

**TOWN OF DELAFIELD
WAUKESHA COUNTY, WISCONSIN**

**FINANCIAL STATEMENTS
DECEMBER 31, 2015**

TOWN OF DELAFIELD

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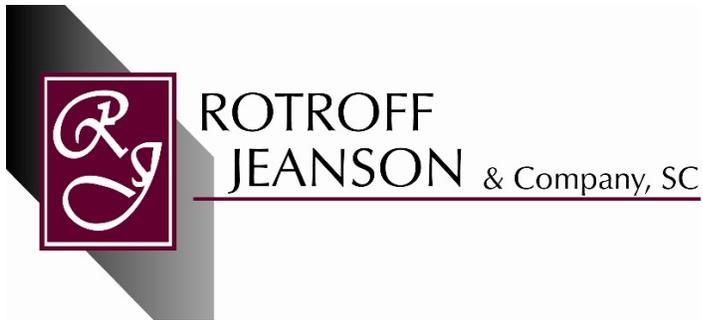
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Independent Auditors' Report

Town Board
Town of Delafield
Waukesha County, Wisconsin

Dear Board Members:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Delafield, Wisconsin as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Town'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, each major fund, and the aggregate remaining fund information of the Town of Delafield, Wisconsin as of December 31, 2015, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting 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 missing information.

Other Information

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

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

Ratoff Johnson & Company

DeLafield, Wisconsin
April 1, 2016

TOWN OF DELAFIELD
STATEMENT OF NET POSITION
Governmental Activities
December 31, 2015

Assets:	
Current assets:	
Cash and temporary investments	\$ 3,176,545
Receivables:	
Property taxes	1,259,314
Other (net)	128,677
Prepaid expenses	18,160
Supplies inventory	79,986
Non-current assets:	
Fixed assets:	
Non-depreciable:	
Land	586,513
Construction in progress	350,200
Depreciable:	
Capital assets, net of accumulated depreciation	<u>10,349,581</u>
Total assets	<u>15,948,976</u>
Liabilities:	
Current liabilities:	
Accounts payable	177,951
Other accrued liabilities	62,800
Unearned revenue	640,734
Current portion of long-term obligations	197,740
Non-current liabilities:	
Non-current portion of long-term obligations	<u>3,879,308</u>
Total liabilities	<u>4,958,533</u>
Deferred Inflows of Resources:	
Subsequent year's tax levy	<u>1,942,473</u>
Net Position:	
Net investment in capital assets	7,299,919
Restricted for:	
Expendable:	
Capital outlays	85,864
Unrestricted	<u>1,662,187</u>
Total net position	<u>\$ 9,047,970</u>

The accompanying notes are an integral part of these financial statements

TOWN OF DELAFIELD
STATEMENT OF ACTIVITIES
Governmental Activities
Year Ended December 31, 2015

		Program Revenues				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Net (Expense) Revenue and Changes in Net Position
Primary government:						
Direct expenses:						
General government	\$ 693,915	46,550	-	-		(647,365)
Public safety	854,666	417,629	67,728	-		(369,309)
Health and sanitation	636,125	613,366	40,984	-		18,225
Highway and transportation	920,206	15,467	168,016	1,052,980		316,257
Parks and recreation	71,180	15,060	21,406	432,762		398,048
Indirect expenses:						
Interest and other related charges	118,404	-	-	-		(118,404)
Total primary government	\$ 3,294,496	1,108,072	298,134	1,485,742		(402,548)
General revenues:						
					\$	1,976,027
						106,009
						71,609
						5,260
						(60,899)
						2,098,006
						1,695,458
						7,352,512
					\$	9,047,970

The accompanying notes are an integral part of these financial statements

TOWN OF DELAFIELD
BALANCE SHEET
Governmental Funds
December 31, 2015

	General	Debt Service	Fire Station/ Town Hall	Other Governmental Funds	Total Governmental Funds
Assets:					
Cash and temporary investments	\$ 2,936,900	157,469	-	82,176	3,176,545
Receivables:					
Taxes	1,104,709	154,605	-	-	1,259,314
Accounts	54,446	-	-	3,688	58,134
Intergovernmental	43,976	-	-	-	43,976
Due from other funds	125,364	-	-	-	125,364
Prepaid expenditures	18,160	-	-	-	18,160
Inventory of supplies	79,986	-	-	-	79,986
Total assets	\$ 4,363,541	312,074	-	85,864	4,761,479
Liabilities, Deferred Inflows of Resources and Fund Balance:					
Liabilities:					
Accounts payable	\$ 177,951	-	-	-	177,951
Due to other funds	-	-	125,364	-	125,364
Accrued payroll	19,070	-	-	-	19,070
Other accrued liabilities	13,559	-	-	-	13,559
Unearned revenue	640,734	-	-	-	640,734
Total liabilities	851,314	-	125,364	-	976,678
Deferred Inflows of Resources:					
Subsequent year's tax levy	1,630,399	312,074	-	-	1,942,473
Fund Balance (Deficit):					
Nonspendable	98,146	-	-	-	98,146
Restricted	-	-	-	85,864	85,864
Assigned	786,175	-	-	-	786,175
Unassigned	997,507	-	(125,364)	-	872,143
Total fund balance (deficit)	1,881,828	-	(125,364)	85,864	1,842,328
Total liabilities, deferred inflows of resources and fund balance (deficit)	\$ 4,363,541	312,074	-	85,864	4,761,479

The accompanying notes are an integral part of these financial statements

TOWN OF DELAFIELD
 RECONCILIATION OF THE BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 Governmental Funds
 December 31, 2015

Total fund balances - governmental funds	\$	1,842,328
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Certain accounts receivable are not available soon enough after year-end to pay for the current year's expenditures, and therefore are not reported in the governmental funds		
		26,567
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:		
Governmental capital assets	\$ 15,183,053	
Less: Accumulated depreciation	<u>(3,896,759)</u>	11,286,294
Interest payable used in the governmental activities are not payable from current resources and therefore are not reported in the governmental funds.		
		(30,171)
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the governmental funds.		
		(73,418)
Long-term liabilities are not due and payable in the current year and therefore are not reported in the governmental funds.		
		<u>(4,003,630)</u>
Total net position - governmental activities	\$	<u><u>9,047,970</u></u>

The accompanying notes are an integral part of these financial statements

TOWN OF DELAFIELD
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Governmental Funds
Year Ended December 31, 2015

	General	Debt Service	Fire Station/ Town Hall	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 1,632,877	343,150	-	-	1,976,027
Intergovernmental	375,340	-	-	-	375,340
Regulation and compliance	373,318	-	-	-	373,318
Charges for services	802,709	-	-	-	802,709
Public improvement	-	-	-	60,762	60,762
Interest	4,282	-	969	9	5,260
Miscellaneous	23,118	-	-	-	23,118
Total revenues	<u>3,211,644</u>	<u>343,150</u>	<u>969</u>	<u>60,771</u>	<u>3,616,534</u>
Expenditures:					
Current:					
General government	627,384	-	-	-	627,384
Public safety	642,843	-	-	-	642,843
Health and sanitation	636,125	-	-	-	636,125
Highway and transportation	1,165,614	-	-	-	1,165,614
Parks and recreation	53,987	-	-	-	53,987
Capital outlays	595,265	-	1,268,973	34,559	1,898,797
Debt service:					
Principal	-	215,860	-	-	215,860
Interest	-	143,706	-	-	143,706
Total expenditures	<u>3,721,218</u>	<u>359,566</u>	<u>1,268,973</u>	<u>34,559</u>	<u>5,384,316</u>
Excess (deficiency) of revenues over expenditures	(509,574)	(16,416)	(1,268,004)	26,212	(1,767,782)
Fund balance (deficit):					
January 1	2,391,402	16,416	1,142,640	59,652	3,610,110
December 31	<u>\$ 1,881,828</u>	<u>-</u>	<u>(125,364)</u>	<u>85,864</u>	<u>1,842,328</u>

The accompanying notes are an integral part of the financial statements

TOWN OF DELAFIELD
 RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 TO THE STATEMENT OF ACTIVITIES
 Governmental Funds
 Year Ended December 31, 2015

Net change in fund balances - total governmental funds	\$	(1,767,782)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Revenues in the Statement of Activities include those which were earned in the current year, even though they do not provide financial resources of the current year.		9,339
Contributed capital assets are not included as revenues in the governmental funds. In the State of Activities, however, they are reported at their estimated fair value at the time of acquisition.		1,424,980
Capital outlays are reported in governmental funds as expenditures. In the Statement of Activities, however, the cost of those assets is depreciated over their estimated useful lives. This is the amount by which capital asset purchases (\$2,361,042) exceeds depreciation expense (\$506,036).		1,855,006
In governmental funds proceeds from the sale of assets are financial resources and are recognized as revenue. In the Statement of Activities, only the amount by which the sales proceeds exceed the remaining book value of the sold asset is recognized as revenue.		(60,899)
Interest on long-term debt is recognized as an expenditure in the funds when it is due. In the Statement of Activities, however, interest expense is recognized as it accrues.		25,302
Compensated absences not payable from current year resources are not reported as expenditures of the current year. In the Statement of Activities, however, these costs are current year expenses.		(6,348)
Repayment of long-term debt obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		<u>215,860</u>
Change in net position of governmental activities	\$	<u><u>1,695,458</u></u>

The accompanying notes are an integral part of these financial statements

TOWN OF DELAFIELD
BUDGETARY COMPARISON STATEMENT
General Fund
Year Ended December 31, 2015

	Budget		Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Budgetary fund balance, January 1	\$ 2,391,402	2,391,402	2,391,402	-
Resources (inflows):				
Taxes	1,631,196	1,631,196	1,632,877	1,681
Intergovernmental	381,375	381,375	375,340	(6,035)
Regulation and compliance	228,645	228,645	373,318	144,673
Charges for services	792,301	792,301	802,709	10,408
Interest	6,000	6,000	4,282	(1,718)
Miscellaneous	15,000	15,000	23,118	8,118
Amounts available for appropriation	5,445,919	5,445,919	5,603,046	157,127
Charges to appropriations (outflows):				
Current:				
General government	627,777	645,958	627,384	18,574
Public safety	682,355	746,082	642,843	103,239
Health and sanitation	620,080	637,070	636,125	945
Highway and transportation	1,258,083	1,258,083	1,165,614	92,469
Parks and recreation	55,410	56,537	53,987	2,550
Capital outlays	393,578	615,187	595,265	19,922
Total charges to appropriations	3,637,283	3,958,917	3,721,218	237,699
Fund balance, December 31	\$ 1,808,636	1,487,002	1,881,828	394,826

The accompanying notes are an integral part of the financial statements

TOWN OF DELAFIELD
STATEMENT OF FIDUCIARY NET POSITION
Agency Fund
December 31, 2015

Assets:	
Cash and cash equivalents	\$ 10,335,765
Taxes receivable	<u>10,055,101</u>
Total assets	<u>\$ 20,390,866</u>
Liabilities:	
Due to other taxing units:	
School districts	\$ 16,350,483
Waukesha County	3,446,434
State of Wisconsin	251,544
Lake Pewaukee Sanitary District	248,013
Deposits:	
Occupancy bonds	88,250
Developer	3,942
Holding tank	<u>2,200</u>
Total liabilities	<u>\$ 20,390,866</u>

The accompanying notes are an integral part of the financial statements

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

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TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

The accounting and reporting policies of the Town of Delafield included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

A. Reporting Entity

This report includes all of the funds of the Town of Delafield. The reporting entity for the Town consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. This report does not contain any component units.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

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

Fund Financial Statements

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Funds are organized as major funds or non-major funds within the governmental statements. An emphasis is placed on major funds within the governmental category. Major individual governmental funds are reported in separate columns in the fund financial statements.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies - Continued

B. Government-Wide and Fund Financial Statements - continued

Fund Financial Statements - continued

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

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual fund is at least 10 percent of the corresponding total for all funds of that category or type, and
- b. The same element of the individual fund that met the 10 percent test is at least 5 percent of the corresponding total for all funds combined.
- c. In addition, any other fund that the Town believes is particularly important to financial statement users may be reported as a major fund.

The Town reports the following major governmental funds:

General Fund – The general fund accounts for the Town’s primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – The debt service fund accounts for resources accumulated and payments made for principal and interest on long-term debt.

Fire Station/ Town Hall Capital Projects Fund – This capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for the construction of the new town hall/ fire station equipment.

The Town reports the following non-major governmental funds:

Capital Improvements Fund – The capital improvements fund is a special revenue fund which accounts for resources accumulated and payments made for major capital improvements.

Impact Fee Fund – The impact fee fund is a special revenue fund which accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for parks, playgrounds and athletic fields.

In addition, the Town reports the following fund type:

Agency Fund – The agency fund accounts for assets held by the Town in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Accordingly, all the Town’s assets, deferred outflows of resources, liabilities and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies - Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - continued

Government-Wide Financial Statements – continued

Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied.

Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, and judgments, which are recorded as a fund liability when expected to be paid with expendable available financial resources. Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Franchise fees, inspection fees, refuse collection fees and ambulance transport fees associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Intergovernmental aids and grants are recognized as revenues in the period the Town is entitled to the resources and the amounts are available. Amounts owed to the Town but not available are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are recorded as current liabilities.

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

1. Deposits and Investments

Wisconsin municipalities are authorized by statute to invest idle funds in the following institutions and investments:

- a. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association, which is authorized to transact business in this state if the time deposits mature in not more than 3 years.
- b. Bonds or securities issued or guaranteed as to principal and interest by the federal government or by a commission, board or other instrumentality of the federal government.
- c. Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of this state.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(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

- d. Bonds issued by a local exposition district, local professional baseball park district, local professional football stadium district or local cultural arts district.
- e. Bonds issued by the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
- f. Any security which matures or which may be tendered for purchase at the option of the holder within not more than 7 years of the date on which it is acquired, if that security has a rating which is the highest or 2nd highest rating category assigned by Standard & Poor's corporation, Moody's investors service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
- g. Securities of an open-end management investment company or investment trust, if the investment company or investment trust does not charge a sales load, if the investment company or investment trust is registered under the investment company act of 1940, 15 USC 80a-1 to 80a-64, and if the portfolio of the investment company or investment trust is limited to the following:
 - 1. Bonds and securities issued by the federal government or a commission, board or other instrumentality of the federal government.
 - 2. Bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the federal government.
 - 3. Repurchase agreements fully collateralized by bonds or securities under (g) 1 or 2.
- h. Bonds or securities issued under the authority of the municipality, whether the bonds or securities create a general municipality liability or a liability of the property owners of the municipality for special improvements, and may sell or hypothecate the bonds or securities.
- i. The Local Government Pooled Investment Fund.
- j. Repurchase agreements with public depositories, if federal bonds or securities secure the agreement.

Investments made during 2015 were held in the Town's name and were in accordance with those allowable by state statutes.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is unrated and is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2015, the fair value of the Town's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies - Continued

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

2. Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the Town, taxes are collected for and remitted to the state and county governments as well as the local school district and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying agency fund balance sheet.

Property tax calendar – 2015 tax roll:

Levy:

Tax lien and levy date	December 2015
Tax bills mailed	December 2015

Due dates:

Real property taxes:

Payment in full or first installment	January 31, 2016
Second installment payable to County	July 31, 2016

Personal property taxes, special assessments and special charges, in full	January 31, 2016
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Tax settlements with taxing jurisdictions:

First settlement	January 15, 2016
Second settlement	February 20, 2016
Final settlement	August 20, 2016

Tax sale - 2015 delinquent real estate taxes	October 2018
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Delinquent real estate taxes as of July 31 are paid in full by Waukesha County, which assumes their collection. The Town maintains responsibility for collection of delinquent personal property taxes.

3. Inventories and Prepaid Items

Governmental fund inventories are valued at cost on a first in, first out basis. Inventory in the general fund consists of expendable supplies held for consumption. Costs are recorded as expenditures at the time individual inventory items are consumed. Reported inventories are offset as nonspendable fund balance, which indicates that they do not constitute "available spendable resources" even though they are a component of net position.

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. Capital Assets

Government – Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of three years. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated fair value at the date of donation.

Prior to 2004, infrastructure assets of governmental funds were not capitalized. Upon implementing GASB 34, governmental units were required to account for all capital assets, including infrastructure, in the government-wide statements. As allowed under the reporting standards the Town elected to report its infrastructure prospectively from the date of implementation.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies - Continued

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

4. Capital Assets - continued

Government – Wide Statements - continued

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The range of estimated useful lives by type of asset is as follows:

Buildings and improvements	5-50 Years
Land improvements	10-40 Years
Machinery and equipment	7-20 Years
Vehicles	5-25 Years
Infrastructure	10-50 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.

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position or fund balance that applies to a future period and thus, will not be recognized as an outflow of resources (expenditure) until then. The Town currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town's property tax levy qualifies for reporting in this category. These amounts will be recognized as an inflow of resources in the subsequent year for which they were levied and/or assessed.

6. Compensated Absences

Compensated absences represent liabilities arising from the Town's sick leave and vacation leave policies. The sick leave policy allows full-time and supervisory employees to accrue sick leave at a rate of one day per month to a maximum of 360 hours for fire department personnel and 320 hours for all other eligible employees. Employees, with a minimum of 15 years of service, will receive payment upon leaving employment with the Town for those accumulated unused hours at the hourly rate or equivalent that they were paid at the time their tenure is ended. A liability is recorded only to the extent that it is estimated to result in termination payments. At December 31, 2015 the total liability for payments related to accrued sick time was \$73,418.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies - Continued

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

6. Compensated Absences - continued

The Town's vacation leave policy allows employees to accrue vacation benefits. Vacation leave accrues to a maximum of four weeks based upon each employee's length of service. A maximum of 40 hours of the earned benefit can be carried over to the following year. No vacation time was accrued at December 31, 2015.

All vested vacation and sick leave pay is accrued when earned in the full-accrual government-wide financial statements. The vacation pay liability is reported in governmental fund financial statements however, vested sick pay is accrued only to the extent that it is expected to utilize current financial resources.

7. Long-Term Obligations

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist of bonds and notes payable.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) is reported as other financing sources and payments of principal and interest are reported as expenditures.

8. Claims and Judgments

Claims and judgments are recorded as liabilities if all of the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide statements as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

9. Equity Classifications

Government-Wide Statements

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

- a. Net investment in capital assets includes the Town's capital assets, net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position includes assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position includes all other net positions that do not meet the definition of "net investment in capital assets" or "restricted".

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies - Continued

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

9. Equity Classifications - continued

Fund Statements

Governmental fund equity is classified as fund balance. In accordance with Governmental Standards Board Statement No. 54 fund balance is further categorized into five classifications based on the constraints imposed on the use of these resources. These five classifications are nonspendable, restricted, committed, assigned and unassigned.

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable form – prepaids or inventories; or are legally or contractually required to be maintained intact. The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

- a. Restricted - This classification reflects the constraints imposed on resources externally by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- b. Committed - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Town Board, the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Town Board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
- c. Assigned - This classification reflects the amounts the Town intends to be used for a specific purpose, but are neither restricted nor committed. The Town Board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.
- d. Unassigned - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

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

10. Use of Estimates

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

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(2) Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The financial statements include reconciliation between fund balance – total governmental funds as reported in the governmental fund balance sheet and net position – governmental activities as reported in the government-wide statement of net position.

Certain accounts receivable totaling \$26,567, were not available soon enough after year-end to pay for the current year's expenditures and therefore are not reported in the governmental funds.

Capital assets net of accumulated depreciation of \$11,286,294 used in governmental funds are not financial resources and, therefore, are not reported in the funds.

Certain liabilities applicable to the Town's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position.

G.O bonds payable	\$ 3,810,000
G.O. promissory notes payable	193,630
Accrued interest	30,171
Accrued compensated absences	<u>73,418</u>
	<u>\$ 4,107,219</u>

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government - Wide Statement of Activities

The financial statements include reconciliation between net change in fund balances – total governmental funds as reported in the statement of revenues, expenditures and changes in fund balances and change in net position of governmental activities as reported in the government-wide statement of activities.

A significant element of the reconciliation is the purchase of long-term capital assets and the repayment of long-term debt both of which consume current financial resources of governmental funds. These are not considered current year expenditures in the government-wide statement of activities.

Capital asset purchases	\$ 2,361,042
Principal repayments	<u>215,860</u>
	<u>\$ 2,576,902</u>

Certain expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The details of this difference are as follows:

Depreciation expense	\$ 506,036
Decrease in accrued interest payable	(25,302)
Increase in long-term accrued compensated absences	6,348
Net book value of fixed assets disposed of	<u>60,899</u>
	<u>\$ 547,981</u>

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(2) Reconciliation of Government-Wide and Fund Financial Statements - Continued

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government - Wide Statement of Activities - continued

Contributions of assets from third parties are reported as revenues in the statement of activities but since they do not provide current financial resources they are omitted from the governmental fund statements. These totaled \$1,424,980 in 2015.

The final element of the reconciliation relates to revenues that are reported in the statement of activities but do not provide financial resources in the current year for the governmental funds, totaling \$9,339.

(3) Stewardship, Compliance, and Accountability

A. Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1(C). The Town prepares an annual budget for all funds on a basis consistent with generally accepted accounting principles.

Public hearings are conducted on the proposed budget prior to Town Board approval. After such hearings the Town holds a special town meeting at which time the Town residents set and approve the annual tax levy. The budget is legally enacted prior to December 31 through approval of the Town Board.

The general fund budget is adopted at the departmental level of expenditure. All other governmental funds of the Town are adopted at the functional level of expenditure. Subsequent to the enactment of the budget, the Town Board has the authority to make amendments to the budget, which may result in changes in total appropriations. Such amendments require approval of two-thirds of the governing body. Amendments made to the original approved general fund budget were in accordance with these requirements and included the following:

	<u>Original</u>	<u>Amended</u>
General Fund		
Expenditures:		
Public safety	\$ 682,355	746,082
Capital outlays	393,578	615,187
Capital Projects Fund		
Expenditures:		
Capital outlays	900,500	1,268,973

The budgetary comparison statement for the general fund is shown as part of the basic financial statements. Budgetary comparisons for all other governmental funds are included in supplemental information.

B. Limitations of the Town's Tax Levy

Wisconsin Statute 66.0602 limits the Town's property tax levy, with exceptions, to its prior tax levy, increased by the percentage change in the Town's equalized value due to new construction. Changes in debt service from one year to the next are generally exempt from this limit.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(3) Stewardship, Compliance, and Accountability - Continued

C. Deficit Fund Equity

The Fire Station/Town Hall Capital Projects Fund has a deficit fund balance position deficit of \$125,364 as of December 31, 2015. The deficit balance is primarily the result of insufficient funds to finance current year expenditures related to the construction of the Town's new fire station/ town hall and the demolition of the old fire station. The project is being financed by long-term borrowing and the anticipated proceeds from the future sale of the former fire station land. The Town expects to sell the property and eliminate the deficit in 2016.

(4) Detailed Notes on All Funds

A. Deposits and Investments

The Town's deposits at December 31, 2015 were comprised of the following:

	Carrying Value	Bank and Investment Balances	<u>Associated Risks</u>
Deposits	\$ 13,156,755	13,223,983	Custodial credit risk
Non-negotiable certificates of deposit	250,000	250,000	Custodial credit risk
LGIP	105,005	105,005	Credit and Interest rate risk
Petty cash	<u>550</u>	<u>550</u>	
	<u>\$ 13,512,310</u>	<u>13,579,538</u>	

The difference between the carrying value and bank balance is due to outstanding checks. Reconciliation of the carrying values of the deposits and investments to the statement of net position and statement of fiduciary assets is as follows:

Per Statement of Net Position	\$ 3,176,545
Per Statement of Fiduciary Net Position	<u>10,335,765</u>
	<u>\$ 13,512,310</u>

At December 31, 2015, idle funds were invested in time and demand deposits of authorized depositories. Such deposits and investments are insured in any one depository institution through federal depository insurance funds. Insurance coverage for governmental depositories depends upon the type of deposit and the location of the insured depository institution.

All time and savings deposits owned by the Town and held by the Town's official custodian in an insured depository institution within the State of Wisconsin are combined and insured up to \$250,000. All demand deposits owned by the Town and held by the Town's official custodian in an insured depository institution within the State of Wisconsin are combined and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts. The term 'demand deposits' means both interest bearing and non-interest bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal. For accounts held by the Town located outside the State of Wisconsin, all time, savings, and demand deposits are combined within each depository institution and insured up to \$250,000.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(4) Detailed Notes on All Funds - Continued

A. Deposits and Investments - continued

In addition to FDIC insurance, there is insurance currently available through the State of Wisconsin depository insurance program, which would provide a maximum of \$400,000 of insurance on deposits in any one institution. The amount available to fund the entire Wisconsin program is limited and, therefore, the actual benefits available at a time of claim would depend upon the remaining balance in the state fund.

The State Investment Fund, which the LGIP is a part of, had 97% of its investments in U.S. government securities at December 31, 2015.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a financial institution failure, the Town would not be able to recover its deposits or collateral securities that are in the possession of an outside party. As of December 31, 2015, \$11,135,654 of the Town's total bank balance was collateralized with financial institutions in excess of federal depository insurance limits.

Fluctuating cash flows during January and December, due to tax collections, result in temporary cash and investment balances, which significantly exceed insured amounts, until settlement with the respective taxing jurisdictions during the following month. The Town does not have a deposit policy for custodial credit risk.

Credit and Interest Rate Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value has to changes in market interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure of fair value losses arising from changes in interest rates.

At December 31, 2015 the Town held investments with a fair value of \$105,005 in the LGIP. The average maturity date for investments held by the LGIP is 49 days.

B. Receivables

Governmental fund financial statements report deferred inflows of resources in connection with receivables not considered available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of the Town's receivables included deferred inflows of resources reported in the governmental fund financial statements as follows:

	<u>Unearned</u>	<u>Unavailable</u>	<u>Total</u>
Current year receivables:			
General fund	\$ 1,104,709	-	1,104,709
Debt service fund	<u>154,605</u>	<u>-</u>	<u>154,605</u>
	<u>\$ 1,259,314</u>	<u>-</u>	<u>1,259,314</u>

In addition, other receivables are reported in the government-wide financial statements net of the amount estimated to be uncollectible of \$101,273.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(4) Detailed Notes on All Funds - Continued

C. Capital Assets

Capital asset activity in the governmental activities for the year ended December 31, 2015 was as follows:

	Balance <u>12/31/14</u>	Additions	Disposals	Balance <u>12/31/15</u>
Capital Assets Not Being Depreciated:				
Land	\$ 190,013	396,500	-	586,513
Construction in progress	<u>2,776,661</u>	<u>350,200</u>	<u>2,776,661</u>	<u>350,200</u>
	<u>2,966,674</u>	<u>746,700</u>	<u>2,776,661</u>	<u>936,713</u>
Capital Assets Being Depreciated:				
Buildings and improvements	1,270,019	3,628,361	332,925	4,565,455
Land improvements	517,373	93,311	28,993	581,691
Machinery and equipment	749,745	258,022	25,739	982,028
Vehicles	2,008,857	-	-	2,008,857
Infrastructure	<u>4,272,020</u>	<u>1,836,289</u>	<u>-</u>	<u>6,108,309</u>
	<u>8,818,014</u>	<u>5,815,983</u>	<u>387,657</u>	<u>14,246,340</u>
 Total capital assets	 <u>11,784,688</u>	 <u>6,562,683</u>	 <u>3,164,318</u>	 <u>15,183,053</u>
Less Accumulated Depreciation:				
Buildings and improvements	(728,838)	(65,471)	(288,693)	(505,616)
Land improvements	(389,527)	(16,884)	(20,180)	(386,231)
Machinery and equipment	(308,379)	(63,364)	(17,885)	(353,858)
Vehicles	(1,045,473)	(91,339)	-	(1,136,812)
Infrastructure	<u>(1,245,264)</u>	<u>(268,978)</u>	<u>-</u>	<u>(1,514,242)</u>
Total accumulated depreciation	<u>(3,717,481)</u>	<u>(506,036)</u>	<u>(326,758)</u>	<u>(3,896,759)</u>
 Capital assets, net of depreciation	 <u>\$ 8,067,207</u>	 <u>6,056,647</u>	 <u>2,837,560</u>	 <u>11,286,294</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 28,436
Public safety	143,031
Highway and transportation	317,376
Parks and recreation	<u>17,193</u>
	<u>\$ 506,036</u>

D. Payables

Payables as of December 31, 2015 for the Town's individual major funds and non-major funds in the aggregate, are as follows:

Accounts payable	\$ 177,951
Accrued payroll	19,070
Other accrued liabilities	<u>13,559</u>
Total per fund balance sheet	210,580
Accrued interest	<u>30,171</u>
Total per government-wide statement of net position	<u>\$ 240,751</u>

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(4) Detailed Notes on All Funds - Continued

E. Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2015 was as follows:

	<u>Balance</u> <u>12/31/14</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>12/31/15</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Notes, bonds and loans payable:					
General obligation debt	\$ 4,219,490	-	215,860	4,003,630	197,740
Other liabilities:					
Vested compensated absences	<u>67,070</u>	<u>6,348</u>	<u>-</u>	<u>73,418</u>	<u>-</u>
 Total governmental long-term liabilities	 \$ <u>4,286,560</u>	 <u>6,348</u>	 <u>215,860</u>	 <u>4,077,048</u>	 <u>197,740</u>

All general obligation notes and loans payable are backed by the full faith and credit of the Town and will be retired by future property tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Town may not exceed 5% of the equalized value of taxable property within the Town of \$1,482,061,800. The debt limit as of December 31, 2015, was \$74,103,090. Total general obligation debt outstanding at year-end was \$4,003,630. The following is a list of long-term obligations at December 31, 2015:

	<u>Final</u> <u>Maturity</u>	<u>Interest</u> <u>Rates</u>	<u>Original</u> <u>Indebtedness</u>	<u>Balance</u> <u>12/31/15</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
General obligation debt:					
2010 Promissory note	1/25/20	3.25%	\$ 352,750	176,375	35,275
2014 Promissory note	2/15/22	0%	19,720	17,255	2,465
2014 Town building bonds	4/1/34	2.0-3.75%	3,950,000	<u>3,810,000</u>	<u>160,000</u>
				 \$ <u>4,003,630</u>	 <u>197,740</u>

Debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 197,740	114,334	312,074
2017	202,740	109,938	312,678
2018	207,740	105,441	313,181
2019	207,740	100,894	308,634
2020	212,740	96,298	309,038
2021 - 2025	929,930	416,175	1,346,105
2026 - 2030	1,060,000	269,113	1,329,113
2031 - 2034	<u>985,000</u>	<u>74,275</u>	<u>1,059,275</u>
	 \$ <u>4,003,630</u>	 <u>1,286,468</u>	 <u>5,290,098</u>

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(4) Detailed Notes on All Funds - Continued

F. Governmental Activities Net Position/Fund Balances

Governmental activities net position reported on the government-wide statement of net position at December 31, 2015 includes the following:

Governmental Activities	
Net investment in capital assets:	
Capital assets, net of accumulated depreciation	\$11,286,294
Less: related long-term debt outstanding, excluding borrowings for non-capital purposes	<u>(3,986,375)</u>
	7,299,919
Restricted	
Expendable	
Enabling legislation for capital projects	85,864
Unrestricted	<u>1,662,187</u>
Total governmental activities net position	<u>\$ 9,047,970</u>

Governmental fund balances reported on the fund financial statements at December 31, 2015 include the following:

Non-Spendable - Major Funds:	
General Fund	
Prepaid expenditures	\$ 18,160
Inventory of supplies	79,986
Restricted:	
Non-Major Funds	
Impact Fee Funds:	
Capital improvements	27,265
Park improvements	58,599
Assigned – Major Funds:	
General Fund	
Future capital outlays	470,466
Park improvements	67,721
Subsequent year's budget	247,988
Unassigned – Major Funds:	
General Fund	997,507
Fire station/ Town hall deficit	<u>(125,364)</u>
Total governmental fund balances	<u>\$ 1,842,328</u>

(5) Other Information

A. Other Employee Benefits

The Town provides for benefits in lieu of a formal retirement plan for full time employees by contributing eleven percent of the employee's yearly base salary to a deferred compensation plan. Costs related to the Town's contributions are accrued when earned and the total cost for the year ended December 31, 2015, was \$57,385.

TOWN OF DELAFIELD
NOTES TO FINANCIAL STATEMENTS

(5) Other Information - Continued

B. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage during the past three years.

C. Subsequent Events

In preparing the financial statements, the Town has evaluated events and transactions for potential recognition or disclosure through April 1, 2016, the date the financial statements were available to be issued. There were no subsequent events that required recognition or disclosure.

SUPPORTING SCHEDULES

TOWN OF DELAFIELD
STATEMENT OF NET EXPENDITURES, REVENUES AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
All Governmental Fund Types
Year Ended December 31, 2015

		Program Revenues and Other Sources			Net (Expenditure)
	Expenditures	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Fund Balance
Current:					
General government	\$ 627,384	46,480	-	-	(580,904)
Public safety	642,843	408,360	67,728	-	(166,755)
Health and sanitation	636,125	613,366	40,984	-	18,225
Highway and transportation	1,165,614	15,467	168,016	-	(982,131)
Parks and recreation	53,987	15,060	21,406	60,762	43,241
Capital outlays	1,898,797	-	-	-	(1,898,797)
Debt service:					
Principal	215,860	-	-	-	(215,860)
Interest	143,706	-	-	-	(143,706)
Total primary government	\$ 5,384,316	1,098,733	298,134	60,762	(3,926,687)
General revenues:					
				\$ 1,976,027	
Property taxes				106,009	
Grants not restricted to specific programs				71,609	
Cable television franchise fees				5,260	
Interest and investment earnings				2,158,905	
Total general revenues					
					(1,767,782)
					3,610,110
				\$ 1,842,328	

TOWN OF DELAFIELD
General Fund
STATEMENT OF REVENUES COMPARED TO BUDGET
Year Ended December 31, 2015

	<u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Taxes:			
General tax levy	\$ 1,631,148	1,629,104	(2,044)
Land-use penalties	-	3,711	3,711
Sales tax discount	20	40	20
Managed forest land	28	22	(6)
	<u>1,631,196</u>	<u>1,632,877</u>	<u>1,681</u>
Intergovernmental:			
State shared revenues	99,575	100,011	436
Fire insurance dues	47,000	45,530	(1,470)
Lake patrol aids	13,947	14,801	854
Aids in lieu of taxes	5,400	5,703	303
Exempt computer aids	300	295	(5)
Transportation aids	170,488	168,016	(2,472)
County recycling aids	44,665	40,984	(3,681)
	<u>381,375</u>	<u>375,340</u>	<u>(6,035)</u>
Regulation and compliance:			
Licenses:			
Liquor	1,200	1,763	563
Operator	450	440	(10)
Soda	25	35	10
Dog	4,500	1,809	(2,691)
Other	100	275	175
Permits:			
Building	68,000	132,245	64,245
Electrical	27,000	41,396	14,396
Heating	20,000	36,928	16,928
Plumbing	23,000	38,749	15,749
Zoning	4,000	19,531	15,531
Temporary occupancy	3,500	2,990	(510)
Conditional use	2,700	250	(2,450)
Erosion control	700	-	(700)
State code stamps	420	750	330
Driveway	100	200	100

TOWN OF DELAFIELD
General Fund
STATEMENT OF REVENUES COMPARED TO BUDGET
Year Ended December 31, 2015

	Budget	Actual	Variance: Favorable (Unfavorable)
Regulation and compliance - continued:			
Building reinspection	\$ 650	825	175
Sewer inspection fees	200	-	(200)
Fines:			
Court	7,000	9,068	2,068
Dog	100	-	(100)
Other	-	55	55
Occupancy bond forfeitures	-	14,400	14,400
Cable franchise fees	65,000	71,609	6,609
Total regulation and compliance	228,645	373,318	144,673
Charges for services:			
Sales of maps and code books	300	90	(210)
Tax search	300	890	590
Public hearing	3,000	4,840	1,840
Building grade review fees	750	1,280	530
Reimbursed fees:			
Engineering	20,000	21,453	1,453
Legal	5,000	12,888	7,888
Zoning	6,000	-	(6,000)
Sale of highway materials	-	15,467	15,467
Refuse collection	611,030	613,366	2,336
House numbers	100	-	(100)
Fire runs	3,000	8,420	5,420
Ambulance runs	115,000	101,273	(13,727)
Services to Wisconsin	7,421	7,397	(24)
Park reservation fees	6,000	3,595	(2,405)
Baseball program fees	11,000	8,980	(2,020)
Team sponsors	3,000	2,485	(515)
Other	400	285	(115)
Total charges for services	792,301	802,709	10,408
Interest:			
Investments	6,000	4,282	(1,718)

TOWN OF DELAFIELD
General Fund
STATEMENT OF REVENUES COMPARED TO BUDGET
Year Ended December 31, 2015

	<u>Budget</u>	<u>Actual</u>	Variance: Favorable (Unfavorable)
Donations:			
Park and recreation	\$ 15,000	21,406	6,406
Other	-	1,712	1,712
Total miscellaneous	<u>15,000</u>	<u>23,118</u>	<u>8,118</u>
Total revenues	<u>\$ 3,054,517</u>	<u>3,211,644</u>	<u>157,127</u>

TOWN OF DELAFIELD
General Fund
STATEMENT OF EXPENDITURES COMPARED TO BUDGET
Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
General government:				
Town board	\$ 47,378	47,378	46,470	908
Clerk/Treasurer	211,879	211,879	198,223	13,656
Elections	10,315	16,859	16,859	-
Assessor	35,200	36,589	36,589	-
Outside services:				
Legal	55,000	55,000	53,011	1,989
Accounting	29,200	36,115	36,115	-
Engineering	152,250	152,780	152,780	-
Town hall	29,010	31,077	31,077	-
Plan commission	6,279	6,279	4,352	1,927
Board of appeals	265	265	171	94
Insurance	51,001	51,469	51,469	-
Other	-	268	268	-
Total general government	<u>627,777</u>	<u>645,958</u>	<u>627,384</u>	<u>18,574</u>
Public safety:				
Law enforcement	30,012	30,459	30,459	-
Inspection	87,261	150,536	150,536	-
Lake patrol	24,515	24,520	24,520	-
Fire and rescue	540,567	540,567	437,328	103,239
Total public safety	<u>682,355</u>	<u>746,082</u>	<u>642,843</u>	<u>103,239</u>
Health and sanitation:				
Refuse collection	611,030	627,164	627,164	-
Stormwater control	4,550	4,550	3,605	945
Animal control	3,500	3,500	3,500	-
Hazardous waste	1,000	1,856	1,856	-
Total health and sanitation	<u>620,080</u>	<u>637,070</u>	<u>636,125</u>	<u>945</u>

TOWN OF DELAFIELD
General Fund
STATEMENT OF EXPENDITURES COMPARED TO BUDGET
Year Ended December 31, 2015

	Budget		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Highway and transportation:				
Operations and maintenance	\$ 1,258,083	1,258,083	1,165,614	92,469
Parks and recreation:				
Parks	16,693	16,693	14,143	2,550
Recreation	38,717	39,844	39,844	-
Total parks and recreation	55,410	56,537	53,987	2,550
Capital outlays:				
General government:				
Clerk	1,000	1,000	-	1,000
Elections	1,500	1,537	1,537	-
Public safety:				
Fire and rescue	380,078	380,078	368,156	11,922
Highway	4,000	225,572	225,572	-
Parks and recreation:				
Parks	7,000	7,000	-	7,000
Total capital outlays	393,578	615,187	595,265	19,922
Total expenditures	\$ 3,637,283	3,958,917	3,721,218	237,699

TOWN OF DELAFIELD
Debt Service Fund
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2015

	<u>Actual</u>	<u>Budget</u>	Variance: Favorable (Unfavorable)
Revenues:			
Tax levy	\$ 343,150	340,635	2,515
Expenditures:			
Debt service:			
Principal	215,860	215,860	-
Interest	143,706	143,714	8
Total expenditures	359,566	359,574	8
Excess (deficiency) of revenues over expenditures	(16,416)	<u>(18,939)</u>	<u>2,523</u>
Fund balance, January 1	16,416		
Fund balance, December 31	\$ -		

TOWN OF DELAFIELD
 Capital Projects Fund -
 Fire Station and Town Hall
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 Year Ended December 31, 2015

	<u>Actual</u>	<u>Budget</u>	Variance: Favorable (Unfavorable)
Revenues:			
Interest	\$ <u>969</u>	<u>500</u>	<u>469</u>
Expenditures:			
Capital outlays:			
Project costs	<u>1,268,973</u>	<u>1,268,973</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,268,004)	<u><u>(1,268,473)</u></u>	<u><u>469</u></u>
Fund balance, January 1	<u>1,142,640</u>		
Fund balance (deficit), December 31	\$ <u><u>(125,364)</u></u>		

TOWN OF DELAFIELD
 Non-Major Governmental Funds
 COMBINING BALANCE SHEET
 December 31, 2015

	<u>Special Revenue</u>		<u>Total</u>
	<u>Capital</u>	<u>Impact</u>	<u>Non-Major</u>
	<u>Improvements</u>	<u>Fee</u>	<u>Funds</u>
Assets:			
Cash and cash equivalents	\$ 27,265	54,911	82,176
Receivables:			
Accounts	<u>-</u>	<u>3,688</u>	<u>3,688</u>
Total assets	<u>\$ 27,265</u>	<u>58,599</u>	<u>85,864</u>
Liabilities and Fund Balance:			
Liabilities	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund Balance:			
Restricted	<u>27,265</u>	<u>58,599</u>	<u>85,864</u>
Total liabilities and fund balance	<u>\$ 27,265</u>	<u>58,599</u>	<u>85,864</u>

TOWN OF DELAFIELD
 Non-Major Governmental Funds
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 Year Ended December 31, 2015

	<u>Special Revenue</u>		<u>Total Non-Major Funds</u>
	<u>Capital Improvements</u>	<u>Impact Fee</u>	
Revenues:			
Public improvement	\$ -	60,762	60,762
Interest	-	9	9
Total revenues	<u>-</u>	<u>60,771</u>	<u>60,771</u>
Expenditures:			
Capital outlays	<u>25,359</u>	<u>9,200</u>	<u>34,559</u>
Excess (deficiency) of revenues over expenditures	(25,359)	51,571	26,212
Fund balance:			
January 1	<u>52,624</u>	<u>7,028</u>	<u>59,652</u>
December 31	<u>\$ 27,265</u>	<u>58,599</u>	<u>85,864</u>

TOWN OF DELAFIELD
Special Revenue Fund
Capital Improvements Fund
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2015

	<u>Actual</u>	<u>Budget</u>	<u>Variance: Favorable (Unfavorable)</u>
Revenues:			
Interest	\$ <u> -</u>	<u> -</u>	<u> -</u>
Expenditures:			
Capital outlays	<u> 25,359</u>	<u> 26,000</u>	<u> 641</u>
Excess (deficiency) of revenues over expenditures	(25,359)	<u> (26,000)</u>	<u> 641</u>
Fund balance, January 1	<u> 52,624</u>		
Fund balance, December 31	\$ <u> 27,265</u>		

TOWN OF DELAFIELD
Special Revenue Fund
Impact Fee Fund
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2015

	<u>Actual</u>	<u>Budget</u>	Variance: Favorable (Unfavorable)
Revenues:			
Public improvement:			
Impact fees	\$ 60,762	27,750	33,012
Interest	<u>9</u>	<u>15</u>	<u>(6)</u>
Total revenues	<u>60,771</u>	<u>27,765</u>	<u>33,006</u>
Expenditures:			
Capital outlays	<u>9,200</u>	<u>15,000</u>	<u>5,800</u>
Excess (deficiency) of revenues over expenditures	51,571	<u><u>12,765</u></u>	<u><u>38,806</u></u>
Fund balance, January 1	<u>7,028</u>		
Fund balance, December 31	\$ <u><u>58,599</u></u>		