

**TOWN OF RIB MOUNTAIN**

**Annual Financial Report**

**December 31, 2017**

# TOWN OF RIB MOUNTAIN

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December 31, 2017

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## INDEPENDENT AUDITORS' REPORT

## INDEPENDENT AUDITORS' REPORT

To the Town Board  
Town of Rib Mountain  
Marathon County, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Rib Mountain, Wisconsin (Town) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

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

### ***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the Town of Rib Mountain, Wisconsin as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.



To the Town Board  
Town of Rib Mountain

### ***Other Matters***

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

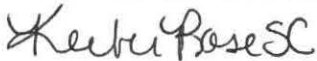
Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedules of proportionate share of the net pension liability (asset) and employer contributions - Wisconsin Retirement System and budgetary comparison information for the general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

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Rib Mountain's basic financial statements. The supplementary information as identified in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management. The schedules of operating revenue and expenses and detailed budgetary comparison, except the budget information, was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except the budgetary 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 schedule of operating revenues and expenses and detailed budgetary comparison, except the budget information, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The budgetary information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.



**KerberRose SC**  
**Certified Public Accountants**  
November 8, 2018

## MANAGEMENT'S DISCUSSION AND ANALYSIS

## TOWN OF RIB MOUNTAIN, WISCONSIN

Management's Discussion and Analysis  
For the Year Ended December 31, 2017

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As management of the Town of Rib Mountain, Wisconsin (Town), we offer readers of the Town's basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2017. It is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Town's financial activity, (3) identify changes in the Town's financial position, and (4) identify any changes in the Town's financial plan (approved budget).

### Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources as of December 31, 2017, by \$10,062,877 (*net position*).
- The 2017 property tax rate, collected in 2018, was \$3.73, an increase of 16 cents. The assessed value of property in the Town rose from \$723,444,000 to \$734,726,800, an increase of 1.56%.
- The Town's total net position increased by a net amount of \$672,584.
- As of December 31, 2017, the Town's governmental funds reported combined ending fund balances of \$2,779,292, a decrease of \$1,306,200. Approximately 48%, \$1,347,804 is available for spending at the Town's discretion, 20%, \$558,881 represents bond proceeds restricted for capital projects (Rib Mountain Drive Phase II).
- As of December 31, 2017, the unassigned fund balance of the general fund was \$1,347,804, approximately 49% of total general fund expenditures.
- The Town's total general obligation debt decreased by \$890,000.

### Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the net difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the fiscal year ended December 31, 2017. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected special assessments and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Town include general government, public safety, public works, health and human services, culture and recreation, and conservation and development. The Town does not have any business-type activities.

The government-wide financial statements can be found on pages 11 – 12 of this report.

## TOWN OF RIB MOUNTAIN, WISCONSIN

Management's Discussion and Analysis  
For the Year Ended December 31, 2017

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### Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

### Governmental Funds

*Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and the capital projects fund, which are considered to be major funds. Data from the remaining five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* later in this report. The basic governmental fund financial statements can be found on pages 13 - 16 of this report.

Following is a listing and description of the governmental funds reported by the Town of Rib Mountain in 2017:

#### *General Fund*

The General Fund (major fund) is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

#### *Special Revenue Funds*

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. In 2017, the Town of Rib Mountain used special revenue funds to account for:

- Motel Tax
- Parkland Fees
- Doepke Park
- Tourism

#### *Debt Service Fund*

The debt service fund (major fund) is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

## **Fund Financial Statements (continued)**

### *Capital Projects Funds*

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment. In 2017, the Town of Rib Mountain used capital projects funds to account for:

- Capital Projects (major fund)
- Equipment

## **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs.

### *Agency funds*

Agency funds are used to account for assets held by the Town as an agent for individuals, private organizations and/or other government units.

The basic fiduciary fund financial statement can be found on page 17 of this report.

## **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 18 - 38 of this report.

## **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The combining statements referred to earlier in connection with non-major governmental funds and other information related to the individual funds can be found on pages 42 - 47 of this report.

## TOWN OF RIB MOUNTAIN, WISCONSIN

Management's Discussion and Analysis  
For the Year Ended December 31, 2017

### Government-Wide Overall Financial Analysis

An analysis of the Town's financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the Town's net position and changes therein. It should be noted that the financial position can be affected by non-financial factors including economic conditions, population growth, and new regulations.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the Town, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$10,062,877 at the close of 2017. This includes total assets of \$20,943,966, deferred outflows of resources of \$425,761, total liabilities of \$7,888,470, and deferred inflows of resources of \$3,418,380.

The largest portion of the Town's net position, (57.8 percent), reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	<b>Governmental Activities</b>	
	<b>2017</b>	<b>2016</b>
Current Assets	\$ 6,322,329	\$ 7,215,571
Noncurrent Assets	14,621,637	13,714,706
Total Assets	<u>20,943,966</u>	<u>20,930,277</u>
Deferred Outflows of Resources	<u>375,970</u>	<u>594,153</u>
Current Liabilities	1,509,165	1,222,898
Long-Term Liabilities	6,379,305	7,625,144
Total Liabilities	<u>7,888,470</u>	<u>8,848,042</u>
Deferred Inflows of Resources	<u>3,368,589</u>	<u>3,286,095</u>
Net Position		
Net Investment in Capital Assets	5,818,907	9,061,955
Restricted	2,135,266	3,583,176
Unrestricted (Deficit)	2,108,704	(3,254,838)
Total Net Position	<u>\$ 10,062,877</u>	<u>\$ 9,390,293</u>

**TOWN OF RIB MOUNTAIN, WISCONSIN**

Management's Discussion and Analysis  
For the Year Ended December 31, 2017

**Government-Wide Overall Financial Analysis (continued)**

	<b>Governmental Activities</b>	
	<b>2017</b>	<b>2016</b>
<b>Program Revenues</b>		
Charges for Services	\$ 600,062	\$ 669,882
Operating Grants And Contributions	355,823	368,318
Capital Grants And Contributions	104,572	361,466
<b>General Revenues</b>		
Taxes	2,582,693	2,480,282
Other Taxes	208,931	141,787
Intergovernmental Revenues not Restricted to Specific Programs	429,702	127,779
Interest and Investment Earnings	44,754	28,770
Miscellaneous	51,129	30,463
Total Revenues	<u>4,377,666</u>	<u>4,208,747</u>
<b>Expenses</b>		
General Government	805,541	731,167
Public Safety	675,283	615,711
Public Works	1,674,099	1,711,275
Culture and Recreation	200,534	144,366
Health and Human Services	4,609	5,454
Conservation and Development	184,435	137,708
Interest on Debt	160,581	182,530
Total Expenses	<u>3,705,082</u>	<u>3,528,211</u>
<b>Change in Net Position</b>	672,584	680,536
<b>Net Position – Beginning of the Year</b>	<u>9,390,293</u>	<u>8,709,757</u>
<b>Net Position – End of the Year</b>	<u>\$ 10,062,877</u>	<u>\$ 9,390,293</u>

**Changes in Net Position**

The 2017 overall net position of the Town increased by \$672,584 from 2016. Public Safety expenses increased by \$59,572 due to a net loss for the SAFER District which was offset by the purchase of a new fire truck and ambulance in 2016. General Government expenses increased by \$74,374 due to the assessment of property expenses for the revaluation of the Town as well as the legal fees related to uniform addressing. Property tax revenue increased by \$102,411.



## TOWN OF RIB MOUNTAIN, WISCONSIN

### Management's Discussion and Analysis For the Year Ended December 31, 2017

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#### Financial Analysis of the Government's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

#### Governmental Funds

As of December 31, 2017, the Town's governmental funds reported combined ending balances of \$2,779,292, a decrease of \$1,030,379 in comparison with the prior year. Total unassigned fund balance is \$1,347,804. A portion of the fund balance is restricted to indicate that it is not available for new spending because it has already been restricted for capital projects of \$558,881 and debt service of \$88,767. The Town has assigned a portion of its fund balance to indicate that it is not available for new spending because it has already been assigned for future expenditures as indicated on page 31.

The *general fund* is the chief operating fund of the Town. As of December 31, 2017, the total fund balance of the general fund was \$1,758,105 of which \$1,347,804 was unassigned. The fund balance of the general fund increased by \$120,434 in 2017.

The *debt service fund* has a fund balance of \$88,767. The fund balance decreased by \$97,236, this decrease is due to special assessment revenue that was collected in 2016.

The *capital projects fund* has a positive fund balance of \$558,881. The fund balance decreased by \$1,391,029. The ending fund balance remaining is for the borrowed proceeds for 2018 projects.

#### General Fund Budgetary Highlights

The Town's 2017 General Fund adopted expenditures budget totaled \$2,981,440, the total budgeted revenue amount equaled \$2,796,520. The Town budgeted to use \$239,920 in fund balance in 2017.

The Town ended 2017 with a general fund balance increase of \$120,434. The Town's assigned fund balance increased \$45,500, nonspendable decreased \$2,892, while its unassigned increased \$353,647.

Actual General Fund revenue and other financing sources were over budget by 60,623. Positive variances occurred in interest income (\$25,569), intergovernmental revenues (\$11,509) and licenses and permits (\$11,605). General fund expenditures and other financing uses finished 2017 \$299,731 under budget. The Town preserved general fund money by foregoing the \$35,000 transfer for the corridor plan that was budgeted. The Town also saved money by foregoing the purchase of a new staff vehicle to cover Public Safety building repairs, there were lower staff costs due to vacancies, and some planned equipment purchases were put on hold. Savings in Public Safety was \$43,374.

General fund statements highlighting budget versus actual variances can be found on pages 44-47.

## TOWN OF RIB MOUNTAIN, WISCONSIN

Management's Discussion and Analysis  
For the Year Ended December 31, 2017

### Capital Asset and Debt Administration

#### Capital Assets

The Town's net investment in capital assets for its governmental activities as of December 31, 2017, amounts to \$13,296,563 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, infrastructure (highways and bridges) and construction in progress.

	<u>2017</u>	<u>2016</u>
Land	\$ 1,197,314	\$ 1,175,725
Construction in Progress	1,823,779	1,054,226
Land Improvements	814,318	814,318
Buildings and Improvements	6,008,588	6,008,588
Machinery and Equipment	410,043	388,434
Vehicles	1,572,600	1,572,600
Infrastructure	5,736,310	4,997,824
Total Capital Assets	<u>17,562,952</u>	<u>16,011,715</u>
Less Accumulated Depreciation	<u>4,266,389</u>	<u>3,744,272</u>
Capital Assets Net of Depreciation	<u>\$ 13,296,563</u>	<u>\$ 12,267,443</u>

For further details on capital asset activity, refer to Note 5 of the Notes to Financial Statements.

#### Long-Term Debt

At the end of the current fiscal year, the Town has total debt outstanding of \$7,330,000, a decrease of \$890,000.

	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
General Obligation Debt:		
State Trust Funds	<u>\$ 7,330,000</u>	<u>\$ 8,220,000</u>

The Town maintains an "AA" rating from Standards and Poor's.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the Town is \$39,046,215, which exceeds the Town's current outstanding general obligation debt.

For further details on the Town's long-term obligations, refer to Note 6 of the Notes to the Financial Statements.

## **TOWN OF RIB MOUNTAIN, WISCONSIN**

Management's Discussion and Analysis  
For the Year Ended December 31, 2017

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### **Economic Factors and Next Year's Budgets and Rates**

- Revenues from other government entities will see a slight increase for 2018 from 2017. This would include General Transportation Aid.
- The Wausau Metropolitan Statistical Area (MSA) had a December 2017 unemployment rate of 2.4%, the State's unemployment rate was 3.2% (Source <https://www.bls.gov/regions/midwest/wisconsin.htm#eag>)
- The Town board did adopt a 2018-2022 Capital budget as part of the annual budget for 2018. This allows the Town to plan for financing for future projects and equipment.
- There was an increase in hotel/motel revenues with the opening of the Hilton Garden Inn. This increase included both the hotel/motel tax revenue as well as the land/building value.
- Residential growth is on the rise. In 2017, the Town of Rib Mountain had the largest increase in single family home permits in eleven years.

These factors were considered in preparing the Town's budget for the 2018 fiscal year.

### **Requests for Information**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Finance Director, 3700 N. Mountain Road, Wausau, WI 54401.

## BASIC FINANCIAL STATEMENTS

**TOWN OF RIB MOUNTAIN**

Statement of Net Position

As of December 31, 2017

	<b>Governmental Activities</b>	<b>Component Unit</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and Investments	\$ 3,414,321	\$ 48,665
Receivables:		
Taxes	2,228,122	-
Special Assessments	84,106	-
Accounts Receivable	97,708	-
Inventories and Prepaid Items	77,051	-
Due from Other Governments	145,200	-
Investment in Property Held for Income	275,821	-
<b>Total Current Assets</b>	<u>6,322,329</u>	<u>48,665</u>
<b>Noncurrent Assets</b>		
Investment in SAFER District	1,325,074	-
Land	1,197,314	-
Construction in Progress	1,823,779	-
Land Improvements	814,318	-
Buildings and Improvements	6,008,588	-
Machinery and Equipment	410,043	-
Vehicles	1,572,600	-
Infrastructure	5,736,310	-
Less: Accumulated Depreciation	<u>(4,266,389)</u>	<u>-</u>
<b>Total Noncurrent Assets</b>	<u>14,621,637</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>20,943,966</u>	<u>48,665</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Outflows of Resources Related to Pension	<u>375,970</u>	<u>-</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Current Portion Long-Term Obligations	1,195,857	40
Accounts Payable	181,614	-
Accrued Liabilities	35,131	-
Accrued Interest	60,040	-
Special Deposits	28,500	-
Due to Other Governments	917	-
Unearned Revenues	<u>7,106</u>	<u>-</u>
<b>Total Current Liabilities</b>	<u>1,509,165</u>	<u>40</u>
<b>Non-Current Liabilities</b>		
Noncurrent Portion of Long-Term Obligations	6,328,805	-
Net Pension Liability	<u>50,500</u>	<u>-</u>
<b>Total Non-Current Liabilities</b>	<u>6,379,305</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>7,888,470</u>	<u>40</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Taxes Levied for Subsequent Period	3,205,663	-
Deferred Inflows of Resources Related to Pension	<u>162,926</u>	<u>-</u>
<b>Total Deferred Inflows of Resources</b>	<u>3,368,589</u>	<u>-</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	5,818,907	-
Restricted for		
Debt Service	88,767	-
Capital Improvements	558,881	-
Investment in SAFER District	1,325,074	-
Community Foundation	-	48,625
Pension Benefits	162,544	-
Unrestricted	<u>2,108,704</u>	<u>-</u>
<b>TOTAL NET POSITION</b>	<u>\$ 10,062,877</u>	<u>\$ 48,625</u>

See Accompanying Notes

**TOWN OF RIB MOUNTAIN**  
Statement of Activities  
For the Year Ended December 31, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for	Operating	Capital	Governmental	Component
	Expenses	Services	Grants and Contributions	Grants and Contributions	Activities	Unit
<b>GOVERNMENTAL ACTIVITIES</b>						
General Government	\$ 805,541	\$ 51,424	\$ -	\$ -	\$ (754,117)	\$ -
Public Safety	675,283	42,272	32,297	-	(600,714)	-
Public Works	1,674,099	482,116	321,751	104,572	(765,660)	-
Health and Human Services	4,609	-	-	-	(4,609)	-
Culture and Recreation	200,534	24,250	1,775	-	(174,509)	-
Conservation and Development	184,435	-	-	-	(184,435)	-
Interest on Debt	160,581	-	-	-	(160,581)	-
<b>TOTAL</b>	<u>\$ 3,705,082</u>	<u>\$ 600,062</u>	<u>\$ 355,823</u>	<u>\$ 104,572</u>	<u>(2,644,625)</u>	<u>-</u>
<b>COMPONENT UNIT</b>						
Rib Mountain Community Improvement Foundation, Inc.	\$ 3,050	\$ -	\$ 49,459	\$ -	-	46,409
<b>GENERAL REVENUES</b>						
Taxes:						
Property Taxes					2,582,693	-
Other Taxes					208,931	-
Intergovernmental Revenues not Restricted to Specific Programs					429,702	-
Interest and Investment Income					44,754	3
Miscellaneous					51,129	-
<b>Total General Revenues</b>					<u>3,317,209</u>	<u>3</u>
<b>CHANGE IN NET POSITION</b>					672,584	46,412
<b>NET POSITION - BEGINNING</b>					9,390,293	2,213
<b>NET POSITION - ENDING</b>					<u>\$ 10,062,877</u>	<u>\$ 48,625</u>

**TOWN OF RIB MOUNTAIN**

Balance Sheet  
Governmental Funds  
As of December 31, 2017

	General	Debt Service	Capital Projects	Non-Major Governmental Funds	Total
<b>ASSETS</b>					
Cash and Investments	\$ 2,546,145	\$ 88,767	\$ 437,455	\$ 341,954	\$ 3,414,321
Receivables:					
Taxes	1,239,841	988,281	-	-	2,228,122
Special Assessments	16,339	67,767	-	-	84,106
Accounts	29,308	-	-	68,400	97,708
Inventories and Prepaid Items	77,051	-	-	-	77,051
Due from Other Governments	10,502	-	134,698	-	145,200
Investment in Property Held for Income	275,821	-	-	-	275,821
<b>TOTAL ASSETS</b>	<u>\$ 4,195,007</u>	<u>\$ 1,144,815</u>	<u>\$ 572,153</u>	<u>\$ 410,354</u>	<u>\$ 6,322,329</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 135,472	\$ -	\$ 13,272	\$ 32,870	\$ 181,614
Accrued and Other Current Liabilities	35,131	-	-	-	35,131
Special Deposits	26,500	-	-	2,000	28,500
Due to Other Governments	917	-	-	-	917
Unearned Revenue	5,161	-	-	1,945	7,106
<b>Total Liabilities</b>	<u>203,181</u>	<u>-</u>	<u>13,272</u>	<u>36,815</u>	<u>253,268</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Taxes Levied for Subsequent Period	2,217,382	988,281	-	-	3,205,663
Unavailable - Special Assessments	16,339	67,767	-	-	84,106
<b>Total Deferred Inflows of Resources</b>	<u>2,233,721</u>	<u>1,056,048</u>	<u>-</u>	<u>-</u>	<u>3,289,769</u>
<b>FUND BALANCES</b>					
Nonspendable					
Inventories and Prepaid Items	77,051	-	-	-	77,051
Restricted					
Retirement of Long-Term Debt	-	88,767	-	-	88,767
Capital Improvements	-	-	558,881	-	558,881
Committed	-	-	-	12,964	12,964
Assigned	333,250	-	-	360,575	693,825
Unassigned	1,347,804	-	-	-	1,347,804
<b>Total Fund Balances - As Restated</b>	<u>1,758,105</u>	<u>88,767</u>	<u>558,881</u>	<u>373,539</u>	<u>2,779,292</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 4,195,007</u>	<u>\$ 1,144,815</u>	<u>\$ 572,153</u>	<u>\$ 410,354</u>	<u>\$ 6,322,329</u>

See Accompanying Notes



**TOWN OF RIB MOUNTAIN**Reconciliation of the Balance Sheet - Governmental Fund to the Statement of Net Position  
As of December 31, 2017

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<b>Total Fund Balance - Governmental Fund</b>		<b>\$ 2,779,292</b>
<b><i>Total net position reported for governmental activities in the statement of net position is different from the amount reported above as total governmental fund balance because:</i></b>		
Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds.		13,296,563
Pension benefit liability not payable in the current period therefore not reported in the fund statements		(50,500)
The Town's proportionate share of the Wisconsin Retirement System is not an available financial resource or use; therefore, it is not reported in the fund financial statements.		
Deferred Outflows Related to Pension	375,970	
Deferred Inflows Related to Pension	<u>(162,926)</u>	213,044
Investment in the SAFER District is not a current financial resource and therefore is not reported in the funds		1,325,074
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Special Assessments		84,106
Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation Debt	(7,330,000)	
Premium on Long-Term Debt	(147,656)	
Accrued Interest on General Obligation Debt	(60,040)	
Vested Compensated Absences	<u>(47,006)</u>	<u>(7,584,702)</u>
<b>Total Net Position - Governmental Funds</b>		<b><u>\$ 10,062,877</u></b>

**TOWN OF RIB MOUNTAIN**  
Statement of Revenues, Expenditures, and Changes  
in Fund Balances - Governmental Funds  
For the Year Ended December 31, 2017

	General	Debt Service	Capital Projects	Non-Major Governmental Funds	Total
<b>REVENUES</b>					
Taxes	\$ 1,636,298	\$ 947,688	\$ -	\$ 207,967	\$ 2,791,953
Special Assessments	4,125	22,589	-	-	26,714
Intergovernmental	472,124	-	407,295	-	879,419
Licenses and Permits	89,095	-	-	-	89,095
Fines, Forfeitures and Penalties	269	-	-	-	269
Public Charges for Services	502,791	-	-	14,055	516,846
Investment Income	34,069	-	-	-	34,069
Miscellaneous	3,473	3,185	7,172	1,030	14,860
<b>Total Revenues</b>	<u>2,742,244</u>	<u>973,462</u>	<u>414,467</u>	<u>223,052</u>	<u>4,353,225</u>
<b>EXPENDITURES</b>					
Current:					
General Government	677,454	-	-	-	677,454
Public Safety	428,426	-	-	-	428,426
Public Works	1,298,052	-	-	-	1,298,052
Health and Human Services	4,609	-	-	-	4,609
Culture and Recreation	115,552	-	-	1,946	117,498
Conservation and Development	87,618	-	-	95,695	183,313
Debt Service:					
Principal	-	890,000	-	-	890,000
Interest	-	180,698	-	-	180,698
Capital Outlay	124,998	-	1,729,956	75,540	1,930,494
<b>Total Expenditures</b>	<u>2,736,709</u>	<u>1,070,698</u>	<u>1,729,956</u>	<u>173,181</u>	<u>5,710,544</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>5,535</u>	<u>(97,236)</u>	<u>(1,315,489)</u>	<u>49,871</u>	<u>(1,357,319)</u>
<b>OTHER FINANCING SOURCES (USE)</b>					
Transfer In	63,780	-	-	196,889	260,669
Transfer Out	-	-	(75,540)	(185,129)	(260,669)
Sale of Town Property	51,119	-	-	-	51,119
<b>Total Other Financing Sources (Use)</b>	<u>114,899</u>	<u>-</u>	<u>(75,540)</u>	<u>11,760</u>	<u>51,119</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>120,434</u>	<u>(97,236)</u>	<u>(1,391,029)</u>	<u>61,631</u>	<u>(1,306,200)</u>
<b>FUND BALANCES - BEGINNING - AS RESTATED</b>	<u>1,637,671</u>	<u>186,003</u>	<u>1,949,910</u>	<u>311,908</u>	<u>4,085,492</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 1,758,105</u>	<u>\$ 88,767</u>	<u>\$ 558,881</u>	<u>\$ 373,539</u>	<u>\$ 2,779,292</u>

See Accompanying Notes

**TOWN OF RIB MOUNTAIN**  
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, 2017

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**Net Change in Fund Balances - Total Governmental Funds** \$ (1,306,200)

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

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.

Capital outlay reported in governmental fund statements to be capitalized	1,847,058	
Depreciation expense reported in the statement of activities	(522,117)	
Amount by which capital outlay is greater than depreciation in the current period:		1,324,941

The Town disposed of land resulting in a reduction of capital assets reported on the statement of net position and has no effect on the governmental funds balance sheet.

The value of capital assets disposed of during the year		(20,000)
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The net loss of the investment in the SAFER District is reported with governmental activities		(122,189)
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Amounts related to the pension plan that affect the statement of activities but do not affect the fund financial statements.		(83,144)
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Governmental funds do not recognize revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.

Special assessments collected during the year:		(26,674)
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Repayment of principal on long-term debt is reported in the governmental funds as an expenditure but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.

The amount of long-term debt principal payments in the current year is:		890,000
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In governmental funds interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities interest is reported as incurred.

The amount of interest paid during the current period	164,555	
The amount of interest accrued during the current period	(160,581)	
Interest paid is more than interest accrued by:		3,974

Vested employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year.

Employee benefits paid in current year	35,284	
Employee benefits earned in current year	(39,548)	
Amounts paid are less than amounts earned by:		(4,264)

Governmental funds report debt discount/premium as expenditures/revenues. These are allocated over the period the debt is outstanding in the statement of activities and are reported as expense/income. This is the amount of amortization income in the current year

Debt Premium		16,140

<b>Change in Net Position - Governmental Activities</b>		<b>\$ 672,584</b>

**TOWN OF RIB MOUNTAIN**

Balance Sheet

Fiduciary Fund

As of December 31, 2017

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	<u>Agency</u> <u>Tax Collection</u> <u>Fund</u>
<b>ASSETS</b>	
Cash and Investments	\$ 4,269,071
Receivables	9,511,044
<b>TOTAL ASSETS</b>	<u>\$ 13,780,115</u>
<b>LIABILITIES</b>	
Due to Other Taxing Units	<u>\$ 13,780,115</u>

See Accompanying Notes

## **TOWN OF RIB MOUNTAIN**

### **Notes to Financial Statements**

December 31, 2017

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#### **Note 1 - Summary of Significant Accounting Policies**

This summary of significant accounting policies of the Town of Rib Mountain, Wisconsin (Town) is presented to assist in understanding the Town's financial statements. The financial statements and notes are representations of the Town's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform with accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

#### **Reporting Entity**

This report includes all of the funds of the Town of Rib Mountain. The reporting entity for the Town consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. The Town has identified the following component unit that is required to be included in the financial statements.

#### **Discretely Presented Component Unit**

The Rib Mountain Community Improvement Foundation (Foundation) is a not-for profit organization established under the laws of the State of Wisconsin. Its financial data is reported in a separate column to emphasize that it is legally separate from the Town. The Foundation is responsible for administering funds donated primarily by Town residents to promote community projects and programs within the Town's jurisdiction. The members of the Foundation's governing board are appointed by a nominating committee comprised of the Town of Rib Mountain supervisors. The Foundation is included in the Town's financial statements because its board is selected by the Town supervisors and its operations controlled by Town personnel. Separate financial statements are not prepared for the Rib Mountain Community Improvement Foundation.

The Town of Rib Mountain is the basic level of government which has financial accountability and control over activities related to providing basic public services as listed in the Statement of Revenues, Expenditures, and Changes in Fund Balances which are provided within the Town's boundaries. The Town receives funding from local, state, and federal government sources and must comply with the concomitant requirements of these funding source entities.

#### **South Area Fire & Emergency Response District Joint Venture**

On January 1, 2014, the Town of Rib Mountain and the Village of Weston formed the South Area Fire & Emergency Response District ("SAFER") to provide fire protection, emergency medical services, and other related emergency services within each municipality and the surrounding areas. The Town has an equity interest in the net position of SAFER. At December 31, 2017, the Town's equity interest was \$1,325,074. Summarized financial information can be found in Note 10 and complete financial information for SAFER can be obtained from SAFER.

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Government-Wide Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town does not allocate indirect expenses to functions in the statement of activities. Program revenues included 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments and impact fees. Taxes and other items not included as program revenues are reported instead as general revenues.

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

**Fund Financial Statements**

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

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

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

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

**Governmental Funds**

Governmental funds are identified as either general, special revenue, debt service or capital project funds based upon the following guidelines.

General Fund

The general fund is the primary operating fund of the Town and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

## TOWN OF RIB MOUNTAIN

### Notes to Financial Statements

December 31, 2017

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#### Note 1 - Summary of Significant Accounting Policies (Continued)

##### Fund Financial Statements (Continued)

###### Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

###### Debt Service Fund

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

###### Capital Project Funds

Capital project funds are used to account for property taxes, bond proceeds, and other financial resources available to implement the Town's capital improvement plans.

##### Fiduciary Funds (Not included in government-wide statements)

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support Town programs. The reporting focus is on net position and changes in net position and are reported using the full accrual method of accounting. Because by definition these assets are being held for the benefit of a third party (other local governments) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

###### Agency Fund

Agency funds are used to account for assets held by the Town as an agent for individuals, private organizations, and/or other governmental units.

##### Major Funds

The Town reports the following major governmental funds:

The *general fund*, which accounts for the Town's primary operating activities.

The *debt service fund*, which accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt.

The *capital projects fund*, which accounts for revenue and expenditures specific to carry out the capital improvement plan.



## **TOWN OF RIB MOUNTAIN**

Notes to Financial Statements

December 31, 2017

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### **Note 1 - Summary of Significant Accounting Policies (Continued)**

#### **Fund Financial Statements (Continued)**

##### **Non-Major Funds**

The Town reports the following non-major funds:

- Special Revenue Funds –
  - Motel Tax Fund
  - Parkland Fees Fund
  - Doepke Park Fund
  - Tourism Fund
- Capital Projects Fund –
  - Equipment Fund

##### **Fiduciary Fund**

The Town reports the following agency fund:

- Tax Collection Fund

#### **Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources (current assets, current liabilities, and current deferred inflows of resources) or economic resources (all assets, deferred outflows of resources, liabilities, and deferred inflows of resources). The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund financial statements have no measurement focus and utilize the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the Town gives or receives value without directly, receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The 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 when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after the end of the fiscal year. 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.

#### **Cash and Investments**

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## TOWN OF RIB MOUNTAIN

### Notes to Financial Statements

December 31, 2017

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#### Note 1 - Summary of Significant Accounting Policies (Continued)

##### Accounts Receivable

Accounts receivable are recorded net of allowance for uncollectible amounts. The allowance for uncollectible accounts balance was \$71,273 for the year ended December 31, 2017.

##### Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

##### Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items.

Prepaid items of governmental funds in the fund financial statements are offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

##### Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements and used in governmental fund operations.

##### Government-Wide Statements

In the government-wide financial statements, property, plant and equipment are accounted for as capital assets. All capital assets are valued at historical cost or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at their acquisition value at the date of donation. Capital assets are defined by the Town as assets with initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year.

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

<u>Assets</u>	<u>Years</u>
Land Improvements	15-30
Buildings and Improvements	60
Machinery and Equipment	5-20
Vehicles	5-30
Infrastructure	15-50

##### 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.

## TOWN OF RIB MOUNTAIN

### Notes to Financial Statements

December 31, 2017

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#### **Note 1 - Summary of Significant Accounting Policies (Continued):**

##### **Deferred Outflows of Resources and Deferred Inflows of Resources**

In addition to assets, the statement of net position and balance sheet report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town has five items that qualify for reporting in this category in the statement of net position only. Accordingly, pension plan – differences between projected and actual experiences, pension plan – net differences between projected and actual earnings on pension plan investments, pension plan – changes in assumptions, pension plan – changes in proportion and differences between employer contributions and proportionate share of contributions, and pension plan – employer contributions subsequent to the measurement date are reported in the statement of net position.

In addition to liabilities, the statement of net position and balance sheet report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

The statement of net position has four items that qualify for reporting in this category. Accordingly, taxes levied for subsequent year, pension plan – net differences between projected and actual earnings on pension plan investments, pension plan – differences between expected and actual experience, and pension plan – changes in proportion and differences between employer contributions and proportionate share of contributions are reported in the statement of net position. The governmental funds report taxes levied for subsequent year and special assessments as deferred inflows of resources on the balance sheet.

##### **Long-Term Obligations**

The accounting treatment of long-term obligations depends on whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligation consists of general obligation bonds, accrued compensated absences and the pension liability. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. 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.

##### **Compensated Absences**

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with the Town of Rib Mountain Manual. All vacation and sick leave is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations or retirements.

## **Note 1 - Summary of Significant Accounting Policies (Continued)**

### **Claims and Judgments**

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

### **Equity Classifications**

#### Government-Wide Statements

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

- Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted component of net position – Consists of resources 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) by law through constitutional provisions or enabling legislation reduced by liabilities related to those assets.
- Unrestricted component of net position – Is the net amount that does not meet the definition of “restricted” or “net investment in capital assets.”

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

#### Fund Financial Statements

Fund balance is classified as either 1) nonspendable, 2) restricted, 3) committed, 4) assigned, or 5) unassigned.

Nonspendable fund balance represents amounts that cannot be spent due to form (such as inventory, prepaid items or long-term receivables), or amounts that must be maintained intact legally or contractually (such as the principal of a permanent fund).

Restricted fund balance represents amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation.

Committed fund balance - Amounts that are constrained for specific purposes by action of the Town Board. These constraints can only be removed or changed by the Town Board using the same action that was used to create them.

Assigned fund balance - Amounts that are constrained for specific purposes by action of Town management. The Town Board has not authorized any position to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.

Unassigned fund balance represents amounts not classified as nonspendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in the unassigned fund balance.

The Town, unless otherwise required by law or agreements, spends funds in the following order: restricted first, then committed, then assigned, and lastly unassigned.

## TOWN OF RIB MOUNTAIN

### Notes to Financial Statements

December 31, 2017

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#### **Note 1 - Summary of Significant Accounting Policies (Continued)**

##### **Equity Classifications (Continued)**

The Town has adopted a minimum fund balance policy. A minimum unassigned fund balance equal to 20-25% of total general fund expenditures should be maintained at all times. Should the actual amount of unassigned fund balance rise above the desired range, any excess funds shall not be used for operating purposes but rather for onetime expenses or capital items as approved by the Board. Use of fund balance in the operating budget will require a review by the Finance and Personnel Committee and the approval of 2/3 vote of the Town Board.

##### **Use of Estimates**

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

#### **Note 2 - Cash and Investments**

The Town is authorized to invest its funds in accordance with Wisconsin Statutes. Allowable investments are as follows:

- Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.
- Bonds or securities of any county, city, drainage district, technical college district, Town, town, or school district of the state. Also, bonds issued by a local exposition district, local professional baseball park district, or the University of Wisconsin Hospitals and Clinics Authority.
- Bonds or securities issued or guaranteed by the federal government.
- The Local Government Investment Fund and the Wisconsin Investment Trust.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open-end management investment company or investment trust subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

Additional restrictions could arise from local charters, ordinances, resolutions and grant regulations of the Town.

At December 31, 2017 the bank balance of cash was \$7,739,371. The Town maintains its cash accounts at five financial institutions. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Town's deposits may not be returned. The Town does not have a deposit policy for custodial credit risk.

Deposits in each bank are insured by the FDIC up to \$250,000 for the combined amounts of all time and savings accounts (including NOW accounts) and up to \$250,000 for the combined amount of all interest and noninterest bearing demand deposit accounts.

Deposits in each credit union are insured by the National Credit Union Share Insurance Fund (NCUSIF) up to \$250,000 for the combined amounts of all accounts.



## TOWN OF RIB MOUNTAIN

### Notes to Financial Statements

December 31, 2017

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#### Note 2 - Cash and Investments (Continued)

Any losses caused by failure of public depositories are also covered by the State Deposit Guarantee Fund. The fund provides coverage of \$400,000 in each financial institution above the applicable insurance coverage provided by the FDIC. However, although the fund had reserves available at December 31, 2017, the future availability of resources to cover the losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provided that the amount in the fund will be used to repay public depositors for losses until the appropriation is exhausted, at which time the fund will be abolished; therefore, the State Deposit Guarantee Fund is not considered in covered amounts noted below.

The Town had the following deposits as of December 31, 2017:

Fully Insured Deposits	\$ 1,038,503
Uncollateralized	<u>6,700,868</u>
Total	<u>\$ 7,739,371</u>

For all deposits and investments shown, the market value at the balance sheet date is substantially the same as the carrying value. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit at December 31, 2017.

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value.

The Local Government Investment Pool is not registered with the U.S. Securities and Exchanges Commission and does not publish credit quality ratings. An investment in the Fund is not a deposit with any bank and is neither insured nor guaranteed by the Federal Deposit Insurance Corporation, the United States Government, any state governmental agency of the Fund. Upon demand, cash can be withdrawn with interest from the Local Government Investment Pool. Investments in the Local Government Investment Pool are valued at cost, which approximates market.

Investments in the Local Government Investment Pool are not insured against losses arising from principal defaults on securities acquired by the pool. The balance in the Local Government Investment Pool at December 31, 2017 was \$37.

#### Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Town does not have an additional custodial credit risk policy.

## TOWN OF RIB MOUNTAIN

### Notes to Financial Statements

December 31, 2017

#### Note 3 - Property Taxes

The Town bills and collects its own property taxes and also levies and collects taxes for the Wausau School District, Marathon County, North Central Technical College, Rib Mountain Sanitary District and the State of Wisconsin.

Property taxes consist of taxes on real estate and personal property. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31, or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are assumed by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the Town.

Under Wisconsin Act 32, a municipality is allowed to increase its levy over the amount it levied in the prior year by the percentage increase in equalized value from net new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit.

#### Note 4 - Interfund Transfer

<u>Transfer From</u>	<u>Transfer To</u>	<u>Amount</u>	<u>Purpose</u>
Motel Tax	Tourism	\$ 121,349	Year End Cash Flow Timing
Motel Tax	General Fund	62,000	Year End Cash Flow Timing
Capital Projects	Equipment Fund	75,540	Capital Improvements
Doepke Park Capital Projects	General Fund	1,780	Capital Improvements
		<u>\$ 260,669</u>	



# TOWN OF RIB MOUNTAIN

## Notes to Financial Statements

December 31, 2017

### Note 5 - Capital Assets

Capital asset balances and activity for the year ended December 31, 2017 were as follows:

	Balance 1/1/17	Increases	Decreases	Adjustments	Balance 12/31/17
Capital Assets not being Depreciated					
Land	\$ 1,175,725	\$ 317,410	\$ 20,000	\$ (275,821)	\$ 1,197,314
Construction in Progress	1,054,226	1,719,120	949,567	-	1,823,779
Total Capital Assets not being Depreciated	2,229,951	2,036,530	969,567	(275,821)	3,021,093
Other Capital Assets					
Land Improvements	814,318	-	-	-	814,318
Buildings and Improvements	6,008,588	-	-	-	6,008,588
Machinery and Equipment	388,434	21,609	-	-	410,043
Vehicles	1,572,600	-	-	-	1,572,600
Infrastructure	4,997,824	738,486	-	-	5,736,310
Total Capital Assets being Depreciated	13,781,764	760,095	-	-	14,541,859
Total Capital Assets	16,011,715	2,796,625	969,567	(275,821)	17,562,952
Less Accumulated Depreciation for					
Land Improvements	170,117	40,103	-	-	210,220
Buildings and Improvements	1,164,377	100,143	-	-	1,264,520
Machinery and Equipment	219,444	25,120	-	-	244,564
Vehicles	807,149	106,150	-	-	913,299
Infrastructure	1,383,185	250,601	-	-	1,633,786
Total Accumulated Depreciation	3,744,272	522,117	-	-	4,266,389
Capital Assets, Net of Accumulated Depreciation	\$ 12,267,443	\$ 2,274,508	\$ 969,567	\$ (275,821)	\$ 13,296,563

Depreciation expense was charged to functions as follows:

General Government	\$ 22,560
Public Safety	47,826
Public Works	401,104
Culture and Recreation	50,627
Total Depreciation Expense	<u>\$ 522,117</u>

# TOWN OF RIB MOUNTAIN

## Notes to Financial Statements

December 31, 2017

### Note 6 - Long-Term Obligations

The following is a summary of changes in long-term obligations of the Town for the year ended December 31, 2017:

	Outstanding 1/1/17	Increases	Decreases	Outstanding 12/31/17	Due Within One Year
<b>Governmental Activities</b>					
Notes Payable					
General Obligation Debt	\$ 8,220,000	\$ -	\$ 890,000	\$ 7,330,000	\$ 1,175,000
<b>Other Liabilities</b>					
Premium on Long-Term Debt	163,796	-	16,140	147,656	20,857
Vested Compensated Absences	42,742	39,548	35,284	47,006	-
Net Pension Liability	110,456	-	59,956	50,500	-
<b>Total Long-Term Liabilities</b>	<u>\$ 8,536,994</u>	<u>\$ 39,548</u>	<u>\$ 1,001,380</u>	<u>\$ 7,575,162</u>	<u>\$ 1,195,857</u>

The general obligation debt is secured by the full faith and credit and unlimited taxing powers of the Town. General obligation debt at December 31, 2017, is comprised of the individual issues listed below.

	Date of Issuance	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/17
<b>Governmental Activities</b>					
Long-Term Obligations					
2011 GO Promissory Note	09/22/11	09/01/18	2.00%	\$ 750,000	\$ 120,000
2012A GO Promissory Note	04/12/12	04/01/19	1.00 - 1.70%	1,956,000	655,000
2013A GO Promissory Note	10/08/13	09/01/23	0.75 - 2.70%	2,165,000	1,880,000
2015A GO Promissory Note	07/08/15	03/01/25	2.10 - 3.00%	2,720,000	2,250,000
2016A GO Promissory Note	08/11/16	08/01/26	1.5 - 2.5%	2,580,000	2,425,000
					<u>\$ 7,330,000</u>

Debt service requirements to maturity are as follows:

	Long-Term Debt		
	Principal	Interest	Total
2018	\$ 1,175,000	\$ 163,444	\$ 1,338,444
2019	1,010,000	136,913	1,146,913
2020	1,015,000	116,373	1,131,373
2021	980,000	92,248	1,072,248
2022	910,000	68,853	978,853
2023-2026	2,240,000	87,385	2,327,385
<b>Total</b>	<u>\$ 7,330,000</u>	<u>\$ 665,216</u>	<u>\$ 7,995,216</u>

**TOWN OF RIB MOUNTAIN**

## Notes to Financial Statements

December 31, 2016

**Note 6 - Long-Term Obligations (Continued)**

The 2017 equalized valuation of the Town as certified by the Wisconsin Department of Revenue is \$780,924,300. The legal debt limit and margin of indebtedness as of December 31, 2017, in accordance with Section 67.03 of the Wisconsin Statutes follows:

Debt Limit (5% of \$780,924,300)		\$	39,046,215
Deduct long-term debt applicable to debt margin	\$	7,330,000	
Less: Amounts available for financing general obligation debt		88,767	7,241,233
Remaining Margin of Indebtedness Available			<u>\$ 31,804,982</u>

**Note 7 - Net Position/Fund Balances**

Net position reported on the government-wide statement of net position at December 31, 2017 includes the following:

	<u>Governmental Activities</u>
Net Investment in Capital Assets	
Capital Assets, Net of Accumulated Depreciation	\$ 13,296,563
Less: Related Long-Term Debt Outstanding	7,330,000
Less: Unamortized Debt Premium	147,656
Total Net Investment in Capital Assets	<u>5,818,907</u>
Restricted	
Debt Service	88,767
Capital Improvements	558,881
Investment in SAFER District	1,325,074
Pension Benefits	162,544
Unrestricted	<u>2,108,704</u>
Total Net Position - Government-Wide Statements	<u>\$ 10,062,877</u>

**TOWN OF RIB MOUNTAIN**

## Notes to Financial Statements

December 31, 2017

**Note 7 - Net Position/Fund Balances (Continued)**

Fund balances reported in the governmental funds balance sheet at December 31, 2017 are further classified as follows:

Non-Spendable		
General Fund		
Inventories and Prepaid Items	\$	77,051
Restricted		
Debt Service		
Retirement of Long-Term Debt		88,767
Capital Projects		
Capital Improvements		558,881
Total Restricted Fund Balance		647,648
Committed		
Capital Improvements		12,964
Assigned		
General Fund		
Capital Improvements		333,250
Tourism		266,121
Parks Outlay		40,954
Equipment Outlay		53,500
Total Assigned Fund Balance		693,825
Unassigned		
General Fund		1,347,804
Total Governmental Fund Balance	\$	2,779,292

**Note 8 - Minimum Fund Balance Policy**

The Town Board has adopted a policy that unassigned fund balance in the amount of 20-25% of current year general fund expenditures be maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

2017 General Fund Expenditures	\$	2,736,709
Minimum Unassigned Fund Balance %		25%
Minimum Unassigned Fund Balance Amount		684,177
2017 Unassigned General Fund Balance		1,347,804
Excess Fund Balance	\$	663,627

The Town's unassigned general fund balance is in compliance with the minimum fund balance requirements.

## Note 9 - Defined Benefit Pension Plan

### *Summary of Significant Accounting Policies*

**Pensions.** For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, 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.

### *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. 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 prior to July 1, 2011, expected to work at least 600 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. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 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) 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.

**TOWN OF RIB MOUNTAIN**

## Notes to Financial Statements

December 31, 2017

**Note 9 - Defined Benefit Pension Plan (Continued)**

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2007	3.0%	10%
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)

**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 reporting period, the WRS recognized \$46,336 in contributions from the Town.

Contribution rates as of December 31, 2017 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers)	6.8%	6.8%
Protective with Social Security	6.8%	10.6%

**Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pension**

At December 31, 2017, the Town reported a liability of \$50,500 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 rolled forward to December 31, 2016. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Town's proportion of the net pension liability was based on the Town's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2016, the Town's proportion was 0.00612683%, which was a decrease of 0.00067057% from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the Town recognized pension expense of \$130,030.

# TOWN OF RIB MOUNTAIN

## Notes to Financial Statements

December 31, 2017

### Note 9 - Defined Benefit Pension Plan (Continued)

At December 31, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between projected and actual experiences	\$ 19,256	\$ 158,817
Changes in assumptions	52,799	-
Net differences between projected and actual earnings on pension plan investments	251,372	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	6,207	4,109
Employer contributions subsequent to the measurement date	46,336	-
<b>Total</b>	<u><u>\$ 375,970</u></u>	<u><u>\$ 162,926</u></u>

The \$46,336 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 in the year ended December 31, 2018. Other amounts reported as deferred outflows and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31,	Total Deferred Outflows (Inflows) of Resources
2018	\$ 67,053
2019	67,053
2020	46,120
2021	(13,680)
2022	162
	<u><u>\$ 166,708</u></u>

**Actuarial assumptions.** The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2015
Measurement Date of Net Pension Liability (Asset)	December 31, 2016
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

\* 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.



# TOWN OF RIB MOUNTAIN

## Notes to Financial Statements

December 31, 2017

### Note 9 - Defined Benefit Pension Plan (Continued)

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

**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:

Core Fund Asset Class	Current Asset Allocation %	Destination Target Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	50.0%	45.0%	8.3%	5.4%
Fixed Income	24.5	37.0	4.2	1.4
Inflation Sensitive Assets	15.5	20.0	4.3	1.8
Real Estate	8.0	7.0	6.5	3.6
Private Equity/Debt	8.0	7.0	9.4	6.5
Multi-Asset	4.0	4.0	6.6	3.7
Total Core Fund	110.0%	120.0%	7.4%	4.5%
Variable Fund Asset Class				
U.S. Equities	70.0%	70.0%	7.6%	4.7%
International Equities	30.0	30.0	8.5	5.6
Total Variable Fund	100.0%	100.0%	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 3.78%. 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 liability.



## TOWN OF RIB MOUNTAIN

### Notes to Financial Statements

December 31, 2017

#### Note 9 - Defined Benefit Pension Plan (Continued)

**Sensitivity of the Town's proportionate share of the net pension liability (asset) to changes in the discount rate.** The following presents the Town's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20 percent, as well as what the Town'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:

	<b>1% Decrease to Discount Rate (6.20%)</b>	<b>Current Discount Rate (7.20%)</b>	<b>1% Increase To Discount Rate (8.20%)</b>
Town's proportionate share of the net pension liability (asset)	\$664,356	\$50,500	(\$422,197)

*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://eft.wi.gov/publications/cafr.htm>.

#### **Payables to the Pension Plan**

The Town is required to remit the monthly required contribution for both the employee and Town portions by the last day of the following month. All amounts due to WRS were paid as of December 31, 2017.

#### Note 10 - Equity Investment in Joint Venture

On January 1, 2014, the Town of Rib Mountain and the Village of Weston formed the South Area Fire & Emergency Response District ("SAFER") to provide fire protection, emergency medical services, and other related emergency services within each municipality and the surrounding areas. The SAFER Board of Directors is made up of five members, two of which are each appointed by the Town and the Village of Weston and the fifth is appointed jointly. Each Municipality must approve the annual budget of SAFER.

Each Municipality shall contribute funds to cover the operating and capital expenditures of SAFER based on a ratio. The ratio, revised annually, for 2017 expenditures was as follows:

Village of Weston	69.42%
Town of Rib Mountain	30.58%

This ratio is calculated based on a formula that uses equal weight based on the proportion between the Municipalities for the following criteria:

Population  
Equalized Value  
Inspectable Structures

**TOWN OF RIB MOUNTAIN**

## Notes to Financial Statements

December 31, 2017

**Note 10 - Equity Investment in Joint Venture (Continued)**

Information pertaining to the total activity of SAFER as of and for the year ended December 31, 2017, is as follows:

	<u>2017</u>
Total Assets	\$ 3,223,115
Deferred Outflows of Resources Related to Pension	366,327
Total Liabilities	1,105,464
Deferred Inflows of Resources Related to Pension	300,771
Net Position	
Investment in Capital Assets	2,648,010
Restricted for Public Safety Programs	54,272
Restricted for Pension Benefits	16,015
Unrestricted (Deficit)	(535,090)
Total Net Position	<u>\$ 2,183,207</u>
Charges for Services	\$ 1,100,962
Operating Grants and Contributions	1,946
General Revenues	1,238,013
Expenses	<u>(2,740,492)</u>
Changes in Net Position	(399,571)
Net Position - January 1	<u>2,582,778</u>
Net Position - December 31	<u>\$ 2,183,207</u>

**Note 11 - Risk Management**

The Town is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage for which the Town purchases commercial insurance. There has been no reduction in insurance coverage from the prior year. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in the past three years.

**Note 12 - Commitments and Contingencies**

The Town has entered into an agreement with an assessor for the full revaluation of real and personal property of the Town. The remaining amount of this agreement is approximately \$100,000.

The Town has entered into an agreement with MSA Professional Services for the planning and design of a multi-use trail. The remaining amount of this agreement is approximately \$28,000.

The Town has entered into an agreement with Valley Sealcoat, Inc for the resurfacing of tennis and basketball courts. The remaining amount of this agreement is approximately \$13,000.

## TOWN OF RIB MOUNTAIN

### Notes to Financial Statements

December 31, 2017

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#### Note 12 - Commitments and Contingencies (Continued)

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

The Town 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.

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

#### Note 13 - Tax Abatements

For the fiscal year ended December 31, 2017, the Town had no tax abatements.

#### Note 14 - Restatement of Beginning Fund Balance

The restatement of fund balance in the general fund was the result of a portion of land being reclassified as investment in property held for income. The following table shows the effect of the change.

Fund Balance - As of December 31, 2016 (as previously reported)	\$ 1,361,850
Investment in Property Held for Income	<u>275,821</u>
Fund Balance - As Restated December 31, 2016	<u>\$ 1,637,671</u>

The effect on the change in fund balance for the year ended December 31, 2016 has not been determined.

#### Note 15 - Subsequent Event

The Town issued \$1,965,000 in General Obligation Promissory Notes in September 2018 to finance capital projects.

## REQUIRED SUPPLEMENTARY INFORMATION

**TOWN OF RIB MOUNTAIN**  
Schedule of Proportionate Share of the Net Pension Liability (Asset)  
Wisconsin Retirement System  
For the Year Ended December 31, 2017

WRS Fiscal Year End Date (Measurement Date)	Town's Proportion of the Net Pension Asset/Liability	Town's Proportionate Share of the Net Pension (Asset)/Liability	Town's Covered Payroll	Town's Proportionate Share of the Net Pension Asset/Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2016	0.00612683%	\$ 50,500	\$ 696,175	7.25%	99.12%
12/31/2015	0.00679740%	110,456	845,080	13.07%	98.20%
12/31/2014	0.00675820%	(166,000)	876,118	-18.95%	102.74%

Schedule of Employer Contributions  
Wisconsin Retirement System  
For the Year Ended December 31, 2017

Town Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2017	\$ 46,336	\$ 46,336	\$ -	\$ 681,405	6.80%
12/31/2016	45,948	45,948	-	696,175	6.60%
12/31/2015	62,826	62,826	-	845,080	7.43%

**TOWN OF RIB MOUNTAIN**  
Schedule of Budgetary Comparison  
General Fund  
For the Year Ended December 31, 2017

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 1,636,025	\$ 1,636,025	\$ 1,636,298	\$ 273
Special Assessments	-	-	4,125	4,125
Intergovernmental	460,615	460,615	472,124	11,509
Licenses and Permits	77,490	77,490	89,095	11,605
Fines, Forfeitures and Penalties	200	200	269	69
Public Charges for Services	502,990	502,990	502,791	(199)
Investment Income	8,500	8,500	34,069	25,569
Miscellaneous	12,100	12,100	3,473	(8,627)
<b>Total Revenues</b>	<u>2,697,920</u>	<u>2,697,920</u>	<u>2,742,244</u>	<u>44,324</u>
<b>EXPENDITURES</b>				
Current:				
General Government	699,025	704,097	677,454	26,643
Public Safety	470,160	471,800	428,426	43,374
Public Works	1,372,965	1,378,617	1,298,052	80,565
Health and Human Services	6,100	6,100	4,609	1,491
Culture and Recreation	8,340	102,405	115,552	(13,147)
Conservation and Development	126,665	127,943	87,618	40,325
Contingency	38,700	25,058	-	25,058
Capital Outlay	178,000	165,420	124,998	40,422
<b>Total Expenditures</b>	<u>2,899,955</u>	<u>2,981,440</u>	<u>2,736,709</u>	<u>244,731</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(202,035)	(283,520)	5,535	289,055
<b>OTHER FINANCING SOURCE (USE)</b>				
Transfer In	98,600	98,600	63,780	(34,820)
Transfer Out	(55,000)	(55,000)	-	55,000
Sale of Town Property	-	-	51,119	51,119
<b>Total Other Financing Sources (Uses)</b>	<u>43,600</u>	<u>43,600</u>	<u>114,899</u>	<u>71,299</u>
<b>NET CHANGE IN FUND BALANCE</b>	(158,435)	(239,920)	120,434	360,354
<b>FUND BALANCE - BEGINNING, AS RESTATED</b>	<u>1,637,671</u>	<u>1,637,671</u>	<u>1,637,671</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 1,479,236</u>	<u>\$ 1,397,751</u>	<u>\$ 1,758,105</u>	<u>\$ 360,354</u>

**TOWN OF RIB MOUNTAIN**  
Notes to Required Supplementary Information  
December 31, 2017

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**Defined Benefit Pension Plan**

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

*Changes of assumptions.* There were no changes in the assumptions.

**Budgetary Controls**

The Town follows these procedures in establishing the budgetary data:

- Prior to November 15, the Town Board reviews a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Town Board action.
- Budget control is maintained at the cost center level. Cost centers are defined as follows for the governmental fund types: General and capital projects at department level; special revenue and debt service at total fund level. Once the town budget has been adopted, no further amendments shall be made except through the following process. The town administrator is authorized to approve intradepartmental activity transfers of funds, except ones relating to capital expenditures. Transfers of funds from one department to another or between funds must be approved by the Town Board.
- Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
- During the year, formal budgetary integration is employed as a management control device for the governmental funds.
- Expenditures may not exceed appropriations by major departmental classifications. Amendments to the budget during the year can only be made by the Town Board.
- Encumbrance accounting is not used by the Town to record commitments related to unperformed contracts for goods or services.

**Excess of Actual Expenditures Over Budget**

The General Fund had the following unfavorable expenditure variances for the year ended December 31, 2017:

General Government		Public Works	
Town Board	\$ 495	Engineering	\$ 3,251
Legal	33,887	Public Works Building	2,104
Accounting and Auditing	275	Signs and Markings	1,821
		Refuse	1,964
Public Safety		Culture and Recreation	
Public Safety Building	4,642	Park Maintenance	21,435
Siren	277		

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## SUPPLEMENTARY INFORMATION

**TOWN OF RIB MOUNTAIN**

Combining Balance Sheet

Nonmajor Governmental Funds

As of December 31, 2017

	Special Revenue Funds				Capital Project Fund	Total Nonmajor Funds
	Motel Tax	Parkland Fees	Tourism	Doepke Park	Equipment	
<b>ASSETS</b>						
Cash and Investments	\$ 170,058	\$ 40,899	\$ 60,381	\$ 17,116	\$ 53,500	\$ 341,954
Accounts Receivable	68,400	-	-	-	-	68,400
<b>TOTAL ASSETS</b>	<u>\$ 238,458</u>	<u>\$ 40,899</u>	<u>\$ 60,381</u>	<u>\$ 17,116</u>	<u>\$ 53,500</u>	<u>\$ 410,354</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ 143	\$ 32,718	\$ 9	\$ -	\$ 32,870
Special Deposits	-	-	-	2,000	-	2,000
Unearned Revenue	-	-	-	1,945	-	1,945
<b>Total Liabilities</b>	<u>-</u>	<u>143</u>	<u>32,718</u>	<u>3,954</u>	<u>-</u>	<u>36,815</u>
<b>FUND BALANCES</b>						
Committed						
Tennis Courts	-	12,964	-	-	-	12,964
Assigned						
Tourism	238,458	-	27,663	-	-	266,121
Parks Outlay	-	27,792	-	13,162	-	40,954
Equipment Outlay	-	-	-	-	53,500	53,500
<b>TOTAL FUND BALANCES</b>	<u>238,458</u>	<u>40,756</u>	<u>27,663</u>	<u>13,162</u>	<u>53,500</u>	<u>373,539</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 238,458</u>	<u>\$ 40,899</u>	<u>\$ 60,381</u>	<u>\$ 17,116</u>	<u>\$ 53,500</u>	<u>\$ 410,354</u>

**TOWN OF RIB MOUNTAIN**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2017

	Special Revenue Funds				Capital Project Fund	Total Nonmajor Funds
	Motel Tax	Parkland Fees	Tourism	Doepke Park	Equipment	
<b>REVENUES</b>						
Taxes	\$ 207,967	\$ -	\$ -	\$ -	\$ -	\$ 207,967
Charges for Services	-	7,150	-	6,905	-	14,055
Miscellaneous	-	1,000	-	30	-	1,030
<b>Total Revenues</b>	<u>207,967</u>	<u>8,150</u>	<u>-</u>	<u>6,935</u>	<u>-</u>	<u>223,052</u>
<b>EXPENDITURES</b>						
Culture and Recreation	-	1,946	-	-	-	1,946
Conservation and Development	2,009	-	93,686	-	-	95,695
Capital Outlay	-	-	-	-	75,540	75,540
<b>Total Expenditures</b>	<u>2,009</u>	<u>1,946</u>	<u>93,686</u>	<u>-</u>	<u>75,540</u>	<u>173,181</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>205,958</u>	<u>6,204</u>	<u>(93,686)</u>	<u>6,935</u>	<u>(75,540)</u>	<u>49,871</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfer In	-	-	121,349	-	75,540	196,889
Transfer Out	(183,349)	-	-	(1,780)	-	(185,129)
<b>Total Other Financing Sources (Uses)</b>	<u>(183,349)</u>	<u>-</u>	<u>121,349</u>	<u>(1,780)</u>	<u>75,540</u>	<u>11,760</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>22,609</u>	<u>6,204</u>	<u>27,663</u>	<u>5,155</u>	<u>-</u>	<u>61,631</u>
<b>FUND BALANCES - BEGINNING</b>	<u>215,849</u>	<u>34,552</u>	<u>-</u>	<u>8,007</u>	<u>53,500</u>	<u>311,908</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 238,458</u>	<u>\$ 40,756</u>	<u>\$ 27,663</u>	<u>\$ 13,162</u>	<u>\$ 53,500</u>	<u>\$ 373,539</u>

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**TOWN OF RIB MOUNTAIN**  
Schedule of Detailed Budgetary Comparison  
General Fund  
For the Year Ended December 31, 2017

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES AND OTHER FINANCING SOURCE</b>				
<b>TAXES</b>				
General Property Taxes	\$ 1,635,005	\$ 1,635,005	\$ 1,635,005	\$ -
Other Taxes	1,020	1,020	964	(56)
Interest and Penalties on Delinquents	-	-	329	329
<b>Total Taxes</b>	<u>1,636,025</u>	<u>1,636,025</u>	<u>1,636,298</u>	<u>273</u>
<b>SPECIAL ASSESSMENTS</b>	<u>-</u>	<u>-</u>	<u>4,125</u>	<u>4,125</u>
<b>INTERGOVERNMENTAL</b>				
Shared Revenues	88,235	88,235	86,235	(2,000)
Exempt Computer Aid	10,170	10,170	10,337	167
Fire Insurance Dues	25,000	25,000	30,297	5,297
Recycling	47,000	47,000	47,351	351
Transportation	274,995	274,995	274,401	(594)
Forest Crop Land	1,125	1,125	2,821	1,696
Payment in Lieu of Taxes	980	980	984	4
Other Grants	13,110	13,110	19,698	6,588
<b>Total Intergovernmental</b>	<u>460,615</u>	<u>460,615</u>	<u>472,124</u>	<u>11,509</u>
<b>LICENSES AND PERMITS</b>				
Liquor and Malt Beverage Licenses	15,500	15,500	15,210	(290)
Operators and Amusement Licenses	15,700	15,700	13,068	(2,632)
Cigarette Licenses	700	700	600	(100)
Dog Licenses	1,300	1,300	4,518	3,218
Cat Licenses	750	750	1,386	636
Building, Plumbing and Electrical Permits	32,000	32,000	35,988	3,988
Zoning Permits	2,800	2,800	3,900	1,100
Road Excavation Permits	5,500	5,500	9,350	3,850
Other Permits	3,240	3,240	5,075	1,835
<b>Total Licenses and Permits</b>	<u>77,490</u>	<u>77,490</u>	<u>89,095</u>	<u>11,605</u>
<b>FINES AND FORFEITS</b>				
Fines, Forfeits and Penalties	<u>200</u>	<u>200</u>	<u>269</u>	<u>69</u>

**TOWN OF RIB MOUNTAIN**  
Schedule of Detailed Budgetary Comparison - Continued  
General Fund  
For the Year Ended December 31, 2017

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>PUBLIC CHARGES FOR SERVICES</b>				
General Government	\$ 7,000	\$ 7,000	\$ 4,009	\$ (2,991)
Assessment Letters	5,000	5,000	6,550	1,550
Highway and Streets	38,775	38,775	25,285	(13,490)
Refuse/Recycling	438,000	438,000	439,278	1,278
Weed/Nuisance	500	500	-	(500)
Park and Recreation Charges	5,215	5,215	9,042	3,827
ATC	8,500	8,500	8,905	405
Developer Fees	-	-	9,722	9,722
<b>Total Public Charges for Services</b>	<b>502,990</b>	<b>502,990</b>	<b>502,791</b>	<b>(199)</b>
<b>INVESTMENT INCOME</b>				
Interest Income	8,500	8,500	34,069	25,569
<b>MISCELLANEOUS REVENUES</b>				
Concession Revenue	1,100	1,100	1,123	23
Sale of Recyclables	500	500	1,565	1,065
Sale of Equipment	8,500	8,500	-	(8,500)
Donations	-	-	775	775
Other	2,000	2,000	10	(1,990)
<b>Total Miscellaneous Revenues</b>	<b>12,100</b>	<b>12,100</b>	<b>3,473</b>	<b>(8,627)</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	98,600	98,600	63,780	(34,820)
Sale of Town Property	-	-	51,119	51,119
<b>Total Other Financing Sources</b>	<b>98,600</b>	<b>98,600</b>	<b>114,899</b>	<b>16,299</b>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCE</b>	<b>2,796,520</b>	<b>2,796,520</b>	<b>2,857,143</b>	<b>60,623</b>

**TOWN OF RIB MOUNTAIN**  
Schedule of Detailed Budgetary Comparison - Continued  
General Fund  
For the Year Ended December 31, 2017

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>EXPENDITURES</b>				
<b>GENERAL GOVERNMENT</b>				
Current				
Town Board	\$ 39,825	\$ 39,825	\$ 40,320	\$ (495)
Planning Commission	2,715	2,715	2,045	670
Board of Appeals	905	905	-	905
Park Commission	2,110	2,110	1,421	689
Legal	34,500	34,500	68,387	(33,887)
Clerk/Treasurer	84,605	85,972	65,786	20,186
Office	191,720	193,665	186,080	7,585
Administrator	123,065	124,825	121,675	3,150
Elections	14,070	14,070	5,109	8,961
Technology	23,500	23,500	17,206	6,294
Tax Collection	500	500	-	500
Town Assessor	77,800	77,800	74,403	3,397
Accounting and Auditing	12,000	12,000	12,275	(275)
Municipal Building	37,590	37,590	35,795	1,795
Uncollectible Taxes and Tax Refunds	4,000	4,000	669	3,331
Property and Liability Insurance	49,120	49,120	46,283	2,837
Employee Benefits	1,000	1,000	-	1,000
<b>Total General Government</b>	<b>699,025</b>	<b>704,097</b>	<b>677,454</b>	<b>26,643</b>
<b>PUBLIC SAFETY</b>				
Code Enforcement Officer	61,115	61,520	31,008	30,512
Crossing Guards	14,090	14,090	13,896	194
Fire Protection	149,360	149,360	143,954	5,406
Public Safety Building	4,350	4,350	8,992	(4,642)
Ambulance	144,000	144,000	143,955	45
Building Inspector	95,070	96,305	84,169	12,136
Siren	2,175	2,175	2,452	(277)
<b>Total Public Safety</b>	<b>470,160</b>	<b>471,800</b>	<b>428,426</b>	<b>43,374</b>
<b>PUBLIC WORKS</b>				
Engineering	16,000	16,000	19,251	(3,251)
Machinery and Equipment	75,000	75,000	63,804	11,196
Public Works Building	83,485	83,485	85,589	(2,104)
Road Maintenance	597,545	603,197	562,688	40,509
Bridges and Culverts	30,375	30,375	12,338	18,037
Snow Removal	34,310	34,310	32,961	1,349
Signs and Markings	48,785	48,785	50,606	(1,821)
Street Lighting	82,000	82,000	76,540	5,460
Refuse	290,070	290,070	292,034	(1,964)
Recycling	115,395	115,395	102,241	13,154
<b>Total Public Works</b>	<b>1,372,965</b>	<b>1,378,617</b>	<b>1,298,052</b>	<b>80,565</b>
<b>HEALTH AND HUMAN SERVICES</b>				
Humane Society	6,100	6,100	4,609	1,491
<b>CULTURE AND RECREATION</b>				
Summer Recreation	18,140	18,140	14,896	3,244
Park Maintenance	75,925	75,925	97,360	(21,435)
Winter Recreation	8,340	8,340	3,296	5,044
<b>Total Culture and Recreation</b>	<b>102,405</b>	<b>102,405</b>	<b>115,552</b>	<b>(13,147)</b>



**TOWN OF RIB MOUNTAIN**  
Schedule of Detailed Budgetary Comparison - Continued  
General Fund  
For the Year Ended December 31, 2017

	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>CONSERVATION AND DEVELOPMENT</b>				
Community Development	121,245	122,523	83,284	39,239
Other Economic Development	5,420	5,420	4,334	1,086
<b>Total Conservation and Development</b>	<u>126,665</u>	<u>127,943</u>	<u>87,618</u>	<u>40,325</u>
<b>CAPITAL OUTLAY</b>	<u>178,000</u>	<u>165,420</u>	<u>124,998</u>	<u>40,422</u>
<b>OTHER</b>				
Contingency	<u>38,700</u>	<u>25,058</u>	<u>-</u>	<u>25,058</u>
<b>TOTAL EXPENDITURES</b>	<u>2,994,020</u>	<u>2,981,440</u>	<u>2,736,709</u>	<u>244,731</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES</b>	(197,500)	(184,920)	120,434	305,354
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers	<u>55,000</u>	<u>55,000</u>	<u>-</u>	<u>(55,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(142,500)	(129,920)	120,434	250,354
<b>FUND BALANCE - BEGINNING, AS RESTATED</b>	<u>1,637,671</u>	<u>1,637,671</u>	<u>1,637,671</u>	<u>-</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 1,495,171</u>	<u>\$ 1,507,751</u>	<u>\$ 1,758,105</u>	<u>\$ 250,354</u>

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