

# **VILLAGE OF BELLEVILLE**

Belleville, Wisconsin

## FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Year Ended December 31, 2014

# VILLAGE OF BELLEVILLE

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## INDEPENDENT AUDITORS' REPORT

To the Village Board  
Village of Belleville  
Belleville, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Village of Belleville, Wisconsin, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Village of Belleville's basic financial statements as listed in the table of contents.

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

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village of Belleville's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village of Belleville's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Village Board  
Village of Belleville

***Basis for Qualified Opinion***

The financial statements do not include the financial data for the village's equity interest in the joint venture of the fire and emergency medical association as discussed in Note V.D. to the financial statements. Accounting principles generally accepted in the United States of America require the financial data for the equity interest in joint ventures to be reported in the governmental activities. The amount by which this departure would affect the assets, net position, revenues and expenses of the governmental activities has not been determined.

***Qualified Opinion***

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities information of the Village of Belleville, Wisconsin, as of December 31, 2014, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Unmodified Opinions***

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

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economical, 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.

To the Village Board  
Village of Belleville

***Other Matters*** (cont.)

*Supplementary Information*

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

*Prior Year Comparative Information*

We have previously audited the Village of Belleville's 2013 financial statements, and we expressed a qualified opinion on the governmental activities and unmodified audit opinions on the business-type activities, the discretely presented component unit, each major fund, and the aggregated remaining fund information in our report dated March 14, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Baker Tilly Vuchow Krause LLP*

Madison, Wisconsin  
March 30, 2015

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## (UNAUDITED)

As management of the Village of Belleville, our discussion and analysis of the financial performance provides a narrative overview of the village's financial activities for the fiscal year that ended on December 31, 2014. We encourage readers to consider the information presented here in conjunction with the village's financial statements following this section.

### FINANCIAL HIGHLIGHTS

- ❖ The Village of Belleville's combined net position increased .98%, between fiscal years 2013 and 2014 to \$15,366,809. The 2014 governmental net position increased 9.9% primarily because of the positive operating results of the governmental funds, in particular in the general fund and library account. The business-type activities decreased from the previous year by 1.4%.
- ❖ The village's 2014 revenues total \$3,818,011, expenses total \$3,668,548, and net transfers total \$0 resulting in an increase in net position of .98%.
- ❖ The village had capital assets of \$8,706,445 in the governmental activities and \$16,436,686 in the business-type activities for a total of \$25,143,131 at the end of 2014. The largest investment in capital assets was infrastructure, including streets and storm sewer, sewer mains, sewer laterals, water mains, water laterals and hydrants. Of the total Village of Belleville capital assets, the governmental activities account for 35% and the business-type activities total 65%. The business-type activities represent the water utility with 27% of the business-type capital assets; the sewer utility having 60%; and the stormwater utility having 13% of the business-type capital assets. The proportion of assets is the same as the previous year.
- ❖ The debt limit as of December 31, 2014 was \$9,036,550. Total general obligation debt outstanding at year end was \$6,957,577, which represents approximately 77% of the allowable debt limit. The remaining allowable debt is \$2,078,973.
- ❖ The governmental funds reported a combined fund balance of \$1,221,422, which was \$275,159 more than the previous year. The increase is due in part to a borrowing issue of \$515,000 for capital fund projects. The combined governmental funds ending fund balance includes \$1,357,999 in nonspendable and restricted funds, which includes \$221,461 restricted for debt service and \$260,679 restricted for the other capital projects fund. The decline is primarily attributable to deficit fund balances in non-major funds: waste management (\$38,786) and TIF No. 3 (\$295,595).
- ❖ The general fund actual revenues and other financing sources were over budgeted revenues by \$204,467, or 15% of the amended budget. Actual general fund expenditures, not including transfers, were \$30,781 less than the amended budget. In January 2015, the village board approved fund carryovers from 2014 to 2015 in the amount of \$111,366, primarily for police uniforms and training, tree work, and police salaries and building repair.

- ❖ Water utility charges for services decreased slightly from \$334,817 in 2013 to \$333,753 in 2014. The sewer utility charges for services increased from \$827,195 in 2013 to \$829,274 in 2014. Water rates increased 3% in June 2014. Rates for sewer increased 7% in June 2014. Stormwater charges for services received increased slightly in the amount of \$103,809 in 2013 to \$106,023 in 2014.
- ❖ Total operating expenses of the water and sewer utility increased from \$981,323 in 2013 to \$1,018,867 in 2014, due primarily to depreciation on recent plant additions. Total non-operating expenses net of non-operating revenues decreased by \$36,262, primarily due to a decrease in interest expense. Capital contributions stayed the same at \$2,889 in 2014, which were due to sewer connection fees from new construction. Together, these changes resulted in a decrease in net position of \$67,538, or .69%.
- ❖ Stormwater Utility operating expenses totaled \$237,038. The net position of the stormwater utility decreased by \$104,636 as a result of completion of a major project to improve the Green View stormwater pond.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual financial report consists of four parts:

1. *The Management's Discussion and Analysis* provides a brief discussion of the basic financial statements, annual comparisons of the government-wide financial statements, and analysis of government's overall financial position.
2. *Basic Financial Statements*:
  - ❖ *Government-wide Financial Statements* provide both long-term and short-term information about the village's overall financial status.
  - ❖ *Fund Financial Statements* focus on the individual parts of village government and report the village's operations in more detail than the government-wide statements.
  - ❖ *Notes to the Financial Statements* explain some of the information in the financial statements and provide more detailed data.
3. *Required Supplementary Information* further explains and support the information in the financial statements.
4. *Supplementary Information* provides detailed budgetary comparison schedules and combines details about the non-major governmental funds.

### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Village of Belleville's finances. The statements distinguish between governmental and business type activities.

*Governmental activities* include the village's basic services, such as general government (administration, court, attorneys, assessing, insurance, buildings), public safety (police, fire, EMS, building inspections), public works, and leisure activities (parks, senior citizens),



conservation and development (zoning), and public service enterprises (cemetery), are financed through taxes and intergovernmental revenues.

*Business-type activities* include the water and sewer utility and stormwater utility and are financed by fees charged to cover the costs of services they provide.

The *Statement of Net Position* presents information on all of the Village of Belleville's assets and liabilities, with the difference between the two 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 village is improving or deteriorating. To assess the overall health of the village you need to consider additional non-financial factors such as changes in the property tax base, economy, and rate of growth. (The Statement of Net Position can be found on Page 1 of this report.)

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. 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. The statement shows the degree to which the direct expenses of a function are offset by program revenues. (The Statement of Activities can be found on Page 2 and 3 of this report.)

#### 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 Village of Belleville, like other state and local governments, uses fund accounting to ensure compliance with finance-related legal requirements.

All of the funds within the village can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*. The governmental and proprietary categories are organized as major funds or non-major funds, with an emphasis placed on major funds, as the GASB standards require. A fund is considered major if it is a primary operating fund of the village or meets certain defined criteria.

*Governmental Funds* – Most of the village's basic services are included in governmental funds which focus on how cash, and other financial assets that can be converted to cash, flow in and out, along with the balances left at the end of the year that are available for spending. The governmental fund financial statements tell how general government services were funded as well as what future spending remains. Because fund financial statements do not include the additional long-term focus of government-wide statements, additional information is provided at the bottom of the governmental fund financial statements explaining the difference between them. The Village of Belleville maintains ten individual governmental funds, four of which are reported as major governmental funds. (The governmental funds financial statements can be found on pages 4-5 and 7-8 of this report.)

- ❖ General Fund - Accounts for the village's primary operating activities and is used to account for all financial resources, except those required to be accounted for in another fund.
- ❖ Debt Service Fund - Accounts for resources accumulated and payments made for principal and interest on long-term debt other than TID or enterprise fund debt.
- ❖ Library Fund – Accounts for resources legally restricted to supporting expenditures for the library.

- ❖ Other Capital Projects – Accounts for the financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

The remaining six funds are classified as non-major governmental funds:

- ❖ Waste Management
- ❖ Cemetery
- ❖ Tax Incremental District No. 3
- ❖ Tax Incremental District No. 4
- ❖ Tax Incremental District No. 5
- ❖ Lake Restoration

*Proprietary Funds* – Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village of Belleville uses an enterprise fund to account for the Municipal Water and Sewer Utility and Stormwater Utility. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Municipal Water and Sewer Utility and Stormwater Utility which are considered to be major funds of the village. (The proprietary fund financial statements can be found on pages 10-16 of this report.)

*Fiduciary Funds* – Agency funds are used to account for assets held by the village in a trustee capacity. The village is the trustee, or fiduciary for collection of all property taxes within the village for all taxing districts, including the Belleville School District and Madison Area Technical College, State and County. (The fiduciary fund financial statement can be found on page 17 of this report.)

#### Notes to 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 Financial Statements can be found on pages 19-50 of this report.)

#### Supplemental Information

In addition to the basic financial statements and accompanying notes, required supplementary information presents a budgetary comparison schedule for the general fund to demonstrate compliance with the budget. The combining statements referred to earlier in connection with non-major governmental funds and other information related to the individual funds are presented immediately following the required supplementary information. (Individual fund statements and schedules can be found on pages 51-52 of this report.)

## FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

Net Position: The Village of Belleville's combined net position increased by .98%, between fiscal years 2013 and 2014 to \$15,366,809. The 2014 governmental net position increased 9.91% primarily because of the positive operating results of the governmental funds, in particular in the general fund and library account. The business-type activities decreased slightly from the prior year, by 1.44%.

### Village of Belleville's 2014 Net Position

	Governmental Activities		Business-Type Activities		Total Activities	
	2014	2013	2014	2013	2014	2013
Current and Other Assets	4,187,857	3,915,137	1,121,706	1,277,750	5,309,563	5,192,887
Capital Assets	<u>8,706,445</u>	<u>8,548,995</u>	<u>16,436,687</u>	<u>17,034,056</u>	<u>25,143,132</u>	<u>25,583,051</u>
<b>Total Assets</b>	<b>12,894,302</b>	<b>12,464,132</b>	<b>17,558,393</b>	<b>18,311,806</b>	<b>30,452,695</b>	<b>30,775,938</b>
Long-Term Liabilities (Debt)	7,381,381	7,317,597	5,718,628	6,295,088	13,100,009	13,612,685
Other Liabilities	<u>159,854</u>	<u>123,569</u>	<u>38,869</u>	<u>43,648</u>	<u>198,723</u>	<u>167,217</u>
<b>Total Liabilities</b>	<b>7,541,235</b>	<b>7,441,166</b>	<b>5,757,497</b>	<b>6,338,736</b>	<b>13,298,732</b>	<b>13,779,902</b>
Deferred Inflows	1,787,154	1,778,690	-	-	1,787,154	1,778,690
Net Position						
Net investment						
in capital assets	5,634,191	5,346,659	10,718,057	10,738,968	12,525,348*	12,138,427*
Restricted	1,576,108	1,663,347	685,219	626,597	2,261,327	2,289,944
Unrestricted (deficit)	<u>(3,644,386)</u>	<u>(3,765,730)</u>	<u>397,620</u>	<u>607,505</u>	<u>580,134*</u>	<u>788,975*</u>
<b>Total Net Position</b>	<b>3,565,913</b>	<b>3,244,276</b>	<b>11,800,896</b>	<b>11,973,070</b>	<b>15,366,809</b>	<b>15,217,346</b>
Beginning Net Position	<u>3,244,276</u>	<u>3,109,492</u>	<u>11,973,070</u>	<u>12,005,752</u>	<u>15,217,346</u>	<u>15,115,244</u>
<b>CHANGE IN NET POSITION</b>	<b>321,637</b>	<b>134,784</b>	<b>(172,174)</b>	<b>(32,682)</b>	<b>149,463</b>	<b>102,102</b>
<b>PERCENTAGE CHANGE IN NET POSITION</b>	<b>9.91%</b>	<b>4.33%</b>	<b>-1.44%</b>	<b>-0.27%</b>	<b>0.98%</b>	<b>0.68%</b>

\*Adjusted for capital assets owned by business-type activities but financed by governmental activities.

## Change in Village of Belleville's 2014 Net Position

The village's 2014 revenues total \$3,818,011 and expenses total \$3,668,548, resulting in an increase in net position of \$149,463 or .98%.

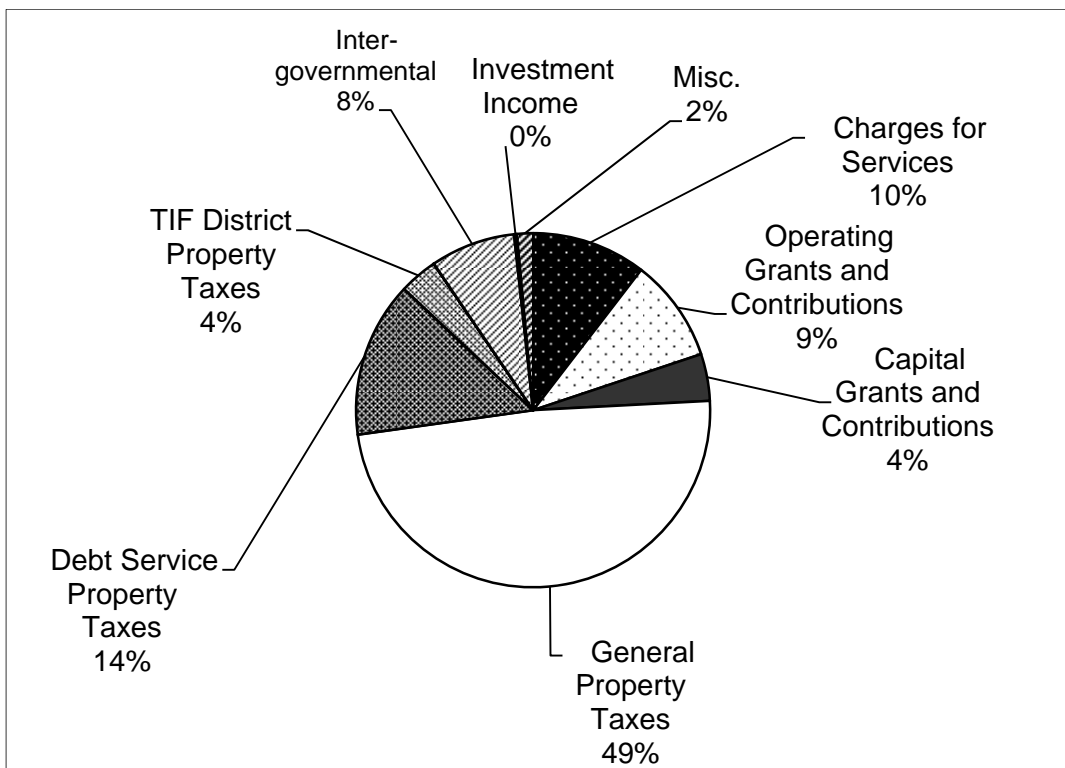
	Governmental Activities		Business-Type Activities		Total Activities	
	2014	2013	2014	2013	2014	2013
<b>REVENUES</b>						
<b>Program Revenues</b>						
Charges for Services	260,059	377,225	1,269,050	1,265,821	1,529,109	1,643,046
Operating Grants and Contributions	235,160	303,039			235,160	303,039
Capital Grants and Contributions	106,656	130,735	55,189	2,889	161,845	133,624
<b>General Revenues</b>						
General Property Taxes	1,212,230	1,190,736			1,212,230	1,190,736
Debt Service Property Taxes	353,835	340,891			353,835	303,039
TIF District Property Taxes	87,559	71,342			87,559	71,342
Other Taxes		539			0	539
Intergovernmental	193,552	186,732			193,552	186,732
Investment Income	6,020	3,589	1,921	2,425	7,941	6,014
Others	36,780	23,725			36,780	23,725
<b>Total Revenues</b>	<b>2,491,851</b>	<b>2,628,553</b>	<b>1,326,160</b>	<b>1,271,135</b>	<b>3,818,011</b>	<b>3,899,688</b>
<b>EXPENSES</b>						
General Government	374,312	372,170			374,312	372,170
Public Safety	543,642	513,301			543,642	513,301
Public Works	556,364	545,015			556,364	545,015
Leisure Activities	507,527	539,969			507,527	539,969
Conservation and Development	62,514	129,232			62,514	129,232
Public Service Enterprises	14,861	15,474			14,861	15,474
Interest and Fiscal Charges	194,176	436,031			194,176	436,031
Water			267,552	306,050	267,552	306,050
Sewer			910,562	871,215	910,562	871,215
Stormwater			237,038	69,129	237,038	69,129
<b>Total Expenses</b>	<b>2,253,396</b>	<b>2,551,192</b>	<b>1,415,152</b>	<b>1,246,394</b>	<b>3,668,548</b>	<b>3,797,586</b>
Increase in Net Position Before Transfer	238,455	77,361	-88,992	24,741	149,463	102,102
Transfers	<u>83,182</u>	<u>57,423</u>	<u>-83,182</u>	<u>-57,423</u>	<u>0</u>	<u>0</u>
Change in Net Position	321,637	134,784	-172,174	-32,682	149,463	102,102
<b>ENDING NET POSITION</b>	<b>3,565,913</b>	<b>3,244,276</b>	<b>11,800,896</b>	<b>11,973,070</b>	<b>15,366,809</b>	<b>15,217,346</b>

**Governmental Activities:**

**Revenues** for the village's governmental activities total \$2,491,851, with the property taxes being the largest revenue source for governmental activities, accounting for 67% of total revenues. This is an increase of 6% from the previous year.

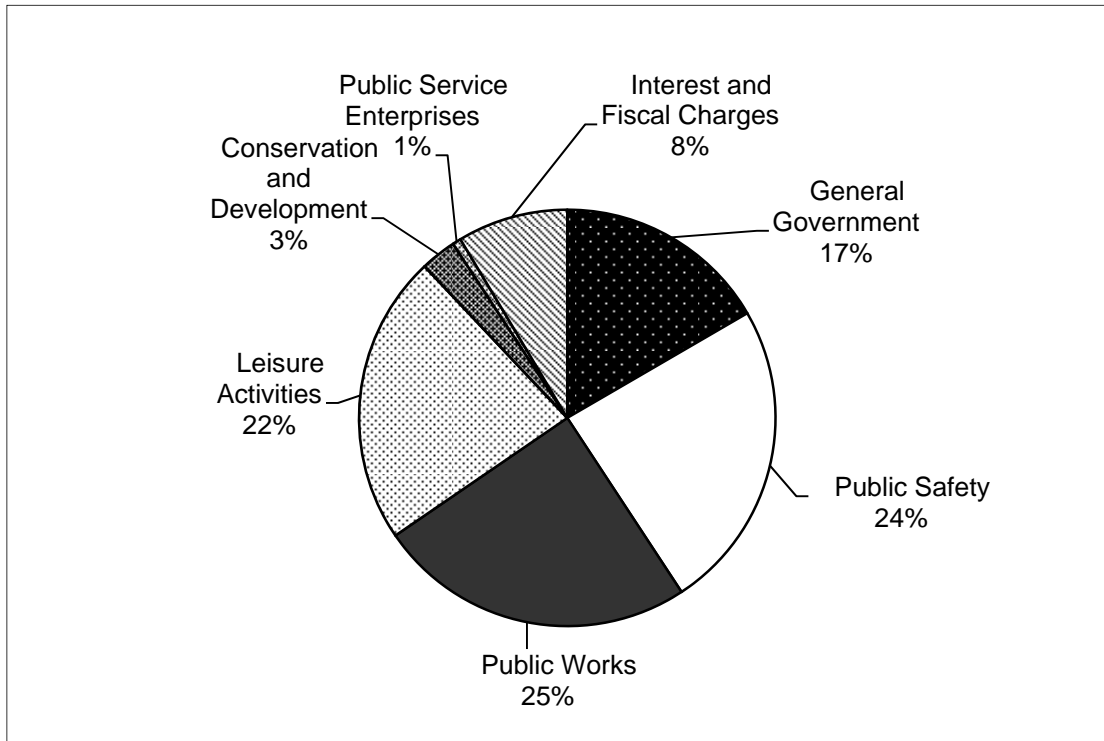
Taxes have been broken out into three categories: debt service property taxes (14%), general property taxes (49%), and TIF district property taxes which are 4% of total revenues. The tax collected for debt service property taxes, which is 14% of total revenues, were collected to pay for the principal and interest due in 2014. Charges for services contribute 10% total revenues, along with operating grants contributing 9% of the total revenues, and capital grants and contributions making up 4% of the total revenues.

Governmental Activity Revenues for 2014



**Expenditures** for the village’s governmental activities total \$2,253,396. Public safety and general government activities each account for 24% and 17%, respectively. Public safety includes police, fire, EMS, and building inspections. Public works services account for approximately 25% of total expenditures for 2014; this is a slight increase from the previous year’s allocations.

### Governmental Activity Expense for 2014



### Village of Belleville’s Capital Assets

In the government-wide financial statement, fixed assets are accounted for as capital assets. Capital assets are defined as assets with an initial cost of more than \$5,000 for general assets and \$15,000 for infrastructure assets.

The village had capital assets of \$8,706,445 in the governmental activities and \$16,436,686 in the business-type activities for a total of \$25,143,131 at the end of 2014. Of the total Capital Assets, the governmental activities account for 35% and the business-type activities total 65%. The business-type activities represent the water utility with 27% of the business-type capital assets; the sewer utility having 60%; and stormwater having 13% of the business-type capital assets.

**Business-Type Activities**

<u>Water</u>	<u>2014</u>	<u>2013</u>
Land and Land Rights	14,023	14,023
Land Held for Future Use	30,000	30,000
Construction Work in Process	96,635	96,635
Source of Supply	8,057	8,057
Pumping	99,123	99,123
Water Treatment	2,924	2,924
Transmission & Distribution	5,182,220	5,182,337
General	38,174	38,174
Less: Accumulated Depreciation	<u>(1,042,361)</u>	<u>(929,358)</u>
<b>Net Water Utility Plant</b>	<b>4,428,795</b>	<b>4,541,915</b>
<u>Sewer</u>		
Land and Land Rights	30,150	30,150
Construction Work in Process	0	7,855
Collection System	4,077,092	4,077,092
Collection System Pumping	460,332	460,332
Treatment and Disposal	8,746,088	8,746,088
General	256,921	256,921
Less: Accumulated Depreciation	<u>(3,757,057)</u>	<u>(3,338,338)</u>
<b>Net Sewer Utility Plant</b>	<b>9,813,526</b>	<b>10,240,100</b>
<u>Stormwater</u>		
Total Capital Assets Depreciated	2,638,770	2,652,465
Less: Accumulated Depreciation	<u>(444,405)</u>	<u>(400,425)</u>
<b>Net Stormwater Plant</b>	<b>2,194,365</b>	<b>2,252,040</b>
<b>TOTAL UTILITY CAPITAL ASSETS</b>	<b>16,436,686</b>	<b>17,034,055</b>

**Governmental Activities**

	<u>2014</u>	<u>Accumulated Depreciation</u>	<u>2014</u>	<u>Net 2013</u>
Land	365,843		365,843	365,843
Infrastructure Land	1,849,236		1,849,236	1,849,236
Construction in Progress	0		0	0
Buildings and Improvements	3,561,001	(843,637)	2,717,364	2,443,227
Equipment	692,231	(473,778)	218,453	224,682
Streets	4,831,052	(1,785,244)	3,045,808	3,140,174
Sidewalks	537,591	(278,847)	258,744	269,496
Bridges	<u>267,017</u>	<u>(16,020)</u>	<u>250,997</u>	<u>256,337</u>
<b>Capital Assets, Net of Depreciation</b>	<b>12,103,971</b>	<b>(3,397,526)</b>	<b>8,706,445</b>	<b>8,548,995</b>

## Debt Activity

### Long-term Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the village. Notes and bonds payable by the governmental funds will be retired by future property tax levies or tax increments (TID) accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds. In accordance with Wisconsin Statutes, total general obligation indebtedness of the village may not exceed five percent of the equalized value of taxable property within the village's jurisdiction.

The debt limit as of December 31, 2014 was \$9,036,550. Total general obligation debt outstanding at year end was \$6,957,577, which represents approximately 77% of the allowable debt limit. This is a 2% decrease in allowable debt limit from last year, as equalized values on which the limit is based affects the ratio have been relatively flat. The remaining allowable debt is \$2,078,973.

### Comparison of Outstanding Debt by Activity

	Governmental Activities		Business-Type Activities		Total Activities	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
General Obligation Bonds and Notes	\$6,488,845	\$6,321,230	\$468,732	\$563,940	\$6,957,577	\$6,885,170
Special Assess B-Bond	\$880,000	\$985,000			\$880,000	\$985,000
Revenue Bond	-	-	<u>5,249,897</u>	<u>5,731,148</u>	<u>5,249,897</u>	<u>5,731,148</u>
<b>Total Outstanding</b>	<b>\$7,368,845</b>	<b>\$7,306,230</b>	<b>\$5,718,629</b>	<b>\$6,295,088</b>	<b>\$13,087,474</b>	<b>\$13,601,318</b>

The total outstanding general obligation debt of \$6,957,577 responsibilities are as follows:

Village	\$ 6,488,845
Utility	\$ 468,732

The village has approved the issuance of an Industrial Revenue Bond (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the village. The bonds are not reported as liabilities in the financial statements. The total amount of the IRB's outstanding balance at the end of the year is approximately \$10,802 made up of one issue for Belleville Land LLC.



## Current Portion of Outstanding Debt by Activity

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Amounts Due Within One Year</u>
General Obligation Bonds and Notes	\$ 6,488,845	\$ 468,732	\$ 462,764
Special Assess B-Bond	\$ 880,000		\$ 110,000
Revenue Bond		\$ 5,249,897	\$ 819,183
<b>Totals</b>	<b>\$ 7,368,845</b>	<b>\$ 5,718,629</b>	<b>\$ 1,391,947</b>

## FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As the village completes this year, its governmental funds reported a combined fund balance of \$1,221,422, which was \$275,159 more than the previous year.

The combined governmental funds ending fund balance includes \$1,357,999 in nonspendable and restricted funds, which includes \$221,461 restricted for debt service, \$169,972 restricted for the library, and \$260,679 restricted for future capital projects.

The individual fund balances are as follows:

### General Fund

The general fund has experienced a significant shift in fund balance from unassigned to nonspendable in the last five years. The general fund balance increased by \$62,202 to \$660,912. The general fund has an unassigned fund balance of \$72,642. The general fund unassigned fund's balance represents 5.6% of the actual general fund expenditures (which were \$1,305,184) in 2014. This is under the recommended fund balance of 17%. The general fund has been required to advance funds (totaling \$450,524) to several funds with a deficit balance, which are Waste Management, all three TIFs, and the stormwater utility. An additional \$111,366 is committed as carryover funds to complete projects budgeted in 2014.

### Other

The other funds are a grouping of non-major governmental funds and is made up of the waste management, cemetery, TIF No. 3, TIF No. 4, TIF No. 5, and Lake Restoration. The total non-major fund balance (deficit) is \$(97,133). This is an increase from last year's fund balance deficit by \$230,342. Lake restoration was included in non major funds in 2014.

## **TIF District Funds**

In 2009, three TIF funds were created:

- The fund balance (deficit) at the end of 2014 for TIF #3 was (\$295,595), as significant capital improvements including a sanitary sewer interceptor, power, and road improvements were installed to serve the new Far West Side Development. Water tower and additional road improvements have yet to be completed according to plans. This deficit is slightly higher than last year's because of escalating annual debt payments.

The base value of the district increased by \$3,236,800 through 2014, generating \$77,292 in TIF increment. After debt obligations to the developers are satisfied, excess increment funds may be applied to offset the Village's TIF project costs in future years, which will begin in 2015 with excess increment being generated by construction in the Bell West portion of the district.

- **TIF #4** was created to encourage industrial/commercial development. The fund balance (deficit) at the end of 2014 was \$(15,060), reflecting administration and district establishment costs. The Village has approved a project plan for Landmark Services to expand grain storage facilities. Upon completion of that project, the Village would issue a municipal revenue obligation to the developer for \$377,500. Construction plans have not yet been submitted. There was no new construction activity nor any base value increase to generate increment in the district during 2014.
- **TIF #5** was created to encourage redevelopment and blight elimination in the downtown Main Street and old railroad/Badger State Trail corridors. The fund balance (deficit) at the end of 2014 was \$(15,045), reflecting administration and district establishment costs. No projects as of yet have been approved for this district. There was no new construction activity nor any base value increase to generate increment in the district during 2014.

## **Capital Projects**

The other capital projects fund balance was \$264,920 in 2014. The Village Board has approved a borrow of \$515,000 in 2014, of which \$438,160 was allocated to cover major capital projects including Main Street sidewalk repair in 2015. Expenditures were \$308,956 more than revenues collected in 2014. The majority of expenditures were to fund construction of a new Community Park restroom building in 2014, using grant funds recognized in 2015 (\$75,000) and previous fund balance.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

Budgets are adopted at the department level of expenditures. Budgets are adopted for the general fund, debt service fund, other capital projects fund, and special revenue funds (waste management, library, cemetery), as required by Wisconsin Statute 65.90. The village may

authorize transfers of budgeted amounts within departments. Transfers between departments and changes in the overall budget must be approved by a two-thirds board action.

The general fund actual expenditures excluding transfers out were under final budgeted expenditures overall by \$30,781, or 2.3% of the amended budget. Significant departmental expenditure changes were as follows:

- 1) **General government:** \$7,609 over budget; Due to staffing time allocations and audit services.
- 2) **Public works/engineering:** \$28,088 under budget; Due primarily to under expenditure in machinery and street maintenance costs, staffing allocation, and infrastructure.
- 3) **Police/public safety:** \$11,531 under expenditure budget; Due primarily to police staffing (less officer time worked).
- 4) **Leisure:** \$1,769 over budget, primarily in the area of staff time allocation.

Actual revenues received were \$7,016 less than the budgeted amount. This primarily results from not receiving grant revenues from a DNR urban forestry grant and less court revenue received than budgeted.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The Village of Belleville is strategically located a short distance from Madison, which, has started the process of turning the community into a bedroom community. Belleville has been seeing fast residential growth because of the short commute and people wanting the "small town" way of life.

The village board reviews the future impacts of current budget years in order to try to alleviate impacts of future revenue losses, or large planned project costs. Levy restraints limiting levy increases were still in effect for the 2014 budgeting year (2014 tax year). The village kept its actual levy increase to 1.3%. The village's mil rate for Dane County residents increased from \$8.31 in 2013 tax year to \$8.39. Green County residents' rate increased as well, from \$8.23 to \$8.40.

The levy for capital projects increased from \$92,950 in 2014 to \$105,000. Debt service payments required continued their upward trend to \$369,438 (net of refunding transactions), a 4.4% increase from the previous year. These payments reflected the large borrowings ongoing since 2008 for infrastructure improvements made within the Village and the Far West Side Development and Lake Belle View reconstruction. The large debt payments and debt constraint of being at 77% of allowable limit, while the need for significant capital projects continues, will be a major challenge for the near future. These capital items include a much-needed Main Street sidewalk repair, completion of Lake Belle View restoration, and a new basketball court that should be mostly completed in 2015.

State shared revenues increased by .1%. Equalized value is \$180,731,000, which is down in both counties; -.9% in Green County and -1.9% in Dane County. Net new construction increased only .25% in both counties overall. Financial Management Plan updates were completed in late 2009 with Ehlers & Associates to prepare for the slowing economy, increased infrastructure spending, utility fund challenges and status changes.

## **CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Village of Belleville's finances for all those with an interest in the government's finances and to demonstrate the village's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village of Belleville, Village Administrator/Clerk/Treasurer, P.O. Box 79, Belleville, WI 53508.

# VILLAGE OF BELLEVILLE

## STATEMENT OF NET POSITION As of December 31, 2014

	Governmental Activities	Business-type Activities	Totals	Community Development Authority
<b>ASSETS</b>				
Cash and investments	\$ 428,745	\$ 394,114	\$ 822,859	\$ 326,719
Receivables (net)				
Taxes	1,963,894	-	1,963,894	-
Other	434,627	150,248	584,875	12,650
Special assessments	770,000	-	770,000	-
Internal balances	142,169	(142,169)	-	-
Inventories and prepaid items	14,547	12,194	26,741	-
Restricted cash and investments	433,875	707,319	1,141,194	-
Capital Assets				
Land	365,843	74,173	440,016	-
Land improvements	1,849,236	-	1,849,236	-
Construction in progress	-	96,635	96,635	-
Other capital assets, net of depreciation	<u>6,491,366</u>	<u>16,265,879</u>	<u>22,757,245</u>	-
Total Assets	<u>12,894,302</u>	<u>17,558,393</u>	<u>30,452,695</u>	<u>339,369</u>
<b>LIABILITIES</b>				
Accounts payable and accrued expenses	132,412	38,867	171,279	-
Deposits	27,442	-	27,442	-
Noncurrent Liabilities				
Due within one year	480,091	924,392	1,404,483	-
Due in more than one year	<u>6,901,290</u>	<u>4,794,238</u>	<u>11,695,528</u>	-
Total Liabilities	<u>7,541,235</u>	<u>5,757,497</u>	<u>13,298,732</u>	-
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unearned revenue	<u>1,787,154</u>	-	<u>1,787,154</u>	-
Total Deferred Inflows of Resources	<u>1,787,154</u>	-	<u>1,787,154</u>	-
<b>NET POSITION</b>				
Net investment in capital assets	5,634,191	10,718,057	12,525,348	-
Restricted for				
Library activities	171,262	-	171,262	-
Lake restoration	267,010	-	267,010	-
Cemetery activities	40,343	-	40,343	-
Debt service	1,097,493	-	1,097,493	-
Equipment replacement	-	357,164	357,164	-
Bond redemption	-	328,055	328,055	-
Unrestricted (deficit)	<u>(3,644,386)</u>	<u>397,620</u>	<u>580,134</u>	<u>339,369</u>
<b>TOTAL NET POSITION</b>	<u>\$ 3,565,913</u>	<u>\$ 11,800,896</u>	<u>\$ 15,366,809</u>	<u>\$ 339,369</u>

See accompanying notes to financial statements.

# VILLAGE OF BELLEVILLE

## STATEMENT OF ACTIVITIES For the Year Ended December 31, 2014

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 374,312	\$ 8,563	\$ -	\$ -
Public safety	543,642	26,856	12,758	-
Public works	556,364	175,064	138,684	-
Leisure activities	507,527	13,495	83,718	75,000
Conservation and development	62,514	29,031	-	31,656
Public service enterprise	14,861	7,050	-	-
Interest and fiscal charges	194,176	-	-	-
Total Governmental Activities	2,253,396	260,059	235,160	106,656
Business-type Activities				
Water	267,552	333,753	-	-
Sewer	910,562	829,274	-	2,889
Stormwater	237,038	106,023	-	52,300
Total Business-type Activities	1,415,152	1,269,050	-	55,189
Total Primary Government	\$ 3,668,548	\$ 1,529,109	\$ 235,160	\$ 161,845
Component Unit				
Community Development Authority	\$ 3,305	\$ -	\$ -	\$ 12,650

General Revenues

    Taxes

        Property taxes, levied for general purposes

        Property taxes, levied for debt service

        Property taxes, levied for TIF districts

    Intergovernmental revenues not restricted to specific programs

    Investment income

    Miscellaneous

Transfers

    Total General Revenues and Transfers

**Change in net position**

NET POSITION - Beginning of Year

**NET POSITION - END OF YEAR**

Net (Expenses) Revenues and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Totals	Community Development Authority
\$ (365,749)	\$ -	\$ (365,749)	\$ -
(504,028)	-	(504,028)	-
(242,616)	-	(242,616)	-
(335,314)	-	(335,314)	-
(1,827)	-	(1,827)	-
(7,811)	-	(7,811)	-
<u>(194,176)</u>	<u>-</u>	<u>(194,176)</u>	<u>-</u>
<u>(1,651,521)</u>	<u>-</u>	<u>(1,651,521)</u>	<u>-</u>
-	66,201	66,201	-
-	(78,399)	(78,399)	-
<u>-</u>	<u>(78,715)</u>	<u>(78,715)</u>	<u>-</u>
<u>-</u>	<u>(90,913)</u>	<u>(90,913)</u>	<u>-</u>
<u>(1,651,521)</u>	<u>(90,913)</u>	<u>(1,742,434)</u>	<u>-</u>
-	-	-	9,345
1,212,230	-	1,212,230	-
353,835	-	353,835	-
87,559	-	87,559	-
193,552	-	193,552	-
6,020	1,921	7,941	1,183
<u>36,780</u>	<u>-</u>	<u>36,780</u>	<u>-</u>
<u>83,182</u>	<u>(83,182)</u>	<u>-</u>	<u>-</u>
<u>1,973,158</u>	<u>(81,261)</u>	<u>1,891,897</u>	<u>1,183</u>
321,637	(172,174)	149,463	10,528
<u>3,244,276</u>	<u>11,973,070</u>	<u>15,217,346</u>	<u>328,841</u>
<u>\$ 3,565,913</u>	<u>\$ 11,800,896</u>	<u>\$ 15,366,809</u>	<u>\$ 339,369</u>

See accompanying notes to financial statements.

**VILLAGE OF BELLEVILLE**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
As of December 31, 2014

	General	Library	Debt Service Fund	Other Capital Projects
<b>ASSETS</b>				
Cash and investments	\$ 158,745	\$ 188,912	\$ 34,824	\$ -
Receivables				
Taxes	877,579	215,560	510,988	105,000
Special assessments	-	-	770,000	-
Delinquent personal property taxes	2,767	-	-	-
Delinquent special assessments	11,039	-	-	-
Accounts	65,749	-	-	145,000
Due from other funds	55,784	-	-	-
Advances to other funds	450,524	-	-	-
Prepaid items	12,574	1,290	-	-
Restricted cash and investments	-	-	186,637	194,920
	<u>\$ 1,634,761</u>	<u>\$ 405,762</u>	<u>\$ 1,502,449</u>	<u>\$ 444,920</u>
<b>TOTAL ASSETS</b>				
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 75,623	\$ 18,940	\$ -	\$ -
Deposits	27,442	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	<u>103,065</u>	<u>18,940</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unearned revenues	870,784	215,560	369,438	105,000
Unavailable revenues	-	-	911,550	75,000
Total Deferred Inflows of Resources	<u>870,784</u>	<u>215,560</u>	<u>1,280,988</u>	<u>180,000</u>
Fund Balances				
Nonspendable	476,904	1,290	-	-
Restricted	-	169,972	221,461	260,679
Committed	111,366	-	-	4,241
Unassigned (deficit)	72,642	-	-	-
Total Fund Balances	<u>660,912</u>	<u>171,262</u>	<u>221,461</u>	<u>264,920</u>
	<u>\$ 1,634,761</u>	<u>\$ 405,762</u>	<u>\$ 1,502,449</u>	<u>\$ 444,920</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				

See accompanying notes to financial statements.



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Nonmajor Governmental Funds	Totals
\$ 46,264	\$ 428,745
254,767	1,963,894
-	770,000
-	2,767
-	11,039
210,072	420,821
-	55,784
-	450,524
683	14,547
<u>52,318</u>	<u>433,875</u>
<u>\$ 564,104</u>	<u>\$ 4,551,996</u>

\$ 2,331	\$ 96,894
-	27,442
<u>364,139</u>	<u>364,139</u>
<u>366,470</u>	<u>488,475</u>

226,372	1,787,154
<u>68,395</u>	<u>1,054,945</u>
<u>294,767</u>	<u>2,842,099</u>

683	478,877
227,010	879,122
40,210	155,817
<u>(365,036)</u>	<u>(292,394)</u>
<u>(97,133)</u>	<u>1,221,422</u>

<u>\$ 564,104</u>	<u>\$ 4,551,996</u>
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See accompanying notes to financial statements.

## VILLAGE OF BELLEVILLE

### RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2014

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Total Fund Balances - Governmental Funds	\$ 1,221,422
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note IV.D.	8,706,445
Special assessments are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	770,000
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.	115,000
Special charges included in property taxes receivable are reported as unavailable revenues in the fund financial statements but are recognized as revenues when earned in the government-wide statements.	169,945
Some liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds. See Note II. A.	<u>(7,416,899)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 3,565,913</u></u></b>

See accompanying notes to financial statements.

## VILLAGE OF BELLEVILLE

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

For the Year Ended December 31, 2014

	<u>General</u>	<u>Library</u>	<u>Debt Service Fund</u>	<u>Other Capital Projects</u>
<b>REVENUES</b>				
Taxes	\$ 878,209	\$ 215,560	\$ 353,835	\$ 92,950
Special assessments	-	-	138,890	-
Intergovernmental	330,372	82,990	-	-
Licenses and permits	17,118	-	-	-
Fines, forfeitures and penalties	15,860	-	-	-
Public charges for services	3,785	8,273	-	-
Investment income	3,196	1,425	-	857
Miscellaneous	51,514	6,048	-	-
Total Revenues	<u>1,300,054</u>	<u>314,296</u>	<u>492,725</u>	<u>93,807</u>
<b>EXPENDITURES</b>				
Current				
General government	361,527	650	-	-
Public safety	527,044	-	-	-
Public works	277,603	-	-	-
Leisure activities	137,650	291,013	-	-
Conservation and development	500	-	-	-
Public service enterprises	-	-	-	-
Capital Outlay	860	-	-	402,763
Debt Service				
Principal	-	-	452,385	-
Interest and fiscal charges	-	-	187,277	-
Total Expenditures	<u>1,305,184</u>	<u>291,663</u>	<u>639,662</u>	<u>402,763</u>
Excess (deficiency) of revenues over expenditures	<u>(5,130)</u>	<u>22,633</u>	<u>(146,937)</u>	<u>(308,956)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt issued	-	-	-	438,160
Transfers in	270,948	-	142,305	70,000
Transfers out	(203,616)	-	-	-
Total Other Financing Sources (Uses)	<u>67,332</u>	<u>-</u>	<u>142,305</u>	<u>508,160</u>
<b>Net Change in Fund Balances</b>	62,202	22,633	(4,632)	199,204
FUND BALANCES (DEFICIT) - Beginning of Year	<u>598,710</u>	<u>148,629</u>	<u>226,093</u>	<u>65,716</u>
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<u>\$ 660,912</u>	<u>\$ 171,262</u>	<u>\$ 221,461</u>	<u>\$ 264,920</u>

See accompanying notes to financial statements.

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Nonmajor Governmental Funds	Totals
\$ 113,418	\$ 1,653,972
-	138,890
51,893	465,255
-	17,118
-	15,860
161,296	173,354
194	5,672
<u>4,654</u>	<u>62,216</u>
<u>331,455</u>	<u>2,532,337</u>
-	362,177
-	527,044
138,934	416,537
-	428,663
58,764	59,264
14,443	14,443
3,750	407,373
-	452,385
<u>197</u>	<u>187,474</u>
<u>216,088</u>	<u>2,855,360</u>
<u>115,367</u>	<u>(323,023)</u>
76,840	515,000
-	483,253
<u>(196,455)</u>	<u>(400,071)</u>
<u>(119,615)</u>	<u>598,182</u>
(4,248)	275,159
<u>(92,885)</u>	<u>946,263</u>
<u>\$ (97,133)</u>	<u>\$ 1,221,422</u>

See accompanying notes to financial statements.

## VILLAGE OF BELLEVILLE

### 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, 2014

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Net change in fund balances - total governmental funds	\$	275,159
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements	407,373
Some items reported as capital outlay are not capitalized in the government-wide statements	(11,424)
Some items capitalized were reported as operating expenditures in the fund financial statements but are capitalized in the government-wide financial statements.	34,137
Depreciation is reported in the government-wide financial statements	(272,636)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

Developer charges	(110,000)
Pledges, grants, and special charges receivable	69,514

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

Debt issued	(515,000)
Principal repaid	452,385

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

Compensated absences	(1,169)
Accrued interest on debt	(6,702)

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b><u>321,637</u></b>
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## VILLAGE OF BELLEVILLE

STATEMENT OF NET POSITION  
 PROPRIETARY FUND - WATER AND SEWER UTILITY  
 As of December 31, 2014  
 (With Comparative Totals for December 31, 2013)

	Business-type Activities - Enterprise Fund	
	2014	2013
<b>ASSETS</b>		
Current Assets		
Cash and investments	\$ 394,114	\$ 563,627
Accounts receivable	129,580	125,485
Inventories and prepayments	11,790	11,978
Total Current Assets	535,484	701,090
Noncurrent Assets		
Restricted Assets		
Equipment replacement	357,164	307,164
Bond redemption	350,155	343,633
Capital Assets		
Capital assets not being depreciated	170,808	178,663
Capital assets net of accumulated depreciation	14,071,514	14,603,353
Total Noncurrent Assets	14,949,641	15,432,813
Total Assets	15,485,125	16,133,903
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable	13,491	15,503
Due to other funds	55,784	55,784
Accrued interest	3,274	3,944
Current portion of general obligation debt	105,209	95,208
Current portion of other long-term debt	819,183	481,250
Liabilities Payable from Restricted Assets		
Accrued interest payable	22,100	24,200
Total Current Liabilities	1,019,041	675,889
Noncurrent Liabilities		
Long-Term Debt		
General obligation debt payable	363,523	468,732
Revenue bonds payable	4,430,715	5,249,898
Total Noncurrent Liabilities	4,794,238	5,718,630
Total Liabilities	5,813,279	6,394,519
<b>NET POSITION</b>		
Net investments in capital assets	8,523,692	8,486,928
Restricted for		
Equipment replacement	357,164	307,164
Bond redemption	328,055	319,433
Unrestricted	462,935	625,859
<b>TOTAL NET POSITION</b>	\$ 9,671,846	\$ 9,739,384

See accompanying notes to financial statements.

## VILLAGE OF BELLEVILLE

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 PROPRIETARY FUND - WATER AND SEWER UTILITY  
 For the Year Ended December 31, 2014  
 (With Comparative Totals for the Year Ended December 31, 2013)

	Business-type Activities - Enterprise Fund	
	2014	2013
<b>OPERATING REVENUES</b>		
Water service	\$ 333,753	\$ 334,817
Sewage service	829,274	827,195
Total Operating Revenues	1,163,027	1,162,012
<b>OPERATING EXPENSES</b>		
Water		
General administrative, operation and maintenance	133,962	146,173
Depreciation expense	103,333	103,304
Total Water	237,295	249,477
Sewer		
General administrative, operation and maintenance	362,853	313,127
Depreciation expense	418,719	418,719
Total Sewer	781,572	731,846
Total Operating Expenses	1,018,867	981,323
<b>OPERATING INCOME</b>		
Water	96,458	85,340
Sewer	47,702	95,349
Total Operating Income	144,160	180,689
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment income	1,992	2,425
Interest expense	(159,247)	(195,942)
Total Nonoperating Revenues (Expenses)	(157,255)	(193,517)
Income (Loss) Before Contributions and Transfers	(13,095)	(12,828)
<b>CONTRIBUTIONS AND TRANSFERS</b>		
Contributions in aid of construction	2,889	2,889
Transfers in	203,616	156,156
Transfers out	(260,948)	(187,729)
Total Contributions and Transfers	(54,443)	(28,684)
<b>Change in Net Position</b>	(67,538)	(41,512)
NET POSITION - Beginning of Year	9,739,384	9,780,896
<b>NET POSITION - END OF YEAR</b>	<b>\$ 9,671,846</b>	<b>\$ 9,739,384</b>

See accompanying notes to financial statements.

**VILLAGE OF BELLEVILLE**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND - WATER AND SEWER UTILITY  
 For the Year Ended December 31, 2014  
 (With Comparative Totals for the Year Ended December 31, 2013)

	Business-type Activities - Enterprise Fund	
	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Received from customers	\$ 1,168,719	\$ 1,166,853
Paid to suppliers for goods and services	(370,254)	(305,044)
Paid to employees for services	(120,530)	(153,268)
Net Cash Flows From Operating Activities	<u>677,935</u>	<u>708,541</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income	<u>1,992</u>	<u>2,425</u>
Net Cash Flows From Investing Activities	<u>1,992</u>	<u>2,425</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Paid to municipality for tax equivalent	<u>(57,332)</u>	<u>(59,206)</u>
Net Cash Flows From Noncapital Financing Activities	<u>(57,332)</u>	<u>(59,206)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Debt retired	(576,458)	(554,341)
Interest paid	(162,017)	(177,938)
Transfers for debt service	-	25,000
Connection fees received	2,889	2,889
Acquisition and construction of capital assets	<u>-</u>	<u>(2,235)</u>
Net Cash Flows From Capital and Related Financing Activities	<u>(735,586)</u>	<u>(706,625)</u>
<b>Net Change in Cash and Cash Equivalents</b>	(112,991)	(54,865)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>1,214,424</u>	<u>1,269,289</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,101,433</u>	<u>\$ 1,214,424</u>

See accompanying notes to financial statements.



	Business-type Activities - Enterprise Fund	
	2014	2013
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income	\$ 144,160	\$ 180,689
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities		
Depreciation	522,052	522,023
Depreciation charged to other funds	9,787	9,758
Changes in assets and liabilities		
Accounts receivable	(4,095)	(4,917)
Construction work in progress expensed	7,855	-
Prepayments	188	(619)
Accounts payable and other liabilities	(2,012)	1,607
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b><u>\$ 677,935</u></b>	<b><u>\$ 708,541</u></b>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS</b>		
Cash and investments - statement of net position	\$ 394,114	\$ 563,627
Equipment replacement	357,164	307,164
Bond redemption	350,155	343,633
<b>CASH AND CASH EQUIVALENTS</b>	<b><u>\$ 1,101,433</u></b>	<b><u>\$ 1,214,424</u></b>

**NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES**

In 2014 and 2013, \$203,616 and \$131,156, respectively, of surplus funds were transferred to the village and back to the utility to use for debt service.

## VILLAGE OF BELLEVILLE

STATEMENT OF NET POSITION  
 PROPRIETARY FUND - STORMWATER UTILITY  
 As of December 31, 2014  
 (With Comparative Totals for December 31, 2013)

	Business-type Activities - Enterprise Fund	
	2014	2013
<b>ASSETS</b>		
Current Assets		
Accounts receivable	\$ 20,668	\$ 10,176
Inventories and prepayments	404	364
Total Current Assets	21,072	10,540
Noncurrent Assets		
Capital Assets		
Capital assets not being depreciated	-	13,695
Capital assets net of accumulated depreciation	2,194,365	2,238,345
Total Assets	2,215,437	2,262,580
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable	2	-
Total Current Liabilities	2	-
Noncurrent Liabilities		
Advances from other funds	86,385	28,894
Total Noncurrent Liabilities	86,385	28,894
Total Liabilities	86,387	28,894
<b>NET POSITION</b>		
Net investment in capital assets	2,194,365	2,252,040
Unrestricted (deficit)	(65,315)	(18,354)
<b>TOTAL NET POSITION</b>	\$ 2,129,050	\$ 2,233,686

See accompanying notes to financial statements.

## VILLAGE OF BELLEVILLE

### STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND - STORMWATER UTILITY

For the Year Ended December 31, 2014

(With Comparative Totals for the Year Ended December 31, 2013)

	Business-type Activities - Enterprise Fund	
	2014	2013
<b>OPERATING REVENUES</b>		
Stormwater service	\$ 106,023	\$ 103,809
<b>OPERATING EXPENSES</b>		
General administrative, operation and maintenance	193,058	25,084
Depreciation expense	43,980	43,980
Total Operating Expenses	237,038	69,064
<b>OPERATING INCOME (LOSS)</b>	(131,015)	34,745
<b>NONOPERATING REVENUE (EXPENSE)</b>		
Intergovernmental grants	52,300	-
Investment income (expense)	(71)	(65)
Total Nonoperating Revenue	52,229	(65)
Income Before Transfers	(78,786)	34,680
<b>TRANSFERS</b>		
Transfers out	(25,850)	(25,850)
Total Contributions and Transfers	(25,850)	(25,850)
<b>Change in Net Position</b>	(104,636)	8,830
NET POSITION - Beginning of Year	2,233,686	2,224,856
<b>NET POSITION - END OF YEAR</b>	\$ 2,129,050	\$ 2,233,686

See accompanying notes to financial statements.

# VILLAGE OF BELLEVILLE

## STATEMENT OF CASH FLOWS PROPRIETARY FUND - STORMWATER UTILITY

For the Year Ended December 31, 2014  
(With Comparative Totals for the Year Ended December 31, 2013)

	Business-type Activities - Enterprise Fund	
	2014	2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Received from customers	\$ 147,831	\$ 104,204
Paid to suppliers for goods and services	(171,414)	(12,294)
Paid to employees for services	(21,682)	(17,377)
Net Cash Flows From Operating Activities	(45,265)	74,533
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Interfund advance received (paid)	57,491	(24,396)
Transfers out	(25,850)	(25,850)
Net Cash Flows From Noncapital Financing Activities	31,641	(50,246)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment income (expense)	(71)	(65)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	13,695	(24,222)
<b>Net Change in Cash and Cash Equivalents</b>	-	-
CASH AND CASH EQUIVALENTS - Beginning of Year	-	-
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ -	\$ -
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ (131,015)	\$ 34,745
Adjustments to Reconcile Operating Income to Net Cash Flows		
From Operating Activities		
Non-operating income	52,300	-
Depreciation	43,980	43,980
Changes in assets and liabilities		
Accounts receivable	(10,492)	395
Prepayments	(40)	(27)
Accounts payable	2	(4,560)
Advances from other funds	-	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	\$ (45,265)	\$ 74,533

### NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES

None in 2014 or 2013.

See accompanying notes to financial statements.

# VILLAGE OF BELLEVILLE

## STATEMENT OF ASSETS AND LIABILITIES AGENCY FUNDS As of December 31, 2014

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and investments	\$ 2,377,106
Tax roll receivable	<u>732,535</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,109,641</u></b>
<b>LIABILITIES</b>	
Due to other taxing units	\$ 3,088,570
Accounts payable	<u>21,071</u>
<b>TOTAL LIABILITIES</b>	<b><u>\$ 3,109,641</u></b>

See accompanying notes to financial statements.

# VILLAGE OF BELLEVILLE

## INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

---

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

#### ***A. REPORTING ENTITY***

This report includes all of the funds of the village. The reporting entity for the village consists of the primary government and its component unit. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

---

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

---

#### **A. REPORTING ENTITY (cont.)**

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

###### *Belleville Community Development Authority*

The government-wide financial statements include the Belleville Community Development Authority ("CDA") as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the village board. Wisconsin Statutes provide for circumstances whereby the village can impose its will on the CDA, and also create a potential financial benefit to or burden on the village. See Note IV.I. As a component unit, the CDA's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2014. The CDA does not issue separate financial statements.

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

##### ***Government-Wide Financial Statements***

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

##### ***Fund Financial Statements***

Financial statements of the village are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.



# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

---

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

---

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

##### ***Fund Financial Statements (cont.)***

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

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

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

The village reports the following major governmental funds:

- General Fund - accounts for the village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Library Special Revenue Fund - accounts for resources legally restricted to supporting expenditures for the library.
- Debt Service Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs, other than TID or enterprise debt.
- Other Capital Projects Fund - accounts for the financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

The village reports the following major enterprise funds:

- Water and Sewer Utility Fund - accounts for operations of the water and sewer systems
- Stormwater Utility - accounts for operations of the stormwater system

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

---

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

---

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

##### ***Fund Financial Statements (cont.)***

The village reports the following nonmajor governmental funds:

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

Waste Management  
Cemetery

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

Tax Incremental District (TID) No. 3  
Tax Incremental District (TID) No. 4

Tax Incremental District (TID) No. 5  
Lake Restoration

In addition, the village reports the following fund types:

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

Tax Collection  
Fire and EMS District

Food Pantry

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

##### ***Government-Wide Financial Statements***

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

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

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

---

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

---

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

##### *Fund Financial Statements*

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

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

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

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the general fund.

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

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

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

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

---

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

---

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

##### ***All Financial Statements***

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

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

##### ***1. Deposits and Investments***

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

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

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

The village has adopted an investment policy. That policy follows the state statute for allowable investments, and does not address the risks disclosed in Note IV. A.

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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

---

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

##### **1. Deposits and Investments (cont.)**

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

See Note IV. A. for further information.

##### **2. Receivables**

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

Property tax calendar - 2014 tax roll:

Lien date and levy date	December 2014
Tax bills mailed	December 2014
Payment in full, or	January 31, 2015
First installment due	January 31, 2015
Second installment due	July 31, 2015
Personal property taxes in full	January 31, 2015
Tax sale - 2014 delinquent real estate taxes	October 2017

Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for the water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

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

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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

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

##### **2. Receivables (cont.)**

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

##### **3. Inventories and Prepaid Items**

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

##### **4. Restricted Assets**

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

##### **5. Capital Assets**

###### ***Government-Wide Statements***

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$15,000 for infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated fair value at the date of donation.

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

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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

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

##### **5. Capital Assets (cont.)**

###### ***Government-Wide Statements (cont.)***

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

Buildings	25-40 Years
Land Improvements	20-30 Years
Machinery and Equipment	5-20 Years
Utility Systems	7-100 Years
Infrastructure	20-50 Years

###### ***Fund Financial Statements***

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

##### **6. Compensated Absences**

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources. All vacation and compensatory balances at December 31, 2014 are considered current, because the village considers all carryover balances to be used prior to the use of the subsequent year's accruals. Sick leave is considered non-current. Vested vacation, sick and compensatory time is not material to the enterprise funds.

Payments for vacation, compensatory time and sick leave will be made at rates in effect when benefits are used. Accumulated vacation, sick and compensatory time liabilities at December 31, 2014 are determined on the basis of the current year's salary rates.

##### **7. Long-Term Obligations/Conduit Debt**

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

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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

---

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

##### ***7. Long-Term Obligations/Conduit Debt (cont.)***

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

The village has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is approximately \$10,802, made up of one issue.

##### ***8. Deferred Inflows of Resources***

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

##### ***9. Equity Classifications***

###### ***Government-Wide Statements***

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

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

The net position section includes an adjustment for capital assets owned by the business-type activities column, but financed by the debt of the governmental activities column. The amount is a reduction of "net investment in capital assets", and an increase in "unrestricted" net position, shown only in the total column. A reconciliation of this adjustment is as follows:



**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

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

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

***9. Equity Classifications (cont.)***

***Government-Wide Statements (cont.)***

	Governmental Activities	Business-type Activities	Adjustment	Total
Net investment in capital assets	\$ 5,634,191	\$ 10,718,057	\$ (3,826,900)	\$ 12,525,348
Unrestricted	(3,644,386)	397,620	3,826,900	580,134

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

***Fund Statements***

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.
- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following; 1) The Board may take official action to assign amounts. 2) All remaining positive spendable amounts in governmental funds, other than the general fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

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

---

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

***9. Equity Classifications (cont.)***

***Fund Statements (cont.)***

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

The village has a formal minimum fund balance policy. That policy, approved prior to implementation of GASB 54, is to maintain minimum undesignated fund balance of 17% of the general fund expenditure budget. There was unassigned fund balance in the general fund at year end of \$72,642, which is 5% of the 2015 budgeted expenditures in the general fund.

See Note IV. H. for further information.

***10. Prior Period Information***

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2013, from which the summarized information was derived.

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**NOTE II - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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***A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE STATEMENT OF NET POSITION***

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. The details of this reconciliation include the following items.

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

Bonds and notes payable	\$ 7,368,845
Compensated absences	12,536
Accrued interest	<u>35,518</u>
 Combined Adjustment for Long-Term Liabilities	 <u><u>\$ 7,416,899</u></u>

# VILLAGE OF BELLEVILLE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

## **NOTE III - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

### **A. EXCESS EXPENDITURES OVER APPROPRIATIONS**

Fund	Budgeted Expenditures	Actual Expenditures	Excess Expenditures Over Budget
Other Capital Projects	\$ 138,150	\$ 402,763	\$ 264,613

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

### **B. DEFICIT BALANCES**

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2014, the following individual funds held a deficit balance:

Fund	Amount	Reason
Waste Management	\$ (38,786)	Operating expenditures exceeded revenues
Tax Incremental District No. 3	(295,595)	Operating expenditures exceeded revenues
Tax Incremental District No. 4	(15,060)	Operating expenditures exceeded revenues
Tax Incremental District No. 5	(15,045)	Operating expenditures exceeded revenues

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases.

The deficit in the Waste Management fund is anticipated to be funded with future tax revenues.

### **C. LIMITATIONS ON THE VILLAGE'S TAX LEVY**

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

# VILLAGE OF BELLEVILLE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

## NOTE IV - DETAILED NOTES ON ALL FUNDS

### A. DEPOSITS AND INVESTMENTS

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

	Carrying Value	Statement Balances	Associated Risks
Demand deposits	\$ 4,517,598	\$ 4,594,876	Custodial credit risk
Certificates of deposits	150,205	150,205	Custodial credit risk
Petty cash	75	-	N/A
 Total Deposits and Investments	 \$ 4,667,878	 \$ 4,745,081	
 Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 822,859		
Restricted cash and investments	1,141,194		
Per statement of net position - component unit	326,719		
Per statement of assets and liabilities			
Agency Funds	2,377,106		
 Total Deposits and Investments	 \$ 4,667,878		

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

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

The village maintains collateral agreements with its banks. At December 31, 2014, the banks had pledged various government securities in the amount of \$4,568,449 to secure the village's deposits.

### ***Custodial Credit Risk***

#### **Deposits**

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

The village does not have any deposits exposed to custodial credit risk.

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

**A. DEPOSITS AND INVESTMENTS (cont.)**

See Note I.D.1. for further information on deposit and investment policies.

**B. RECEIVABLES**

All of the receivables on the balance sheet are expected to be collected within one year except the special assessment receivables of \$770,000, \$40,000 in pledges receivable, and delinquent personal property taxes and delinquent special assessments of \$2,767 and \$11,039, respectively.

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

	Unearned	Unavailable
Property taxes receivable for subsequent year	\$ 1,787,154	\$ 169,945
Special assessments not yet due	-	770,000
Pledges	-	40,000
Grants	-	75,000
 Total Unearned/Unavailable Revenue for Governmental Funds	 \$ 1,787,154	 \$ 1,054,945

**C. RESTRICTED ASSETS**

The following represent the balances of the restricted assets:

***Long-Term Debt Accounts***

Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.

***Equipment Replacement Account***

The sewer utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

**C. RESTRICTED ASSETS (cont.)**

Following is a list of restricted assets at December 31, 2014:

	Restricted Assets	Liabilities Payable from Restricted Assets	Restricted Net Position
Bond redemption account	\$ 350,155	\$ 22,100	\$ 328,055
Equipment replacement account	357,164	-	357,164
Total	\$ 707,319	\$ 22,100	\$ 685,219

In addition, the governmental activities have \$186,637 in restricted assets for a debt service reserve account and \$247,238 in restricted assets for future capital projects.

**D. CAPITAL ASSETS**

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

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 365,843	\$ -	\$ -	\$ 365,843
Infrastructure land and improvements	1,849,236	-	-	1,849,236
Total Capital Assets Not Being Depreciated	2,215,079	-	-	2,215,079
Capital assets being depreciated				
Buildings and improvements	3,165,512	395,489	-	3,561,001
Equipment	663,774	34,597	6,140	692,231
Streets	4,831,052	-	-	4,831,052
Sidewalks	537,591	-	-	537,591
Bridges	267,017	-	-	267,017
Total Capital Assets Being Depreciated	9,464,946	430,086	6,140	9,888,892
Total Capital Assets	11,680,025	430,086	6,140	12,103,971

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

### NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)

**D. CAPITAL ASSETS** (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b> (cont.)				
Less: Accumulated depreciation for				
Buildings and improvements	\$ (722,285)	\$ (121,352)	\$ -	\$ (843,637)
Equipment	(439,092)	(40,826)	6,140	(473,778)
Streets	(1,690,878)	(94,366)	-	(1,785,244)
Sidewalks	(268,095)	(10,752)	-	(278,847)
Bridges	(10,680)	(5,340)	-	(16,020)
Total Accumulated Depreciation	(3,131,030)	(272,636)	6,140	(3,397,526)
Net Capital Assets Being Depreciated	6,333,916	157,450	-	6,491,366
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 8,548,995	\$ 157,450	\$ -	\$ 8,706,445

Depreciation expense was charged to functions as follows:

<b>Governmental Activities</b>	
General government	\$ 5,678
Public safety	15,429
Public works, which includes the depreciation of infrastructure	139,430
Leisure activities	111,681
Public service enterprises	418
Total Governmental Activities Depreciation Expense	\$ 272,636

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

**Business-type Activities**

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Water</u>				
Capital assets not being depreciated				
Land and land rights	\$ 14,023	\$ -	\$ -	\$ 14,023
Land held for future use	30,000	-	-	30,000
Construction in progress	96,635	-	-	96,635
Total Capital Assets Not Being Depreciated	140,658	-	-	140,658
Capital assets being depreciated				
Source of supply	8,057	-	-	8,057
Pumping	99,123	-	-	99,123
Water treatment	2,924	-	-	2,924
Transmission and distribution	5,182,337	-	117	5,182,220
General	38,174	-	-	38,174
Total Capital Assets Being Depreciated	5,330,615	-	117	5,330,498
Total Capital Assets	5,471,273	-	117	5,471,156
Less: Accumulated depreciation for				
General	(929,358)	(113,120)	117	(1,042,361)
Total Accumulated Depreciation	(929,358)	(113,120)	117	(1,042,361)
Net Capital Assets Being Depreciated	4,401,257	(113,120)	-	4,288,137
Net Water Capital Assets	\$ 4,541,915	\$ (113,120)	\$ -	\$ 4,428,795



**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

**Business-type Activities (cont.)**

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Sewer</u>				
Capital assets not being depreciated				
Land and land rights	\$ 30,150	\$ -	\$ -	\$ 30,150
Construction in progress	7,855	-	7,855	-
Total Capital Assets Not Being Depreciated	38,005	-	7,855	30,150
Capital assets being depreciated				
Collection system	4,077,092	-	-	4,077,092
Collection system pumping	460,332	-	-	460,332
Treatment and disposal	8,746,088	-	-	8,746,088
General	256,921	-	-	256,921
Total Capital Assets Being Depreciated	13,540,433	-	-	13,540,433
Total Capital Assets	13,578,438	-	7,855	13,570,583
Less: Accumulated depreciation for				
General	(3,338,338)	(418,719)	-	(3,757,057)
Total Accumulated Depreciation	(3,338,338)	(418,719)	-	(3,757,057)
Net Capital Assets Being Depreciated	10,202,095	(418,719)	-	9,783,376
Net Sewer Capital Assets	\$ 10,240,100	\$ (418,719)	\$ 7,855	\$ 9,813,526

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

**D. CAPITAL ASSETS (cont.)**

**Business-type Activities (cont.)**

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Stormwater</u>				
Capital assets not being depreciated				
Construction in progress	\$ 13,695	\$ -	\$ 13,695	\$ -
Total Capital Assets Not Being Depreciated	13,695	-	13,695	-
Capital assets being depreciated				
General	2,638,770	-	-	2,638,770
Total Capital Assets Being Depreciated	2,638,770	-	-	2,638,770
Total Capital Assets	2,652,465	-	13,695	2,638,770
Less: Accumulated depreciation for				
General	(400,425)	(43,980)	-	(444,405)
Total Accumulated Depreciation	(400,425)	(43,980)	-	(444,405)
Net Capital Assets Being Depreciated	2,238,345	(43,980)	-	2,194,365
Net Stormwater Capital Assets	\$ 2,252,040	\$ (43,980)	\$ 13,695	\$ 2,194,365
Business-type Capital Assets, Net of Accumulated Depreciation	\$ 17,034,055	\$ (575,819)	\$ 21,550	\$ 16,436,686

Depreciation expense was charged to functions as follows:

**Business-type Activities**

Water	\$ 103,333
Sewer	418,719
Stormwater	43,980
Total Business-type Activities Depreciation Expense	\$ 566,032

Depreciation expense may be different from business-type activity capital asset additions because of joint metering, salvage, cost of removal, internal allocations, or costs associated with the disposal of assets.

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

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**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

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***E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS***

***Interfund Receivables/Payables***

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	Water and sewer utility	\$ 55,784
Add: Interfund advances		<u>86,385</u>
Total Internal Balances - Government-Wide Statement of Net Position		<u>\$ 142,169</u>

All amounts are due within one year.

The principal purpose of these interfunds is to account for amounts paid by the general fund on behalf of the water and sewer utility and to accrue other items owed to the general fund. All remaining balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

***Advances***

The general fund is advancing funds to the Waste Management, Tax Incremental District No. 3, Tax Incremental District No. 4, Tax Incremental District No. 5, and the Stormwater Utility. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources. No repayment schedules have been established.

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

***E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)***

***Advances (cont.)***

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General fund	Waste management	\$ 38,439	\$ 38,439
General fund	Tax Incremental District No. 3	295,595	295,595
General fund	Tax Incremental District No. 4	15,060	15,060
General fund	Tax Incremental District No. 5	15,045	15,045
General fund	Stormwater utility	86,385	86,385
Total - Fund Financial Statements		450,524	
Less: Fund eliminations		(364,139)	
Total - Interfund Advances - Government-Wide Statement of Net Position		\$ 86,385	

***Transfers***

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Debt service fund	Tax Incremental District No. 3	\$ 116,455	TID share of debt service Transfer borrowed funds for
General fund	Lake restoration	10,000	lake projects
Other capital projects	Lake restoration	70,000	Capital contribution
General fund	Water and sewer utility	57,332	Payment in lieu of taxes
General fund	Water and sewer utility	203,616	Transfer for debt service
Water and sewer utility	General fund	203,616	Transfer of surplus funds
Debt service fund	Stormwater utility	25,850	Debt service
Total - Fund Financial Statements		686,869	
Less: Fund eliminations		(603,687)	
Total Transfers - Government-Wide Statement of Activities		\$ 83,182	

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

### NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)

#### **E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)**

##### **Transfers (cont.)**

Fund Transferred To	Fund Transferred From	Amount
Governmental Activities	Business-type Activities	\$ 286,798
Business-type Activities	Governmental Activities	<u>(203,616)</u>
Total Government-Wide Financial Statements		<u><u>\$ 83,182</u></u>

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

#### **F. LONG-TERM OBLIGATIONS**

Long-term obligations activity for the year ended December 31, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 6,321,230	\$ 515,000	\$ 347,385	\$ 6,488,845	\$ 357,555
Special assessment b-bonds	<u>985,000</u>	<u>-</u>	<u>105,000</u>	<u>880,000</u>	<u>110,000</u>
Sub-totals	<u>7,306,230</u>	<u>515,000</u>	<u>452,385</u>	<u>7,368,845</u>	<u>467,555</u>
Other Liabilities					
Vested compensated absences	<u>11,367</u>	<u>12,536</u>	<u>11,367</u>	<u>12,536</u>	<u>12,536</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 7,317,597</u>	<u>\$ 527,536</u>	<u>\$ 463,752</u>	<u>\$ 7,381,381</u>	<u>\$ 480,091</u>
<b>Business-type Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 563,940	\$ -	\$ 95,208	\$ 468,732	\$ 105,209
Revenue bonds	<u>5,731,148</u>	<u>-</u>	<u>481,251</u>	<u>5,249,897</u>	<u>819,183</u>
Sub-totals	<u>6,295,088</u>	<u>-</u>	<u>576,459</u>	<u>5,718,629</u>	<u>924,392</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 6,295,088</u>	<u>\$ -</u>	<u>\$ 576,459</u>	<u>\$ 5,718,629</u>	<u>\$ 924,392</u>

In accordance with Wisconsin Statutes, total general obligation indebtedness of the village may not exceed 5% of the equalized value of taxable property within the village's jurisdiction. The debt limit as of December 31, 2014, was \$9,036,550. Total general obligation debt outstanding at year end was \$6,957,577.

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt**

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

**Governmental Activities**

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2014</u>
Promissory notes	10/01/07	04/01/17	3.75 - 4.00%	\$ 755,941	\$ 131,268
Promissory notes	11/17/08	11/01/18	3.20 - 4.40	570,000	320,000
Refunding bonds	07/11/12	04/01/29	0.90 - 3.70	1,710,000	1,565,000
Refunding bonds	06/27/13	10/01/30	0.50 - 3.30	3,855,000	3,785,000
Promissory notes	03/04/13	03/04/23	1.95	190,000	172,577
Promissory notes	04/16/14	04/16/24	2.42	515,000	<u>515,000</u>
Total Governmental Activities - General Obligation Debt					<u>\$ 6,488,845</u>

**Business-type Activities**

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2014</u>
Promissory notes	04/01/07	04/01/17	3.75 - 4.00%	\$ 79,059	\$ 13,732
Promissory notes	11/17/08	11/1/18	3.20 - 4.40	855,000	<u>455,000</u>
Total Business-type Activities - General Obligation Debt					<u>\$ 468,732</u>

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**General Obligation Debt (cont.)**

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2015	\$ 357,555	\$ 143,143	\$ 105,209	\$ 19,717
2016	435,190	148,550	114,735	15,546
2017	477,792	139,513	123,788	10,736
2018	478,242	130,287	125,000	5,500
2019	439,941	120,507	-	-
2020-2024	2,300,125	464,126	-	-
2025-2029	1,920,000	188,255	-	-
2030	80,000	2,640	-	-
Totals	<u>\$ 6,488,845</u>	<u>\$ 1,337,021</u>	<u>\$ 468,732</u>	<u>\$ 51,499</u>

**Revenue Debt**

Business-type activities revenue bonds are payable only from revenues derived from the operation of the sewer and water utilities.

The sewer utility has pledged future sewer revenues, net of specified operating expenses, to repay revenue bonds issued in 1996 and 2007. Proceeds from the bonds provided financing for the capital projects. The bonds are payable solely from sewer revenues and are payable through 2026. Annual principal and interest payments on the bonds are expected to require 91.00% of net revenues. The total principal and interest remaining to be paid on the bonds is \$5,661,279. Principal and interest paid for the current year and total customer net revenues were \$611,751 and \$468,413, respectively.

Revenue debt payable at December 31, 2014, consists of the following:

**Business-type Activities Revenue Debt**

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2014
Revenue bond - Sewer	08/28/96	05/01/16	3.133%	\$ 2,398,818	\$ 325,680
Revenue bond - Sewer	02/28/07	05/01/26	2.480	6,635,068	4,599,217
Revenue BAN - Water	10/26/10	05/01/15	2.50	325,000	<u>325,000</u>
Total Business-type Activities - Revenue Debt					<u>\$ 5,249,897</u>

**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

**F. LONG-TERM OBLIGATIONS (cont.)**

**Revenue Debt (cont.)**

Debt service requirements to maturity are as follows:

Years	Business-type Activities Revenue Debt	
	Principal	Interest
2015	\$ 819,184	\$ 117,391
2016	507,470	103,924
2017	350,586	92,762
2018	359,263	83,977
2019	368,154	74,976
2020-2024	1,982,045	231,858
2025	863,195	21,495
Totals	<u>\$ 5,249,897</u>	<u>\$ 726,383</u>

**Special Assessment B-Bonds**

B-Bonds are payable only from special assessments levied on affected properties.

Special assessment B-Bonds at December 31, 2014, consists of the following:

<b>Governmental Activities</b>	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2014
Special assessment B bonds	10/26/10	11/01/22	2.60 - 4.00%	\$ 440,000	\$ 360,000
Special assessment B bonds	10/26/11	11/01/22	1.50 - 4.40	650,000	<u>520,000</u>
Total Governmental Activities Special Assessment B-Bonds					<u>\$ 880,000</u>



**VILLAGE OF BELLEVILLE**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

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**NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)**

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**F. LONG-TERM OBLIGATIONS (cont.)**

**Special Assessment B-Bonds (cont.)**

Debt service requirements to maturity are as follows:

Years	Governmental Activities Special Assessment B-Bonds	
	Principal	Interest
2015	\$ 110,000	\$ 31,550
2016	110,000	28,575
2017	110,000	25,275
2018	110,000	21,542
2019	110,000	17,648
2020-2022	<u>330,000</u>	<u>27,440</u>
Totals	<u>\$ 880,000</u>	<u>\$ 152,030</u>

**Other Debt Information**

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability, other post employment benefits obligation, and net pension obligation attributable to governmental activities will be liquidated primarily by the general fund.

A statutory mortgage lien upon the sewer utility's system and any additions, improvements and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The sewer utility's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

**G. LEASE DISCLOSURES**

The village has no material leases as lessee or lessor.

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

### NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)

#### **H. NET POSITION/FUND BALANCES**

Net position reported on the government wide statement of net position at December 31, 2014, includes the following:

#### **Governmental Activities**

Net Investment in Capital Assets	
Land	\$ 365,843
Infrastructure land and improvements	1,849,236
Other capital assets, net of accumulated depreciation	6,491,366
Less: Long-term debt outstanding (excluding unspent capital related debt proceeds)	<u>(3,072,254)</u>
Total Net Investment in Capital Assets	<u><u>\$ 5,634,191</u></u>

#### **Governmental Funds**

Governmental fund balances reported on the fund financial statements at December 31, 2014, include the following:

	General Fund	Library	Debt Service Fund	Other Capital Projects	Nonmajor Funds	Totals
<b>Fund Balances</b>						
<b>Nonspendable:</b>						
Prepaid items	\$ 12,574	\$ 1,290	\$ -	\$ -	\$ 683	\$ 14,547
Advances	450,524	-	-	-	-	450,524
Delinquent items	13,806	-	-	-	-	13,806
<b>Restricted for:</b>						
Library activities	-	169,972	-	-	-	169,972
Debt service	-	-	221,461	-	-	221,461
Lake restoration activities	-	-	-	-	227,010	227,010
Capital projects	-	-	-	260,679	-	260,679
<b>Committed to:</b>						
Budget carryovers	111,366	-	-	-	-	111,366
Cemetery activities	-	-	-	-	40,210	40,210
Capital projects	-	-	-	4,241	-	4,241
<b>Unassigned (deficit):</b>	<u>72,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(365,036)</u>	<u>(292,394)</u>
<b>Total Fund Balances (Deficit)</b>	<u><u>\$ 660,912</u></u>	<u><u>\$ 171,262</u></u>	<u><u>\$ 221,461</u></u>	<u><u>\$ 264,920</u></u>	<u><u>\$ (97,133)</u></u>	<u><u>\$ 1,221,422</u></u>

# VILLAGE OF BELLEVILLE

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2014

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## NOTE IV - DETAILED NOTES ON ALL FUNDS (cont.)

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### *H. NET POSITION/FUND BALANCES (cont.)*

#### *Business-type Activities*

Net Investment in Capital Assets	
Capital assets not being depreciated	\$ 170,808
Capital assets being depreciated	16,265,879
Less: Capital related long-term debt outstanding, net of unspent proceeds	<u>(5,718,630)</u>
Total Net Investment in Capital Assets	<u>\$ 10,718,057</u>

### *I. COMPONENT UNIT*

#### *BELLEVILLE COMMUNITY DEVELOPMENT AUTHORITY*

This report contains the Belleville Community Development Authority (CDA), which is included as a component unit.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

#### *a. Basis of Accounting/Measurement Focus*

The CDA follows the modified accrual basis of accounting and the flow of financial resources measurement focus.

#### *b. Deposits and Investments*

At year end, the carrying amount of the CDA's deposits was \$326,719 and is part of the village's commingled cash. See Note IV. A.

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## NOTE V - OTHER INFORMATION

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### *A. EMPLOYEES' RETIREMENT SYSTEM*

All eligible village 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 over 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, 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.

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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### NOTE V - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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 employees in the General Employment category, and Executives and Elected Officials. Required contributions for protective employees are the same 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 for December 31, 2014 were:

	<u>Employee</u>	<u>Employer</u>
General	7.00%	7.00%
Executives and 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 village employees covered by the WRS for the year ended December 31, 2014 was \$778,345; the employer's total payroll was \$821,768. The total required contribution for the year ended December 31, 2014 was \$116,485 or 15.0% of covered payroll. Of this amount, 100% was contributed for the current year. Total contributions for the years ended 2013 and 2012 were \$106,575 and \$101,373, 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 years' 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.

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 which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

As of December 31, 2014 there was no pension related debt for the village.

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

### NOTE V - OTHER INFORMATION (cont.)

#### **B. RISK MANAGEMENT**

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

#### **C. COMMITMENTS AND CONTINGENCIES**

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

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

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

#### **D. JOINT VENTURES**

The Village of Belleville and the Towns of Montrose, Exeter, Oregon, Brooklyn, and Primrose jointly operate the fire and emergency medical association. The 2014 budget was allocated as follows:

	Fire		EMS	
	Percent Based on Equalized Value	2014 Budget	Percent Based on Per Capita	2014 Budget
Village of Belleville	38.3%	\$ 52,366	43.0%	\$ 19,894
Town of Montrose	25.8	35,340	19.6	9,073
Town of Exeter	33.7	46,118	33.8	15,659
Town of Oregon	1.6	2,193	1.2	536
Town of Primrose	-	-	1.9	870
Town of Brooklyn	0.6	833	0.5	268
	0.6	833	0.5	268
Totals	<u>100.0%</u>	<u>\$ 136,850</u>	<u>100.0%</u>	<u>\$ 46,300</u>

# VILLAGE OF BELLEVILLE

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2014

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### NOTE V - OTHER INFORMATION (cont.)

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#### ***D. JOINT VENTURES*** (cont.)

The governing body is made up of citizens from each community. Local representatives are appointed by the village board. The governing body has authority to adopt its own budget and control the financial affairs of the association. The village believes that the district will continue to provide services in the future at similar rates. The fire and emergency medical association do not issue financial statements.

The transactions of the district are not reflected in these financial statements.

The village accounts for its share of the operations in the general fund. The village has an equity interest in the organization equal to its percentage share of participation. The equity interest has not been reported in these financial statements.

#### ***E. SUBSEQUENT EVENTS***

On January 19, 2015, the village board approved a 10% rate increase for sewer.

In February 2015, the village board authorized the issuance and sale of Water system revenue bonds in an amount not to exceed \$900,000.

#### ***F. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS***

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

- > Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*
- > Statement No. 71, *Pension - Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB No. 68*

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

**REQUIRED SUPPLEMENTARY INFORMATION**

## VILLAGE OF BELLEVILLE

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 878,999	\$ 878,999	\$ 878,209	\$ (790)
Intergovernmental	339,575	339,575	330,372	(9,203)
Licenses and permits	16,721	16,721	17,118	397
Fines, forfeitures and penalties	20,000	20,000	15,860	(4,140)
Public charges for services	3,750	3,750	3,785	35
Investment income	3,000	3,000	3,196	196
Miscellaneous	<u>45,025</u>	<u>45,025</u>	<u>51,514</u>	<u>6,489</u>
Total Revenues	<u>1,307,070</u>	<u>1,307,070</u>	<u>1,300,054</u>	<u>(7,016)</u>
<b>EXPENDITURES</b>				
Current				
General government	371,792	353,918	361,527	(7,609)
Public safety	532,129	538,575	527,044	11,531
Public works	339,391	305,691	277,603	28,088
Leisure activities	121,323	135,881	137,650	(1,769)
Conservation and development	750	750	500	250
Capital Outlay	<u>1,150</u>	<u>1,150</u>	<u>860</u>	<u>290</u>
Total Expenditures	<u>1,366,535</u>	<u>1,335,965</u>	<u>1,305,184</u>	<u>30,781</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(59,465)</u>	<u>(28,895)</u>	<u>(5,130)</u>	<u>23,765</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	59,465	59,465	270,948	211,483
Transfers out	<u>-</u>	<u>-</u>	<u>(203,616)</u>	<u>(203,616)</u>
Total Other Financing Sources (Uses)	<u>59,465</u>	<u>59,465</u>	<u>67,332</u>	<u>7,867</u>
<b>Net Change in Fund Balance</b>	-	30,570	62,202	31,632
FUND BALANCE - Beginning of Year	<u>598,710</u>	<u>598,710</u>	<u>598,710</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 598,710</u>	<u>\$ 629,280</u>	<u>\$ 660,912</u>	<u>\$ 31,632</u>

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



## VILLAGE OF BELLEVILLE

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY FUND For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 215,560	\$ 215,560	\$ 215,560	\$ -
Intergovernmental	81,590	81,590	82,990	1,400
Public charges for services	6,700	6,700	8,273	1,573
Miscellaneous	4,259	4,259	6,048	1,789
Investment income	-	-	1,425	1,425
<b>Total Revenues</b>	<u>308,109</u>	<u>308,109</u>	<u>314,296</u>	<u>6,187</u>
<b>EXPENDITURES</b>				
General government	640	640	650	(10)
Leisure activities	<u>296,465</u>	<u>296,465</u>	<u>291,013</u>	<u>5,452</u>
<b>Total Expenditures</b>	<u>297,105</u>	<u>297,105</u>	<u>291,663</u>	<u>5,442</u>
<b>Net Change in Fund Balance</b>	11,004	11,004	22,633	11,629
FUND BALANCE - Beginning of Year	<u>148,629</u>	<u>148,629</u>	<u>148,629</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 159,633</u>	<u>\$ 159,633</u>	<u>\$ 171,262</u>	<u>\$ 11,629</u>

See accountants' report and accompanying notes to required supplementary information.

# VILLAGE OF BELLEVILLE

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2014

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### ***BUDGETARY INFORMATION***

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

The budgeted amounts presented include any amendments made. The village may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by a two-thirds action.

Appropriations lapse at year end unless specifically carried over. Carryovers to the following year were \$111,366. Budgets are adopted at the function level of expenditure.

**SUPPLEMENTARY INFORMATION**

## VILLAGE OF BELLEVILLE

### DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>TAXES</b>				
General property taxes	\$ 877,861	\$ 877,861	\$ 877,861	\$ -
Occupational taxes	638	638	-	(638)
Interest and penalties on taxes	500	500	348	(152)
Total Taxes	<u>878,999</u>	<u>878,999</u>	<u>878,209</u>	<u>(790)</u>
<b>INTERGOVERNMENTAL REVENUES</b>				
State aid - road allotment	126,711	126,711	126,711	-
State aid - EMS aids program	4,850	4,850	4,729	(121)
State aid - computer aid	10,355	10,355	10,053	(302)
State aid - fire insurance tax	6,600	6,600	7,709	1,109
State aid - police training	-	-	320	320
Other local government grants	12,500	12,500	2,268	(10,232)
State shared revenues	<u>178,559</u>	<u>178,559</u>	<u>178,582</u>	<u>23</u>
Total Intergovernmental Revenues	<u>339,575</u>	<u>339,575</u>	<u>330,372</u>	<u>(9,203)</u>
<b>LICENSES AND PERMITS</b>				
Liquor and malt beverage licenses	3,205	3,205	3,183	(22)
Cigarette and operator licenses	906	906	830	(76)
Dog and cat licenses	810	810	1,044	234
Building permits	11,600	11,600	10,541	(1,059)
Other regulatory permits and fees	200	200	900	700
Zoning permits and fees	-	-	370	370
Plan review fees	-	-	250	250
Total Licenses and Permits	<u>16,721</u>	<u>16,721</u>	<u>17,118</u>	<u>397</u>
<b>FINES, FORFEITURES AND PENALTIES</b>				
Court penalties and costs	<u>20,000</u>	<u>20,000</u>	<u>15,860</u>	<u>(4,140)</u>
<b>PUBLIC CHARGES FOR SERVICES</b>				
Recreational park fees	150	150	-	(150)
Public service fees	3,600	3,600	3,330	(270)
Law enforcement fees	-	-	455	455
Total Public Charges for Services	<u>3,750</u>	<u>3,750</u>	<u>3,785</u>	<u>35</u>
<b>INVESTMENT INCOME</b>				
Investment income	<u>3,000</u>	<u>3,000</u>	<u>3,196</u>	<u>196</u>

## VILLAGE OF BELLEVILLE

### DETAILED SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>MISCELLANEOUS REVENUES</b>				
Rent - equipment	\$ 15,125	\$ 15,125	\$ 15,040	\$ (85)
Sale of property	2,000	2,000	-	(2,000)
Copies	100	100	86	(14)
Cable TV franchise fee	15,000	15,000	17,328	2,328
Other fees	1,560	1,560	1,900	340
Rent - village buildings	7,240	7,240	7,450	210
Other miscellaneous	1,000	1,000	2,405	1,405
Insurance dividends	<u>3,000</u>	<u>3,000</u>	<u>7,305</u>	<u>4,305</u>
Total Miscellaneous Revenues	<u>45,025</u>	<u>45,025</u>	<u>51,514</u>	<u>6,489</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>59,465</u>	<u>59,465</u>	<u>270,948</u>	<u>211,483</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 1,366,535</u>	<u>\$ 1,366,535</u>	<u>\$ 1,571,002</u>	<u>\$ 204,467</u>

## VILLAGE OF BELLEVILLE

### DETAILED SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>GENERAL GOVERNMENT</b>				
Village board	\$ 21,446	\$ 21,446	\$ 20,301	\$ 1,145
Commissions and committees	18,756	18,256	17,168	1,088
Municipal court	24,145	22,986	24,217	(1,231)
Clerk	157,196	157,196	166,015	(8,819)
Elections	5,154	5,154	4,067	1,087
Treasurer	1,005	1,005	1,064	(59)
Personnel	662	662	2,857	(2,195)
Attorney	17,000	17,000	17,037	(37)
Court attorney	10,000	7,500	5,094	2,406
Assessment of property	13,000	13,000	13,493	(493)
Independent auditing	17,000	17,000	20,164	(3,164)
Municipal buildings	34,848	21,933	20,995	938
Highway related buildings	6,770	5,970	6,219	(249)
Other buildings	17,431	19,581	19,788	(207)
Other general government	6,111	3,961	1,744	2,217
Property and liability insurance	13,944	13,944	13,825	119
Highway insurance	7,021	7,021	6,866	155
Workmen's compensation	303	303	613	(310)
Total General Government	<u>371,792</u>	<u>353,918</u>	<u>361,527</u>	<u>(7,609)</u>
<b>PUBLIC SAFETY</b>				
Police	436,919	443,365	434,448	8,917
Fire suppression	53,966	53,966	54,027	(61)
Building inspection	16,500	16,500	13,946	2,554
Ambulance	24,744	24,744	24,623	121
Total Public Safety	<u>532,129</u>	<u>538,575</u>	<u>527,044</u>	<u>11,531</u>
<b>PUBLIC WORKS</b>				
Machinery and equipment	38,814	38,814	26,292	12,522
Garages and sheds	6,885	4,885	3,425	1,460
Administration and engineering	221,434	192,434	188,873	3,561
Street maintenance	29,642	26,942	20,455	6,487
Snow and ice control	8,000	8,000	6,293	1,707
Street lighting	31,000	31,000	30,737	263
Street signs	3,131	3,131	988	2,143
Storm sewers	485	485	540	(55)
Total Public Works	<u>339,391</u>	<u>305,691</u>	<u>277,603</u>	<u>28,088</u>
<b>LEISURE ACTIVITIES</b>				
Senior citizens	38,686	38,686	38,686	-
Summer and winter recreation	1,109	1,109	531	578
Parks	81,528	96,086	98,433	(2,347)
Total Leisure Activities	<u>121,323</u>	<u>135,881</u>	<u>137,650</u>	<u>(1,769)</u>

## VILLAGE OF BELLEVILLE

### DETAILED SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>CONSERVATION AND DEVELOPMENT</b>				
Zoning	\$ 750	\$ 750	\$ 500	\$ 250
<b>CAPITAL OUTLAY</b>				
Capital outlay	1,150	1,150	860	290
<b>OTHER FINANCING USES</b>				
Transfers out	-	-	203,616	(203,616)
 <b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>				
	\$ 1,366,535	\$ 1,335,965	\$ 1,508,800	\$ (172,835)

# VILLAGE OF BELLEVILLE

## COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2014

	Special Revenue Funds		Capital Projects Fund	
	Waste Management	Cemetery	Tax Incremental District No. 3	Tax Incremental District No. 4
<b>ASSETS</b>				
Cash and investments	\$ -	\$ 41,267	\$ -	\$ -
Taxes receivable	124,080	-	105,687	-
Accounts receivable	377	-	-	-
Prepaid items	550	133	-	-
Restricted assets	-	-	-	-
	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 125,007</b>	<b>\$ 41,400</b>	<b>\$ 105,687</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 1,274	\$ 1,057	\$ -	\$ -
Advances from other funds	38,439	-	295,595	15,060
Total Liabilities	39,713	1,057	295,595	15,060
Deferred Inflows of Resources				
Unearned revenues	124,080	-	77,292	-
Unavailable revenues	-	-	28,395	-
Total Deferred Inflows of Resources	124,080	-	105,687	-
Fund Balances				
Nonspendable	550	133	-	-
Restricted	-	-	-	-
Committed	-	40,210	-	-
Unassigned (deficit)	(39,336)	-	(295,595)	(15,060)
Total Fund Balances	(38,786)	40,343	(295,595)	(15,060)
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 125,007</b>	<b>\$ 41,400</b>	<b>\$ 105,687</b>	<b>\$ -</b>



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<u>Capital Projects Fund</u>		
<u>Tax Incremental District No. 5</u>	<u>Lake Restoration</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 4,997	\$ 46,264
-	25,000	254,767
-	209,695	210,072
-	-	683
<u>-</u>	<u>52,318</u>	<u>52,318</u>
<u>\$ -</u>	<u>\$ 292,010</u>	<u>\$ 564,104</u>
\$ -	\$ -	\$ 2,331
<u>15,045</u>	<u>-</u>	<u>364,139</u>
<u>15,045</u>	<u>-</u>	<u>366,470</u>
-	25,000	226,372
-	40,000	68,395
<u>-</u>	<u>65,000</u>	<u>294,767</u>
-	-	683
-	227,010	227,010
-	-	40,210
<u>(15,045)</u>	<u>-</u>	<u>(365,036)</u>
<u>(15,045)</u>	<u>227,010</u>	<u>(97,133)</u>
<u>\$ -</u>	<u>\$ 292,010</u>	<u>\$ 564,104</u>

## VILLAGE OF BELLEVILLE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2014

	Special Revenue Funds		Capital Projects Fund	
	Waste Management	Cemetery	Tax Incremental District No. 3	Tax Incremental District No. 4
<b>REVENUES</b>				
Taxes	\$ 859	\$ -	\$ 87,559	\$ -
Intergovernmental	11,973	-	1,029	530
Public charges for services	125,820	7,050	28,426	-
Investment income	-	114	-	-
Miscellaneous	<u>2,004</u>	<u>150</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>140,656</u>	<u>7,314</u>	<u>117,014</u>	<u>530</u>
<b>EXPENDITURES</b>				
Current				
Public works	138,934	-	-	-
Public service enterprises	-	14,443	-	-
Conservation and development	-	-	21,119	-
Capital Outlay	-	-	2,850	450
Debt Service				
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>162</u>	<u>17</u>
Total Expenditures	<u>138,934</u>	<u>14,443</u>	<u>24,131</u>	<u>467</u>
Excess (deficiency) of revenues over expenditures	<u>1,722</u>	<u>(7,129)</u>	<u>92,883</u>	<u>63</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Debt issued	-	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>(116,455)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(116,455)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	1,722	(7,129)	(23,572)	63
FUND BALANCES (DEFICIT) - Beginning of Year	<u>(40,508)</u>	<u>47,472</u>	<u>(272,023)</u>	<u>(15,123)</u>
<b>FUND BALANCES (DEFICIT) - END OF YEAR</b>	<u>\$ (38,786)</u>	<u>\$ 40,343</u>	<u>\$ (295,595)</u>	<u>\$ (15,060)</u>

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<u>Capital Projects Fund</u>		
<u>Tax Incremental District No. 5</u>	<u>Lake Restoration</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 25,000	\$ 113,418
1,090	37,271	51,893
-	-	161,296
-	80	194
-	<u>2,500</u>	<u>4,654</u>
<u>1,090</u>	<u>64,851</u>	<u>331,455</u>
-	-	138,934
-	-	14,443
-	37,645	58,764
450	-	3,750
<u>18</u>	<u>-</u>	<u>197</u>
<u>468</u>	<u>37,645</u>	<u>216,088</u>
<u>622</u>	<u>27,206</u>	<u>115,367</u>
-	76,840	76,840
-	<u>(80,000)</u>	<u>(196,455)</u>
-	<u>(3,160)</u>	<u>(119,615)</u>
622	24,046	(4,248)
<u>(15,667)</u>	<u>202,964</u>	<u>(92,885)</u>
<u>\$ (15,045)</u>	<u>\$ 227,010</u>	<u>\$ (97,133)</u>

# VILLAGE OF BELLEVILLE

## COMBINING STATEMENT OF ASSETS AND LIABILITIES AGENCY FUNDS As of December 31, 2014

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	<u>Tax Collection</u>	<u>Fire &amp; EMS Association</u>	<u>Food Pantry</u>	<u>Totals</u>
<b>ASSETS</b>				
Cash and investments	\$ 2,030,635	\$ 325,400	\$ 21,071	\$ 2,377,106
Tax roll receivable	<u>732,535</u>	<u>-</u>	<u>-</u>	<u>732,535</u>
<b>TOTAL ASSETS</b>	<u>\$ 2,763,170</u>	<u>\$ 325,400</u>	<u>\$ 21,071</u>	<u>\$ 3,109,641</u>
<b>LIABILITIES</b>				
Due to other taxing units	\$ 2,763,170	\$ 325,400	\$ -	\$ 3,088,570
Accounts payable	<u>-</u>	<u>-</u>	<u>21,071</u>	<u>21,071</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 2,763,170</u>	<u>\$ 325,400</u>	<u>\$ 21,071</u>	<u>\$ 3,109,641</u>