

**Village of Yorkville**  
Racine County, Wisconsin

Audited Financial Statements  
with  
Independent Auditor's Report  
For the Year Ended  
December 31, 2018

**Village of Yorkville  
Racine County, Wisconsin**

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To the Village Board  
Village of Yorkville  
Racine County, Wisconsin

## Independent Auditor's Report

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Yorkville as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Village's primary government 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

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the primary government of the Village of Yorkville as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note A, the financial statements referred to above include only the primary government of the Village of Yorkville, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the Village's legal entity. These primary government financial statements do not include financial data for the Village's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the Village's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the Village of Yorkville as of December 31, 2018, the changes in its financial position or, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## **Adverse Opinion**

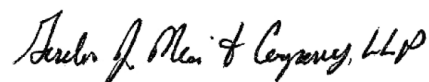
In our opinion, because of the significance of the matter discussed in the above paragraph, the financial statements referred to above do not present fairly the financial position of the aggregate discretely presented component units of the Village of Yorkville as of December 31, 2018, or the changes of financial position thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the schedules relating to pensions on pages 34 - 35 and the budgetary comparison information on pages 36 - 38 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.

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



Gordon J. Maier & Company, LLP  
Certified Public Accountants

**Village of Yorkville  
Racine County, Wisconsin  
Statement of Net Position  
December 31, 2018**

|   | <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> | <b>Total Primary<br/>Government</b> |
|---|------------------------------------|-------------------------------------|-------------------------------------|
| <b>Assets and Deferred Outflows of Resources</b>                          |                                    |                                     |                                     |
| <b>Current Assets</b>   |                                    |                                     |                                     |
| Cash and Cash Equivalents (Notes A & B)                                   | \$ 904,383                         | \$ 39,804                           | \$ 944,187                          |
| Receivables (Note C)  |                                    |                                     |                                     |
| Taxes   | 1,076,862                          | -                                   | 1,076,862                           |
| Other   | 14,769                             | -                                   | 14,769                              |
| Due from Other Funds (Note I)   | -                                  | 55,223                              | 55,223                              |
| Due from Village Water Utility  | 17,715                             | -                                   | 17,715                              |
| Special Assessments (Note C)  | 36,216                             | -                                   | 36,216                              |
| <b>Total Current Assets</b>   | <b>2,049,945</b>                   | <b>95,027</b>                       | <b>2,144,972</b>                    |
| <b>Capital Assets (Notes A &amp; D)</b>                                   |                                    |                                     |                                     |
| Land  | 20,992                             | -                                   | 20,992                              |
| Buildings and Improvements  | 9,516                              | -                                   | 9,516                               |
| Machinery and Equipment   | 28,902                             | -                                   | 28,902                              |
| Infrastructure  | 4,757,602                          | -                                   | 4,757,602                           |
| Accumulated Depreciation  | (1,022,013)                        | -                                   | (1,022,013)                         |
| <b>Net Capital Assets</b>   | <b>3,794,999</b>                   | <b>-</b>                            | <b>3,794,999</b>                    |
| <b>Noncurrent Assets</b>  |                                    |                                     |                                     |
| Net Pension Asset   | 20,589                             | -                                   | 20,589                              |
| <b>Total Assets</b>   | <b>5,865,533</b>                   | <b>95,027</b>                       | <b>5,960,560</b>                    |
| <b>Deferred Outflows of Resources</b>                                     |                                    |                                     |                                     |
| Deferred Outflows Related to Pension (Note H)                             | 27,968                             | -                                   | 27,968                              |
| <b>Total Assets and Deferred Outflows of Resources</b>                    | <b>\$ 5,893,501</b>                | <b>\$ 95,027</b>                    | <b>\$ 5,988,528</b>                 |
| <b>Liabilities, Deferred Inflows of Resources, and Net Position</b>       |                                    |                                     |                                     |
| <b>Current Liabilities</b>  |                                    |                                     |                                     |
| Accounts Payable  | \$ 209,387                         | \$ -                                | \$ 209,387                          |
| Accrued Interest  | -                                  | 2,336                               | 2,336                               |
| Accrued Wages   | 10,922                             | -                                   | 10,922                              |
| Deposits  | 58,850                             | -                                   | 58,850                              |
| Current Maturities of Long-Term Debt                                      | -                                  | 25,740                              | 25,740                              |
| <b>Total Current Liabilities</b>  | <b>279,159</b>                     | <b>28,076</b>                       | <b>307,235</b>                      |
| <b>Long-Term Liabilities</b>  |                                    |                                     |                                     |
| Long-Term Debt Net of Current Maturities (Note E)                         | -                                  | 81,537                              | 81,537                              |
| <b>Total Liabilities</b>  | <b>279,159</b>                     | <b>109,613</b>                      | <b>388,772</b>                      |
| <b>Deferred Inflows of Resources</b>                                      |                                    |                                     |                                     |
| Uncollected Property Taxes  | 1,130,793                          | -                                   | 1,130,793                           |
| Deferred Inflows Related to Pension (Note H)                              | 46,107                             | -                                   | 46,107                              |
| <b>Total Deferred Inflows of Resources</b>                                | <b>1,176,900</b>                   | <b>-</b>                            | <b>1,176,900</b>                    |
| <b>Net Position</b>   |                                    |                                     |                                     |
| Net Investment in Capital Assets  | 3,794,999                          | -                                   | 3,794,999                           |
| Restricted for Stormwater   | -                                  | (14,586)                            | (14,586)                            |
| Unrestricted  | 642,443                            | -                                   | 642,443                             |
| <b>Total Net Position</b>   | <b>4,437,442</b>                   | <b>(14,586)</b>                     | <b>4,422,856</b>                    |
| <b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b> | <b>\$ 5,893,501</b>                | <b>\$ 95,027</b>                    | <b>\$ 5,988,528</b>                 |

The Accompanying Notes are an integral part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Statement of Activities  
For the Year Ended December 31, 2018**

|  | Expenses         | Program<br>Revenues<br>Charges for<br>Services | Operating<br>Grants and<br>Contributions | Governmental<br>Activities | Business-<br>Type<br>Activities | Net Revenue<br>(Expense) and<br>Changes in<br>Net Position |
|--|------------------|--|--|----------------------------|---------------------------------|--|
| <b>Functions/Programs</b>                                      |                  |  |  |                            |                                 |  |
| <b>Primary Government</b>                                      |                  |  |  |                            |                                 |  |
| Governmental Activities  |                  |  |  |                            |                                 |  |
| General Government   | \$ 378,030       | \$ 51,756                                      | \$ -                                     | \$ (326,274)               | \$ -                            | \$ (326,274)   |
| Constable  | 17,966           | -  | -  | (17,966)                   | -                               | (17,966)   |
| Fire Protection and Rescue Squad                               | 207,118          | -  | 20,137                                   | (186,981)                  | -                               | (186,981)  |
| Building Inspection  | 120,486          | 168,022  | -  | 47,536                     | -                               | 47,536   |
| Other Public Safety  | 651              | 15,796   | -  | 15,145                     | -                               | 15,145   |
| Transportation   | 473,454          | -  | 123,052                                  | (350,402)                  | -                               | (350,402)  |
| Sanitation   | 129,044          | -  | 5,486                                    | (123,558)                  | -                               | (123,558)  |
| Health and Human Services                                      | 26,463           | -  | -  | (26,463)                   | -                               | (26,463)   |
| Culture, Recreation, and Education                             | 20,650           | -  | -  | (20,650)                   | -                               | (20,650)   |
| Conservation and Development                                   | 36,550           | -  | -  | (36,550)                   | -                               | (36,550)   |
| Total Governmental Activities                                  | <u>1,410,412</u> | <u>235,574</u>                                 | <u>148,675</u>                           | <u>(1,026,163)</u>         | <u>-</u>                        | <u>(1,026,163)</u>   |
| Business-Type Activities                                       |                  |  |  |                            |                                 |  |
| Stormwater   | 38,672           | 55,223   | -  | -                          | 16,551                          | 16,551   |
| <b>Total Primary Government</b>                                | <u>1,449,084</u> | <u>290,797</u>                                 | <u>148,675</u>                           | <u>(1,026,163)</u>         | <u>16,551</u>                   | <u>(1,009,612)</u>   |
| <b>General Revenues</b>  |                  |  |  |                            |                                 |  |
| Taxes  |                  |  |  |                            |                                 |  |
| Property Taxes Levied for General Purposes                     |                  |  |  | 1,082,093                  | -                               | 1,082,093  |
| Other Taxes  |                  |  |  | 91,295                     | -                               | 91,295   |
| Franchise Taxes  |                  |  |  | 11,367                     | -                               | 11,367   |
| Intergovernmental Revenues Not Restricted to Specific Programs |                  |  |  | 46,220                     | -                               | 46,220   |
| Investment Earnings  |                  |  |  | 26,732                     | -                               | 26,732   |
| <b>Total General Revenues</b>                                  |                  |  |  | <u>1,257,707</u>           | <u>-</u>                        | <u>1,257,707</u>   |
| <b>Changes in Net Position</b>                                 |                  |  |  | 231,544                    | 16,551                          | 248,095  |
| <b>Net Position at Beginning of Year</b>                       |                  |  |  | <u>4,205,898</u>           | <u>(31,137)</u>                 | <u>4,174,761</u>   |
| <b>Net Position at End of Year</b>                             |                  |  |  | <u>\$ 4,437,442</u>        | <u>\$ (14,586)</u>              | <u>\$ 4,422,856</u>  |

The Accompanying Notes are an integral  
part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Balance Sheet  
Governmental Funds  
December 31, 2018**

| <b>Assets</b>                                  |                                |
|--|--------------------------------|
| <b>Assets</b>                                  |                                |
| Cash and Cash Equivalents (Notes A & B)        | \$ 904,383                     |
| Due from Other Funds (Note I)                  | 1,076,862                      |
| Due from Water Utility                         | 17,715                         |
| Special Assessments (Note C)                   | 36,216                         |
| Other Receivables (Note C)                     | 14,769                         |
| <b>Total Assets</b>                            | <u><u>\$ 2,049,945</u></u>     |
| <br>   |                                |
| <b>Liabilities and Net Position</b>            |                                |
| <b>Current Liabilities</b>                     |                                |
| Accounts Payable                               | \$ 209,387                     |
| Accrued Wages                                  | 10,922                         |
| Deposits                                       | 58,850                         |
| <b>Total Current Liabilities</b>               | <u>279,159</u>                 |
| <b>Uncollected Property Taxes</b>              | <u>1,130,793</u>               |
| <br>   |                                |
| <b>Fund Balances</b>                           |                                |
| Assigned (Note G)                              | 121,835                        |
| Unassigned                                     | 518,158                        |
| <b>Total Fund Balances</b>                     | <u>639,993</u>                 |
| <br><b>Total Liabilities and Fund Balances</b> | <br><u><u>\$ 2,049,945</u></u> |

The Accompanying Notes are an integral  
part of these Financial Statements.



**Village of Yorkville  
Racine County, Wisconsin  
Reconciliation of Governmental Fund Balance Sheet to the Statement of Net Position  
December 31, 2018**

Amounts reported for governmental activities in the Statement of Activities are different due to the following:

|   |              |
|---|--------------|
| Fund Balances - Governmental Funds  | \$ 639,993   |
| Capital Assets, net of depreciation, are not current financial resources and are; therefore, not included in the governmental funds   | 3,794,999    |
| The Village's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource; therefore, it is not included in the governmental funds |              |
| Deferred Outflows of Resources  | 27,968       |
| Net Pension Asset   | 20,589       |
| Deferred Inflows of Resources   | (46,107)     |
| Net Position of Governmental Activities   | \$ 4,437,442 |

The Accompanying Notes are an integral part of these Financial Statements.

**Village of Yorkville**  
**Racine County, Wisconsin**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2018**

|  | <b>General<br/>Funds</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|--|--------------------------|---|
| <b>Revenues</b>  |                          |   |
| Taxes  | \$ 1,173,388             | \$ 1,173,388                            |
| Intergovernmental  | 194,895                  | 194,895                                 |
| Licenses and Permits   | 195,185                  | 195,185                                 |
| Charges for Services   | 51,756                   | 51,756                                  |
| Miscellaneous  | 26,732                   | 26,732                                  |
| <b>Total Revenues</b>  | <b>1,641,956</b>         | <b>1,641,956</b>                        |
| <b>Expenditures</b>  |                          |   |
| Current  |                          |   |
| General Government   | 393,286                  | 393,286                                 |
| Public Safety  | 346,221                  | 346,221                                 |
| Public Works   | 886,140                  | 886,140                                 |
| Health and Human Services  | 26,463                   | 26,463                                  |
| Culture, Recreation, and Education                                   | 20,650                   | 20,650                                  |
| Conservation and Development   | 36,550                   | 36,550                                  |
| <b>Total Expenditures</b>  | <b>1,709,310</b>         | <b>1,709,310</b>                        |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <b>(67,354)</b>          | <b>(67,354)</b>                         |
| <b>Fund Balances - January 1, 2018</b>                               | <b>707,347</b>           | <b>707,347</b>                          |
| <b>Fund Balances - December 31, 2018</b>                             | <b>\$ 639,993</b>        | <b>\$ 639,993</b>                       |

The Accompanying Notes are an integral  
part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2018**

Net Changes in Fund Balances - Total Governmental Funds \$ (67,354)

Amounts reported for governmental activities in the Statement of Activities are different due to the following:

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

|   |         |
|---|---------|
| Capital outlay that is reported as an expenditure in the governmental funds financial statements but capitalized in the Statement of Activities | 434,523 |
|---|---------|

|  |           |
|--|-----------|
| Depreciation that is reported in the Statement of Activities | (153,793) |
|--|-----------|

|  |               |
|--|---------------|
| Changes in the net position 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 | <u>18,168</u> |
|--|---------------|

|   |                          |
|---|--------------------------|
| Change in Net Position of Governmental Activities | <u><u>\$ 231,544</u></u> |
|---|--------------------------|

The Accompanying Notes are an integral part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Statement of Net Position  
Proprietary Fund  
December 31, 2018**

|   | <b>Business-Type Activity<br/>Enterprise Fund<br/>Stormwater Utility</b> |
|---|--|
| <b>Assets</b>   |  |
| <b>Assets</b>   |  |
| Cash in Checking (Notes A & B)                                  | \$ 39,804  |
| Receivable from Other Funds (Note I)                            | 55,223   |
| <b>Total Assets</b>   | <u><u>\$ 95,027</u></u>  |
| <b>Liabilities and Net Position</b>                             |  |
| <b>Current Liabilities</b>                                      |  |
| Accrued Interest  | \$ 2,336   |
| Current Maturities of Long-Term Debt                            | <u>25,740</u>  |
| <b>Total Current Liabilities</b>                                | 28,076   |
| <b>Long-Term Liabilities Net of Current Maturities</b> (Note E) | <u>81,537</u>  |
| <b>Total Liabilities</b>  | 109,613  |
| <b>Net Position</b>   |  |
| Restricted for Stormwater Activities                            | <u>(14,586)</u>  |
| <b>Total Liabilities and Net Position</b>                       | <u><u>\$ 95,027</u></u>  |

The Accompanying Notes are an integral  
part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Fund  
For the Year Ended December 31, 2018**

|  | <b>Business-Type Activity<br/>Enterprise Fund<br/>Stormwater Utility</b> |
|--|--|
| <b>Operating Revenues</b>                      |  |
| Special Charges                                | \$ 55,223  |
| <b>Operating Expenses</b>                      |  |
| General Administrative                         | 725  |
| Accounting                                     | 1,100  |
| Engineering                                    | 2,661  |
| Maintenance                                    | 31,187   |
| <b>Total Operating Expenses</b>                | 35,673   |
| <b>Operating Income</b>                        | 19,550   |
| <b>Non-Operating Revenues (Expenses)</b>       |  |
| Interest Expense                               | (3,094)  |
| Interest Income                                | 95   |
| <b>Total Non-Operating Revenues (Expenses)</b> | (2,999)  |
| <b>Changes in Net Position</b>                 | 16,551   |
| <b>Net Position</b> - January 1, 2018          | (31,137)   |
| <b>Net Position</b> -December 31, 2018         | \$ (14,586)  |

The Accompanying Notes are an integral  
part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended December 31, 2018**

|  | <b>Business-Type Activity<br/>Enterprise Fund<br/>Stormwater Utility</b> |
|--|--|
| <b>Cash Flows from Operating Activities</b>  |  |
| Cash Receipts from Special Charges   | \$ 55,028  |
| Cash Payments to Suppliers   | (35,673)   |
| <b>Net Cash Provided by Operating Activities</b>   | 19,355   |
| <b>Cash Flows from Investing Activities</b>  |  |
| Investment Income  | 95   |
| <b>Cash Flows from Noncapital Financing Activities</b>                                     |  |
| Principal Payments on Loan   | (25,051)   |
| Interest Payment on Loan   | (3,638)  |
| <b>Total Cash Used for Noncapital Financing Activities</b>                                 | (28,689)   |
| <b>Net Decrease in Cash</b>  | (9,239)  |
| <b>Cash in Checking-January 1, 2018</b>  | 49,043   |
| <b>Cash in Checking-December 31, 2018</b>  | \$ 39,804  |
| <b>Reconciliation of Operating Income to<br/>Net Cash Provided by Operating Activities</b> |  |
| Operating Income   | \$ 19,550  |
| Adjustments to Reconcile Operating Income to<br>Net Cash Provided by Operating Activities  |  |
| Changes in Assets and Liabilities  |  |
| From Increase (Decrease) in Cash   |  |
| Receivable from Municipality   | (195)  |
| <b>Total Adjustments</b>   | (195)  |
| <b>Net Cash Provided by Operating Activities</b>   | \$ 19,355  |

The Accompanying Notes are an integral  
part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Statement of Net Position  
Fiduciary Fund  
December 31, 2018**

|   | <b>Agency Fund</b>                |
|---|-----------------------------------|
| <b>Assets</b>                           |                                   |
| Cash and Cash Equivalents (Notes A & B) | \$ 3,822,046                      |
| Taxes Receivable                        | <u>5,257,027</u>                  |
| <b>Total Assets</b>                     | <b><u><u>\$ 9,079,073</u></u></b> |
| <br>                                    |                                   |
| <b>Liabilities</b>                      |                                   |
| Due to Other Funds (Note I)             | \$ 55,223                         |
| Due Water Utility District              | 91,950                            |
| Due Sewer Utility District              | 819                               |
| Due to Other Governments                | <u>8,931,081</u>                  |
| <b>Total Liabilities</b>                | <b><u><u>\$ 9,079,073</u></u></b> |

The Accompanying Notes are an integral  
part of these Financial Statements.

**Village of Yorkville**  
**Racine County, Wisconsin**  
**Notes to the Basic Financial Statements**  
**December 31, 2018**

**Note A. Summary of Significant Accounting Policies**

The Village of Yorkville was formed in 1846 and is governed by a five-member Village Board, each of which is elected to a two-year alternating term. The Village provides the following services: public safety, public works, health and human services, culture and recreation, conservation and development.

The financial statements of the Village of Yorkville have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Generally accepted accounting principles for local governments include those principles prescribed by GASB, the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*, and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the Village are described below.

**Financial Reporting Entity**

The Village's financial statements include the accounts of all Village primary government operations. The criteria for including organizations as component units within the Village's reporting entity include whether:

- The organization is legally separate (can sue or be sued in their own name)
- The Village holds the corporate powers of the organization
- The Village appoints a voting majority of the organization's board
- The Village is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the Village
- There is fiscal dependency by the organization on the Village

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. The oversight responsibility includes, but is not limited to, financial interdependency between the Village and the governmental entity; control by the Village over the entity's governing authority or designation of management; the ability of the Village to significantly influence the operations of the entity; and whether the Village is responsible for the accountability for fiscal matters. Also evaluated were the scope of public service and any special financing relationships. The Yorkville Water Utility and the Yorkville Sewer Utility are discretely presented component units of the Village. However, the Yorkville Water Utility and the Yorkville Sewer Utility issued separate audited financial statements and, as such, their financial information has not been included with the Village's primary government only financial statements.



**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note A. Summary of Significant Accounting Policies (cont.)**

**Net Position**

Net position is comprised of the various net earnings from operating income, non-operating revenues and expenses, and capital contributions. Net position is classified in the following three components:

**Net Investment in Capital Assets** - This component of net position consists of 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. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component of the unspent proceeds.

**Restricted** – This component of net position consists of amounts restricted by the Village for stormwater related activities.

**Unrestricted** – This component of net position consists of net position that do not meet the definition of “restricted” or “net investment of capital assets”.

**Fund Equity**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either: (a) not in spendable form - pre-paid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications; restricted, committed, assigned, and unassigned.

**Restricted Fund Balance** - This classification reflects the constraints imposed on resources either: (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed Fund Balance** - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Village Board, the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Village Board removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned Fund Balance** - This classification reflects the amounts constrained by the Village’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Village Board has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts, except negative balances, that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note A. Summary of Significant Accounting Policies (cont.)**

**Fund Equity (cont.)**

**Unassigned Fund Balance** - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use externally restricted resources first, then unrestricted resources - committed, assigned, and unassigned - in order as needed.

**Basis of Presentation**

**Government-Wide Financial Statements**

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except fiduciary funds.

**Fund Financial Statements**

The accounts of the Village are organized on the basis of funds, each of which is considered to be a separate accounting entity. The transactions of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The funds of the Village are described below:

**Governmental Funds**

Governmental fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The Village reports only the following governmental fund:

**General Fund** - The General Fund is the main operating fund of the Village. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note A. Summary of Significant Accounting Policies (cont.)**

**Basis of Presentation (cont.)**

**Fund Financial Statements (cont.)**

**Proprietary Funds**

Proprietary funds are accounted for on a flow of economic resources measurement focus. The accounting objectives are a determination of net income, financial position, and changes in cash flows. All assets and liabilities associated with a proprietary fund's activities are included on its balance sheet. The Village reports the following proprietary fund:

**Stormwater Fund** – The Stormwater fund is used to account for the provision of stormwater service to the residents of the Village. Activities related to the fund include operational costs for storm and surface water collection and treatment systems.

**Fiduciary Funds**

Fiduciary fund types are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Village's agency fund includes the tax fund. Because these funds are not available for use by the Village, fiduciary funds are not included in government-wide statements.

**Measurement Focus/Basis of Accounting**

Measurement focus is a term used to describe which transactions are being recorded with the various financial statements. Basis of accounting refers to when the transactions are recorded regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are presented on an economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities are included on the Statement of Net Position and the operating statements present increases and decreases in total net position. Under the accrual basis of accounting, revenues such as property taxes are recognized 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. Expenses are recognized at the time the liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "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 government 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. Only current financial assets and liabilities are generally included on their

This information is an integral part of these Financial Statements.

**Village of Yorkville**  
**Racine County, Wisconsin**  
**Notes to the Basic Financial Statements**  
**December 31, 2018**

**Note A. Summary of Significant Accounting Policies** (cont.)

**Measurement Focus/Basis of Accounting** (cont.)

balance sheets and their operating statements present sources and uses of available, spendable financial resources during a given period. These funds use fund balance as their measure of available, spendable financial resources at the end of the period.

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

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

**Cash and Investments**

The Village'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 Village funds are restricted by state statutes. Permitted investments for the Village 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, village 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 by a nationally recognized rating agency or if that security is senior to, or on par 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.

**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.

This information is an integral part of these Financial Statements.

**Village of Yorkville**  
**Racine County, Wisconsin**  
**Notes to the Basic Financial Statements**  
**December 31, 2018**

**Note A. Summary of Significant Accounting Policies (cont.)**

**Receivables (cont.)**

Property taxes are levied in December on the assessed as of January 1<sup>st</sup>. Property taxes are recorded as a receivable and deferred inflows of resources 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 Village, taxes are collected 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 inflows of resources 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 Village's property tax calendar 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 31, 2019  |
| Tax Sale of 2018 Delinquent Real Estate Taxes: | October 31, 2021 |

**Inventories**

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

**Special Assessments**

The Village may, by resolution of the Village Board, levy and collect special assessments upon property in a limited and determinable area for special benefits (e.g.: paving, stormwater operations) conferred upon such property by any Village work or improvement; may provide for the payment of all or any part of the cost of the work or improvement out of proceeds of such special assessments. When the final resolution is published, the property owner has the option to make payments in full, or pay in installments over a ten-year period, including interest, added to their real estate taxes. If the property is transferred during the installment period, the special assessment is due in full.

**Revenue and Expenses – Proprietary Fund**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Village's Enterprise Fund is charges to customers for sales and services. Operating expenses for the Enterprise Fund include administration, operations and maintenance of the stormwater system, and billing and collection activities. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note A. Summary of Significant Accounting Policies (cont.)**

**Capital Assets**

Capital assets are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Village 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.

As provided for in Statement No. 34 of the Governmental Accounting Standards Board, the Village has elected to report its infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) on the prospective basis. Accordingly, infrastructure assets in place as of January 2004 are not reported in the financial statements. Infrastructure assets placed in service in years after 2004 are capitalized as they are constructed.

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.

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

| <b>Assets</b>           | <b>Years</b> |
|-------------------------|--------------|
| Buildings               | 20 – 50      |
| Building Improvements   | 20           |
| Machinery and Equipment | 5 – 20       |
| Infrastructure          | 15 – 30      |

**Compensated Absences**

The Village's full-time clerk/treasurer and regular part-time deputy clerk/treasurer earn sick and vacation time. Effective January 1, 2016, vacation benefit periods coincide with calendar years, such that all vacations shall be taken between January 1<sup>st</sup> and December 31<sup>st</sup> of each year. Eligible employees accrue sick leave benefits at the rate of six (6) days per year (payment for sick days shall be based on the number of hours typically scheduled to work in a day). Unused sick leave benefits will be allowed to accumulate until the employee has accrued a total of sixty (60) days. Employees shall not be entitled to a payout for unused sick days on an annual basis, nor at the time of retirement or termination. Therefore, no sick or vacation pay is accrued in the government-wide financial statements.

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note A. Summary of Significant Accounting Policies (cont.)**

**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 and so will not be recognized as an outflow of resources (expense) until then. The Village has one item that qualifies for reporting in this category. The item is related to the Village'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.

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 Village has two types of items that qualify for reporting in this category. The first item is property taxes. This amount will be recognized as a deferred inflow of resources in the subsequent year of which it was levied. The second item is related to the Village'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.

**Risk Management**

The Village 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 Village. There were no settlements that exceeded insurance coverage in any of the past four years.

**Note B. Cash and Investments**

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

|                           | <b>Carrying<br/>Amount</b> | <b>Amounts<br/>Deposited</b> | <b>Uninsured<br/>Deposits</b> |
|---------------------------|----------------------------|------------------------------|-------------------------------|
| Checking-Interest Bearing | \$ 885,656                 | \$ 941,634                   | \$ 308,689                    |
| Savings Accounts          | <u>70,816</u>              | <u>70,816</u>                | <u>--</u>                     |
| <b>Subtotal</b>           | 956,472                    | <u>\$ 1,012,450</u>          | <u>\$ 308,689</u>             |
| State Local Government    |                            |                              |                               |
| Investment Pool           | 3,809,511                  |                              |                               |
| Petty Cash                | <u>250</u>                 |                              |                               |
| <b>Total</b>              | <u>\$4,766,233</u>         |                              |                               |

This information is an integral part of these Financial Statements.

**Village of Yorkville**  
**Racine County, Wisconsin**  
**Notes to the Basic Financial Statements**  
**December 31, 2018**

**Note B. Cash and Investments** (cont.)

Cash and investments are recorded in the financial statements as follows:

|  |                           |
|--|---------------------------|
| Statement of Net Position – Fiduciary Fund   | \$3,822,046               |
| Statement of Net Position – Proprietary Fund | 39,804                    |
| Balance Sheet – Governmental Funds           | <u>904,383</u>            |
| <b>Total</b>                                 | <b><u>\$4,766,233</u></b> |

The Village maintained eight of its accounts at Community State Bank in Union Grove, Wisconsin. Accounts in the bank are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for demand deposit accounts (non-interest bearing checking accounts) and \$250,000 for time and savings accounts (including interest-bearing NOW accounts). As of December 31, 2018, Community State Bank had \$1,012,450 on deposit of which, \$308,689 were uninsured.

Beyond FDIC coverage, the State of Wisconsin also provides limited protection for public depositors. The 1985 Wisconsin Act 25 prospectively abolished the state deposit guaranteed fund by providing that only the current balance in the fund may be used for the payment of losses of public deposits. While there is no longer a separate fund, an appropriation not to exceed \$400,000 above the amount of deposit insurance provided by the FDIC may be made to any public depositor for losses of the public depositor in any individual public depository in accordance with state law. Such appropriations are available until the fund is exhausted.

For all investments shown, the fair value at the balance sheet is substantially the same as the carrying value. The difference between the amounts reported as bank deposits and the carrying amount above is due to the effect of outstanding checks and deposits in transit on the Village's cash balances.

The Village 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 Village's deposits may not be covered. At December 31, 2018, \$308,689 of the Village's bank balance of \$1,012,450 was exposed to custodial credit risk as uninsured and uncollateralized.

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

**Interest Rate Risk** - The Village 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 Village's investment in the Local Government Investment Pool (LGIP) had a fair value balance of \$3,809,511. The LGIP had a weighted average maturity of 19 days at December 31, 2018.



**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note B. Cash and Investments** (cont.)

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 sections 25.14 and 25.17 of 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 at December 31, 2018 is \$3,809,511 at cost basis. The fair value of the LGIP investment at December 31, 2018 did not materially differ from its cost basis. A surety bond by Financial Security, Inc. insures the investments of the LGIP. This bond provides unlimited coverage on all of the LGIP's investments except U.S. Government and agency securities.

The Village does not have a formal investment policy.

**Note C. Receivables**

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

|                                | <b>General</b>     | <b>Fiduciary</b>   | <b>Proprietary</b> | <b>Totals</b>      |
|--------------------------------|--------------------|--------------------|--------------------|--------------------|
| Receivables                    |                    |                    |                    |                    |
| Taxes – Current                | \$1,076,862        | \$3,822,046        | \$ --              | \$4,898,908        |
| Special Assessments            | 36,216             | --                 | --                 | 36,216             |
| Due from Village Water Utility | 17,715             | --                 | --                 | 17,715             |
| Due from Other Funds           | --                 | --                 | 55,223             | 55,223             |
| Miscellaneous                  | 14,769             | --                 | --                 | 14,769             |
| <b>Total Net Receivables</b>   | <u>\$1,145,562</u> | <u>\$3,822,046</u> | <u>\$55,223</u>    | <u>\$5,022,831</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. At December 31, 2018, the deferred inflows of resources reported in the governmental fund consisted of the following:

|                                     | <b>Unavailable</b> | <b>Unearned</b>    |
|-------------------------------------|--------------------|--------------------|
| Property Taxes Receivable           | \$ --              | \$1,130,793        |
| Deferred Inflows Related to Pension | --                 | 46,107             |
| <b>Totals</b>                       | <u>\$ --</u>       | <u>\$1,176,900</u> |

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note D. Capital Assets**

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

|   | <b>Balance<br/>1/1/18</b> | <b>Increases</b>     | <b>Decreases</b> | <b>Balance<br/>12/31/18</b> |
|---|---------------------------|----------------------|------------------|-----------------------------|
| <b>Governmental Activities</b>                            |                           |                      |                  |                             |
| Capital Assets not Being Depreciated                      |                           |                      |                  |                             |
| Land  | \$ 20,992                 | \$ --                | \$ --            | \$ 20,992                   |
| Capital Assets Being Depreciated                          |                           |                      |                  |                             |
| Buildings and Improvements                                | 9,516                     | --                   | --               | 9,516                       |
| Machinery and Equipment                                   | 28,902                    | --                   | --               | 28,902                      |
| Infrastructure  | <u>4,323,079</u>          | <u>434,523</u>       | --               | <u>4,757,602</u>            |
| Total Capital Assets Being Depreciated                    | <u>4,361,497</u>          | <u>434,523</u>       | --               | <u>4,796,020</u>            |
| <b>Less: Accumulated Depreciation for:</b>                |                           |                      |                  |                             |
| Buildings and Improvements                                | 9,517                     | --                   | --               | 9,517                       |
| Machinery and Equipment                                   | 26,239                    | 769                  | --               | 27,008                      |
| Infrastructure  | <u>832,464</u>            | <u>153,024</u>       | --               | <u>985,488</u>              |
| Total Accumulated Depreciation                            | <u>868,220</u>            | <u>153,793</u>       | --               | <u>1,022,013</u>            |
| <br>Total Capital Assets Being<br>Depreciated, Net        | <br><u>3,493,277</u>      | <br><u>280,730</u>   | <br>--           | <br><u>3,774,007</u>        |
| <br><b>Net Governmental Activities<br/>Capital Assets</b> | <br><u>\$3,514,269</u>    | <br><u>\$280,730</u> | <br>\$ --        | <br><u>\$3,794,999</u>      |

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

|   |                  |
|---|------------------|
| <b>Governmental Activities</b>                                  |                  |
| General Government  | \$ 769           |
| Sanitation  | 333              |
| Transportation  | <u>152,691</u>   |
| <b>Total Depreciation Expense -<br/>Governmental Activities</b> | <u>\$153,793</u> |

This information is an integral part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note E. Long-Term Obligations**

**Union Grove-Yorkville Fire Commission Debt**

The Village issued a general obligation note payable through the Wisconsin Commissioner of Public Lands (state trust fund) on behalf of the Union Grove-Yorkville Fire Commission during 2015 to finance the purchase of fire commission capital equipment. The original amount of the loan was \$216,864 and the balance at December 31, 2018 was \$132,221. Per GASB Interpretation No. 2, *Disclosure of Conduit Debt Obligations*, debt obligations may be issued by a state or local government entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity. Although the conduit debt obligation bears the name of the Village, the Village has no obligation for such debt beyond the resources provided by the loan with the Union Grove-Yorkville Fire Department. In Resolution No. 2015-07, it is agreed that the Village of Union Grove is responsible for all payments related to this debt, as the Village of Union Grove's proportionate share is 100% and the Village of Yorkville's share is 0%. As such, the conduit debt is not included in the accompanying financial statements.

**Finance Stormwater District**

The Village issued a \$225,000 general obligation state trust fund loan from the Board of Commissioners of Public Lands during 2013. The proceeds of the loan were used for drainage projects. As of December 31, 2018, the balance of the loan was \$89,443. The interest rate on the loan is 2.75% and principal installments are payable until March 15, 2022.

Outstanding debt of the Village related to this debt was comprised of the following at December 31, 2018:

|                                | <b>Interest<br/>Rate</b> | <b>Original<br/>Principal</b> | <b>Outstanding<br/>12/31/18</b> | <b>Purpose</b> |
|--------------------------------|--------------------------|-------------------------------|---------------------------------|----------------|
| <b>General Obligation Debt</b> |                          |                               |                                 |                |
| 2013 State Trust Fund Loan     | 2.75%                    | <u>\$225,000</u>              | <u>\$89,443</u>                 | Drainage       |

Changes in long-term obligations for the year ended December 31, 2018 are as follows:

|                                 |                  |
|---------------------------------|------------------|
| Outstanding - January 1, 2018   | \$132,328        |
| Proceeds from Borrowing         | --               |
| Principal Payments              | <u>(25,051)</u>  |
| Outstanding - December 31, 2018 | <u>\$107,277</u> |

This information is an integral part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note E. Long-Term Obligations** (cont.)

**Finance Stormwater District** (cont.)

Annual debt service requirements to maturity are as follows:

| Year | Principal        | Interest       | Total            |
|------|------------------|----------------|------------------|
| 2019 | \$ 25,740        | \$2,950        | \$ 28,690        |
| 2020 | 26,440           | 2,250          | 28,690           |
| 2021 | 27,175           | 1,515          | 28,690           |
| 2022 | 27,922           | 768            | 28,690           |
|      | <u>\$107,277</u> | <u>\$7,483</u> | <u>\$114,760</u> |

Long-term obligations outstanding are reported on the Statement of Net Position as follows:

|                                       |                         |
|---------------------------------------|-------------------------|
| Total Loan Outstanding at End of Year | \$107,277               |
| Less: Current Maturities              | <u>25,740</u>           |
| <b>Net Non-Current Loan Payable</b>   | <b><u>\$ 81,537</u></b> |

**Note F. Lease Obligations**

The Village rents office and meeting room space from the Village of Union Grove. Rental expense for the year ended December 31, 2018 was \$23,958. The term of the lease is for 36 months commencing on January 1, 2018 and terminating on December 31, 2020.

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

| Year         | Amount                 |
|--------------|------------------------|
| 2019         | \$23,958               |
| 2020         | <u>23,958</u>          |
| <b>Total</b> | <b><u>\$47,916</u></b> |

**Note G. Stewardship, Compliance, and Accountability**

**Budgetary Information**

The Village 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, program, or other activity for which expenditures are considered desirable. Expenditures cannot legally exceed their appropriations at the fund level.

This information is an integral part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note G. Stewardship, Compliance, and Accountability (cont.)**

**Budgetary Information (cont.)**

The budget may be amended for supplemental appropriations during the year. Budget changes require a two-thirds approval by the Village Board. The Village amended its budget during the year.

**General Fund Assigned and Nonspendable Fund Balances**

The Village's fund balance at December 31, 2018 has been assigned for the following purpose:

|                       |                  |
|-----------------------|------------------|
| Village Hall Building | <u>\$121,835</u> |
|-----------------------|------------------|

**Note H. Defined Benefit Pension Plan**

**Summary of Significant Accounting Policies**

**Pensions**

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

**General Information about the Pension Plan**

**Plan Description**

The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (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.

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

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note H. Defined Benefit Pension Plan (cont.)**

**General Information about the Pension Plan (cont.)**

**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, if hired on or before 12/31/2016) are entitled to receive a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

**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 § 40.27, Wisconsin Statutes. 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:

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note H. Defined Benefit Pension Plan (cont.)**

**General Information about the Pension Plan (cont.)**

**Post-Retirement Adjustments (cont.)**

| Year | Core Fund<br>Adjustment<br>% | Variable Fund<br>Adjustment<br>% |
|------|------------------------------|----------------------------------|
| 2007 | 3.0                          | 10                               |
| 2008 | 6.6                          | --                               |
| 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 | .5                           | ( 5)                             |
| 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, 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 \$7,035 in contributions from the employer.

Contribution rates as of December 31, 2018 are:

| Employee Category  | Employee<br>% | Employer<br>% |
|--|---------------|---------------|
| General (Including teachers,<br>Executives, and Elected Officials) | 6.8           | 6.8           |
| Protective with Social Security                                    | 6.8           | 10.6          |
| Protective without Social Security                                 | 6.8           | 14.9          |

This information is an integral part of these Financial Statements.

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note H. Defined Benefit Pension Plan (cont.)**

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

At December 31, 2018, the Village of Yorkville reported a liability (asset) of \$20,589 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability (asset) 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 Village of Yorkville's proportion of the net pension liability (asset) was based on the Village of Yorkville's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2017, the Village of Yorkville's proportion was .00069344%, which was a decrease of .00021606% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2018, the Village of Yorkville recognized pension expense of \$7,728.

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

|   | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> |
|---|---|--|
| Differences between Expected and Actual Experience  | \$24,749                                  | \$ --                                    |
| Changes in Assumptions  | --  | --                                       |
| Net Differences between Projected and Actual Earnings on Pension Plan Investment                              | --  | 46,107                                   |
| Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions | 3,219                                     | --                                       |
| Employer Contributions Subsequent to the Measurement Date   | --  | --                                       |
| <b>Total</b>  | <u>\$27,968</u>                           | <u>\$46,107</u>                          |

There were no amounts reported as deferred outflows related to pension resulting from the WRS employer's contributions subsequent to the measurement date that 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:

| <b>For the Year Ended<br/>December 31,</b> | <b>Deferred Outflows<br/>of Resources</b> | <b>Deferred Inflows<br/>of Resources</b> |
|--|---|--|
| 2018                                       | \$21,705                                  | \$20,680                                 |
| 2019                                       | 19,296                                    | 19,984                                   |
| 2020                                       | 7,436                                     | 14,222                                   |
| 2021                                       | 6,988                                     | 11,549                                   |
| 2022                                       | 55  | 0  |

This information is an integral part of these Financial Statements.



**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note H. Defined Benefit Pension Plan (cont.)**

**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                                    | .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:

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note H. Defined Benefit Pension Plan (cont.)  
Long-Term Expected Return on Plan Assets (cont.)**

**Retirement Funds  
Asset Allocation Targets and Expected Returns  
As of December 31, 2017**

| <b>Core Fund Asset Class</b> | <b>Current<br/>Asset<br/>Allocation<br/>%</b> | <b>Long-Term<br/>Expected Nominal<br/>Rate of Return %</b> | <b>Long-Term<br/>Expected Real<br/>Rate of Return %</b> |
|------------------------------|---|--|---|
| Global Equities              | 50  | 8.2  | 5.3   |
| Fixed Income                 | 24.5  | 4.4  | 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                  | <u>4</u>                                      | 6.5  | 3.6   |
| <b>Total Core Fund</b>       | <u><u>110</u></u>                             | 7.3  | 4.4   |

**Variable Fund Asset Class**

|                            |                   |
|----------------------------|-------------------|
| U.S. Equities              | 70                |
| International Equities     | <u>30</u>         |
| <b>Total Variable Fund</b> | <u><u>100</u></u> |

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.75%  
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

**Single Discount Rate**

A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long-term bond rate of 3.78%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments, including expected dividends, of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Village of Yorkville  
Racine County, Wisconsin  
Notes to the Basic Financial Statements  
December 31, 2018**

**Note H. Defined Benefit Pension Plan** (cont.)

**Sensitivity of the Village of Yorkville’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the Village of Yorkville’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20%, as well as what the Village of Yorkville’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1% point lower (6.20%) or 1% point higher (8.20%) than the current rate:

|  | <b>1% Decrease to<br/>Discount Rate</b> | <b>Current Discount<br/>Rate</b> | <b>1% Increase to<br/>Discount Rate</b> |
|--|---|----------------------------------|---|
| Village of Yorkville’s Proportionate Share<br>of the Net Pension Liability (Asset) | \$53,270                                | \$(20,589)                       | \$(76,724)                              |

**Pension Plan Fiduciary Net Position**

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

**Note I. Interfund Activity**

**Interfund Balances**

Balances between funds of the Village for the year ended December 31, 2018, were as follows:

|                 | <b>Receivable</b>  | <b>Payable</b>     |
|-----------------|--------------------|--------------------|
| General Fund    | \$1,076,862        | \$ --              |
| Enterprise Fund | 55,223             | --                 |
| Agency Fund     | <u>--</u>          | <u>1,132,085</u>   |
| <b>Total</b>    | <u>\$1,132,085</u> | <u>\$1,132,085</u> |

At December 31, 2018, the Fiduciary Fund owed the General Fund and the Enterprise Fund \$1,076,862 and \$55,223, respectively, related to their shares of the tax levy that has not yet been transferred to their respective fund assets.

**Note J. Litigation Contingencies**

In the opinion of management and the Village’s legal counsel, the Village is involved in no claims or lawsuits that would have a material effect on the financial statements in the event of an unfavorable outcome.

**Note K. Subsequent Events**

Subsequent events have been evaluated through April 11, 2019, which is the date the financial statements were available to be issued.

This information is an integral part of these Financial Statements.

**Required Supplementary Information**

**Village of Yorkville  
Racine County, Wisconsin  
Schedule of the Proportionate Share of the Net Pension Liability (Asset)  
Wisconsin Retirement System  
For the Year Ended December 31, 2018**

**Last Ten Years**

**2018**

|   |             |
|---|-------------|
| Village of Yorkville's Proportion of<br>the Net Pension Liability (Asset)             | 0.00069344% |
| Village of Yorkville's Proportionate<br>Share of the Net Pension Liability (Asset)    | (\$ 20,589) |
| Village of Yorkville's Covered-<br>Employee Payroll                                   | \$103,469   |
| Plan Fiduciary Net Position as a Percentage<br>of the Total Pension Liability (Asset) | 102.93%     |

**Village of Yorkville  
Racine County, Wisconsin  
Schedule of Contributions  
Wisconsin Retirement System  
For the Year Ended December 31, 2018**

**Last Ten Years**

**2018**

|  |                   |
|--|-------------------|
| Contractually Required Contributions                                     | \$ 7,035          |
| Contributions in Relation to the<br>Contractually Required Contributions | <u>(\$ 7,035)</u> |
| Contribution Deficiency (Excess)   | \$ 0              |
| Village of Yorkville's Covered Employee Payroll                          | \$103,469         |
| Contributions as a Percentage of<br>Covered Employee Payroll             | 6.8 %             |

**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**

There were no changes in the assumptions.

**Village of Yorkville**  
**Racine County, Wisconsin**  
**Schedule of Revenues-Budgetary Basis-Budget and Actual-General Fund**  
**For the Year Ended December 31, 2018**

|                                     | <b>Budget</b>    |                  |                  | <b>Variance</b>                    |
|-------------------------------------|------------------|------------------|------------------|------------------------------------|
|                                     | <b>Original</b>  | <b>Final</b>     | <b>Actual</b>    | <b>Favorable<br/>(Unfavorable)</b> |
| <b>Taxes</b>                        |                  |                  |                  |                                    |
| General Property Taxes              | \$ 1,082,059     | \$ 1,082,059     | \$ 1,082,093     | \$ 34                              |
| Managed Forest Lands                | 39               | 39               | 20               | (19)                               |
| Land Use Penalties                  | 2,500            | 2,500            | 4,200            | 1,700                              |
| Public Accommodation Tax            | 6,250            | 6,250            | 6,400            | 150                                |
| Mobile Home Tax                     | 65,000           | 65,000           | 62,183           | (2,817)                            |
| Taxes from Regulated Utilities      | 17,714           | 17,714           | 17,714           | -                                  |
| Interest on Taxes                   | 1,500            | 1,500            | 778              | (722)                              |
| <b>Total Taxes</b>                  | <u>1,175,062</u> | <u>1,175,062</u> | <u>1,173,388</u> | <u>(1,674)</u>                     |
| <b>Intergovernmental</b>            |                  |                  |                  |                                    |
| State Aid                           |                  |                  |                  |                                    |
| Share Revenues                      | 39,702           | 39,702           | 39,779           | 77                                 |
| Exempt Computer Aid                 | 6,441            | 6,441            | 6,441            | -                                  |
| Transportation Aid                  | 123,150          | 123,150          | 123,052          | (98)                               |
| Fire Insurance Dues                 | 20,500           | 20,500           | 20,137           | (363)                              |
| Recycling                           | 5,500            | 5,500            | 5,486            | (14)                               |
| Bridge Aid                          | 16,000           | 16,000           | -                | (16,000)                           |
| <b>Total Intergovernmental</b>      | <u>211,293</u>   | <u>211,293</u>   | <u>194,895</u>   | <u>(16,398)</u>                    |
| <b>Licenses and Permits</b>         |                  |                  |                  |                                    |
| Liquor and Malt Beverage Licenses   | 4,750            | 4,750            | 3,630            | (1,120)                            |
| Operators' Licenses                 | 2,550            | 2,550            | 2,450            | (100)                              |
| Cigarette and Soda Licenses         | 200              | 200              | 200              | -                                  |
| Dance Hall and Amusement Devices    | 3,575            | 3,575            | 3,025            | (550)                              |
| Other Business Licenses             | 13,000           | 13,000           | 2,062            | (10,938)                           |
| Building Permits                    | 55,000           | 55,000           | 108,658          | 53,658                             |
| Electrical Permits                  | 17,500           | 17,500           | 43,607           | 26,107                             |
| Plumbing Permits                    | 6,000            | 6,000            | 15,757           | 9,757                              |
| Other Permits                       | 600              | 600              | 12,498           | 11,898                             |
| Dog and Kennel Licenses             | 3,250            | 3,250            | 3,298            | 48                                 |
| <b>Total Licenses and Permits</b>   | <u>106,425</u>   | <u>106,425</u>   | <u>195,185</u>   | <u>88,760</u>                      |
| <b>Fines and Forfeitures</b>        |                  |                  |                  |                                    |
|                                     | <u>50</u>        | <u>50</u>        | <u>-</u>         | <u>(50)</u>                        |
| <b>Charges for Services</b>         |                  |                  |                  |                                    |
| General Government Fee              | 770              | 770              | 2,553            | 1,783                              |
| Site Plan Reviews                   | 180              | 180              | 30               | (150)                              |
| Conditional Use Permits             | 300              | 300              | 225              | (75)                               |
| Sewer District Fees                 | 36,000           | 36,000           | 36,000           | -                                  |
| Water Utility Fees                  | 11,086           | 11,086           | 11,086           | -                                  |
| Storm Water District Fees           | 600              | 600              | 600              | -                                  |
| Clerk's Fees                        | 885              | 885              | 1,262            | 377                                |
| <b>Total Charges for Services</b>   | <u>49,821</u>    | <u>49,821</u>    | <u>51,756</u>    | <u>1,935</u>                       |
| <b>Miscellaneous Revenues</b>       |                  |                  |                  |                                    |
| Investment Income                   | 6,000            | 6,000            | 26,732           | 20,732                             |
| Insurance Recoveries                | 1,500            | 1,500            | -                | (1,500)                            |
| Other                               | 42,531           | 125,531          | -                | (125,531)                          |
| <b>Total Miscellaneous Revenues</b> | <u>50,031</u>    | <u>133,031</u>   | <u>26,732</u>    | <u>(106,299)</u>                   |
| <b>Total Revenues</b>               | <u>1,592,682</u> | <u>1,675,682</u> | <u>1,641,956</u> | <u>(33,726)</u>                    |

**Village of Yorkville**  
**Racine County, Wisconsin**  
**Schedule of Expenditures-Budgetary Basis-Budget and Actual-General Fund**  
**For the Year Ended December 31, 2018**

|                                  | Budget         |                | Actual         | Variance                   |
|----------------------------------|----------------|----------------|----------------|----------------------------|
|                                  | Original       | Final          |                | Favorable<br>(Unfavorable) |
| <b>General Government</b>        |                |                |                |                            |
| Legislative                      |                |                |                |                            |
| Salaries                         | \$ 43,663      | \$ 43,663      | \$ 49,954      | \$ (6,291)                 |
| Plan Commission                  | 3,230          | 3,230          | 3,537          | (307)                      |
| Printing and Publications        | 3,500          | 3,500          | 5,434          | (1,934)                    |
| Judicial                         | 2,500          | 2,500          | 2,970          | (470)                      |
| Ordinance Codification           | 1,000          | 1,000          | 1,552          | (552)                      |
| Dues, Conventions, and Education | 4,500          | 4,500          | 2,315          | 2,185                      |
| Clerk-Treasurer                  |                |                |                |                            |
| Salaries                         | 55,420         | 55,420         | 58,448         | (3,028)                    |
| Benefits                         | 16,878         | 16,878         | 16,674         | 204                        |
| Deputy Clerk-Treasurer           |                |                |                |                            |
| Salaries                         | 39,698         | 39,698         | 37,769         | 1,929                      |
| Benefits                         | 14,621         | 14,621         | 13,915         | 706                        |
| Office Supplies and Postage      | 4,000          | 4,000          | 3,476          | 524                        |
| Office Repairs                   | 500            | 500            | 413            | 87                         |
| Office Computers and Equipment   | 12,500         | 17,500         | 16,866         | 634                        |
| Elections                        | 9,000          | 9,000          | 14,776         | (5,776)                    |
| Assessor                         |                |                |                |                            |
| Salaries                         | 21,600         | 21,600         | 21,600         | -                          |
| All Other                        | 3,112          | 3,112          | 2,112          | 1,000                      |
| Board of Review                  | 1,000          | 1,000          | 1,690          | (690)                      |
| Other General Government         |                |                |                |                            |
| Audit and Accounting             | 3,800          | 3,800          | 4,550          | (750)                      |
| Attorney                         | 80,000         | 145,000        | 86,954         | 58,046                     |
| Office Rent                      | 23,958         | 23,958         | 23,958         | -                          |
| General Administration           | -              | -              | 5,900          | (5,900)                    |
| Office Utilities                 | 1,000          | 1,000          | 1,130          | (130)                      |
| Property and Liability Insurance | 17,750         | 17,750         | 16,842         | 908                        |
| Bonds                            | 960            | 960            | 451            | 509                        |
| <b>Total General Government</b>  | <u>364,190</u> | <u>434,190</u> | <u>393,286</u> | <u>40,904</u>              |
| <b>Public Safety</b>             |                |                |                |                            |
| Constable Salary and Expense     | 16,846         | 16,846         | 17,966         | (1,120)                    |
| Fire Protection and Rescue Squad | 207,247        | 207,247        | 207,118        | 129                        |
| Address Signs                    | 770            | 770            | 651            | 119                        |
| Inspection                       |                |                |                |                            |
| Building                         | 41,250         | 81,250         | 75,845         | 5,405                      |
| Electrical                       | 15,750         | 30,750         | 32,469         | (1,719)                    |
| Plumbing                         | 5,400          | 12,400         | 12,172         | 228                        |
| <b>Total Public Safety</b>       | <u>287,263</u> | <u>349,263</u> | <u>346,221</u> | <u>3,042</u>               |
| <b>Public Works</b>              |                |                |                |                            |
| Highway Construction             | 330,587        | 330,587        | 253,958        | 76,629                     |
| Highway Maintenance              | 173,860        | 173,860        | 294,202        | (120,342)                  |
| Snow Removal and Sanding         | 130,000        | 130,000        | 88,343         | 41,657                     |
| Highway Mowing                   | 20,250         | 20,250         | 20,250         | -                          |
| Bridge and Culverts              | 36,850         | 36,850         | 2,995          | 33,855                     |
| Stormwater Drainage              | 178            | 178            | 178            | -                          |
| Street Lighting                  | 15,000         | 15,000         | 15,468         | (468)                      |



**Village of Yorkville  
Racine County, Wisconsin  
Schedule of Expenditures-Budgetary Basis-Budget and Actual-General Fund  
For the Year Ended December 31, 2018**

|  | Budget            |                   | Actual            | Variance<br>Favorable<br>(Unfavorable) |
|--|-------------------|-------------------|-------------------|--|
|  | Original          | Final             |                   |  |
| <b>Public Works (cont.)</b>  |                   |                   |                   |  |
| Engineering  | \$ 40,000         | \$ 40,000         | \$ 79,569         | \$ (39,569)                            |
| Sanitation   | 78,826            | 88,826            | 87,905            | 921                                    |
| Recycling  | 41,026            | 44,026            | 42,949            | 1,077                                  |
| Weed and Nuisance Control  | 323               | 323               | 323               | -                                      |
| <b>Total Public Works</b>  | <u>866,900</u>    | <u>879,900</u>    | <u>886,140</u>    | <u>(6,240)</u>                         |
| <b>Health and Human Services</b>                                     |                   |                   |                   |  |
| Public Health Nursing Services                                       | 22,032            | 22,032            | 22,032            | -                                      |
| Animal Control   | 4,447             | 4,447             | 4,431             | 16                                     |
| <b>Total Health and Human Services</b>                               | <u>26,479</u>     | <u>26,479</u>     | <u>26,463</u>     | <u>16</u>                              |
| <b>Culture, Recreation, and Education</b>                            |                   |                   |                   |  |
| Recreation Programs  | 20,650            | 20,650            | 20,650            | -                                      |
| <b>Conservation and Development</b>                                  |                   |                   |                   |  |
| Planning   | 20,000            | 20,000            | 29,350            | (9,350)                                |
| Bus Service  | 7,200             | 7,200             | 7,200             | -                                      |
| <b>Total Conservation and Development</b>                            | <u>27,200</u>     | <u>27,200</u>     | <u>36,550</u>     | <u>(9,350)</u>                         |
| <b>Total Expenditures</b>  | <u>1,592,682</u>  | <u>1,737,682</u>  | <u>1,709,310</u>  | <u>28,372</u>                          |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | -                 | -                 | (67,354)          | (5,354)                                |
| <b>Fund Balance at Beginning of Year</b>                             | <u>568,608</u>    | <u>568,608</u>    | <u>707,347</u>    | <u>138,739</u>                         |
| <b>Fund Balance at End of Year</b>                                   | <u>\$ 568,608</u> | <u>\$ 568,608</u> | <u>\$ 639,993</u> | <u>\$ 133,385</u>                      |