

TOWN OF GRAND CHUTE, WISCONSIN
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2014

TOWN OF GRAND CHUTE, WISCONSIN

December 31, 2014

Table of Contents

	<u>Page No.</u>
INDEPENDENT AUDITORS' REPORT	1 - 2
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4 - 5
Fund Financial Statements	
Balance Sheet - Governmental Funds	6 - 8
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	9 - 11
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	12
Statement of Net Position - Proprietary Funds	13 - 14
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	15
Statement of Cash Flows - Proprietary Funds	16 - 17
Statement of Net Position - Fiduciary Funds	18
Notes to Basic Financial Statements	19 - 36
SUPPLEMENTARY INFORMATION	
Detailed Comparison of Budgeted and Actual Revenues and Other Financing Sources - General Fund	37 - 38
Detailed Comparison of Budgeted and Actual Expenditures - General Fund	39
Combining Balance Sheet - Nonmajor Governmental Funds	40
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	41
ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	42 - 43



INDEPENDENT AUDITORS' REPORT

To the Town Board
Town of Grand Chute, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Grand Chute, Wisconsin ("the Town") as of and for the year ended December 31, 2014, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Town'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 Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2015, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Certified Public Accountants
Green Bay, Wisconsin
June 8, 2015

BASIC FINANCIAL STATEMENTS

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Net Position
December 31, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 32,284,835	\$ 14,761,109	\$ 47,045,944
Receivables			
Taxes and other charges	31,243,644	1,206,248	32,449,892
Special assessments	3,529,028	3,573,248	7,102,276
Accounts	533,453	2,250,062	2,783,515
Inventories and prepaid items	198,326	69,318	267,644
Restricted and other assets			
Cash and investments	-	2,244,345	2,244,345
Capital assets, nondepreciable			
Land	2,586,389	1,121,059	3,707,448
Construction in progress	1,474,940	731,261	2,206,201
Capital assets, depreciable			
Land improvements	1,586,911	6,165,383	7,752,294
Buildings	12,775,942	178,121	12,954,063
Machinery and equipment	7,125,737	2,446,151	9,571,888
Infrastructure	69,751,794	61,582,202	131,333,996
Less: Accumulated depreciation	(46,635,862)	(19,788,174)	(66,424,036)
TOTAL ASSETS	116,455,137	76,540,333	192,995,470
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	3,299	69,271	72,570
LIABILITIES			
Accounts payable	1,317,177	1,084,340	2,401,517
Accrued and other current liabilities	576,519	44,524	621,043
Accrued interest payable	104,109	48,543	152,652
Due to other governments	36,919,692	825,370	37,745,062
Long-term obligations			
Due within one year	3,235,000	1,545,000	4,780,000
Due in more than one year	12,977,147	4,191,066	17,168,213
TOTAL LIABILITIES	55,129,644	7,738,843	62,868,487
DEFERRED INFLOWS OF RESOURCES			
Property taxes and other charges	11,267,340	587,911	11,855,251
NET POSITION			
Net investment in capital assets	35,427,169	46,921,003	82,348,172
Restricted for			
Debt service	4,538,708	-	4,538,708
Fire impact fees	164,348	-	164,348
Unrestricted	9,931,227	21,361,847	31,293,074
TOTAL NET POSITION	\$ 50,061,452	\$ 68,282,850	\$ 118,344,302

The notes to the basic financial statements are an integral part of this statement.

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 2,057,668	\$ 430,279	\$ -	\$ -
Public safety	6,958,345	747,423	111,727	-
Public works	6,412,872	1,394,724	1,144,667	2,113,483
Health and human services	4,992	-	-	-
Culture and recreation	255,841	46,154	-	-
Conservation and development	1,289,473	157,051	-	-
Interest on debt	377,590	-	-	-
Total Governmental Activities	17,356,781	2,775,631	1,256,394	2,113,483
Business-type Activities				
Water utility	5,435,269	5,737,982	-	163,485
Sewer utility	2,754,775	2,896,431	-	255,471
Storm water utility	923,257	2,899,349	-	493,195
Total Business-type Activities	9,113,301	11,533,762	-	912,151
Total	\$ 26,470,082	\$ 14,309,393	\$ 1,256,394	\$ 3,025,634

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Other taxes

Federal and state grants and other contributions
not restricted to specific functions

Interest and investment earnings

Miscellaneous

Gain on sale of asset

Transfers

Total general revenues and transfers

Change in net position

Net position - January 1

Net position - December 31

The notes to the basic financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total

\$ (1,627,389)	\$ -	\$ (1,627,389)
(6,099,195)	-	(6,099,195)
(1,759,998)	-	(1,759,998)
(4,992)	-	(4,992)
(209,687)	-	(209,687)
(1,132,422)	-	(1,132,422)
(377,590)	-	(377,590)
<u>(11,211,273)</u>	<u>-</u>	<u>(11,211,273)</u>

-	466,198	466,198
-	397,127	397,127
-	2,469,287	2,469,287
-	<u>3,332,612</u>	<u>3,332,612</u>

<u>(11,211,273)</u>	<u>3,332,612</u>	<u>(7,878,661)</u>
---------------------	------------------	--------------------

7,913,242	19,696	7,932,938
2,090,000	-	2,090,000
1,123,570	-	1,123,570
338,389	-	338,389
433,545	283,193	716,738
230,321	-	230,321
-	35,036	35,036
5,144	(5,144)	-
<u>12,134,211</u>	<u>332,781</u>	<u>12,466,992</u>

922,938	3,665,393	4,588,331
---------	-----------	-----------

<u>49,138,514</u>	<u>64,617,457</u>	<u>113,755,971</u>
-------------------	-------------------	--------------------

<u>\$ 50,061,452</u>	<u>\$ 68,282,850</u>	<u>\$ 118,344,302</u>
----------------------	----------------------	-----------------------

TOWN OF GRAND CHUTE, WISCONSIN

Balance Sheet
Governmental Funds
December 31, 2014

	General	Special Assessment	Debt Service
ASSETS			
Cash and investments	\$ 25,262,816	\$ 4,389,341	\$ 183,229
Receivables			
Taxes and other charges	28,046,332	1,071,364	2,125,948
Special assessments	-	3,529,028	-
Accounts	269,221	-	-
Due from other funds	111,830	-	-
Inventories and prepaid items	198,326	-	-
TOTAL ASSETS	\$ 53,888,525	\$ 8,989,733	\$ 2,309,177
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 648,557	\$ -	\$ 1,400
Accrued and other current liabilities	570,019	-	-
Due to other funds	-	-	-
Due to other governments	36,919,692	-	-
Total Liabilities	38,138,268	-	1,400
Deferred Inflows of Resources			
Property taxes and other charges	9,141,392	-	2,125,948
Special assessments	-	4,632,854	-
Total Deferred Inflows of Resources	9,141,392	4,632,854	2,125,948
Fund Balances			
Nonspendable			
Inventories and prepaid items	198,326	-	-
Restricted			
Retirement of long-term debt	-	4,356,879	181,829
Capital outlay	-	-	-
Fire impact fees	-	-	-
Assigned			
Equipment replacement	21,749	-	-
Dental insurance	38,251	-	-
Economic development	-	-	-
Park development	-	-	-
Public safety donations	-	-	-
Tax incremental district	2,000,000	-	-
Unassigned			
General fund	4,350,539	-	-
Capital projects fund	-	-	-
Total Fund Balances	6,608,865	4,356,879	181,829
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 53,888,525	\$ 8,989,733	\$ 2,309,177

(Continued)

Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ 1,982,643	\$ 466,806	\$ 32,284,835
-	-	31,243,644
-	-	3,529,028
3,796	260,436	533,453
-	-	111,830
-	-	198,326
<u>\$ 1,986,439</u>	<u>\$ 727,242</u>	<u>\$ 67,901,116</u>

\$ 475,121	\$ 192,099	\$ 1,317,177
-	6,500	576,519
-	111,830	111,830
-	-	36,919,692
<u>475,121</u>	<u>310,429</u>	<u>38,925,218</u>

-	-	11,267,340
-	-	4,632,854
-	-	15,900,194

-	-	198,326
-	-	4,538,708
1,511,318	-	1,511,318
-	164,348	164,348
-	-	21,749
-	-	38,251
-	75,490	75,490
-	193,780	193,780
-	10,656	10,656
-	-	2,000,000
-	-	4,350,539
-	(27,461)	(27,461)
<u>1,511,318</u>	<u>416,813</u>	<u>13,075,704</u>

<u>\$ 1,986,439</u>	<u>\$ 727,242</u>	<u>\$ 67,901,116</u>
---------------------	-------------------	----------------------

TOWN OF GRAND CHUTE, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2014

Reconciliation to the Statement of Net Position

Total Fund Balances as shown on previous page		\$ 13,075,704
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		48,665,851
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Special assessments		4,632,854
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	\$ (14,750,000)	
Debt premium	(113,704)	
Loss on advance refunding	3,299	
Compensated absences	(1,348,443)	
Accrued interest on long-term obligations	(104,109)	(16,312,957)
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 3)		<u>\$ 50,061,452</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2014

	General	Special Assessment	Debt Service
Revenues			
Taxes	\$ 7,925,044	\$ -	\$ 2,090,000
Special assessments	60,364	2,455,275	-
Intergovernmental	1,729,057	-	-
Licenses and permits	845,038	-	-
Fines and forfeitures	406,595	-	-
Public charges for services	1,075,471	-	-
Intergovernmental charges for services	245,388	-	-
Miscellaneous	524,103	175,552	-
Total Revenues	12,811,060	2,630,827	2,090,000
Expenditures			
Current			
General government	1,756,623	-	-
Public safety	6,828,466	-	-
Public works	3,560,560	-	-
Health and human services	4,992	-	-
Culture and recreation	234,265	-	-
Conservation and development	361,075	-	-
Debt service			
Principal	-	-	3,715,036
Interest and fiscal charges	-	-	430,712
Capital outlay	-	-	-
Total Expenditures	12,745,981	-	4,145,748
Excess of Revenues Over (Under) Expenditures	65,079	2,630,827	(2,055,748)
Other Financing Sources (Uses)			
Sale of capital assets	126,061	-	-
Transfers in	444,679	-	2,054,400
Transfers out	-	(2,154,721)	-
Total Other Financing Sources (Uses)	570,740	(2,154,721)	2,054,400
Net Change in Fund Balances	635,819	476,106	(1,348)
Fund Balances - January 1	5,973,046	3,880,773	183,177
Fund Balances - December 31	\$ 6,608,865	\$ 4,356,879	\$ 181,829

(Continued)

Capital Projects	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,111,768	\$ 11,126,812
-	-	2,515,639
-	-	1,729,057
-	-	845,038
-	-	406,595
-	66,218	1,141,689
-	-	245,388
27,001	10,375	737,031
<u>27,001</u>	<u>1,188,361</u>	<u>18,747,249</u>

-	-	1,756,623
-	3,353	6,831,819
-	-	3,560,560
-	-	4,992
-	-	234,265
-	800,015	1,161,090
-	-	3,715,036
-	-	430,712
2,912,015	-	2,912,015
<u>2,912,015</u>	<u>803,368</u>	<u>20,607,112</u>
<u>(2,885,014)</u>	<u>384,993</u>	<u>(1,859,863)</u>

-	-	126,061
-	-	2,499,079
-	(339,214)	(2,493,935)
-	(339,214)	131,205
<u>(2,885,014)</u>	<u>45,779</u>	<u>(1,728,658)</u>
<u>4,396,332</u>	<u>371,034</u>	<u>14,804,362</u>
<u>\$ 1,511,318</u>	<u>\$ 416,813</u>	<u>\$ 13,075,704</u>

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended December 31, 2014

Reconciliation to the Statement of Activities

Net Change in Fund Balances as shown on previous page \$ (1,728,658)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital assets expensed in governmental fund statements	4,050,121	
Depreciation expense reported in the statement of activities	<u>(4,277,137)</u>	
Amount by which depreciation exceeds capital outlays in current period		(227,016)

In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source. In the statement of activities only the gain (or loss) on the disposal is reported.

Proceeds from the disposition of capital assets as reported on the governmental funds operating statement	126,061	
Loss on disposition reported on the statement of activities	<u>(34,103)</u>	
Book value of capital assets disposed of		(160,164)

Certain 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. This year the accrual of these benefits increased by: (169,842)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned. (559,540)

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: 3,715,036

Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues. 35,173

In prior years, the Town advance refunded long-term debt. The loss on the advance refunding is not recorded in the governmental funds. In the statement of activities, the loss is amortized over the life of the refunding debt issue. (6,590)

Debt premium is reported in the governmental funds as an other financing source. In the statement of activities, these costs are capitalized and amortized over the life of the debt issue. 24,539

Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 4 - 5) \$ 922,938

The notes to the basic financial statements are an integral part of this statement.

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 7,925,219	\$ 7,925,219	\$ 7,925,044	\$ (175)
Special assessments	60,370	60,370	60,364	(6)
Intergovernmental	1,712,480	1,712,480	1,729,057	16,577
Licenses and permits	790,925	790,925	845,038	54,113
Fines and forfeitures	400,500	400,500	406,595	6,095
Public charges for services	1,071,960	1,071,960	1,075,471	3,511
Intergovernmental charges for services	215,278	215,278	245,388	30,110
Miscellaneous	470,830	470,830	524,103	53,273
Total Revenues	12,647,562	12,647,562	12,811,060	163,498
Expenditures				
Current				
General government	1,767,472	1,767,472	1,756,623	10,849
Public safety	7,010,528	7,023,253	6,828,466	194,787
Public works	3,653,596	3,653,596	3,560,560	93,036
Health and human services	7,060	7,060	4,992	2,068
Culture and recreation	196,655	196,655	234,265	(37,610)
Conservation and development	421,160	421,160	361,075	60,085
Total Expenditures	13,056,471	13,069,196	12,745,981	323,215
Excess of Revenues Over (Under) Expenditures	(408,909)	(421,634)	65,079	486,713
Other Financing Sources				
Sale of capital assets	47,500	60,225	126,061	65,836
Transfers in	515,000	515,000	444,679	(70,321)
Total Other Financing Sources	562,500	575,225	570,740	(4,485)
Net Change in Fund Balance	153,591	153,591	635,819	482,228
Fund Balance - January 1	5,973,046	5,973,046	5,973,046	-
Fund Balance - December 31	\$ 6,126,637	\$ 6,126,637	\$ 6,608,865	\$ 482,228

The notes to the basic financial statements are an integral part of this statement.

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Net Position
Proprietary Funds
December 31, 2014

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total Enterprise Funds
ASSETS					
Current assets					
Cash and investments	\$ 535	\$ 6,697,749	\$ 7,739,726	\$ 323,099	\$ 14,761,109
Receivables					
Taxes and other charges	760,107	112,370	313,736	20,035	1,206,248
Accounts	1,071,147	601,756	572,501	4,658	2,250,062
Due from other funds	-	1,929,300	-	-	1,929,300
Inventories and prepaid expenses	40,194	20,429	8,695	-	69,318
Total Current Assets	1,871,983	9,361,604	8,634,658	347,792	20,216,037
Noncurrent assets					
Receivables					
Special assessments	949,495	1,440,941	1,182,812	-	3,573,248
Restricted and other assets					
Cash and investments	257,025	1,987,320	-	-	2,244,345
Capital assets, nondepreciable					
Land	12,809	6,100	1,102,150	-	1,121,059
Construction in progress	37,350	272,793	421,118	-	731,261
Capital assets, depreciable					
Land improvements	-	-	6,165,383	-	6,165,383
Buildings	178,121	-	-	-	178,121
Machinery and equipment	1,193,612	1,046,221	200,566	5,752	2,446,151
Infrastructure	25,639,994	21,271,725	13,578,384	1,092,099	61,582,202
Less: Accumulated depreciation	(7,424,906)	(8,064,950)	(3,864,690)	(433,628)	(19,788,174)
Total Capital Assets, Net of Accumulated Depreciation	19,636,980	14,531,889	17,602,911	664,223	52,436,003
Total Noncurrent Assets	20,843,500	17,960,150	18,785,723	664,223	58,253,596
TOTAL ASSETS	22,715,483	27,321,754	27,420,381	1,012,015	78,469,633
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	68,320	-	951	-	69,271

(Continued)

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Net Position (Continued)
Proprietary Funds
December 31, 2014

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total Enterprise Funds
LIABILITIES					
Current liabilities					
Accounts payable	\$ 110,502	\$ 367,529	\$ 279,055	\$ 2,001	\$ 759,087
Accrued and other current liabilities	20,429	15,085	9,010	-	44,524
Accrued interest	18,284	1,172	29,087	-	48,543
Due to other funds	1,929,300	-	-	-	1,929,300
Due to other governments	825,370	-	-	-	825,370
Current portion of general obligation debt	400,000	150,000	995,000	-	1,545,000
Total Current Liabilities	3,303,885	533,786	1,312,152	2,001	5,151,824
Noncurrent liabilities					
Accounts payable	325,253	-	-	-	325,253
General obligation debt	1,070,000	125,000	2,775,000	-	3,970,000
Debt premium	10,751	2,815	31,578	-	45,144
Compensated absences	107,363	63,314	5,245	-	175,922
Total Noncurrent Liabilities	1,513,367	191,129	2,811,823	-	4,516,319
TOTAL LIABILITIES	4,817,252	724,915	4,123,975	2,001	9,668,143
DEFERRED INFLOWS OF RESOURCES					
Property taxes and other charges	567,876	-	-	20,035	587,911
NET POSITION					
Net investment in capital assets	18,166,980	14,256,889	13,832,911	664,223	46,921,003
Unrestricted	(768,305)	12,339,950	9,464,446	325,756	21,361,847
TOTAL NET POSITION	\$ 17,398,675	\$ 26,596,839	\$ 23,297,357	\$ 989,979	\$ 68,282,850

The notes to the basic financial statements are an integral part of this statement.

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2014

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total
Operating Revenues					
Charges for services	\$ 5,491,566	\$ 2,734,768	\$ 2,875,567	\$ 21,188	\$ 11,123,089
Other	246,416	140,202	23,782	273	410,673
Total Operating Revenues	5,737,982	2,874,970	2,899,349	21,461	11,533,762
Operating Expenses					
Operations and maintenance	4,748,033	2,181,635	378,144	22,038	7,329,850
Depreciation	581,883	525,517	428,623	10,228	1,546,251
Taxes	22,836	-	-	-	22,836
Total Operating Expenses	5,352,752	2,707,152	806,767	32,266	8,898,937
Operating Income (Loss)	385,230	167,818	2,092,582	(10,805)	2,634,825
Nonoperating Revenues (Expenses)					
Property taxes	-	-	-	19,696	19,696
Gain on sale of capital assets	-	35,036	-	-	35,036
Interest income	17,413	129,813	132,243	3,724	283,193
Interest expense	(86,002)	(16,762)	(124,323)	-	(227,087)
Amortization of debt premium	3,485	1,405	7,833	-	12,723
Total Nonoperating Revenues (Expenses)	(65,104)	149,492	15,753	23,420	123,561
Income Before Contributions and Transfers	320,126	317,310	2,108,335	12,615	2,758,386
Capital contributions	163,485	255,471	493,195	-	912,151
Transfers out	-	-	(5,144)	-	(5,144)
Change in Net Position	483,611	572,781	2,596,386	12,615	3,665,393
Net Position - January 1	16,915,064	26,024,058	20,700,971	977,364	64,617,457
Net Position - December 31	\$ 17,398,675	\$ 26,596,839	\$ 23,297,357	\$ 989,979	\$ 68,282,850

The notes to the basic financial statements are an integral part of this statement.

TOWN OF GRAND CHUTE, WISCONSIN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2014

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total
Cash Flows from Operating Activities					
Cash received from customers	\$ 5,875,339	\$ 2,977,995	\$ 2,976,823	\$ 22,502	\$ 11,852,659
Cash payments to employees	(417,737)	(345,053)	(191,948)	(8,516)	(963,254)
Cash payments to suppliers	(4,280,684)	(1,762,521)	(181,338)	(13,987)	(6,238,530)
Net Cash Provided (Used) by Operating Activities	1,176,918	870,421	2,603,537	(1)	4,650,875
Cash Flows from Noncapital Financing Activities					
Changes in assets and liabilities					
Due from other funds	(853,666)	(1,929,300)	-	-	(2,782,966)
Interest payments on due from other funds	(25,419)	-	-	-	(25,419)
Property taxes	-	-	-	19,696	19,696
Operating grants	-	-	-	-	-
Transfers to other funds	-	-	(5,144)	-	(5,144)
Net Cash Provided (Used) by Noncapital Financing Activities	(879,085)	(1,929,300)	(5,144)	19,696	(2,793,833)
Cash Flows from Capital and Related Financing Activities					
Acquisition of capital assets	(524,517)	(293,893)	(479,912)	-	(1,298,322)
Proceeds from sale of capital assets	-	52,000	-	-	52,000
Capital contributions	148,146	109,931	637,637	-	895,714
Principal payments on long-term debt	(677,122)	(227,842)	(1,205,000)	-	(2,109,964)
Interest payments on long-term debt	(69,726)	(18,623)	(134,293)	-	(222,642)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,123,219)	(378,427)	(1,181,568)	-	(2,683,214)
Cash Flows Provided by Investing Activities					
Interest from investments	17,413	129,813	132,243	3,724	283,193
Change in Cash and Cash Equivalents	(807,973)	(1,307,493)	1,549,068	23,419	(542,979)
Cash and Cash Equivalents - January 1	1,065,533	9,992,562	6,190,658	299,680	17,548,433
Cash and Cash Equivalents - December 31	\$ 257,560	\$ 8,685,069	\$ 7,739,726	\$ 323,099	\$ 17,005,454
Reconciliation of Cash and Cash Equivalents to Statement of Net Position					
Cash and investments	\$ 535	\$ 6,697,749	\$ 7,739,726	\$ 323,099	\$ 14,761,109
Restricted assets	257,025	1,987,320	-	-	2,244,345
\$ 257,560	\$ 8,685,069	\$ 7,739,726	\$ 323,099	\$ 17,005,454	

(Continued)

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended December 31, 2014

	Sanitary District No. 1	Sanitary District No. 2	Sanitary District No. 3	East Side Utility	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating income (loss)	\$ 385,230	\$ 167,818	\$ 2,092,582	\$ (10,805)	\$ 2,634,825
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Depreciation	581,883	525,517	428,623	10,228	1,546,251
Depreciation reimbursement	52,938	(52,938)	-	-	-
Depreciation allocated to transportation	30,340	-	-	-	30,340
Changes in assets and liabilities					
Accounts receivable	104,844	86,416	74,529	157	265,946
Delinquent user charges	32,513	16,609	2,945	884	52,951
Inventories and prepaid expenses	(7,366)	1,233	1,893	-	(4,240)
Accounts payable	(37,871)	195,710	255,309	(465)	412,683
Accounts payable related to capital assets acquired	-	(81,733)	(256,030)	-	(337,763)
Accrued and other current liabilities	7,797	6,113	3,007	-	16,917
Due to other governments	17,643	-	-	-	17,643
Compensated absences	8,967	5,676	679	-	15,322
Net Cash Provided (Used) by Operating Activities	\$ 1,176,918	\$ 870,421	\$ 2,603,537	\$ (1)	\$ 4,650,875
Noncash Investing, Capital and Financing Activities					
Capital assets contributed by developer	\$ 118,777	\$ 255,471	\$ 167,814	\$ -	\$ 542,062

The notes to the basic financial statements are an integral part of this statement.

TOWN OF GRAND CHUTE, WISCONSIN
Statement of Net Position
Fiduciary Fund
December 31, 2014

	Agency Fund
ASSETS	
Cash and investments	\$ 11,077
LIABILITIES	
Deposits	\$ 11,077

The notes to the basic financial statements are an integral part of this statement.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Town of Grand Chute, Wisconsin ("the Town"), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Town are described below:

1. Reporting Entity

The Town of Grand Chute is a municipal corporation governed by an elected five member board. In accordance with GAAP, the basic financial statements are required to include the Town (the primary government) and any separate component units that have a significant operational or financial relationship with the Town. The component units discussed below are included in the Town's reporting entity because of the significance of their operational and/or financial relationship with the Town.

2. Individual Component Unit Disclosures

BLENDED COMPONENT UNITS

The following component units are blended or included in the basic financial statements of the Town of Grand Chute.

The Town of Grand Chute Sanitary District No. 1, the Town of Grand Chute Sanitary District No. 2, Town of Grand Chute Sanitary District No. 3, and the East Side Utility are governed by the five-member Town Board of Grand Chute. Although they are legally separate from the Town, the Districts are reported as if they are part of the primary government because the Town Board is serving as their governing body. The Districts provide water, wastewater, and storm water services to portions of the Town.

3. Joint Venture

The Town is a participant with the Town of Menasha, Town of Greenville and Town of Neenah in a joint venture to operate a wastewater disposal plant. The Grand Chute-Menasha West Sewerage Commission was created for that purpose. The commission is governed by a seven-member board appointed by the aforementioned municipalities. Complete financial statements for the Commission can be obtained from the Commission's office at 1965 W. Butte Des Morts Beach Road, Appleton, Wisconsin.

4. Government-Wide and Fund Financial Statements

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

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

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. The Town has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

GENERAL FUND

This is the Town's main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

SPECIAL ASSESSMENT DEBT SERVICE FUND

The special assessment fund is used to account for current and deferred property assessments that are used for the repayment of long-term debt.

DEBT SERVICE FUND

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

CAPITAL PROJECTS FUND

This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The Town reports the following major enterprise funds:

SANITARY DISTRICT NO. 1 ENTERPRISE FUND

The Sanitary District No. 1 fund is a blended component unit that accounts for the financial resources to be used to operate a water utility.

SANITARY DISTRICT NO. 2 ENTERPRISE FUND

The Sanitary District No. 2 fund is a blended component unit that accounts for the financial resources to be used to operate a wastewater utility.

SANITARY DISTRICT NO. 3 ENTERPRISE FUND

The Sanitary District No. 3 fund is a blended component unit that accounts for the financial resources to be used to operate a storm water system.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

EAST SIDE UTILITY FUND

The East Side Utility fund is a blended component unit that accounts for the financial resources to be used to operate a sewer utility.

Additionally, the Town reports the following fund type:

The Town accounts for assets held for developer's deposits in an *agency fund*.

5. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

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.

TOWN OF GRAND CHUTE, WISCONSIN

Notes to Basic Financial Statements

December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance

a. 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. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

b. Accounts Receivable

Accounts receivable are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

c. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements.

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental activities and business-type activities.

d. 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.

e. 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.

f. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

	Governmental Activities	Business-type Activities
	Years	
<u>Assets</u>		
Land improvements	25 - 30	25 - 30
Buildings	25 - 50	25 - 50
Machinery and equipment	3 - 10	3 - 10
Infrastructure	15 - 50	25 - 100

g. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund 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 and retirements.

h. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes 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 only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one type of item that qualifies for reporting in this category, property taxes. This amount will be recognized as an inflow of resources in the subsequent year for which it was levied. The Town also has additional type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

i. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. 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. Issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by 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 employee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- Unassigned fund balance - Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

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

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

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

- Net investment in capital assets - Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- Restricted net position - Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - Net position that is neither classified as restricted nor as net investment in capital assets.

k. 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE B - STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the basic financial statements:

- a. During November, Town management submits to the Town Board 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.
- b. 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.
- c. During the year, formal budgetary integration is employed as a management control device for the governmental funds.
- d. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Town. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Town Board.
- e. Encumbrance accounting is not used by the Town to record commitments related to unperformed contracts for goods or services.

The Town did not have any material violations of legal or contractual provisions for the fiscal year ended December 31, 2014.

2. Deficit Fund Balance

The TIF District No. 1 fund had a deficit fund balance of \$27,461 as of December 31, 2014. The deficit will be financed with future tax increments of the fund.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

The Town maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and investments."

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the Town's cash and investments totaled \$49,301,366 on December 31, 2014 as summarized below:

Petty cash funds	\$ 2,048
Deposits with financial institutions	35,186,148
Investments	14,113,170
	\$ 49,301,366

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position	
Cash and investments	\$ 47,045,944
Restricted cash and investments	2,244,345
Fiduciary funds Statement of Net Position	
Agency funds	11,077
	\$ 49,301,366

Deposits and investments of the Town are subject to various risks. Presented below is a discussion of the specific risks and the Town's policy related to the risk.

Custodial 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.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2014, \$15,163,735 of the Town's deposits with financial institutions were in excess of federal and state depository insurance limits.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The Town does not have an additional credit risk policy. Presented below is the actual rating as of year end for each investment type.

Investment Type	Amount	Exempt From Disclosure	AAA	Aa	A	Not Rated
U.S. Treasury Notes	\$ 1,308,691	\$ 1,308,691	\$ -	\$ -	\$ -	\$ -
Federal agency securities	2,076,701	-	701,946	-	-	1,374,755
Negotiable certificates of deposit	1,899,598	-	-	-	-	1,899,598
Corporate notes	7,516,768	-	1,764,803	3,267,596	1,861,083	623,286
Municipal bonds	417,592	-	-	347,169	-	70,423
Canadian government bonds	704,879	-	139,677	166,928	-	398,274
Wisconsin Local Government Investment Pool	188,941	-	-	-	-	188,941
Totals	\$ 14,113,170	\$ 1,308,691	\$ 2,606,426	\$ 3,781,693	\$ 1,861,083	\$ 4,555,277

Concentration of Credit Risk

The investment policy of the Town contains no limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total Town investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total
Federal National Mortgage Association	Federal Agency Securities	\$ 826,496	6%
Government National Mortgage Association	Federal Agency Securities	1,100,778	8%
GE Capital	Corporate notes	1,320,571	9%
Barclays Investment Bank	Corporate notes	989,000	7%

Interest Rate Risk

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

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury Notes	\$ 1,308,691	\$ 714,392	\$ 131,940	\$ 462,359	\$ -
Federal agency securities	2,076,701	429,394	1,087,595	99,152	460,560
Negotiable certificates of deposit	1,899,598	1,698,320	201,278	-	-
Corporate notes	7,516,768	2,315,688	634,540	3,831,541	734,999
Municipal bonds	417,592	196,465	221,127	-	-
Canadian government bonds	704,879	166,928	-	537,951	-
Wisconsin Local Government Investment Pool	188,941	188,941	-	-	-
Totals	\$ 14,113,170	\$ 5,710,128	\$ 2,276,480	\$ 4,931,003	\$ 1,195,559

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The Town's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

Highly Sensitive Investments	Fair Value at Year End
Federal National Mortgage Association	\$ 826,496
Governmental National Mortgage Association	1,100,778

Investment in Wisconsin Local Government Investment Pool

The Town has investments in the Wisconsin local government investment pool of \$188,941 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2014, the fair value of the Town's share of the LGIP's assets was substantially equal to the carrying value.

2. Property Taxes

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 purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the Town.

The Town bills and collects its own property taxes and also levies and collects taxes for the Appleton Area School District, School District of Hortonville, Outagamie County, Fox Valley Technical College and the State of Wisconsin. Collections and remittances of taxes for other entities are accounted for in the tax collection agency fund.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

3. Restricted and Other Assets

Restricted and other assets on December 31, 2014 totaled \$2,244,345 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Sanitary District No. 1		
Restricted Assets		
Impact fees	<u>\$ 257,025</u>	Impact fees collected for future purchases
Sanitary District No. 2		
Other Assets		
Depreciation fund	454,886	To be used for additions and betterments of the District's capital assets.
Service availability charges	1,206,670	To account for SAC fees collected to be used for future sewerage plant expansion.
	<u>1,661,556</u>	
Restricted Assets		
DNR replacement fund	325,764	To be used for the replacement of certain equipment of the District in accordance with the Wisconsin Department of Natural Resources requirements.
	<u>325,764</u>	
Total Sanitary District No. 2	<u>1,987,320</u>	
Total	<u><u>\$ 2,244,345</u></u>	

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Capital Assets

Capital asset activity for the year ended December 31, 2014 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,586,389	\$ -	\$ -	\$ 2,586,389
Construction in progress	1,640,011	1,378,650	1,543,721	1,474,940
Total capital assets, not being depreciated	4,226,400	1,378,650	1,543,721	4,061,329
Capital assets, being depreciated:				
Land improvements	1,586,911	-	-	1,586,911
Buildings	12,775,942	-	-	12,775,942
Machinery and equipment	6,948,931	806,672	629,866	7,125,737
Infrastructure	66,343,274	3,408,520	-	69,751,794
Subtotals	87,655,058	4,215,192	629,866	91,240,384
Less accumulated depreciation for:				
Land improvements	451,893	47,966	-	499,859
Buildings	4,679,309	390,275	-	5,069,584
Machinery and equipment	3,120,929	429,240	469,702	3,080,467
Infrastructure	34,576,296	3,409,656	-	37,985,952
Subtotals	42,828,427	4,277,137	469,702	46,635,862
Total capital assets, being depreciated, net	44,826,631	(61,945)	160,164	44,604,522
Governmental activities capital assets, net	<u>\$ 49,053,031</u>	<u>\$ 1,316,705</u>	<u>\$ 1,703,885</u>	48,665,851
Less related long-term debt outstanding				<u>13,238,682</u>
Net investment in capital assets				<u>\$ 35,427,169</u>

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 961,059	\$ 160,000	\$ -	\$ 1,121,059
Construction in progress	714,405	516,947	500,091	731,261
Total capital assets, not being depreciated	<u>1,675,464</u>	<u>676,947</u>	<u>500,091</u>	<u>1,852,320</u>
Capital assets, being depreciated:				
Land improvements	6,165,383	-	-	6,165,383
Buildings	177,432	689	-	178,121
Machinery and equipment	2,217,997	397,795	169,641	2,446,151
Infrastructure	60,335,395	1,602,807	356,000	61,582,202
Subtotals	<u>68,896,207</u>	<u>2,001,291</u>	<u>525,641</u>	<u>70,371,857</u>
Less accumulated depreciation	<u>18,720,260</u>	<u>1,576,591</u>	<u>508,677</u>	<u>19,788,174</u>
Total capital assets, being depreciated, net	<u>50,175,947</u>	<u>424,700</u>	<u>16,964</u>	<u>50,583,683</u>
Business-type activities capital assets, net	<u>\$ 51,851,411</u>	<u>\$ 1,101,647</u>	<u>\$ 517,055</u>	52,436,003
Less related long-term debt outstanding				<u>5,515,000</u>
Net investment in capital assets				<u>\$ 46,921,003</u>

Depreciation expense was charged to functions of the Town as follows:

Governmental activities	
General government	\$ 310,096
Public safety	389,207
Public works	3,528,242
Culture and recreation	47,852
Conservation and development	1,740
Total depreciation expense - governmental activities	<u>\$ 4,277,137</u>
Business-type activities	
Sanitary District No. 1	\$ 581,883
Sanitary District No. 2	525,517
Sanitary District No. 3	428,623
East Side Utility	10,228
Total depreciation expense - business-type activities	<u>1,546,251</u>
Depreciation allocated to various activities	<u>30,340</u>
Increase in accumulated depreciation - business-type activities	<u>\$ 1,576,591</u>

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

5. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the Town, as reported in the fund financial statements, as of December 31, 2014 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance Operating Cash		
Deficits of Other Funds		
General Fund	\$ 27,461	\$ -
TIF District No. 1	-	27,461
Enterprise funds		
Sanitary District No. 1	-	1,929,300
Sanitary District No. 2	1,929,300	-
Room Tax Revenues		
General Fund	84,369	-
Room Tax	-	84,369
Totals	<u>\$ 2,041,130</u>	<u>\$ 2,041,130</u>

	Transfer to:		Totals
	General Fund	Debt Service	
Transfers from:			
Special Revenue			
Room Tax	\$ 339,214	\$ -	\$ 339,214
Special Assessments	100,321	2,054,400	2,154,721
Enterprise Fund			
Sanitary District No. 3	5,144	-	5,144
Totals	<u>\$ 444,679</u>	<u>\$ 2,054,400</u>	<u>\$ 2,499,079</u>

The purpose of interfund transfers for the year ended December 31, 2014 is as follows:

	Amount
Town portion of room tax collections	\$ 339,214
Operating cost reimbursement to general fund	5,144
Special assessment administrative fee reimbursement to general fund	100,321
Retirement of long-term debt	2,054,400
	<u>\$ 2,499,079</u>

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Obligations

The following is a summary of changes in long-term obligations of the Town for the year ended December 31, 2014:

	Outstanding 1/1/14	Issued	Retired	Outstanding 12/31/14	Due Within One Year
Governmental activities:					
General Obligation Debt					
Notes	\$ 18,465,036	\$ -	\$ 3,715,036	\$ 14,750,000	\$ 3,235,000
Debt premium	138,243	-	24,539	113,704	-
Compensated absences	1,178,601	169,842	-	1,348,443	-
Governmental activities Long-term obligations	<u>\$ 19,781,880</u>	<u>\$ 169,842</u>	<u>\$ 3,739,575</u>	<u>\$ 16,212,147</u>	<u>\$ 3,235,000</u>
Business-type activities:					
General Obligation Debt					
Notes	\$ 7,624,964	\$ -	\$ 2,109,964	\$ 5,515,000	\$ 1,545,000
Debt premium	57,867	-	12,723	45,144	-
Compensated absences	160,600	15,322	-	175,922	-
Business-type activities Long-term obligations	<u>\$ 7,843,431</u>	<u>\$ 15,322</u>	<u>\$ 2,122,687</u>	<u>\$ 5,736,066</u>	<u>\$ 1,545,000</u>

Total interest paid during the year on long-term debt totaled \$651,954.

General Obligation Debt

The Town has issued general obligation debt to provide funds for the acquisition and construction of major capital facilities. General obligation debt has been issued for both governmental and proprietary fund activities. General obligation debt is reported in the proprietary funds if it is expected to be repaid from proprietary fund revenues.

General obligation debt service requirements are direct obligations and pledge the full faith and credit of the Town. General obligation debt outstanding on December 31, 2014 totaled \$20,265,000 and was comprised of the following issues:

Notes

\$9,750,000 issued 7/1/05; \$1,250,000 due in 2015; interest 3.5%	\$ 1,250,000
\$4,215,000 issued 12/21/06; \$395,000 to \$405,000 due annually through 2016; interest 3.875%	800,000
\$9,685,000 issued 08/26/08; \$975,000 to \$995,000 due annually through 2018; interest 3.75% to 4.0%	3,930,000
\$5,320,000 issued 10/1/09; \$545,000 to \$555,000 due annually through 2019; interest 2.5% to 3.5%	2,740,000
\$7,640,000 issued 11/1/10; \$765,000 to \$785,000 due annually through 2020; interest 2.0% to 3.0%	4,650,000
\$8,895,000 issued 3/27/12; \$840,000 to \$875,000 due annually through 2022; interest 0.55% to 1.75%	<u>6,895,000</u>
Total Outstanding General Obligation Debt	<u>\$ 20,265,000</u>

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of \$20,265,000 on December 31, 2014 are detailed below:

Year Ended December 31	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 3,235,000	\$ 330,247	\$ 1,545,000	\$ 154,914	\$ 4,780,000	\$ 485,161
2016	2,390,000	262,890	1,150,000	113,737	3,540,000	376,627
2017	2,275,000	206,371	870,000	77,868	3,145,000	284,239
2018	2,305,000	148,795	885,000	51,292	3,190,000	200,087
2019	1,725,000	88,695	475,000	23,467	2,200,000	112,162
2020-2022	2,820,000	73,431	590,000	15,743	3,410,000	89,174
	<u>\$ 14,750,000</u>	<u>\$ 1,110,429</u>	<u>\$ 5,515,000</u>	<u>\$ 437,021</u>	<u>\$ 20,265,000</u>	<u>\$ 1,547,450</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund.

Legal Margin for New Debt

The Town's legal margin for creation of additional general obligation debt on December 31, 2014 was \$95,519,524 as follows:

Equalized valuation of the Town	\$ 2,312,053,900
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	<u>115,602,695</u>
Total outstanding general obligation debt applicable to debt limitation	\$ 20,265,000
Less: Amounts available for financing general obligation debt	
Debt service fund	<u>181,829</u>
Net outstanding general obligation debt applicable to debt limitation	<u>20,083,171</u>
Legal Margin for New Debt	<u><u>\$ 95,519,524</u></u>

7. Conduit Debt Obligations

In prior years, the Town has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the Town, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE D - OTHER INFORMATION

1. Retirement Commitments

All eligible Town employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All employees initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and school district educational support employees) 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 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire, are eligible to participate in the WRS. Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

Effective the first day of the first pay period on or after June 29, 2011 the employee required contribution was changed to 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. Contribution rates are as follows:

	2014	
	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	7.00%	7.00%
Executives & Elected Officials	7.75%	7.75%
Protective with Social Security	7.00%	10.10%
Protective without Social Security	7.00%	13.70%

The payroll for Town employees covered by the WRS for the year ended December 31, 2014 was \$5,454,449; the employer's total payroll was \$5,827,915. The total required contribution for the year ended December 31, 2014 was \$869,527, which consisted of \$487,715 or 8.9% of covered payroll from the employer, and \$381,812, or 7.00% of covered payroll from employees. Total contributions for the years ended December 31, 2013 and 2012 were \$844,881 and \$751,795, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. A final average earnings is the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. 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.

TOWN OF GRAND CHUTE, WISCONSIN
Notes to Basic Financial Statements
December 31, 2014

NOTE D - OTHER INFORMATION (Continued)

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes.

The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

2. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Town completes an annual review of its insurance coverage to ensure adequate coverage.

3. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2014 and 2015 budget years, the increase in the maximum allowable tax levy is limited to the percentage change in the Town's January 1 equalized value as a result of net new construction. The actual limit for the Town for the 2014 budget was 0.75%. The actual limit for the Town for the 2015 budget was 1.72%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

4. Contingencies

a. Joint Venture - The Town's valuation and taxing power secures a portion of the outstanding long-term debt of the Grand Chute Menasha West Sewerage commission, a joint venture created by the Town and three other municipalities. As of December 31, 2014, the Town was potentially liable for approximately 60% of the Commission's outstanding long-term debt. The Town would be liable in the unlikely event that the Commission defaulted on the debt.

b. The Town contracts with Grand Chute Menasha - West Sewage Commission to treat sewage. The U.S. Fish & Wildlife Service and the Wisconsin Department of Natural Resources are in the process of preparing Natural Resource Damage Assessments to determine the level of damages to the Lower Fox River and Green Bay natural resources resulting from PCB contamination, and the Wisconsin Department of Natural Resources is in the process of preparing a plan for the cleanup of PCB contaminated sediments in the Lower Fox River. Although none of the state or federal agencies has designated the Commission as a responsible party with respect to the natural resource damages or PCB cleanup costs, the seven Fox River Valley paper mills that have been designated as responsible parties have the ability to seek contribution toward such damages and costs from the POTWs (Publicly Owned Treatment Works) on the Lower Fox River, including the Commission. The currently available information indicates that the Commission bears virtually no responsibility for the discharge of PCB's into the Lower Fox River. Therefore, the Commission has a de minimis exposure in the above matters.

5. Upcoming Accounting Pronouncements

In June 2012, the GASB issued GASB Statement No. 68, Accounting and Financial Reporting for Pensions. Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This net pension liability that will be recorded on the government-wide, proprietary statements will be computed differently than the current unfunded actuarial accrued liability, using specific parameters set forth by the GASB. The Statement also enhances accountability and transparency through revised note disclosures and required supplemental information (RSI). The Town is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this Statement are effective for financial statements for the year ending December 31, 2015.

SUPPLEMENTARY INFORMATION

TOWN OF GRAND CHUTE, WISCONSIN

General Fund

Detailed Comparison of Budgeted and Actual Revenues and Other Financing Sources

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Taxes				
General property taxes	\$ 7,863,169	\$ 7,863,169	\$ 7,863,147	\$ (22)
Payment in lieu of taxes	2,000	2,000	11,333	9,333
Other taxes	60,050	60,050	50,564	(9,486)
Total Taxes	<u>7,925,219</u>	<u>7,925,219</u>	<u>7,925,044</u>	<u>(175)</u>
Special Assessments	<u>60,370</u>	<u>60,370</u>	<u>60,364</u>	<u>(6)</u>
Intergovernmental				
Federal aids				
Law enforcement	2,625	2,625	8,444	5,819
State aids				
State shared taxes	269,939	269,939	270,845	906
Tax exempt computer aid	65,000	65,000	67,544	2,544
Fire insurance	79,000	79,000	91,393	12,393
Law enforcement	6,000	6,000	11,947	5,947
Transportation	756,056	756,056	800,100	44,044
Recycling	131,000	131,000	134,274	3,274
Other grants	-	-	42	42
Local aids				
Mass transit	402,860	402,860	344,468	(58,392)
Total Intergovernmental	<u>1,712,480</u>	<u>1,712,480</u>	<u>1,729,057</u>	<u>16,577</u>
Licenses and Permits				
Licenses				
Business and occupational licenses	52,500	52,500	96,408	43,908
Bicycle	3,000	3,000	1,046	(1,954)
Dog	-	-	600	600
Permits				
Building	259,500	259,500	252,911	(6,589)
Utility	18,000	18,000	29,806	11,806
Cable TV	290,000	290,000	287,289	(2,711)
Zoning	167,500	167,500	174,728	7,228
Other permits	425	425	2,250	1,825
Total Licenses and Permits	<u>790,925</u>	<u>790,925</u>	<u>845,038</u>	<u>54,113</u>
Fines and Forfeitures				
Court penalties and costs	400,000	400,000	402,644	2,644
Judgments and damages	500	500	3,951	3,451
Total Fines and Forfeitures	<u>400,500</u>	<u>400,500</u>	<u>406,595</u>	<u>6,095</u>

(Continued)

TOWN OF GRAND CHUTE, WISCONSIN

General Fund

Detailed Comparison of Budgeted and Actual Revenues and Other Financing Sources (Continued)

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Charges for Services				
General government	17,800	17,800	25,472	7,672
SAC fee (1% administration)	-	-	573	573
Garbage and recycling collection	951,750	951,750	949,197	(2,553)
Law enforcement fees	54,500	54,500	51,677	(2,823)
Fire department	20,310	20,310	24,950	4,640
Street related charges	13,000	13,000	7,134	(5,866)
Weed control	2,000	2,000	770	(1,230)
Park and recreation charges	12,600	12,600	15,698	3,098
Total Public Charges for Services	1,071,960	1,071,960	1,075,471	3,511
Intergovernmental charges for services				
Public safety	23,978	23,978	14,425	(9,553)
Public works	191,300	191,300	230,963	39,663
Total Intergovernmental Charges for Services	215,278	215,278	245,388	30,110
Miscellaneous				
Interest income	252,000	252,000	250,067	(1,933)
Rental income	134,880	134,880	135,473	593
Insurance recoveries, dividends and refunds	66,000	66,000	55,456	(10,544)
Donations	2,450	2,450	2,715	265
Other	15,500	15,500	80,392	64,892
Total Miscellaneous	470,830	470,830	524,103	53,273
Total Revenues	12,647,562	12,647,562	12,811,060	163,498
Other Financing Sources				
Sale of capital assets	47,500	60,225	126,061	65,836
Transfers in	515,000	515,000	444,679	(70,321)
Total Other Financing Sources	562,500	575,225	570,740	(4,485)
Total Revenues and Other Financing Sources	\$ 13,210,062	\$ 13,222,787	\$ 13,381,800	\$ 159,013

TOWN OF GRAND CHUTE, WISCONSIN
General Fund
Detailed Comparison of Budgeted and Actual Expenditures
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government				
Town board	\$ 87,230	\$ 87,230	\$ 91,078	\$ (3,848)
Municipal court	179,390	179,390	163,554	15,836
Legal	70,000	70,000	73,606	(3,606)
General administration	617,600	617,600	583,687	33,913
Town clerk	154,320	154,320	135,676	18,644
Elections	75,730	75,730	63,971	11,759
Treasurer	21,430	21,430	17,075	4,355
General building/town hall	257,290	257,290	322,167	(64,877)
Insurance	244,482	244,482	238,563	5,919
Uncollectible taxes and tax refunds	60,000	60,000	67,246	(7,246)
Total General Government	1,767,472	1,767,472	1,756,623	10,849
Public Safety				
Police - patrol	2,834,359	2,847,084	2,741,295	105,789
Police - administration	449,285	449,285	447,903	1,382
Police - investigations	643,204	643,204	630,001	13,203
Fire protection/EMS	2,766,110	2,766,110	2,666,487	99,623
Building Inspection	317,570	317,570	342,780	(25,210)
Total Public Safety	7,010,528	7,023,253	6,828,466	194,787
Public Works				
Highway department	1,598,055	1,598,055	1,470,611	127,444
Street lighting	290,500	290,500	337,646	(47,146)
Mass transit	524,541	524,541	524,541	-
Refuse collection	739,300	739,300	731,751	7,549
Recycling	497,100	497,100	493,459	3,641
Weed control	4,100	4,100	2,552	1,548
Total Public Works	3,653,596	3,653,596	3,560,560	93,036
Health and Human Services				
Animal control	5,500	5,500	4,743	757
Cemetery	1,560	1,560	249	1,311
Total Health and Human Services	7,060	7,060	4,992	2,068
Culture and Recreation				
Trails	44,985	44,985	48,587	(3,602)
Parks	151,670	151,670	185,678	(34,008)
Total Culture and Recreation	196,655	196,655	234,265	(37,610)
Conservation and Development				
Assessment of property	119,600	119,600	120,863	(1,263)
Zoning and planning	301,560	301,560	240,212	61,348
Total Conservation and Development	421,160	421,160	361,075	60,085
Total Expenditures	\$ 13,056,471	\$ 13,069,196	\$ 12,745,981	\$ 323,215

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Room Tax Fund

To account for collections of room tax from Town businesses and record disbursements to the Convention and Visitor's Bureau and transfers to the General Fund.

Park Development Fund

To account for monies received from developers of vacant lots for the purpose of financing park facilities and corresponding park development expenditures. Developers have the option of dedicating land for park purposes in lieu of a cash payment.

Fire Impact Fees

To account for fire impact fees collected by the Town.

Fire Donations

To account for donations for fire prevention.

K-9 Unit

To account for donations for the K-9 unit.

TIF District No. 1

To account for the project plan costs of the Town's tax incremental district no. 1.

TOWN OF GRAND CHUTE, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Room Tax	Park Development	Fire Impact Fees	Fire Donations	K-9 Unit	TIF District No. 1	Total Nonmajor Governmental Funds
ASSETS							
Cash and investments	\$ 98,022	\$ 193,780	\$ 164,348	\$ 3,477	\$ 7,179	\$ -	\$ 466,806
Receivables							
Accounts	260,436	-	-	-	-	-	260,436
TOTAL ASSETS	\$ 358,458	\$ 193,780	\$ 164,348	\$ 3,477	\$ 7,179	\$ -	\$ 727,242
LIABILITIES AND FUND BALANCES (DEFICIT)							
Liabilities							
Accounts payable	\$ 192,099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 192,099
Accrued and other current liabilities	6,500	-	-	-	-	-	6,500
Due to other funds	84,369	-	-	-	-	27,461	111,830
Total Liabilities	282,968	-	-	-	-	27,461	310,429
Fund Balances (Deficit)							
Restricted							
Fire impact fees	-	-	164,348	-	-	-	164,348
Assigned							
Economic development	75,490	-	-	-	-	-	75,490
Park development	-	193,780	-	-	-	-	193,780
Public safety donations	-	-	-	3,477	7,179	-	10,656
Unassigned							
Capital projects funds	-	-	-	-	-	(27,461)	(27,461)
Total Fund Balances (Deficit)	75,490	193,780	164,348	3,477	7,179	(27,461)	416,813
TOTAL LIABILITIES AND FUND BALANCES (DEFICIT)	\$ 358,458	\$ 193,780	\$ 164,348	\$ 3,477	\$ 7,179	\$ -	\$ 727,242

TOWN OF GRAND CHUTE, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Room Tax	Park Development	Fire Impact Fees	Fire Donations	K-9 Unit	TIF District No. 1	Total Nonmajor Governmental Funds
Revenues							
Taxes	\$ 1,111,768	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,111,768
Public charges for services	-	28,001	38,217	-	-	-	66,218
Miscellaneous	-	2,056	1,643	948	5,728	-	10,375
Total Revenues	1,111,768	30,057	39,860	948	5,728	-	1,188,361
Expenditures							
Current							
Public safety	-	-	-	-	3,353	-	3,353
Conservation and development	772,554	-	-	-	-	27,461	800,015
Total Expenditures	772,554	-	-	-	3,353	27,461	803,368
Excess of Revenues Over (Under) Expenditures	339,214	30,057	39,860	948	2,375	(27,461)	384,993
Other Financing Uses							
Transfers out	(339,214)	-	-	-	-	-	(339,214)
Net Change in Fund Balances	-	30,057	39,860	948	2,375	(27,461)	45,779
Fund Balances - January 1	75,490	163,723	124,488	2,529	4,804	-	371,034
Fund Balances (Deficit) - December 31	\$ 75,490	\$ 193,780	\$ 164,348	\$ 3,477	\$ 7,179	\$ (27,461)	\$ 416,813

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Town Board
Town of Grand Chute, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Grand Chute, Wisconsin, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Town of Grand Chute, Wisconsin's basic financial statements, and have issued our report thereon dated June 8, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town of Grand Chute, Wisconsin's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Grand Chute, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Grand Chute, Wisconsin's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Grand Chute, Wisconsin's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of Town of Grand Chute, Wisconsin's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Grand Chute, Wisconsin's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Green Bay, Wisconsin
June 8, 2015