

2015 Comprehensive Annual Financial Report
For the Year Ending December 31, 2015



Village of Elm Grove, Wisconsin

Village of Elm Grove
 Comprehensive Annual Financial Report
 As of and For the Year Ended December 31, 2015

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Village of Elm Grove

Elm Grove, Wisconsin

Comprehensive Annual Financial Report

Including Independent Auditor's Report

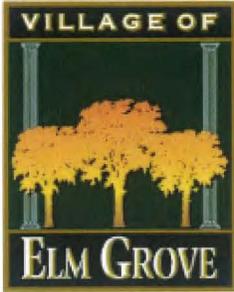
As of and for the Year Ended
December 31, 2015

Prepared by
Monica L Hughes Finance Director

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INTRODUCTORY SECTION

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May 6, 2016

To the Village Board and the Citizens of the Village of Elm Grove, Wisconsin:

The Comprehensive Annual Financial Report of the Village of Elm Grove for the year ended December 31, 2015, is hereby submitted. This report consists of management's representations concerning the finances of the Village of Elm Grove ("Village"). Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for these representations, management has established and maintained an internal control framework designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The system of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefit derived. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Baker Tilly Virchow Krause, LLP, a firm of certified public accountants and consultants, have audited the Village's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Village for the year ended December 31, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Baker Tilly Virchow Krause, LLP, concluded based upon its audit procedures that the Village of Elm Grove's financial statements for the fiscal year ended December 31, 2015 are fairly presented in conformity with GAAP and rendered an unmodified opinion. The independent auditors' report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Community Profile

The Village of Elm Grove encompasses an area of 3.26 square miles in eastern Waukesha County. The Village of Elm Grove is bordered by the City of Wauwatosa to the east and the City of Brookfield on the north, south and west. The Village is a fully developed community approximately 10 miles from downtown Milwaukee. The Village was incorporated in 1955 and has a current population of over 5,900.

Elm Grove operates under a Village Board of Trustees with a manager form of government. The Village Board of Trustees, which consists of the Village President and six Trustees, is elected at large and on a non-partisan basis. Annual elections are held in April. Terms of office are for a two year period but are overlapping so that the village is provided with a continuity of knowledge in the Village's development, business, and legislative matters.

The board is responsible for enacting ordinances, resolutions, regulations and policies governing the Village as well as the appointment of members of various statutory and advisory boards and the Village manager. The manager has the responsibility of administering programs in accordance with policies established by the Village Board and daily management and responsibility of Village operations and personnel. The Village manager also holds the title of Treasurer for the Village.

The Village provides a full range of services including general administration, public safety including police, fire and emergency medical services, sanitation services, the construction and maintenance of streets and related infrastructure, park and recreation activities, a library, cultural events, and economic development. The Village has a 24 hour paid police force consisting of 17 officers, while its fire and emergency medical service provides 24 hour response through paid on call volunteers. In order to provide high quality service in a small community and provide financial flexibility for changing demands the Village has found it beneficial to contract a number of services including; legal, engineering, and building inspections. The Village maintains a sewer system within its boundaries but treatment is provided by the Milwaukee Metropolitan Sewage District. Education is provided through the Elmbrook school district and a number of private institutions.

The annual budget serves as the foundation for the Village's financial planning and control. The Village Board provides guidelines to the manager for the upcoming year. Department budgets are prepared on an annual basis by the department heads beginning in mid-summer. After initial review with the manager and finance director, the individual budgets are compiled and a complete budget draft is submitted to the finance committee for review and approval. The finance committee conducts budget workshops during the month of October reviewing the detailed budget and making recommendations. Upon approval it is submitted to the Village board for approval at the November meeting which begins with a public hearing. Throughout the year operations are closely monitored in relation to the adopted budget. Budget to actual comparisons are provided in this report for each individual fund for which an annual budget is adopted.

Factors Affecting Financial Condition

Local Economy

As a suburb located in eastern Waukesha County, Elm Grove is a demographically and economically vital community. The village has historically and continues to be considered a desirable place to reside due to its location, high level of services and schools, and perceived 'quality of life'. While mainly a residential community its close proximity to the City of Milwaukee and its suburban area provide employment opportunities. Unemployment remains lower in Waukesha County communities than other state areas. Personal income and housing values are among the highest in the state.

Financial Planning

The Village Board has maintained a conservative approach to budgeting and operations. The finance committee which includes 3 Trustees and 3 citizen members meet monthly to review financial matters and make recommendations to the Village Board. The committee has a broad base of knowledge in areas of accounting, finance, banking, law, technology, and business ownership. Operations are reviewed for additional revenue opportunities, cost savings, and adherence to Village policies, state statute and accounting standards. The Village has a formal five year capital improvement program to plan for upgrades and replacements of equipment, buildings and infrastructure. It is the Village's policy to optimally fund these needs internally through a five year budget cycle. The Village Board has a historic philosophy of providing high level of needed service while maintaining stability in budgets, taxes and user charges.

Acknowledgements

The Village recognizes its auditors', Baker Tilly Virchow Krause, LLP, for their advice and expertise, which contributed to the report quality and adherence to professional accounting standards. The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Village departments. Credit should also be given to the Village President, Village Board, Finance Committee, and other committees for their support for striving to have the highest standards of professionalism in the management of the Village of Elm Grove.

Respectfully, submitted



David De Angelis,
Village Manager



Monica Hughes
Finance Director

Comprehensive Annual Financial Report

For the Year Ended December 31, 2015

Village of Elm Grove, Wisconsin

Elected Officials

<u>Name</u>	<u>Title</u>	<u>Term</u>
Neil H. Palmer	Village President	April 2017
George E. Haas	Village Trustee	April 2016
Patrick Kressin	Village Trustee	April 2016
Patty Kujawa	Village Trustee	April 2017
Thomas Michalski	Village Trustee	April 2017
Jack Nelson	Village Trustee	April 2017
John Domaszek	Village Trustee	April 2016
W. Timothy Steinle	Municipal Judge	April 2019

Administrators

<u>Name</u>	<u>Title</u>	<u>Term</u>
David De Angelis	Village Manager/ Treasurer	Appointed
Erin Cross	Recreation Director	Appointed
James Gage	Chief of Police	Appointed
Casey Griffiths	Zoning Administrator	Appointed
Monica L. Hughes	Finance Director	Appointed
Sarah Muench	Library Director	Appointed
Richard Paul Jr.	Director of Public Works	Appointed
John Robinson	Director of Emergency Medical Services	Appointed
William Selzer	Fire Chief	Appointed
Mary Stredni	Village Clerk/Deputy Treasurer	Appointed
Hector de la Mora	Village Attorney	Contracted
Independent Inspections	Building Inspector	Contracted
Ruekert & Mielke	Village Engineering	Contracted

Officials Issuing Report:

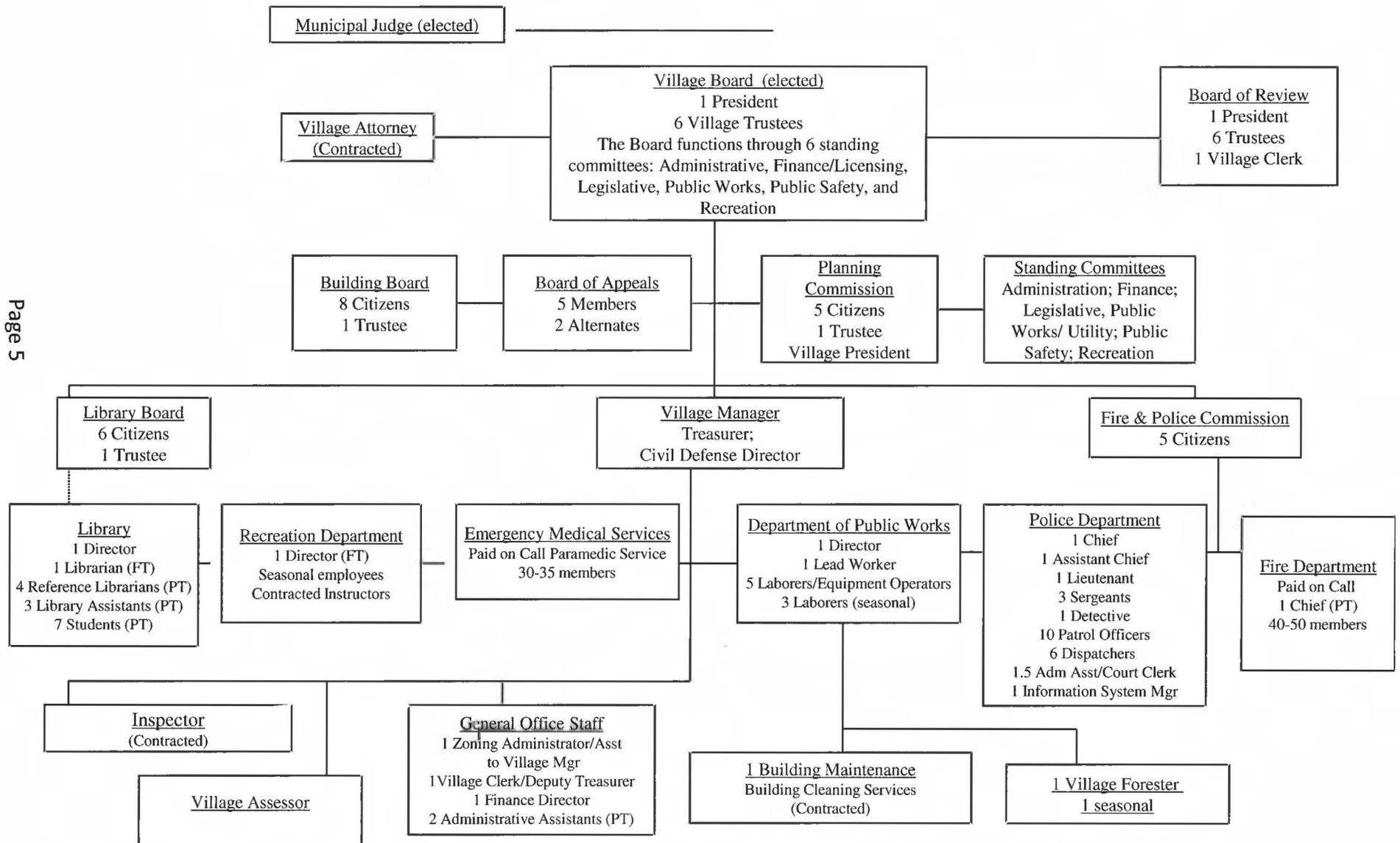
David De Angelis	Village Manager
Monica L. Hughes	Finance Director

Report Prepared by:

Monica L. Hughes	Finance Director
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Village of Elm Grove

Citizens of Elm Grove



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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Village Board
Village of Elm Grove
Elm Grove, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Elm Grove, Wisconsin, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Village of Elm Grove'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 Elm Grove'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 Elm Grove's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Elm Grove, Wisconsin, as of December 31, 2015 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the Village of Elm Grove adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, effective January 1, 2015. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Elm Grove's basic financial statements. The combining and individual fund financial statements and schedules 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 combining and individual fund financial statements and schedules are fairly stated in all material respects, in relation to the basic financial statements as a whole.

To the Village Board
Village of Elm Grove

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Elm Grove's basic financial statements. The introductory section and statistical section 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 has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Brian Kelly Verbeke, CPA

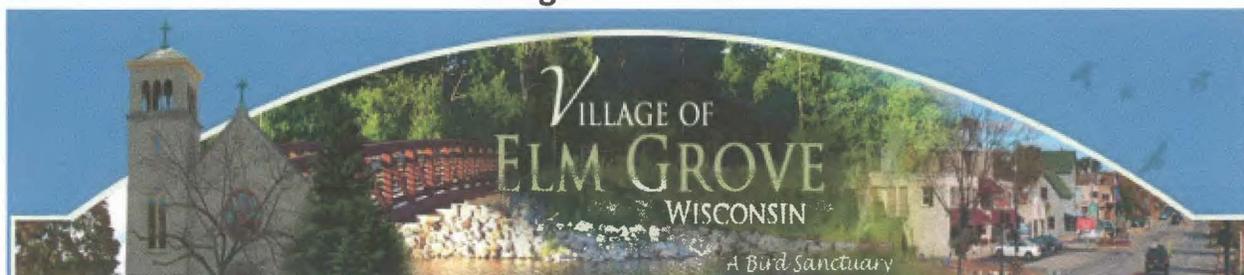
Milwaukee, Wisconsin
May 6, 2016

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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Village of Elm Grove



Management's Discussion and Analysis (Unaudited) As of and for the Year Ended December 31, 2015

As management of the Village of Elm Grove, we offer readers of the Village of Elm Grove's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2015. A comparison with prior year data is also presented.

FINANCIAL HIGHLIGHTS

- The assets of the Village of Elm Grove exceeded its liabilities as of December 31, 2015 by \$23.453 million.
- As of December 31, 2015 the Village's governmental funds reported combined ending fund balance of \$5,218,414.
- The tax increment district had an increment value as of January 1, 2015 of \$26.3 million over its 2004 base year which generated 2015 revenues of \$455,763, more than the general obligation debt of the district.
- A new commercial property within the tax district that had been vacant for a number of years, was completed 2014. The property was fully assessed as of January 1, 2015.
- Included in the general operating fund balance is unassigned fund balance of \$1,130,243 which is equal to 19% of total general fund expenditures. These funds are available for future Village needs including working capital,
- The Village continues to see strong permit revenues indicating a willingness of property owners to invest in the challenging real estate environment.
- Due to the Village's limited dependence on state aids and conservative budgeting practices, changes at the state level, while challenging, have not had a devastating effect on the Village.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

- The statement of net position presents information on all of the Village's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between the four is 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.
- The statement of activities presents information showing how the Village'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. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., sick pay benefits and other long-term liabilities.)

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the Village include general government, public safety, health and sanitation, highway and transportation, library and park and recreation. The Village does not operate any business-type activities.

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

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

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

The Village currently has 10 individual governmental funds and 1 agency fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Sewer Fund, TID #2 Fund, Debt Service Fund, and the 5 Year Capital Project Fund which are considered to be major funds.

Data from the other five funds are combined into a single, aggregate presentation under the heading "Nonmajor Governmental Funds." Individual fund data for each of these non-major governmental funds is provided in the form of "combining statements" elsewhere in this report. The municipal water project fund was being used for project costs associated with the limited municipal water system and future extensions, but was closed at December 31, 2015.

- *Agency funds* are used to account for resources held for the benefit of parties outside the government. Agency funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village's operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Village's total net position, net of related debt, exceeded liabilities by \$23,453,770 at the close of 2015. The largest segment of net position is the Village's investment in capital assets. The Village reports land, land improvements, building, equipment, intangible assets, and infrastructure. New for 2015 with the implementation of GASB 68 is the recognition of the village's share of future pension obligations as a participant in the multi-employer Wisconsin Retirement System. 2014 figures have been restated to reflect these obligations.

Village of Elm Grove's Net Position

	Governmental Activities	
	<u>2015</u>	<u>2014</u>
Current & other assets	\$ 14,744,948	\$ 14,079,705
Restricted net pension assets	638,755	1,042,104
Capital assets	<u>26,365,670</u>	<u>26,904,945</u>
Total assets	<u>41,749,373</u>	<u>42,026,754</u>
Deferred outflows of resources		
Advanced refunding of debt	415,293	456,822
Related to pensions	<u>652,456</u>	<u>247,472</u>
total deferred outflows of resources	<u>1,067,749</u>	<u>704,294</u>
Long term liabilities outstanding	9,780,071	10,837,162
Other liabilities	<u>867,395</u>	<u>869,643</u>
Total liabilities	<u>10,647,466</u>	<u>11,706,805</u>
Deferred inflows of resources	<u>8,715,886</u>	<u>8,579,659</u>
Net position:		
Net investment in capital assets	18,099,477	18,081,257
Restricted -pensions	638,755	1,042,104
Restricted-other	1,260,981	1,276,195
Unrestricted	<u>3,454,557</u>	<u>2,045,028</u>
Total net position	<u>\$ 23,453,770</u>	<u>\$ 22,444,584</u>

Net position increased by \$1,009,186 or 4.5% in 2015 mainly attributed reduction in long term debt. In a year of unstable economic conditions and low investment returns the Village maintained its strong financial position and provided its residents and businesses with the same high level of service.

The Village's general obligation debt is \$8,785,428 as compared to \$9,643,346 in 2014, a reduction of \$857,918. No taxes have been levied for debt service. The debt payments are funded by utility fees from the sewer and stormwater funds and tax increment from the village's tax increment district. The sewer debt will be fully paid in 2016.

Long term debt also includes a liability for health insurance for two police officers injured on duty and retired under the State of Wisconsin duty disability plan. The Village has a contractual obligation to provide the former employees and their families with health and dental insurance coverage until they reach Medicare eligibility at the same cost as current employees. A long term liability of \$427,270 is included in the government-wide statements; this is a decrease from the previous year's liability of \$589,202. The expense of this obligation is recognized annually in the operating expense of the fund statements.

During 2015, the Village undertook capital expenditures to replace a number of public works vehicles, a partnership with two neighboring communities to replace dated 911 emergency communication systems, and engineering/design of a major bridge within the Village to be rebuilt in the summer of 2016. The Village also signed to contracts late in 2015 for 2016 capital projects; the rebuilding of the bridge and a reconstruction of a major sewer interceptor. The contracted costs are included in the 2016 budgets and net position has been restricted for the contract obligations.

Village of Elm Grove Change in Net Position

	Governmental Activities	
	2015	2014
Revenues		
<u>Program revenues</u>		
Charges for services	\$ 2,531,609	\$ 2,361,114
Operating grants and contributions	493,310	539,409
Capital grants and contributions	22,701	738,142
<u>General revenues</u>		
Taxes	6,651,718	6,578,820
Taxes generated from TID increment	455,763	435,349
Intergovernmental revenue not restricted to sp	241,050	224,520
Investment income	53,773	47,028
Other	317,444	310,074
Total Revenues	10,767,368	11,234,456
Expenses		
General government	1,341,736	1,456,058
Public safety	3,222,560	3,279,232
Highway and transportation	1,146,621	1,441,556
Health and sanitation	3,065,778	3,315,768
Library	440,791	438,845
Parks and recreation	296,768	283,628
Interest and fiscal charges	243,928	235,576
Total Expenses	9,758,182	10,450,663
Increase in net position	1,009,186	783,793
Net position beginning	22,444,584	20,371,215
Net position ending	\$ 23,453,770	\$ 21,155,008

Beginning 2015 Net position has been restated to reflect GASB 68 pension obligation.

GOVERNMENTAL ACTIVITIES

Governmental activities increased the Village's net position by \$1,009,186. The tax revenue for 2015 increased \$72,898 or 1.11%. The Village has controlled the levy through careful management and a willingness to evaluate services, personnel and procedures while maintaining its high standard of living. Taxes accounted for 61.78% of the Village's total revenue an increase from 58.77% in 2014. 2014 included capital grants for partnership projects with Milwaukee Metropolitan Sewage District (MMSD) and repaving of a boundary road with neighboring community.

Charges for services increased \$170,495 in 2015. This increase can be attributed to increases in user fees for sewer and garbage/recycling. Charges for services come from mainly from permits, licenses, sewer, stormwater, recreation and public safety fines. The Village contracts with MMSD for sewer treatment and is charged annually for user fees and a capital charge based on equalized property values. The village tax levy includes \$1.5 million for the capital charge, all other sewer expenses including maintenance of village sewer flow system is covered by a user fee. In 2015 the capital charge from MMSD was \$1.618 million. A new contracted garbage/recycling hauler included an increase of fees paid. The recreation department continues to evaluate what the community wants and provide programs and facilities to meet those needs. Programs are designed to be covered by participant fees. The Village continually evaluates the fees charged for specific services and programs and to set fees at a level that will recoup the costs of services.

Operating grants decreased by \$46,099. The Village has seen a decrease in state transportation aid over recent years including \$41,673 in 2015. The Village continues to research available opportunities for assistance and make application to appropriate programs.

Capital grants decreased \$715,441 due to three capital projects done in 2014. The Village is participating in an area wide initiative with the Milwaukee Metropolitan Sewage District, MMSD, to prevent groundwater in the sewage system. MMSD reimburses the municipality for expenses incurred for the project. In 2014, the government wide statements reflect revenue from MMSD of \$291,675. During 2015 the village closed out phase one of this program. MMSD has continued this initiative and the Village anticipates additional work in 2016. This work is all done on personal property so there is no effect on capital assets. During 2014 the Village repaved a major boundary road in partnership with the neighboring community. The Village coordinated the project and billed the community for their share. This \$245,000 was recorded as capital grants and contributions. The village also extended its limited municipal water system in 2014 to a condominium development per their request. The water system is owned and operated by a neighboring community thus this project was not capitalized, though the property owners paid the cost to build the system and this was recorded as contribution in 2014. The Village continues to work with neighboring communities and property owners to provide improvements to the Village's infrastructure and private property with available programs. Private property improvements must be supported by the property owners as in the water extension or another entity such as MMSD. The Village is evaluating a possible extension of the water service to the downtown area at the request of a property owner for redevelopment purposes.

Investment income for 2015 in the commercial market was again low reflecting the current economy. The Village has been challenged to maximize this source of revenue in a declining market. The Village invests in certificates of deposit at various term lengths at a number of local banks. This has allowed the Village to diversify its available funds which had been concentrated in the State of Wisconsin Local Government Investment Pool. During 2013 the Village chose to advance funds to the water project fund from the general fund to build its limited water system. This advance was transferred to TID #2 in 2015. These funds will be paid back to the general fund, plus 3% interest, through future tax increments and additional user's connecting to the system. The current year generated \$26,000 of interest revenue to the general fund for its advancement.

Other income for 2015 remained relatively constant at \$317,444 in 2015 to \$310,074 in 2014. The main sources of other income are from a cell tower lease, franchise fees on cable customers within the village and donations.

The Village continues to control expenses and looks for operating efficiencies in an environment of increasing general costs and rising health insurance costs. The Village continues to use a Health Reimbursement Account Plan (HRA) with a high deductible health plan in an effort to control health costs.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As of December 31, 2015 the Village of Elm Grove's governmental funds reported combined ending fund balances of \$5.2 million, an increase of \$548,152 from 2014. This is mainly attributed to the Village's capital project fund. The Village operates a capital fund which utilizes internal funding for capital needs as much as possible. The Village identifies capital equipment and improvement needs over the upcoming 5 year period and funds the projects at 20% per year. During 2015, the village did not have any large projects but added to the fund balance for future projects in adherence to the village's policy. 2016 capital projects include the rebuilding of a bridge on one of the village's main streets. Another project will be the purchase of a new fire response vehicle designed for rapid response with less manpower for operation. The general fund ended 2015 with an unrestricted fund balance of \$1.13 million which is available for future uses at the Village's discretion. This is within the Village's designated level per its fund balance policy.

GENERAL FUND BUDGETARY HIGHLIGHTS

The yearend results of operations compared to the 2015 budget for the Village of Elm Grove were within budgeted amounts. General Fund revenues exceeded budget by approximately \$76,000. The Village saw permit revenue \$27,000 above budget, the fifth year of higher than budgeted permit revenue. The Village also saw an increase of contracted expense related to the permits of \$18,000 for net additional revenue of \$9,000. Recreation revenue is under budget as the Village continues to evaluate residents' needs and wants in offering programs. Commercial revenue includes interest received on funds advanced to the water fund, cell tower lease, dividend from our insurance program and rebate for use of purchase cards.

The general fund expenditures were \$9,500 under budget, this was after a transfer to the capital project fund of \$266,000. The transfer was possible because of positive operating results and unused contingency. The statements reflect a savings in legal costs both in the municipal court and general legal expense, savings on assessment contract costs as the Village restructures assessment services. Wages and fringe benefits in the police department reflect the savings of an open position during much of the year and also police employees now paying the full employee contribution for their retirement. The Village has seen savings on health care costs from the continued use of a Health Reimbursement Account in conjunction with the high-deductible health plan. The Village received a 4% premium increase from its healthcare provider in 2015, a below average market increase. The Village provides fire and emergency medical services to residents with a paid on call service. Other departmental savings result from management and staff closely monitoring expenditures.

The Village originally budgeted for the use of \$195,675 in fund balance to reduce the amount of funds in the general fund and within its identified fund balance policy. The Village policy is 15%-25% unrestricted fund balance. During 2015 \$86,000 of these funds were used, at year-end 2015, the Village had approximately 22.7% of unrestricted fund balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

**Village of Elm Grove's Capital Assets
(net of depreciation)**

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Land	\$ 7,827,413	\$ 7,791,413
Land improvements	169,239	184,536
Buildings and improvements	2,616,176	2,750,367
Machinery and equipment	190,735	2,401,897
Construction in progress	2,298,294	123,927
Intangible assets	42,047	160,808
Infrastructure	<u>13,221,766</u>	<u>13,491,997</u>
	<u>\$ 26,365,670</u>	<u>\$ 26,904,945</u>

The Village’s investment in capital assets for its governmental activities as of December 31, 2015 amounts to \$26.4 million (net of accumulated depreciation). The Village capitalized an additional \$671,707 in assets and had depreciation expense of \$1,079,804.

Long-term Debt

At the end of 2015 the Village of Elm Grove had total general obligation debt outstanding of \$8.7 million. No new debt was issued in 2015. Under state statutes the Village has the authority to borrow 5% of its equalized value or \$53.8 million. Current outstanding debt represents .82% of the Village’s equalized value of \$1.076 billion. The Village continues to have a strong credit rating of Aa2 reconfirmed through from Moody’s on its most recent general obligation refunding debt issued in 2012.

	Governmental Activities	
	2015	2014
General Obligation Bonds		
Sewer Bonds	\$ 265,000	\$ 540,000
Stormwater Project Bonds	8,500,000	9,080,000
Trunked Radio GO Debt	<u>20,428</u>	<u>23,346</u>
Total G.O. Debt	<u>\$ 8,785,428</u>	<u>\$ 9,643,346</u>

As was noted earlier, the Village did not levy any taxes for the payment of general obligation debt. Debt obligations are funded through sewer fees, stormwater fees and payment by the TID; no taxes are levied for either year's debt.

Long term debt in the government wide statement includes an accrual for of \$427,270 for future health benefits for two police officers injured in the line of duty. The Village had a contractual agreement to pay one officer's benefits through 2007 but through a court decision in 2009 the Village will be obligated to provide coverage until the former employee reaches Medicare eligibility which is expected to be in 2018. Both police officers injured on duty retired under the State of Wisconsin duty disability program. The Village has a contractual obligation to provide the officers and their families' health insurance until they reach Medicare age. The present value of this liability is \$427,270 and is reflected in the government wide statements. A projected cost increase to future annual health premium costs of 5% was used to calculate this liability, down from 8.5% used in 2014 and prior. The Village annual health premium increases since 2011 have been below 5% as the Village continues to utilize a health reimbursement arrangement and make plan design changes to meet employee needs and market changes. The annual costs for these two individuals liability will be recorded in the operating expenditures of the fund statements.

The Village has reviewed its liability under GASB 45 for post-retirement benefits other than pension and found the liability to be immaterial. The Village allows public safety employees who retire under the Wisconsin Retirement Program to remain on its group insurance plan but at their own cost. The Village's only liability would be from an implicit rate subsidy until a public safety employee reaches Medicare age. Past history indicates that this benefit is not used due to the high cost to a retiree. In the past ten years no one has utilized this benefit. With the availability of the health marketplace the Village does not anticipate retired officers using this benefit. This benefit will be reviewed each year and recorded if a material change is identified.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Village of Elm Grove is a small community, 3.4 square miles with a population of 5,900 people just west of the City of Milwaukee allowing residents access to big city opportunities and a small town environment. The Village provides residents and businesses with 24 hour public safety services through a full-time police force of 17 officers and paid on call fire and paramedic level emergency medical departments. The Village also has a well maintained road system, sanitary sewer system, a library, park facilities and recreation activities.

Elm Grove is a fully-developed community with equalized valuation of over \$1.076 billion. Residential properties comprise 88.97% of real property values. The average assessed value of a single family residence in Elm Grove is \$434,580, substantially higher than state and surrounding municipality averages. The Village continues to see relatively stable housing values during these uncertain economic times. Investment in residential properties continues through remodeling or as in an increasing trend of existing homes torn down and new homes built. This trend is expected to continue.

The Village's 2016 operating and capital budget continues to provide for the same level of services and provide funding of these operations with a stable tax levy. The 2016 budget included a small levy increase of .81% or \$54,015, below the restricted limit set by the state. The Village's 2016 budget has again qualified the Village to receive payment under the State's Expenditure Restraint Program. The Village will see a slight reduction in state aids in 2016, mainly a loss of \$14,000 in state transportation aids. The Village will not see the same large reductions as many Wisconsin municipalities mainly because it has not been eligible or dependent on these aid programs in the past. The budget includes employee contributions of \$205,900 to the Wisconsin Retirement System from contributions, health insurance premium sharing with employees paying 20% of premium cost, a renewal of our current health insurance plan with a premium increase of 3.5%, capital expenditures of \$1,033,143 as the Village continues to invest in its infrastructure and equipment, \$407,625 of expenditures for its own local library and \$295,700 for paramedic level paid on call emergency medical service.

The tax increment district value will provide a tax increment of \$496,900, which will be used to pay back funds advanced from the debt service fund, the general fund and a payment to a developer for a PayGo obligation in conjunction with the new commercial development.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Village of Elm Grove's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Village of Elm Grove, 13600 Juneau Boulevard Elm Grove, WI 53122.

General information relating to the Village of Elm Grove, Wisconsin, and a copy of this report can be found at the Village's website, www.elmgrovi.org.

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BASIC FINANCIAL STATEMENTS

VILLAGE OF ELM GROVE

Statement of Net Position As of December 31, 2015

	Governmental Activities
ASSETS	
Cash and investments	\$ 11,168,087
Receivables	
Taxes	3,396,232
Delinquent personal property taxes	1,011
Accounts	158,135
Allowance for doubtful accounts	(15,817)
Interest	2,934
Due from other governments	31,961
Prepays	2,405
Non-current assets	
Restricted net pension asset	638,755
Capital Assets	
Land	7,827,413
Construction in progress	42,047
Other capital assets, net of depreciation	18,496,210
Total Assets	41,749,373
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts on advanced refunding of debt	415,293
Deferred amounts related to pensions	652,456
Total Deferred Outflows of Resources	1,067,749
LIABILITIES	
Accounts payable and accrued liabilities	746,126
Developer deposits	76,000
Unearned revenue	45,269
Current portion of long-term obligations	1,154,506
Noncurrent portion of long-term obligations	8,625,565
Total Liabilities	10,647,466
DEFERRED INFLOWS OF RESOURCES	
Unearned revenue	8,715,886
NET POSITION	
Net investment in capital assets	18,099,477
Restricted for:	
Restricted for pension	638,755
Restricted for debt service	1,066,607
Restricted for donor specified purpose	129,806
Restricted for library	20,110
Restricted for State Act 102 funding	44,458
Unrestricted	3,454,557
Total Net Position	\$ 23,453,770

See accompanying notes to the financial statements.

VILLAGE OF ELM GROVE

**Statement of Activities
For the Year Ended December 31, 2015**

<u>Functions/Programs</u>	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services	Operating Grants & contributions		Capital Grants & Contributions
Governmental Activities					
General government	\$ 1,341,736	\$ 4,101	\$ -	\$ -	\$ (1,337,635)
Public safety	3,222,560	468,713	47,709	-	(2,706,138)
Health and sanitation	3,065,778	1,874,146	41,391	-	(1,150,241)
Highway and transportation	1,146,621	10,602	375,063	22,701	(738,255)
Library	440,791	12,221	29,147	-	(399,423)
Park and recreation	296,768	161,826	-	-	(134,942)
Interest and fiscal charges	243,928	-	-	-	(243,928)
	<u>\$ 9,758,182</u>	<u>\$ 2,531,609</u>	<u>\$ 493,310</u>	<u>\$ 22,701</u>	<u>(6,710,562)</u>
General Revenues:					
Taxes					
Property taxes, levied for general purposes					6,651,718
Property taxes, other (TID #2)					455,763
Intergovernmental revenues not restricted to specific purpose					241,050
Investment income					53,773
Other					317,444
Total general revenues					<u>7,719,748</u>
Change in Net Position					1,009,186
Net Position at Beginning of the Year (As Restated)					<u>22,444,584</u>
Net Position at Year End					<u>\$ 23,453,770</u>

See accompanying notes to financial statements.

VILLAGE OF ELM GROVE

Governmental Funds
Balance Sheet
As of December 31, 2015

	General Fund	Special Revenue		Debt Service Fund	5 Year Capital Projects Fund	Nonmajor Governmental Funds	Totals
		Sewer Fund	TID #2 Fund				
ASSETS							
Cash and investments	\$ 4,545,162	\$ 2,828,626	\$ 288,371	\$ 400,830	\$ 2,253,328	\$ 851,770	\$ 11,168,087
Receivables							
Taxes	1,743,514	825,550	208,538	-	245,297	373,333	3,396,232
Delinquent personal property tax	1,011	-	-	-	-	-	1,011
Accounts	30,446	49,004	-	-	-	78,685	158,135
Allowance for doubtful accounts	-	-	-	-	-	(15,817)	(15,817)
Interest	2,934	-	-	-	-	-	2,934
Due from other governments	23,276	1,327	-	-	7,358	-	31,961
Advance to other Funds	879,834	-	-	470,580	-	-	1,350,414
Prepays	2,405	-	-	-	-	-	2,405
Total Assets	\$ 7,228,582	\$ 3,704,507	\$ 496,909	\$ 871,410	\$ 2,505,983	\$ 1,287,971	\$ 16,095,362
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	130,633	89,428	-	-	77,966	10,730	308,757
Accrued liabilities	301,441	-	-	-	-	61,090	362,531
Developer deposits	76,000	-	-	-	-	-	76,000
Unearned revenues	45,269	-	-	-	-	-	45,269
Advance from other funds	-	-	1,350,414	-	-	-	1,350,414
Total Liabilities	553,343	89,428	1,350,414	-	77,966	71,820	2,142,971
Deferred Inflows of Resources							
Unearned revenues	4,418,330	2,225,942	496,909	-	584,500	990,205	8,715,886
Unavailable revenues	2,934	1,327	-	-	-	13,830	18,091
Total Deferred inflows of Resources	4,421,264	2,227,269	496,909	-	584,500	1,004,035	8,733,977
Fund balances							
Nonspendable	883,251	-	-	-	-	-	883,251
Restricted	15,495	270,035	-	871,410	-	178,880	1,335,820
Committed	-	1,117,775	-	-	1,843,517	33,236	2,994,528
Assigned	224,986	-	-	-	-	-	224,986
Unassigned (deficit)	1,130,243	-	(1,350,414)	-	-	-	(220,171)
Total Fund Balance (Deficit)	2,253,975	1,387,810	(1,350,414)	871,410	1,843,517	212,116	5,218,414
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 7,228,582	\$ 3,704,507	\$ 496,909	\$ 871,410	\$ 2,505,983	\$ 1,287,971	

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 the funds are not reported in the funds (see Note II.A)	26,365,670
The net pension asset does not relate to current financial resources and is not reported in the governmental funds (see Note II.A)	638,755
Deferred outflows of resources related to pensions not relate to current financial resources and are not reported in the governmental funds (see Note II.A)	652,456
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 (See Note II.A)	18,091
A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds (see Note II.A)	415,293
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)	(9,854,909)
Net Position of Governmental Funds	\$ 23,453,770

VILLAGE OF ELM GROVE

Governmental Funds
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2015

	General Fund	Special Revenue		Debt Service Fund	5 Year Capital Projects Fund	Nonmajor Governmental Funds	Totals
		Sewer Fund	TID #2 Fund				
Revenues							
Taxes	\$ 3,842,718	\$ 1,500,000	\$ 455,763	\$ -	\$ 602,000	\$ 707,000	\$ 7,107,481
Intergovernmental revenues	699,912	33,592	6,876	-	15,727	34,546	790,653
Licenses and permits	229,851	-	-	-	-	-	229,851
Fines, forfeitures and penalties	176,230	-	-	-	-	-	176,230
Public charges for services	674,154	900,474	67,706	-	-	539,208	2,181,542
Commercial revenues	252,442	4,930	-	1,703	4,235	40,985	304,295
Total Revenues	<u>5,875,307</u>	<u>2,438,996</u>	<u>530,345</u>	<u>1,703</u>	<u>621,962</u>	<u>1,321,739</u>	<u>10,790,052</u>
Expenditures							
Current							
General government	1,220,906	-	1,100	-	-	-	1,222,006
Public Safety	2,858,384	-	-	-	-	299,677	3,158,061
Health and sanitation	474,494	2,091,562	12,148	-	-	263,662	2,841,866
Highway and transportation	912,387	-	-	-	-	-	912,387
Library	-	-	-	-	-	422,585	422,585
Park and recreation	197,787	-	-	-	-	-	197,787
Capital outlay	16,596	3,165	-	-	273,950	154,042	447,753
Debt service							
Principal	-	-	-	857,918	-	-	857,918
Interest	-	-	27,225	197,076	-	-	224,301
Total Expenditures	<u>5,680,554</u>	<u>2,094,727</u>	<u>40,473</u>	<u>1,054,994</u>	<u>273,950</u>	<u>1,139,966</u>	<u>10,284,664</u>
Excess (deficiency) of revenues over (under) expenditures	<u>194,753</u>	<u>344,269</u>	<u>489,872</u>	<u>(1,053,291)</u>	<u>348,012</u>	<u>181,773</u>	<u>505,388</u>
OTHER FINANCING SOURCES (USES)							
Sale of village assets	-	-	-	-	42,764	-	42,764
Transfers in	-	-	-	1,054,996	266,000	996,552	2,317,548
Transfers out	(277,572)	(283,885)	(1,395,753)	-	(2,918)	(357,420)	(2,317,548)
Total Other Financing Sources (Uses)	<u>(277,572)</u>	<u>(283,885)</u>	<u>(1,395,753)</u>	<u>1,054,996</u>	<u>305,846</u>	<u>639,132</u>	<u>42,764</u>
Net change in fund balance	(82,819)	60,384	(905,881)	1,705	653,858	820,905	548,152
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR							
	<u>2,336,794</u>	<u>1,327,426</u>	<u>(444,533)</u>	<u>869,705</u>	<u>1,189,659</u>	<u>(608,789)</u>	<u>4,670,262</u>
FUND BALANCES (DEFICIT) - END OF YEAR							
	<u>\$ 2,253,975</u>	<u>\$ 1,387,810</u>	<u>\$ (1,350,414)</u>	<u>\$ 871,410</u>	<u>\$ 1,843,517</u>	<u>\$ 212,116</u>	<u>\$ 5,218,414</u>

See accompanying notes to financial statements.

VILLAGE OF ELM GROVE

**Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Funds to
Statement of Activities
For the Year Ended December 31, 2015**

Net Change in Fund Balances-Total Governmental Funds	\$ 548,152
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Amounts recorded 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 life and reported as depreciation expense in the statement of activities.

Capital outlay reported as an expenditure in the fund financial statements but is capitalized in the government-wide statements	447,753
Capital assets reported as current expenditures but capitalized	131,225
Capital asset contributions	49,500
Some items reported as capital outlay were not capitalized	(80,698)
Depreciation is reported in the government-wide statements	(1,079,804)
Net book value of assets retired	(7,251)

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.

Interest receivable on investments	911
Receivable for sewer partnership project	(33,593)
Public safety emergency medical service fees	9,998

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

Principal retired	857,918
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Governmental funds report premiums and discounts associated with the issuance of long-term debt as other financing sources and uses but these items are amortized over the life of the debt issue on the Statement of Activities.

Amortization of premiums	16,106
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Some expenses reported 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.

Interest accrued	5,796
Net pension asset and deferred outflows related to pensions	1,635
Amortization of loss on refunding debt	(41,529)
Compensated absences	21,135
Benefit agreements	161,932

Change in Net Position of Statement of Activities	<u>\$ 1,009,186</u>
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See accompanying notes to financial statements.

VILLAGE OF ELM GROVE
AGENCY FUND
STATEMENT OF ASSETS AND LIABILITIES
As of December 31, 2015

	<u>Agency Fund</u> Tax Collection Fund
ASSETS	
Cash and temporary investments	\$ 7,713,094
Taxes receivable	<u>5,577,748</u>
TOTAL ASSETS	<u>\$ 13,290,842</u>
LIABILITIES	
Due to other taxing units	<u>\$ 13,290,842</u>

See accompanying notes to financial statements.

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VILLAGE OF ELM GROVE

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VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Elm Grove, 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 the funds of the Village of Elm Grove ("the Village"). The reporting entity for the Village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statement to be misleading. The Village has not identified any organizations that meet these criteria.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

In June 2012, the GASB issued statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. This statement establishes standards for measuring and recognizing assets, liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to pensions. In November 2013, the GASB issued statement No. 71- *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. This statement addresses an issue regarding application of the transition provisions of Statement No. 68. These standards were implemented January 1, 2015.

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments 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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Fund Financial Statements

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

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

1. Total assets, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental fund are at least 10% of the corresponding total for all fund of that category or type, and
2. The same element of the individual governmental fund that met the 10% test is at least 5% of the corresponding total for all governmental funds combined.
3. In addition, any other governmental 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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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.

Sewer Fund – Special Revenue Fund - accounts for the Village’s sanitary sewer activities. It is used to account for and report the proceeds of specific revenue source that are legally restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Fund Financial Statements (continued)

- Tax Increment District (TID) #2 Fund – Special Revenue Fund – used to account for and report grants and local revenues legally restricted or committed to supporting expenditures outlined in the TID project plan.
- 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 debt.
- 5 Year Capital Project Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The Village reports the following non-major governmental funds:

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

- Library Fund
- Emergency Medical Services (EMS) Fund
- Stormwater Operations Fund
- Library Gift Fund

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

- Water Project Fund

In addition, the Village reports the following fund types:

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

- Tax Collection Fund

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 unearned revenue. 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.

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 unearned revenues. 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) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

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

Agency funds follow the accrual basis of accounting, and do not have a measurement focus. The Village utilizes an agency fund for tax collections for other entities.

All Financial Statements

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

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

1. Deposits and Investments

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

- a. Time deposits in any credit union, bank, savings bank, trust company maturing in three years or less.
- b. Bonds or securities of any county, village, 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.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Deposits and Investments (continued)

The Village has adopted an investment policy. That policy follows state statutes for allowable investments. The Village's investment policy does not address custodial credit risk, credit risk, interest rate risk or concentration of credit risk. All funds throughout the year and at year end were invested in locally approved banks, the LGIP, and agencies of the US government.

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 balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2015, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

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 fund.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2. Receivables (continued)

Property tax calendar - 2015 tax roll:

Lien date and levy date	December 2015
Tax bills mailed	December 2015
Payment in full, or	January 31, 2016
First installment due	January 31, 2016
Second installment due to County	July 31, 2016
Personal property taxes in full	January 31, 2016
Tax settlement:	
First settlement	January 15, 2016
Second settlement	February 22, 2016
Final settlement	August 22, 2016
Tax deed by County – 2015	
Delinquent real estate taxes	October 2018

Sewer service charges and stormwater utility fees are billed to residential customers, at rates established by the Village Board on the Village tax roll as a special charge and, therefore, collected in advance of services provided. The amount to finance the subsequent year's operation is recorded as unearned revenue. Sewer service charges and stormwater utility fees are billed to commercial customers at rates established by the Village Board on a quarterly basis on March 31, June 30, September 30 and December 31. All delinquent commercial accounts receivable balances at the time of the property tax lien date are placed on the customer's tax bill and collected through the normal tax collection process.

Garbage/rubbish removal charges are billed to residential customers, at rates established by the Village Board on the Village tax roll as a special charge and, therefore, collected in advance of services provided. The amount to finance the subsequent year's operation is recorded as unearned revenue.

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.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant and therefore was not recorded.

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. Capital Assets

Government –Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. The government defines capital assets as assets with an initial cost of more than \$5,000 for general capital assets and \$10,000 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.

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

Buildings	20-50 Years
Land Improvements	10-50 Years
Machinery and Equipment	3-20 Years
Infrastructure	25-60 Years
Intangible Assets	8 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.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

5. Deferred Outflows of Resources

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

Deferred charges on refunding arise from advance refunding of debt. The difference between the cost of the securities placed in trust for future payment of refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund 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. Compensated absences are accrued when incurred in the government-wide statements.

Sick Leave

Sick leave is earned at the rate of 8 hours for each month of service up to a maximum of 1,440 hours for eligible Village employees. Employees having unused accumulated sick leave at retirement, resignation or termination are compensated at varying percentages of the accumulated total, to a maximum of 240 or 480 hours based on longevity, position and current wage rates. The current amount of accumulated sick pay earned at December 31, 2015 for all Village employees that would be due upon termination totals \$251,335.

Vacation

Vacation pay is earned by Village employees based upon longevity of employment and specific departmental benefit schedules. Employees having unused vacation at retirement, resignation or termination are compensated for the unused vacation pay at current wage rates. The amount of unused vacation pay earned at December 31, 2015 for all Village employees is \$151,788.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

6. Compensated Absences (continued)

Compensatory Time

Overtime may be accumulated up to sixty (60) hours which may then be taken off as compensatory time. Compensatory time earned in excess of sixty (60) hours shall be paid out as overtime for the pay period in which it is earned. Compensatory time may be taken off in consecutive hours, not to exceed forty (40) hours and is paid out at current wage rates. The amount of unused compensatory pay earned at December 31, 2015 for all Village employees is \$3,192.

7. Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term obligations consist of notes and bonds payable, accrued compensated absences and benefit agreements payable. The Village offers limited post-retirement benefits to police employees under current contract obligation. The amount of these benefits is considered immaterial and is not recorded in the financial statements.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debt, (plus any premiums), are reported as other financing sources and payments of principal and interest are reported as expenditures.

For the government-wide statements, bond premium and discounts are amortized over the life of the issue using the straight-line method. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position.

The Village may approve 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. There were no IRB's outstanding at year end.

8. Deferred Inflows of Resources

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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 of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less any unspent debt proceeds.
- 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 position that do not meet the definition of “restricted” or “net investment in capital assets”.

When 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 equity is classified as fund balance and 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 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.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

9. Equity Classifications (continued)

Fund Statements (continued)

- d. Assigned- Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Village Board has, by resolution, adopted a financial policy authorizing the Village Manager and the Finance Director to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned- Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

The Village has adopted a formal fund balance policy. The Village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally the Village would first use committed, then assigned and lastly unassigned amounts of fund balance when expenditures are made. The fund balance policy also identifies a targeted unassigned general fund balance of 15-25% of general fund expenditures and total unrestricted fund balance of not more than 30%. The policy provides for steps that will be undertaken if the year end balances are not within the desired range, and identifies funds the Village will operate, and minimum review periods for the overall policy. The unassigned fund balance at December 31, 2015 is 18%, within the targeted level.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

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

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

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

Capital assets, net of accumulated depreciation	<u>\$ 26,365,670</u>
Net pension asset	<u>\$ 638,755</u>

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.

Unavailable interest on certificates of deposit	\$ 2,934
Unavailable ambulance billings	13,830
Unavailable grant revenue	<u>1,327</u>
Combined adjustments for unearned revenues	<u>\$ 18,091</u>

Other long-term assets are not available to pay for current period expenditures and are deferred outflows of resources.

Deferred outflows related to pension plan	<u>\$ 652,456</u>
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A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds.

Deferred charges on refunding	<u>\$ 415,293</u>
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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	\$ 8,785,428
Unamortized premium on refunding bonds	161,058
Compensated absences	406,315
Benefit agreements payable	427,270
Accrued interest	<u>74,838</u>
Combined adjustments for long-term liabilities	<u>\$ 9,854,909</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE III - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. EXCESS EXPENDITURES OVER APPROPRIATIONS

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 reports.

B. 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.

C. DEFICIT FUND BALANCES

Special Revenue Fund – TID #2

- The Special Revenue Fund – TID #2 had a deficit balance of \$1,350,414. This deficit balance is comprised of two parts; the initial TIF project advancement of \$470,529 from the Debt Service Fund and an advancement from the General Fund of \$879,834 for a limited municipal water system which was an additional project for a new commercial development. The advancement from the General Fund was transferred from the Water Project Fund during 2015 as the project is now complete and future tax increments will be used to repay the advance. Any new connections to the water system of other properties will also be used to repay the advance. During 2015 \$67,706 in connection fees were received. The TID #2 will repay these advances along with interest in future years.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risks</u>
Petty Cash	\$ 705	\$ -	N/A
Demand Deposits	13,452,058	13,509,613	Custodial Credit
Certificates of Deposit	2,911,774	2,910,461	Custodial Credit
LGIP	2,516,644	2,516,644	Credit
Total Cash and Investments	<u>\$ 18,881,181</u>	<u>\$ 18,936,718</u>	
Reconciliation to financial statements			
Per statement of net position			
Cash and investments	\$ 11,168,087		
Per statement of assets and liabilities -			
Agency Fund	7,713,094		
Total Cash and Investments	<u>\$ 18,881,181</u>		

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts), and \$250,000 for demand deposit accounts (interest bearing and non-interest 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 a collateral agreement with one of its banks. At December 31, 2015, the bank pledged various governmental securities in the amount of \$13.5 million to secure the Village's deposits.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS (continued)

1. Custodial Credit Risk

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

As of December 31, 2015, \$13,482,493 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 23,203
Uninsured and collateral held by the pledging financial institutions trust department or agent and not in the Village's name	<u>13,459,290</u>
	<u>\$ 13,482,493</u>

Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Village does not have any investments exposed to custodial credit risk.

2. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will fulfill its obligation. The Village had investments in the external Wisconsin Local Government Investment Pool which is not rated.

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

B. RECEIVABLES

Receivables as of year-end for the Village's funds, including an allowance for uncollectible accounts, are detailed on the governmental fund balance sheet and the statement of net position. At this time all are expected to be collected within one year.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

B. RECEIVABLES (continued)

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

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes and user fees receivable for subsequent year	\$ 8,715,886	\$ -
Subsequent period prepayments	45,269	-
Other receivables not currently available	-	18,091
Governmental Funds	<u>\$ 8,761,155</u>	<u>\$ 18,091</u>
Unearned revenues included in liabilities	\$ 45,269	
Unearned revenues included in deferred inflows	<u>8,715,886</u>	
Total Unearned Revenues in Governmental Funds	<u>\$ 8,761,155</u>	

C. RESTRICTED ASSETS

The following represent the balances of the restricted asset:

Net Pension Asset

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

Restricted assets at December 31, 2015 were \$638,755.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Capital Assets not being Depreciated:</u>				
Land and Improvements	\$ 7,791,413	\$ 36,000	\$ -	\$ 7,827,413
Construction in Progress	123,927	42,047	(123,927)	42,047
Total Capital Assets not being Depreciated	<u>7,915,340</u>	<u>78,047</u>	<u>(123,927)</u>	<u>7,869,460</u>
<u>Other Capital Assets</u>				
Intangible Assets	160,808	64,355	-	225,163
Land Improvements	358,071	-	-	358,071
Buildings and Improvements	6,030,315	-	-	6,030,315
Machinery and Equipment	6,110,652	261,602	(199,008)	6,173,246
Infrastructure	<u>23,016,554</u>	<u>267,703</u>	<u>(48,622)</u>	<u>23,235,635</u>
Total Capital Assets being Depreciated	<u>35,676,400</u>	<u>593,660</u>	<u>(247,630)</u>	<u>36,022,430</u>
Total Capital Assets	<u>\$ 43,591,740</u>	<u>\$ 671,707</u>	<u>\$ (371,557)</u>	<u>\$ 43,891,890</u>
<u>Less Accumulated Depreciation</u>				
Intangible Assets	\$ (11,476)	\$ (22,952)	\$ -	\$ (34,428)
Land Improvements	(173,535)	(15,297)	-	(188,832)
Buildings and Improvements	(3,279,948)	(134,191)	-	(3,414,139)
Machinery and Equipment	(3,697,279)	(369,466)	191,793	(3,874,952)
Infrastructure	<u>(9,524,557)</u>	<u>(537,898)</u>	<u>48,586</u>	<u>(10,013,869)</u>
Total Accumulated Depreciation	<u>(16,686,795)</u>	<u>(1,079,804)</u>	<u>240,379</u>	<u>(17,526,220)</u>
Net Capital Assets	<u>\$ 26,904,945</u>	<u>\$ (408,097)</u>	<u>\$ (131,178)</u>	<u>\$ 26,365,670</u>

Depreciation Expense was charged to functions as follows:

General Government	\$ 153,011
Public Safety	211,378
Health and Sanitation	194,576
Highway and Transportaiton	409,920
Library	15,837
Park and Recreation	95,082
Total Depreciation Expense	<u>\$ 1,079,804</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

E. TRANSFERS AND ADVANCES

For the statement of net position, interfund balances which are owed within the governmental activities are netted and eliminated. The principal reason for interfund amounts relate to a time lag between the dates the transactions are recorded and the dates payments are made between funds.

Transfers

The following is a schedule of interfund transfers during the year ended December 31, 2015:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Debt Service Fund	Sewer Fund	\$ 283,885	Debt service
Debt Service Fund	Stormwater Fund	357,420	Debt service
Debt Service Fund	TID #2 Fund	410,773	Debt service
Debt Service Fund	Five Year Capital Fund	2,918	Debt service
Five Year Capital Fund	General Fund	266,000	Capital projects
Water Project Fund	General Fund	11,572	Water projects
Water Project Fund	TID #2 Fund	<u>984,980</u>	Initial water project
Total - Fund Financial Statements		2,317,548	
Less: Fund Eliminations		<u>(2,317,548)</u>	
Total - Government-Wide Financial Statements		<u>\$ -</u>	

The transfers above were authorized in the 2015 budget.

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.

Advances

The village advanced funds to the TIF #2 Special Revenue Fund for a repayment of debt obligations associated with the TID stormwater management project in 2006. These funds were advanced from the debt service fund and are being repaid with future increments and interest at the Village's average rate earned on funds invested in the LGIP annually. For 2015, interest of \$ 406 at a rate of .13% was charged.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

E. Transfers and Advances (continued)

Advances (continued)

Funds were also advanced from the General Fund for the building of a limited municipal water system for a new commercial development within the TIF. The project costs during construction were recorded in the Water Project Fund. The project is complete and during 2015 the advancement was transferred to the TIF #2 Special Revenue Fund for repayment, as the Water Project fund was closed out at the end of 2015. The advance will be repaid from increments generated from the new commercial development and any additional new user connection fees. Interest of 3% will be paid on the outstanding advancement. During 2015, interest of 26,819 was charged.

As of December 31, 2015, funds advanced were:

TIF #2 Special Revenue Fund		
From Debt Service for stormwater	\$	879,834
From General Fund for water		470,580
		<u>1,350,414</u>
Total- Fund Financial Statements		1,350,414
Less: Fund Eliminations		<u>(1,350,414)</u>
Total Advances- Government-Wide Statement of Net Position	\$	<u><u>-</u></u>

F. LONG-TERM OBLIGATIONS

Long-term obligation activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds/Notes Payable					
General obligation debt	\$ 9,643,346	\$ -	\$ (857,918)	\$ 8,785,428	\$ 927,918
Unamortized premium	<u>177,164</u>	<u>-</u>	<u>(16,106)</u>	<u>161,058</u>	<u>16,106</u>
Total bonds/notes payable	<u>9,820,510</u>	<u>-</u>	<u>(874,024)</u>	<u>8,946,486</u>	<u>944,024</u>
Other Liabilities					
Vested compensated absences	427,450	177,289	(198,424)	406,315	173,192
Benefit agreements payable	<u>589,202</u>	<u>-</u>	<u>(161,932)</u>	<u>427,270</u>	<u>37,290</u>
Total Governmental Activities - Long-Term Liabilities	<u>\$ 10,837,162</u>	<u>\$ 177,289</u>	<u>\$ (1,234,380)</u>	<u>\$ 9,780,071</u>	<u>\$ 1,154,506</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

F. LONG-TERM OBLIGATIONS (continued)

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 in the Debt Service Fund.

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, 2015, was \$53,819,845. Total general obligation debt outstanding at year end was \$8,785,428.

Type	Date of Issue	Interest Rate	Principal Due	Interest Payable	Original Indebtedness	Balance 12/31/2015
General Obligation						
Refunding Bonds- Sewer	2010	0.5-1.9%	10/1/11-16	4/1 & 10/1	\$ 2,115,000	\$ 265,000
Refunding Bonds- Stormwater	2012	1.0-2.25%	8/1/12-25	2/1 & 8/1	9,450,000	8,500,000
Trunked Radio GO Debt	2014	0%	2/15/15-22	n/a	23,346	20,428
						<u>\$ 8,785,428</u>

Debt service requirements to maturity on general obligation notes are as follows:

Year	Principal	Interest	Total
2016	\$ 927,918	\$ 181,626	\$ 1,109,544
2017	727,918	163,391	891,309
2018	787,918	148,891	936,809
2019	832,918	133,191	966,109
2020	882,918	116,591	999,509
2021-2025	4,625,838	297,373	4,923,211
	<u>\$ 8,785,428</u>	<u>\$ 1,041,063</u>	<u>\$ 9,826,491</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

F. *LONG-TERM OBLIGATIONS* (continued)

Other Liabilities

Other liabilities reported as long-term debt include the following:

Vested compensated absences attributed to governmental activities for employee sick and vacation benefits and compensatory time that will be liquidated primarily by the General Fund.

Benefit agreements payable represent the continuation of health insurance for two retired police officers. The resolution of a court settlement with a former employee injured while on duty as a public safety officer determined that the Village provides health insurance until the individual reaches Medicare eligibility. During 2011, a police officer injured in the line of duty retired under the State of Wisconsin disability program. The Village has a contractual obligation to provide the disabled officer and his family health insurance until he reaches Medicare age. The liability for these agreements is recorded in the government-wide statements.

G. *LEASE DISCLOSURES*

The Village has a lease agreement with a company that has a cell tower on the Village grounds. The company then leases space on the tower to multiple cellular phone companies and the Village receives an identified percentage of each lease. There are seven providers on the tower, which is the current maximum the tower can support. The lease terms vary; however, all are long-term and have option periods extending the agreement until terminated by either party. The revenue on the leases is recorded in the general fund and supports general operations. Rent revenue in 2015 was \$138,458. Below are the estimated revenues for years 2016-2020.

<u>Year</u>	
2016	\$ 142,306
2017	135,413
2018	135,598
2019	139,394
2020	143,331
	<u>\$ 696,042</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

H. NET POSITION/FUND BALANCE

Net Position reported on the Government-Wide Statement of Net Position at December 31, 2015 includes the following:

Net investment in capital assets	
Land	\$ 7,827,413
Construction in progress	42,047
Other capital assets, net of accumulated depreciation	18,496,210
Less: related long-term debt outstanding	(8,520,428)
Add: deferred charges on refunding	415,293
Less: unamortized premium	<u>(161,058)</u>
Total net investment in capital assets	18,099,477
Restricted for debt service	1,066,607
Restricted for pension plan	638,755
Restricted for donor specified purpose	129,806
Restricted for library	20,110
Restricted for State Act 102 funding	44,458
Unrestricted	<u>3,454,557</u>
Total Governmental Activities Net Pension	<u>\$ 23,453,770</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

H. NET POSITION/FUND BALANCE (continued)

Governmental fund balances reported on the fund financial statements as of December 31, 2015
Include the following:

Nonspendable

General Fund

Prepaid Items	\$	2,405
Unpaid Prior Year Personal Property Taxes		1,012
Advance to Municipal Water Project Fund		879,834
	\$	<u>883,251</u>

Restricted

General Fund

Donor Specified	\$	15,495
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Sewer Fund

Debt service		270,035
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Debt Service Fund

Debt service		871,410
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Library Fund

Library		20,110
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Emergency Medical Service Fund

Donor Specified		64,329
State ACT 102 funding		44,458

Library Gift Fund

Donor Specified		49,983
	\$	<u>1,335,820</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

H. NET POSITION/FUND BALANCE (continued)

Committed	
<u>Capital Projects Fund</u>	
Capital Projects	\$ 1,843,517
<u>Sewer Fund</u>	
Sewer Operations and Infrastructure	1,117,775
<u>Stormwater Fund</u>	
Stormwater Operations and Infrastructure	18,963
<u>Emergency Medical Service Fund</u>	
Emergency Medical Service	14,273
	<u>\$ 2,994,528</u>
Assigned	
<u>General Fund</u>	
Donor Specific Purpose	\$ 47,429
Funds for Fire Department Events	3,382
2015 Budget Appropriation	174,175
	<u>\$ 224,986</u>
Unassigned (Deficit)	
General Fund	\$ 1,130,243
TID # 2 (deficit)	(1,350,414)
	<u>\$ (220,171)</u>
Total Government Fund Balance	<u>\$ 5,218,414</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE IV – DETAILED NOTES ON ALL FUNDS

I. RESTATEMENT OF NET POSITION

Net position has been restated as a result of the implementation of GASB Statement No. 68 – *Accounting and Financial Report for Pensions – an Amendment of GASB Statement No. 27* and implementation of GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements require the net pension asset and related deferred outflows and deferred inflows, if any, to be reported in the financial statements. The details of this restatement are as follows:

	<u>Governmental</u> <u>Activities</u>
Net Position- December 31, 2014 (as reported)	\$ 21,155,008
Add: Net pension asset	1,042,104
Add: Deferred outflows related to pensions	<u>247,472</u>
Net Position- December 31, 2014 (as restated)	<u>\$ 22,444,584</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2015

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

Summary of Significant Accounting Policies

Pension. For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

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

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

The WRS also provides death and disability benefits for employees.

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2005	2.6%	7%
2006	0.8	3
2007	3.0	10
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$247,472 in contributions from the village.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE V – OTHER INFORMATION

A. *EMPLOYEES' RETIREMENT SYSTEM* (continued)

Contribution rates as of December 31, 2015 are:

	<u>Employee</u>	<u>Employer</u>
General (including teachers	6.8%	6.8%
Executives & Elected Officials	7.7%	7.7%
Protective with Social Security	6.8%	9.5%
Protective without Social Security	6.8%	13.1%

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

At December 31, 2015, the village reported an asset of \$638,755 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2014, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The village's proportion of the net pension asset was based on the village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2014, the Village's proportion was .026005060%, which was a decrease of .000427530% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the village recognized pension expense of \$ 245,837.

At December 31, 2015, the village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 92,600	\$ -
Changes in assumption	-	-
Net Differences between project and actual earnings on pension plan	309,316	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	8,338	-
Employer contributions subsequent to the measurement date	242,202	-
Total	<u>\$ 652,456</u>	<u>\$ -</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE V – OTHER INFORMATION

A. EMPLOYEES’ RETIREMENT SYSTEM (continued)

\$242,202 reported as deferred outflows related to pension resulting from the WRS Employer’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows of Resources	Deferred Inflows of Resources
2016	\$ 100,342	\$ -
2017	100,342	-
2018	100,342	-
2019	100,342	-
2020	8,886	-
Thereafter	-	-

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

Actuarial valuation date	December 31, 2013
Measurement date of net pension asset	December 31, 2014
Actuarial cost method	Entry Age
Asset valuation method	Fair Market Value
Long-term expected rate of return	7.2%
Discount rate	7.2%
Salary increases	
Salary increases	3.2%
Salary increases	0.2% - 5.8%
Mortality	Wisconsin 2012 Mortality Table
Post-retirement adjustments	2.1%

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

Actuarial assumptions are based upon an experience study conducted in 2012 using experience from 2009 – 2011. The total pension liability for December 31, 2014 is based upon a roll-forward of the liability calculated from the December 31, 2013 actuarial valuation.

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

Asset Class	Long-term Real Rate of Return	Target Allocation
US Equities	5.3%	21.0%
International Equities	5.7	23.0
Fixed Income	1.7	36.0
Inflation Sensitive Assets	2.3	20.0
Real Estate	4.2	7.0
Private Equity/Debt	6.9	7.0
Multi-Asset	3.9	6.0
Cash	0.9	(20.0)

Single discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.56%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

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

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
Village's proportionate share of the net position liability (asset)	\$1,802,039	\$(638,755)	\$(2,566,396)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at and reference report number 15-11.

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. The Village uses a high deductible plan for health insurance. The Village purchases commercial insurance for all other risks. 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.

Self Insurance

The Village uses a high deductible plan for its health insurance and funds the deductibles, co-insurance and a portion of co-pays through a health reimbursement account. This method allows the Village to self-fund the first dollars of health care for each insured on an annual basis. For 2015, the liability was limited to \$6,350 for employees with single coverage and \$12,700 for family coverage. The health reimbursement account is structured that the Village only reimburses for cost incurred and the Village maintains the plan not the individual. The costs are budgeted and expensed annually. Claims must be submitted within 120 days of year end. For 2015, the Village had a potential liability of \$419,100 and incurred claims of \$86,595, below the budgeted expense of \$125,000. Historically the industry average has been less than 25% usage of total liability. The Village has used this type of plan since 2004 providing annual premium savings and total expenditures below the 25% industry average.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE V – OTHER INFORMATION

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.

A claim has been filed against the Village for injuries received by an individual as the result of a train accident. This claim is being handled by the Village's insurance carrier and any judgment would be funded through the Village's insurance.

From time to time the Village is party to various pending claims and legal proceedings. These legal actions and claims are defended by the Village's various insurance carriers, since claims brought against the Village are covered by insurance policies. In the opinion of Village management, any legal actions and claims or other proceedings known to exist at December 31, 2015, are not likely to have a material adverse impact on the Village's financial position.

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.

The Village has a financial obligation for a sewer project being done in partnership with a neighboring community, the City of Brookfield. The village's obligation is 28.4% of project costs. The project began in late December of 2015 and will be completed in 2016. The construction contract is for \$2.25 million of which the village's 28.4% will be \$641,000, plus construction management and change orders. Fund balance in the sewer fund have been committed for this contracted project. The village has budgeted \$784,000 in its 2016 sewer budget for this project to be supported with available sewer fund balance.

The Village also will undertake the re-construction of a major bridge within the village during the summer of 2016. The contract was approved in December 2015 and the fund balance in the capital fund have been committed for the contracted project cost of \$529,000. The village has included this project in its 2016 budget.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2015

NOTE V – OTHER INFORMATION

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

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

- > Statement No. 72, *Fair Value Measurement and Application*
- > Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*
- > Statements No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*
- > Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
- > Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Government*
- > Statement No. 77, *Tax Abatement Disclosures*
- > Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*

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

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REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ELM GROVE

General Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual (non-GAAP)
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 3,837,855	\$ 3,837,855	\$ 3,842,718	\$ 4,863
Intergovernmental	672,465	695,165	695,666	501
Licenses and Permits	202,600	202,600	229,851	27,251
Fines, Foreitures and Penalties	154,500	154,500	176,230	21,730
Public Charges for Service	685,910	685,910	674,154	(11,756)
Commercial Revenues	186,150	186,150	220,271	34,121
Total Revenues	<u>\$ 5,739,480</u>	<u>\$ 5,762,180</u>	<u>\$ 5,838,890</u>	<u>\$ 76,710</u>
EXPENDITURES				
Current				
General Government	1,157,050	1,127,050	1,123,993	3,057
Municipal Court	93,200	83,200	85,008	(1,808)
Police	2,121,700	2,034,128	2,030,112	4,016
Dispatch	447,315	447,315	454,057	(6,742)
Fire	272,670	272,670	269,282	3,388
Inspections	81,500	81,500	99,597	(18,097)
Health and Sanitation	491,540	491,540	474,494	17,046
Highway and Transportation	797,425	797,425	792,712	4,713
Forestry	132,700	124,200	119,675	4,525
Park and recreation	190,455	190,455	191,076	(621)
Contingency	135,000	-	-	-
Capital Outlay- Equipment	14,600	8,100	8,073	27
Total Expenditures	<u>5,935,155</u>	<u>5,657,583</u>	<u>5,648,079</u>	<u>9,504</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(195,675)</u>	<u>104,597</u>	<u>190,811</u>	<u>86,214</u>
Other Financing Uses				
Transfers out	-	(277,572)	(277,572)	-
Net Change in Fund Balance on budgetary basis	<u>\$ (195,675)</u>	<u>\$ (172,975)</u>	<u>(86,761)</u>	<u>\$ 86,214</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Revenues credited to designated accounts				
Intergovernmental revenue			4,246	
Commercial revenue			32,171	
			<u>36,417</u>	
Expenditures charged to designated accounts				
General Government			11,905	
Public Safety			5,336	
Park and Recreation			6,711	
Capital Outlay			8,523	
			<u>32,475</u>	
Net Change in Fund Balance - GAAP			<u>(82,819)</u>	
FUND BALANCE- beginning of year			<u>2,336,794</u>	
FUND BALANCE- END OF YEAR			<u>\$ 2,253,975</u>	

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

VILLAGE OF ELM GROVE

Sewer Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ -
Intergovernmental revenues	50,000	50,000	33,592	(16,408)
Public charges for services - user and connection charge	893,085	893,085	900,474	7,389
Commercial revenues				
Investment income	2,500	2,500	4,830	2,330
Miscellaneous Income	-	-	100	100
Total Revenues	<u>2,445,585</u>	<u>2,445,585</u>	<u>2,438,996</u>	<u>(6,589)</u>
EXPENDITURES				
Current - health and sanitation				
Metropolitan sewer and capital cost recovery charges	1,954,200	1,954,200	1,955,570	(1,370)
Inspection and engineering	15,000	15,000	6,886	8,114
Legal, audit, insurance	20,500	20,500	18,895	1,605
Administrative	58,000	58,000	56,642	1,358
Miscellaneous	4,000	4,000	4,269	(269)
Infrastructure repair and maintenance	60,000	60,000	49,300	10,700
Capital outlay	<u>50,000</u>	<u>50,000</u>	<u>3,165</u>	<u>46,835</u>
Total Expenditures	<u>2,161,700</u>	<u>2,161,700</u>	<u>2,094,727</u>	<u>66,973</u>
Excess of revenues over expenditures	<u>283,885</u>	<u>283,885</u>	<u>344,269</u>	<u>60,384</u>
OTHER FINANCING USES				
Transfer out				
Debt service fund	<u>(283,885)</u>	<u>(283,885)</u>	<u>(283,885)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>60,384</u>	<u>\$ 60,384</u>
FUND BALANCE - Beginning of Year			<u>1,327,426</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,387,810</u>	

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

VILLAGE OF ELM GROVE

**Tax Increment District #2
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes- TIF Increment	\$ 461,000	\$ 461,000	\$ 455,763	\$ (5,237)
Intergovernmental revenues	7,000	7,000	6,876	(124)
Public charges for services	-	67,706	67,706	-
Total Revenues	<u>468,000</u>	<u>535,706</u>	<u>530,345</u>	<u>(5,361)</u>
EXPENDITURES				
Current - general government				
Administrative	150	150	1,100	(950)
Capital outlay-water	-	12,148	12,148	-
Debt service - Interest on advances	300	27,225	27,225	-
Total Expenditures	<u>450</u>	<u>39,523</u>	<u>40,473</u>	<u>(950)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>467,550</u>	<u>496,183</u>	<u>489,872</u>	<u>(6,311)</u>
OTHER FINANCING USES				
Transfer out- Water project fund	-	(984,980)	(984,980)	-
Transfer out-Debt service fund	(410,773)	(410,773)	(410,773)	-
Total Other Financing Uses	<u>(410,773)</u>	<u>(1,395,753)</u>	<u>(1,395,753)</u>	<u>-</u>
Net change in fund balance	<u>\$ 56,777</u>	<u>\$ (899,570)</u>	<u>(905,881)</u>	<u>\$ (6,311)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(444,533)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (1,350,414)</u>	

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

VILLAGE OF ELM GROVE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET -
 WISCONSIN RETIREMENT SYSTEM
 For the Year Ended December 31, 2015

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension Asset</u>	<u>Proportionate Share of the Net Pension Asset</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Asset as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Asset</u>
12/31/15	0.026005060%	\$ 638,755	\$ 2,926,697	21.83%	102.74%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM
 For the Year Ended December 31, 2015

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/15	\$ 242,202	\$ 242,202	\$ -	\$ 3,034,482	7.98%

See independent auditors' report and notes to required supplementary information

VILLAGE OF ELM GROVE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2015

NOTE 1 – 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 board action.

All annual appropriations lapse at year-end except for certain non-lapsing funds specifically designated by the board. Budgetary control is exercised at the total fund level for all funds.

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
TID #2 -Special Revenue Fund	\$ 39,523	\$ 40,473	\$ (950)

NOTE 2 – Wisconsin Retirement System

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

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

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

Changes in Assumptions. There were no changes in assumptions.

See independent auditors' report.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

VILLAGE OF ELM GROVE

Nonmajor Governmental Funds
 Combining Balance Sheet
 As of December 31, 2015

	Special Revenue Funds				Capital Projects Fund	Total
	Library Fund	EMS Fund	Stormwater Operations Fund	Library Gift Fund	Water Project Fund	
ASSETS						
Cash and temporary investments	\$ 235,314	\$ 269,020	\$ 296,260	\$ 51,176	\$ -	\$ 851,770
Receivables						
Taxes	146,885	75,362	151,086	-	-	373,333
Accounts	-	42,109	36,576	-	-	78,685
Allowance for doubtful accounts	-	(15,817)	-	-	-	(15,817)
TOTAL ASSETS	\$ 382,199	\$ 370,674	\$ 483,922	\$ 51,176	\$ -	\$ 1,287,971
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 2,037	\$ 3,171	\$ 4,329	\$ 1,193	\$ -	\$ 10,730
Accrued liabilities	10,052	51,038	-	-	-	61,090
Total Liabilities	<u>12,089</u>	<u>54,209</u>	<u>4,329</u>	<u>1,193</u>	<u>-</u>	<u>71,820</u>
Deferred Inflows of Resources						
Unearned revenues	350,000	179,575	460,630	-	-	990,205
Unavailable revenues	-	13,830	-	-	-	13,830
Total Deferred Inflows of Resources	<u>350,000</u>	<u>193,405</u>	<u>460,630</u>	<u>-</u>	<u>-</u>	<u>1,004,035</u>
Fund Balances						
Restricted	20,110	108,787	-	49,983	-	178,880
Committed	-	14,273	18,963	-	-	33,236
Total Fund Balances	<u>20,110</u>	<u>123,060</u>	<u>18,963</u>	<u>49,983</u>	<u>-</u>	<u>212,116</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 382,199	\$ 370,674	\$ 483,922	\$ 51,176	\$ -	\$ 1,287,971

VILLAGE OF ELM GROVE

**Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
For the Year Ended December 31, 2015**

	Special Revenue Funds				Capital Projects Fund	Total
	Library Fund	EMS Fund	Stormwater Operations Fund	Library Gift Fund	Water Project Fund	
	REVENUES					
Property taxes	\$ 348,425	\$ 179,575	\$ 179,000	\$ -	\$ -	\$ 707,000
Intergovernmental revenues	29,147	5,399	-	-	-	34,546
Public charges for services	12,221	108,588	418,399	-	-	539,208
Commercial revenues	344	3,783	748	36,110	-	40,985
Total Revenues	<u>390,137</u>	<u>297,345</u>	<u>598,147</u>	<u>36,110</u>	<u>-</u>	<u>1,321,739</u>
EXPENDITURES						
Current						
Public safety	-	299,677	-	-	-	299,677
Health and sanitation	-	-	263,662	-	-	263,662
Library	392,575	-	-	30,010	-	422,585
Capital outlay	-	18,796	131,712	-	3,534	154,042
Total Expenditures	<u>392,575</u>	<u>318,473</u>	<u>395,374</u>	<u>30,010</u>	<u>3,534</u>	<u>1,139,966</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,438)</u>	<u>(21,128)</u>	<u>202,773</u>	<u>6,100</u>	<u>(3,534)</u>	<u>181,773</u>
OTHER FINANCING SOURCES (USES)						
Transfer in	-	-	-	-	996,552	996,552
Transfer out	-	-	(357,420)	-	-	(357,420)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(357,420)</u>	<u>-</u>	<u>996,552</u>	<u>639,132</u>
Net change in fund balance	<u>(2,438)</u>	<u>(21,128)</u>	<u>(154,647)</u>	<u>6,100</u>	<u>993,018</u>	<u>820,905</u>
FUND BALANCE (DEFICIT) - Beginning of Year	<u>22,548</u>	<u>144,188</u>	<u>173,610</u>	<u>43,883</u>	<u>(993,018)</u>	<u>(608,789)</u>
FUND BALANCE - END OF YEAR	<u>\$ 20,110</u>	<u>\$ 123,060</u>	<u>\$ 18,963</u>	<u>\$ 49,983</u>	<u>\$ -</u>	<u>\$ 212,116</u>

VILLAGE OF ELM GROVE

GENERAL FUND-REVENUES

**Budgetary Comparison Schedule (Non-GAAP)
For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
TAXES				
Property taxes	\$ 3,837,855	\$ 3,837,855	\$ 3,842,718	\$ 4,863
INTERGOVERNMENTAL REVENUES				
State shared revenues	80,235	80,235	80,237	2
Expenditure restraint	129,350	129,350	128,210	(1,140)
Fire insurance dues	32,000	32,000	32,684	684
State and federal aids				
Transportation aids	375,050	375,050	375,063	13
Local Road Improvement		22,700	22,701	1
Exempt computer aid	10,000	10,000	10,000	-
Public safety grants	4,080	4,080	2,880	(1,200)
Wildlife grant	-	-	2,500	2,500
Waukesha County Grants - Recycling	41,750	41,750	41,391	(359)
	<u>672,465</u>	<u>695,165</u>	<u>695,666</u>	<u>501</u>
LICENSES AND PERMITS				
Licenses	11,775	11,775	14,439	2,664
Cable TV franchise fees	62,500	62,500	66,010	3,510
Permits	128,325	128,325	149,402	21,077
	<u>202,600</u>	<u>202,600</u>	<u>229,851</u>	<u>27,251</u>
FINES, FORFEITURES AND PENALTIES				
Court fines	154,500	154,500	176,230	21,730
PUBLIC CHARGES FOR SERVICES				
General government	2,550	2,550	4,101	1,551
Protection of persons and property	6,500	6,500	6,172	(328)
Dog and cat license fees	4,150	4,150	3,886	(264)
Public works				
Solid waste user charge	492,300	492,300	488,022	(4,278)
Miscellaneous public works	10,325	10,325	10,147	(178)
Recreation Activities				
Swim team	13,420	13,420	10,619	(2,801)
Swimming lessons	20,330	20,330	20,204	(126)
Swimming fees	40,260	40,260	41,069	809
Pool rental	5,750	5,750	5,125	(625)
Tennis team	5,035	5,035	4,490	(545)
Tennis lessons	7,415	7,415	5,485	(1,930)
Tennis fees	3,270	3,270	3,110	(160)

VILLAGE OF ELM GROVE

GENERAL FUND-REVENUES
Budgetary Comparison Schedule (Non-GAAP)
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
PUBLIC CHARGES FOR SERVICES (continued)				
Summer recreation and children's activities	\$ 15,485	\$ 15,485	\$ 16,996	\$ 1,511
Baseball	9,700	9,700	9,488	(212)
Summer sports programs	6,640	6,640	7,335	695
Aerobic/exercise	21,405	21,405	17,875	(3,530)
Soda sales	8,000	8,000	6,352	(1,648)
Picnic reservations	6,525	6,525	6,089	(436)
Adult programs	720	720	906	186
Shared Programs	5,830	5,830	6,524	694
Miscellaneous recreation	300	300	159	(141)
	<u>685,910</u>	<u>685,910</u>	<u>674,154</u>	<u>(11,756)</u>
COMMERCIAL REVENUES				
Investment income	31,950	31,950	40,449	8,499
Cell tower lease revenue	139,000	139,000	138,458	(542)
Miscellaneous revenue	15,200	15,200	41,364	26,164
	<u>186,150</u>	<u>186,150</u>	<u>220,271</u>	<u>34,121</u>
TOTAL REVENUES ON BUDGETARY BASIS	<u>\$ 5,739,480</u>	<u>\$ 5,762,180</u>	5,838,890	<u>\$ 76,710</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Revenues credited to designated accounts				
Intergovernmental revenue			4,246	
Commercial revenue			<u>32,171</u>	
TOTAL REVENUES			<u>\$ 5,875,307</u>	

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
CURRENT				
General Government				
Salaries and wages	\$ 338,750	\$ 338,750	\$ 333,965	\$ 4,785
Fringe benefits	117,630	117,630	102,935	14,695
Legal	25,000	20,000	18,151	1,849
Attorney's retainer	12,852	12,852	12,621	231
Election	5,875	5,875	5,060	815
Office supplies	4,500	4,500	3,875	625
Printing, publishing, and postage	13,000	13,000	12,423	577
Utilities	118,850	118,850	98,679	20,171
Contracted services				
Tax roll preparation	4,540	4,540	4,538	2
Weights and measures	800	800	800	-
Audit and accounting	12,500	12,500	12,449	51
Payroll service	6,400	6,400	5,521	879
Assessor services	98,400	73,400	63,938	9,462
Elmbrook humane society	8,925	8,925	8,925	-
Wildlife management	4,500	4,500	9,285	(4,785)
Computer maintenance	60,750	60,750	61,012	(262)
Office equipment maintenance	8,500	8,500	9,280	(780)
Building cleaning	23,100	23,100	23,100	-
Internet expense	23,750	23,750	23,565	185
Zoning administrative	3,000	3,000	5,085	(2,085)
GIS expense	6,000	6,000	4,880	1,120
Insurance	189,808	189,808	192,760	(2,952)
Training, dues, memberships	10,000	10,000	10,067	(67)
License expense	1,700	1,700	2,035	(335)
Community relations	8,120	8,120	6,336	1,784
July 4th celebration	14,000	14,000	13,581	419
Building maintenance	31,000	31,000	38,696	(7,696)
Write-off delinquent taxes	-	-	4,943	(4,943)
Refund of Prior Year Tax	-	-	29,967	(29,967)
Miscellaneous	4,800	4,800	5,521	(721)
Total General Government	<u>1,157,050</u>	<u>1,127,050</u>	<u>1,123,993</u>	<u>3,057</u>
Municipal Court				
Salaries and wages	45,478	45,478	48,855	(3,377)
Fringe benefits	6,222	6,222	6,663	(441)
Office supplies and operating expenses	3,000	3,000	3,288	(288)
Miscellaneous	2,000	2,000	433	1,567
Judicial education	1,500	1,500	1,173	327
Legal	35,000	25,000	24,596	404
Total Municipal Court	<u>93,200</u>	<u>83,200</u>	<u>85,008</u>	<u>(1,808)</u>
	<u>1,250,250</u>	<u>1,210,250</u>	<u>1,209,001</u>	<u>1,249</u>

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
CURRENT (continued)				
Public Safety				
Police Department				
Salaries and wages	\$ 1,430,000	\$ 1,397,500	\$ 1,397,032	\$ 468
Fringe benefits	602,000	560,500	560,024	476
Uniform/mileage	8,300	8,300	10,481	(2,181)
Equipment maintenance	48,000	38,428	38,303	125
Memberships and training	16,900	12,900	11,863	1,037
Suburban Critical Incident Team	4,000	4,000	4,000	-
Sundry	12,500	12,500	8,409	4,091
	<u>2,121,700</u>	<u>2,034,128</u>	<u>2,030,112</u>	<u>4,016</u>
Dispatch Department				
Salaries and wages	283,180	283,180	284,854	(1,674)
Fringe benefits	108,385	108,385	121,074	(12,689)
Uniform/mileage	300	300		300
Communications maintenance	49,700	49,700	45,465	4,235
Memberships and training	2,500	2,500	1,498	1,002
Sundry	3,250	3,250	1,166	2,084
	<u>447,315</u>	<u>447,315</u>	<u>454,057</u>	<u>(6,742)</u>
Fire Department				
Wages and paid on call	190,350	190,350	186,422	3,928
Fringe benefits	35,350	35,350	35,618	(268)
Special response team	2,470	2,470	2,469	1
Fire drill payments	10,200	10,200	10,200	-
Equipment and operating	26,050	26,050	26,549	(499)
Communications maintenance	2,250	2,250	3,248	(998)
Memberships, training, prevention	6,000	6,000	4,776	1,224
	<u>272,670</u>	<u>272,670</u>	<u>269,282</u>	<u>3,388</u>
Inspection				
Building	52,000	52,000	63,090	(11,090)
Electrical	14,750	14,750	19,858	(5,108)
Plumbing	14,000	14,000	14,027	(27)
Special	750	750	2,622	(1,872)
	<u>81,500</u>	<u>81,500</u>	<u>99,597</u>	<u>(18,097)</u>
Total Public Safety	<u>2,923,185</u>	<u>2,835,613</u>	<u>2,853,048</u>	<u>(17,435)</u>

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)

Budgetary Comparison Schedule

For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
CURRENT (continued)				
Health and Sanitation				
Salaries and wages	\$ 49,025	\$ 49,025	\$ 52,142	\$ (3,117)
Fringe benefits	19,915	19,915	16,401	3,514
Waste collection	254,600	254,600	248,738	5,862
Recycling collections	131,500	131,500	129,458	2,042
Brush disposal	35,000	35,000	26,844	8,156
Misc/Household hazardous waste disposal	1,500	1,500	911	589
Total Health and Sanitation	<u>491,540</u>	<u>491,540</u>	<u>474,494</u>	<u>17,046</u>
Highway and Transportation				
Department of Public Works				
Salaries and wages	322,000	322,000	315,916	6,084
Fringe benefits	137,425	137,425	125,691	11,734
Utilities	18,500	18,500	15,181	3,319
Pavement maintenance	145,000	145,000	134,822	10,178
Snow and ice control	32,000	32,000	31,817	183
Building and ground maintenance	5,000	5,000	8,746	(3,746)
Traffic control	38,500	38,500	40,826	(2,326)
Equipment maintenance	84,000	84,000	96,360	(12,360)
Sundry	10,000	10,000	8,336	1,664
Engineering	5,000	5,000	15,017	(10,017)
	<u>797,425</u>	<u>797,425</u>	<u>792,712</u>	<u>4,713</u>
Forestry				
Salaries and wages	65,700	65,700	67,310	(1,610)
Fringe benefits	13,700	13,700	14,150	(450)
Forestry tree care	28,000	19,500	19,207	293
Diseased tree treatment	17,500	17,500	12,890	4,610
Landscaping	7,000	7,000	5,434	1,566
Miscellaneous	800	800	684	116
	<u>132,700</u>	<u>124,200</u>	<u>119,675</u>	<u>4,525</u>
Total Highway, Transportation, and Forestry	<u>930,125</u>	<u>921,625</u>	<u>912,387</u>	<u>9,238</u>

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
CURRENT (continued)				
Park and Recreation				
Salaries and wages	\$ 97,600	\$ 97,600	\$ 99,020	\$ (1,420)
Fringe benefits	16,730	16,730	16,595	135
Instructor fees	11,525	11,525	9,470	2,055
Operating expenses and utilities	25,200	25,200	26,740	(1,540)
Printing and miscellaneous	10,850	10,850	10,357	493
Baseball program	5,500	5,500	6,498	(998)
Swimming program	3,860	3,860	632	3,228
Tennis program	1,025	1,025	843	182
Soda/snack	4,350	4,350	2,630	1,720
Summer recreation	13,815	13,815	18,291	(4,476)
Total Park and Recreation	<u>190,455</u>	<u>190,455</u>	<u>191,076</u>	<u>(621)</u>
TOTAL CURRENT	<u>5,785,555</u>	<u>5,649,483</u>	<u>5,640,006</u>	<u>9,477</u>
Contingency				
Total Contingency	<u>135,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Outlay				
Police- Vests	2,100	2,100	2,078	22
Tree Inventory/ Brush Cutter	12,500	6,000	5,995	5
	<u>14,600</u>	<u>8,100</u>	<u>8,073</u>	<u>27</u>
Other Financing Uses				
Transfers out				
Water Project Fund	-	11,572	11,572	-
5-Year Capital Project Fund	-	266,000	266,000	-
	<u>-</u>	<u>277,572</u>	<u>277,572</u>	<u>-</u>
TOTAL EXPENDITURES AND TRANSFERS ON BUDGETARY BASIS	<u>\$ 5,935,155</u>	<u>\$ 5,935,155</u>	<u>5,925,651</u>	<u>\$ 9,504</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Expenditures charged to designated accounts				
General Government			11,905	
Public Safety			5,336	
Park and Recreation			6,711	
Capital Outlay			8,523	
TOTAL EXPENDITURES AND TRANSFERS			<u>\$ 5,958,126</u>	

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DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payments of, the Village's general obligation long-term debt principal and interest.

VILLAGE OF ELM GROVE

**Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Commercial Revenue	\$ 1,050	\$ 1,050	\$ 1,703	\$ 653
EXPENDITURES				
Debt service				
Principal	855,000	857,918	857,918	-
Interest	197,076	197,076	197,076	-
Total Expenditures	<u>1,052,076</u>	<u>1,054,994</u>	<u>1,054,994</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,051,026)</u>	<u>(1,053,944)</u>	<u>(1,053,291)</u>	<u>653</u>
OTHER FINANCING SOURCES				
Transfers in				
Special revenue funds				
Sewer fund	283,885	283,885	283,885	-
Stormwater fund	357,419	357,419	357,420	1
TID # 2	410,773	410,773	410,773	-
Capital Project fund				
5 Year Capital Fund	-	2,918	2,918	-
Total Other Financing Sources	<u>1,052,077</u>	<u>1,054,995</u>	<u>1,054,996</u>	<u>1</u>
Net change in fund balance	<u>\$ 1,051</u>	<u>\$ 1,051</u>	1,705	<u>\$ 654</u>
FUND BALANCE - Beginning of Year			<u>869,705</u>	
FUND BALANCE - END OF YEAR			<u>\$ 871,410</u>	

CAPITAL PROJECT FUND

The Capital Project Fund is used to account for and report financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of major capital facilities, equipment, or projects.

VILLAGE OF ELM GROVE

5 Year Capital Projects Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget to Actual For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 602,000	\$ 602,000	\$ 602,000	\$ -
Intergovernmental revenue	17,500	17,500	15,727	(1,773)
Commercial revenues				
Miscellaneous revenue	-	-	150	150
Investment income	2,500	2,500	4,085	1,585
Total Revenues	<u>622,000</u>	<u>622,000</u>	<u>621,962</u>	<u>(38)</u>
EXPENDITURES				
Capital outlay				
Equipment	215,600	215,600	230,539	(14,939)
Building and land improvements	25,000	25,000	736	24,264
Infrastructure	18,125	43,125	42,675	450
Other	8,875	8,875	-	8,875
Total Expenditures	<u>267,600</u>	<u>292,600</u>	<u>273,950</u>	<u>18,650</u>
Excess of revenues over expenditures	<u>354,400</u>	<u>329,400</u>	<u>348,012</u>	<u>18,612</u>
OTHER FINANCING SOURCES (USES)				
Sale of village property	-	-	42,764	42,764
Transfer in - General Fund	-	266,000	266,000	-
Transfer out - Debt Service Fund	-	(2,918)	(2,918)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>263,082</u>	<u>305,846</u>	<u>42,764</u>
Net change in fund balance	<u>\$ 354,400</u>	<u>\$ 592,482</u>	653,858	<u>\$ 61,376</u>
FUND BALANCE - Beginning of Year			<u>1,189,659</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,843,517</u>	

VILLAGE OF ELM GROVE

**Special Revenue Fund - Library Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 348,425	\$ 348,425	\$ 348,425	\$ -
Intergovernmental revenues	29,400	29,400	29,147	(253)
Public charges for services	13,500	13,500	12,221	(1,279)
Commercial revenues	200	200	344	144
Total Revenues	<u>391,525</u>	<u>391,525</u>	<u>390,137</u>	<u>(1,388)</u>
EXPENDITURES				
Current - library				
Salaries and wages	269,000	269,000	262,684	6,316
Fringe benefits	62,555	62,555	44,072	18,483
New material and book service	49,220	49,220	50,270	(1,050)
Supplies and equipment maintenance	29,800	29,800	29,059	741
Miscellaneous	5,950	5,950	6,490	(540)
Total Expenditures	<u>416,525</u>	<u>416,525</u>	<u>392,575</u>	<u>23,950</u>
Net change in fund balance	<u>\$ (25,000)</u>	<u>\$ (25,000)</u>	(2,438)	<u>\$ 22,562</u>
FUND BALANCE - Beginning of Year			<u>22,548</u>	
FUND BALANCE - END OF YEAR			<u>\$ 20,110</u>	

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NONMAJOR FUNDS

Special Revenue Funds

Special Revenue Funds are 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).

Library Fund

This fund is used to account for the activities of the Village's public library.

EMS Fund (Emergency Medical Services)

This fund is used to account for the activities of the Village's emergency medical service.

Stormwater Operations Fund

This fund is used to account for the activities of the Village's stormwater operations.

Library Gift Fund

This fund accounts for donations received for the Village's library and the expenditure of those funds.

Capital Projects Funds

Water Project Fund

This fund is used to account for the spending of funds designated for the design and construction costs of future expansions to the limited municipal system.

VILLAGE OF ELM GROVE

Special Revenue Fund - Emergency Medical Service Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 179,575	\$ 179,575	\$ 179,575	\$ -
Public charges for services	91,250	91,250	108,588	17,338
Investment income	250	250	533	283
Total Revenues	<u>271,075</u>	<u>271,075</u>	<u>288,696</u>	<u>17,621</u>
EXPENDITURES				
Current -public safety				
Ambulance				
Wages and paid on call	224,150	234,875	232,901	1,974
Fringe benefits	26,225	26,225	27,564	(1,339)
EMT training	3,000	3,000	1,767	1,233
Uniforms	1,000	1,000	1,228	(228)
Medical supplies	10,200	15,700	15,732	(32)
Ambulance maintenance	3,500	5,500	5,802	(302)
Ambulance communications	1,000	1,000	237	763
Ambulance billing fees	7,000	7,000	7,746	(746)
Miscellaneous	5,000	5,000	6,075	(1,075)
Total Expenditures	<u>281,075</u>	<u>299,300</u>	<u>299,052</u>	<u>248</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (10,000)</u>	<u>\$ (28,225)</u>	(10,356)	<u>\$ 17,869</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Revenues credited to designated accounts				
Intergovernmental revenue			5,399	
Commercial revenue			3,250	
			<u>8,649</u>	
Expenditures charged to designated accounts				
Capital outlay			18,796	
EMS training			1,116	
Miscellaneous			(491)	
			<u>19,421</u>	
Net change in fund balance			<u>(21,128)</u>	
FUND BALANCE - Beginning of Year			<u>144,188</u>	
FUND BALANCE - END OF YEAR			<u>\$ 123,060</u>	

VILLAGE OF ELM GROVE

**Special Revenue Fund - Stormwater Operations Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 179,000	\$ 179,000	\$ 179,000	\$ -
Public charges for services	426,100	426,100	418,399	(7,701)
Commercial revenues - investment income	500	500	748	248
Total Revenues	<u>605,600</u>	<u>605,600</u>	<u>598,147</u>	<u>(7,453)</u>
EXPENDITURES				
Current - health and sanitation				
Infrastructure repair and maintenance	60,000	63,000	63,138	(138)
Administrative	158,500	166,750	166,618	132
Inspection, engineering, audit	15,000	35,000	33,906	1,094
Capital outlay	-	131,725	131,712	13
Total Expenditures	<u>233,500</u>	<u>396,475</u>	<u>395,374</u>	<u>1,101</u>
Excess (deficiency) of revenues over (under) expenditures	<u>372,100</u>	<u>209,125</u>	<u>202,773</u>	<u>(6,352)</u>
OTHER FINANCING USES				
Transfer out				
Debt Service	<u>(357,420)</u>	<u>(357,420)</u>	<u>(357,420)</u>	<u>-</u>
Net change in fund balance	<u>\$ 14,680</u>	<u>\$ (148,295)</u>	<u>(154,647)</u>	<u>\$ (6,352)</u>
FUND BALANCE - Beginning of Year			<u>173,610</u>	
FUND BALANCE - END OF YEAR			<u>\$ 18,963</u>	

VILLAGE OF ELM GROVE

**Special Revenue Fund - Library Gift Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Commercial revenues				
Donations	\$ -	\$ 36,040	\$ 36,039	\$ (1)
Investment Income	-	-	71	71
Total Revenues	<u>-</u>	<u>36,040</u>	<u>36,110</u>	<u>70</u>
EXPENDITURES				
Current				
Library Materials	-	30,010	30,010	-
Total Expenditures	<u>-</u>	<u>30,010</u>	<u>30,010</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 6,030</u>	<u>6,100</u>	<u>\$ 70</u>
FUND BALANCE - Beginning of Year			<u>43,883</u>	
FUND BALANCE - END OF YEAR			<u>\$ 49,983</u>	

VILLAGE OF ELM GROVE

**Capital Projects Fund - Water Project Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget to Actual
For the Year Ended December 31, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Public Charge for Service	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Consulting- new water projects	-	2,962	2,962	-
Capital outlay - Park condo extension	-	572	572	-
Total Expenditures	<u>-</u>	<u>3,534</u>	<u>3,534</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>(3,534)</u>	<u>(3,534)</u>	<u>-</u>
OTHER FINANCING SOURCES				
Transfer in				
General fund	-	11,572	11,572	-
TIF No. 2	-	984,980	984,980	-
Total Other Financing Sources	<u>-</u>	<u>996,552</u>	<u>996,552</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 993,018</u>	<u>993,018</u>	<u>\$ -</u>
FUND BALANCE (Deficit) - Beginning of Year			<u>(993,018)</u>	
FUND BALANCE - END OF YEAR			<u><u>\$ -</u></u>	

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AGENCY FUND

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

Tax Collection Fund- This fund accounts for the collection of property tax for other taxing governmental agencies and the distributions made to those agencies

VILLAGE OF ELM GROVE

Statement of Changes in Assets and Liabilities
Agency Fund - Tax Collection Fund
As of December 31, 2015

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
ASSETS				
Cash and investments	\$ 7,740,734	\$ 7,713,094	\$ (7,740,734)	\$ 7,713,094
Taxes receivable	5,320,108	5,577,748	(5,320,108)	5,577,748
Total Assets	<u>\$ 13,060,842</u>	<u>\$ 13,290,842</u>	<u>\$ (13,060,842)</u>	<u>\$ 13,290,842</u>
LIABILITIES				
Due to other taxing units	<u>\$ 13,060,842</u>	<u>\$ 13,290,842</u>	<u>\$ (13,060,842)</u>	<u>\$ 13,290,842</u>

STATISTICAL SECTION

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STATISTICAL SECTION

This part of the Village of Elm Grove’s comprehensive annual financial report presents detailed information as a framework for understanding what the financial statements, note disclosures, and required supplementary information says about the overall financial well-being of the Village.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the Village’s financial performance and well-being have changed over time.

80 - 89

Revenue Capacity

These schedules contain information to help the reader assess the Village’s most significant local revenue source, property taxes.

90 – 93

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village’s current levels of outstanding debt and also the Village’s ability to issue additional debt in the future.

94 – 95

Demographic and Economic Information

These schedules offer demographic and economic indications to help the reader understand the environment within which the Village’s financial activities take place.

96 – 98

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village’s financial report relates to the services the Village provides and the activities it performs.

99 - 100

Sources: Information in these statistical tables was obtained from the sources identified and village records.

Village of Elm Grove
Net Position by Component
Last Ten Fiscal Years

Table 1

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Net Position- Governmental Activities										
Net investment in capital assets	\$ 14,451,114	\$ 15,484,359	\$ 15,119,990	\$ 15,262,257	\$ 15,262,863	\$ 17,074,144	\$ 16,855,319	\$ 17,095,963	\$ 18,081,257	\$ 18,099,477
Restricted	895,563	1,559,711	1,931,546	1,398,898	701,048	1,361,919	681,483	830,689	831,662	1,899,736
Unrestricted (deficit)	(1,509,633)	(1,194,938)	(701,639)	(254,345)	1,032,474	110,321	2,971,576	2,444,563	2,242,089	3,454,557
Total Governmental Activities Net Positio	<u>\$ 13,837,044</u>	<u>\$ 15,849,132</u>	<u>\$ 16,349,897</u>	<u>\$ 16,406,810</u>	<u>\$ 16,996,385</u>	<u>\$ 18,546,384</u>	<u>\$ 20,508,378</u>	<u>\$ 20,371,215</u>	<u>\$ 21,155,008</u>	<u>\$ 23,453,770</u>

Data Source: Village of Elm Grove Annual Financial Reports

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**Village of Elm Grove
Change in Net Position
Last Ten Fiscal Years**

<u>Expenses</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Governmental Activities				
General government	\$1,241,470	\$1,307,141	\$1,374,559	\$1,379,041
Public Safety	2,788,513	2,903,225	3,053,278	3,405,247
Health and sanitation	2,367,475	2,368,436	3,039,426	3,122,607
Highway and transportation	859,564	1,012,489	1,035,706	979,129
Library	386,349	376,649	401,397	404,537
Park and recreation	229,129	394,332	347,371	351,747
Community Development	362,101	-	-	-
Interest and Fiscal Charges	663,560	689,719	621,912	598,956
Total Governmental Activities	<u>8,898,161</u>	<u>9,051,991</u>	<u>9,873,649</u>	<u>10,241,264</u>
<u>Program Revenues</u>				
Governmental Activities				
Charges for services				
General government	58,213	26,717	5,471	7,192
Public safety	441,617	415,903	463,716	398,820
Health and sanitation	1,369,723	1,432,464	1,469,448	1,559,808
Public works		6,715	15,811	8,723
Library	12,268	13,660	15,150	13,898
Park and recreation	148,334	165,719	200,635	222,455
Operating grants and contributions	579,625	609,091	883,450	705,559
Capital grants and contributions	76,510	1,087,545	33,065	142,262
Total Program Revenues, Grants and Contributions	<u>2,686,290</u>	<u>3,757,814</u>	<u>3,086,746</u>	<u>3,058,717</u>
<u>Net Revenue (Expense)</u>	<u>(6,211,871)</u>	<u>(5,294,177)</u>	<u>(6,786,903)</u>	<u>(7,182,547)</u>
<u>General Revenue and Other Changes in Net Position</u>				
Governmental Activities				
Taxes levied				
General Village Operations	4,002,031	3,910,217	3,977,844	4,386,235
MMSD Capital Charge	1,372,500	1,372,500	1,401,350	1,375,000
TIF Fund	32,115	106,706	224,155	368,867
Capital Fund	267,600	462,775	461,000	343,500
Debt service	475,000	475,000	475,000	250,000
Intergovernmental Revenues	304,291	283,558	262,856	238,660
Investment Income	621,786	532,936	263,737	71,104
Miscellaneous	187,174	162,573	221,726	206,094
Special Item- settlement of lawsuit, WTPR federal funding	-	-	-	-
Total government Activities - General and Other Revenues	<u>7,262,497</u>	<u>7,306,265</u>	<u>7,287,668</u>	<u>7,239,460</u>
<u>Change in Net Position</u>	<u>\$1,050,626</u>	<u>\$2,012,088</u>	<u>\$ 500,765</u>	<u>\$ 56,913</u>

Data Source: Village of Elm Grove Annual Financial Reports

Table 2

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$1,255,384	\$1,283,229	\$1,422,768	\$1,403,462	\$1,456,058	\$1,341,736
3,317,707	4,052,000	3,284,598	3,309,156	3,279,232	3,222,560
2,995,497	2,876,611	3,056,274	3,711,448	3,315,768	3,065,778
1,021,752	1,299,338	1,102,688	1,192,854	1,441,556	1,146,621
416,425	423,337	441,712	455,467	438,845	440,791
342,267	316,343	311,277	290,622	283,628	296,768
-	-	-	-	-	-
562,945	441,711	172,892	396,125	235,576	243,928
<u>9,911,977</u>	<u>10,692,569</u>	<u>9,792,209</u>	<u>10,759,134</u>	<u>10,450,663</u>	<u>9,758,182</u>
13,490	18,434	9,752	6,539	3,949	4,101
442,860	423,271	421,163	445,931	439,302	468,713
1,602,791	1,700,490	1,758,946	1,721,793	1,731,916	1,874,146
6,740	19,750	28,831	10,246	18,681	10,602
13,324	15,000	14,628	13,800	13,163	12,221
237,136	197,824	182,431	169,953	154,103	161,826
703,360	722,881	716,792	609,911	539,409	493,310
3,880	1,650,982	29,953	5,490	738,142	22,701
<u>3,023,581</u>	<u>4,748,632</u>	<u>3,162,496</u>	<u>2,983,663</u>	<u>3,638,665</u>	<u>3,047,620</u>
<u>(6,888,396)</u>	<u>(5,943,937)</u>	<u>(6,629,713)</u>	<u>(7,775,471)</u>	<u>(6,811,998)</u>	<u>(6,710,562)</u>
4,524,987	4,571,793	4,567,260	4,428,895	4,478,820	4,549,718
1,252,000	1,392,802	1,466,940	1,464,500	1,500,000	1,500,000
477,472	437,809	341,594	475,181	435,349	455,763
355,375	487,500	459,195	600,000	600,000	602,000
200,000	-	-	-	-	-
212,968	228,595	217,394	207,048	224,520	241,050
63,286	37,882	25,696	32,339	47,028	53,773
248,925	292,375	263,628	430,345	310,074	317,444
142,958	-	1,250,000	-	-	-
<u>7,477,971</u>	<u>7,448,756</u>	<u>8,591,707</u>	<u>7,638,308</u>	<u>7,595,791</u>	<u>7,719,748</u>
<u>\$ 589,575</u>	<u>\$1,504,819</u>	<u>\$1,961,994</u>	<u>\$ (137,163)</u>	<u>\$ 783,793</u>	<u>\$1,009,186</u>

Village of Elm Grove
Fund Balance- Governmental Funds
Last Ten Fiscal Years

Table 3

	2006	2007	2008	2009	2010 (2)	2011 (3)	2012	2013	2014	2015
General Fund:										
Reserved	\$ 53,897	\$ 99,825	\$ 239,249	\$ 760,482	\$ 1,016,600	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved - designated	1,231,901	1,254,216	1,256,351	1,249,598	1,114,573	-	-	-	-	-
Unreserved - undesignated	1,042,320	1,044,807	915,130	400,417	291,560	-	-	-	-	-
Nonspendable	-	-	-	-	-	882,615	144,235	992,657	990,050	883,251
Restricted	-	-	-	-	-	26,159	25,745	15,665	15,086	15,495
Assigned	-	-	-	-	-	166,499	155,122	229,651	242,952	224,986
Unassigned	-	-	-	-	-	1,315,420	2,047,938	1,026,438	1,088,706	1,130,243
Total general fund	2,328,118	2,398,848	2,410,730	2,410,497	2,422,733	2,390,693	2,373,040	2,264,411	2,336,794	2,253,975
All Other Governmental Funds:										
Reserved	3,898,390	2,308,522	2,455,414	2,793,981	1,956,662	-	-	-	-	-
Unreserved - designated	1,393,246	1,488,293	2,278,361	2,218,774	1,917,354	-	-	-	-	-
Unreserved - undesignated (deficit)	(583,662)	(892,098)	(1,565,324)	(1,990,441)	(1,707,975)	-	-	-	-	-
Nonspendable	-	-	-	-	-	595,056	-	38,045	-	-
Restricted	-	-	-	-	-	811,905	1,344,873	1,371,523	1,341,610	1,320,325
Committed	-	-	-	-	-	2,169,221	2,649,752	3,019,737	2,429,409	2,994,528
Unassigned	-	-	-	-	-	(1,421,928)	(629,173)	(1,422,832)	(1,437,551)	(1,350,414)
Total all other governmental funds	4,707,974	2,904,717	3,168,451	3,022,314	2,166,041	2,154,254	3,365,452	3,006,473	2,333,468	2,964,439
Total Governmental Funds										
Reserved	3,952,287	2,408,347	2,694,663	3,554,463	2,973,262	-	-	-	-	-
Unreserved - designated	2,625,147	2,742,509	3,534,712	3,468,372	3,031,927	-	-	-	-	-
Unreserved - undesignated (deficit)	458,658	152,709	(650,194)	(1,590,024)	(1,416,415)	-	-	-	-	-
Non-spendable	-	-	-	-	-	1,477,671	144,235	1,030,702	990,050	883,251
Restricted	-	-	-	-	-	838,064	1,370,618	1,387,188	1,356,696	1,335,820
Committed	-	-	-	-	-	2,169,221	2,649,752	3,019,737	2,429,409	2,994,528
Assigned	-	-	-	-	-	166,499	155,122	229,651	242,952	224,986
Unassigned	-	-	-	-	-	(106,508)	1,418,765	(396,394)	(348,845)	(220,171)
Total all governmental funds (1)	\$ 7,036,092	\$ 5,303,565	\$ 5,579,181	\$ 5,432,811	\$ 4,588,774	\$ 4,544,947	\$ 5,738,492	\$ 5,270,884	\$ 4,670,262	\$ 5,218,414

(1) See the notes to financial statements "Net Position/Fund Balances" for complete details on the fund balance classification

(2) Reduction due to the prepayment of general obligation debt in the amount of \$1,000,000 with funds on hand in conjunction with a debt refunding

(3) Reflects the implementation of GASB 54 (as of December 31, 2011), new fund balance reporting categories

Data Source: Village of Elm Grove Annual Financial Reports

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Village of Elm Grove
Change in Fund Balances - Governmental Funds
Last Ten Fiscal Years

Table 4

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues					
Taxes	\$ 6,149,246	\$ 6,327,198	\$ 6,539,349	\$ 6,723,602	\$ 6,809,834
Intergovernmental revenues	960,427	1,980,179	1,045,762	1,167,040	920,208
Licenses and permits	251,348	164,929	175,661	135,068	182,004
Fines, forfeitures and penalties	182,511	228,889	235,087	211,488	202,269
Public charges for services	1,637,242	1,710,006	1,807,716	1,919,476	1,978,516
Commercial revenues	794,713	659,060	450,352	228,968	244,781
Total Revenues	<u>9,975,487</u>	<u>11,070,261</u>	<u>10,253,927</u>	<u>10,385,642</u>	<u>10,337,612</u>
Expenditures					
Current					
General government	1,052,898	1,122,745	1,185,272	1,183,220	1,097,641
Public Safety	2,555,152	2,661,454	2,790,799	2,930,830	3,090,838
Health and sanitation	2,288,633	2,244,823	2,519,485	2,411,053	2,791,191
Highway and transportation	686,897	800,231	842,725	787,253	795,147
Library	371,249	366,795	390,242	393,447	397,207
Park and recreation	194,881	206,848	235,274	249,880	250,754
Community Development	362,101	-	-	-	-
Capital outlay	5,464,757	4,142,771	736,275	1,297,015	631,378
Debt service					
Principal	559,432	579,432	634,432	675,000	735,000
Interest	597,182	677,689	643,807	604,314	633,955
Total Expenditures	<u>14,133,182</u>	<u>12,802,788</u>	<u>9,978,311</u>	<u>10,532,012</u>	<u>10,423,111</u>
Excess of revenues over (under) expenditures	(4,157,695)	(1,732,527)	275,616	(146,370)	(85,499)
OTHER FINANCING SOURCES (USES)					
Settlement of lawsuit	-	-	-	-	142,958
Sale of village assets	-	-	-	-	38,504
Transfers in	8,039,890	1,260,197	1,268,454	1,414,078	1,411,288
Transfers out	(8,039,890)	(1,260,197)	(1,268,454)	(1,414,078)	(1,411,288)
Proceeds from long term debt	-	-	-	-	-
Refunding bonds issued	-	-	-	-	2,115,000
Premium on refunding bonds	-	-	-	-	-
Discount on refunding bonds	-	-	-	-	-
Advance bond refunding	-	-	-	-	(3,055,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(758,538)</u>
Net change in fund balances	<u>\$ (4,157,695)</u>	<u>\$ (1,732,527)</u>	<u>\$ 275,616</u>	<u>\$ (146,370)</u>	<u>\$ (844,037)</u>
Capitalized expenditures	5,576,868	4,273,691	846,696	1,358,188	709,333
Debt service as a percentage of non-capital expenditures	13.52%	14.74%	14.00%	13.95%	14.09%

Data Source: Village of Elm Grove Annual Financial Reports

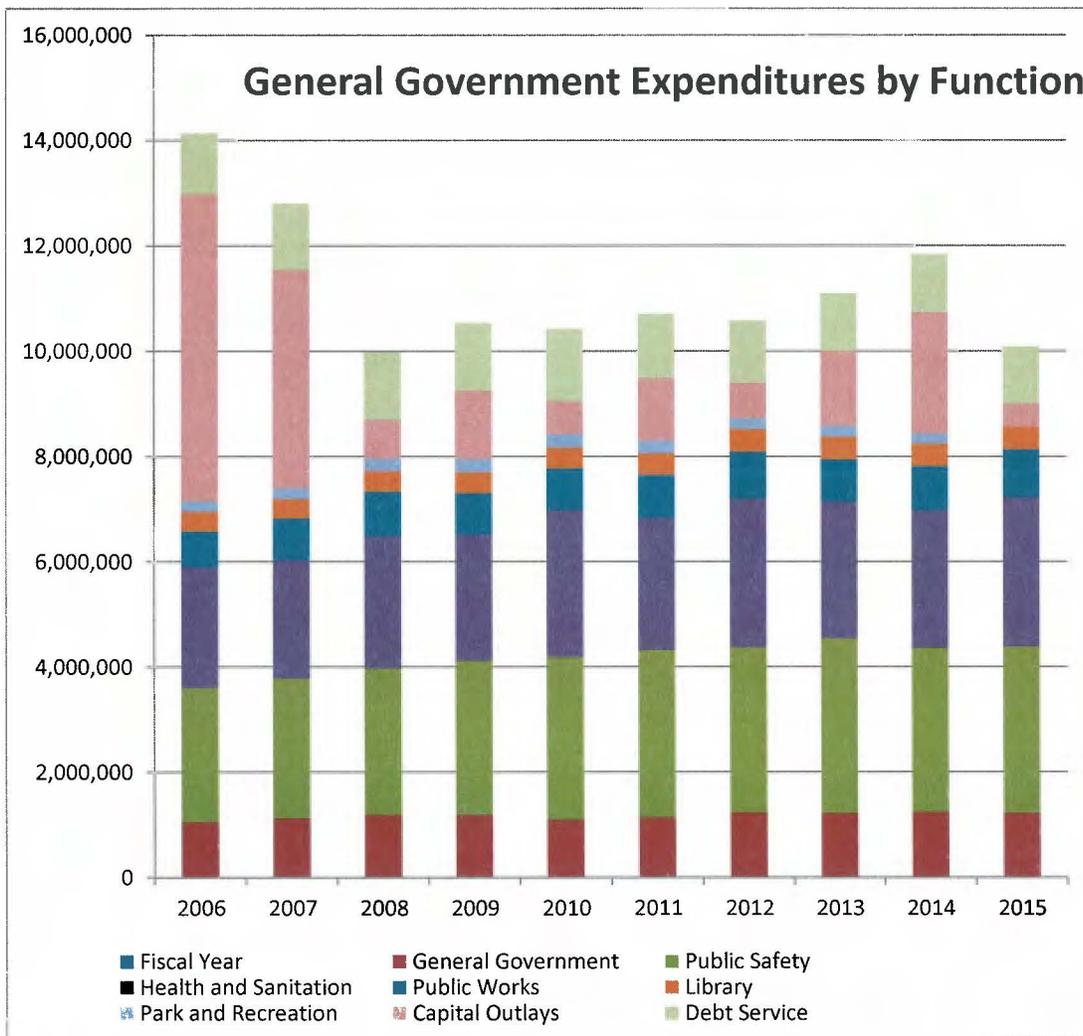
Table 4

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$	6,889,904	\$ 6,834,989	\$ 6,968,576	\$ 7,014,169	\$ 7,107,481
	978,098	964,139	822,448	1,265,732	790,653
	184,210	214,648	255,904	235,806	229,851
	190,205	159,019	155,977	158,057	176,230
	2,058,742	2,102,510	2,026,118	2,234,767	2,181,542
	<u>277,812</u>	<u>228,274</u>	<u>390,025</u>	<u>293,296</u>	<u>304,295</u>
	<u>10,578,971</u>	<u>10,503,579</u>	<u>10,619,048</u>	<u>11,201,827</u>	<u>10,790,052</u>
	1,132,892	1,228,685	1,217,422	1,241,640	1,222,006
	3,184,143	3,138,141	3,325,255	3,114,600	3,158,061
	2,523,402	2,834,451	2,597,144	2,623,425	2,841,866
	807,872	887,923	798,580	832,802	912,387
	414,743	429,026	439,739	431,041	422,585
	233,013	210,244	199,715	193,146	197,787
	-	-	-	-	-
	1,197,865	665,106	1,431,610	2,298,974	447,753
	780,000	960,000	850,000	880,000	857,918
	<u>435,276</u>	<u>221,449</u>	<u>235,980</u>	<u>215,323</u>	<u>224,301</u>
	<u>10,709,206</u>	<u>10,575,025</u>	<u>11,095,445</u>	<u>11,830,951</u>	<u>10,284,664</u>
	(130,235)	(71,446)	(476,397)	(629,124)	505,388
	-	1,250,000	-	-	-
	41,228	44,792	8,789	5,156	42,764
	1,505,203	1,836,382	1,190,819	1,204,810	2,317,548
	(1,505,203)	(1,836,382)	(1,190,819)	(1,204,810)	(2,317,548)
	-	-	-	23,346	-
	-	9,450,000	-	-	-
	-	225,482	-	-	-
	-	(53,873)	-	-	-
	-	(9,651,410)	-	-	-
	<u>41,228</u>	<u>1,264,991</u>	<u>8,789</u>	<u>28,502</u>	<u>42,764</u>
\$	<u>(89,007)</u>	<u>1,193,545</u>	<u>(467,608)</u>	<u>(600,622)</u>	<u>548,152</u>
	2,905,103	783,096	461,170	1,650,602	671,707
	15.57%	12.07%	10.21%	10.76%	11.26%

**Village of Elm Grove
General Government Expenditures by Function
Last Ten Fiscal Years**

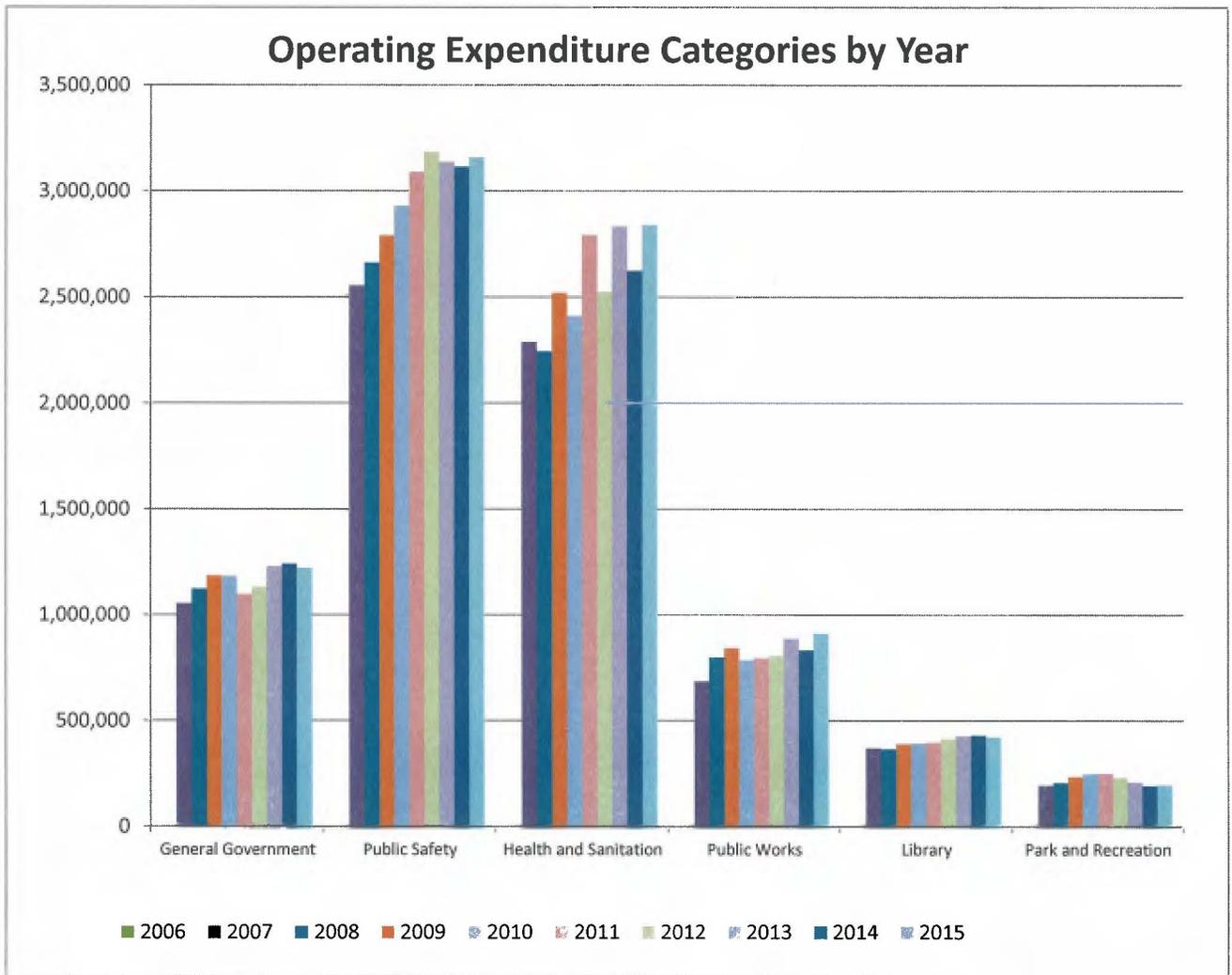
Fiscal Year	General Government		Public Safety		Health and Sanitation		Public Works	
2006	\$ 1,052,898	7.45%	\$ 2,555,152	18.08%	\$ 2,288,633	16.19%	\$ 686,897	4.86%
2007	1,122,745	8.77%	2,661,454	20.79%	2,244,823	17.53%	800,231	6.25%
2008	1,185,272	11.88%	2,790,799	27.96%	2,519,485	25.25%	842,725	8.45%
2009	1,183,220	11.23%	2,930,830	27.84%	2,411,053	22.89%	787,253	7.47%
2010	1,097,641	10.53%	3,090,838	29.65%	2,791,191	26.78%	795,147	7.63%
2011	1,132,892	10.58%	3,184,143	29.73%	2,523,402	23.56%	807,872	7.54%
2012	1,228,685	11.62%	3,138,141	29.67%	2,834,451	26.80%	887,923	8.40%
2013	1,217,422	10.97%	3,325,255	29.97%	2,597,144	23.41%	798,580	7.20%
2014	1,241,640	10.49%	3,114,600	26.33%	2,623,425	22.17%	832,802	7.04%
2015	1,222,006	11.88%	3,158,061	30.81%	2,841,866	27.63%	912,387	8.87%

Village of Elm Grove, Wisconsin



Data Source: Village of Elm Grove Annual Financial Reports

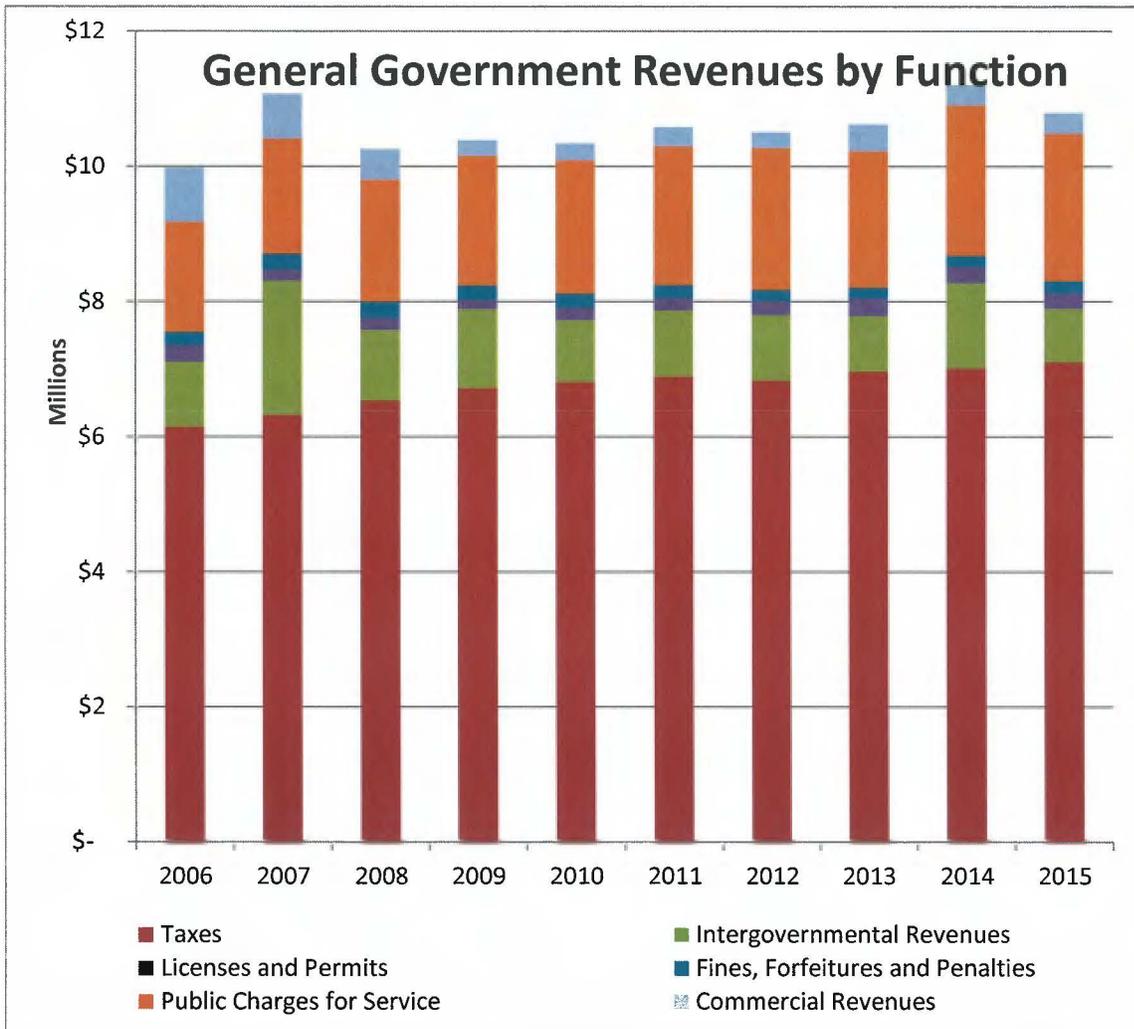
Library		Park and Recreation		Capital Outlay		Debt Service		Total Expenditures
\$ 371,249	2.63%	\$ 194,881	1.38%	\$ 5,826,858	41.23%	\$ 1,156,614	8.18%	\$ 14,133,182
366,795	2.86%	206,848	1.62%	4,142,771	32.36%	1,257,121	9.82%	12,802,788
390,242	3.91%	235,274	2.36%	736,275	7.38%	1,278,239	12.81%	9,978,311
393,447	3.74%	249,880	2.37%	1,297,015	12.31%	1,279,314	12.15%	10,532,012
397,207	3.81%	250,754	2.41%	631,378	6.06%	1,368,955	13.13%	10,423,111
414,743	3.87%	233,013	2.18%	1,197,865	11.19%	1,215,276	11.35%	10,709,206
429,026	4.06%	210,244	1.99%	665,106	6.29%	1,181,449	11.17%	10,575,025
439,739	3.96%	199,715	1.80%	1,431,610	12.90%	1,085,980	9.79%	11,095,445
431,041	3.64%	193,146	1.63%	2,298,974	19.44%	1,095,323	9.26%	11,830,951
422,585	4.11%	197,787	1.92%	447,753	4.35%	1,082,219	10.52%	10,284,664



**Village of Elm Grove
General Government Revenues by Source
Last Ten Fiscal Years**

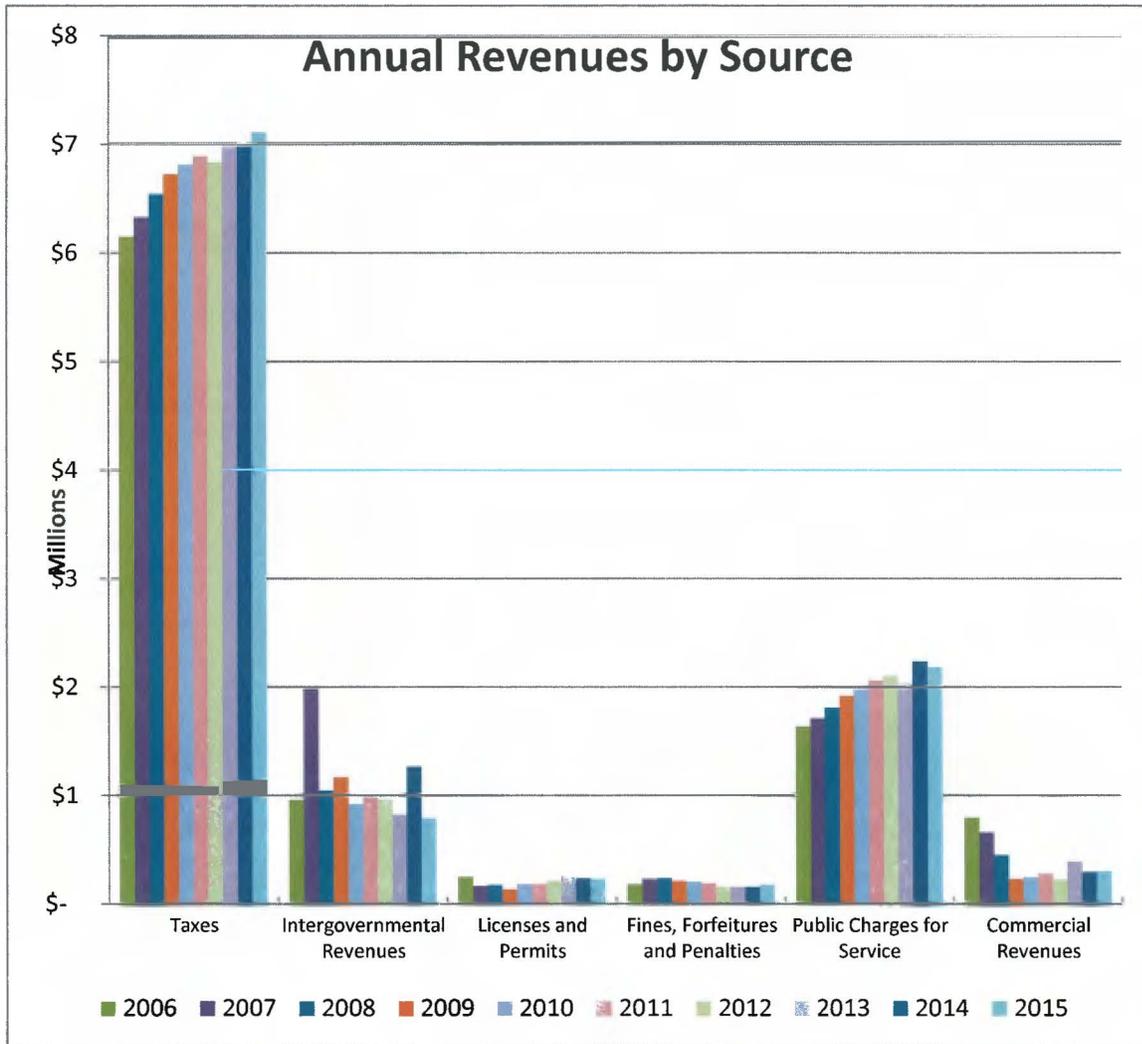
Fiscal Year	Taxes		Intergovernmental Revenues		Licenses and Permits		Fines, Forfeitures and Penalties	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
2006	\$6,149,246	61.64%	\$ 960,427	9.63%	\$251,348	2.52%	\$182,511	1.83%
2007	6,327,198	57.15%	1,980,179	17.89%	164,929	1.49%	228,889	2.07%
2008	6,539,349	63.77%	1,045,762	10.21%	175,661	1.71%	235,087	2.29%
2009	6,723,602	64.74%	1,167,040	11.24%	135,068	1.30%	211,488	2.04%
2010	6,809,834	65.87%	920,208	8.90%	182,004	1.76%	202,269	1.96%
2011	6,889,904	65.13%	978,098	9.24%	184,210	1.74%	190,205	1.80%
2012	6,834,989	65.07%	964,139	9.19%	214,648	2.04%	159,019	1.51%
2013	6,968,576	65.62%	822,448	7.75%	255,904	2.41%	155,977	1.47%
2014	7,014,169	62.62%	1,265,732	11.30%	235,806	2.11%	158,057	1.41%
2015	7,107,481	65.87%	790,653	7.33%	229,851	2.13%	176,230	1.63%

Village of Elm Grove, Wisconsin



Data Source: Village of Elm Grove Annual Financial Reports

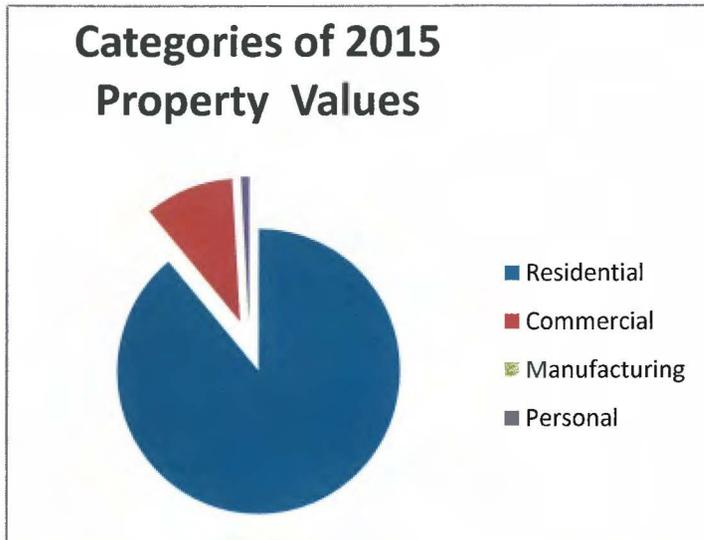
	Public Charges for Service	Commercial Revenues	Total Revenues
\$	1,637,242	16.41%	\$ 9,975,487
	1,710,006	15.45%	11,070,261
	1,807,716	17.63%	10,253,927
	1,919,476	18.48%	10,385,642
	1,978,516	19.14%	10,337,612
	2,058,742	19.46%	10,578,971
	2,102,510	20.02%	10,503,579
	2,026,118	19.08%	10,619,048
	2,234,767	19.95%	11,201,827
	2,181,542	20.22%	10,790,052



**Village of Elm Grove
Assessed Value and Equalized Value of Taxable Property
Last Ten Fiscal Years**

Table 7

Year	Assessed Value				Total Assessed Value	Total Equalized Value	Ratio	Total
	Residential	Commercial	Manufacturing	Personal			Assessed to Equalized	Direct Tax Rate
2006	\$ 971,360,400	\$ 102,219,652	\$ 1,364,100	\$ 7,829,570	\$ 1,082,773,722	\$ 1,070,282,900	101.17%	\$ 5.75
2007	995,179,000	105,423,200	1,267,900	8,201,190	1,110,071,290	1,124,478,100	98.72%	\$ 5.69
2008	990,696,700	105,958,200	1,248,800	10,214,100	1,108,117,800	1,138,507,100	97.33%	\$ 5.74
2009	992,712,997	103,506,700	1,242,900	10,316,500	1,107,779,097	1,100,050,700	100.70%	\$ 5.72
2010	969,230,500	102,753,800	1,255,700	10,454,700	1,083,694,700	1,065,098,100	101.75%	\$ 5.96
2011	944,037,500	97,463,700	1,240,400	10,162,700	1,052,904,300	1,047,445,900	100.52%	\$ 6.27
2012	896,618,200	97,970,600	1,226,000	9,226,100	1,005,040,900	1,011,730,300	99.34%	\$ 6.61
2013	870,599,100	99,131,400	-	10,457,700	980,188,200	976,671,200	100.36%	\$ 6.86
2014	935,104,000	104,066,600	-	9,781,600	1,048,952,200	1,054,284,600	99.49%	\$ 6.48
2015	953,938,970	108,296,000	-	9,992,900	1,072,227,870	1,076,396,900	99.61%	\$ 6.41



Data Source: Village of Elm Grove Assessment Report

Village of Elm Grove
Direct and Overlapping Property Tax Rates
 (Per \$1,000 of Assessed Valuation)
Last Ten Fiscal Years

	Village Direct Rates							Overlapping Rates					Assessed Valuation
	General Operations	Sewer	Library	Other Special Revenue Funds	Capital	Debt Service	Total Direct	Elmbrook School District	Waukesha County	Waukesha Technical College	State of Wisconsin	Total Tax Rate	
2006	2.81	1.51	0.29	0.27	0.43	0.44	5.75	8.13	1.81	1.10	0.17	16.96	1,082,773,722
2007	2.82	1.49	0.28	0.25	0.42	0.43	5.69	7.93	1.80	1.10	0.17	16.69	1,110,071,290
2008	3.04	1.50	0.31	0.35	0.31	0.23	5.74	8.25	1.84	1.14	0.17	17.14	1,108,117,800
2009	3.14	1.41	0.31	0.36	0.32	0.18	5.72	8.21	1.86	1.15	0.17	17.11	1,107,799,097
2010	3.31	1.49	0.32	0.39	0.45	-	5.96	8.79	1.94	1.21	0.17	18.07	1,083,694,700
2011	3.59	1.53	0.33	0.38	0.44	-	6.27	8.25	2.00	1.24	0.17	17.93	1,052,904,300
2012	3.77	1.58	0.34	0.37	0.55	-	6.61	8.58	2.12	1.31	0.17	18.79	1,005,040,900
2013	3.93	1.56	0.37	0.37	0.63	-	6.86	8.57	2.14	1.31	0.17	19.05	980,188,200
2014	3.74	1.46	0.34	0.35	0.59	-	6.48	8.54	2.09	0.39	0.17	17.67	1,048,952,200
2015	3.72	1.44	0.34	0.34	0.57	-	6.41	8.39	2.05	0.38	0.17	17.40	1,072,227,870

Data Source: Village of Elm Grove Assessment Report

**Village of Elm Grove
Principal Property Tax Payers
Current Year and Nine years ago**

2015

2015					% of Taxes	
Rank	Taxpayer	Nature of Property	Address	Assessed Value	Levied	
1	Heritage-12 LLC	Assisted Living	700 Wall Street	\$9,630,000	0.90%	
2	Oshcon Corp	UPS Distribution Center	12400 W Bluemound Rd	\$7,832,800	0.73%	
3	Bluemound Holding LLC	Medical Clinic	12500 W Bluemound Rd	\$6,837,200	0.64%	
4	Building Trades United	Office Building	500 Elm Grove Rd	\$5,980,000	0.56%	
5	Western Raquet Club	Private Club	1800 Highland Dr	\$5,502,100	0.51%	
6	Takton Trust	Private Residence	1505 Greenway Terrace	\$4,526,000	0.42%	
7	Town Bank	Bank	13150 Watertown Plank Rd	\$3,847,500	0.36%	
8	1500 Sunset Drive LLC	Private Residence	1500 Sunset Dr	\$3,430,000	0.32%	
9	Autumn Grove LLC	retail	12850 Bluemound Rd	\$3,420,000	0.32%	
10	Schlifske Trust	Private Residence	1500 Greenway Terrace	\$3,377,000	0.31%	
				\$54,382,600	5.07%	
				Total Village Value	<u>\$1,072,227,870</u>	

2006

2006					% of Taxes	
Rank	Taxpayer	Nature of Property	Address	Assessed Value	Levied	
1	Oshcon Corp	UPS Distribution Center	12400 W Bluemound Rd	\$8,410,400	0.78%	
2	Bluemound Holdings LLC	Medical Office Building	12500 W Bluemound Rd	\$7,200,000	0.66%	
3	Building Trades	Office Building	500 Elm Grove Road	\$6,296,800	0.58%	
4	Western Raquet Club	Private Club	1800 Highland Dr	\$5,580,000	0.52%	
5	Autumn Grove LLC	Retail	12850 W Bluemound Rd	4,500,000	0.42%	
6	Marjorie Takton WI RES Trust	private residence	1505 Greenway Terrace	\$4,491,000	0.41%	
7	Robert Yunker	Office Building	12700 W Bluemound Rd	\$4,150,300	0.38%	
8	James and Patricia William	Office Building	700-740 Pilgrim Parkway	\$3,884,900	0.36%	
9	Walgreens	Retail	15350 Bluemound Rd	\$3,173,800	0.29%	
10	Stewart Elliott	Retail	15360-15380 Watertown Pl	\$3,085,300	0.28%	
				\$50,772,500	4.69%	
				Total Village Value	<u>\$1,082,773,722</u>	

Data Source: Village of Elm Grove Assessment Report

**Village of Elm Grove
Property Tax Levies and Collections
Last Ten Fiscal Years**

Levy Year	Municipal Property Taxes Levied		Collected within the fiscal year of the levy		Collections in subsequent years	Total Collections to Date	
	Amount	Percentage of Levy	Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 6,225,263		\$ 3,437,376	55.22%	\$ 2,787,043	\$ 6,224,419	99.99%
2007	6,315,194		3,581,485	56.71%	2,731,572	6,313,057	99.97%
2008	6,354,735		3,345,629	52.65%	3,007,156	6,352,785	99.97%
2009	6,332,600		3,350,686	52.91%	2,980,283	6,330,969	99.97%
2010	6,452,095		3,311,683	51.33%	3,135,884	6,447,567	99.93%
2011	6,493,395		3,202,557	49.32%	3,273,941	6,476,498	99.74%
2012	6,493,395		3,689,161	56.81%	2,789,416	6,478,577	99.77%
2013	6,578,820		3,875,405	58.91%	2,701,545	6,576,950	99.97%
2014	6,646,855		3,940,302	59.28%	2,672,595	6,612,897	99.49%
2015	6,700,870		3,789,342	56.55%		<i>in process</i>	

Data Source: Village of Elm Grove Yearly Budgets and Settlement reports

Village of Elm Grove
 Ratios of Net General Obligation Debt to Equalized Value and Legal Debt Margin
 Last Ten Fiscal Years

Table 11

Ratios of Net General Bonded Debt Outstanding

Year	Total General Obligation Debt	Debt Service funds available	Net General Obligation Debt	Total Taxable Equalized Value	Ratio of Debt to Equalized Value	Debt per Capita
2006	\$ 16,273,862	\$ 206,364	\$16,067,498	\$1,070,282,900	1.50%	\$ 2,588
2007	15,694,430	335,460	15,358,970	1,124,478,100	1.37%	2,491
2008	15,060,000	482,630	14,577,370	1,138,507,100	1.28%	2,372
2009	14,385,000	781,542	13,603,458	1,100,050,700	1.24%	2,209
2010	12,710,000	149,272	12,560,728	1,065,098,100	1.18%	2,117
2011	11,930,000	269,077	11,660,923	1,047,445,900	1.11%	1,963
2012	11,350,000	267,481	11,082,519	1,011,730,300	1.10%	1,869
2013	10,500,000	397,548	10,102,452	976,671,200	1.03%	1,702
2014	9,643,346	425,172	9,218,174	1,054,284,600	0.87%	1,546
2015	8,785,428	871,410	7,914,018	1,076,396,900	0.74%	1,329

Table 12

Legal Debt Margin (1)

	Total Taxable Equalized Value	Legal Debt Limit 5% of Equalized Value	Net debt applicable to limit	Legal debt margin	Percentage of Outstanding Debt to Limit
2006	\$1,070,282,900	\$ 53,514,145	\$16,067,498	\$ 37,446,647	30.02%
2007	1,124,478,100	56,223,905	15,358,970	40,864,935	27.32%
2008	1,138,507,100	56,925,355	14,577,370	42,347,985	25.61%
2009	1,100,050,700	55,002,535	13,603,458	41,399,077	24.73%
2010	1,065,098,100	53,254,905	12,560,728	40,694,177	23.59%
2011	1,047,445,900	52,372,295	11,660,923	40,711,372	22.27%
2012	1,011,730,300	50,586,515	11,082,519	39,503,996	21.91%
2013	976,671,200	48,833,560	10,102,452	38,731,108	20.69%
2014	1,054,284,600	52,714,230	9,218,174	43,496,056	17.49%
2015	1,076,396,900	53,819,845	7,914,018	45,905,827	14.70%

(1) per Wisconsin state statute, total general obligation indebtedness may not exceed five percent of the equalized value of the Village's taxable property.

Village of Elm Grove
Direct and Overlapping Governmental Activities Debt
As of December 31, 2015

Governmental Unit	General Obligation Bonded Debt Outstanding	Percentage Applicable to Village	Amount Applicable to Village
<u>Direct</u>			
Village of Elm Grove	\$ 8,785,428	100.00%	\$ 8,785,428
<u>Overlapping</u>			
Waukesha County	\$ 79,335,000	2.15%	\$ 1,705,703
ElmBrook School District	62,090,000	13.86%	8,605,674
Waukesha County Technical College	21,885,000	2.08%	455,208
Total Overlapping	<u>163,310,000</u>		<u>10,766,585</u>
Total Direct and Overlapping Debt	\$ <u>172,095,428</u>		\$ <u>19,552,013</u>

Notes:

1. Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village.
2. The above schedule estimates the portion of the outstanding debt of these overlapping governments that is supported by Village taxpayers through the taxes levied by these agencies. The percentage represents the Village's property value as a percentage of the total property value of these governing agencies.

Village of Elm Grove
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)		Unemployment Rates (4)	
			Waukesha County	State of Wisconsin	Waukesha County	State of Wisconsin
2006	6,209	319,962,188	51,532	36,286	3.8%	4.7%
2007	6,166	325,977,922	52,867	37,677	3.9%	4.8%
2008	6,146	332,947,258	54,173	38,735	4.0%	4.8%
2009	6,157	322,922,336	52,448	38,364	7.7%	8.5%
2010	5,934	314,323,980	52,970	38,755	7.5%	8.5%
2011	5,941	335,048,636	56,396	40,648	6.6%	7.5%
2012	5,930	344,266,150	58,055	42,121	6.0%	6.9%
2013	5,934	352,354,986	59,379	43,244	5.0%	5.8%
2014	5,963	363,415,035	60,945	44,186	4.5%	5.5%
2015	5,956	*	*	*	*	*

* information not yet available

Notes: (1) Source-State of Wisconsin Department of Administration 2005-2009, 2011, 2012-2014
U.S. Census Bureau 2010

(2) Personal income is estimated for Village based on population and county data. Due to the Villages' size specific information is not available

(3) Source- Bureau of economic Analysis- U.S. Department of Commerce

(4) Source- Department of Workforce Development- (annual average)

**Village of Elm Grove
Principal Employers
Current Year and 9 Years Ago**

<u>Employer</u>	<u>Type of Business</u>	<u>2015</u>			<u>2006</u>		
		<u>Approximate Employees</u>	<u>% of total</u>	<u>Rank</u>	<u>Approximate Employees</u>	<u>% of total</u>	<u>Rank</u>
Kohl's Department Stores	Retail/Headquarters	5,915	20%	1	4,335	16%	2
Pro Health Care	Health Services	4,785	16%	2	4,964	18%	1
Quad Graphics (a)	Printing/Headquarters	3,828	13%	3	3,180	12%	5
General Electric Health Care (b)	Medical Products/Healthcare	3,134	10%	4	3,362	12%	4
Froedtert System	Health Services	2,989	10%	5	1,490	6%	7
Roundy's Distribution and retail	Food Wholesale/Retail	1,515	5%	6	3,653	15%	3
Waukesha School District	Education	1,843	6%	7	1,659	6%	6
Aurora Health Care	Health Services	1,767	6%	8			
Walmart Corporation	Retail	1,628	5%	9	1,449	5%	8
Waukesha County (c)	Government	1,354	5%	10			
Target	Retail/Distribution Center	1,326	4%	11	1,443	5%	9
Cooper Power Systems	Power Transformers				1,417	5%	10
		<u>30,084</u>	<u>100%</u>		<u>26,952</u>	<u>100%</u>	

(a) includes GE power and water operations

Source: Waukesha County Administration

Due to the village's size specific employer information is not available. Employment opportunities are better demonstrated by reporting on the county as a whole.

Village of Elm Grove
Village Employee Positions by Function/Program
Last Ten Fiscal Years
(full time equivalents)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Administration	8.00	7.00	7.45	7.50	6.00	6.00	6.00	6.00	6.18	7.05
Public Safety										
Police Officers	17.00	17.00	17.00	17.00	18.00	18.00	17.00	17.00	17.00	17.00
Police Administration	1.81	1.83	1.79	1.78	1.74	1.73	1.73	1.73	1.74	1.78
Dispatchers	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Municipal Court	0.91	0.93	0.89	0.88	0.84	0.83	0.83	0.83	0.83	0.83
Fire ⁽¹⁾	2.53	2.80	2.89	3.11	2.61	2.93	3.24	2.53	2.54	2.40
Emergency Medical ⁽²⁾				0.70	0.60	0.70	0.70	0.77	0.82	0.84
Health and Sanitation ⁽³⁾	0.13	0.18	0.22	0.25	0.19	0.17	0.34	0.46	0.51	0.46
Highway and Transportation										
Public Works	8.46	8.69	8.57	7.52	7.88	7.80	7.80	7.92	7.94	8.26
Forestry	0.16	0.17	0.14	1.25	1.25	1.28	1.28	1.23	1.23	1.27
Library	8.10	7.21	7.12	7.01	7.10	7.24	7.24	6.85	6.90	6.90
Park and Recreation	4.37	4.55	4.80	4.97	4.39	4.34	4.00	4.09	4.20	4.32
Total Employment	57.47	56.36	56.87	57.97	56.60	57.02	56.16	55.41	55.89	57.11

From Village payroll reports

⁽¹⁾ Fire department is operated with a .5 FTE fire chief , part-time fire inspector, and crew of volunteers.

⁽²⁾ Emergency Medical Services is operated as a volunteer paid on call department. The department operates at a paramedic level and is overseen by a volunteer paid on call chief who is a full-time employee.

Village of Elm Grove
Operating Indicators by Function
Last Ten Fiscal Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>General</u>										
Number of elections	3	2	4	2	3	2	5	2	2	2
<u>Inspections</u>										
Number of permits	857	728	761	664	740	751	773	834	837	935
New single family homes	5	4	5	1	-	6	5	8	5	7
<u>Public Safety</u>										
<u>Police</u>										
Complaints Investigated	4,982	4,924	4,443	3,975	4,276	4,640	4,288	3,858	3,823	3,904
Traffic Stops	4,210	5,307	5,828	5,639	5,755	4,437	4,528	3,849	3,699	3,591
Citations Issued	*	*	3,852	3,141	3,919	3,294	3,214	2,649	2,501	2,602
Warnings	*	*	2,749	3,407	3,560	2,624	2,793	2,309	2,236	1,871
Business Checks	34,438	35,324	34,861	30,242	28,815	25,352	30,047	32,474	29,816	27,976
Tavern Checks	48	32	102	99	157	136	85	56	57	27
Vacant Home Checks	533	393	514	641	973	1,617	2,364	2,002	1,856	936
<u>Dispatch</u>										
Calls for service	9,192	10,231	10,372	9,622	10,031	10,130	9,246	7,707	7,522	7,495
<u>Fire</u>										
Calls for service	153	143	163	122	120	121	120	111	122	144
<u>EMS</u>										
Calls for service	318	326	327	289	268	295	297	261	282	289
<u>Public Works</u>										
Tons of Salt Used	405	690	516	464	255	454	120	830	507	236
Salt cost per ton	\$ 33.34	\$ 33.52	\$ 36.38	\$ 40.42	\$ 54.10	\$ 52.48	\$ 53.16	\$ 54.27	\$ 62.41	\$ 63.72
Miles of street paved	0.85	0.89	1.47	0.66	0.86	1.24	0.67	-	0.92	0.50
<u>Solid Waste/Recycling</u>										
Tons of Waste	2,232	2,123	2,133	1,945	1,859	1,983	1,921	1,995	2,129	1,474
Tons of Recycling	728	597	565	531	538	461	445	431	349	564
<u>Forestry</u>										
Trees Planted	45	266	60	68	85	132	57	40	47	42
Trees Removed	191	109	58	333	279	225	248	221	146	203
Ash Trees Removed	29	14	13	103	104	80	71	61	67	56
Elm Trees removed	97	71	28	125	52	49	79	83	44	63
<u>Recreation</u>										
Number of programs	*	*	*	*	243	243	242	245	244	301
Participants	*	*	*	*	1,935	1,775	1,568	1,682	1,509	1320
Pool Passes - family					101	74	84	77	73	72
Pool Passes- individual					111	101	97	100	113	85
<u>Library</u>										
Circulation	99,721	104,533	111,322	111,648	107,610	102,058	104,196	106,085	106,451	102,641
Visits	93,142	88,573	93,144	103,065	101,481	97,994	98,622	85,729	74,141	82,299
Computers for Public Use	13	11	11	11	13	14	14	14	13	13
with internet access	7	5	5	5	6	12	12	12	6	6
Users of public internet computers	6,237	6,455	7,060	7,710	8,673	8,542	7,548	6,353	5,271	6,195

Information from Village budget and department records

* information was not tracked in prior years - Village will develop a ten year history

Village of Elm Grove
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public Safety										
Public Safety Buildings	1	1	1	1	1	1	1	1	1	1
Police Vehicles	8	8	8	8	8	8	8	8	8	8
Fire Trucks	4	5	5	5	5	5	5	5	5	5
Ambulances	2	2	2	2	2	2	2	2	2	2
Public Works										
Street (miles)	42.26	42.26	42.26	42.26	42.26	42.26	42.26	42.26	42.26	42.26
Properties with municipal water								2	3	4
Park and recreation										
Number of parks	2	2	2	2	2	2	2	2	2	2
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	9	9	9	9	9	9	9	9	9	9
Baseball diamonds	2	2	2	2	2	2	2	2	2	2