

TOWN OF LINN
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2018

TOWN OF LINN
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For the Year Ended December 31, 2018

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Patrick W. Romenesko, S.C.
CERTIFIED PUBLIC ACCOUNTANT

1001 Host Drive • P.O. Box 508 • Lake Geneva, Wisconsin 53147
Telephone 262/248-0220 • Facsimile 262/248-8429

Independent Auditor's Report

To the Town Board
Town of Linn
Walworth County, Wisconsin

I have audited the accompanying financial statements of the governmental activities, the general fund, and the aggregate remaining fund information of the Town of Linn, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Town of Linn'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.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the aggregate remaining fund information of the Town of Linn as of December 31, 2018, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information


Accounting principles generally accepted in the United States of America require that the schedules relating to pensions on page 28 be presented to supplement the basic financial statements. Such information, although not 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. I 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 the my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

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

Other Information

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

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



PATRICK W. ROMENESKO, S.C.
CERTIFIED PUBLIC ACCOUNTANT

Lake Geneva, Wisconsin
May 13, 2019

TOWN OF LINN
BALANCE SHEET AND STATEMENT OF NET POSITION
DECEMBER 31, 2018

	General Fund	Adjustments (Note 2)	Statement of Net Position
<u>Assets</u>			
Cash and investments	\$ 3,127,567	\$ -	\$ 3,127,567
Taxes receivable	2,664,879	-	2,664,879
Accounts receivable	16,945	-	16,945
Special assessments receivable	28,100	-	28,100
Prepayments	10,873	-	10,873
Net pension asset	-	170,226	170,226
Capital assets, net of accumulated depreciation	-	8,296,170	8,296,170
Total assets	<u>5,848,364</u>	<u>8,466,396</u>	<u>14,314,760</u>
<u>Deferred Outflows of Resources</u>			
Deferred outflows related to pension	-	505,287	505,287
Total assets and deferred outflows of resources	<u>5,848,364</u>	<u>8,971,683</u>	<u>14,820,047</u>
<u>Liabilities</u>			
Accounts payable	99,566	-	99,566
Accrued wages payable	48,498	-	48,498
Long-term liabilities:			
Due after one year	-	40,821	40,821
Total liabilities	<u>148,064</u>	<u>40,821</u>	<u>188,885</u>
<u>Deferred Inflows of Resources</u>			
Property taxes and other	2,661,551	-	2,661,551
Special assessments	33,160	(33,160)	-
Deferred inflows related to pension	-	519,168	519,168
Total deferred inflows of resources	<u>2,694,711</u>	<u>486,008</u>	<u>3,180,719</u>
<u>Fund Balances/Net Position</u>			
Fund balances:			
Nonspendable	10,873	(10,873)	-
Assigned	1,486,927	(1,486,927)	-
Unassigned	1,507,789	(1,507,789)	-
Total fund balances	<u>3,005,589</u>	<u>(3,005,589)</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,848,364</u>		
Net position:			
Invested in capital assets		8,296,170	8,296,170
Restricted for pension benefits		156,345	156,345
Unrestricted		2,997,928	2,997,928
Total net position		<u>\$ 11,450,443</u>	<u>\$ 11,450,443</u>

See accompanying notes to financial statements.

TOWN OF LINN
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

<u>Functions/Programs</u>	<u>Program Revenues</u>				Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
General government	\$ 378,867	\$ 29,551	\$ 4,445	\$ -	\$ (344,871)
Police	906,620	34,065	13,470	-	(859,085)
Fire protection	418,711	1,282	46,707	-	(370,722)
Emergency medical services	44,722	10,545	6,704	-	(27,473)
Building inspection	94,499	-	117,358	-	22,859
Other public safety	63,203	62	19,928	-	(43,213)
Transportation	731,872	-	205,062	20,050	(506,760)
Health and sanitation	359,484	367,151	10,610	-	18,277
Leisure, conservation and development	141,382	139,229	1,410	5,800	5,057
Nondepartmental and general	125,679	-	-	-	(125,679)
Total	<u>\$ 3,265,039</u>	<u>\$ 581,885</u>	<u>\$ 425,694</u>	<u>\$ 25,850</u>	<u>(2,231,610)</u>
General revenues:					
Property taxes levied for general purposes					2,216,131
Other taxes					239
Intergovernmental revenues not restricted to specific programs					33,978
Franchise taxes					35,867
Gain on sale of town property and insurance recoveries					20,260
Investment income					92,862
Total general revenues and transfers					<u>2,399,337</u>
Change in net position					167,727
Net position - beginning					<u>11,282,716</u>
Net position - ending					<u><u>\$ 11,450,443</u></u>

See accompanying notes to financial statements.

TOWN OF LINN
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original and Final Budget	Actual Amounts	Variance with Budget
<u>Revenues</u>			
General property taxes	\$ 2,218,760	\$ 2,216,370	\$ (2,390)
Special assessments	9,000	19,409	10,409
Intergovernmental	304,531	330,709	26,178
Licenses and permits	100,550	163,182	62,632
Fines and forfeitures	30,000	30,952	952
Charges for services	541,900	552,281	10,381
Investment income	11,000	92,862	81,862
Miscellaneous	20,000	26,360	6,360
Total revenues	<u>3,235,741</u>	<u>3,432,125</u>	<u>196,384</u>
<u>Expenditures</u>			
Current:			
General government	438,046	344,150	93,896
Public safety	1,165,103	1,281,421	(116,318)
Public works	281,472	326,806	(45,334)
Health and sanitation	359,400	359,484	(84)
Leisure, conservation and development	114,909	134,583	(19,674)
Nondepartmental and general	120,129	125,679	(5,550)
Capital outlay	1,523,317	1,402,361	120,956
Total expenditures	<u>4,002,376</u>	<u>3,974,484</u>	<u>27,892</u>
Excess of revenues over (under) expenditures	(766,635)	(542,359)	224,276
Fund balances - beginning	<u>3,547,948</u>	<u>3,547,948</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,781,313</u>	<u>\$ 3,005,589</u>	<u>\$ 224,276</u>

See accompanying notes to financial statements.

TOWN OF LINN
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

Amounts reported for governmental activities in the statement of activities are different as a result of:

Net change in fund balances - general fund	\$ (542,359)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense in the statement of activities.

Certain capital outlay that is reported as an expenditure in the general fund governmental financial statements is capitalized in the statement of activities.	1,391,186
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Depreciation that is reported in the statement of activities	(671,124)
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Changes in the net pension asset and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the plan.	(10,647)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Special assessments	641
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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 general fund.

Changes in compensated absences	<u>30</u>
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Change in net position of governmental activities	<u><u>\$ 167,727</u></u>
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See accompanying notes to financial statements.

TOWN OF LINN
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2018

	Agency Funds		Totals
	Tax	Municipal	
	Collection Fund	Court	
<u>Assets</u>			
Cash and investments	\$ 6,067,763	\$ 24,602	\$ 6,092,365
Taxes receivable	15,861,090	-	15,861,090
Total Assets	21,928,853	24,602	21,953,455
<u>Liabilities</u>			
Court bonds held	-	23,440	23,440
Due to other governments	21,928,853	1,162	21,930,015
Net Position	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

TOWN OF LINN
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For the Year Ended December 31, 2018

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TOWN OF LINN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

Note 1 - Summary Of Significant Accounting Policies

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles of state and local governments, except for the omission of the component units of the town as disclosed in Note 1.A; and the Management's Discussion and Analysis that Statement No. 34 of the Governmental Accounting Standards Board calls for the inclusion of this information as required supplementary information.

A. Reporting Entity

The reporting entity for the town is based upon criteria set forth by GASB Statement No. 14, "The Financial Reporting Entity" and GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units". The reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is a separately elected governing body that is legally separate and fiscally independent. All other functions of the town for which it exercises oversight responsibility are included, except for certain transactions of the fire department. The oversight responsibility includes, but is not limited to, financial interdependency between the town and the governmental entity; control by the town over the entity's governing authority or designation of management; the ability of the town to significantly influence operations of the entity; and whether the town is responsible for the accountability for fiscal matters. Also evaluated were the scope of public service and any special financing relationships. There are no component units included in the financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type* activities, which rely to a significant extent on fees and charges for support. The town has no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 properly included among program revenues are reported instead as *general revenues*.

Note 1 - Summary Of Significant Accounting Policies - Continued

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

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

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

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Funds are organized as either major funds or non-major funds within the governmental statements. A fund is considered major if it is the primary operating fund of the government or meets the following criteria:

1. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise (when applicable) fund are at least 10 percent of the corresponding total for all funds of that category or type, and,
2. Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise (when applicable) fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
3. In addition, any other governmental or proprietary (when applicable) fund that the government considers to be particularly important to financial statement users may be reported as a major fund.

Major Fund

The town's major fund is its general fund. The general fund is the town's primary operating fund and it accounts for all financial resources of the town except those required to be accounted for in another fund.

Additionally, the town reports the following fund type:

Agency Funds - Trust and agency funds are used to account for assets held by the government in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. For the town, agency funds consist of the tax roll and municipal court bond funds.

Note 1 - Summary Of Significant Accounting Policies - Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities, subject to this same limitation. The town has elected not to follow subsequent private-sector guidance.

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

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

D. Assets, Liabilities, and Net Position or Equity

1. Cash and Investments

The town's cash and investments are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments of government funds are restricted by state statutes. Permitted investments for the town include any of the following:

(1) Time deposits maturing within three years in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to do business in Wisconsin. **(2)** Bonds or securities issued or guaranteed by the federal government and its agencies. **(3)** The Wisconsin Local Government Investment Pool and Wisconsin Investment Trust. **(4)** Bonds or securities of any county, city, drainage district, technical college district, local exposition district, local professional baseball park district, city, town, or school district of the state and the University of Wisconsin Hospitals and Clinics Authority. **(5)** Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by a nationally recognized rating agency or if that security is senior to, or on parity with, a security of the same issuer which has such a rating. **(6)** Repurchase agreements with public depositories, if the agreement is secured by federal bonds or securities. **(7)** Securities of open-end management companies or investment trusts (mutual funds) if the portfolio is limited to (a) bonds or securities issued by the federal government or a commission, board or other instrumentality of the federal government, (b) bonds that are guaranteed as to principal and interest by the federal government or a commission, board or other instrumentality of the federal government, and (c) repurchase agreements that are fully collateralized by these bonds and securities.

Note 1 - Summary Of Significant Accounting Policies - Continued

D. Assets, Liabilities, and Net Position or Equity - Continued

2. Receivables

Accounts receivable in all funds report amounts that have arisen in the ordinary course of business and are stated net of allowances for uncollectable amounts.

Property taxes are levied in December on the assessed value as of the prior January 1. Property taxes are recorded as a receivable and deferred revenue in the appropriate fund in the year levied because the taxes are restricted to funding the succeeding year's budget appropriations. In addition to property taxes for the town, taxes are collected for and remitted to the state and county governments as well as the local school districts and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as deferred revenues and due to other governments on the statement of net position. Property tax payments received prior to year end are reflected in the agency fund. Interest on delinquent property taxes is recognized as revenue when received.

Details of the town's property tax calendar for the 2018 tax levy follows:

Lien and levy dates	December 2018
Real estate collection due dates:	
First installment due	January 31, 2019
Second installment due	July 31, 2019
Personal property tax due in full	January 31, 2019
Final settlement with county	August 2019
Tax sale of 2018 delinquent real estate taxes	October 2021

3. Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the balance sheet and statement of net position.

4. Capital Assets

Capital assets, which include land, buildings, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$3,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Note 1 - Summary Of Significant Accounting Policies - Continued

D. Assets, Liabilities, and Net Position or Equity - Continued

4. Capital Assets - Continued

Property, plant, and equipment of the town is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Land improvements	30
Roads	30
Vehicles	3 - 10
Office equipment	7 - 10
Computer equipment	6

5. Compensated Absences

Town employees earn vacation and sick time in varying amounts. All vacation and sick pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental (general) fund only if they have matured, for example, as a result of employee resignations and retirements. The town has not reported a liability for compensated absences in the governmental fund.

Employees are paid all of their accumulated vacation leave upon severance and one-half of their sick leave upon severance. At December 31, 2018, accumulated vacation leave of \$8,732 and accumulated sick leave of \$32,089 has been recorded in the statement of net position as long-term liabilities. Payments made for accumulated vacation and sick leave are made at the salary rates in effect at the time of payment.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The town has one item that qualifies for reporting in this category. The item is related to the town's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

Note 1 - Summary Of Significant Accounting Policies - Continued

D. Assets, Liabilities, and Net Position or Equity - Continued

6. Deferred Outflows/Inflows of Resources - Continued

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The town has three types of items that qualify for reporting in this category. The first item is property taxes. This amount will be recognized as an inflow of resources in the subsequent year for which it was levied. The second item arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet. The governmental fund reports unavailable revenues from special assessments. This amount is deferred and recognized as an inflow of resources in the period the amount become available. The third item is related to the town's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

7. Long-Term Obligations

In the statement of net position, long-term debt and other long-term obligations are reported as liabilities. The town has no outstanding bonds or notes payable. Long-term obligations reported in the statement of net position consists of accumulated vacation and sick pay.

8. Pensions

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.

9. Fund Equity

In the fund financial statements, governmental funds report nonspendable fund balances for amounts that are not in spendable form or are legally or contractually required to be maintained intact. The committed fund balance includes amounts that can be used only for specific purposes determined by the formal action of the town board. Assigned fund balances represent amounts intended for a specific use that is subject to change.

Note 2 - 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

The balance sheet and statement of net position includes adjustments to convert the governmental fund balance sheet to the statement of net position. These adjustments are summarized as follows:

The town's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource; therefore, it is not reported in the fund financial statements:

Deferred outflows of resources	\$ 505,287
Net pension asset	170,226
Deferred inflows of resources	<u>(519,168)</u>
Total restricted for pension benefits	<u>\$ 156,345</u>

Capital assets used in governmental funds are not financial resources and, accordingly, are not reported in the general fund balance sheet as they are in the statement of net position.

Total capital assets	\$16,519,829
Less: accumulated depreciation	<u>(8,943,721)</u>
Net capital assets	<u>\$ 7,576,108</u>

Long-term liabilities applicable to the town's governmental activities are not due and payable in the current period. Therefore, they are not reported as fund liabilities in the general fund. All liabilities, whether current or long-term, are reported in the statement of net position.

Accrued compensated absences	<u>\$ 40,821</u>
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Note 3 - Stewardship, Compliance, and Accountability

A. Budgetary Information

The town reviews and adopts its annual budget by December or earlier of the preceding year. The budgetary information included in the accompanying financial statements is comprised of the originally approved budget plus or minus approved revisions of budgeted revenues and expenditures. These budgets are adopted on a basis consistent with generally accepted accounting principles. Management control of the budgetary process has been established at the departmental level of expenditure. A department can be a fund, cost center, program or other activity for which control of expenditures is considered desirable.

The budget may be amended for supplemental appropriations periodically during the year. Budget changes require a two-thirds approval by the town board. The town did not make amendments to its budget during the year. The budget includes certain amounts that are intended to be carried over and spent in future years. The cumulative amounts of those carryover appropriations are included in assigned fund balances.

Note 3 - Stewardship, Compliance, and Accountability - Continued

A. Budgetary Information - Continued

Individual amounts that were included in the 2018 budget but appropriated for the purpose of being carried over to future years and, therefore, not included in the accompanying budget presentation consist of the following:

Town reassessment	\$ 25,000
Police department	<u>30,000</u>
Total	<u>\$ 55,000</u>

B. General Fund Assigned and Nonspendable Fund Balances

The fund balance of the general fund has been assigned at December 31, 2018 for the following:

Building fund	\$ 35,000
Property acquisition	325,000
Road and bridge construction	359,910
Property reassessment	155,500
Police communications	6,644
Police vehicles	44,547
Parks	27,000
Fire/EMS capital outlay	199,859
Highway equipment outlay	233,792
Comprehensive land use plan	85,000
Fire 2%	1,981
Utilities carryover	1,000
Human resources consulting	10,000
Fire boat operation and maintenance	<u>1,694</u>
Total	<u>\$ 1,486,927</u>

The fund balance of the general fund was nonspendable at December 31, 2018 for prepaid expenditures of \$10,873.

Note 4 - Detailed Notes on All Funds

A. Cash and Investments

The town's cash and investments at December 31, 2018 consisted of the following:

	<u>Carrying Amount</u>	<u>Amounts Deposited</u>
Demand checking accounts	\$ 24,602	\$ 24,602
Savings accounts and interest-bearing checking accounts	1,119,117	1,133,490
MaxSafe money market account	8,001,392	8,001,392
Local Government Investment Pool	<u>74,821</u>	<u>74,821</u>
	<u>\$ 9,219,932</u>	<u>\$ 9,234,305</u>

Cash deposits are reported in the financial statements as follows:

Balance sheet and statement of net position	\$ 3,127,567
Statement of net position - fiduciary fund	<u>6,092,365</u>
Total	<u>\$ 9,219,932</u>

Town deposits are insured by the FDIC for up to \$250,000 for time and savings deposits (including interest-bearing NOW accounts), and an additional \$250,000 of FDIC insurance is available for demand (non-interest bearing checking accounts) for each bank used. All town deposits are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses of the pool may not be significant to individual municipalities.

For all investments shown, the fair value at the balance sheet date is substantially the same as the carrying value. The difference between the amounts reported as bank deposits and the carrying amounts above is due to the effect of outstanding checks and deposits in transit on the town's cash balances. Deposits exceed the amount of FDIC insurance available at certain times during the year due primarily to the collection of property taxes pending settlement with the other taxing districts.

The town addresses the following risks related to its cash and investments:

Custodial Credit Risk

Custodial credit risk represents the risk that in the event of a financial institution failure, the town's deposits may not be recovered. The town maintains an agreement with its primary financial institution whereby deposits in excess of FDIC insured amount are collateralized by the bank. Therefore, the town's bank deposits are not exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the investment. The town has deposits in the Local Government Investment Pool which is not rated, however, consists of investments in federal government securities.

Interest Rate Risk

The town does not have formal policies related to interest rate risk, the risk that changes in interest rates will adversely affect the fair value of an investment. At December 31, 2018 the town's investment in the Local Government Investment Pool (LGIP) had a fair value balance of \$74,821. The LGIP had a weighted average maturity of 15 days at December 31, 2018.

Note 4 - Detailed Notes on All Funds - Continued

A. Cash and Investments - Continued

The Local Government Investment Pool (LGIP) is an investment fund managed by the State of Wisconsin Investment Board. The LGIP accepts deposits from governmental units within the State of Wisconsin. The objectives of the LGIP are to provide safety of principal, liquidity and a reasonable rate of return. The LGIP is regulated by the Wisconsin Statutes and is not a SEC registered investment. The yield of the LGIP changes daily and its participants may invest or withdraw any or all amounts at par value at any time. The LGIP balance reported in the financial statements as \$74,821 at December 31, 2018 is at cost basis. The fair value of the LGIP investment at December 31, 2018 did not materially differ from its cost basis.

The town does not have a formal investment policy.

B. Receivables

Receivables as of year end for the town's general and fiduciary funds, including the applicable allowances for uncollectable accounts when applicable, are as follows:

	<u>General Fund</u>	<u>Tax Roll Fiduciary Fund</u>	<u>Totals</u>
Taxes - current	\$ 2,664,879	\$ 15,861,090	\$ 18,525,969
Accounts	16,945	---	16,945
Special assessments	28,100	---	28,100
Total receivables	<u>\$ 2,709,924</u>	<u>\$ 15,861,090</u>	<u>\$ 18,571,014</u>

Governmental funds report *deferred inflows of resources* in connection with receivables for revenues that are not considered to be available 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 year, the various components of *deferred inflows of resources* and *unearned revenue* reported in the balance sheet and statement of net position was as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable	\$ ---	\$ 2,659,820
Prepaid rental income	---	1,731
Special assessments	33,160	---
Deferred inflows related to pension	---	519,168
Total receivables	<u>\$ 33,160</u>	<u>\$ 3,180,719</u>

Note 4 - Detailed Notes on All Funds - Continued

C. Capital Assets

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 369,255	\$ - - -	\$ - - -	\$ 369,255
Construction in progress	<u>- - -</u>	<u>147,943</u>	<u>- - -</u>	<u>147,943</u>
Total capital assets, not being depreciated	<u>369,255</u>	<u>147,943</u>	<u>- - -</u>	<u>517,198</u>
Capital assets, being depreciated:				
Buildings	1,789,639	44,220	- - -	1,833,859
Improvements other than buildings	120,493	124,445	- - -	244,938
Machinery and equipment	4,168,748	171,635	- - -	4,340,383
Infrastructure	<u>10,071,693</u>	<u>902,943</u>	<u>- - -</u>	<u>10,974,636</u>
Total capital assets being depreciated	<u>16,150,573</u>	<u>1,243,243</u>	<u>- - -</u>	<u>17,393,816</u>
Less accumulated depreciation for:				
Buildings	628,746	45,186	- - -	673,932
Improvements other than buildings	58,116	9,910	- - -	68,026
Machinery and equipment	2,427,143	267,039	- - -	2,694,182
Infrastructure	<u>5,829,715</u>	<u>348,989</u>	<u>- - -</u>	<u>6,178,704</u>
Total accumulated depreciation	<u>8,943,720</u>	<u>671,124</u>	<u>- - -</u>	<u>9,614,844</u>
Total capital assets, being depreciated, net	<u>7,206,853</u>	<u>572,119</u>	<u>- - -</u>	<u>7,778,972</u>
Governmental activities capital assets, net	<u>\$ 7,576,108</u>	<u>\$ 720,062</u>	<u>\$ - - -</u>	<u>\$ 8,296,170</u>

Depreciation expense was charged to functions/programs of the town as follows:

Governmental activities:	
General government	\$ 31,453
Police	46,567
Fire	169,030
Rescue	12,436
Other public safety	1,565
Highways and streets, including depreciation of general infrastructure assets	403,274
Parks	<u>6,799</u>
Total depreciation expense - governmental activities	<u>\$ 671,124</u>

Note 4 - Detailed Notes on All Funds - Continued

D. Long-Term Obligations

Long-term obligations of the town was comprised of the following at December 31, 2018:

Compensated absences	<u>\$ 40,821</u>
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Note 5 - Other Information

A. Risk Management

The town has purchased commercial insurance policies for various risks of loss related to litigation, theft, damage or destruction of assets, errors or omissions, injuries to employees, or acts of God. Payments of premiums for these policies are recorded as expenditures in the general fund of the town. There were no settlements that exceeded insurance coverage in any of the past three years.

B. WRS 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 Town of Linn on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

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

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

Note 5 - Other Information - Continued

B. WRS Pension Plan - Continued

Vested participants may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2007	3.0	10
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5.0)
2017	2.0	4.0

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 \$64,202 in contributions from the employer.

Contribution rates as of December 31, 2018 are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.8%	6.8%
Protective with Social Security	6.8%	10.6%
Protective without Social Security	6.8%	14.9%

Note 5 - Other Information - Continued

B. WRS Pension Plan - Continued

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

At December 31, 2018, the Town of Linn reported an asset of \$170,226 for its proportionate share of the net pension asset. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Town of Linn's proportion of the net pension liability (asset) was based on the Town of Linn's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2017, the Town of Linn's proportion was 0.00531763%, which was an increase of 0.00041559% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the Town of Linn recognized pension expense of 77,674.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$216,276	\$(101,166)
Changes in assumptions	\$33,633	\$0
Net differences between projected and actual earnings on pension plan investments	\$182,191	\$(416,151)
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$6,849	\$(1,851)
Employer contributions subsequent to the measurement date	\$66,338	\$0
Total	\$505,287	\$(519,168)

\$66,338 reported as deferred outflows related to pension resulting from the Town of Linn's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Note 5 - Other Information - Continued

B. WRS Pension Plan - Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued

Year ended August 31:	Deferred Outflow of Resources	Deferred Inflows of Resources
2018	\$177,148	\$(154,896)
2019	\$155,264	\$(154,896)
2020	\$54,994	\$(113,721)
2021	\$51,135	\$(95,653)
2022	\$408	\$(2)

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

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

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

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

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:

Note 5 - Other Information - Continued

B. WRS Pension Plan - Continued

Asset Allocation Targets and Expected Returns

As of December 31, 2017

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

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

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

Single Discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.31%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 5 - Other Information - Continued

B. WRS Pension Plan - Continued

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

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase To Discount Rate (8.20%)
Proportionate share of the net pension liability (asset)	\$440,433	\$(170,226)	(\$634,345)

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

Payable to the WRS. At December 31, 2018 the town reported a payable of \$10,692 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2018.

C. Litigation and Contingencies

In the opinion of management, the town was involved in no claims or lawsuits at year end that would have a material effect on the financial statements in the event of an unfavorable outcome.

D. Lease Income

The town rents space on its property to the U. S. Postal Service and to U.S. Cellular Operating Company. Rental income for the year ended December 31, 2018 was \$22,314.

The remaining future rental payments due on the leases are as follows:

<u>Year</u>	<u>Amount</u>
2019	\$ 2,000
2020	2,000
2021	1,667
	<u>\$ 5,667</u>

The town entered into a lease extension with the U.S. Postal Service that expires in October 2021. The lease provides for annual rental payments of \$2,000. The U.S. Cellular Operating Company lease expired in June 2009, however, lease payments are made on a monthly basis.

Note 5 - Other Information - Continued

E. Property Tax Levy Limit

Wisconsin statutes limit the amount of property taxes that the state's cities, villages, towns and counties may levy. For 2018, the increase in the allowable maximum tax levy is limited to the change in the equalized value resulting from net new construction. The town's levy limit for 2018 (2017 tax levy) was \$2,218,760, an increase of \$27,906, or 1.27% from the prior year. The actual amount levied by the town was \$2,218,760.

F. Subsequent Events

Management has evaluated the need for disclosure or recording of transactions resulting from subsequent events through May 13, 2019, the date the financial statements were available to be issued; and concluded there were no matters to be disclosed.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF LINN

Schedules of Required Supplementary Information

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

Wisconsin Retirement System Last 10 Fiscal Years*

	2017	2016	2015	2014
Proportion of the net pension liability (asset)	0.00573322%	0.00531763%	0.51479600%	0.00532012%
Proportionate share of the net pension liability (asset)	\$ (170,226)	\$ 43,829	\$ 83,653	\$ (130,677)
Covered-employee payroll	\$ 653,544	\$ 645,414	\$ 561,976	\$ 544,297
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.93%	99.12%	98.20%	102.74%

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

SCHEDULE OF CONTRIBUTIONS

Wisconsin Retirement System Last 10 Fiscal Years*

	2017	2016	2015	2014
Contractually required contribution	\$ 64,202	\$ 55,079	\$ 48,701	\$ 50,426
Contributions in relation to the contractually required contributions	\$ 64,202	\$ 55,079	\$ 48,701	\$ 50,426
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 653,544	\$ 645,414	\$ 561,976	\$ 544,297
Contributions as a percentage of covered-employee payroll	9.82%	8.53%	8.67%	9.26%

Notes to Required Supplementary Information For the Year Ended December 31, 2018

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

Changes of assumptions. Changes in the assumptions amounted to \$33,633.

SUPPLEMENTARY INFORMATION

TOWN OF LINN
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original and Final Budget	Actual	Variance with Budget
<u>Taxes</u>			
Town taxes	\$ 2,218,760	\$ 2,216,131	\$ (2,629)
Managed forest lands	-	239	239
Total Taxes	2,218,760	2,216,370	(2,390)
<u>Special Assessments</u>			
	9,000	19,409	10,409
<u>Intergovernmental</u>			
State shared revenue	28,900	33,819	4,919
State transportation aid	203,131	202,969	(162)
Boating enforcement aid	20,000	19,928	(72)
Fire insurance dues	40,000	40,957	957
EMS transport aid	-	6,704	6,704
Law enforcement aid	1,000	13,470	12,470
Exempt computer aid	-	86	86
DNR aids	-	73	73
Municipal services aid	1,500	2,093	593
Recycling grant	10,000	10,610	610
Total Intergovernmental	304,531	330,709	26,178
<u>Licenses and Permits</u>			
Business and occupational	4,000	4,445	445
Dog licenses	50	62	12
Building permits/zoning fees	62,500	117,358	54,858
Fireworks and other permits	4,000	5,450	1,450
Cable TV franchise fees	30,000	35,867	5,867
Total Licenses and Permits	100,550	163,182	62,632
<u>Fines and Forfeitures</u>			
Fines and restitution	\$ 30,000	\$ 30,952	\$ 952

TOWN OF LINN
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original and Final Budget	Actual	Variance with Budget
<u>Charges for Services</u>			
Recycling and garbage charges	\$ 363,200	\$ 345,151	\$ (18,049)
Fuel rebate - garbage and recycling	22,500	22,000	(500)
Boat launching fees	85,000	86,200	1,200
Boat stall rent	45,000	51,229	6,229
Clerk's and legal fees	1,000	6,937	5,937
Plan commission fees	1,000	1,800	800
Engineering fees	-	1,410	1,410
Police department fees	-	3,113	3,113
Fire protection fees	-	1,282	1,282
Rescue squad fees	4,000	10,545	6,545
Town hall rental	200	300	100
Cell tower rent	18,000	20,314	2,314
Post office rent	2,000	2,000	-
	<u>541,900</u>	<u>552,281</u>	<u>10,381</u>
<u>Investment income</u>			
Interest earned on savings	11,000	92,221	81,221
Interest on special assessments	-	641	641
	<u>11,000</u>	<u>92,862</u>	<u>81,862</u>
<u>Miscellaneous Revenues</u>			
Sale of town property	20,000	14,165	(5,835)
Insurance recoveries	-	6,095	6,095
Fire boat donations	-	300	300
Public park donations	-	5,800	5,800
	<u>20,000</u>	<u>26,360</u>	<u>6,360</u>
Total Revenues	<u><u>\$ 3,235,741</u></u>	<u><u>\$ 3,432,125</u></u>	<u><u>\$ 196,384</u></u>

TOWN OF LINN
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original and Final Budget	Actual	Variance with Budget
<u>General Government</u>			
Town board salaries	\$ 35,000	\$ 35,000	\$ -
Town board benefits	2,678	2,678	-
Town board other expense	5,500	6,315	(815)
Legal counsel-general	24,000	31,412	(7,412)
Ordinance codification	10,000	2,811	7,189
Administration	40,000	-	40,000
Municipal court	15,701	13,301	2,400
Clerk-treasurer salaries	71,286	71,286	-
Clerk-treasurer assistant	20,000	22,818	(2,818)
Clerk-treasurer/assistant/admin/benefits	25,831	19,942	5,889
Clerk-treasurer other expense	13,550	14,953	(1,403)
Elections	21,000	9,735	11,265
ITC consulting	12,600	4,955	7,645
ITC hardware and software	8,075	7,863	212
Web site update	5,000	-	5,000
Accounting and accounting	12,000	16,393	(4,393)
Property assessment	33,325	32,877	448
Town complex other expense	42,500	51,811	(9,311)
Contingency	40,000	-	40,000
	<u>438,046</u>	<u>344,150</u>	<u>93,896</u>
Total General Government			
<u>Public Safety</u>			
Police salaries	505,977	542,749	(36,772)
Police benefits	177,678	180,903	(3,225)
Police legal counsel	12,000	25,514	(13,514)
Police other expense	85,152	95,760	(10,608)
Fire salaries	52,999	60,974	(7,975)
Fire benefits	12,702	10,700	2,002
Fire other expense	154,672	164,636	(9,964)
Fire boat expenses	9,000	13,231	(4,231)
Dive team	4,100	1,091	3,009
Emergency medical services	38,893	30,817	8,076
Building inspector	50,500	94,499	(43,999)
Geneva Lake Law Enforcement Agency	46,000	46,217	(217)
Water safety patrol	11,730	11,730	-
Emergency government - siren maintenance	3,700	2,600	1,100
	<u>\$ 1,165,103</u>	<u>\$ 1,281,421</u>	<u>\$ (116,318)</u>
Total Public Safety			

TOWN OF LINN
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original and Final Budget	Actual	Variance with Budget
<u>Public Works</u>			
Highway salaries	\$ 128,975	\$ 146,434	\$ (17,459)
Highway benefits	34,097	35,560	(1,463)
Highway other expense	81,400	117,291	(35,891)
Road study	25,000	16,701	8,299
Street lighting	12,000	10,820	1,180
Total Transportation	<u>281,472</u>	<u>326,806</u>	<u>(45,334)</u>
<u>Health and Sanitation</u>			
Yard waste	3,000	3,084	(84)
Recycling expenses	96,000	96,000	-
Garbage	260,400	260,400	-
Total Health and Sanitation	<u>359,400</u>	<u>359,484</u>	<u>(84)</u>
<u>Leisure, Conservation and Development</u>			
Piers salaries	23,000	17,849	5,151
Piers benefits	1,759	1,003	756
Piers other expense	32,000	26,591	5,409
Williams Bay beach charges	3,000	3,460	(460)
Parks other expense	44,350	44,634	(284)
Other lake expense	5,800	5,550	250
Planning committee & master plan update	-	743	(743)
Engineering	5,000	34,753	(29,753)
Total Leisure, Conservation & Development	<u>114,909</u>	<u>134,583</u>	<u>(19,674)</u>
<u>Nondepartmental and General</u>			
Property & liability insurance	56,352	64,797	(8,445)
Health insurance copayments	20,000	20,000	-
Workers compensation insurance	43,777	40,882	2,895
Total Nondepartmental & General	<u>\$ 120,129</u>	<u>\$ 125,679</u>	<u>\$ (5,550)</u>

TOWN OF LINN
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Original and Final Budget	Actual	Variance with Budget
<u>Capital Outlay</u>			
Town complex	\$ 52,500	\$ 51,822	\$ 678
Security camera	26,000	22,777	3,223
Police	61,817	63,337	(1,520)
EMS	8,000	1,469	6,531
Fire/EMS property construction	100,000	124,445	(24,445)
Highway building construction	465,000	150,859	314,141
Highway equipment	-	84,708	(84,708)
Road construction and maintenance	800,000	902,944	(102,944)
Parks	10,000	-	10,000
	<u>1,523,317</u>	<u>1,402,361</u>	<u>120,956</u>
Total Capital Outlay			
	<u>\$ 4,002,376</u>	<u>\$ 3,974,484</u>	<u>\$ 27,892</u>
Total Expenditures			