

**CITY OF AMERY, WISCONSIN**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2015**

**CITY OF AMERY, WISCONSIN  
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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, 2015, 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, 2015, 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.

### **Emphasis of a Matter**

#### ***Change in Accounting Principle***

During fiscal year ended December 31, 2015, the City adopted GASB Statement No. 68, Accounting and Financial Reporting for Pensions and the related GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68. As a result of the implementation of GASB Statement No. 68, the City reported a restatement for the change in accounting principle (see Note 4.J). Our auditors' opinion was not modified with respect to this matter.

### **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 and the debt repayment and funding schedule 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

City Council  
City of Amery

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, 2014 which are not presented with the accompanying financial statements. In our report dated July 18, 2015, 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 collectively comprise the City's basic financial statements. The 2014 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 2014 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 2014 individual fund statements are fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Hudson, Wisconsin  
October 8, 2016

**CITY OF AMERY, WISCONSIN  
STATEMENT OF NET POSITION  
DECEMBER 31, 2015**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 1,971,453	\$ 423,278	\$ 2,394,731
Land Held for Resale	250,780	-	250,780
Taxes Receivable	2,069,074	33,476	2,102,550
Accounts Receivable	92,565	261,109	353,674
Prepayments	-	13,020	13,020
Inventories	-	28,144	28,144
Special Assessments Receivable	33,565	37,090	70,655
Long-Term Receivables	338,634	-	338,634
Restricted Assets:			
Cash and Investments	-	178,563	178,563
Wisconsin Retirement System Pension Asset	183,305	63,099	246,404
Capital Assets:			
Capital Assets Not Being Depreciated	908,146	51,698	959,844
Capital Assets Being Depreciated	11,124,971	9,361,356	20,486,327
Accumulated Depreciation	(4,521,613)	(4,686,297)	(9,207,910)
<b>Total Assets</b>	<b>12,450,880</b>	<b>5,764,536</b>	<b>18,215,416</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Wisconsin Retirement System Pension Related	186,184	64,090	250,274
<b>LIABILITIES</b>			
Vouchers and Accounts Payable	132,346	53,377	185,723
Accrued Interest Payable	36,846	2,275	39,121
Payroll Taxes and Withholdings	33,322	-	33,322
Due to Other Governmental Units	16,321	-	16,321
Special Deposits	21,144	-	21,144
Noncurrent Liabilities:			
Amounts Due Within One Year	551,655	106,065	657,720
Amounts Due in More than One Year	4,102,499	731,958	4,834,457
<b>Total Liabilities</b>	<b>4,894,133</b>	<b>893,675</b>	<b>5,787,808</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Succeeding Year's Property Taxes	2,220,289	-	2,220,289
<b>NET POSITION</b>			
Net Investment in Capital Assets	4,887,059	3,980,314	8,867,373
Restricted For:			
Capital Projects and Plant Replacement	781,452	178,563	960,015
Housing and Business Loan Programs	379,578	-	379,578
WRS Pension Asset	183,305	63,099	246,404
Other Purposes	167,162	-	167,162
Unrestricted	(875,914)	712,975	(162,939)
<b>Total Net Position</b>	<b>\$ 5,522,642</b>	<b>\$ 4,934,951</b>	<b>\$ 10,457,593</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2015**

<b>FUNCTIONS/PROGRAMS</b>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>PRIMARY GOVERNMENT</b>						
<b>GOVERNMENTAL ACTIVITIES</b>						
General Government	\$ 590,069	\$ 61,309	\$ -	\$ (528,760)	\$ -	\$ (528,760)
Public Safety	1,197,053	234,498	41,188	(921,367)	-	(921,367)
Public Works	860,552	192,923	203,663	(463,966)	-	(463,966)
Health and Human Services	223	-	-	(223)	-	(223)
Culture, Recreation, and Education	458,537	12,851	180,931	(264,755)	-	(264,755)
Conservation and Development	215,092	-	12,601	(202,491)	-	(202,491)
Interest and Fiscal Charges	129,570	-	-	(129,570)	-	(129,570)
Total Governmental Activities	3,451,096	501,581	438,383	(2,511,132)	-	(2,511,132)
<b>BUSINESS-TYPE ACTIVITIES</b>						
Water	300,067	467,658	-	-	167,591	167,591
Sewer	657,213	644,182	-	-	(13,031)	(13,031)
Total Business-Type Activities	957,280	1,111,840	-	-	154,560	154,560
Total Primary Government	\$ 4,408,376	\$ 1,613,421	\$ 438,383	(2,511,132)	154,560	(2,356,572)
<b>GENERAL REVENUES</b>						
Taxes						
Property Taxes, Levied for General Purposes				1,720,320	-	1,720,320
Property Taxes, Levied for TIF Districts				453,061	-	453,061
Other Taxes				75,514	-	75,514
Grants and Contributions not Restricted for a Particular Purpose				588,518	-	588,518
Interest and Investment Earnings				9,901	1,379	11,280
Miscellaneous				192,234	-	192,234
<b>TRANSFERS</b>				92,169	(92,169)	-
Total General Revenues and Transfers				3,131,717	(90,790)	3,040,927
<b>CHANGE IN NET POSITION</b>						
Net Position - Beginning of Year				4,534,499	4,744,655	9,279,154
Change in Accounting Principle (See Note 4.E)				367,558	126,526	494,084
Net Position - Beginning of Year, Restated				4,902,057	4,871,181	9,773,238
<b>NET POSITION - END OF YEAR</b>				\$ 5,522,642	\$ 4,934,951	\$ 10,457,593

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2015**

	General Fund	CDBG Housing Revolving Loan Fund	Library Fund	Debt Service Fund	Tax Incremental District #5 Fund	Tax Incremental District #6 Fund	Capital Improvements Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>									
Treasurer's Cash and Investments	\$ 923,403	\$ 27,021	\$ 191,388	\$ 34,701	\$ 743,389	\$ 27,317	\$ 10,905	\$ 13,329	\$ 1,971,453
Land Held for Resale	250,780	-	-	-	-	-	-	-	250,780
Taxes Receivable	1,346,940	-	187,213	-	175,758	226,633	78,000	54,530	2,069,074
Special Assessments Receivable	33,565	-	-	-	-	-	-	-	33,565
Accounts Receivable	123,565	-	-	-	-	-	-	-	123,565
Due from Other Funds	-	-	-	-	-	-	-	1,834	1,834
Advances to Other Funds	50,141	-	-	-	-	-	-	-	50,141
Long-Term Receivables	-	326,220	-	-	-	-	-	12,414	338,634
<b>Total Assets</b>	<b>\$ 2,728,394</b>	<b>\$ 353,241</b>	<b>\$ 378,601</b>	<b>\$ 34,701</b>	<b>\$ 919,147</b>	<b>\$ 253,950</b>	<b>\$ 88,905</b>	<b>\$ 82,107</b>	<b>\$ 4,839,046</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Vouchers and Accounts Payable	\$ 107,961	\$ -	\$ 24,226	\$ -	\$ -	\$ 159	\$ -	\$ -	\$ 132,346
Payroll Withholdings	33,322	-	-	-	-	-	-	-	33,322
Due to Other Governmental Units	16,321	-	-	-	-	-	-	-	16,321
Due to Other Funds	32,834	-	-	-	-	-	-	-	32,834
Advance from Other Funds	-	3,740	-	-	-	-	-	46,401	50,141
Special Deposits	21,144	-	-	-	-	-	-	-	21,144
<b>Total Liabilities</b>	<b>211,582</b>	<b>3,740</b>	<b>24,226</b>	<b>-</b>	<b>-</b>	<b>159</b>	<b>-</b>	<b>46,401</b>	<b>286,108</b>
<b>Deferred Inflows of Resources:</b>									
Succeeding Year's Property Taxes	1,498,155	-	187,213	-	175,758	226,633	78,000	54,530	2,220,289
Unavailable Revenue - Special Assessments	37,330	-	-	-	-	-	-	-	37,330
Unavailable Revenue - Long-Term Receivables	-	326,220	-	-	-	-	-	12,414	338,634
<b>Total Deferred Inflows of Resources</b>	<b>1,535,485</b>	<b>326,220</b>	<b>187,213</b>	<b>-</b>	<b>175,758</b>	<b>226,633</b>	<b>78,000</b>	<b>66,944</b>	<b>2,596,253</b>
<b>Fund Balances:</b>									
Nonspendable	319,079	-	-	-	-	-	-	-	319,079
Restricted	-	23,281	167,162	34,701	743,389	27,158	-	17,663	1,013,354
Assigned	-	-	-	-	-	-	10,905	-	10,905
Unassigned	662,248	-	-	-	-	-	-	(48,901)	613,347
<b>Total Fund Balances</b>	<b>981,327</b>	<b>23,281</b>	<b>167,162</b>	<b>34,701</b>	<b>743,389</b>	<b>27,158</b>	<b>10,905</b>	<b>(31,238)</b>	<b>1,956,685</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 2,728,394</b>	<b>\$ 353,241</b>	<b>\$ 378,601</b>	<b>\$ 34,701</b>	<b>\$ 919,147</b>	<b>\$ 253,950</b>	<b>\$ 88,905</b>	<b>\$ 82,107</b>	<b>\$ 4,839,046</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, 2015**

**TOTAL FUND BALANCES FOR GOVERNMENTAL FUNDS** \$ 1,956,685

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	\$ 908,146	
Land Improvements	1,440,663	
Buildings	4,725,172	
Equipment and Vehicles	3,126,972	
Infrastructure	1,832,164	
Accumulated Depreciation	<u>(4,521,613)</u>	7,511,504

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.

375,964

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

Net Pension Plan Asset		183,305
Deferred Outflows of Resources		186,184

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	1,565,000	
General Obligation Notes Payable	1,950,826	
Capital Leases Payable	186,594	
Accrued Interest on Long-Term Debt	36,846	
WRS Prior Service Liability	3,586	
Compensated Absences Payable	263,946	
Estimated Landfill Postclosure Liability	<u>684,202</u>	<u>(4,691,000)</u>

**TOTAL NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 5,522,642

**CITY OF AMERY, WISCONSIN  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2015**

	General Fund	CDBG Housing Revolving Loan Fund	Library Fund	Debt Service Fund	Tax Incremental District #5 Fund	Tax Incremental District #6 Fund	Capital Improvements Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>									
Taxes	\$ 1,521,235	\$ -	\$ 187,183	\$ -	\$ 178,588	\$ 207,619	\$ 87,416	\$ 66,854	\$ 2,248,895
Special Assessments	2,999	-	-	-	-	-	-	-	2,999
Intergovernmental	819,392	-	156,834	-	1,786	3,698	-	253	981,963
Licenses and Permits	67,829	-	-	-	-	-	-	-	67,829
Fines and Forfeits	37,151	-	-	-	-	-	-	-	37,151
Public Charges for Services	225,002	-	-	-	-	-	-	-	225,002
Intergovernmental Charges for Services	209,521	-	-	-	-	-	-	-	209,521
Miscellaneous:									
Interest	10,072	2	2	-	-	-	-	337	10,413
Rent	100,018	-	-	-	-	-	-	-	100,018
Sale of Property	4,993	-	-	-	-	-	-	-	4,993
Donations	18,679	-	24,097	-	-	-	-	-	42,776
Loan Repayments	-	11,841	-	-	-	-	-	3,483	15,324
Other	38,776	-	13,020	-	-	-	-	-	51,796
<b>Total Revenues</b>	<b>3,055,667</b>	<b>11,843</b>	<b>381,136</b>	<b>-</b>	<b>180,374</b>	<b>211,317</b>	<b>87,416</b>	<b>70,927</b>	<b>3,998,680</b>
<b>EXPENDITURES</b>									
General Government	604,879	-	-	-	-	-	-	-	604,879
Public Safety	1,046,525	-	-	-	-	-	37,681	-	1,084,206
Public Works	865,008	-	-	-	-	-	21,540	-	886,548
Health and Human Services	223	-	-	-	-	-	-	-	223
Culture, Recreation, and Education	113,539	-	364,717	-	-	-	-	-	478,256
Conservation and Development	38,971	1,951	-	-	3,600	136,886	18,790	24,894	225,092
Debt Service:									
Principal Retirement	-	-	-	433,476	-	-	-	-	433,476
Interest and Fiscal Charges	-	-	-	146,730	-	-	-	-	146,730
<b>Total Expenditures</b>	<b>2,669,145</b>	<b>1,951</b>	<b>364,717</b>	<b>580,206</b>	<b>3,600</b>	<b>136,886</b>	<b>78,011</b>	<b>24,894</b>	<b>3,859,410</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>386,522</b>	<b>9,892</b>	<b>16,419</b>	<b>(580,206)</b>	<b>176,774</b>	<b>74,431</b>	<b>9,405</b>	<b>46,033</b>	<b>139,270</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Long-Term Debt Issued	250,000	-	-	-	-	-	-	-	250,000
Sale of Capital Assets	-	-	-	-	-	-	1,500	-	1,500
Transfers In	92,169	-	-	552,160	-	-	-	-	644,329
Transfers Out	(456,336)	-	-	-	-	(95,824)	-	-	(552,160)
<b>Total Other Financing Sources (Uses)</b>	<b>(114,167)</b>	<b>-</b>	<b>-</b>	<b>552,160</b>	<b>-</b>	<b>(95,824)</b>	<b>1,500</b>	<b>-</b>	<b>343,669</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>272,355</b>	<b>9,892</b>	<b>16,419</b>	<b>(28,046)</b>	<b>176,774</b>	<b>(21,393)</b>	<b>10,905</b>	<b>46,033</b>	<b>482,939</b>
Fund Balances - Beginning of Year	708,972	13,389	150,743	62,747	566,615	48,551	-	(77,271)	1,473,746
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 981,327</b>	<b>\$ 23,281</b>	<b>\$ 167,162</b>	<b>\$ 34,701</b>	<b>\$ 743,389</b>	<b>\$ 27,158</b>	<b>\$ 10,905</b>	<b>\$ (31,238)</b>	<b>\$ 1,956,685</b>

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, 2015**

**NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS** **\$ 482,939**

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	\$ 314,223	
Depreciation Expense Reported in the Statement of Activities	<u>(428,574)</u>	(114,351)

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.		(9,168)
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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 and related deferred outflows and inflows of resources.		1,931
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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		(250,000)
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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	75,000	
General Obligation Notes Principal Retirement	314,668	
Capital Lease Principal Retirement	<u>43,808</u>	433,476

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	3,609	
Net Change in WRS Prior Service Liability	1,419	
Net Change in Compensated Absences Payable	57,179	
Net Change in Estimated Landfill Postclosure Liability	<u>13,551</u>	<u>75,758</u>

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** **\$ 620,585**

**CITY OF AMERY, WISCONSIN  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2015**

	Business-Type Activities - Joint Water and Sewer Enterprise Fund		
	Water Department	Sewer Department	Totals
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and Investments	\$ 299,441	\$ 123,837	\$ 423,278
Customer Accounts Receivable	103,894	157,215	261,109
Accounts Receivable on Tax Roll	8,383	25,093	33,476
Prepayments	5,208	7,812	13,020
Inventories	24,679	3,465	28,144
Total Current Assets	<u>441,605</u>	<u>317,422</u>	<u>759,027</u>
<b>Restricted Assets:</b>			
Equipment Replacement Fund Investments	-	178,563	178,563
Wisconsin Retirement System Pension Asset	13,177	49,922	63,099
Total Restricted Assets	<u>13,177</u>	<u>228,485</u>	<u>241,662</u>
<b>Capital Assets:</b>			
Utility Plant in Service	4,423,051	4,990,003	9,413,054
Less: Accumulated Depreciation	1,637,714	3,048,583	4,686,297
Total Capital Assets	<u>2,785,337</u>	<u>1,941,420</u>	<u>4,726,757</u>
<b>Other Assets:</b>			
Special Assessments Receivable	-	37,090	37,090
Total Assets	<u>3,240,119</u>	<u>2,524,417</u>	<u>5,764,536</u>
<b>DEFERRED OUTFLOWS OR RESOURCES</b>			
Wisconsin Retirement System Pension Related	13,384	50,706	64,090
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	2,977	50,400	53,377
Accrued Interest Payable	2,275	-	2,275
General Obligation Notes	75,677	-	75,677
Accrued Compensated Absences	6,387	24,001	30,388
Total Current Liabilities	<u>87,316</u>	<u>74,401</u>	<u>161,717</u>
<b>Long-Term Liabilities (Net of Current Portion):</b>			
General Obligation Notes	670,766	-	670,766
Accrued Compensated Absences	12,861	48,331	61,192
Total Long-Term Liabilities	<u>683,627</u>	<u>48,331</u>	<u>731,958</u>
Total Liabilities	<u>770,943</u>	<u>122,732</u>	<u>893,675</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	2,038,894	1,941,420	3,980,314
Restricted for Pension Plan	13,177	49,922	63,099
Restricted for Equipment Replacement	-	178,563	178,563
Unrestricted	430,489	282,486	712,975
Total Net Position	<u>2,482,560</u>	<u>2,452,391</u>	<u>4,934,951</u>
Total Liabilities and Net Position	<u>\$ 3,253,503</u>	<u>\$ 2,575,123</u>	<u>\$ 5,828,626</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, 2015**

	Business-Type Activities - Joint Water and Sewer Enterprise Fund		
	Water	Sewer	Totals
	Department	Department	
<b>OPERATING REVENUES</b>			
Sales of Water/Sewerage Revenues:			
Residential	\$ 134,646	\$ 336,193	\$ 470,839
Commercial	51,630	132,260	183,890
Industrial	22,282	73,345	95,627
Public Authorities	18,482	43,118	61,600
Multifamily Residential	31,195	53,512	84,707
Private Fire Protection	8,424	-	8,424
Public Fire Protection	141,701	-	141,701
Total Sales of Water/Sewerage Revenues	<u>408,360</u>	<u>638,428</u>	<u>1,046,788</u>
Other Operating Revenues	59,298	5,754	65,052
Total Operating Revenues	<u>467,658</u>	<u>644,182</u>	<u>1,111,840</u>
<b>OPERATING EXPENSES</b>			
Operation and Maintenance	172,100	501,930	674,030
Depreciation	104,619	153,783	258,402
Total Operating Expenses	<u>276,719</u>	<u>655,713</u>	<u>932,432</u>
<b>OPERATING INCOME (LOSS)</b>	190,939	(11,531)	179,408
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Revenue	892	487	1,379
Interest Expense	(23,348)	(1,500)	(24,848)
Total Nonoperating Revenues (Expenses)	<u>(22,456)</u>	<u>(1,013)</u>	<u>(23,469)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	168,483	(12,544)	155,939
<b>TRANSFERS:</b>			
Transfer to Governmental Funds - Property Tax Equivalent	(92,169)	-	(92,169)
<b>CHANGE IN NET POSITION</b>	76,314	(12,544)	63,770
Net Position - Beginning of Year	2,379,823	2,364,832	4,744,655
Change in Accounting Principle	26,423	100,103	126,526
	<u>2,406,246</u>	<u>2,464,935</u>	<u>4,871,181</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 2,482,560</u>	<u>\$ 2,452,391</u>	<u>\$ 4,934,951</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2015**

	Business-Type Activities - Joint Water and Sewer Enterprise Fund		
	Water	Sewer	Totals
	Department	Department	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Utility Customers	\$ 307,631	\$ 661,133	\$ 968,764
Cash Received for Public Fire Protection	141,701	-	141,701
Cash Received (Paid) for Meter Related Charges	20,559	(20,559)	-
Cash Paid to Suppliers for Goods and Services	(97,896)	(248,871)	(346,767)
Cash Paid for Employee Services	(123,142)	(180,939)	(304,081)
Net Cash Provided by (Used for) Operating Activities	<u>248,853</u>	<u>210,764</u>	<u>459,617</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash Payments for Tax Equivalent	(92,169)	-	(92,169)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Cash Payments for Capital Assets	-	(39,183)	(39,183)
Cash Received from Customer Contributions	-	27,276	27,276
Principal Paid on Long-Term Debt	(73,358)	(167,979)	(241,337)
Interest Paid on Long-Term Debt	(23,593)	(3,292)	(26,885)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(96,951)</u>	<u>(183,178)</u>	<u>(280,129)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest on Investments	<u>892</u>	<u>487</u>	<u>1,379</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	60,625	28,073	88,698
Cash and Cash Equivalents - Beginning of Year	<u>238,816</u>	<u>274,327</u>	<u>513,143</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 299,441</u>	<u>\$ 302,400</u>	<u>\$ 601,841</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2015**

	Business-Type Activities - Joint Water and Sewer Enterprise Fund		
	Water	Sewer	Totals
	Department	Department	Totals
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 190,939	\$ (11,531)	\$ 179,408
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	104,619	153,783	258,402
Net Change in Wisconsin Pension System	(138)	(525)	(663)
(Increase) Decrease in Assets:			
Customer Accounts Receivable	(1,133)	(5,594)	(6,727)
Other Accounts Receivable	-	24,799	24,799
Accounts Receivable on Tax Roll	3,366	(2,254)	1,112
Prepayments	(128)	(192)	(320)
Inventories	1,098	48	1,146
Decrease (Increase) in Liabilities:			
Accounts Payable	(30)	39,696	39,666
Accrued Compensated Absences	(49,740)	12,534	(37,206)
Net Cash Provided by (Used for) Operating Activities	\$ 248,853	\$ 210,764	\$ 459,617
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>			
Cash and Investments per Statement of Net Position:			
Cash and Investments	\$ 299,441	\$ 123,837	\$ 423,278
Cash and Investments - Restricted	-	178,563	178,563
<b>CASH AND CASH EQUIVALENTS</b>	\$ 299,441	\$ 302,400	\$ 601,841

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2015**

	Private Purpose Trust Fund	Tax Agency Fund
	Fire Department Retirement Fund	
<b>ASSETS</b>		
Cash and Investments	\$ 68,155	\$ 432,613
Taxes Receivable	-	2,531,121
Due from Other Funds	31,000	-
Total Assets	99,155	\$ 2,963,734
<b>LIABILITIES</b>		
Due to Other Governmental Units:		
State	\$ -	\$ 32,024
County	-	906,836
Special Purpose District	-	17,588
School	-	1,942,997
Technical College	-	64,289
Total Liabilities	-	\$ 2,963,734
<b>NET POSITION</b>		
Held for Retirement Benefits	\$ 99,155	

See accompanying Notes to Basic Financial Statements.

**CITY OF AMERY, WISCONSIN  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUNDS  
YEAR ENDED DECEMBER 31, 2015**

	Private Purpose Trust Fund
	Fire Department Retirement Fund
<b>ADDITIONS</b>	
Contribution from General Fund	\$ 8,000
<b>DEDUCTIONS</b>	
Retirement Benefits Paid	4,591
<b>CHANGE IN NET POSITION</b>	3,409
Net Position - Beginning of Year	95,746
<b>NET POSITION - END OF YEAR</b>	\$ 99,155

*See accompanying Notes to Basic Financial Statements.*

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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, 2015

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.

**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 and to accumulate resources for the repayment of debt incurred for funding TID #6 costs.

**Capital Improvement Fund** – The Capital Improvement Fund a capital projects fund, is used to account for financial resources to be used for funding projects within the scope of the project plan and to accumulate resources for the repayment of debt incurred for funding Improvement costs.

**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.

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, 2015

**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, 2015**

**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, 2015

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 2015 tax roll are recognized as revenue in 2016.) 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 (\$12,414) are net of an allowance for uncollectible accounts of \$4,452. All other accounts receivable are considered to be collectible in full.

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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 estimated fair market 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, 2015**

**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. The City has deferred outflows relating to pension items.

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**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 does not have deferred inflows of resources to report in its proprietary fund financial statements in the current year.

**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, 2015

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, 2015

NOTE 3 DETAILED NOTES ON ALL FUNDS

**A. Deposits and Investments**

The City's cash and investments balances at December 31, 2015 as shown in the financial statements as follows:

Governmental Funds	\$ 1,971,453
Proprietary Funds	601,841
Fiduciary Funds	500,768
Total	<u>\$ 3,074,062</u>

The above cash and investments balances consisted of the following:

Deposits at Financial Institutions	\$ 3,073,062
Petty Cash	1,000
Total	<u>\$ 3,074,062</u>

**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 of up to \$250,000 for time and savings deposits and unlimited coverage for all non-interest bearing transaction accounts (including all demand accounts earning less than 0.5% interest as long as the depository institution has opted out of the FDIC's Temporary Liquidity Guarantee Program). 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, 2015, the City's deposits were not exposed to custodial credit risk.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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, 2015, the City had twenty-four (24) outstanding deferred loans totaling \$326,220. 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, 2015 is as follows:

**Governmental Activities**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets Not Being Depreciated				
Land	\$ 868,779	\$ 39,367	\$ -	\$ 908,146
Capital Assets Being Depreciated				
Land Improvements	1,384,149	56,514	-	1,440,663
Buildings	4,725,172	-	-	4,725,172
Equipment and Vehicles	3,073,836	75,620	22,484	3,126,972
Infrastructure	1,689,442	142,722	-	1,832,164
Total Capital Assets Being Depreciated	<u>10,872,599</u>	<u>274,856</u>	<u>22,484</u>	<u>11,124,971</u>
Total Capital Assets	11,741,378	314,223	22,484	12,033,117
Accumulated Depreciation:				
Land Improvements	942,653	28,860	-	971,513
Buildings	1,312,566	122,882	-	1,435,448
Equipment and Vehicles	1,668,380	221,290	22,484	1,867,186
Infrastructure	191,924	55,542	-	247,466
Total Accumulated Depreciation	<u>4,115,523</u>	<u>428,574</u>	<u>22,484</u>	<u>4,521,613</u>
Net Capital Assets - Governmental Activities	<u>\$ 7,625,855</u>	<u>\$ (114,351)</u>	<u>\$ -</u>	<u>\$ 7,511,504</u>

Depreciation was charged to governmental functions as follows:

Public Safety	\$ 176,414
Public Works	175,995
Culture, Recreation and Education	76,165
Total Depreciation - Governmental Activities	<u>\$ 428,574</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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	\$ 15,358	\$ -	\$ -	\$ 15,358
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	3,803,403	-	-	3,803,403
General Plant	132,845	-	-	132,845
Total Capital Assets Being Depreciated	4,407,693	-	-	4,407,693
Total Capital Assets	4,423,051	-	-	4,423,051
Less Accumulated Depreciation	1,533,095	104,619	-	1,637,714
Net Capital Assets - Water Utility	2,889,956	(104,619)	-	2,785,337
<b>Sewer Department:</b>				
Capital Assets Not Being Depreciated				
Land and Land Rights	36,340	-	-	36,340
Capital Assets Being Depreciated:				
Collection System	1,461,891	39,183	-	1,501,074
Pumping System	241,636	-	-	241,636
Treatment and Disposal Plant	3,085,069	-	-	3,085,069
General Plant	125,884	-	-	125,884
Total Capital Assets Being Depreciated	4,914,480	39,183	-	4,953,663
Total Capital Assets	4,950,820	39,183	-	4,990,003
Less Accumulated Depreciation	2,894,800	153,783	-	3,048,583
Net Capital Assets - Sewer Utility	2,056,020	(114,600)	-	1,941,420
Net Capital Assets - Business-Type Activities	\$ 4,945,976	\$ (219,219)	\$ -	\$ 4,726,757

Depreciation was charged to business-type activities as follows:

Water	\$ 104,619
Sewer	153,783
Total Depreciation - Business-Type Activities	\$ 258,402

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

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

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

The composition of interfund balances as of December 31, 2015 was as follows:

**Due to/from Other Funds**

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Purposes</u>
Micro - Loan Fund	General Fund	\$ 1,834	Prior Year Tax Roll Item
Fire Department Retirement Fund	General Fund	31,000	Retirement Fund Contribution
		<u>\$ 32,834</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	Tax Incremental District #7 Fund	46,401	Cash Flows
		<u>\$ 50,141</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	\$ 92,169	Property Tax Equivalent
Debt Service Fund	General Fund	456,336	Finance Current Maturities
Debt Service Fund	Tax Incremental District #6 Fund	95,824	Finance Current Maturities
		<u>\$ 644,329</u>	

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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, 2015 were as follows:

	Balance 1/1/15	Issued	Retired	Balance 12/31/15	Amounts Due Within One Year
<b>Primary Government</b>					
<b>Governmental Activities</b>					
General Obligation Bonds	\$ 1,640,000	\$ -	\$ 75,000	\$ 1,565,000	\$ 80,000
General Obligation Notes	2,015,494	250,000	314,668	1,950,826	339,157
Capital Leases Payable	230,402	-	43,808	186,594	44,916
WRS Prior Service Liability	5,005	-	1,419	3,586	-
Compensated Absences	321,125	-	57,179	263,946	87,582
Estimated Landfill Postclosure Liability	697,753	-	13,551	684,202	-
Governmental Activities - Long-Term Liabilities	<u>\$ 4,909,779</u>	<u>\$ 250,000</u>	<u>\$ 505,625</u>	<u>\$ 4,654,154</u>	<u>\$ 551,655</u>
<b>Business-Type Activities</b>					
General Obligation Notes	\$ 819,801	\$ -	\$ 73,358	\$ 746,443	\$ 75,677
Revenue Bonds	167,979	-	167,979	-	-
Compensated Absences	128,786	11,127	48,333	91,580	30,388
Business-Type Activities - Long-Term Liabilities	<u>\$ 1,116,566</u>	<u>\$ 11,127</u>	<u>\$ 289,670</u>	<u>\$ 838,023</u>	<u>\$ 106,065</u>

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.

On December 2, 2015 the City obtained a \$250,000 loan from a local bank for the purpose of financing the purchase of land for an industrial park. The note carries an interest rate of 3.25% with semiannual maturities beginning March 2016 through September 15, 2025.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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, 2015 are as follows:

	Issue Date	Final Maturity Date	Interest Rate	Original Issue	Amount Outstanding
Governmental Activities:					
General Obligation Bonds:					
Corporate Purpose Bonds, Series 2008A	4/23/08	4/1/28	3.00% - 4.20%	\$ 2,040,000	\$ 1,565,000
General Obligation Notes:					
Landfill Remediation Promissory Notes, Series 2000	5/10/00	5/1/20	0.00%	481,687	122,294
State Trust Fund Loan	10/13/04	3/15/19	5.00%	429,000	156,441
State Trust Fund Loan	10/25/05	3/15/20	5.00%	25,000	11,116
Promissory Note	9/30/11	2/8/20	3.75%	233,450	120,611
Promissory Note	1/4/12	8/4/16	3.31%	125,086	26,329
Promissory Note	5/2/13	2/15/28	3.75%	350,000	300,413
Promissory Note	8/8/13	12/1/17	3.50%	557,536	256,958
Promissory Note	1/31/14	1/31/24	4.92%	404,106	351,530
Promissory Note	3/25/14	9/25/23	3.50%	410,000	355,134
Promissory Note	12/2/15	9/15/15	3.25%	250,000	250,000
Business-Type Activities:					
General Obligation Notes:					
Promissory Notes	12/1/12	12/1/22	3.00%	624,000	520,682
Promissory Notes	3/16/13	5/1/21	2.75%	300,744	225,761
Total				<u>\$ 6,230,609</u>	<u>\$ 4,262,269</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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
2016	\$ 494,834	\$ 154,037	\$ 648,871	\$ 428,049	\$ 28,047	\$ 95,824	\$ 96,951	\$ 648,871
2017	480,007	138,396	618,403	397,581	28,047	95,824	96,951	618,403
2018	358,584	122,627	481,211	260,389	28,047	95,824	96,951	481,211
2019	402,795	110,216	513,011	292,189	28,047	95,824	96,951	513,011
2020	366,213	95,446	461,659	292,589	20,507	51,611	96,951	461,658
2021-2025	1,651,383	281,340	1,932,723	1,398,230	-	171,637	362,858	1,932,725
2026-2030	508,453	38,153	546,606	546,605	-	-	-	546,605
	<u>\$ 4,262,269</u>	<u>\$ 940,215</u>	<u>\$ 5,202,484</u>	<u>\$ 3,615,632</u>	<u>\$ 132,695</u>	<u>\$ 606,544</u>	<u>\$ 847,613</u>	<u>\$ 5,202,484</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, 2015, the City's debt limit amounted to \$9,435,240 and indebtedness subject to the limitation totaled \$4,262,269.

**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, 2015 of \$27,072.

<u>Year</u>	<u>Amount</u>
2016	\$ 49,634
2017	49,634
2018	49,634
2019	49,635
Total Minimum Lease Payments	<u>198,537</u>
Less Amount Representing Interest	11,943
Present Value of Minimum Lease Payments	<u>\$ 186,594</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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, 2015 consisted of the following:

	Total	Nonspendable	Restricted	Assigned	Unassigned
<b>Major Funds:</b>					
General Fund					
Advances to Other Funds	\$ 50,141	\$ 50,141	\$ -	\$ -	\$ -
Delinquent Taxes	18,158	18,158	-	-	-
Land Held for Resale	250,780	250,780	-	-	-
Unassigned	662,248	-	-	-	662,248
Subtotal General Fund	981,327	319,079	-	-	662,248
CDBG Housing Revolving Loan Fund	23,281	-	23,281	-	-
Library Fund	167,162	-	167,162	-	-
Debt Service Fund	34,701	-	34,701	-	-
Tax Incremental District #5 Fund	743,389	-	743,389	-	-
Tax Incremental District #6 Fund	27,158	-	27,158	-	-
Capital Improvements Fund	10,905	-	-	10,905	-
<b>Nonmajor Funds:</b>					
Special Revenue Funds:					
Community Micro - Loan Fund	17,663	-	17,663	-	-
Capital Projects Funds:					
Tax Incremental District #7 Fund	(48,901)	-	-	-	(48,901)
Total Governmental Fund Balances at December 31, 2015	<u>\$ 1,956,685</u>	<u>\$ 319,079</u>	<u>\$ 1,013,354</u>	<u>\$ 10,905</u>	<u>\$ 613,347</u>

**G. Tax Incremental Districts**

The City has created six 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, 2015**

**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 and TID #7 were still in existence at December 31, 2015. 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 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 and TID #7 are accounted for in capital projects funds. Project expenditures through December 31, 2015 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, 2015 are summarized as follows:

	<u>TID #5</u>	<u>TID #6</u>	<u>TID #7</u>
Accumulated Project Costs:			
Project Expenditures	\$ 2,378,099	\$ 1,801,803	\$ 249,216
Debt Expenditures:			
Interest Charges	584,024	232,548	10,928
Transfers Out	403,538	-	-
Total Project Costs	<u>3,365,661</u>	<u>2,034,351</u>	<u>260,144</u>
Accumulated Project Revenues:			
Tax Increments	2,711,176	656,885	210,398
Minimum Tax Agreements	-	69,845	-
Intergovernmental Grants and Aids	236,564	247,777	845
Interest on Investments	17,650	-	-
Sale of City Property	315,440	138,575	-
Other	828,220	22,198	-
Transfers In	-	403,538	-
Total Project Revenues	<u>4,109,050</u>	<u>1,538,818</u>	<u>211,243</u>
Future Project Revenues Necessary to Recover Project Costs to Date	<u>\$ (743,389)</u>	<u>\$ 495,533</u>	<u>\$ 48,901</u>

The preceding summaries of transactions are reconciled to the fund balances in TID districts at December 31, 2015 as follows:

	<u>TID #5</u>	<u>TID #6</u>	<u>TID #7</u>
Outstanding Long-Term Debt Payable from TID Funds at December 31, 2015	\$ -	\$ 522,691	\$ -
Less Unrecovered Costs Above	743,389	(495,533)	(48,901)
Fund Balances (Deficits) at December 31, 2015	<u>\$ 743,389</u>	<u>\$ 27,158</u>	<u>\$ (48,901)</u>

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015

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 occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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, 2015 through December 31, 2015, the WRS recognized \$95,271 in contributions from the employer.

Contribution rates as of December 31, 2015 are:

	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	7.00%	7.00%
Executives and Elected Officials	7.75%	7.75%
Protective with Social Security	7.00%	10.31%
Protective without Social Security	7.00%	13.91%

*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>
2005	2.6%	7.0%
2006	0.8	3.0
2007	3.0	10.0
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

CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015

NOTE 4 OTHER INFORMATION (CONTINUED)

A. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

At December 31, 2015, the City reported an asset of \$246,405 for its proportionate share of the net pension asset. The total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014. 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, 2014, the City's proportion was 0.01003162 percent, which was a decrease of 0.000006989 percent from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the City recognized pension expense of \$96,684. At December 31, 2015, 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	\$ 35,721	\$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	119,282	-
City Contributions Subsequent to the Measurement Date	95,271	-
Total	<u>\$ 250,274</u>	<u>\$ -</u>

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

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

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

\$95,271 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, 2016. 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>
2015	\$ 30,496
2016	30,496
2017	30,496
2018	30,496
2019	30,496
Thereafter	2,523

*Actuarial assumptions.* The total pension asset in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2013
Measurement Date of Net Pension Liability (Asset):	December 31, 2014
Actuarial Cost Method:	Frozen Entry Age
Asset Valuation Method:	5-Year Smoothed Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Inflation:	2.0% to 2.7% - approximate
Salary Increases:	3.2% to 8.8% including inflation
Inflation	3.2% to 8.8%
Seniority/Merit	0.2% - 5.8%
Mortality:	WRS experience projected to 2017 with scale BB
Post-retirement Adjustments*:	5.0%

\*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

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

**Pension Assets, Pension 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 2012 using experience from 2009 – 2011. The total pension liability for December 31, 2014 is based upon a roll-forward of the liability calculated from the December 31, 2013 actuarial valuation.

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

Asset Class	Core Asset Allocation		Variable Asset Allocation	
	Target Allocation	Long-Term Expected Real Rate of Return	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	21%	5.3%	70%	5.3%
International Equity	23%	5.7%	30%	5.7%
Fixed Income	36%	1.7%	N/A	N/A
Inflation Sensitive Assets	20%	2.3%	N/A	N/A
Real Estate	7%	4.2%	N/A	N/A
Private Equity/Debt	7%	6.9%	N/A	N/A
Multi-Asset	6%	3.9%	N/A	N/A
Cash	-20%	0.9%	N/A	N/A
Totals	100%		100%	

Discount rate. A single discount rate of 7.20 percent was used to measure the total pension asset. 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 asset.

CITY OF AMERY, WISCONSIN  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 DECEMBER 31, 2015

NOTE 4 OTHER INFORMATION (CONTINUED)

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

**Pension Assets, Pension 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)	\$ 695,148	\$ (246,404)	\$ (990,004)

**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 2015 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, 2015 was \$99,155.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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, 2015 were \$260,422. The estimated liabilities in the proprietary funds at that date were \$89,646.

**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, 2015

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, 2015 have been estimated by an outside consultant at \$684,202. 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, 2015, the City outstanding debt subject to collection from the Golf Club was \$351,530 with the final payment due on January 31, 2024.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**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 \$33,327,000 at December 31, 2015 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. Approved Temporary Borrowing**

The City has annually approved a revolving line of credit with a local bank for cash flow purposes. The latest approval was for the period from January 2015 through December 2015 for a total amount up to \$250,000 at 2.50 percent. This line of credit is secured by tax receipts sufficient for repayment. The City did not draw on this line of credit in 2015 and has made no draws to date in 2016. The line of credit was not renewed in February 2016 as the line of credit was not needed subsequent to year end.

**CITY OF AMERY, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**J. Change in Accounting Principle**

During the year ended December 31, 2015, the County adopted GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* and the related GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*. These pronouncements require the restatement of the December 31, 2014, net position of the governmental activities as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Water Utility</u>	<u>Sewer Utility</u>
Net Position, December 31, 2014, as Previously Reported	\$ 4,534,499	\$ 4,744,655	\$ 2,379,823	\$ 2,364,832
Cumulative Affect of Application of GASB 68, Net Pension Liability (Asset)	296,267	101,987	21,298	80,689
Cumulative Affect of Application of GASB 71, Deferred Outflow of Resources for City Contributions Made to the Plan During Fiscal Year Ending December 31, 2014	71,291	24,539	5,125	19,414
Net Position, December 31, 2014, as Restated	<u>\$ 4,902,057</u>	<u>\$ 4,871,181</u>	<u>\$ 2,406,246</u>	<u>\$ 2,464,935</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED DECEMBER 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,524,102	\$ 1,524,102	\$ 1,521,235	\$ (2,867)
Special Assessments	2,699	2,699	2,999	300
Intergovernmental	841,347	841,347	819,392	(21,955)
Licenses and Permits	44,971	44,971	67,829	22,858
Fines and Forfeits	45,100	45,100	37,151	(7,949)
Public Charges for Services	168,755	168,755	225,002	56,247
Intergovernmental Charges for Services	168,000	168,000	209,521	41,521
Miscellaneous:				
Interest	8,900	8,900	10,072	1,172
Rent	43,200	43,200	100,018	56,818
Sale of Property	3,000	3,000	4,993	1,993
Donations	500	500	18,679	18,179
Other	43,150	43,150	38,776	(4,374)
<b>Total Revenues</b>	<b>2,893,724</b>	<b>2,893,724</b>	<b>3,055,667</b>	<b>161,943</b>
<b>EXPENDITURES</b>				
General Government	556,431	556,431	604,879	(48,448)
Public Safety	998,605	998,605	1,046,525	(47,920)
Public Works	863,844	863,844	865,008	(1,164)
Health and Human Services	200	200	223	(23)
Culture, Recreation, and Education	72,300	72,300	113,539	(41,239)
Conservation and Development	30,512	30,512	38,971	(8,459)
<b>Total Expenditures</b>	<b>2,521,892</b>	<b>2,521,892</b>	<b>2,669,145</b>	<b>(147,253)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>371,832</b>	<b>371,832</b>	<b>386,522</b>	<b>14,690</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Long-Term Debt Issued	-	-	250,000	250,000
Transfers In	88,306	88,306	92,169	3,863
Transfers Out	(266,115)	(266,115)	(456,336)	(190,221)
<b>Total Other Financing Sources (Uses)</b>	<b>(177,809)</b>	<b>(177,809)</b>	<b>(114,167)</b>	<b>63,642</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>194,023</b>	<b>194,023</b>	<b>272,355</b>	<b>78,332</b>
Fund Balance - Beginning of Year	708,972	708,972	708,972	-
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 902,995</b>	<b>\$ 902,995</b>	<b>\$ 981,327</b>	<b>\$ 78,332</b>

See Notes to Required Supplementary Information

**CITY OF AMERY, WISCONSIN  
LIBRARY FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED DECEMBER 31, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 187,183	\$ 187,183	\$ 187,183	\$ -
Intergovernmental	158,605	158,605	156,834	(1,771)
Miscellaneous:				
Interest	-	-	2	2
Donations	-	-	24,097	24,097
Other	-	-	13,020	13,020
Total Revenues	345,788	345,788	381,136	35,348
<b>EXPENDITURES</b>				
Culture, Recreation, and Education	345,788	345,788	364,717	(18,929)
<b>NET CHANGE IN FUND BALANCES</b>	-	-	16,419	16,419
Fund Balance - Beginning of Year	150,743	150,743	150,743	-
<b>FUND BALANCE - END OF YEAR</b>	\$ 150,743	\$ 150,743	\$ 167,162	\$ 16,419

CITY OF AMERY, WISCONSIN  
 SCHEDULE OF PROPORTIONATE SHARE OF  
 WISCONSIN RETIREMENT SYSTEM NET PENSION PLAN ASSET  
 LAST TEN FISCAL YEARS  
 YEAR ENDED DECEMBER 31, 2015

	2015
City's proportion of the net pension liability (asset)	0.01003162%
City's proportionate share of the net pension liability (asset)	\$ (246,404)
City's covered-employee payroll	\$ 1,182,104
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-20.84%
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.74%

\*The amounts presented for each fiscal year were determined as of 12/31 that occurred within the fiscal year.

CITY OF AMERY, WISCONSIN  
 SCHEDULE OF CONTRIBUTIONS TO  
 WISCONSIN RETIREMENT SYSTEM PENSION PLAN  
 LAST TEN FISCAL YEARS  
 YEAR ENDED DECEMBER 31, 2015

	2015
Contractually Required Contribution	\$ 95,001
Contributions in Relation to the Contractually Required Contributions	(95,001)
Contribution Deficiency (Excess)	\$ -
 City's Covered-Employee Payroll	\$ 1,182,104
 Contributions as a Percentage of Covered Employee Payroll	8.04%

**CITY OF AMERY, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2015**

**BUDGETARY INFORMATION**

GASB 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, 2015**

	Special Revenue Fund	Capital Projects Fund		Community Micro - Loan Fund	Tax Incremental District #7 Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>						
Treasurer's Cash and Investments	\$ 15,829	\$ (2,500)	\$	13,329		
Taxes Receivable	-	54,530		54,530		
Due from Other Funds	1,834	-		1,834		
Long-Term Receivables	12,414	-		12,414		
Total Assets	\$ 30,077	\$ 52,030		\$ 82,107		
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Advance from Other Funds	\$ -	\$ 46,401	\$	46,401		
<b>Deferred Inflows of Resources:</b>						
Succeeding Year's Property Taxes	-	54,530		54,530		
Unavailable Revenue - Long-Term Receivables	12,414	-		12,414		
Total Inflows of Resources	12,414	54,530		66,944		
<b>Fund Balances:</b>						
Restricted	17,663	-		17,663		
Unassigned	-	(48,901)		(48,901)		
Total Fund Balances	17,663	(48,901)		(31,238)		
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 30,077	\$ 52,030	\$	\$ 82,107		

**CITY OF AMERY, WISCONSIN  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2015**

	Special Revenue Fund	Capital Projects Fund	
	Community Micro - Loan Fund	Tax Incremental District #7 Fund	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Taxes	\$ -	\$ 66,854	\$ 66,854
Intergovernmental	-	253	253
Miscellaneous:			
Interest	337	-	337
Loan Repayments	3,483	-	3,483
Total Revenues	3,820	67,107	70,927
<b>EXPENDITURES</b>			
Conservation and Development	10,000	14,894	24,894
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(6,180)	52,213	46,033
Fund Balance - Beginning of Year	23,843	(101,114)	(77,271)
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 17,663</u>	<u>\$ (48,901)</u>	<u>\$ (31,238)</u>

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED BALANCE SHEET  
DECEMBER 31, 2015  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2014)**

	2015	2014
<b>ASSETS</b>		
Treasurer's Cash and Investments	\$ 923,403	\$ 920,420
Land Held for Resale	250,780	-
Taxes Receivable:		
Current Tax Roll	1,328,782	1,207,890
Delinquent Personal Property Taxes Held by Village	18,158	18,344
Special Assessments Receivable	33,565	36,629
Accounts Receivable	123,565	77,917
Advances to Other Funds	50,141	104,854
	\$ 2,728,394	\$ 2,366,054
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Vouchers and Accounts Payable	\$ 107,961	\$ 98,298
Payroll Withholdings	33,322	11,128
Due to Other Governmental Units	16,321	16,402
Due to Other Funds	32,834	24,834
Special Deposits	21,144	19,857
Total Liabilities	211,582	170,519
<b>Deferred Inflows of Resources:</b>		
Tax Roll Items:		
General Property Taxes	1,498,136	1,445,702
Other Taxes	19	19
Unavailable Revenue - Special Assessments and Charges	3,765	4,213
Unavailable Revenue - Special Assessments	33,565	36,629
Total Deferred Inflows of Resources	1,535,485	1,486,563
<b>Fund Balances:</b>		
Nonspendable	319,079	123,198
Unassigned	662,248	585,774
Total Fund Balance	981,327	708,972
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,728,394	\$ 2,366,054

**CITY OF AMERY, WISCONSIN  
GENERAL FUND  
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2015  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)**

	2015			Variance with Final Budget	2014 Actual
	Original Budget	Final Budget	Actual		
<b>REVENUES</b>					
<b>TAXES</b>					
General Property Taxes	\$ 1,445,702	\$ 1,445,702	\$ 1,445,721	\$ 19	\$ 1,428,807
Mobile Home Fees	37,000	37,000	26,142	(10,858)	30,390
Managed Forest Land Taxes	-	-	-	-	19
Public Accommodation Taxes	10,900	10,900	12,212	1,312	12,027
Payment in Lieu of Taxes	30,500	30,500	36,880	6,380	32,212
Interest on Taxes	-	-	280	280	-
Total Taxes	<u>1,524,102</u>	<u>1,524,102</u>	<u>1,521,235</u>	<u>(2,867)</u>	<u>1,503,455</u>
<b>SPECIAL ASSESSMENTS</b>					
Street Improvement Projects	2,699	2,699	2,999	300	3,380
<b>INTERGOVERNMENTAL</b>					
State Shared Taxes	598,721	598,721	577,991	(20,730)	584,862
Fire Insurance Taxes	7,700	7,700	7,479	(221)	7,565
Exempt Computer Aid	5,280	5,280	4,790	(490)	4,562
State General Transportation Aid	198,046	198,046	197,663	(383)	194,772
State Aid - Police Training	1,600	1,600	1,440	(160)	1,600
State Aid - Ambulance	30,000	30,000	20,749	(9,251)	19,200
State Aid - Tank Inspections	-	-	8,520	8,520	428
State Aid in Lieu of Taxes - Conservation	-	-	757	757	972
State Aid - Other	-	-	3	3	3
Total Intergovernmental	<u>841,347</u>	<u>841,347</u>	<u>819,392</u>	<u>(21,955)</u>	<u>813,964</u>
<b>LICENSES AND PERMITS</b>					
Licenses:					
Liquor and Malt Beverage	7,500	7,500	8,146	646	7,530
Operators	2,750	2,750	2,755	5	2,635
Cigarette	600	600	500	(100)	550
Trailer Park	1,596	1,596	3,225	1,629	342
Cable Television	13,500	13,500	24,760	11,260	-
Other	4,525	4,525	4,298	(227)	1,854
Permits:					
Building	8,500	8,500	15,879	7,379	13,775
Zoning	4,550	4,550	4,575	25	4,547
Park	700	700	2,876	2,176	735
Other	750	750	815	65	770
Total Licenses and Permits	<u>44,971</u>	<u>44,971</u>	<u>67,829</u>	<u>22,858</u>	<u>32,738</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, 2015  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)**

	2015			Variance with Final Budget	2014 Actual
	Original Budget	Final Budget	Actual		
<b>REVENUES (CONTINUED)</b>					
<b>FINES AND FORFEITS</b>					
Law and Ordinance Violations	\$ 45,100	\$ 45,100	\$ 37,151	\$ (7,949)	\$ 35,994
<b>PUBLIC CHARGES FOR SERVICES</b>					
General Government:					
Clerk's Fees	3,500	3,500	23,131	19,631	2,690
Public Safety:					
Police Fees	4,980	4,980	6,418	1,438	5,231
Fire Protection Fees	1,275	1,275	2,530	1,255	1,275
Public Works:					
Transportation Facilities:					
Highway Maintenance and Construction	9,775	9,775	11,933	2,158	31,822
Airport	19,000	19,000	36,699	17,699	40,541
Sanitation:					
Refuse and Recycling	122,600	122,600	136,665	14,065	125,409
Landfill	5,025	5,025	7,247	2,222	6,206
Weed and Nuisance Control	2,600	2,600	379	(2,221)	1,365
Total Public Charges for Services	<u>168,755</u>	<u>168,755</u>	<u>225,002</u>	<u>56,247</u>	<u>214,539</u>
<b>INTERGOVERNMENTAL CHARGES FOR SERVICES</b>					
General Government:					
Department Administrative Cost Reimbursements	10,000	10,000	10,000	-	10,000
Utility Office Space Rental	18,000	18,000	18,000	-	18,000
Public Safety:					
Fire Protection	131,000	131,000	172,521	41,521	167,979
Dam	3,000	3,000	3,000	-	3,000
Public Works:					
Transportation Facilities:					
Utility Equipment Rental	6,000	6,000	6,000	-	6,000
Total Intergovernmental Charges for Services	<u>168,000</u>	<u>168,000</u>	<u>209,521</u>	<u>41,521</u>	<u>204,979</u>
<b>MISCELLANEOUS</b>					
Interest:					
General Investments	7,550	7,550	8,858	1,308	22,094
Special Assessments	1,350	1,350	1,214	(136)	1,007
Rent	43,200	43,200	100,018	56,818	83,589
Sale of City Property	3,000	3,000	4,993	1,993	35
Donations	500	500	18,679	18,179	-
Other:					
Other Miscellaneous	43,150	43,150	38,776	(4,374)	2,473
Total Miscellaneous	<u>98,750</u>	<u>98,750</u>	<u>172,538</u>	<u>73,788</u>	<u>109,198</u>
Total Revenues	<u>2,893,724</u>	<u>2,893,724</u>	<u>3,055,667</u>	<u>161,943</u>	<u>2,918,247</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, 2015  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)**

	2015				2014 Actual
	Original Budget	Final Budget	Actual	Variance with Final Budget	
<b>EXPENDITURES</b>					
<b>GENERAL GOVERNMENT</b>					
Council	\$ 24,477	\$ 24,477	\$ 25,088	\$ (611)	\$ 27,346
Municipal Court	39,880	39,880	38,892	988	36,436
Legal Fees	9,000	9,000	10,774	(1,774)	9,880
Mayor	10,689	10,689	11,818	(1,129)	8,290
Clerk-Treasurer	292,494	292,494	287,578	4,916	242,577
Elections	8,541	8,541	7,809	732	11,689
Special Accounting and Auditing	9,700	9,700	10,300	(600)	10,150
Assessment of Property	27,450	27,450	31,180	(3,730)	32,944
City Hall	35,850	35,850	41,696	(5,846)	38,105
Illegal and Uncollectible Taxes	-	-	33,551	(33,551)	830
Property and Liability Insurance	93,000	93,000	95,529	(2,529)	92,944
Unemployment Expense	1,100	1,100	445	655	220
Other	3,500	3,500	6,394	(2,894)	6,261
Outlay:					
Council	-	-	-	-	828
Clerk-Treasurer	-	-	486	(486)	1,190
Elections	-	-	2,090	(2,090)	2,990
City Hall	750	750	1,249	(499)	10,187
Total General Government	<u>556,431</u>	<u>556,431</u>	<u>604,879</u>	<u>(48,448)</u>	<u>532,867</u>
<b>PUBLIC SAFETY</b>					
Police Department	782,016	782,016	770,659	11,357	777,328
Fire Department	153,737	153,737	177,789	(24,052)	172,852
Fire Department Retirement Trust Fund Payment	8,000	8,000	8,000	-	8,000
Ambulance Service	37,752	37,752	38,077	(325)	35,304
Building Inspection	8,500	8,500	10,757	(2,257)	9,653
Tank Inspections	-	-	9,329	(9,329)	-
Dams	500	500	30	470	353
Civil Defense	100	100	138	(38)	138
Outlay:					
Police Department:					
Capital Equipment	-	-	31,329	(31,329)	2,450
Fire Department	8,000	8,000	417	7,583	-
Total Public Safety	<u>998,605</u>	<u>998,605</u>	<u>1,046,525</u>	<u>(47,920)</u>	<u>1,006,078</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, 2015  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)**

	2015			Variance with Final Budget	2014 Actual
	Original Budget	Final Budget	Actual		
<b>EXPENDITURES (CONTINUED)</b>					
<b>PUBLIC WORKS</b>					
Transportation:					
Public Works Wages and Fringe Benefits	\$ 365,256	\$ 365,256	\$ 360,721	\$ 4,535	\$ 378,736
Safety	4,100	4,100	8,434	(4,334)	5,225
Machinery and Equipment	20,000	20,000	17,691	2,309	27,428
Buildings and Grounds	30,800	30,800	34,784	(3,984)	38,914
Street Maintenance	155,200	155,200	174,220	(19,020)	178,253
Snow and Ice Control	34,000	34,000	9,615	24,385	45,028
Traffic Control	2,450	2,450	2,520	(70)	2,527
Bridges	700	700	5,491	(4,791)	1,886
Street Lighting	63,250	63,250	66,871	(3,621)	66,614
Sidewalks	-	-	384	(384)	2,073
Storm Sewers	1,850	1,850	4,272	(2,422)	1,266
Airport	17,238	17,238	28,377	(11,139)	29,818
Other	1,300	1,300	2,030	(730)	78
Outlay:					
Machinery and Equipment	30,000	30,000	-	30,000	17,656
Sanitation:					
Refuse and Garbage Collection	122,000	122,000	126,453	(4,453)	123,887
Landfill	15,700	15,700	23,145	(7,445)	15,227
Total Public Works	<u>863,844</u>	<u>863,844</u>	<u>865,008</u>	<u>(1,164)</u>	<u>934,616</u>
<b>HEALTH AND HUMAN SERVICES</b>					
Cemetery	<u>200</u>	<u>200</u>	<u>223</u>	<u>(23)</u>	<u>221</u>
<b>CULTURE, RECREATION AND EDUCATION</b>					
Community Center	22,350	22,350	25,967	(3,617)	34,291
Parks	27,550	27,550	23,183	4,367	13,074
Recreation Programs and Events	10,100	10,100	7,205	2,895	7,365
Skating Rink	3,000	3,000	5,880	(2,880)	2,416
Cable Television	9,300	9,300	8,989	311	8,086
Other	-	-	963	(963)	1,550
Outlay:					
Parks	-	-	41,352	(41,352)	1,219
Total Culture, Recreation and Education	<u>72,300</u>	<u>72,300</u>	<u>113,539</u>	<u>(41,239)</u>	<u>68,001</u>
<b>CONSERVATION AND DEVELOPMENT</b>					
Economic Development	-	-	19,419	(19,419)	35,712
Advertising and Promotion	11,512	11,512	13,175	(1,663)	12,391
Zoning	-	-	-	-	114
Community Planning	350	350	484	(134)	3,534
Planning Office	8,650	8,650	5,878	2,772	12,133
Other	10,000	10,000	15	9,985	414,136
Total Conservation and Development	<u>30,512</u>	<u>30,512</u>	<u>38,971</u>	<u>(8,459)</u>	<u>478,020</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, 2015  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)**

	2015			Variance with Final Budget	2014 Actual
	Original Budget	Final Budget	Actual		
Total Expenditures	\$ 2,521,892	\$ 2,521,892	\$ 2,669,145	\$ (147,253)	\$ 3,019,803
<b>EXCESS (DEFICIENCY) OR REVENUES OVER EXPENDITURES</b>	371,832	371,832	386,522	14,690	(101,556)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	-	-	250,000	250,000	404,106
Transfers In	88,306	88,306	92,169	3,863	95,090
Transfers Out	(266,115)	(266,115)	(456,336)	(190,221)	(407,483)
Total Other Financing Sources (Uses)	(177,809)	(177,809)	(114,167)	63,642	91,713
<b>NET CHANGE IN FUND BALANCE</b>	194,023	194,023	272,355	78,332	(9,843)
Fund Balance - Beginning of Year	708,972	708,972	708,972	-	718,815
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 902,995</u>	<u>\$ 902,995</u>	<u>\$ 981,327</u>	<u>\$ 78,332</u>	<u>\$ 708,972</u>

CITY OF AMERY, WISCONSIN  
 DEBT SERVICE FUNDS  
 DETAILED BALANCE SHEET  
 DECEMBER 31, 2015

	General Long-Term Debt Redemption Fund		Library \$440,000	Fire Hall Construction Debt	Totals
	General City	TID #6 Debt	G.O. Promissory Notes		
<b>ASSETS</b>					
Treasurer's Cash and Investments	\$ -	\$ -	\$ 34,701	\$ -	\$ 34,701
<b>DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Restricted	-	-	34,701	-	34,701
Total Deferred Inflows of Resources and Fund balances	\$ -	\$ -	\$ 34,701	\$ -	\$ 34,701

**CITY OF AMERY, WISCONSIN  
DEBT SERVICE FUNDS  
DETAILED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
YEAR ENDED DECEMBER 31, 2015**

	General Long-Term Debt Redemption Fund		Library \$440,000	Totals
	General City	TID #6 Debt	G.O. Promissory Notes	
<b>REVENUES</b>				
Intergovernmental Charges for Service	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	338,548	72,050	22,878	433,476
Interest and Fiscal Charges	117,788	23,774	5,168	146,730
Total Expenditures	<u>456,336</u>	<u>95,824</u>	<u>28,046</u>	<u>580,206</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(456,336)	(95,824)	(28,046)	(580,206)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	<u>456,336</u>	<u>95,824</u>	<u>-</u>	<u>552,160</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	(28,046)	(28,046)
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>62,747</u>	<u>62,747</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 34,701</u></u>	<u><u>\$ 34,701</u></u>

**CITY OF AMERY, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF NET POSITION  
DECEMBER 31, 2015  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2014)**

	2015	2014
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Investments	\$ 299,441	\$ 238,816
Customer Accounts Receivable	103,894	102,761
Accounts Receivable on Tax Roll	8,383	11,749
Prepayments	5,208	5,080
Inventories	24,679	25,777
Total Current Assets	441,605	384,183
<b>Restricted Assets:</b>		
Wisconsin Retirement System Pension Asset	13,177	-
<b>Capital Assets:</b>		
Utility Plant in Service	4,423,051	4,423,051
Less Accumulated Depreciation	1,637,714	1,533,095
Total Capital Assets	2,785,337	2,889,956
Total Assets	3,240,119	3,274,139
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	13,384	-
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	2,977	3,007
Accrued Interest Payable	2,275	2,520
Current Portion of Long-Term Debt:		
General Obligation Notes	75,677	73,591
Accrued Compensated Absences	6,387	26,963
Total Current Liabilities	87,316	106,081
<b>Long-Term Liabilities (Net of Current Portion):</b>		
General Obligation Notes	670,766	746,210
Accrued Compensated Absences	12,861	42,025
Total Long-Term Liabilities	683,627	788,235
Total Liabilities	770,943	894,316
<b>NET POSITION</b>		
Net Investment in Capital Assets	2,038,894	2,070,155
Restricted for Pension Plan	13,177	-
Unrestricted	430,489	309,668
Total Net Position	2,482,560	2,379,823
Total Liabilities and Net Position	\$ 3,253,503	\$ 3,274,139

**CITY OF AMERY, WISCONSIN**  
**WATER UTILITY ENTERPRISE FUND**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**YEAR ENDED DECEMBER 31, 2015**  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)

	2015	2014
<b>OPERATING REVENUES:</b>		
Sales of Water:		
Residential	\$ 134,646	\$ 135,496
Commercial	51,630	40,786
Industrial	22,282	19,149
Public Authorities	18,482	18,069
Multifamily Residential	31,195	30,864
Private Fire Protection	8,424	8,304
Public Fire Protection	141,701	153,785
Total Sales of Water	408,360	406,453
Other Operating Revenues:		
Forfeited Discounts	845	785
Meter Use Charge to Sewer Utility	20,559	20,849
Miscellaneous Operating Revenues	37,894	988
Total Other Operating Revenues	59,298	22,622
Total Operating Revenues	467,658	429,075
<b>OPERATING EXPENSES</b>		
Operation and Maintenance	172,100	262,897
Depreciation	104,619	105,565
Total Operating Expenses	276,719	368,462
<b>OPERATING INCOME</b>	190,939	60,613
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest Revenue	892	1,149
Interest Expense	(23,348)	(25,561)
Total Nonoperating Revenues (Expenses)	(22,456)	(24,412)
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	168,483	36,201
<b>CAPITAL CONTRIBUTIONS AND TRANSFERS:</b>		
Plant Contributed by Governmental Funds	-	10,000
Transfer to General Fund - Property Tax Equivalent	(92,169)	(95,090)
Total Contributions and Transfers	(92,169)	(85,090)
<b>CHANGE IN NET POSITION</b>	76,314	(48,889)
Net Position - Beginning of Year	2,379,823	2,428,712
Change in Accounting Principle	26,423	-
Net Position - Beginning of Year, Restated	2,406,246	2,428,712
<b>NET POSITION - END OF YEAR</b>	\$ 2,482,560	\$ 2,379,823

**CITY OF AMERY, WISCONSIN  
WATER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2015  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Utility Customers	\$ 307,631	\$ 255,050
Cash Received for Public Fire Protection	141,701	153,785
Cash Received for Sewer Share of Meter Related Expenses	20,559	20,849
Cash Payments to Suppliers for Goods and Services	(97,896)	(202,966)
Cash Payments for Employee Services	<u>(123,142)</u>	<u>(56,776)</u>
Net Cash Provided by (Used for) Operating Activities	248,853	169,942
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers Out - Tax Equivalent	<u>(92,169)</u>	<u>(95,090)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Cash Payments for Capital Assets	-	(1,809)
Cash Received from Customer Contributions	-	108
Principal Paid on Long-Term Debt	(73,358)	(71,341)
Interest Paid on Long-Term Debt	<u>(23,593)</u>	<u>(25,611)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	(96,951)	(98,653)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	<u>892</u>	<u>850</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	60,625	(22,951)
Cash and Cash Equivalents - Beginning of Year	<u>238,816</u>	<u>261,767</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 299,441</u>	<u>\$ 238,816</u>
	<u>2015</u>	<u>2014</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating Income	\$ 190,939	\$ 60,613
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation	104,619	105,565
Change in Pension Asset and Pension Related Deferred Outflow	(138)	-
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(1,133)	2,195
Accounts Receivable on Tax Roll	3,366	(1,586)
Prepayments	(128)	(1,597)
Inventories	1,098	(146)
Increase (Decrease) in Liabilities:		
Accounts Payable	(30)	171
Accrued Compensated Absences	<u>(49,740)</u>	<u>4,727</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 248,853</u>	<u>\$ 169,942</u>
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS:</b>		
Cash and Cash Equivalents	<u>\$ 299,441</u>	<u>\$ 238,816</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>		
Capital Assets Financed Directly by Governmental Funds	\$ -	\$ 10,000

**CITY OF AMERY, WISCONSIN**  
**WATER UTILITY ENTERPRISE FUND**  
**SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES**  
**YEAR ENDED DECEMBER 31, 2015**  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)

	2015	2014
<b>SOURCE OF SUPPLY</b>		
Operation Labor	\$ -	\$ 150
Maintenance of Source Plant	7,390	1,663
Total Source of Supply	7,390	1,813
<b>PUMPING</b>		
Operation Labor	-	1,496
Fuel or Power Purchased for Pumping	22,314	23,637
Operation Supplies and Expenses	229	683
Maintenance of Pumping Plant	125	723
Total Pumping	22,668	26,539
<b>WATER TREATMENT</b>		
Operation Labor	-	598
Chemicals	13,323	20,149
Operation Supplies and Expenses	819	2,503
Maintenance of Water Treatment Plant	-	615
Total Water Treatment	14,142	23,865
<b>TRANSMISSION AND DISTRIBUTION</b>		
Operation Labor	25,886	9,346
Operation Supplies and Expenses	5,034	1,092
Maintenance of Distribution Reservoirs and Standpipes	-	68,798
Maintenance of Mains	6,338	31,561
Maintenance of Services	775	7,854
Maintenance of Meter	3,600	2,570
Maintenance of Hydrants	122	1,523
Maintenance of Other Plant	30	928
Total Transmission and Distribution	41,785	123,672
<b>CUSTOMER ACCOUNTS</b>		
Meter Reading Labor	2,653	3,632
Accounting and Collecting Labor	6,832	7,479
Total Customer Accounts	9,485	11,111
<b>ADMINISTRATIVE AND GENERAL</b>		
Administrative and General Salaries	19,225	18,666
Office Supplies and Expenses	1,763	761
Outside Services Employed	5,150	5,075
Property Insurance	12,395	11,038
Injuries and Damages	3,131	2,759
Employee Pensions and Benefits	18,807	20,136
Net Wisconsin Retirement System Pension Expense	(139)	-
Miscellaneous General Expenses	14,095	15,167
Transportation Expenses	18	2,079
Maintenance of General Plant	2,185	216
Total Administrative and General	76,630	75,897
Total Operation and Maintenance Expenses	\$ 172,100	\$ 262,897

**CITY OF AMERY, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF NET POSITION  
DECEMBER 31, 2015  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2014)**

	<u>2015</u>	<u>2014</u>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and Investments	\$ 123,837	\$ 95,764
Customer Accounts Receivable	157,215	151,621
Other Accounts Receivable	-	24,799
Accounts Receivable on Tax Roll	25,093	22,839
Prepayments	7,812	7,620
Inventories	3,465	3,513
Total Current Assets	<u>317,422</u>	<u>306,156</u>
<b>Restricted Assets:</b>		
Equipment Replacement Fund Investments	178,563	178,563
Wisconsin Retirement System Pension Asset	49,922	-
Total Restricted Assets	<u>228,485</u>	<u>178,563</u>
<b>Capital Assets:</b>		
Utility Plant in Service	4,990,003	4,950,820
Less Accumulated Depreciation	3,048,583	2,894,800
Total Capital Assets	<u>1,941,420</u>	<u>2,056,020</u>
<b>Other Assets:</b>		
Special Assessments Receivable	37,090	64,366
Total Assets	<u>2,524,417</u>	<u>2,605,105</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Wisconsin Retirement System Pension Related	50,706	-
<b>LIABILITIES</b>		
<b>Current Liabilities:</b>		
Accounts Payable	50,400	10,704
Accrued Interest Payable	-	1,792
Current Portion of Long-Term Debt:		
Revenue Bonds	-	167,979
Accrued Compensated Absences	24,001	23,370
Total Current Liabilities	<u>74,401</u>	<u>203,845</u>
<b>Long-Term Liabilities (Net of Current Portion):</b>		
Accrued Compensated Absences	48,331	36,428
Total Liabilities	<u>122,732</u>	<u>240,273</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	1,941,420	1,912,580
Restricted for Equipment Replacement	178,563	178,563
Restricted for Pension Plan	49,922	-
Unrestricted	282,486	273,689
Total Net Position	<u>2,452,391</u>	<u>2,364,832</u>
Total Liabilities and Net Position	<u>\$ 2,575,123</u>	<u>\$ 2,605,105</u>

**CITY OF AMERY, WISCONSIN**  
**SEWER UTILITY ENTERPRISE FUND**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**YEAR ENDED DECEMBER 31, 2015**  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)

	2015	2014
<b>OPERATING REVENUES:</b>		
Sewerage Revenues:		
Residential	\$ 336,193	\$ 341,550
Commercial	132,260	126,552
Industrial	73,345	63,496
Public Authorities	43,118	38,757
Multifamily Residential	53,512	61,536
Total Sewerage Revenues	638,428	631,891
Other Operating Revenues		
Forfeited Discounts	5,275	5,103
Miscellaneous Operating Revenues	479	391
Total Other Operating Revenues	5,754	5,494
Total Operating Revenues	644,182	637,385
<b>OPERATING EXPENSES</b>		
Operation and Maintenance	501,930	495,502
Depreciation	153,783	153,641
Total Operating Expenses	655,713	649,143
<b>OPERATING LOSS</b>	(11,531)	(11,758)
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest Revenue	487	2,547
Interest Expense	(1,500)	(6,246)
Interest on Advance to Biosolids Facility	-	904
Gain on Disposal of Capital Assets	-	7,175
Total Nonoperating Revenues (Expenses)	(1,013)	4,380
<b>CHANGE IN NET POSITION</b>	(12,544)	(7,378)
Net Position - Beginning of Year	2,364,832	2,372,210
Change in Accounting Principle	100,103	-
Net Position - Beginning of Year, Restated	2,464,935	2,372,210
<b>NET POSITION - END OF YEAR</b>	\$ 2,452,391	\$ 2,364,832

**CITY OF AMERY, WISCONSIN  
SEWER UTILITY ENTERPRISE FUND  
STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2015  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)**

	<u>2015</u>	<u>2014</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Utility Customers	\$ 661,133	\$ 631,751
Cash Paid for Sewer Share of Meter Related Expenses	(20,559)	(20,849)
Cash Payments to Suppliers for Goods and Services	(248,871)	(283,276)
Cash Payments for Employee Services	(180,939)	(187,090)
Net Cash Provided by (Used for) Operating Activities	<u>210,764</u>	<u>140,536</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Cash Payments for Capital Assets	(39,183)	(27,822)
Cash Received from Customer Contributions	27,276	5,648
Principal Paid on Long-Term Debt	(167,979)	(138,984)
Interest Paid on Long-Term Debt	(3,292)	(6,828)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(183,178)</u>	<u>(167,986)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	487	642
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	28,073	(26,808)
Cash and Cash Equivalents - Beginning of Year	<u>274,327</u>	<u>301,135</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 302,400</u>	<u>\$ 274,327</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>		
Operating Loss	\$ (11,531)	\$ (11,758)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:		
Depreciation	153,783	153,641
Net Change in Wisconsin Pension System Related Items	(525)	-
(Increase) Decrease in Assets:		
Customer Accounts Receivable	(5,594)	(3,472)
Other Accounts Receivable	24,799	-
Accounts Receivable on Tax Roll	(2,254)	(2,162)
Prepayments	(192)	(2,395)
Inventories	48	5
Increase (Decrease) in Liabilities:		
Accounts Payable	39,696	1,284
Accrued Compensated Absences	12,534	5,393
Net Cash Provided by (Used for) Operating Activities	<u>\$ 210,764</u>	<u>\$ 140,536</u>
<b>RECONCILIATION OF CASH AND INVESTMENTS TO CASH AND CASH EQUIVALENTS</b>		
Cash and Investments per Statement of Net Position:		
Cash and Investments	\$ 123,837	\$ 95,764
Cash and Investments - Restricted	178,563	178,563
Cash and Cash Equivalents	<u>\$ 302,400</u>	<u>\$ 274,327</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>		
Principal and Interest Paid Directly by Biosolids Facility	\$ -	\$ 24,941

**CITY OF AMERY, WISCONSIN**  
**SEWER UTILITY ENTERPRISE FUND**  
**SCHEDULE OF OPERATION AND MAINTENANCE EXPENSES**  
**YEAR ENDED DECEMBER 31, 2015**  
(WITH COMPARATIVE AMOUNTS FOR YEAR ENDED DECEMBER 31, 2014)

	2015	2014
<b>OPERATION</b>		
Supervision and Labor	\$ 122,354	\$ 119,448
Power and Fuel for Pumping	5,413	6,598
Power and Fuel for Aeration Equipment	53,083	51,575
Chemicals	1,113	6,678
Biosolids Facility Expenses	64,792	95,873
Supplies and Expenses	23,194	26,627
Transportation Expenses	4,054	5,794
Total Operation	274,003	312,593
<b>MAINTENANCE</b>		
Sewer Collection System	29,343	19,021
Collection System Pumping Equipment	11,922	3,161
Treatment and Disposal Plant Equipment	49,855	23,744
General Plant Structures and Equipment	50	929
Total Maintenance	91,170	46,855
<b>CUSTOMER ACCOUNTING AND COLLECTION</b>		
Billing, Accounting and Collection	9,582	9,639
Meter Expense Allocation	20,559	20,849
Total Customer Accounting and Collection	30,141	30,488
<b>ADMINISTRATIVE AND GENERAL</b>		
Administrative and General Salaries	9,317	8,731
Office Supplies and Expenses	768	563
Outside Services Employed	5,150	5,075
Insurance Expenses	23,289	20,696
Employee Pensions and Benefits	52,221	49,272
Net Wisconsin Retirement System Pension Expense	(526)	-
Miscellaneous General Expenses	7,397	8,993
Rents	9,000	12,236
Total Administrative and General	106,616	105,566
Total Operation and Maintenance Expense	\$ 501,930	\$ 495,502