for the City's unfunded WRS liability and employee leave are discussed in Note 4.A. and Note 4.C., respectively. The City's estimated liability for landfill postclosure costs is discussed in Note 4.E.

The City's liabilities for compensated absences are generally liquidated by the general fund and the joint water and sewer utility.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Long-Term Debt**

All general obligation bonds and notes payable are backed by the full faith and credit of the City. Bonds and notes payable will be retired by future property tax levies or tax increments accumulated by the debt service fund. Annual retirement requirements of long-term debt issued to finance expenditures of the tax incremental districts are anticipated to be financed from revenues of the TIDs.

The purpose of the governmental activities general obligation debt is to finance various capital improvements and tax incremental City planned projects.

Individual general obligation long-term debt issues outstanding at December 31, 2018 are as follows:

	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Amount Outstanding
Governmental Activities:					
General Obligation Bonds:					
Refunding Bonds, Series 2016A	6/1/2016	4/1/28	2.00% - 2.05%	\$ 2,945,000	\$ 1,880,000
General Obligation Notes:					
Landfill Remediation Promissory Notes, Series 2000	5/10/00	5/1/20	0.00%	481,687	48,918
State Trust Fund Loan	10/13/04	3/15/19	5.00%	429,000	41,801
State Trust Fund Loan	10/25/05	3/15/20	5.00%	25,000	4,788
Promissory Note	04/05/18	04/05/23	3.40%	250,000	182,067
Promissory Note	1/31/14	1/31/24	4.92%	404,106	252,784
Promissory Note	12/2/15	9/15/15	3.25%	250,000	99,840
Business-Type Activities:					
General Obligation Bonds:					
Refunding Bonds, Series 2016A	6/1/2016	4/1/28	2.00% - 2.05%	2,945,000	495,000
Total					<u>\$ 3,005,198</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Long-Term Debt (Continued)**

Annual requirements for retirement of the above issues, together with the expected funding sources, are shown below:

Year	Annual Requirements			Funding Sources				
	Principal	Interest	Total	General Fund	Library Fund	TID #6 Fund	Water Department Fund	Total
2019	\$ 446,612	\$ 73,870	\$ 520,482	\$ 303,096	\$ 25,900	\$ 91,586	\$ 99,900	\$ 520,482
2020	407,562	62,507	470,069	299,996	20,400	51,573	98,100	470,069
2021	338,507	53,331	391,838	272,438	-	48,100	71,300	391,838
2022	331,422	45,115	376,537	274,338	-	47,200	55,000	376,538
2023	342,403	36,979	379,382	259,082	-	66,300	54,000	379,382
2024-2028	1,138,692	57,846	1,196,538	1,040,537	-	-	156,000	1,196,537
	<u>\$ 3,005,198</u>	<u>\$ 329,648</u>	<u>\$ 3,334,846</u>	<u>\$ 2,449,487</u>	<u>\$ 46,300</u>	<u>\$ 304,759</u>	<u>\$ 534,300</u>	<u>\$ 3,334,846</u>

**General Obligation Debt Limit.** Section 67.03 of the Wisconsin Statutes restricts general obligation debt to 5% of the equalized value of all property in the City. At December 31, 2018, the City's debt limit amounted to \$10,386,130 and indebtedness subject to the limitation totaled \$3,055,198.

**Capital Leases**

On November 17, 2014 the City entered into a capital lease in the amount of \$230,402 for the purpose of leasing a motor grader for use in the general governmental activities of the City. The lease carries an interest rate of 2.5% with annual maturities from November 2015 through November 2019. The related capital asset is recorded within governmental activities at a cost of \$259,892 and accumulated depreciation at December 31, 2018 of \$92,045.

<u>Year</u>	<u>Amount</u>
2019	\$ 49,634
Less Amount Representing Interest	1,223
Present Value of Minimum Lease Payments	<u>\$ 48,411</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Governmental Fund Balances**

The governmental fund balances reported on the fund financial statements at December 31, 2018 consisted of the following:

	Total	Nonspendable	Restricted	Assigned	Unassigned
<b>Major Funds:</b>					
General Fund					
Advances to Other Funds	\$ 58,740	\$ 58,740	\$ -	\$ -	\$ -
Delinquent Taxes	28,972	28,972	-	-	-
Land Held for Resale	250,780	250,780	-	-	-
Prepaid Items	24,381	24,381	-	-	-
Cell Phone Tower Rehab	13,401	-	-	13,401	-
Unassigned	431,047	-	-	-	431,047
Subtotal General Fund	807,321	362,873	-	13,401	431,047
CDBG Housing Revolving Loan Fund	32,728	-	32,728	-	-
Library Fund	222,833	-	222,833	-	-
Debt Service Fund	(12,448)	-	9,819	-	(22,267)
Tax Incremental District #5 Fund	1,216,158	-	1,216,158	-	-
Tax Incremental District #6 Fund	2,227	-	2,227	-	-
Capital Improvements Fund	(216,106)	-	-	-	(216,106)
<b>Nonmajor Funds:</b>					
Special Revenue Funds:					
Community Micro - Loan Fund	28,199	-	28,199	-	-
Capital Projects Funds:					
Tax Incremental District #7 Fund	75,773	-	75,773	-	-
Tax Incremental District #8 Fund	(22,112)	-	-	-	(22,112)
Total Governmental Fund Balances at December 31, 2018	<u>\$ 2,134,573</u>	<u>\$ 362,873</u>	<u>\$ 1,587,737</u>	<u>\$ 13,401</u>	<u>\$ 170,562</u>

**G. Tax Incremental Districts**

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

At the dates of the creation of the districts, the statutes provided that no project costs could be expended later than seven years after the creation date of the district. The statutes further allowed the municipality to collect tax increments for sixteen years after the last project expenditure was made or until the net project cost of the district had been recovered, whichever occurred first. The State enacted several changes relating to tax incremental districts in 2004 (with amending legislation in 2005). One of these changes extended the expenditure period for all current and future districts, effective October 1, 2004, to five years prior to the termination of the district's unextended maximum life. For those districts that had reached the end of its expenditure period prior to October 1, 2004, it allowed a municipality to expend additional project costs included in the project plan (subject to certain conditions). Project costs uncollected at the dissolution date are absorbed by the municipality.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Tax Incremental Districts (Continued)**

The City had terminated TID #2 and TID #3 during 2001 with closeout of the funds at December 31, 2001, and TID #4 was terminated in 2004. TID #5, TID #6, TID #7 and TID #8 were still in existence at December 31, 2018. The resolution creating TID #5 was dated September 28, 1992 and the resolution creating TID #6 was dated May 5, 2004. The resolution creating TID #7 was dated September 30, 2010. The resolution creating TID #8 was dated June 9, 2016. The project plans, on file in the office of the City Administrator, detail the proposed projects, the estimated years of construction or site acquisition and the estimated costs of the individual project components.

Transactions of TID #5, TID #6, TID #7 and TID #8 are accounted for in capital projects funds. Project expenditures through December 31, 2018 have been financed by a combination of long-term debt and long-term advances from the City's general fund. Accumulated project costs and revenues of the districts through December 31, 2018 are summarized as follows:

	TID #5	TID #6	TID # 7	TID #8
Accumulated Project Costs:				
Project Expenditures	\$ 2,430,481	\$ 2,368,942	\$ 285,152	\$ 29,051
Debt Expenditures:				
Interest Charges	584,024	272,754	10,927	-
Transfers Out	403,538	-	-	-
Total Project Costs	<u>3,418,043</u>	<u>2,641,696</u>	<u>296,079</u>	<u>29,051</u>
Accumulated Project Revenues:				
Tax Increments	3,232,318	1,408,942	370,129	6,939
Minimum Tax Agreements	-	69,845	-	-
Intergovernmental Grants and Aids	240,573	263,857	1,723	-
Interest on Investments	17,650	-	-	-
Sale of City Property	315,440	188,955	-	-
Other	828,220	22,197	-	-
Transfers In	828,220	403,538	-	-
Total Project Revenues	<u>4,634,201</u>	<u>2,357,334</u>	<u>371,852</u>	<u>6,939</u>
Future Project Revenues Necessary to Recover Project Costs to Date	<u>\$ (1,216,158)</u>	<u>\$ 284,362</u>	<u>\$ (75,773)</u>	<u>\$ 22,112</u>

The preceding summaries of transactions are reconciled to the fund balances in TID districts at December 31, 2018 as follows:

	TID #5	TID #6	TID # 7	TID #8
Outstanding Long-Term Debt Payable from TID Funds at December 31, 2018	\$ -	\$ 286,589	\$ -	\$ -
Excess (Unrecovered Costs) Above	1,216,158	(284,362)	75,773	(22,112)
Fund Balances (Deficits) at December 31, 2018	<u>\$ 1,216,158</u>	<u>\$ 2,227</u>	<u>\$ 75,773</u>	<u>\$ (22,112)</u>

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 4 OTHER INFORMATION

**A. Wisconsin Retirement System Pension Plan Benefits**

**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, and expected to work at least 1200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. The WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

*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 formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three 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 contribution 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.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**A. Wisconsin Retirement System Pension Plan Benefits (Continued)**

**General Information about the Pension Plan (Continued)**

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

During the fiscal reporting period January 1, 2018 through December 31, 2018, the WRS recognized \$111,741 in contributions from the employer.

Contribution rates as of December 31, 2018 are:

	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	6.70%	6.70%
Executives and Elected Officials	6.70%	6.70%
Protective with Social Security	6.70%	10.70%
Protective without Social Security	6.70%	14.90%

*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:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2008	6.6%	0.0%
2009	(2.1)	(42.0)
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**A. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

At December 31, 2018, the City reported an asset of \$313,618 for its proportionate share of the net pension asset. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers. At December 31, 2017, the City's proportion was 0.01056263 percent, which was a decrease of 0.00045104 percent from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the City recognized pension expense of \$136,161. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 398,456	\$ 186,385
Changes of Assumptions	61,964	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	431,038
Difference Between Proportionate Share of Actual Employer Contributions	2,304	3,657
City Contributions Subsequent to the Measurement Date	111,741	-
Total	<u>\$ 574,465</u>	<u>\$ 621,080</u>

CITY OF AMERY, WISCONSIN  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2018

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

\$111,741 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31:</u>	<u>Pension Expense Amount</u>
2019	\$ 34,054
2020	(2,602)
2021	(108,313)
2022	(82,239)
2023	744
Thereafter	-

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

Actuarial Valuation Date:	December 31, 2016
Measurement Date of Net Pension Liability (Asset):	December 31, 2017
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return	7.2%
Discount Rate	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments	2.1%

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**A. Wisconsin Retirement System Pension Plan Benefits (Continued)**

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

Actuarial assumptions are based upon an experience study conducted in 2014 using experience from 2012 – 2014.

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

<u>Core Fund Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Nominal Rate of Return</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equities	50%	8.2%	5.3%
Fixed Income	25%	4.2%	1.4%
Inflation Sensitive Assets	16%	3.8%	1.0%
Real Estate	8%	6.5%	3.6%
Private Equity/Debt	8%	9.4%	6.5%
Multi-Asset	4%	6.5%	3.6%
<b>Total Core Fund</b>	<b>110%</b>	<b>7.3%</b>	<b>4.40%</b>
 <u>Variable Fund Asset Class</u>			
U.S. Equities	70%	7.5%	4.6%
International Equities	30%	7.8%	4.9%
<b>Total</b>	<b>100%</b>	<b>7.9%</b>	<b>5.0%</b>

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75% Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

Discount rate. A single discount rate of 7.20 percent was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20 percent and a long term bond rate of 3.56 percent. Because of the unique structure of WRS, the 7.20 percent expected rate of return implies that a dividend of approximately 2.1 percent 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF AMERY, WISCONSIN  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2018

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

*Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate.* The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 811,434	\$ (313,618)	\$ (1,168,690)

B. Fire Department Retirement Fund

The City established the Amery Fire Department Retirement Plan, a defined contribution retirement plan in 1985, for the benefit of members in good standing of the City of Amery Fire Department. This plan was established with the approval of a City Council resolution. The purpose of the Plan is to reward firefighters who have five years or more of service with the Department and particularly those firemen who put more time in firefighting. The plan is administered by three firefighters chosen by the Department and approved by the City Council. Plan members are not required to make contributions under the plan terms as all plan contributions are at the discretion of the City.

The Plan is a non-qualified plan as defined by the IRS and is funded by annual contributions from the City as determined annually by the City Council. The City contributed \$8,000 to the plan for the 2018 year. Transactions of the Plan are accounted for in a private purpose trust fund by the City. The balance in the fund at December 31, 2018 was \$113,345.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Vacation, Sick Leave and Compensatory Time Off Liabilities**

It is the City's policy to permit employees to accumulate vacation, sick leave and compensatory time off benefits. Vacation is granted to employees in varying amounts based on length of service and terms of employment. Employees earn thirteen (13) sick days per calendar year, with two sick days being credited each January and one day per month for the balance of the year with a maximum accumulation of two hundred-forty days. Upon retirement, if an employee has thirty or more days of sick leave accumulated, the employee shall receive a payout of 80% of the value; if an employee has less than thirty days of sick leave accumulated, the employee shall receive a payout of 50% of the value. To be eligible for the maximum benefit, an employee must retire at an age determined by the Wisconsin Retirement System, or is forced to retire pursuant to a duty related injury or illness. The City also allows the employee to carry over compensatory time off (time off in lieu of immediate overtime pay in cash, at rate of not less than one and one-half for each hour of overtime worked).

Liabilities for accumulated vacation, sick leave and compensatory time are not accrued in the City's governmental fund financial statements but are recorded as expenditures when paid. Such liabilities are accrued in the government-wide and proprietary fund financial statements when earned. The estimated liabilities for unused vacation, sick leave and compensatory time payable from the general fund on a pay-as-you-go basis at December 31, 2018 were \$203,822. The estimated liabilities in the proprietary funds at that date were \$32,259.

**D. Participation in Biosolids Facility**

The City is a participating member of the West Central Wisconsin Biosolids Facility (Facility), a facility jointly constructed by eleven Wisconsin communities to provide for the treatment, storage and disposal of biosolids (sludge). The communities have created a commission pursuant to Section 66.30 of the Wisconsin Statutes to administer the Facility with said commission to operate as a governmental body under Section 19.82(1) of the Statutes. Costs of operation of the Facility are to be recovered from users of the Facility (both members and nonmembers) based on usage.

Financial statements of the West Central Wisconsin Biosolids Facility can be obtained from its offices at 611 Bio Avenue, Ellsworth, Wisconsin 54011.

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018

NOTE 4 OTHER INFORMATION (CONTINUED)

**E. Landfill Postclosure Care Costs**

The City is responsible for postclosure care costs relating to a landfill site owned by the City. The landfill was closed in prior years and covers and monitoring wells were installed. The City also incurred costs to extend water service to nearby residents where tests of private wells revealed the presence of contaminants.

Costs associated with the landfill closure and postclosure care have been accounted for in a separate special revenue fund and have been financed by a state grant, settlements with identified responsible parties and by an interest free loan through the State of Wisconsin.

Future costs to be paid by the City at December 31, 2018 have been estimated by an outside consultant at \$673,246. This amount is reflected as a liability in the City's government-wide financial statements.

**F. Golf Club**

**Golf Club Lease Agreement.** On January 1, 2014 the City renewed a lease agreement with the Amery Golf Club, Inc. for the lease of land presently owned by the City and used exclusively by the Amery Golf Club. The term of the new lease is for twenty years effective January 1, 2014 with annual rental computed as follows:

- a. The annual debt service requirements of the debt held by the City. During 2014, the City refinanced the debt in order to obtain a more favorable interest rate, in the amount of \$414,106.
- b. The sum of \$10 per year to be paid by April 1<sup>st</sup> of each year, to begin after the retirement of the Golf Course debt.

At December 31, 2018, the City's outstanding debt subject to collection from the Golf Club was \$252,784 with the final payment due on January 31, 2024.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**G. Conduit Debt**

The City was a party to a "joint powers and parity agreement" in 2011 among the City of Amery, the Village of Luck, the Town of Black Brook and the Town of Lincoln (collectively referred to as the Municipalities), Amery Regional Medical Center, Inc. (the Obligor) and Bremer Bank, a national banking association (the Lender) for the purpose of the issuance of \$37.8 million of health care facilities revenue bonds by the Municipalities to the Lender in March 2011 with the proceeds therefrom to be used by the Obligor for capital improvements and debt refinancing. Bonds issued by the City totaled \$8.5 million. The bonds are subject to repayment solely from payments received by the Lender from the Obligor in accordance with underlying mortgage assignments and related agreements. The bonds are special limited obligations of the Municipalities and do not constitute a moral or general obligation of the Municipalities. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The outstanding balance of the collective debt was \$24,508,000 at December 31, 2018 per audited financial statements of the Obligor.

**H. Risk Management**

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

**I. Subsequent Events**

Subsequent to year end, on July 24, 2019, the City issued a \$1,800,000 Anticipation Note for the purpose of interim financing a street and utility project. The note carries an interest rate of 3.10 percent and matures on January 24, 2022.

**REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE 1

CITY OF AMERY, WISCONSIN  
 GENERAL FUND  
 BUDGETARY COMPARISON SCHEDULE  
 YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,556,010	\$ 1,556,010	\$ 1,544,555	\$ (11,455)
Special Assessments	3,442	3,442	2,446	(996)
Intergovernmental	854,596	854,596	853,080	(1,516)
Licenses and Permits	46,550	46,550	50,130	3,580
Fines and Forfeits	55,800	55,800	41,050	(14,750)
Public Charges for Services	199,975	199,975	236,069	36,094
Intergovernmental Charges for Services	209,500	209,500	201,019	(8,481)
Miscellaneous:				
Interest	14,126	14,126	41,950	27,824
Rent	101,597	101,597	110,132	8,535
Sale of Property	1,500	1,500	2,694	1,194
Donations	250	250	3,580	3,330
Other	39,400	39,400	54,749	15,349
<b>Total Revenues</b>	<b>3,082,746</b>	<b>3,082,746</b>	<b>3,141,454</b>	<b>58,708</b>
<b>EXPENDITURES</b>				
General Government	683,513	683,513	689,501	(5,988)
Public Safety	1,091,648	1,091,648	1,170,573	(78,925)
Public Works	841,024	841,024	926,244	(85,220)
Health and Human Services	375	375	4,207	(3,832)
Culture, Recreation, and Education	183,715	183,715	160,370	23,345
Conservation and Development	24,975	24,975	20,795	4,180
<b>Total Expenditures</b>	<b>2,825,250</b>	<b>2,825,250</b>	<b>2,971,690</b>	<b>(146,440)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>257,496</b>	<b>257,496</b>	<b>169,764</b>	<b>(87,732)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-Term Debt Issued	-	-	110,000	110,000
Transfers In	92,500	92,500	82,360	(10,140)
Transfers Out	(538,899)	(538,899)	(344,637)	194,262
<b>Total Other Financing Sources (Uses)</b>	<b>(446,399)</b>	<b>(446,399)</b>	<b>(152,277)</b>	<b>294,122</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(188,903)</b>	<b>(188,903)</b>	<b>17,487</b>	<b>206,390</b>
Fund Balance - Beginning of Year	789,834	789,834	789,834	-
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 600,931</b>	<b>\$ 600,931</b>	<b>\$ 807,321</b>	<b>\$ 206,390</b>

See Notes to Required Supplementary Information

**CITY OF AMERY, WISCONSIN  
LIBRARY FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 187,540	\$ 187,540	\$ 187,540	\$ -
Intergovernmental	191,151	191,151	191,155	4
Miscellaneous:				
Interest	-	-	2	2
Donations	-	-	26,037	26,037
Other	10,000	10,000	2,521	(7,479)
Total Revenues	388,691	388,691	407,255	18,564
<b>EXPENDITURES</b>				
Culture, Recreation, and Education	353,036	353,036	380,267	(27,231)
<b>NET CHANGE IN FUND BALANCES</b>	35,655	35,655	26,988	(8,667)
Fund Balance - Beginning of Year	195,845	195,845	195,845	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 231,500</u>	<u>\$ 231,500</u>	<u>\$ 222,833</u>	<u>\$ (8,667)</u>

CITY OF AMERY, WISCONSIN  
 SCHEDULE OF PROPORTIONATE SHARE OF  
 WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN (ASSET) LIABILITY  
 LAST TEN MEASUREMENT PERIODS  
 YEAR ENDED DECEMBER 31, 2018

Measurement Date: December 31,	2014	2015	2016	2017
City's proportion of the net pension liability (asset)	0.01003162%	0.00987264%	0.00987264%	0.01056263%
City's proportionate share of the net pension liability (asset)	\$ (246,404)	\$ 160,428	\$ 83,343	\$ (313,618)
City's covered payroll	\$ 1,182,104	\$ 1,226,408	\$ 1,369,399	\$ 1,366,248
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-20.84%	13.08%	6.09%	-22.95%
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.74%	98.20%	99.12%	102.93%

The schedule is presented prospectively since implementation.

**CITY OF AMERY, WISCONSIN  
SCHEDULE OF CONTRIBUTIONS TO  
WISCONSIN RETIREMENT SYSTEM PENSION PLAN  
LAST TEN FISCAL YEARS  
YEAR ENDED DECEMBER 31, 2018**

Fiscal Year-End: December 31,	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Contractually Required Contribution	\$ 95,001	\$ 105,885	\$ 111,258	\$ 109,603
Contributions in Relation to the Contractually Required Contributions	<u>(95,001)</u>	<u>(105,885)</u>	<u>(111,258)</u>	<u>(109,603)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 City's Covered Payroll	 \$ 1,226,408	 \$ 1,369,399	 \$ 1,366,248	 \$ 1,339,348
 Contributions as a Percentage of Covered Payroll	 7.75%	 7.73%	 8.14%	 8.18%

The schedule is presented prospectively since implementation.

**CITY OF AMERY, WISCONSIN**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2018**

**BUDGETARY INFORMATION**

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

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

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

**EXCESS OF EXPENDITURES OVER BUDGET**

Comparisons of actual revenues and expenditures to budgeted amounts for the City's general fund and each major special revenue fund are presented as required supplementary information following the notes to the basic financial statements. Expenditures in excess of budgeted amounts at the legally adopted levels for each of these funds are shown in those schedules.

**SUPPLEMENTARY INFORMATION**

**COMBINING AND INDIVIDUAL FUND STATEMENTS**

**CITY OF AMERY, WISCONSIN  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
DECEMBER 31, 2018**

	Special Revenue Fund	Capital Projects Funds			Total Nonmajor Governmental Funds
	Community Micro - Loan Fund	Tax Incremental District #7 Fund	Tax Incremental District #8 Fund	Total Capital Projects Funds	
<b>ASSETS</b>					
Treasurer's Cash and Investments	\$ 28,199	\$ 75,773	\$ -	\$ 75,773	\$ 103,972
Taxes Receivable	-	50,066	2,061	52,127	52,127
Long-Term Receivables	14,848	-	-	-	14,848
<b>Total Assets</b>	<b>\$ 43,047</b>	<b>\$ 125,839</b>	<b>\$ 2,061</b>	<b>\$ 127,900</b>	<b>\$ 170,947</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Due Other Funds	\$ -	\$ -	\$ 22,112	\$ 22,112	\$ 22,112
<b>Deferred Inflows of Resources:</b>					
Succeeding Year's Property Taxes	-	50,066	2,061	52,127	52,127
Unavailable Revenue - Long-Term Receivables	14,848	-	-	-	14,848
<b>Total Inflows of Resources</b>	<b>14,848</b>	<b>50,066</b>	<b>2,061</b>	<b>52,127</b>	<b>66,975</b>
<b>Fund Balances:</b>					
Restricted	28,199	75,773	-	75,773	103,972
Unassigned	-	-	(22,112)	(22,112)	(22,112)
<b>Total Fund Balances</b>	<b>28,199</b>	<b>75,773</b>	<b>(22,112)</b>	<b>53,661</b>	<b>81,860</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 43,047</b>	<b>\$ 125,839</b>	<b>\$ 2,061</b>	<b>\$ 127,900</b>	<b>\$ 170,947</b>

**CITY OF AMERY, WISCONSIN  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2018**

	Special Revenue Fund	Capital Projects Funds			Total Nonmajor Governmental Funds
	Community Micro - Loan Fund	Tax Incremental District #7 Fund	Tax Incremental District #8 Fund	Total Capital Projects Funds	
<b>REVENUES</b>					
Taxes	\$ -	\$ 51,785	\$ 6,939	\$ 58,724	\$ 58,724
Intergovernmental	-	111	-	111	111
Miscellaneous:					
Interest	2	-	-	-	2
Loan Repayments	6,585	-	-	-	6,585
Total Revenues	6,587	51,896	6,939	58,835	65,422
<b>EXPENDITURES</b>					
Conservation and Development	-	4,107	11,787	15,894	15,894
<b>NET CHANGE IN FUND BALANCES</b>	6,587	47,789	(4,848)	42,941	49,528
Fund Balance - Beginning of Year	21,612	27,984	(17,264)	10,720	32,332
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 28,199</u>	<u>\$ 75,773</u>	<u>\$ (22,112)</u>	<u>\$ 53,661</u>	<u>\$ 81,860</u>

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED BALANCE SHEET  
DECEMBER 31, 2018  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2017)**

	2018	2017
<b>ASSETS</b>		
Treasurer's Cash and Investments	\$ 737,622	\$ 639,364
Land Held for Resale	250,780	250,780
Taxes Receivable:		
Current Tax Roll	1,199,762	1,188,553
Delinquent Personal Property Taxes Held by Village	28,972	27,363
Special Assessments Receivable	30,274	31,975
Accounts Receivable	107,900	106,542
Due from Other Governmental Units	-	1,440
Due from Other Funds	250,469	222,339
Prepayments	24,381	19,490
Advances to Other Funds	58,740	3,740
	<u>\$ 2,688,900</u>	<u>\$ 2,491,586</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Vouchers and Accounts Payable	\$ 141,694	\$ 94,725
Payroll Withholdings	53,385	65,418
Due to Other Governmental Units	16,504	14,484
Due to Fiduciary Funds	16,000	8,000
Special Deposits	31,143	21,091
Total Liabilities	<u>258,726</u>	<u>203,718</u>
<b>Deferred Inflows of Resources:</b>		
Tax Roll Items:		
General Property Taxes	1,590,197	1,463,594
Other Taxes	19	19
Unavailable Revenue - Special Assessments and Charges	2,363	2,446
Unavailable Revenue - Special Assessments	30,274	31,975
Total Deferred Inflows of Resources	<u>1,622,853</u>	<u>1,498,034</u>
<b>Fund Balances:</b>		
Nonspendable	362,873	301,373
Assigned	13,401	-
Unassigned	431,047	488,461
Total Fund Balance	<u>807,321</u>	<u>789,834</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,688,900</u>	<u>\$ 2,491,586</u>

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	2018			Variance with Final Budget	2017 Actual
	Original Budget	Final Budget	Actual		
<b>REVENUES</b>					
<b>TAXES</b>					
General Property Taxes	\$ 1,463,595	\$ 1,463,595	\$ 1,463,595	\$ -	\$ 1,476,357
Mobile Home Fees	34,000	34,000	28,920	(5,080)	29,052
Managed Forest Land Taxes	-	-	19	19	19
Public Accommodation Taxes	12,100	12,100	2,653	(9,447)	9,980
Payment in Lieu of Taxes	37,400	37,400	40,976	3,576	37,748
Interest on Taxes	8,915	8,915	8,392	(523)	319
Total Taxes	1,556,010	1,556,010	1,544,555	(11,455)	1,553,475
<b>SPECIAL ASSESSMENTS</b>					
Street Improvement Projects	3,442	3,442	2,446	(996)	2,885
<b>INTERGOVERNMENTAL</b>					
State Shared Taxes	607,736	607,736	581,665	(26,071)	582,971
Fire Insurance Taxes	7,700	7,700	8,576	876	8,563
Exempt Computer Aid	8,000	8,000	6,867	(1,133)	6,768
State General Transportation Aid	205,560	205,560	205,397	(163)	194,444
State Aid - Police Training	1,600	1,600	11,278	9,678	5,406
State Aid - Ambulance	21,000	21,000	26,299	5,299	25,472
State Aid - Tank Inspections	3,000	3,000	1,550	(1,450)	1,413
State Aid in Lieu of Taxes - Conservation	-	-	747	747	730
State Aid - Other	-	-	3	3	28
Airport Improvement Aid	-	-	10,698	10,698	-
County - Police Reimbursement	-	-	-	-	6,089
Total Intergovernmental	854,596	854,596	853,080	(1,516)	831,884
<b>LICENSES AND PERMITS</b>					
Licenses:					
Liquor and Malt Beverage	8,550	8,550	8,840	290	9,040
Operators	2,750	2,750	3,035	285	2,170
Cigarette	600	600	550	(50)	550
Trailer Park	3,225	3,225	1,512	(1,713)	1,296
Cable Television	12,600	12,600	12,631	31	12,886
Other	1,000	1,000	1,225	225	2,179
Permits:					
Building	12,600	12,600	17,479	4,879	17,700
Zoning	3,500	3,500	3,255	(245)	5,805
Park	1,000	1,000	1,098	98	840
Other	725	725	505	(220)	630
Total Licenses and Permits	46,550	46,550	50,130	3,580	53,096

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	2018			Variance with Final Budget	2017 Actual
	Original Budget	Final Budget	Actual		
<b>REVENUES (CONTINUED)</b>					
<b>FINES AND FORFEITS</b>					
Law and Ordinance Violations	\$ 55,800	\$ 55,800	\$ 41,050	\$ (14,750)	\$ 41,732
Total Fines and Forfeits	55,800	55,800	41,050	(14,750)	41,732
<b>PUBLIC CHARGES FOR SERVICES</b>					
General Government:					
Clerk's Fees	10,600	10,600	3,443	(7,157)	4,214
Public Safety:					
Police Fees	7,075	7,075	6,182	(893)	3,902
Fire Protection Fees	2,500	2,500	1,040	(1,460)	1,803
Public Works:					
Transportation Facilities:					
Highway Maintenance and Construction	12,750	12,750	18,035	5,285	10,839
Airport	34,000	34,000	49,890	15,890	36,696
Sanitation:					
Refuse and Recycling	123,100	123,100	145,839	22,739	143,981
Landfill	6,550	6,550	6,151	(399)	6,331
Weed and Nuisance Control	400	400	70	(330)	135
Culture, Recreation and Education:					
Parks	3,000	3,000	5,419	2,419	3,255
Total Public Charges for Services	199,975	199,975	236,069	36,094	211,156
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>					
General Government:					
Department Administrative Cost Reimbursements	12,500	12,500	12,500	-	12,500
Utility Office Space Rental	18,000	18,000	18,000	-	18,000
Public Safety:					
Fire Protection	170,000	170,000	160,094	(9,906)	160,594
Dam	3,000	3,000	4,425	1,425	3,000
Public Works:					
Transportation Facilities:					
Utility Equipment Rental	6,000	6,000	6,000	-	6,000
Total Intergovernmental Charges for Services	209,500	209,500	201,019	(8,481)	200,094
<b>MISCELLANEOUS</b>					
Interest:					
General Investments	13,425	13,425	41,950	28,525	47,084
Special Assessments	701	701	-	(701)	1,161
Rent	101,597	101,597	110,132	8,535	104,844
Sale of City Property	1,500	1,500	2,694	1,194	1,150
Donations	250	250	3,580	3,330	27,400
Other:					
Insurance Recoveries and Dividends	-	-	2,049	2,049	2,382
Other Miscellaneous	39,400	39,400	52,700	13,300	20,202
Total Miscellaneous	156,873	156,873	213,105	56,232	204,223
Total Revenues	3,082,746	3,082,746	3,141,454	58,708	3,098,545

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>EXPENDITURES</b>					
<b>GENERAL GOVERNMENT</b>					
Council	\$ 26,427	\$ 26,427	\$ 29,097	\$ (2,670)	\$ 27,637
Municipal Court	49,990	49,990	46,229	3,761	43,590
Legal Fees	12,000	12,000	14,902	(2,902)	39,871
Municipal Code	-	-	3,640	(3,640)	72
Mayor	11,164	11,164	10,075	1,089	10,933
Clerk-Treasurer	311,816	311,816	340,219	(28,403)	413,839
Elections	18,651	18,651	43,884	(25,233)	17,159
Special Accounting and Auditing	10,350	10,350	9,390	960	9,300
Assessment of Property	31,432	31,432	29,510	1,922	29,273
City Hall	33,650	33,650	40,046	(6,396)	31,918
Illegal and Uncollectible Taxes	-	-	-	-	22,287
Property and Liability Insurance	126,000	126,000	113,044	12,956	126,607
Unemployment Expense	550	550	-	550	546
Other	3,000	3,000	6,264	(3,264)	6,158
Outlay:					
Council	3,100	3,100	3,201	(101)	-
City Hall	45,383	45,383	-	45,383	2,312
Total General Government	<u>683,513</u>	<u>683,513</u>	<u>689,501</u>	<u>(5,988)</u>	<u>781,502</u>
<b>PUBLIC SAFETY</b>					
Police Department	849,194	849,194	906,026	(56,832)	855,850
Fire Department	174,588	174,588	191,971	(17,383)	161,128
Fire Department Retirement Trust Fund Payment	8,000	8,000	19,912	(11,912)	8,000
Ambulance Service	34,848	34,848	34,836	12	37,895
Building Inspection	10,000	10,000	14,234	(4,234)	9,606
Tank Inspections	-	-	1,753	(1,753)	739
Dams	500	500	99	401	3,284
Civil Defense	138	138	88	50	138
Outlay:					
Police Department:					
Capital Equipment	2,100	2,100	1,654	446	7,584
Fire Department	12,280	12,280	-	12,280	166
Total Public Safety	<u>1,091,648</u>	<u>1,091,648</u>	<u>1,170,573</u>	<u>(78,925)</u>	<u>1,084,390</u>

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	2018			Variance with Final Budget	2017 Actual
	Original Budget	Final Budget	Actual		
<b>EXPENDITURES (CONTINUED)</b>					
<b>PUBLIC WORKS</b>					
Transportation:					
Public Works Wages and Fringe Benefits	\$ 258,030	\$ 258,030	\$ 159,341	\$ 98,689	\$ 220,957
Safety	6,950	6,950	6,992	(42)	4,525
Machinery and Equipment	19,000	19,000	49,735	(30,735)	20,569
Buildings and Grounds	30,850	30,850	30,266	584	20,103
Street Maintenance	175,200	175,200	238,593	(63,393)	211,387
Snow and Ice Control	32,000	32,000	72,832	(40,832)	33,240
Traffic Control	4,850	4,850	3,546	1,304	2,533
Bridges	3,100	3,100	1,639	1,461	23,731
Street Lighting	64,000	64,000	60,679	3,321	65,031
Storm Sewers	1,850	1,850	18,090	(16,240)	15,702
Airport	17,064	17,064	52,242	(35,178)	26,647
Other	1,000	1,000	1,480	(480)	2,301
Outlay:					
Machinery and Equipment	25,000	25,000	-	25,000	32,234
Streets	35,280	35,280	-	35,280	-
Airport	10,000	10,000	15,228	(5,228)	1,847
Sanitation:					
Refuse and Garbage Collection	142,000	142,000	144,813	(2,813)	142,528
Landfill	14,850	14,850	70,768	(55,918)	19,802
Total Public Works	<u>841,024</u>	<u>841,024</u>	<u>926,244</u>	<u>(85,220)</u>	<u>843,137</u>
<b>HEALTH AND HUMAN SERVICES</b>					
Cemetery	375	375	4,207	(3,832)	386
<b>CULTURE, RECREATION AND EDUCATION</b>					
Community Center	25,000	25,000	25,166	(166)	25,323
Parks	137,215	137,215	108,162	29,053	80,080
Recreation Programs and Events	8,150	8,150	20,279	(12,129)	21,799
Skating Rink	5,500	5,500	2,500	3,000	6,096
Cable Television	7,850	7,850	2,784	5,066	2,465
Other	-	-	1,479	(1,479)	8,332
Outlay:					
Parks	-	-	-	-	6,674
Total Culture, Recreation and Education	<u>183,715</u>	<u>183,715</u>	<u>160,370</u>	<u>23,345</u>	<u>150,769</u>
<b>CONSERVATION AND DEVELOPMENT</b>					
Advertising and Promotion	12,725	12,725	12,419	306	8,880
Community Planning	250	250	276	(26)	923
Planning Office	12,000	12,000	-	12,000	6,067
Other	-	-	8,100	(8,100)	-
Total Conservation and Development	<u>24,975</u>	<u>24,975</u>	<u>20,795</u>	<u>4,180</u>	<u>15,870</u>
Total Expenditures	2,825,250	2,825,250	2,971,690	(146,440)	2,876,054

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (CONTINUED)  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	2018			Variance with Final Budget	2017 Actual
	Original Budget	Final Budget	Actual		
<b>EXCESS (DEFICIENCY) OR REVENUES OVER EXPENDITURES</b>	\$ 257,496	\$ 257,496	\$ 169,764	\$ (87,732)	\$ 222,491
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	-	-	110,000	110,000	-
Transfers In	92,500	92,500	82,360	(10,140)	81,186
Transfers Out	(538,899)	(538,899)	(344,637)	194,262	(500,199)
Total Other Financing Sources (Uses)	(446,399)	(446,399)	(152,277)	294,122	(419,013)
<b>NET CHANGE IN FUND BALANCE</b>	(188,903)	(188,903)	17,487	206,390	(196,522)
Fund Balance - Beginning of Year	789,834	789,834	789,834	-	986,356
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 600,931</u>	<u>\$ 600,931</u>	<u>\$ 807,321</u>	<u>\$ 206,390</u>	<u>\$ 789,834</u>

**CITY OF AMERY, WISCONSIN  
DEBT SERVICE FUNDS  
DETAILED BALANCE SHEET  
DECEMBER 31, 2018**

	General Long-Term Debt Redemption Fund		Library \$440,000	Totals
	General City	TID #6 Debt	G.O. Promissory Notes	
<b>ASSETS</b>				
Treasurer's Cash and Investments	\$ 4,876	\$ -	\$ 4,943	\$ 9,819
<b>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Due Other Funds	\$ -	\$ 22,267	\$ -	\$ 22,267
<b>Fund Balances:</b>				
Restricted	4,876	-	4,943	9,819
Unassigned	-	(22,267)	-	(22,267)
Total Fund Balance	4,876	(22,267)	4,943	(12,448)
Total Deferred Inflows of Resources and Fund balances	\$ 4,876	\$ -	\$ 4,943	\$ 9,819

**CITY OF AMERY, WISCONSIN  
DEBT SERVICE FUNDS  
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2018**

	General Long-Term Debt Redemption Fund		Library \$440,000	Totals
	General City	TID #6 Debt	G.O. Promissory Notes	
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	\$ 137,069	\$ 42,321	\$ -	\$ 179,390
Principal Payments on Refinanced Debt	-	-	25,000	25,000
Interest and Fiscal Charges	61,168	10,165	1,400	72,733
Total Expenditures	<u>198,237</u>	<u>52,486</u>	<u>26,400</u>	<u>277,123</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(198,237)	(52,486)	(26,400)	(277,123)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	318,237	92,486	26,400	437,123
Payment to Refunding Bond Escrow	<u>(120,000)</u>	<u>(40,000)</u>	-	<u>(160,000)</u>
Total Other Financing Sources (Uses)	<u>198,237</u>	<u>52,486</u>	<u>26,400</u>	<u>277,123</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-	-
Fund Balance - Beginning of Year	<u>4,876</u>	<u>(22,267)</u>	<u>4,943</u>	<u>(12,448)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 4,876</u>	<u>\$ (22,267)</u>	<u>\$ 4,943</u>	<u>\$ (12,448)</u>

**CITY OF AMERY, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF NET POSITION  
DECEMBER 31, 2018  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2017)**

	2018	2017
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Investments	\$ 495,234	\$ 446,397
Customer Accounts Receivable	101,826	101,480
Accounts Receivable on Tax Roll	6,727	5,994
Inventories	26,031	25,515
Total Current Assets	629,818	579,386
<b>Restricted Assets:</b>		
Wisconsin Retirement System Pension Asset	31,174	-
<b>Capital Assets:</b>		
Utility Plant in Service	4,462,584	4,423,923
Less Accumulated Depreciation	1,953,358	1,847,023
Total Capital Assets	2,509,226	2,576,900
Total Assets	3,170,218	3,156,286
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	57,102	32,421
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	3,185	5,526
Accrued Interest Payable	2,475	2,900
Current Portion of Long-Term Debt:		
General Obligation Bonds	90,000	85,000
Accrued Compensated Absences	2,118	6,225
Total Current Liabilities	97,778	99,651
<b>Long-Term Liabilities (Net of Current Portion):</b>		
Advance from Other Funds	27,500	-
General Obligation Bonds	405,000	495,000
Unamortized Debt Premium	11,963	13,672
Accrued Compensated Absences	6,353	8,185
WRS Pension Liability	-	4,167
Total Long-Term Liabilities	450,816	521,024
Total Liabilities	548,594	620,675
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	61,735	13,119
<b>NET POSITION</b>		
Net Investment in Capital Assets	2,002,263	1,983,228
Restricted for Pension Plan	31,174	-
Unrestricted	583,554	571,685
Total Net Position	\$ 2,616,991	\$ 2,554,913

SCHEDULE D-2

**CITY OF AMERY, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	<u>2018</u>	<u>2017</u>
<b>OPERATING REVENUES:</b>		
Sales of Water:		
Residential	\$ 143,175	\$ 137,114
Commercial	55,408	53,126
Industrial	24,478	22,324
Public Authorities	20,557	20,736
Multifamily Residential	32,844	31,753
Private Fire Protection	7,807	8,064
Public Fire Protection	150,054	147,195
Total Sales of Water	<u>434,323</u>	<u>420,312</u>
Other Operating Revenues:		
Forfeited Discounts	608	689
Meter Use Charge to Sewer Utility	19,460	19,651
Miscellaneous Operating Revenues	1,233	1,918
Total Other Operating Revenues	<u>21,301</u>	<u>22,258</u>
Total Operating Revenues	455,624	442,570
<b>OPERATING EXPENSES</b>		
Operation and Maintenance	195,783	166,250
Depreciation	106,335	104,666
Total Operating Expenses	<u>302,118</u>	<u>270,916</u>
<b>OPERATING INCOME</b>	153,506	171,654
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest Revenue	612	544
Interest Expense	(11,389)	(13,089)
Amortization of Debt Premium	1,709	1,709
Total Nonoperating Revenues (Expenses)	<u>(9,068)</u>	<u>(10,836)</u>
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	144,438	160,818
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>		
Transfer to General Fund - Property Tax Equivalent	<u>(82,360)</u>	<u>(81,186)</u>
<b>CHANGE IN NET POSITION</b>	62,078	79,632
Net Position - Beginning of Year	<u>2,554,913</u>	<u>2,475,281</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 2,616,991</u></u>	<u><u>\$ 2,554,913</u></u>

**CITY OF AMERY, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Utility Customers	\$ 285,031	\$ 286,002
Cash Received for Public Fire Protection	150,054	147,195
Cash Received for Sewer Share of Meter Related Expenses	19,460	19,651
Cash Payments to Suppliers for Goods and Services	(101,299)	(95,811)
Cash Payments for Employee Services	(114,686)	(74,375)
Net Cash Provided by (Used for) Operating Activities	238,560	282,662
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Advance from the General Fund	27,500	-
Transfers Out - Tax Equivalent	(82,360)	(81,186)
Net Cash Provided by (Used for) Noncapital Financing Activities	(54,860)	(81,186)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Cash Payments for Capital Assets	(38,661)	-
Principal Paid on Long-Term Debt	(85,000)	(85,000)
Interest Paid on Long-Term Debt	(11,814)	(13,514)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(135,475)	(98,514)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	612	544
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	48,837	103,506
Cash and Cash Equivalents - Beginning of Year	446,397	342,891
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 495,234	\$ 446,397
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ 153,506	\$ 171,654
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities		
Depreciation	106,335	104,666
Change in Pension Asset	(31,174)	-
Change in Pension Related Deferred Outflow	(24,681)	53,810
Change in Pension Liability	(4,167)	(27,814)
Change in Pension Related Deferred Inflow	48,616	(24,358)
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(346)	3,831
Accounts Receivable on Tax Roll	(733)	6,447
Inventories	(516)	(950)
Increase (Decrease) in Liabilities:		
Accounts Payable	(2,341)	2,455
Accrued Compensated Absences	(5,939)	(7,079)
Net Cash Provided by (Used for) Operating Activities	\$ 238,560	\$ 282,662
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS:</b>		
Cash and Investments per Balance Sheet:		
Cash and Investments	\$ 495,234	\$ 446,397

SCHEDULE D-4

**CITY OF AMERY, WISCONSIN  
 WATER UTILITY ENTERPRISE FUND  
 SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES  
 YEAR ENDED DECEMBER 31, 2018  
 (WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	2018	2017
<b>SOURCE OF SUPPLY</b>		
Maintenance of Source Plant	\$ 4,231	\$ 8,959
<b>PUMPING</b>		
Fuel or Power Purchased for Pumping	23,464	22,110
Operation Supplies and Expenses	92	82
Maintenance of Pumping Plant	-	157
Total Pumping	23,556	22,349
<b>WATER TREATMENT</b>		
Chemicals	14,764	13,562
Operation Supplies and Expenses	1,468	2,438
Maintenance of Water Treatment Plant	37	8
Total Water Treatment	16,269	16,008
<b>TRANSMISSION AND DISTRIBUTION</b>		
Operation Labor	73,805	30,678
Operation Supplies and Expenses	1,479	2,802
Maintenance of Distribution Reservoirs and Standpipes	151	7
Maintenance of Mains	18,222	15,391
Maintenance of Services	3,347	2,228
Maintenance of Meter	21	3,635
Maintenance of Hydrants	7,516	836
Maintenance of Other Plant	-	339
Total Transmission and Distribution	104,541	55,916
<b>CUSTOMER ACCOUNTS</b>		
Accounting and Collecting Labor	-	2,807
<b>ADMINISTRATIVE AND GENERAL</b>		
Administrative and General Salaries	13,699	18,081
Office Supplies and Expenses	1,332	2,567
Outside Services Employed	4,745	4,700
Employee Pensions and Benefits	21,243	15,730
Net Wisconsin Retirement System Pension Expense	(11,406)	1,638
Regulatory Commission Expenses	91	-
Miscellaneous General Expenses	16,643	14,912
Maintenance of General Plant	839	2,583
Total Administrative and General	47,186	60,211
Total Operation and Maintenance Expenses	\$ 195,783	\$ 166,250

**CITY OF AMERY, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF NET POSITION  
DECEMBER 31, 2018  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2017)**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Investments	\$ 396,175	\$ 495,457
Customer Accounts Receivable	155,318	157,740
Accounts Receivable on Tax Roll	<u>10,943</u>	<u>10,641</u>
Total Current Assets	562,436	663,838
<b>Restricted Assets:</b>		
Equipment Replacement Fund Investments	178,563	178,563
Wisconsin Retirement System Pension Asset	<u>41,429</u>	<u>-</u>
Total Restricted Assets	219,992	178,563
<b>Capital Assets:</b>		
Utility Plant in Service	5,263,250	4,981,535
Less Accumulated Depreciation	<u>3,493,314</u>	<u>3,334,120</u>
Net Capital Assets	1,769,936	1,647,415
Construction Work in Progress	<u>-</u>	<u>20,483</u>
Total Capital Assets	1,769,936	1,667,898
<b>Other Assets:</b>		
Special Assessments Receivable	<u>14,583</u>	<u>19,792</u>
Total Assets	2,566,947	2,530,091
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	75,887	77,810
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	22,065	13,934
Current Portion of Long-Term Debt:		
Accrued Compensated Absences	<u>5,947</u>	<u>16,016</u>
Total Current Liabilities	28,012	29,950
<b>Long-Term Liabilities (Net of Current Portion):</b>		
Advance from Other Funds	27,500	-
Accrued Compensated Absences	17,841	60,739
WRS Pension Liability	<u>-</u>	<u>10,001</u>
Total Long-Term Liabilities	45,341	70,740
Total Liabilities	<u>73,353</u>	<u>100,690</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	<u>82,045</u>	<u>31,486</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	1,769,936	1,667,898
Restricted for Equipment Replacement	178,563	178,563
Restricted for Pension Plan	41,429	-
Unrestricted	<u>497,508</u>	<u>629,264</u>
Total Net Position	<u>\$ 2,487,436</u>	<u>\$ 2,475,725</u>

**CITY OF AMERY, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	<u>2018</u>	<u>2017</u>
<b>OPERATING REVENUES:</b>		
Sewerage Revenues:		
Residential	\$ 346,351	\$ 343,263
Commercial	138,853	136,015
Industrial	78,147	72,799
Public Authorities	44,073	45,043
Multifamily Residential	53,703	51,938
Total Sewerage Revenues	<u>661,127</u>	<u>649,058</u>
Other Operating Revenues		
Forfeited Discounts	3,857	4,119
Miscellaneous Operating Revenues	126	1,412
Total Other Operating Revenues	<u>3,983</u>	<u>5,531</u>
Total Operating Revenues	665,110	654,589
<b>OPERATING EXPENSES</b>		
Operation and Maintenance	494,205	512,928
Depreciation	159,194	153,889
Total Operating Expenses	<u>653,399</u>	<u>666,817</u>
<b>CHANGE IN NET POSITION</b>	11,711	(12,228)
Net Position - Beginning of Year	<u>2,475,725</u>	<u>2,487,953</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,487,436</u>	<u>\$ 2,475,725</u>

**CITY OF AMERY, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Utility Customers	\$ 667,230	\$ 664,593
Cash Paid for Sewer Share of Meter Related Expenses	(22,308)	(21,403)
Cash Payments to Suppliers for Goods and Services	(300,173)	(249,755)
Cash Payments for Employee Services	(215,508)	(194,007)
Net Cash Provided by (Used for) Operating Activities	129,241	199,428
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Advance from the General Fund	27,500	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Cash Payments for Capital Assets	(261,232)	(34,454)
Cash Received from Customer Contributions	5,209	15,208
Net Cash Provided by (Used for) Capital and Related Financing Activities	(256,023)	(19,246)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(99,282)	180,182
Cash and Cash Equivalents - Beginning of Year	674,020	493,838
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 574,738	\$ 674,020
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>		
Operating Income (Loss)	\$ 11,711	\$ (12,228)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	159,194	153,889
Net Change in Wisconsin Pension Asset	(41,429)	-
Net Change in Wisconsin Pension Deferred Outflow	1,923	66,027
Net Change in Wisconsin Pension Liability	(10,001)	2,194
Net Change in Wisconsin Pension Deferred Inflow	50,559	(16,429)
(Increase) Decrease in Assets:		
Customer Accounts Receivable	2,422	(2,215)
Accounts Receivable on Tax Roll	(302)	12,219
Due from Other Governments		
Inventories	-	3,436
Increase (Decrease) in Liabilities:		
Accounts Payable	8,131	(2,869)
Accrued Compensated Absences	(52,967)	(4,596)
Net Cash Provided by (Used for) Operating Activities	\$ 129,241	\$ 199,428
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 396,175	\$ 495,457
Cash and Investments - Restricted	178,563	178,563
	574,738	674,020
Cash and Cash Equivalents	\$ 574,738	\$ 674,020

SCHEDULE D-8

**CITY OF AMERY, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES  
YEAR ENDED DECEMBER 31, 2018  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2017)**

	<u>2018</u>	<u>2017</u>
<b>OPERATION</b>		
Supervision and Labor	\$ 108,721	\$ 134,550
Power and Fuel for Pumping	6,444	5,963
Power and Fuel for Aeration Equipment	42,108	48,957
Chemicals	7,002	8,892
Biosolids Facility Expenses	99,702	91,156
Supplies and Expenses	26,924	24,600
Transportation Expenses	4,966	5,401
Total Operation	<u>295,867</u>	<u>319,519</u>
<b>MAINTENANCE</b>		
Sewer Collection System	38,300	20,560
Collection System Pumping Equipment	17,013	2,239
Treatment and Disposal Plant Equipment	32,462	17,790
General Plant Structures and Equipment	1,566	13
Total Maintenance	<u>89,341</u>	<u>40,602</u>
<b>CUSTOMER ACCOUNTING AND COLLECTION</b>		
Billing, Accounting and Collection	9,745	10,527
Meter Expense Allocation	22,308	21,403
Total Customer Accounting and Collection	<u>32,053</u>	<u>31,930</u>
<b>ADMINISTRATIVE AND GENERAL</b>		
Administrative and General Salaries	3,954	7,451
Office Supplies and Expenses	933	2,327
Outside Services Employed	4,745	4,700
Employee Pensions and Benefits	40,121	36,883
Net Wisconsin Retirement System Pension Expense	1,052	51,792
Miscellaneous General Expenses	17,079	8,724
Rents	9,060	9,000
Total Administrative and General	<u>76,944</u>	<u>120,877</u>
Total Operation and Maintenance Expense	<u>\$ 494,205</u>	<u>\$ 512,928</u>