

VILLAGE OF EAGLE

Eagle, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2018

VILLAGE OF EAGLE

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INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

To the Village Board
Village of Eagle
Eagle, 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 Village of Eagle, Wisconsin, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Village of Eagle'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 Village of Eagle'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 Village of Eagle'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.

To the Village Board
Village of Eagle

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 Village of Eagle, Wisconsin, as of December 31, 2018 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Eagle's basic financial statements. The supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information are fairly stated in all material respects, in relation to the basic financial statements as a whole.

Baker Tilly Virchow Krause, LLP

Milwaukee, Wisconsin
May 20, 2019

BASIC FINANCIAL STATEMENTS

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VILLAGE OF EAGLE

STATEMENT OF NET POSITION As of December 31, 2018

	Governmental Activities	Business Type Activities	Totals
ASSETS			
Cash and investments	\$ 754,974	\$ 1,512,479	\$ 2,267,453
Receivables (net)			
Taxes receivable	335,146	-	335,146
Accounts	53,437	102,641	156,078
Internal balances	61,194	(61,194)	-
Inventories and prepaid items	15,207	8,302	23,509
Non-utility property (net)	-	200	200
Restricted Assets			
Cash and investments	161,122	165,491	326,613
Net pension asset	67,399	8,642	76,041
Capital Assets (net of accumulated depreciation)			
Land	51,501	483,947	535,448
Other capital assets, net of depreciation	759,027	2,541,140	3,300,167
Total Assets	<u>2,259,007</u>	<u>4,761,648</u>	<u>7,020,655</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	153,071	14,621	167,692
Total Deferred Outflows of Resources	<u>153,071</u>	<u>14,621</u>	<u>167,692</u>
LIABILITIES			
Accounts payable and accrued expenses	50,942	1,286	52,228
Accrued interest payable	1,870	2,971	4,841
Noncurrent Liabilities			
Due within one year	51,022	122,692	173,714
Due in more than one year	104,687	525,448	630,135
Total Liabilities	<u>208,521</u>	<u>652,397</u>	<u>860,918</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned revenues	895,049	-	895,049
Pension related amounts	127,906	21,797	149,703
Total Deferred Inflows of Resources	<u>1,022,955</u>	<u>21,797</u>	<u>1,044,752</u>
NET POSITION			
Net investment in capital assets	683,904	2,376,947	3,060,851
Restricted for			
Police impact fees	30,090	-	30,090
Library impact fees	106,105	-	106,105
Water impact fees	-	165,491	165,491
Net pension asset	67,399	8,642	76,041
Unrestricted	<u>293,104</u>	<u>1,550,995</u>	<u>1,844,099</u>
TOTAL NET POSITION	<u>\$ 1,180,602</u>	<u>\$ 4,102,075</u>	<u>\$ 5,282,677</u>

See accompanying notes to financial statements.

VILLAGE OF EAGLE

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 94,457	\$ 20,274	\$ -	\$ -
Public safety	618,355	212,361	13,663	-
Public works	302,776	216,296	57,309	-
Health and human services	126,947	-	47,246	-
Culture, recreation and education	139,698	50,854	-	-
Conservation and development	1,243	-	-	-
Interest and fiscal charges	3,757	-	-	-
Total Governmental Activities	<u>1,287,233</u>	<u>499,785</u>	<u>118,218</u>	<u>-</u>
Business-type Activities				
Water Utility	<u>275,640</u>	<u>419,214</u>	<u>-</u>	<u>64,446</u>
Total Business-type Activities	<u>275,640</u>	<u>419,214</u>	<u>-</u>	<u>64,446</u>
Total	<u>\$ 1,562,873</u>	<u>\$ 918,999</u>	<u>\$ 118,218</u>	<u>\$ 64,446</u>

General Revenues

Taxes

Property taxes, levied for general purposes

Intergovernmental revenues not restricted to specific programs

Investment income

Gain on disposal of assets

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in net position

NET POSITION - Beginning of Year

NET POSITION - END OF YEAR

See accompanying notes to financial statements.

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (74,183)	\$ -	\$ (74,183)
(392,331)	-	(392,331)
(29,171)	-	(29,171)
(79,701)	-	(79,701)
(88,844)	-	(88,844)
(1,243)	-	(1,243)
(3,757)	-	(3,757)
<u>(669,230)</u>	<u>-</u>	<u>(669,230)</u>
<u>-</u>	<u>208,020</u>	<u>208,020</u>
<u>-</u>	<u>208,020</u>	<u>208,020</u>
<u>(669,230)</u>	<u>208,020</u>	<u>(461,210)</u>
752,408	-	752,408
34,799	-	34,799
3,803	26,527	30,330
10,178	-	10,178
10,555	4,708	15,263
<u>811,743</u>	<u>31,235</u>	<u>842,978</u>
<u>31,432</u>	<u>(31,432)</u>	<u>-</u>
<u>843,175</u>	<u>(197)</u>	<u>842,978</u>
173,945	207,823	381,768
<u>1,006,657</u>	<u>3,894,252</u>	<u>4,900,909</u>
<u>\$ 1,180,602</u>	<u>\$ 4,102,075</u>	<u>\$ 5,282,677</u>

See accompanying notes to financial statements.

VILLAGE OF EAGLE

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2018

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
ASSETS			
Cash and investments	\$ 735,938	\$ 19,036	\$ 754,974
Receivables (net)			
Tax roll receivable	335,146	-	335,146
Accounts	53,437	-	53,437
Due from other funds	61,412	10,000	71,412
Prepaid items	15,207	-	15,207
Restricted Assets			
Cash and Investments	<u>-</u>	<u>161,122</u>	<u>161,122</u>
TOTAL ASSETS	<u><u>\$ 1,201,140</u></u>	<u><u>\$ 190,158</u></u>	<u><u>\$ 1,391,298</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 25,015	\$ 24,927	\$ 49,942
Accrued interest	1,000	-	1,000
Due to other funds	<u>10,218</u>	<u>-</u>	<u>10,218</u>
Total Liabilities	<u>36,233</u>	<u>24,927</u>	<u>61,160</u>
Deferred Inflows of Resources			
Unearned revenues	<u>895,049</u>	<u>-</u>	<u>895,049</u>
Total Deferred Inflows of Resources	<u>895,049</u>	<u>-</u>	<u>895,049</u>
Fund Balances			
Nonspendable	15,207	-	15,207
Restricted	-	136,195	136,195
Committed	-	29,036	29,036
Assigned	10,976	-	10,976
Unassigned	<u>243,675</u>	<u>-</u>	<u>243,675</u>
Total Fund Balances	<u>269,858</u>	<u>165,231</u>	<u>435,089</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 1,201,140</u></u>	<u><u>\$ 190,158</u></u>	<u><u>\$ 1,391,298</u></u>

See accompanying notes to financial statements.

VILLAGE OF EAGLE

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2018

Total Fund Balances - Governmental Funds	\$	435,089
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.

Land	51,501
Other capital assets	2,178,631
Less: Accumulated depreciation	(1,419,604)

The net pension asset does not relate to current financial resources and is not reported in the governmental funds.	67,399
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Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	153,071
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Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	(127,906)
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Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.

Bonds and notes payable	(126,624)
Compensated absences	(29,085)
Accrued interest	<u>(1,870)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 1,180,602</u>
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VILLAGE OF EAGLE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

For the Year Ended December 31, 2018

	General Fund	Nonmajor Governmental Funds	Totals
REVENUES			
Taxes	\$ 752,408	\$ -	\$ 752,408
Intergovernmental	152,117	-	152,117
Licenses and permits	94,321	-	94,321
Fines, forfeitures and penalties	92,498	-	92,498
Public charges for services	138,795	47,078	185,873
Intergovernmental charges for services	46,113	-	46,113
Interdepartmental charges for service	80,980	-	80,980
Investment income	3,574	229	3,803
Miscellaneous revenues	43,254	-	43,254
Total Revenues	<u>1,404,060</u>	<u>47,307</u>	<u>1,451,367</u>
EXPENDITURES			
Current			
General government	219,023	-	219,023
Public safety	605,510	10,721	616,231
Public works	288,667	-	288,667
Health and human services	126,947	-	126,947
Culture, recreation and education	118,792	14,206	132,998
Conservation and development	1,243	-	1,243
Capital Outlay	-	11,304	11,304
Debt Service			
Principal	43,992	-	43,992
Interest and fiscal charges	4,502	-	4,502
Total Expenditures	<u>1,408,676</u>	<u>36,231</u>	<u>1,444,907</u>
Excess (deficiency) of revenues over expenditures	<u>(4,616)</u>	<u>11,076</u>	<u>6,460</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	58,520	5,000	63,520
Transfer out	(5,000)	(27,088)	(32,088)
Total Other Financing Sources (Uses)	<u>53,520</u>	<u>(22,088)</u>	<u>31,432</u>
Net Change in Fund Balances	48,904	(11,012)	37,892
FUND BALANCES - Beginning of Year	<u>220,954</u>	<u>176,243</u>	<u>397,197</u>
FUND BALANCES - END OF YEAR	<u>\$ 269,858</u>	<u>\$ 165,231</u>	<u>\$ 435,089</u>

See accompanying notes to financial statements.

VILLAGE OF EAGLE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2018

Net change in fund balances - total governmental funds	\$	37,892
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Some items reported as expenditures in the fund financial statements but are capitalized in the government-wide statements	192,584
Depreciation is reported in the government-wide financial statements	(66,235)
Net book value of assets retired	(21,621)

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repaid	43,992
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Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	(1,956)
Accrued interest on debt	745
Net pension asset	88,395
Deferred outflows of resources related to pensions	(43,455)
Deferred inflows of resources related to pensions	<u>(56,396)</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u>173,945</u>
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VILLAGE OF EAGLE

STATEMENT OF NET POSITION PROPRIETARY FUND As of December 31, 2018

	Business-type Activities - Enterprise Fund <u>Water Utility</u>
ASSETS	
Current Assets	
Cash and investments	\$ 1,512,479
Receivables	
Accounts	102,641
Due from other funds	218
Inventories	<u>8,302</u>
Total Current Assets	<u>1,623,640</u>
Noncurrent Assets	
Restricted Assets	
Cash and investments	165,491
Net pension asset	8,642
Capital Assets	
Land	483,947
Capital assets being depreciated	4,395,066
Less: Accumulated depreciation	(1,853,926)
Other Assets	
Non-utility property (net)	<u>200</u>
Total Noncurrent Assets	<u>3,199,420</u>
Total Assets	<u>4,823,060</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related amounts	<u>14,621</u>
Total Deferred Outflows of Resources	<u>14,621</u>

See accompanying notes to financial statements.

	Business-type Activities - Enterprise Fund <u>Water Utility</u>
LIABILITIES	
Current Liabilities	
Accounts payable	\$ 1,286
Accrued interest	2,971
Due to other funds	61,412
Current portion of general obligation debt	<u>122,692</u>
Total Current Liabilities	<u>188,361</u>
Noncurrent Liabilities	
Long-Term Debt	
General obligation debt	<u>525,448</u>
Total Noncurrent Liabilities	<u>525,448</u>
Total Liabilities	<u>713,809</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related amounts	<u>21,797</u>
Total Deferred Inflows of Resources	<u>21,797</u>
NET POSITION	
Net investment in capital assets	2,376,947
Restricted for	
Impact fees	165,491
Pensions	8,642
Unrestricted	<u>1,550,995</u>
TOTAL NET POSITION	<u>\$ 4,102,075</u>

See accompanying notes to financial statements.

VILLAGE OF EAGLE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND

For the Year Ended December 31, 2018

	<u>Water Utility</u>
OPERATING REVENUES	
Public charges for services	\$ 419,214
Other revenue	<u>4,708</u>
Total Operating Revenues	<u>423,922</u>
OPERATING EXPENSES	
Salaries and wages	142,176
Depreciation expense	110,568
Taxes	<u>3,977</u>
Total Operating Expenses	<u>256,721</u>
Operating Income	<u>167,201</u>
NONOPERATING REVENUES (EXPENSES)	
Investment income	26,527
Interest and fiscal charges	<u>(18,919)</u>
Total Nonoperating Revenues (Expenses)	<u>7,608</u>
Income Before Contributions and Transfers	<u>174,809</u>
CONTRIBUTIONS AND TRANSFERS	
Capital contributions	64,446
Transfer out - Tax equivalent	<u>(31,432)</u>
Total Contributions and Transfers	<u>33,014</u>
Change in Net Position	207,823
NET POSITION - Beginning of Year	<u>3,894,252</u>
NET POSITION- END OF YEAR	<u><u>\$ 4,102,075</u></u>

See accompanying notes to financial statements.

VILLAGE OF EAGLE

STATEMENT OF CASH FLOWS PROPRIETARY FUND For the Year Ended December 31, 2018

	<u>Water Utility</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Received from customers	\$ 426,725
Paid to suppliers for goods and services	<u>(116,942)</u>
Net Cash Flows From Operating Activities	<u>309,783</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment income	<u>26,527</u>
Net Cash Flows From Investing Activities	<u>26,527</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Paid to municipality for tax equivalent	<u>(31,432)</u>
Net Cash Flows From Noncapital Financing Activities	<u>(31,432)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Debt retired	(119,408)
Interest paid	(19,466)
Acquisition and construction of capital assets	(23,914)
Contribution received for construction	<u>64,446</u>
Net Cash Flows From Capital and Related Financing Activities	<u>(98,342)</u>
Net Change in Cash and Cash Equivalents	206,536
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,471,434</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 1,677,970</u></u>

See accompanying notes to financial statements.

	<u>Water Utility</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income	\$ 167,201
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities	
Depreciation	110,568
Changes in assets and liabilities	
Accounts receivable	1,727
Inventories	(3,892)
Due from other funds	1,076
Accounts payable	(492)
Due to other funds	30,109
Prepaid items	788
Pension related deferrals and liability/asset	<u>2,698</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u><u>\$ 309,783</u></u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS	
Cash and investments	\$ 1,512,479
Restricted cash and investments	<u>165,491</u>
CASH AND CASH EQUIVALENTS	<u><u>\$ 1,677,970</u></u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES	
None	

See accompanying notes to financial statements.

VILLAGE OF EAGLE

STATEMENT OF ASSETS AND LIABILITIES AGENCY FUND As of December 31, 2018

	<u>Agency Fund</u> <u>Tax Collection</u> <u>Fund</u>
ASSETS	
Cash and investments	\$ 1,421,525
Taxes receivable	<u>956,875</u>
TOTAL ASSETS	<u><u>\$ 2,378,400</u></u>
LIABILITIES	
Accounts payable	\$ 771
Due to other governments	<u>2,377,629</u>
TOTAL LIABILITIES	<u><u>\$ 2,378,400</u></u>

See accompanying notes to financial statements.

VILLAGE OF EAGLE

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VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Eagle, Wisconsin (the "Village") to conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the Village. The reporting entity for the Village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The Village has not identified any organizations that meet this criteria.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

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

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

Fund Financial Statements

Financial statements of the Village 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 balance, revenues, and expenditures/expenses.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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 Village reports the following major governmental fund:

General Fund - accounts for the Village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

The Village reports the following major enterprise fund:

Water Utility - accounts for operations of the water system.

The Village reports the following nonmajor governmental funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Police Squad Car
Equipment

Impact Fee

Capital Projects Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

In addition, the Village reports the following fund type:

Agency Fund - used to account for and report assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Tax Collection Fund

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

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. 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 are recorded as revenues when services are provided.

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 Village's water 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.

Fund Financial Statements

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

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

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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

Fund Financial Statements (cont.)

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, special assessments and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

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

All Financial Statements

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

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

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

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

- a. Time deposits in any credit union, bank, savings bank or trust company.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

- b. 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, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

The Village has not adopted an investment policy.

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

See Note III. A. for further information.

2. Receivables

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

Property tax calendar - 2018 tax roll:

Lien date and levy date	December 2018
Tax bills mailed	December 2018
Payment in full, or	January 31, 2019
First installment due	January 31, 2019
Second installment due	July 31, 2019
Personal property taxes in full	January 31, 2019
Tax sale - 2018 delinquent real estate taxes	October 2021

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables (cont.)

Accounts receivable have been shown net of an allowance for uncollectible accounts. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the water utility because they have the right by law to place substantially all delinquent bills on the tax roll.

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

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

3. Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction and/or operation and maintenance expense when used.

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. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$5,000 for infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Machinery and Equipment	7-20 Years
Utility System	10-100 Years
Building and Improvements	20-40 Years
Roads	50 Years

Fund Financial Statements

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

6. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

7. Compensated Absences

The Village does not accrue accumulated vacation pay in the governmental funds, but rather records expenditures for these costs as paid. Vacation time is not cumulative from year to year. Sick leave benefits are cumulative up to a maximum of 90 days. Accumulated sick leave benefits can be paid only at the time of retirement, not upon termination. At retirement, the employee also has the option of using the accumulated sick leave for continuing their health insurance. The estimated value of sick leave benefits is recorded in the statement of net position.

8. Long-Term Obligations

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

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

9. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

10. Equity Classifications

Government-Wide Statements

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

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

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont.)

Government-Wide Statements (cont.)

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

Fund Statements

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The village has adopted a financial policy authorizing the Finance Committee and/or the Village Clerk/Treasurer to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The Village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

10. Equity Classifications (cont.)

Fund Statements (cont.)

See Note III. G. for further information.

11. Pension

For purposes of measuring the net pension asset (liability), 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.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

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

A budget has been adopted for the general fund. A budget has not been formally adopted for special revenue and capital projects funds. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

The budgeted amounts presented are as presented in the original budget and no amendments were adopted during the year. The Village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds board action.

Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the function level of expenditure.

B. EXCESS EXPENDITURES AND OTHER FINANCING USES OVER APPROPRIATIONS

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
General Fund	\$ 1,309,397	\$ 1,408,676	\$ 99,279

The Village controls expenditures at the function level. Some individual functions experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village's year-end budget to actual report.

C. LIMITATIONS ON THE VILLAGE'S TAX LEVY

Wisconsin law limits the Village's future tax levies. Generally the Village is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the Village's equalized value due to new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The Village is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The Village's deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>	<u>Associated Risks</u>
Demand deposits	<u>\$ 4,015,591</u>	<u>\$ 3,074,032</u>	Custodial Credit Risk
Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 2,267,453		
Restricted cash and investments	326,613		
Per statement of assets and liabilities - agency fund			
Agency Fund	<u>1,421,525</u>		
Total Deposits and Investments	<u>\$ 4,015,591</u>		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

The Village maintains collateral agreements with its banks. At December 31, 2018, the banks had pledged various government securities in the amount of \$1,350,089 to secure the Village's deposits.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to the Village.

As of December 31, 2018, \$1,326,347 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 1,326,347</u>
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See Note I.D.1. for further information on deposit and investment policies.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES

All of the receivables on the balance sheet are expected to be collected within one year.

Governmental funds report *unavailable or unearned revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unearned</u>
Property taxes receivable for subsequent year	\$ 895,049
Total Unearned Revenue for Governmental Funds	<u>\$ 895,049</u>

C. RESTRICTED ASSETS

The following represent the balances of the restricted assets:

Impact Fee Account

The water utility and the impact fee fund has received impact fees which must be spent in accordance with the local ordinance and state statutes. Any unspent funds must be refunded to the current property owner.

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

Restricted assets at December 31, 2018 were \$402,654.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 51,501	\$ -	\$ -	\$ 51,501
Total Capital Assets Not Being Depreciated	51,501	-	-	51,501
Capital assets being depreciated				
Buildings	746,758	-	-	746,758
Machinery and equipment	1,272,922	55,202	33,633	1,294,491
Roads	-	137,382	-	137,382
Total Capital Assets Being Depreciated	2,019,680	192,584	33,633	2,178,631
Total Capital Assets	2,071,181	192,584	33,633	2,230,132
Less: Accumulated depreciation for				
Buildings	(377,396)	(20,175)	-	(397,571)
Machinery and equipment	(987,985)	(45,146)	12,012	(1,021,119)
Roads	-	(914)	-	(914)
Total Accumulated Depreciation	(1,365,381)	(66,235)	12,012	(1,419,604)
Net Capital Assets Being Depreciated	654,299	126,349	21,621	759,027
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 705,800	\$ 126,349	\$ 21,621	\$ 810,528

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 9,234
Public safety	32,126
Public works	20,280
Culture, recreation and education	4,595
Total Governmental Activities Depreciation Expense	\$ 66,235

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities				
Capital assets not being depreciated				
Land	\$ 483,947	\$ -	\$ -	\$ 483,947
Total Capital Assets Not Being Depreciated	<u>483,947</u>	<u>-</u>	<u>-</u>	<u>483,947</u>
Capital assets being depreciated				
Source of supply	265,256	-	-	265,256
Pumping	1,055,274	-	-	1,055,274
Treatment	16,646	-	-	16,646
Transmission and distribution	2,971,728	20,804	5,089	2,987,443
Administrative and general water	67,337	3,110	-	70,447
Total Capital Assets Being Depreciated	<u>4,376,241</u>	<u>23,914</u>	<u>5,089</u>	<u>4,395,066</u>
Total Capital Assets	<u>4,860,188</u>	<u>23,914</u>	<u>5,089</u>	<u>4,879,013</u>
Less: Accumulated depreciation for				
Source of supply	(91,956)	(7,692)	-	(99,648)
Pumping	(522,178)	(37,679)	-	(559,857)
Treatment	(7,183)	(549)	-	(7,732)
Transmission and distribution	(1,115,211)	(56,820)	5,089	(1,166,942)
Administrative and general water	(11,919)	(7,828)	-	(19,747)
Total Accumulated Depreciation	<u>(1,748,447)</u>	<u>(110,568)</u>	<u>5,089</u>	<u>(1,853,926)</u>
Net Capital Assets Being Depreciated	<u>2,627,794</u>	<u>(86,654)</u>	<u>-</u>	<u>2,541,140</u>
Business-type Capital Assets, Net of Accumulated Depreciation	<u>\$ 3,111,741</u>	<u>\$ (86,654)</u>	<u>\$ -</u>	<u>\$ 3,025,087</u>

Depreciation expense was charged to functions as follows:

Business-type Activities

Water	\$ <u>110,568</u>
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VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Water Utility	\$ 61,412
Water Utility	General Fund	218
Special Revenue Fund - Equipment Fund	General Fund	<u>10,000</u>
Total - Fund Financial Statements		71,630
Less: Fund eliminations		<u>(10,436)</u>
Total Internal Balances - Government-Wide Statement of Net Position		<u>\$ 61,194</u>

All amounts are due within one year.

The principal purpose of these interfunds is the collection of special charges on the tax roll and the allocation of commingled cash and investment balances. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Special Revenue Fund - Equipment Fund	General Fund	\$ 5,000	Annual budget appropriation
General Fund	Water Utility	31,432	Property tax equivalent
General Fund	Capital Projects Fund	<u>27,088</u>	Reimbursement of expenditures
Total - Fund Financial Statements		63,520	
Less: Fund eliminations		<u>(32,088)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ 31,432</u>	

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (cont.)

Transfers (cont.)

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

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2018, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 170,616	\$ -	\$ 43,992	\$ 126,624	\$ 45,205
Other Liabilities					
Net pension liability	20,996	-	20,996	-	-
Vested compensated absences	27,129	1,956	-	29,085	5,817
Total Other Liabilities	48,125	1,956	20,996	29,085	5,817
Total Governmental Activities Long-Term Liabilities	\$ 218,741	\$ 1,956	\$ 64,988	\$ 155,709	\$ 51,022
Business-type Activities					
Bonds and Notes Payable					
General obligation debt	\$ 767,548	\$ -	\$ 119,408	\$ 648,140	\$ 122,692
Other Liabilities					
Net pension liability	2,593	-	2,593	-	-
Total Business-type Activities Long-Term Liabilities	\$ 770,141	\$ -	\$ 122,001	\$ 648,140	\$ 122,692

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2018, was \$8,994,060. Total general obligation debt outstanding at year end was \$774,764.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt

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

Governmental Activities

General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2018
GO Promissory Note	11/13/2014	2/1/2022	N/A	\$ 13,968	\$ 6,984
Promissory Note	2/7/2016	2/17/2021	2.75%	91,624	46,096
Promissory Note	9/19/2016	9/19/2021	2.75%	19,940	10,914
Promissory Note	8/7/2017	8/7/2022	2.75%	77,254	62,630
Total Governmental Activities - General Obligation Debt					<u>\$ 126,624</u>

Business-type Activities

General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2018
Promissory Note	2/25/2004	5/1/2023	2.75%	\$ 2,034,941	\$ 648,140
Total Business-type Activities - General Obligation Debt					<u>\$ 648,140</u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2019	\$ 45,205	\$ 3,290	\$ 122,692	\$ 16,137
2020	44,378	2,095	126,066	12,716
2021	18,995	923	129,533	9,202
2022	18,046	448	133,095	5,591
2023	-	-	136,754	1,880
Totals	<u>\$ 126,624</u>	<u>\$ 6,756</u>	<u>\$ 648,140</u>	<u>\$ 45,526</u>

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

Other Debt Information

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

G. NET POSITION/FUND BALANCES

Net position reported on the government wide statement of net position at December 31, 2018, includes the following:

Governmental Activities

Net Investment in Capital Assets	
Land	\$ 51,501
Other capital assets, net of accumulated depreciation	759,027
Less: Long-term debt outstanding (excluding unspent capital related debt proceeds)	<u>(126,624)</u>
Total Net Investment in Capital Assets	<u>683,904</u>
Restricted	
Police impact fees	30,090
Library impact fees	106,105
Net pension asset	<u>67,399</u>
Total Restricted	<u>203,594</u>
Unrestricted	<u>293,104</u>
Total Governmental Activities Net Position	<u>\$ 1,180,602</u>

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

G. NET POSITION/FUND BALANCES (cont.)

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2018, include the following:

Nonspendable

Major Fund

General Fund

Prepays	\$ <u>15,207</u>
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Restricted

Nonmajor Fund

Special Revenue Fund

Impact Fee Fund	\$ <u>136,195</u>
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Committed

Nonmajor Funds

Special Revenue Fund

Police Squad Car Fund	\$ 1,032
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Equipment Fund	<u>23,472</u>
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Sub-Total	<u>24,504</u>
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Capital Projects Fund	<u>4,532</u>
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Total	\$ <u>29,036</u>
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Assigned

Major Fund

General Fund

Park Equipment	\$ <u>10,976</u>
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Unassigned

General Fund	\$ <u>243,675</u>
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VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

G. NET POSITION/FUND BALANCES (cont.)

Business-type Activities

Net Investment in Capital Assets	
Land	\$ 483,947
Other capital assets, net of accumulated depreciation	2,541,140
Less: Long-term debt outstanding	<u>(648,140)</u>
Total Net Investment in Capital Assets	<u>2,376,947</u>
Restricted	
Restricted - impact fees	165,491
Pensions	<u>8,642</u>
Total Restricted	<u>174,133</u>
Unrestricted	<u>1,550,995</u>
Total Business-type Activities Net Position	<u>\$ 4,102,075</u>

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

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.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants, if hired on or before 12/31/2016) 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.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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.

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2008	6.6%	0%
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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 and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$24,269 in contributions from the Village.

Contribution rates for the plan year reported as of December 31, 2018 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.8%	6.8%
Protective with Social Security	6.8%	10.6%
Protective without Social Security	6.8%	14.9%

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

At December 31, 2018, the Village reported an asset of \$76,041 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2017, the Village's proportion was 0.00256107%, which was a decrease of 0.00030090% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the Village recognized pension expense of \$47,123.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

At December 31, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 96,611	\$ 45,192
Changes in assumptions	15,024	-
Net differences between projected and actual earnings on pension plan investments	-	104,511
Changes in proportion and differences between employer contributions and proportionate share of contributions	23,087	-
Employer contributions subsequent to the measurement date	32,970	-
Totals	<u>\$ 167,692</u>	<u>\$ 149,703</u>

\$32,970 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Deferred Outflows of Resources and Deferred Inflows of Resources (net)
2019	\$ 19,649
2020	6,968
2021	(22,930)
2022	(18,855)
2023	188

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Actuarial assumptions. The total pension asset in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

** 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.*

Actuarial assumptions are based upon an experience study conducted in 2015 using experience from 2012 – 2014. The total pension liability for December 31, 2017 is based upon a roll-forward of the liability calculated from the December 31, 2016 actuarial valuation.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	50%	8.2%	5.3%
Fixed Income	24.5	4.2	1.4
Inflation Sensitive Assets	15.5	3.8	1.0
Real Estate	8	6.5	3.6
Private Equity/Debt	8	9.4	6.5
Multi-Asset	4	6.5	3.6
Total Core Fund	110	7.3	4.4
<u>Variable Fund Asset Class</u>			
U.S Equities	70	7.5	4.6
International Equities	30	7.8	4.9
Total Variable Fund	100	7.9	5.0

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

Single discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.31%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% 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.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
Village's proportionate share of the net pension liability/(asset)	\$196,744	\$(76,041)	\$(283,366)

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

At December 31, 2018, the Village reported a payable to the pension plan \$4,718 which represents contractually required contributions outstanding as of the end of the year.

B. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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

The Village has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

VILLAGE OF EAGLE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

NOTE IV - OTHER INFORMATION (cont.)

D. SUBSEQUENT EVENTS

On April 12, 2019, the Village paid the remaining balance on the water utility promissory note dated February 25, 2004. The amount paid was \$657,052, which included both principal and interest. Water utility impact fees were utilized for this payoff.

E. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 87, *Leases*
- Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF EAGLE

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance with Final Budget
REVENUES			
Taxes	\$ 752,408	\$ 752,408	\$ -
Intergovernmental	134,879	152,117	17,238
Licenses and permits	38,520	94,321	55,801
Fines, forfeitures and penalties	72,000	92,498	20,498
Public charges for services	125,780	138,795	13,015
Intergovernmental charges for services	52,010	46,113	(5,897)
Interdepartmental charges for service	68,000	80,980	12,980
Investment income	800	3,574	2,774
Miscellaneous revenues	2,000	43,254	41,254
Total Revenues	<u>1,246,397</u>	<u>1,404,060</u>	<u>157,663</u>
EXPENDITURES			
Current:			
General government	235,697	219,023	16,674
Public safety	522,154	605,510	(83,356)
Public works	239,258	288,667	(49,409)
Health and human services	125,540	126,947	(1,407)
Culture, recreation and education	135,516	118,792	16,724
Conservation and development	2,970	1,243	1,727
Debt Service			
Principal	44,262	43,992	270
Interest and fiscal charges	4,000	4,502	(502)
Total Expenditures	<u>1,309,397</u>	<u>1,408,676</u>	<u>(99,279)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(63,000)</u>	<u>(4,616)</u>	<u>58,384</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	78,000	58,520	(19,480)
Transfers out	(5,000)	(5,000)	-
Total Other Financing Sources (Uses)	<u>73,000</u>	<u>53,520</u>	<u>(19,480)</u>
Net Change in Fund Balance	<u>\$ 10,000</u>	48,904	<u>\$ 38,904</u>
FUND BALANCE - Beginning of Year		<u>220,954</u>	
FUND BALANCE - END OF YEAR		<u>\$ 269,858</u>	

See independent auditors' report and accompanying notes to required supplementary information.

VILLAGE OF EAGLE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2018

WRS Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.00377298%	\$ (92,675)	\$ 360,816	25.68%	102.74%
12/31/15	0.00334427%	54,344	332,758	16.33%	98.20%
12/31/16	0.00286197%	23,589	286,431	8.24%	99.12%
12/31/17	0.00256107%	(76,041)	279,659	27.19%	102.93%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2018

Village Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 47,519	\$ 47,519	\$ -	\$ 360,816	13.17%
12/31/16	23,192	23,192	-	287,614	8.06%
12/31/17	24,250	24,250	-	282,562	8.58%
12/31/18	32,970	32,970	-	361,661	9.12%

See independent auditors' report and accompanying notes to the required supplementary information.

VILLAGE OF EAGLE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2018

WISCONSIN RETIREMENT SYSTEM

The amounts determined for each fiscal year were determined as of the calendar year-end and occurred within the fiscal year.

The Village is required to present the last ten years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

Changes in assumptions. There were no changes in assumptions.

SUPPLEMENTARY INFORMATION

VILLAGE OF EAGLE

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2018

	<u>Special Revenue Funds</u>				Total Nonmajor Governmental Funds
	<u>Police Squad Car Fund</u>	<u>Equipment Fund</u>	<u>Impact Fee Fund</u>	<u>Capital Projects Fund</u>	
ASSETS					
Cash and investments	\$ 1,032	\$ 13,472	\$ -	\$ 4,532	\$ 19,036
Due from other funds	-	10,000	-	-	10,000
Restricted Assets					
Cash and investments	-	-	161,122	-	161,122
TOTAL ASSETS	<u>\$ 1,032</u>	<u>\$ 23,472</u>	<u>\$ 161,122</u>	<u>\$ 4,532</u>	<u>\$ 190,158</u>
FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 24,927	\$ -	\$ 24,927
Total Liabilities	-	-	24,927	-	24,927
Fund Balances					
Restricted	\$ -	\$ -	\$ 136,195	\$ -	\$ 136,195
Committed	1,032	23,472	-	4,532	29,036
Total Fund Balances	1,032	23,472	136,195	4,532	165,231
TOTAL FUND BALANCES	<u>\$ 1,032</u>	<u>\$ 23,472</u>	<u>\$ 161,122</u>	<u>\$ 4,532</u>	<u>\$ 190,158</u>

VILLAGE OF EAGLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended December 31, 2018

	Special Revenue Funds				Total Nonmajor Governmental Funds
	Police Squad Car Fund	Equipment Fund	Impact Fee Fund	Capital Projects Fund	
REVENUES					
Public charges for services	\$ -	\$ -	\$ 47,078	\$ -	\$ 47,078
Investment income	6	11	171	41	229
Total Revenues	6	11	47,249	41	47,307
EXPENDITURES					
Current					
Public safety	-	-	10,721	-	10,721
Culture, recreation and education	-	-	14,206	-	14,206
Capital Outlay	11,304	-	-	-	11,304
Total Expenditures	11,304	-	24,927	-	36,231
OTHER FINANCING SOURCES (USES)					
Transfers in	-	5,000	-	-	5,000
Transfers out	-	-	-	(27,088)	(27,088)
Total Other Financing Sources (Uses)	-	5,000	-	(27,088)	(22,088)
Net Change in Fund Balances	(11,298)	5,011	22,322	(27,047)	(11,012)
FUND BALANCES - Beginning of Year	12,330	18,461	113,873	31,579	176,243
FUND BALANCES - END OF YEAR	<u>\$ 1,032</u>	<u>\$ 23,472</u>	<u>\$ 136,195</u>	<u>\$ 4,532</u>	<u>\$ 165,231</u>