

Village of Elm Grove, Wisconsin
2019 Comprehensive Annual Financial Report
For the Year Ending December 31, 2019



Village of Elm Grove

Elm Grove, Wisconsin

Comprehensive Annual Financial Report

Including Independent Auditor's Report

As of and for the Year Ended
December 31, 2019

Prepared by
Monica L Hughes Finance Director

Village of Elm Grove
Comprehensive Annual Financial Report
As of and For the Year Ended December 31, 2019

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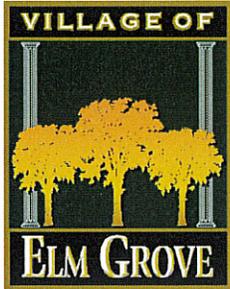
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May 7, 2020

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

The Comprehensive Annual Financial Report of the Village of Elm Grove for the year ended December 31, 2019, is hereby submitted. This report consists of management's representations concerning the finances of the Village of Elm Grove (the "Village"). Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for these representations, management has established and maintained an internal control framework designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The system of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefit derived. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Baker Tilly Virchow Krause, LLP, a firm of certified public accountants and consultants, have audited the Village's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Village for the year ended December 31, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Baker Tilly Virchow Krause, LLP, concluded based upon its audit procedures that the Village of Elm Grove's financial statements for the fiscal year ended December 31, 2019 are fairly presented in conformity with GAAP and rendered an unmodified opinion. The independent auditors' report is presented as the first component of the financial section of this report.

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

Community Profile

The Village of Elm Grove encompasses an area of 3.26 square miles in eastern Waukesha County. The Village of Elm Grove is bordered by the City of Wauwatosa to the east and the City of Brookfield on the north, south and west. The Village is a fully developed community approximately 10 miles from downtown Milwaukee. The Village was incorporated in 1955 and has a current population of over 5,800.

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

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

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

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

Factors Affecting Financial Condition

Local Economy

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

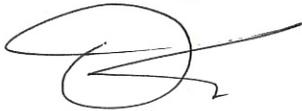
Financial Planning

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

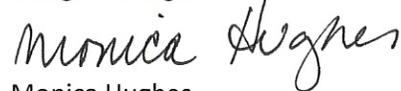
Acknowledgements

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

Respectfully, submitted



David De Angelis,
Village Manager



Monica Hughes
Finance Director

Comprehensive Annual Financial Report

For the Year Ended December 31, 2019

Village of Elm Grove, Wisconsin

Elected Officials

<u>Name</u>	<u>Title</u>	<u>Term</u>
Neil H. Palmer	Village President	April 2021
George E. Haas	Village Trustee	April 2020
Patrick Kressin	Village Trustee	April 2020
Kim Irwin	Village Trustee	April 2021
Thomas Michalski	Village Trustee	April 2021
Katy Cornell	Village Trustee	April 2021
John Domaszek	Village Trustee	April 2020
W. Timothy Steinle	Municipal Judge	April 2023

Administrators

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

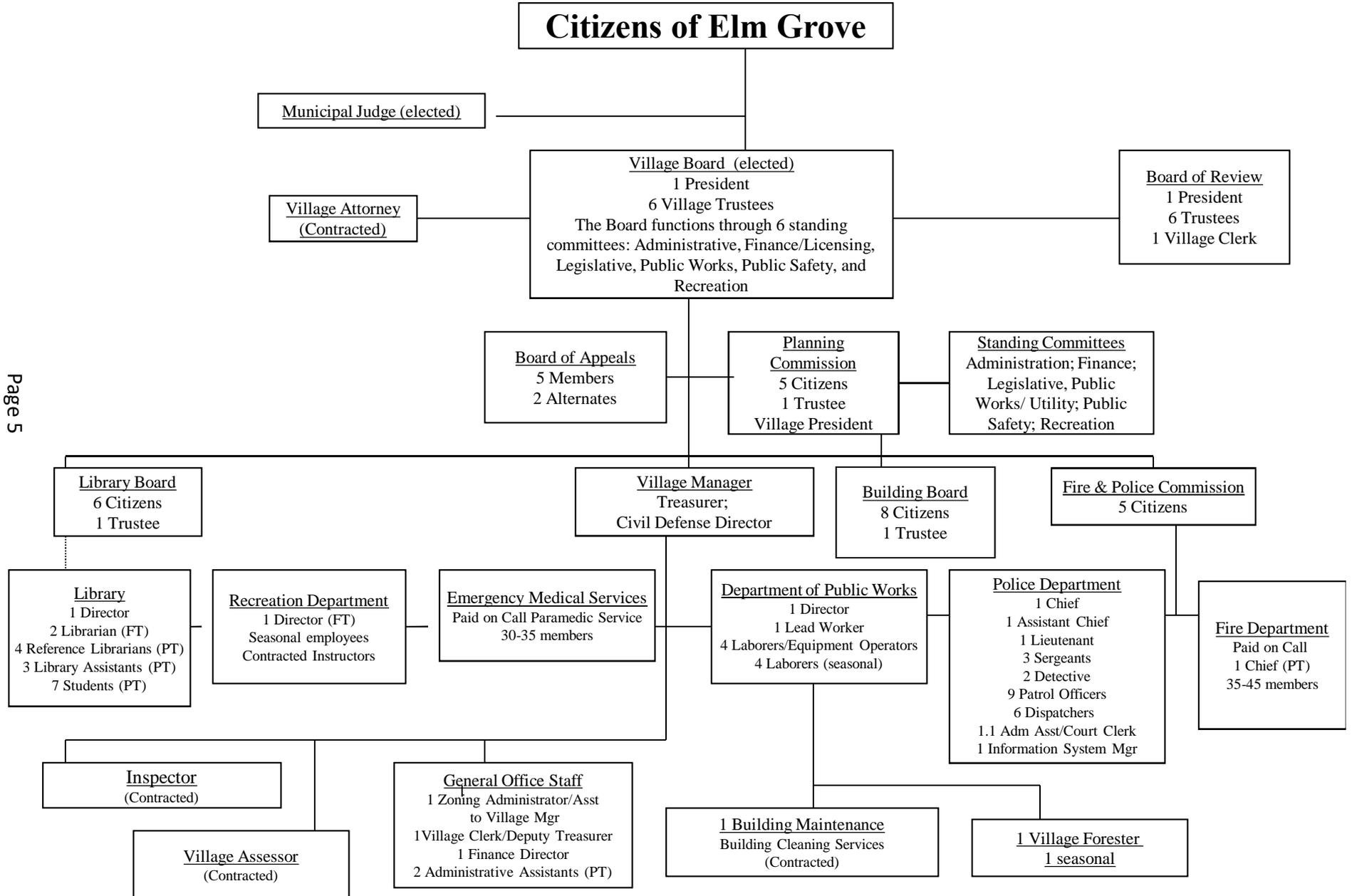
Officials Issuing Report:

David De Angelis	Village Manager
Monica L. Hughes	Finance Director

Report Prepared by:

Monica L. Hughes	Finance Director
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Village of Elm Grove



INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Elm Grove, Wisconsin, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village of Elm Grove's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

To the Village Board
Village of Elm Grove

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Village of Elm Grove, Wisconsin, as of December 31, 2019 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note I, the Village of Elm Grove adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

As discussed in Note I, the Village of Elm Grove adopted the provisions of GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, effective January 1, 2019. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

To the Village Board
Village of Elm Grove

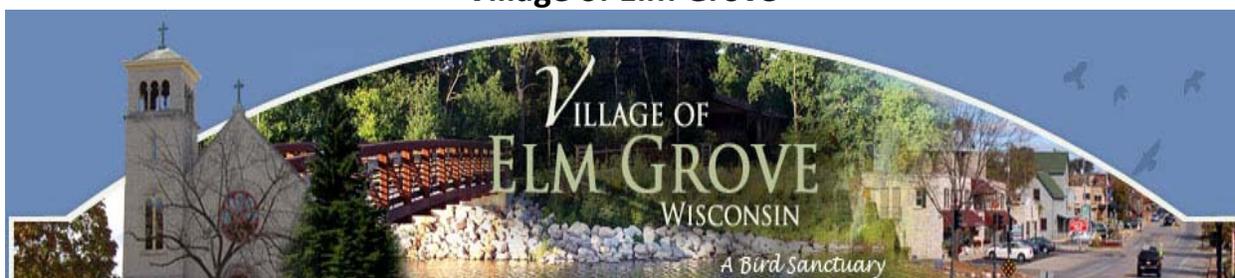
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Elm Grove's basic financial statements. The introductory section and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Baker Tilly Virchow Krause, LLP

Milwaukee, Wisconsin
May 7, 2020

Village of Elm Grove



Management's Discussion and Analysis (Unaudited) As of and for the Year Ended December 31, 2019

As management of the Village of Elm Grove, we offer readers of the Village of Elm Grove's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended December 31, 2019. A comparison with prior year data is also presented.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Village of Elm Grove exceeded its liabilities and deferred inflows of resources as of December 31, 2019 by \$25.671 million.
- As of December 31, 2019 the Village's governmental funds reported combined ending fund balance of \$6,656,904.
- The tax increment district had an increment value as of January 1, 2018 of \$33,696,800 million over its 2004 base year which generated 2019 revenues of \$610,076.
- Included in the general operating fund balance is unassigned fund balance of \$1,287,825 which is equal to 19.97% of total budgeted general fund expenditures for 2020. These funds are available for future Village needs including working capital.
- In December of 2018 the Village Board approved the issuance of \$1,000,000 in debt to finance the replacement of a portion of the HVAC system in the village's administration building. The debt was issued in early 2019 through the State of Wisconsin Trust Fund Loan Program.
- The Village Board also authorized the issuance of general obligation debt to fund a splash pad at the Village's aquatic center and to expand a pathway on its major roadway. At that time, it choose to refinance the HVAC state trust fund loan with this debt to take advantage in interest rates and borrowing terms.
- The Village's credit rating was upgraded to Aa1 by Moody's during their rate review prior to the general obligation issuance.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

- The statement of net position presents information on all of the Village’s assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between the four is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.
- The statement of activities presents information showing how the Village’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., sick pay benefits and other long-term liabilities.)

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

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

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

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

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

Data from the other five funds are combined into a single, aggregate presentation under the heading “Nonmajor Governmental Funds.” Individual fund data for each of these non-major

governmental funds is provided in the form of “combining statements” elsewhere in this report. The municipal water project fund was being used for project costs associated with the limited municipal water system and future extensions, but was closed at December 31, 2015.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Village’s total net position, net of related debt, exceeded liabilities by \$25,671,059 at the close of 2019. The largest segment of net position is the Village’s investment in capital assets. The Village reports land, land improvements, building, equipment, intangible assets, and infrastructure. Beginning in 2015, the Village implemented GASB 68 recognizing the Village’s share of future pension obligations as a participant in the multi-employer Wisconsin Retirement System. This pension system is one of the strongest in the nation.

Village of Elm Grove's Net Position

	Governmental Activities	
	2019	2018
Current & other assets	\$ 17,727,041	\$ 15,074,060
Restricted net pension asset	-	780,351
Capital assets	28,212,829	26,536,991
Total assets	<u>45,939,870</u>	<u>42,391,402</u>
Deferred outflows of resources		
Advanced refunding of debt	249,176	290,705
Related to pensions	2,596,143	1,441,632
Total deferred outflows of resources	<u>2,845,319</u>	<u>1,732,337</u>
Long term general obligation liabilities outstanding	9,728,452	7,190,809
Net pension liability	954,119	-
Other liabilities	1,646,065	929,217
Total liabilities	<u>12,328,636</u>	<u>8,120,026</u>
Deferred inflows of resources		
Deferred amounts related to pension	1,321,474	1,540,436
Unearned revenues	9,464,020	9,218,794
Total deferred inflows of resources	<u>10,785,494</u>	<u>10,759,230</u>
Net position:		
Net investment in capital assets	20,806,616	20,373,281
Restricted for pensions	-	780,351
Restricted- other	952,057	960,154
Unrestricted	3,912,386	3,130,697
Total net position	<u>\$ 25,671,059</u>	<u>\$ 25,244,483</u>

Net position increased by \$426,576 or 1.69% in 2019 mainly attributed to investment in capital assets. In a year of unstable economic conditions and low investment returns the Village maintained its strong financial position and provided its residents and businesses with the same high level of service. The Village's general obligation debt is \$8,863,756 as compared to \$6,341,674 in 2018, an increase of \$2,522,082. No taxes have been levied for debt service. The debt payments are funded by utility fees from the stormwater fund and tax increment from the Village's tax increment district.

Long term debt also includes a liability for health insurance for a police officer injured on duty and retired under the State of Wisconsin duty disability plan. The Village has a contractual obligation to provide the former employee and his family with health and dental insurance coverage until they reach Medicare eligibility at the same cost as current employees. A long term liability of \$271,942 is included in the government-wide statements; this is a decrease from the previous year's liability of \$287,098. The expense of this obligation is recognized annually in the operating expense of the fund statements.

During 2019 capital expenditures included replacement of HVAC system within the main village hall including the police department, purchase of public works equipment, an expanded pathway from the Village's eastern to western border along its main roadway, the start of construction on a splash pad to be completed in spring 2020, and police equipment including new squad car, laptop computers and video equipment.

Village of Elm Grove Change in Net Position

	Governmental Activities	
	<u>2019</u>	<u>2018</u>
Revenues		
<u>Program revenues</u>		
Charges for services	\$ 2,659,745	\$ 2,645,416
Operating grants and contributions	495,128	542,811
Capital grants and contributions	187,752	17,310
 <u>General revenues</u>		
Taxes	7,013,090	6,859,781
Taxes generated from TID increment	610,076	616,239
Intergovernmental revenue not restricted to specific programs	216,640	201,428
Investment income	247,601	177,846
Other	559,248	419,679
Total revenue	11,989,280	11,480,510
 Expenses		
General Government	1,831,415	1,703,862
Public Safety	4,056,201	3,638,692
Public Works	1,500,461	1,273,283
Health and Sanitation	3,010,966	3,100,795
Library	513,124	510,259
Parks and recreation	345,702	333,368
Interest and fiscal charges	304,835	195,429
Total Expenses	11,562,704	10,755,688
Increase in net position	426,576	724,822
Net position beginning	25,244,483	24,519,661
Net position ending	\$ 25,671,059	\$ 25,244,483

GOVERNMENTAL ACTIVITIES

Governmental activities increased the Village's net position by \$426,576. The tax revenue for 2019 general purposes increased \$153,309 or 2.00%. The Village continues to work to control the levy through careful management and a willingness to evaluate services, personnel and procedures while maintaining its high standard of living. Taxes, without the TID, accounted for 58.49% of the Village's total revenue as compared to 63.16% in 2018. The drop in 2019 operating grants is the result in a reduction in the recycling grant the village receives from our county government. This has been in response to the lower market for resale of recyclables. The Village continues to be committed to recycling and will evaluate its user fees to residents in response to the decline in operating grants. Capital grants increased in 2019. The Village has been working with other the Milwaukee Metropolitan Sewage District and a number of non-profit organizations to obtain grant support for stormwater projects that will provide benefit to our community and the surrounding district. Grant funds were received in 2019 for a project engineering the daylighting of a creek and stormwater management improvements on village property and the neighboring school.

Total charges for services remained constant in 2019. Charges for services come mainly from permits, licenses, sewer, storm water, recreation and public safety fines. Permit revenue saw an increase as residents continue to improve their properties while public safety fines declined during 2019 mainly due to a temporary reduction in the police force due to employee turnover and department transition. The Village contracts with MMSD for sewer treatment and is charged annually for user fees and a capital charge based on equalized property values. The Village tax levy included \$1.320 million for a major portion of the capital charge, all other sewer expenses including maintenance of Village sewer flow system is covered by a user fee. In 2019 the capital charge from MMSD was \$1.507 million. The Village contracts for garbage/recycling collection and annually sets a user fee to cover these costs plus the cost of services provided by the Village for yard waste. The recreation department continues to evaluate what the community wants and provide programs and facilities to meet those needs. Programs are designed to be covered by participant fees. The Village evaluates the fees charged for specific services and programs with the goal of setting fees at a level that will recoup the costs of services. The new aquatic splash pad under construction with a planned opening of summer 2020 will replace a small children's wading pool.

Investment income for 2019 rose reflecting the increased interest rates in the commercial market. The Village invests in certificates of deposit at various term lengths at a number of local banks. This has allowed the Village to diversify its available funds which had been concentrated in the State of Wisconsin Local Government Investment Pool. During 2013 the Village chose to advance funds to build a limited water system within its TID district to assist development. These funds are being paid back to the general fund, plus 3% interest, through tax increments on a commercial parcel within the district. The current year generated \$17,640 of interest revenue to the general fund for its advancement.

Other income for 2019 increased due to donations received for the building of the splash pad. The main sources of other income are from a cell tower lease, franchise fees on cable customers within the Village and donations. Both the cell tower and cable franchise fees decreased slightly as the cell market consolidates and homeowners have more options for television viewing.

The Village continues to control expenses and looks for operating efficiencies in an environment of increasing general costs and rising health insurance costs. Expense in the government wide statements reflect an increase of \$360,000 for the pension liability. As noted earlier the Village participates in the State of Wisconsin Employee Retirement System, one of the nation's strongest. This system is

constantly evaluated and adjustments made as necessary to maintain its integrity. General government expenses increased due depreciation on capital assets, legal expenses for personnel transitions, and payment under the tax incremental district PayGo obligation. Public works increased due to investment in stormwater planning and projects not capitalized but supported with grants. Public safety costs increased due to overtime and benefits, and increased building inspection fees due to our contracted inspection services. These directly correlate to the increased permit revenue. The Village continues to use a Health Reimbursement Account Plan (HRA) with a high deductible health plan in an effort to control health costs.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

As of December 31, 2019 the Village of Elm Grove's governmental funds reported combined ending fund balances of \$6.657 million, an increase of \$1.736 from 2018. The increase is due to \$1,000,000 in borrowing to refund a state trust fund loan in January of 2020 and borrowing for the splash project to be completed in 2020. The general fund ended 2019 with an unassigned fund balance of \$1.288 million which is available for future uses at the Village's discretion. This is within the Village's designated level per its fund balance policy.

GENERAL FUND BUDGETARY HIGHLIGHTS

The yearend results of operations compared to the 2019 budget for the Village of Elm Grove were within budgeted amounts. General Fund revenues exceeded budget by approximately \$51,500. While the Village saw decreases in court fines, its recycling grants and recreation fees it realized increases in permits, investment income and an insurance dividend.

The General Fund expenditures were \$6,069 under budget, this was after a transfer to the capital project fund of \$140,000 and to the Library fund of \$5,000. The transfer to the capital fund will be used for a road paving project in 2020.

The Village budgeted for the use of \$150,000 in fund balance if needed. These funds would be available if needed for unplanned or emergency expenditures while still maintaining the fund balance level within the Village's identified fund balance policy. The Village policy is 15%-25% unassigned fund balance. The Village used \$99,875 of these funds in 2019, and at year-end 2019, the Village had approximately 19.97% of unassigned fund balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

Village of Elm Grove's Capital Assets

(net of depreciation)

	Governmental Activities	
	2019	2018
Land	\$ 7,827,413	\$ 7,827,413
Land Improvements	229,261	195,248
Buildings and Improvements	3,278,181	2,294,568
Intangibles	169,322	210,000
Machinery and Equipment	2,411,951	2,473,731
Construction in Progress	721,171	254,485
Infrastructure	13,575,530	13,281,546
	<u>\$ 28,212,829</u>	<u>\$ 26,536,991</u>

The Village's investment in capital assets for its governmental activities as of December 31, 2019 amounts to \$28.2 million (net of accumulated depreciation). The Village capitalized an additional \$2.959 million in assets and had depreciation expense of \$1,211,744.

Long-term Debt

At the end of 2019 the Village of Elm Grove had total general obligation debt outstanding of \$8.864 million. Debt was issued in 2019 to finance a HVAC project, splash pad, and pathway expansion. In total new general obligation debt of \$3,355,000 was issued of which \$1,000,000 will be used to refund the outstanding state trust fund loan of that amount. Debt was retired during 2019 in the amount of \$832,918. Under state statutes the Village has the authority to borrow 5% of its equalized value or \$62.5 million. Current outstanding debt represents .71% of the Village's equalized value of \$1.25 billion. Prior to the issuance of 2019 general obligation bonds Moody's upgraded the Village's bond rating to Aa1 from Aa2.

Village of Elm Grove's Outstanding Debt

	Governmental Activities	
	2019	2018
General Obligation Bonds		
Stormwater Project Bonds	5,500,000	6,330,000
State Trust Fund Loan	1,000,000	-
Capital Project GO Bonds	2,355,000	-
Trunked Radio GO Debt	<u>8,756</u>	<u>11,674</u>
Total G.O. Debt	<u>\$ 8,863,756</u>	<u>\$ 6,341,674</u>

As was noted earlier, the Village has funds on hand to retire the state trust fund loan in January of 2020. Debt obligations for the stormwater bonds are funded through sewer fees, storm water fees and payment by the TID. The capital project general obligation bonds will be supported by the general tax levy with equal payments over the 20 year term.

Long term debt in the government wide statement includes an accrual for of \$271,942 for future health benefits for a police officer injured in the line of duty. The police officer injured on duty retired under the State of Wisconsin duty disability program. The Village has a contractual obligation to it officers retiring under this program to provide health insurance for them and their families until they reach Medicare age. The present value of this liability is reflected in the government wide statements. A projected cost increase to future annual health premium costs of 5% was used to calculate this liability. The Village continues to utilize a health reimbursement arrangement and make plan design changes to meet employee needs and market changes. The annual cost liability are recorded in the operating expenditures of the fund statements.

The Village has reviewed its liability under GASB 75 for post-retirement benefits other than pension and found the liability to be immaterial. The Village allows public safety employees who retire under the Wisconsin Retirement Program to remain on its group insurance plan but at their own cost. The Village's only liability would be from an implicit rate subsidy until a public safety employee reaches Medicare age. Past history indicates that this benefit is not used due to the high cost to a retiree. In the past ten years no one has utilized this benefit. With the availability of the health marketplace the Village does not anticipate retired officers using this benefit. This benefit will be reviewed each year and recorded if a material change is identified. The Village also participates in the State of Wisconsin life insurance program and has a share of the liability to provide benefits to retirees. Review of this obligation was found to be immaterial and is not included in these statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Village of Elm Grove is a small community, 3.26 square miles with a population of approximately 5,800 people just west of the City of Milwaukee allowing residents access to big city opportunities and a small town environment. The Village provides residents and businesses with 24 hour public safety services through a full-time police force of 17 officers and paid on call fire and paramedic level emergency medical departments. The Village also has a well maintained road system, sanitary sewer system, a library, park facilities and recreation activities.

Elm Grove is a fully-developed community with equalized valuation of over \$1.25 billion. Residential properties comprise 90.5% of real property values. The average assessed value of a single family residence in Elm Grove is \$471,500, substantially higher than state and surrounding municipality averages. The Village continues to see relatively stable housing values during these uncertain economic times. Investment in residential properties continues through remodeling or as in an increasing trend of existing homes torn down and new homes built. This trend is expected to continue.

The Village's 2020 operating and capital budget continues to provide for the same level of services and provide funding of these operations with a stable tax levy. The 2020 budget included a levy increase of .32 % or \$22,195 plus an additional \$146,813 for the debt issuance for capital improvements, below the restricted limit set by the state. The Village's 2020 budget has again qualified the Village to receive payment under the State's Expenditure Restraint Program. The budget includes employee contributions of \$221,000 to the Wisconsin Retirement System, health insurance premium sharing with employees paying 20% of premium cost, a renewal of the health insurance plan with our current provider that reflects a 6.5% premium increase. The Village health plan is designed to improve consumerism with high deductibles and co-insurance contributions. The Village will again fund the health reimbursement plan to assist employees with out of pocket costs. The Village has continually found this to have premium cost savings as compared to a standard health insurance plan. The budget includes \$447,000 of expenditures for its own local library and \$336,000 for paramedic level paid on call emergency medical service. Capital expenditures of \$906,750 plus completion of the splash pad started

in 2019 will be funded through its capital fund, as the Village continues to invest in its infrastructure and equipment.

The Village is continues investigating a number of larger capital projects which will enhance the Village for future years and continue to make the Village of Elm Grove a desirable place to live in southeast Wisconsin. Projects under consideration include the daylighting of Underwood Creek in the downtown area, expansion of pathways to provide walkability, and expansion of the limited municipal water system within the downtown commercial district. The Village continues to work with a contracted municipal design firm on a downtown master plan. These projects will be evaluated and the Village will explore all financing options including grants, donations, and issuance of debt.

The tax increment district value will provide a tax increment of \$634,947, which will be used for the TIF share of debt obligation, to pay back funds advanced from the debt service fund, the general fund and a payment to a developer for a PayGo obligation in conjunction with a commercial development.

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the Village. The Village's evaluation of the effects of these events is ongoing; however we anticipate this situation could impact potential declines in revenues in state aids or charges for services.

The extent of the impact of COVID-19 on the Village's operational and financial performance will depend on future developments, including the duration and spread of the outbreak and related governmental or other regulatory actions.

REQUESTS FOR INFORMATION

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

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

BASIC FINANCIAL STATEMENTS

VILLAGE OF ELM GROVE

Statement of Net Position
As of December 31, 2019

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 13,318,821
Receivables	
Taxes	4,084,948
Delinquent personal property taxes	3,078
Accounts	319,351
Allowance for doubtful accounts	(16,647)
Interest	7,181
Prepays	10,309
Capital Assets	
Land	7,827,413
Construction in progress	721,171
Other capital assets, net of depreciation	19,664,245
Total Assets	<u>45,939,870</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred amounts on advanced refunding of debt	249,176
Deferred amounts related to pensions	2,596,143
Total Deferred Outflows of Resources	<u>2,845,319</u>
 LIABILITIES	
Accounts payable and accrued liabilities	1,553,386
Developer deposits	42,500
Unearned revenue	50,179
Current portion of long-term obligations	2,253,207
Total Current Liabilities	<u>3,899,272</u>
Non-current liabilities	
Net pension liability	954,119
Noncurrent portion of long-term obligations	7,475,245
Total Non-Current Liabilities	<u>8,429,364</u>
Total Liabilities	<u>12,328,636</u>
 DEFERRED INFLOWS OF RESOURCES	
Deferred amounts related to pension	1,321,474
Unearned revenue	9,464,020
Total Deferred Inflows of Resources	<u>10,785,494</u>
 NET POSITION	
Net investment in capital assets	20,806,616
Restricted for:	
Restricted for debt service	825,570
Restricted for donor specified purpose	115,597
Restricted for library	597
Restricted for State Act 102 funding	10,293
Unrestricted	<u>3,912,386</u>
 Total Net Position	<u>\$ 25,671,059</u>

See accompanying notes to the financial statements.

VILLAGE OF ELM GROVE

Statement of Activities
For the Year Ended December 31, 2019

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants & contributions	Capital Grants & Contributions	
Governmental Activities					
General government	\$ 1,831,415	\$ 5,372	\$ 10,000	\$ 24,030	\$ (1,792,013)
Public safety	4,056,201	504,606	51,702	-	(3,499,893)
Health and sanitation	3,010,966	1,964,771	11,204	163,722	(871,269)
Public works	1,500,461	32,679	390,082	-	(1,077,700)
Library	513,124	11,980	32,140	-	(469,004)
Park and recreation	345,702	140,337	-	-	(205,365)
Interest and fiscal charges	304,835	-	-	-	(304,835)
	<u>\$ 11,562,704</u>	<u>\$ 2,659,745</u>	<u>\$ 495,128</u>	<u>\$ 187,752</u>	<u>(8,220,079)</u>
General Revenues:					
Taxes					
Property taxes, levied for general purposes					7,013,090
Property taxes, other (TID #2)					610,076
Intergovernmental revenues not restricted to specific purpose					216,640
Investment income					247,601
Other					559,248
Total general revenues					<u>8,646,655</u>
Change in Net Position					426,576
Net Position at Beginning of the Year					<u>25,244,483</u>
Net Position at End of Year					<u>\$ 25,671,059</u>

See accompanying notes to financial statements.

VILLAGE OF ELM GROVE

Governmental Funds
Balance Sheet
As of December 31, 2019

	General Fund	Special Revenue		Debt Service Fund	Capital Projects	Nonmajor Governmental Funds	Totals
		Sewer Fund	TID #2 Fund		Five Year Capital Fund		
ASSETS							
Cash and investments	\$ 4,671,242	\$ 2,804,180	\$ 345,502	\$ 1,186,469	\$ 3,494,341	\$ 817,087	\$ 13,318,821
Receivables							
Taxes	2,130,468	809,106	289,445	66,926	337,906	451,097	4,084,948
Delinquent personal property tax	3,078	-	-	-	-	-	3,078
Accounts	28,783	54,137	-	-	157,037	79,394	319,351
Allowance for doubtful accounts	-	-	-	-	-	(16,647)	(16,647)
Interest	7,181	-	-	-	-	-	7,181
Advance to other funds	577,721	-	-	846,491	-	-	1,424,212
Prepays	10,309	-	-	-	-	-	10,309
Total Assets	\$ 7,428,782	\$ 3,667,423	\$ 634,947	\$ 2,099,886	\$ 3,989,284	\$ 1,330,931	\$ 19,151,253
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 188,361	\$ 292,614	\$ -	\$ -	\$ 610,254	\$ 15,124	\$ 1,106,353
Accrued liabilities	281,200	-	-	-	-	68,330	349,530
Developer deposits	42,500	-	-	-	-	-	42,500
Unearned revenues	50,179	-	-	-	-	-	50,179
Advance from other funds	-	-	1,424,212	-	-	-	1,424,212
Total Liabilities	562,240	292,614	1,424,212	-	610,254	83,454	2,972,774
Deferred Inflows of Resources							
Unearned revenues	4,805,128	2,048,439	634,947	146,813	741,250	1,087,443	9,464,020
Unavailable revenues	7,181	-	-	-	39,822	10,552	57,555
Total Deferred Inflows of Resources	4,812,309	2,048,439	634,947	146,813	781,072	1,097,995	9,521,575
Fund balance (Deficit)							
Nonspendable	591,108	-	-	-	-	-	591,108
Restricted	9,009	-	-	1,953,073	331,697	117,478	2,411,257
Committed	-	1,326,370	-	-	2,266,261	32,004	3,624,635
Assigned	166,291	-	-	-	-	-	166,291
Unassigned (deficit)	1,287,825	-	(1,424,212)	-	-	-	(136,387)
Total Fund Balance (Deficit)	2,054,233	1,326,370	(1,424,212)	1,953,073	2,597,958	149,482	6,656,904
Total Liabilities, Deferred Inflows of Resources and Fund Balance (Deficit)	\$ 7,428,782	\$ 3,667,423	\$ 634,947	\$ 2,099,886	\$ 3,989,284	\$ 1,330,931	

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

Capital assets used in governmental funds are not financial resources and therefore the funds are not reported in the funds (see Note II.A)	28,212,829
The Village's proportionate share of the Wisconsin Retirement System pension plan is not an available resource; therefore it is not reported in the fund financial statements	
Deferred outflows of resources	2,596,143
Net pension liability	(954,119)
Deferred inflows of resources	(1,321,474)
Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements (See Note II.A)	57,555
A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds (see Note II.A)	249,176
Some liabilities, including long-term debt, are not due and payable in the current period and therefore are not reported in the funds (See Note II.A)	(9,825,955)
Net Position of Governmental Funds	\$ 25,671,059

VILLAGE OF ELM GROVE

Governmental Funds
Statement of Revenue, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2019

	General Fund	Special Revenue		Debt Service Fund	Capital Projects	Nonmajor Governmental Funds	Totals
		Sewer Fund	TID #2 Fund		Five Year Capital Fund		
Revenues							
Taxes	\$ 4,217,390	\$ 1,320,000	\$ 610,076	\$ -	\$ 709,500	\$ 772,000	\$ 7,628,966
Intergovernmental revenues	648,078	-	11,119	-	20,428	195,863	875,488
Licenses and permits	331,925	-	-	-	-	-	331,925
Fines, forfeitures and penalties	123,016	-	-	-	-	-	123,016
Public charges for services	667,716	1,012,948	-	-	14,500	568,503	2,263,667
Commercial revenues	297,230	38,076	-	24,539	132,720	277,967	770,532
Total Revenues	<u>6,285,355</u>	<u>2,371,024</u>	<u>621,195</u>	<u>24,539</u>	<u>877,148</u>	<u>1,814,333</u>	<u>11,993,594</u>
Expenditures							
Current							
General government	1,384,487	-	101,372	-	-	-	1,485,859
Public safety	3,244,358	-	-	-	-	317,700	3,562,058
Health and sanitation	510,540	2,034,421	-	-	-	253,165	2,798,126
Public works	884,634	-	-	-	-	-	884,634
Library	-	-	-	-	-	479,577	479,577
Park and recreation	219,981	-	-	-	-	5,468	225,449
Capital outlay	-	201,268	-	-	2,717,576	256,910	3,175,754
Debt service							
Principal	-	-	-	832,918	-	-	832,918
Interest and fiscal charges	-	-	30,280	167,948	39,177	-	237,405
Total Expenditures	<u>6,244,000</u>	<u>2,235,689</u>	<u>131,652</u>	<u>1,000,866</u>	<u>2,756,753</u>	<u>1,312,820</u>	<u>13,681,780</u>
Excess (deficiency) of revenues over (under) expenditures	<u>41,355</u>	<u>135,335</u>	<u>489,543</u>	<u>(976,327)</u>	<u>(1,879,605)</u>	<u>501,513</u>	<u>(1,688,186)</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets	-	-	-	-	12,572	-	12,572
Debt issued	-	-	-	1,030,000	2,325,000	-	3,355,000
Premium on debt issued	-	-	-	41,023	15,671	-	56,694
Transfers in	3,770	-	-	963,192	366,386	105,000	1,438,348
Transfers out	(145,000)	(100,000)	(594,043)	-	-	(599,305)	(1,438,348)
Total Other Financing Sources (Uses)	<u>(141,230)</u>	<u>(100,000)</u>	<u>(594,043)</u>	<u>2,034,215</u>	<u>2,719,629</u>	<u>(494,305)</u>	<u>3,424,266</u>
Net change in fund balance	(99,875)	35,335	(104,500)	1,057,888	840,024	7,208	1,736,080
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR							
	<u>2,154,108</u>	<u>1,291,035</u>	<u>(1,319,712)</u>	<u>895,185</u>	<u>1,757,934</u>	<u>142,274</u>	<u>4,920,824</u>
FUND BALANCES (DEFICIT) - END OF YEAR							
	<u>\$ 2,054,233</u>	<u>\$ 1,326,370</u>	<u>\$ (1,424,212)</u>	<u>\$ 1,953,073</u>	<u>\$ 2,597,958</u>	<u>\$ 149,482</u>	<u>\$ 6,656,904</u>

See accompanying notes to financial statements.

VILLAGE OF ELM GROVE

Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balance of Governmental Funds to
For the Year Ended December 31, 2019

Net Change in Fund Balances-Total Governmental Funds	\$ 1,736,080
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Amounts recorded for governmental activities in the statement of activities are different because

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

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide statements	3,175,754
Capital assets reported as current expenditures but capitalized	14,444
Some items reported as capital outlay were not capitalized	(230,727)
Depreciation is reported in the government-wide statements	(1,211,744)
Net book value of assets retired	(71,889)

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

Interest receivable on investments	(326)
Receivable for capital project reimbursement	(5,506)
Public safety emergency medical service fees	2,666

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

Debt Issued	(3,355,000)
Premium Issued	(56,694)
Principal retired	832,918

Governmental funds report premiums and discounts associated with the issuance of long-term debt as other financing sources and uses but these items are amortized over the life of the debt issue on the statement of activities.

Amortization of premiums	16,105
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Interest accrued	(42,007)
Net pension liability/asset, deferred outflows related to pensions, and deferred inflows related to pensions	(360,997)
Amortization of loss on refunding debt	(41,529)
Compensated absences	9,872
Benefit agreements	15,156

Change in Net Position of Statement of Activities	\$ <u>426,576</u>
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See accompanying notes to financial statements.

VILLAGE OF ELM GROVE
STATEMENT OF FIDUCIARY NET POSITION
As of December 31, 2019

	Custodial Fund
	Tax Collection Fund
ASSETS	
Cash and temporary investments	\$ 7,863,249
Taxes receivable	6,587,446
Total Assets	14,450,695
LIABILITIES	
Due to other taxing units	14,450,695
Due to other funds	-
Total Liabilities	14,450,695
NET POSITION	
Total Net Position	\$ -

VILLAGE OF ELM GROVE

Statement of Changes in Fiduciary Net Position
As of December 31, 2019

	<u>Custodial Fund</u> Tax Collection Fund
ADDITIONS	
Collections for other taxing units	\$ <u>10,278,405</u>
DEDUCTIONS	
Payments to other taxing units	<u>10,278,405</u>
Change in Net Position	-
Net Position at Beginning of the Year	<u>-</u>
Net Position at End of Year	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

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VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

This report includes all the funds of the Village of Elm Grove (the "Village"). The reporting entity for the Village consists of the primary government and its component units. Component units are reported using one of three methods, discrete presentation, blended, or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A Component unit should be reported as part of the preliminary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government. The Village has not identified any organizations that meet these criteria.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

In January 2017, the GASB issued statement No. 84 – *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes and how those activities should be reported. This standard was implemented January 1, 2019.

In April 2018, the GASB issued statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This statement has increased debt disclosures to disclose additional information and to separate direct borrowings and direct placement of debt from other forms of debt. This standard was implemented January 1, 2019.

Government-Wide Financial Statements

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide Financial Statements (continued)

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

Fund Financial Statements

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

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

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

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Fund Financial Statements (continued)

The Village reports the following major governmental funds:

- General Fund – accounts for the Village’s primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Sewer Fund – Special Revenue Fund - accounts for the Village’s sanitary sewer activities. It is used to account for and report the proceeds of specific revenue source that are legally restricted or committed to expenditures for specified purposes (other than debt service or capital projects).
- Tax Increment District (TID) #2 Fund – Special Revenue Fund – used to account for and report grants and local revenues legally restricted or committed to supporting expenditures outlined in the TID project plan.
- Debt Service Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs other than TID debt.
- Five Year Capital Fund – Capital Projects Fund – used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The Village reports the following non-major governmental funds:

- Special Revenue Funds – used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes (other than debt service or capital projects).
 - Library Fund
 - Emergency Medical Services (EMS) Fund
 - Stormwater Operations Fund
 - Donation Fund
 - Library Gift Fund

In addition, the Village reports the following fiduciary fund type:

- Custodial fund is used to account for and report assets held by the Village in a trustee capacity or as a custodian for individuals, private organizations, and/or other governmental units.
 - Tax Collection Fund

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

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

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

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. The Village utilizes a custodial fund for tax collections for other entities.

All Financial Statements

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

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

1. Deposits and Investments

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

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Deposits and Investments (continued)

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

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

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2019, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note IV.A. For further information.

2. Receivables

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2. Receivables (continued)

Property tax calendar - 2019 tax roll:

Lien date and levy date	December 2019
Tax bills mailed	December 2019
Payment in full, or	January 31, 2020
First installment due	January 31, 2020
Second installment due to County	July 31, 2020
Personal property taxes in full	January 31, 2020
Tax settlement:	
First settlement	January 15, 2020
Second settlement	February 20, 2020
Final settlement	August 20, 2020
Tax deed by County – 2019	
Delinquent real estate taxes	October 2022

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

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

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. Prepays

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

4. Capital Assets

Government –Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. The government defines capital assets as assets with an initial cost of more than \$5,000 for general capital assets and \$10,000 for infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

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

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

5. Deferred Outflows of Resources

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

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

6. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Compensated absences are accrued when incurred in the government-wide statements.

Sick Leave

Sick leave is earned at the rate of 8 hours for each month of service up to a maximum of 1,440 hours for eligible Village employees. Employees having unused accumulated sick leave at retirement, resignation or termination are compensated at varying percentages of the accumulated total, to a maximum of 240 or 480 hours based on longevity, position and current wage rates. The current amount of accumulated sick pay earned at December 31, 2019 for all Village employees that would be due upon termination totals \$280,467.

Vacation

Vacation pay is earned by Village employees based upon longevity of employment and specific departmental benefit schedules. Employees having unused vacation at retirement, resignation or termination are compensated for the unused vacation pay at current wage rates. The amount of unused vacation pay earned at December 31, 2019 for all Village employees is \$154,078.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

6. Compensated Absences (continued)

Compensatory Time

Overtime may be accumulated up to sixty (60) hours which may then be taken off as compensatory time. Compensatory time earned in excess of sixty (60) hours shall be paid out as overtime for the pay period in which it is earned. Compensatory time may be taken off in consecutive hours, not to exceed forty (40) hours and is paid out at current wage rates. The amount of unused compensatory pay earned at December 31, 2019 for all Village employees is \$4,879.

7. Long-Term Obligations

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

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

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

8. Deferred Inflows of Resources

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

9. Equity Classifications

Government–Wide Statements

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

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

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

Fund Statements

Governmental fund equity is classified as fund balance and displayed as follows:

- a. Nonspendable- Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted- Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed- Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal resolution of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

9. Equity Classifications (continued)

Fund Statements (continued)

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

The Village has adopted a formal fund balance policy. The Village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally the Village would first use committed, then assigned and lastly unassigned amounts of fund balance when expenditures are made. The fund balance policy also identifies a targeted unassigned general fund balance of 15-25% of 2020 general fund budgeted expenditures and total unassigned fund balance of not more than 30%. The policy provides for steps that will be undertaken if the year end balances are not within the desired range, and identifies funds the Village will operate, and minimum review periods for the overall policy. The unassigned fund balance at December 31, 2019 is 19.97%, within the targeted level.

10. Pension

For purposes of measuring the net pension asset (liability), 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.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

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

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

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

Capital assets, net of accumulated depreciation	<u>\$ 28,212,829</u>
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Some receivables that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

Unavailable interest on certificates of deposit	\$ 7,181
Unavailable receivable from capital project	39,822
Unavailable ambulance billings	<u>10,552</u>
Combined adjustments for unearned revenues	<u>\$ 57,555</u>

A deferred charge on refunding represents a consumption of net position that applies to a future period and, therefore, is not reported in the funds.

Deferred charges on refunding	<u>\$ 249,176</u>
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Long-term liabilities applicable to the Village's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities—both current and long-term—are reported in the statement of net position.

Bonds and notes payable	\$ 8,863,756
Unamortized premium on refunding bonds	153,330
Compensated absences	439,424
Benefit agreements payable	271,942
Accrued interest	<u>97,503</u>
Combined adjustments for long-term liabilities	<u>\$ 9,825,955</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE III - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. EXCESS EXPENDITURES AND OTHER FINANCING USES OVER APPROPRIATIONS

The Village controls expenditures at the fund level. Some individual funds experienced expenditures which exceeded appropriations. The detail of those items for the general fund and major special revenue funds can be found in the Village’s year-end budget to actual reports. The following other funds experienced expenditures which exceeded appropriations:

Funds	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Excess Expenditures Over Budget
Special Revenue Fund - Library	\$ 442,940	\$ 444,585	\$ (1,645)
Special Revenue Fund - TID #2	720,903	725,695	(4,792)
Special Revenue Fund – EMS	323,200	330,717	(7,517)
Debt Service Fund	966,109	1,000,866	(34,797)

B. LIMITATIONS ON THE VILLAGE’S TAX LEVY

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

C. DEFICIT FUND BALANCES

The Special Revenue Fund – TID #2 had a deficit balance of \$1,424,212. This deficit balance is comprised of two parts; the initial TID project advance of \$846,491 from the Debt Service Fund and an advance from the General Fund of \$577,721 for a limited municipal water system which was an additional project for a new commercial development. The advance from the General Fund was transferred from the Water Project Fund during 2015 as the project is now complete and future tax increments will be used to repay the advance. TID #2 will repay these advances along with interest in future years.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

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

	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Associated Risks</u>
Petty Cash	\$ 495	\$ -	N/A
Demand Deposits	3,364,966	3,538,746	Custodial Credit
Money Market Accounts	12,558,710	12,558,710	Custodial Credit
Certificates of Deposit - Non-negotiable	997,229	997,229	Custodial Credit
LGIP	<u>4,260,670</u>	<u>4,260,670</u>	Credit
Total Cash and Investments	<u>\$ 21,182,070</u>	<u>\$ 21,355,355</u>	
Reconciliation to financial statements			
Per statement of net position			
Cash and investments	\$ 13,318,821		
Per statement of fiduciary net position-			
Custodial Fund	<u>7,863,249</u>		
Total Cash and Investments	<u>\$ 21,182,070</u>		

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

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

PMA Financial Network, Inc. is the administrator for the Wisconsin Investment Series Cooperative (WISC). The investment manager for WISC is PMA Financial Network, Inc. The WISC is not registered with the Securities and Exchange Commission, but invests its funds in accordance with applicable Wisconsin statutes. The WISC has the characteristics of a mutual fund and accordingly, reports the value of its underlying assets at fair value. At December 31, 2019, the Village’s share of the WISC’s assets was substantially equal to the amount reported above.

The Village maintains a collateral agreement with one of its banks. At December 31, 2019, the bank pledged various governmental securities in the amount of \$12.160 million to secure the Village’s deposits.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS (continued)

1. Custodial Credit Risk

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

As of December 31, 2019, \$12,603,686 of the Village's total bank balances were exposed to custodial credit risk as follows:

Uninsured and collateral held by the pledging financial institutions trust department or agent and not in the Village's name	\$ 12,159,895
Uninsured and uncollateralized	<u>443,791</u>
	<u>\$ 12,603,686</u>

2. Credit Risk

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

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

B. RECEIVABLES

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

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

	Unearned	Unavailable
Property taxes and user fees receivable for subsequent year	\$ 9,464,020	\$ -
Subsequent period prepayments	50,179	-
Other receivables not currently available	-	57,555
Governmental Funds	\$ 9,514,199	\$ 57,555
Unearned revenues included in liabilities	\$ 50,179	
Unearned revenues included in deferred inflows	9,464,020	
Total Unearned Revenues in Governmental Funds	\$ 9,514,199	

The Village has an outstanding receivable in its Capital Projects Fund of \$157,037. This receivable includes three components; \$6,500 for the sale of used public works equipment received on January 10, 2020, a receivable for \$110,717 for the purchase of a public safety tactical vehicle as part of a consortium of local municipalities. There are nine participating communities and the Village of Elm Grove is facilitating the purchase of the vehicle. Donations are being received to help support this purchase and the communities will all share equally in the net cost after the donations. As of February 29, 2020 donations of \$77,000 have been received. The Village’s share for this piece of equipment will be \$24,400. The third item in the receivable is an insurance reimbursement due for damage done in the basement of the public safety building in the installation of a new HVAC system. The Village is continuing to work with the insurance company and its contractor for reimbursement and expects to fully collect this amount. Due to the unavailability of funds the Village is recognizing unavailable revenue in its government wide statements to better present its current position of available resources.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Capital Assets not being Depreciated:</u>				
Land and Improvements	7,827,413	-	-	\$ 7,827,413
Construction in Progress	254,485	557,001	(90,315)	721,171
Total Capital Assets not being Depreciated/Amortized	8,081,898	557,001	(90,315)	8,548,584
<u>Other Capital Assets</u>				
Intangible Assets	255,627	-	-	\$ 255,627
Land Improvements	394,083	53,350	(32,544)	414,889
Buildings and Improvements	6,069,200	1,200,516	(225,061)	7,044,655
Machinery and Equipment	6,679,766	359,878	(231,452)	6,808,192
Infrastructure	24,835,030	879,041	(6,174)	25,707,897
Total Capital Assets being Depreciated/Amortized	38,233,707	2,492,785	(495,231)	40,231,261
Total Capital Assets	\$ 46,315,605	\$ 3,049,786	\$ (585,546)	\$ 48,779,845
<u>Less Accumulated Depreciation/Amortization</u>				
Intangible Assets	\$ (45,628)	\$ (40,678)	\$ -	(86,305)
Land Improvements	(198,836)	(19,336)	32,544	(185,628)
Buildings and Improvements	(3,774,632)	(150,141)	158,299	(3,766,474)
Machinery and Equipment	(4,206,034)	(416,532)	226,325	(4,396,241)
Infrastructure	(11,553,484)	(585,057)	6,174	(12,132,367)
Total Accumulated Depreciation/Amortization	(19,778,614)	(1,211,744)	423,342	(20,567,016)
Net Capital Assets	\$ 26,536,991	\$ 1,838,042	\$ (162,204)	\$ 28,212,829
Depreciation/Amortization Expense was charged to functions as follows:				
General Government			\$ 221,829	
Public Safety			201,618	
Health and Sanitation			205,328	
Highway and Transportaiton			453,607	
Library			13,349	
Park and Recreation			116,013	
Total Depreciation/Amortization Expense			\$ 1,211,744	

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

D. TRANSFERS AND ADVANCES

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

Transfers

The following is a schedule of interfund transfers during the year ended December 31, 2019:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
	Special Revenue - Stormwater		
Debt Service Fund	Operations Fund	\$ 372,919	Debt service
Debt Service Fund	Special Revenue - TID Fund	590,273	Debt service
Stormwater Fund	Sewer Fund	100,000	Green Infrastructure
Capital Project Fund	General Fund	140,000	Capital projects
Capital Project Fund	Donation Fund	226,386	Splash Pad
Special Revenue - Library Fund	General Fund	5,000	Operations
General Fund	Special Revenue - TID Fund	3,770	TID Administration
	Total-Fund Financial Statements	<u>1,438,348</u>	
	Less: Fund Elimination	<u>(1,438,348)</u>	
	Total - Government-Wide Financial Statements	<u>\$ -</u>	

The transfers above were authorized in the 2019 budget.

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

Advances

The Village advanced funds to the TID #2 Special Revenue Fund for a repayment of debt obligations associated with the TID stormwater management project in 2006. These funds were advanced from the debt service fund and are being repaid with future increments and interest at the Village's average rate earned on funds invested in the LGIP annually. For 2019, interest of \$12,639 at a rate of 2.23% was charged.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

D. Transfers and Advances (continued)

Advances (continued)

Funds were also advanced from the General Fund for the building of a limited municipal water system for a new commercial development within the TID. The TID #2 Special Revenue Fund will repay this advance from increments generated from the new commercial development, an assisted living facility. Interest of 3% will be paid on the outstanding advance. During 2019, interest of \$17,641 was charged.

As of December 31, 2019, funds advanced were:

TID #2 Special Revenue Fund		
From Debt Service for stormwater	\$	846,491
From General Fund for water		<u>577,721</u>
Total- Fund Financial Statements		1,424,212
Less: Fund Eliminations		<u>(1,424,212)</u>
Total Advances- Government-Wide Statement of Net Position	\$	<u><u>-</u></u>

E. LONG-TERM OBLIGATIONS

Long-term obligation activity for the year ended December 31, 2019, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental Activities					
Bonds/Notes Payable					
General obligation debt	\$ 6,330,000	\$ 2,355,000	\$ (830,000)	\$ 7,855,000	\$ 975,000
General obligation notes from direct placements or direct borrowings	11,674	1,000,000	(2,918)	1,008,756	1,002,918
Unamortized premium	<u>112,741</u>	<u>56,694</u>	<u>(16,105)</u>	<u>153,330</u>	<u>-</u>
Total bonds/notes payable	<u>6,454,415</u>	<u>3,411,694</u>	<u>(849,023)</u>	<u>9,017,086</u>	<u>1,977,918</u>
Other Liabilities					
Vested compensated absences	449,296	295,205	(305,077)	439,424	256,927
Net pension liability	-	954,119	-	954,119	-
Benefit agreements payable	<u>287,098</u>	<u>-</u>	<u>(15,156)</u>	<u>271,942</u>	<u>18,362</u>
Total Governmental Activities - Long-Term Liabilities	<u>\$ 7,190,809</u>	<u>\$ 4,661,018</u>	<u>\$ (1,169,256)</u>	<u>\$ 10,682,571</u>	<u>\$ 2,253,207</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

E. LONG-TERM OBLIGATIONS (continued)

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated in the Debt Service Fund.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed 5% of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2019, was \$62,493,385. Total general obligation debt outstanding at year end was \$8,863,756.

Type	Date of Issue	Interest Rate	Principal Due	Interest Payable	Original Indebtedness	Balance 12/31/2019
General Obligation						
Refunding Bonds - Stormwater	2012	1.0-2.25%	8/1/12-25	2/1 & 8/1	\$ 9,450,000	\$ 5,500,000
State Trust Fund Loan - direct	2019	4.50%	3/15/20-29 *	3/15	1,000,000	1,000,000
Capital Project GO Bonds	2019	2.0-3.0%	3/1/20-39	3/1 & 9/1	2,355,000	2,355,000
Trunked Radio GO Note - direct	2014	0%	2/15/15-22	n/a	23,346	8,756
						<u>\$ 8,863,756</u>

* The Village borrowed to prepay this loan and payment was made in January 2020. See Note V.F for further details.

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

Year	General Obligation Notes			General Obligation Notes From Direct Borrowings and Direct Placements		
	Principal	Interest	Total	Principal	Interest	Total
2020	975,000	168,405	1,143,405	1,002,918	36,248	1,039,166
2021	1,025,000	155,635	1,180,635	2,918	-	2,918
2022	1,060,000	134,160	1,194,160	2,920	-	2,920
2023	1,095,000	110,729	1,205,729	-	-	-
2024	940,000	86,336	1,026,336	-	-	-
2025-2029	1,435,000	211,781	1,646,781	-	-	-
2030-2034	630,000	118,025	748,025	-	-	-
2035-2039	695,000	43,203	738,203	-	-	-
	<u>\$ 7,855,000</u>	<u>\$ 1,028,274</u>	<u>\$ 8,883,274</u>	<u>\$ 1,008,756</u>	<u>\$ 36,248</u>	<u>\$ 1,045,004</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

E. LONG-TERM OBLIGATIONS (continued)

Other Liabilities

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

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

The net pension liability attributed to governmental activities will be liquidated primarily by the General Fund.

Benefit agreements payable represent the continuation of health insurance for a retired police officer. During 2011, a police officer injured in the line of duty retired under the State of Wisconsin disability program. The Village has a contractual obligation to provide the disabled officer and his family health insurance until he reaches Medicare age. The liability for this agreement is recorded in the government-wide statements and will be liquidated primarily by the General Fund.

F. LEASE DISCLOSURES

The Village has a lease agreement with a company that has a cell tower on the Village grounds. The company then leases space on the tower to multiple cellular phone companies and the Village receives an identified percentage of each lease. There are five providers on the tower. The lease terms vary; there are four long-term lease and have option periods extending the agreements until terminated by either party. The revenue on the leases is recorded in the general fund and supports general operations. Rent revenue in 2019 was \$128,703. Below are the estimated revenues for years 2020-2024.

<u>Year</u>		
2020	\$	129,710
2021		136,357
2022		143,362
2023		150,112
2024		156,571
	\$	<u>716,112</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

G. NET POSITION/FUND BALANCE

Net Position reported on the Government-Wide Statement of Net Position at December 31, 2019 includes the following:

Net investment in capital assets	
Land	\$ 7,827,413
Construction in progress	721,171
Other capital assets, net of accumulated depreciation	19,664,245
Less: related long-term debt outstanding	(8,863,756)
Add: unspent debt proceeds	1,361,697
Add: unamortized loss on refunding	249,176
Less: unamortized premium	<u>(153,330)</u>
Total net investment in capital assets	<u>20,806,616</u>
Restricted for debt service	825,570
Restricted for donor specified purpose	115,597
Restricted for library	597
Restricted for State Act 102 funding	10,293
Unrestricted	<u>3,912,386</u>
Total Governmental Activities Net Position	<u>\$ 25,671,059</u>

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE IV – DETAILED NOTES ON ALL FUNDS

G. NET POSITION/FUND BALANCE (continued)

Governmental fund balances reported on the fund financial statements as of December 31, 2019 include the following:

Nonspendable

General Fund

Prepaid Items	\$	10,309
Unpaid Prior Year Personal Property Taxes		3,078
Advance to Municipal Water Project Fund		577,721
	\$	591,108

Restricted

General Fund

Donor Specified	\$	9,009
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Debt Service Fund

Debt service	1,953,073
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Capital Projects Fund

Capital Projects-Unspent Proceeds	331,697
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Special Revenue Funds

Library	597
EMS-Donor Specified	44,690
EMS-State ACT 102 funding	10,293
Library Gift-Donor Specified	61,898
	\$ 2,411,257

Committed

Capital Projects Fund

Capital Projects	\$	2,266,261
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Sewer Fund

Sewer Operations and Infrastructure	1,326,370
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Special Revenue Funds

Stormwater	3,341
Donations	18,596
Emergency Medical Service	10,067
	\$ 3,624,635

Assigned

General Fund

Donor Specific Purpose	\$	12,378
Funds for Fire Department Events		3,913
2020 Budget Appropriation		150,000
	\$	166,291

Unassigned (Deficit)

General Fund	\$	1,287,825
TID # 2 (deficit)		(1,424,212)
	\$	(136,387)

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

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 and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

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

Benefits provided. Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to 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 annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

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

The WRS also provides death and disability benefits for employees.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

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 and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category merged into the General Employee category. 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 \$277,725 in contributions from the Village.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

Contribution rates for the plan year reported as of December 31, 2019 are:

Employee Category	Employee	Employer
General (Executives & Elected Officials)	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

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

At December 31, 2019, the Village reported a liability of \$954,119 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the Village's proportion was .02681855%, which was an increase of .00053629% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Village recognized pension expense of \$646,001.

At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 743,114	\$ 1,313,559
Changes in assumptions	160,829	-
Net differences between projected and actual earnings on pension plan investments	1,393,426	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	5,694	7,915
Employer contributions subsequent to the measurement date	293,080	-
Total	\$ 2,596,143	\$ 1,321,474

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

\$293,080 reported as deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31,	Amortization of deferred inflows and outflows
2020	\$ 357,761
2021	89,071
2022	154,094
2023	380,663

Actuarial assumptions. The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	December 31, 2017
Measurement date of net pension liability	December 31, 2018
Actuarial cost method	Entry Age
Asset valuation method	Fair Market Value
Long-term expected rate of return	7.0%
Discount rate	7.0%
Salary increases	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Post-retirement adjustments*	1.9%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE V – OTHER INFORMATION

A. EMPLOYEES’ RETIREMENT SYSTEM (continued)

Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The total pension liability for December 31, 2018 is based upon a roll-forward of the asset calculated from the December 31, 2017 actuarial valuation.

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

**Asset Allocation Targets and Expected Returns
As of December 31, 2018**

<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	49%	8.1%	5.5%
Fixed Income	24.5	4.0	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	110	7.3	4.7
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.6	5.0
International Equities	30	8.5	5.9
Total Variable Fund	100	8.0	5.4

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2. 5%

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

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE V – OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM (continued)

Single discount rate. A single discount rate of 7.00% was used to measure the total pension liability, as opposed to a discount rate of 7.2% for the prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long term bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% 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.

Sensitivity of the Village's proportionate share of the net pension liability (asset) to changes in the discount rate The following presents the Village's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Village's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
Village's proportionate share of the net pension liability (asset)	\$ 3,791,772	\$ 954,119	\$ (1,155,894)

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

At December 31, 2019, the village reported a payable to the pension plan of \$54,581 which represents contractually required contributions outstanding as of the end of the year.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE V – OTHER INFORMATION

B. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The Village uses a high deductible plan for health insurance. The Village purchases commercial insurance for all other risks. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Self-Insurance

The Village uses a high deductible plan for its health insurance and funds the deductibles, co-insurance and a portion of co-pays through a health reimbursement account. This method allows the Village to self-fund the first dollars of health care for each insured on an annual basis. For 2019, the liability was limited to \$6,500 for employees with single coverage and \$13,000 for family coverage. The health reimbursement account is structured that the Village only reimburses for cost incurred and the Village maintains the plan not the individual. The costs are budgeted and expensed annually. Claims must be submitted within 120 days of year end. For 2019, the Village had a potential liability of \$470,000 and incurred claims of approximately \$161,000. For 2018, the Village had a potential liability of \$472,000 and incurred claims of \$120,000. The Village changed plan designs in 2017 receiving a substantial premium reduction but assuming more initial costs through the HRA. Historically the industry average has been less than 25% usage of total liability. The Village has used this type of plan since 2004 providing annual premium savings and overall health cost savings.

C. COMMITMENTS AND CONTINGENCIES

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

From time to time the Village is party to various pending claims and legal proceedings. These legal actions and claims are defended by the Village's various insurance carriers, since claims brought against the Village are covered by insurance policies. In the opinion of Village management, any legal actions and claims or other proceedings known to exist at December 31, 2019, are not likely to have a material adverse impact on the Village's financial position.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2019

NOTE V – OTHER INFORMATION

The Village has outstanding commitments totaling approximately \$448,000 at year end for public works vehicle and new ambulance that was received in March 2020. The Village's police department is part of a multi-municipal suburban critical incident team (SCIT). This Village has placed an order for a tactical rescue vehicle and made a down payment on behalf of the multi-municipal team. The Village of Elm Grove will facilitate the purchase of this vehicle and collection of each municipality's share of the cost. The Village's share of the cost will be \$24,400.

The Village also began construction of a new amenity in its aquatic center, a splash pad. The total estimated cost of the project is \$1,100,000 which is being financed by general obligation bonds issued in the fall of 2019, donated funds and funds available in its capital project fund. The project began in 2019 and will be completed in the spring of 2020. Costs for work done in 2019 of approximately \$500,000 are recorded in the current financial statements. A contract with a local road paving contractor of \$170,000 is outstanding. This project will be done in 2020 due to delayed completion of an extensive sewer project done at the site.

D. MUNICIPAL REVENUE OBLIGATION

In 2014, through its tax incremental financing district, the Village issued a promissory note to a developer for certain costs identified in the building of an assisted living facility on a former commercial property site. The note is issued as a PayGo obligation to be paid solely from tax increments collected from this developed parcel and only after repayment of Village funds for infrastructure improvements made in conjunction with this development.

The first payment of this obligation was made during 2016 and payments are scheduled through the year 2024. The total obligation was \$617,975 plus interest of 5.335%. The balance as of December 31, 2019 was \$433,084. It is expected that the Village will have increment available to make annual payments of this obligation. Since the amount of future payments is contingent on the collection of future TID increments, the obligation is not reported as a liability in the accompanying statements.

VILLAGE OF ELM GROVE

NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2019

NOTE V – OTHER INFORMATION

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

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

- Statement No. 87, *Leases*
- Statement No. 89, *Account for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 91, *Conduit Debt Obligations*

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

F. SUBSEQUENT EVENT

On January 6, 2020, the Village repaid the outstanding State of Wisconsin Trust Fund loan of \$1,000,000 plus interest which was borrowed for a HVAC project. The Village chose to refinance this project with general obligation bonds issued in the fall of 2019 to take advantage of favorable interest rates and combine with other capital projects, the new splash pad and a pathway from the eastern to western boundary of the Village on its major roadway.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF ELM GROVE

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget to Actual (Non-GAAP)

For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes	\$ 4,211,590	\$ 4,211,590	\$ 4,217,390	\$ 5,800
Intergovernmental	691,440	691,440	647,833	(43,607)
Licenses and Permits	238,400	238,400	331,925	93,525
Fines, Foreitures and Penalties	176,500	176,500	123,016	(53,484)
Public Charges for Service	669,275	669,275	667,716	(1,559)
Commercial Revenues	244,500	244,500	294,396	49,896
Total Revenues	<u>6,231,705</u>	<u>6,231,705</u>	<u>6,282,276</u>	<u>50,571</u>
EXPENDITURES				
Current				
General Government	1,264,525	1,287,025	1,285,784	1,241
Municipal Court	91,575	91,575	93,679	(2,104)
Police	2,255,100	2,255,100	2,273,538	(18,438)
Dispatch	529,775	529,775	522,107	7,668
Fire	314,095	314,095	287,341	26,754
Inspections	96,720	158,720	158,505	215
Health and Sanitation	498,450	498,450	510,540	(12,090)
Highway and Transportation	868,250	738,750	740,094	(1,344)
Forestry	145,505	145,505	144,540	965
Park and recreation	221,425	221,425	218,223	3,202
Contingency	100,000	-	-	-
Total Expenditures	<u>6,385,420</u>	<u>6,240,420</u>	<u>6,234,351</u>	<u>6,069</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(153,715)</u>	<u>(8,715)</u>	<u>47,925</u>	<u>56,640</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,770	3,770	3,770	-
Transfers out	-	(145,000)	(145,000)	-
Total Other Financing Sources (Uses)	<u>3,770</u>	<u>(141,230)</u>	<u>(141,230)</u>	<u>-</u>
Net Change in Fund Balance on budgetary basis	<u>\$ (149,945)</u>	<u>\$ (149,945)</u>	<u>(93,305)</u>	<u>\$ 56,640</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Revenues credited to designated accounts				
Intergovernmental revenue			245	
Commercial revenue			2,834	
			<u>3,079</u>	
Expenditures charged to designated accounts				
General Government			5,024	
Public Safety			2,867	
Park and Recreation			1,758	
			<u>9,649</u>	
Net Change in Fund Balance - GAAP			<u>(99,875)</u>	
FUND BALANCE- beginning of year			<u>2,154,108</u>	
FUND BALANCE- END OF YEAR			<u>\$ 2,054,233</u>	

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

VILLAGE OF ELM GROVE

Special Revenue - Sewer Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 1,320,000	\$ 1,320,000	\$ 1,320,000	\$ -
Public charges for services - user and connection charge	1,036,500	1,036,500	1,012,948	(23,552)
Commercial revenues				
Investment income	30,000	30,000	38,076	8,076
Total Revenues	<u>2,386,500</u>	<u>2,386,500</u>	<u>2,371,024</u>	<u>(15,476)</u>
EXPENDITURES				
Current - health and sanitation				
Metropolitan sewer and capital cost recovery charges	1,896,300	1,896,300	1,877,936	18,364
Inspection and engineering	15,000	15,000	16,608	(1,608)
Legal, audit and insurance	20,500	20,500	17,746	2,754
Administrative	60,200	60,200	54,451	5,749
Miscellaneous	4,000	4,000	2,260	1,740
Infrastructure repair and maintenance	60,000	60,000	65,420	(5,420)
Capital outlay	16,500	201,500	201,268	232
Total Expenditures	<u>2,072,500</u>	<u>2,257,500</u>	<u>2,235,689</u>	<u>21,811</u>
Excess of revenues over expenditures	<u>314,000</u>	<u>129,000</u>	<u>135,335</u>	<u>6,335</u>
OTHER FINANCING USES				
Transfer out				
Stormwater	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ 214,000</u>	<u>\$ 29,000</u>	35,335	<u>\$ 6,335</u>
FUND BALANCE - Beginning of Year			<u>1,291,035</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,326,370</u>	

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

VILLAGE OF ELM GROVE

Special Revenue - Tax Increment District #2
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes- TID Increment	\$ 608,940	\$ 608,940	\$ 610,076	\$ 1,136
Intergovernmental revenues	8,940	8,940	11,119	2,179
Total Revenues	<u>617,880</u>	<u>617,880</u>	<u>621,195</u>	<u>3,315</u>
EXPENDITURES				
Current - general government				
Administrative	4,000	4,000	1,550	2,450
Developer Incentive	96,335	96,335	99,822	(3,487)
Debt service - Interest on advances	26,525	26,525	30,280	(3,755)
Total Expenditures	<u>126,860</u>	<u>126,860</u>	<u>131,652</u>	<u>(4,792)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>491,020</u>	<u>491,020</u>	<u>489,543</u>	<u>(1,477)</u>
OTHER FINANCING USES				
Transfers Out				
General fund	(3,770)	(3,770)	(3,770)	-
Debt service fund	(590,273)	(590,273)	(590,273)	-
Total Other Financing Uses	<u>(594,043)</u>	<u>(594,043)</u>	<u>(594,043)</u>	<u>-</u>
Net change in fund balance	<u>\$ (103,023)</u>	<u>\$ (103,023)</u>	(104,500)	<u>\$ (1,477)</u>
FUND BALANCE (DEFICIT) - Beginning of Year			<u>(1,319,712)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (1,424,212)</u>	

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

VILLAGE OF ELM GROVE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
 WISCONSIN RETIREMENT SYSTEM
 For the Year Ended December 31, 2019

WRS Fiscal Year End	Proportion of Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2014	0.02600506%	\$ (638,755)	\$ 2,926,697	21.83%	102.74%
12/31/2015	0.02564330%	\$ 416,699	\$ 3,034,482	13.73%	98.20%
12/31/2016	0.02568735%	\$ 211,725	\$ 3,195,495	6.63%	99.12%
12/31/2017	0.02628226%	\$ (780,351)	\$ 3,172,314	24.60%	102.93%
12/31/2018	0.02681855%	\$ 954,119	\$ 3,236,257	29.48%	96.45%

SCHEDULE OF EMPLOYER CONTRIBUTIONS- WISCONSIN RETIREMENT SYSTEM
 For the Year Ended December 31, 2019

Village Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2015	\$ 242,202	\$ 242,202	\$ -	\$ 3,034,482	7.98%
12/31/2016	\$ 255,257	\$ 255,257	\$ -	\$ 3,195,495	7.99%
12/31/2017	\$ 278,623	\$ 278,623	\$ -	\$ 3,172,314	8.78%
12/31/2018	\$ 285,004	\$ 285,004	\$ -	\$ 3,236,257	8.81%
12/31/2019	\$ 293,080	\$ 293,080	\$ -	\$ 3,364,714	8.71%

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

VILLAGE OF ELM GROVE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2019

NOTE I – BUDGETARY INFORMATION

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

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

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

NOTE II – WISCONSIN RETIREMENT SYSTEM

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

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

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

Changes in Assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015-2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

See independent auditors' report.

SUPPLEMENTARY INFORMATION

VILLAGE OF ELM GROVE

Nonmajor Governmental Funds
Combining Balance Sheet
As of December 31, 2019

	Special Revenue Funds					Total
	Library Fund	EMS Fund	Stormwater Operations Fund	Donation Fund	Library Gift Fund	
ASSETS						
Cash and temporary investments	\$ 233,352	\$ 231,842	\$ 269,996	\$ 19,515	\$ 62,382	\$ 817,087
Receivables						
Taxes	180,872	101,019	169,206	-	-	451,097
Accounts	-	37,710	41,684	-	-	79,394
Allowance for doubtful accounts	-	(16,647)	-	-	-	(16,647)
TOTAL ASSETS	<u>\$ 414,224</u>	<u>\$ 353,924</u>	<u>\$ 480,886</u>	<u>\$ 19,515</u>	<u>\$ 62,382</u>	<u>\$ 1,330,931</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 2,142	\$ 3,107	\$ 8,472	\$ 919	\$ 484	\$ 15,124
Accrued liabilities	14,715	53,615	-	-	-	68,330
Total Liabilities	<u>16,857</u>	<u>56,722</u>	<u>8,472</u>	<u>919</u>	<u>484</u>	<u>83,454</u>
Deferred Inflows of Resources						
Unearned revenues	396,770	221,600	469,073	-	-	1,087,443
Unavailable revenues	-	10,552	-	-	-	10,552
Total Deferred Inflows of Resources	<u>396,770</u>	<u>232,152</u>	<u>469,073</u>	<u>-</u>	<u>-</u>	<u>1,097,995</u>
Fund Balances						
Restricted	597	54,983	-	-	61,898	117,478
Committed	-	10,067	3,341	18,596	-	32,004
Total Fund Balances	<u>597</u>	<u>65,050</u>	<u>3,341</u>	<u>18,596</u>	<u>61,898</u>	<u>149,482</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 414,224</u>	<u>\$ 353,924</u>	<u>\$ 480,886</u>	<u>\$ 19,515</u>	<u>\$ 62,382</u>	<u>\$ 1,330,931</u>

VILLAGE OF ELM GROVE

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures
For the Year Ended December 31, 2019

	Special Revenue Funds					Total
	Library	EMS	Stormwater	Donation	Library Gift	
	Fund	Fund	Operations Fund	Fund	Fund	
REVENUES						
Taxes	\$ 393,000	\$ 200,000	\$ 179,000	\$ -	\$ -	\$ 772,000
Intergovernmental revenues	32,140	-	163,723	-	-	195,863
Public charges for services	11,980	106,480	450,043	-	-	568,503
Commercial revenues	2,511	4,466	3,940	210,658	56,392	277,967
Total Revenues	<u>439,631</u>	<u>310,946</u>	<u>796,706</u>	<u>210,658</u>	<u>56,392</u>	<u>1,814,333</u>
EXPENDITURES						
Current						
Public safety	-	315,610	-	2,090	-	317,700
Health and sanitation	-	-	253,165	-	-	253,165
Park and recreation	-	-	-	5,468	-	5,468
Library	444,585	-	-	-	34,992	479,577
Capital outlay	-	15,107	214,703	27,100	-	256,910
Total Expenditures	<u>444,585</u>	<u>330,717</u>	<u>467,868</u>	<u>34,658</u>	<u>34,992</u>	<u>1,312,820</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,954)</u>	<u>(19,771)</u>	<u>328,838</u>	<u>176,000</u>	<u>21,400</u>	<u>501,513</u>
OTHER FINANCING SOURCES (USES)						
Transfer in	5,000	-	100,000	-	-	105,000
Transfer out	-	-	(372,919)	(226,386)	-	(599,305)
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>-</u>	<u>(272,919)</u>	<u>(226,386)</u>	<u>-</u>	<u>(494,305)</u>
Net change in fund balance	46	(19,771)	55,919	(50,386)	21,400	7,208
FUND BALANCES (Deficit) - Beginning of Year	<u>551</u>	<u>84,821</u>	<u>(52,578)</u>	<u>68,982</u>	<u>40,498</u>	<u>142,274</u>
FUND BALANCES - END OF YEAR	<u>\$ 597</u>	<u>\$ 65,050</u>	<u>\$ 3,341</u>	<u>\$ 18,596</u>	<u>\$ 61,898</u>	<u>\$ 149,482</u>

VILLAGE OF ELM GROVE
GENERAL FUND-REVENUES AND TRANSFERS (Non-GAAP)
Budgetary Comparison Schedule
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
TAXES				
Property taxes	\$ 4,211,590	\$ 4,211,590	\$ 4,217,390	\$ 5,800
INTERGOVERNMENTAL REVENUES				
State shared revenues	80,235	80,235	80,237	2
Expenditure restraint	88,850	88,850	88,862	12
Fire insurance dues	38,500	38,500	41,611	3,111
State and federal aids				
Transportation aids	375,000	375,000	375,000	-
Exempt computer aid	10,000	10,000	10,000	-
Personal Property Tax Aid	21,815	21,815	21,813	(2)
Public safety grants	3,040	3,040	9,106	6,066
Miscellaneous state aid	22,000	22,000	10,000	(12,000)
Waukesha County Grants - Recycling	52,000	52,000	11,204	(40,796)
	<u>691,440</u>	<u>691,440</u>	<u>647,833</u>	<u>(43,607)</u>
LICENSES AND PERMITS				
Licenses	16,150	16,150	17,054	904
Cable TV franchise fees	62,000	62,000	61,528	(472)
Permits	160,250	160,250	253,343	93,093
	<u>238,400</u>	<u>238,400</u>	<u>331,925</u>	<u>93,525</u>
FINES, FORFEITURES AND PENALTIES				
Court fines	176,500	176,500	123,016	(53,484)
PUBLIC CHARGES FOR SERVICES				
General government	3,000	3,000	5,372	2,372
Protection of persons and property	1,750	1,750	2,049	299
Public works				
Solid waste user charge	498,450	498,450	496,232	(2,218)
Miscellaneous public works	10,500	10,500	23,726	13,226
	<u>513,700</u>	<u>513,700</u>	<u>527,379</u>	<u>13,679</u>

VILLAGE OF ELM GROVE
GENERAL FUND-REVENUES AND TRANSFERS (Non-GAAP)
Budgetary Comparison Schedule
For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Recreation Activities				
Swim team	\$ 11,000	\$ 11,000	\$ 11,005	\$ 5
Swimming lessons	13,500	13,500	10,922	(2,578)
Swimming fees	40,000	40,000	36,017	(3,983)
Pool rental	6,750	6,750	6,383	(367)
Tennis team	4,775	4,775	5,045	270
Tennis lessons	5,000	5,000	4,483	(517)
Tennis fees	2,000	2,000	400	(1,600)
Summer recreation and children's activities	16,700	16,700	12,180	(4,520)
Baseball	10,250	10,250	11,527	1,277
Aerobic/exercise	20,000	20,000	19,543	(457)
Soda sales	7,000	7,000	5,695	(1,305)
Picnic reservations	8,000	8,000	6,997	(1,003)
Adult programs	4,200	4,200	2,625	(1,575)
Shared Programs	6,200	6,200	7,256	1,056
Miscellaneous recreation	200	200	259	59
	<u>155,575</u>	<u>155,575</u>	<u>140,337</u>	<u>(15,238)</u>
Public charges for services	<u>669,275</u>	<u>669,275</u>	<u>667,716</u>	<u>(1,559)</u>
COMMERCIAL REVENUES				
Investment income	109,800	109,800	121,649	11,849
Cell tower lease revenue	130,000	130,000	128,703	(1,297)
Miscellaneous revenue	4,700	4,700	44,044	39,344
	<u>244,500</u>	<u>244,500</u>	<u>294,396</u>	<u>49,896</u>
OTHER FINANCING SOURCES				
Transfer in - TID Fund	<u>3,770</u>	<u>3,770</u>	<u>3,770</u>	<u>-</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES ON BUDGETARY BASIS	<u>\$ 6,235,475</u>	<u>\$ 6,235,475</u>	6,286,046	<u>\$ 50,571</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Revenues credited to designated accounts				
Intergovernmental revenue			245	
Commercial revenue			<u>2,834</u>	
TOTAL REVENUES AND OTHER FINANCING SOURCES			<u>\$ 6,289,125</u>	

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance
	Original	Final		with Final Budget
CURRENT				
General Government				
Salaries and wages	\$ 382,000	\$ 382,000	\$ 385,649	\$ (3,649)
Fringe benefits	140,450	140,450	135,380	5,070
Legal	30,000	52,500	52,451	49
Attorney's retainer	14,945	14,945	14,725	220
Election	4,470	4,470	4,014	456
Office supplies	3,500	3,500	3,993	(493)
Printing, publishing, and postage	10,000	10,000	12,310	(2,310)
Utilities	95,000	95,000	80,510	14,490
Contracted services				
Tax roll preparation	4,665	4,665	4,638	27
Weights and measures	800	800	800	-
Audit and accounting	14,750	14,750	14,000	750
Payroll service	6,700	6,700	6,274	426
Assessor services	110,500	110,500	110,569	(69)
Elmbrook humane society	8,925	8,925	8,925	-
Wildlife management	6,000	6,000	15,055	(9,055)
Computer maintenance	71,000	71,000	73,539	(2,539)
Office equipment maintenance	10,350	10,350	10,625	(275)
Building cleaning	23,100	23,100	23,016	84
Internet expense	41,500	41,500	40,636	864
Zoning administrative	3,500	3,500	4,489	(989)
GIS expense	10,000	10,000	13,274	(3,274)
Insurance	200,750	200,750	193,683	7,067
Training, dues, memberships	9,000	9,000	11,345	(2,345)
License expense	1,800	1,800	3,037	(1,237)
Community relations	2,620	2,620	2,025	595
July 4th celebration	14,000	14,000	14,438	(438)
Building maintenance	40,000	40,000	36,704	3,296
Write-off delinquent taxes	-	-	3,068	(3,068)
Refund of Prior Year Tax	-	-	2,140	(2,140)
Miscellaneous	4,200	4,200	4,472	(272)
	<u>1,264,525</u>	<u>1,287,025</u>	<u>1,285,784</u>	<u>1,241</u>
Municipal Court				
Salaries and wages	53,950	53,950	54,835	(885)
Fringe benefits	7,125	7,125	7,129	(4)
Office supplies and operating expenses	3,000	3,000	918	2,082
Miscellaneous	1,000	1,000	1,481	(481)
Judicial education	1,500	1,500	1,491	9
Legal	25,000	25,000	27,825	(2,825)
	<u>91,575</u>	<u>91,575</u>	<u>93,679</u>	<u>(2,104)</u>

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
CURRENT (continued)				
Public Safety				
Police Department				
Salaries and wages	\$ 1,567,500	\$ 1,567,500	\$ 1,586,005	\$ (18,505)
Fringe benefits	601,000	601,000	614,156	(13,156)
Uniform/mileage	7,750	7,750	12,288	(4,538)
Equipment maintenance	45,100	45,100	32,618	12,482
Memberships and training	18,400	18,400	15,426	2,974
Police investigation, joint teams, prevention	10,350	10,350	8,437	1,913
Office equipment, supplies and miscellaneous	5,000	5,000	4,608	392
	<u>2,255,100</u>	<u>2,255,100</u>	<u>2,273,538</u>	<u>(18,438)</u>
Dispatch Department				
Salaries and wages	311,500	311,500	312,819	(1,319)
Fringe benefits	150,375	150,375	142,316	8,059
Communications maintenance	63,400	63,400	59,314	4,086
Memberships and training	2,500	2,500	3,984	(1,484)
Sundry	2,000	2,000	3,674	(1,674)
	<u>529,775</u>	<u>529,775</u>	<u>522,107</u>	<u>7,668</u>
Fire Department				
Wages and paid on call	230,100	230,100	204,750	25,350
Fringe benefits	37,025	37,025	34,201	2,824
Special response team	2,470	2,470	2,470	-
Fire drill payments	10,200	10,200	10,200	-
Equipment and operating	26,200	26,200	25,945	255
Communications maintenance	2,250	2,250	1,810	440
Memberships, training, prevention	5,850	5,850	7,965	(2,115)
	<u>314,095</u>	<u>314,095</u>	<u>287,341</u>	<u>26,754</u>
Inspection				
Building	64,025	126,025	110,066	15,959
Electrical	19,500	19,500	28,952	(9,452)
Plumbing	10,725	10,725	16,915	(6,190)
Special	2,470	2,470	2,572	(102)
	<u>96,720</u>	<u>158,720</u>	<u>158,505</u>	<u>215</u>
Total Public Safety	<u>3,195,690</u>	<u>3,257,690</u>	<u>3,241,491</u>	<u>16,199</u>

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
CURRENT (continued)				
Health and Sanitation				
Salaries and wages	\$ 55,600	\$ 55,600	\$ 55,577	\$ 23
Fringe benefits	19,850	19,850	15,539	4,311
Waste collection	250,000	250,000	247,893	2,107
Recycling collections	139,500	139,500	136,000	3,500
Brush disposal	32,000	32,000	55,531	(23,531)
Misc/Household hazardous waste disposal	1,500	1,500	-	1,500
	<u>498,450</u>	<u>498,450</u>	<u>510,540</u>	<u>(12,090)</u>
Public Works				
Highway and Transportation				
Salaries and wages	351,000	351,000	374,834	(23,834)
Fringe benefits	121,000	121,000	123,507	(2,507)
Utilities	15,750	15,750	15,394	356
Pavement maintenance	180,000	50,500	1,740	48,760
Snow and ice control	46,000	46,000	68,031	(22,031)
Building and ground maintenance	5,000	5,000	7,968	(2,968)
Traffic control	38,500	38,500	49,325	(10,825)
Equipment maintenance	94,500	94,500	89,895	4,605
Sundry	11,500	11,500	8,516	2,984
Engineering	5,000	5,000	884	4,116
	<u>868,250</u>	<u>738,750</u>	<u>740,094</u>	<u>(1,344)</u>
Forestry				
Salaries and wages	72,500	72,500	74,310	(1,810)
Fringe benefits	15,005	15,005	14,973	32
Forestry tree care	22,500	22,500	32,215	(9,715)
Diseased tree treatment	29,500	29,500	17,573	11,927
Landscaping	5,000	5,000	4,287	713
Miscellaneous	1,000	1,000	1,182	(182)
	<u>145,505</u>	<u>145,505</u>	<u>144,540</u>	<u>965</u>

DEBT SERVICE FUND

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

VILLAGE OF ELM GROVE

GENERAL FUND-EXPENDITURES AND TRANSFERS (Non-GAAP)
 Budgetary Comparison Schedule
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
CURRENT (continued)				
Park and Recreation				
Salaries and wages	\$ 118,500	\$ 118,500	\$ 116,854	\$ 1,646
Fringe benefits	18,835	18,835	19,493	(658)
Instructor fees	13,000	13,000	12,112	888
Operating expenses and utilities	29,400	29,400	31,820	(2,420)
Printing and miscellaneous	12,450	12,450	13,888	(1,438)
Baseball program	7,600	7,600	8,496	(896)
Swimming program	1,650	1,650	1,881	(231)
Tennis program	1,300	1,300	626	674
Soda/snack	4,000	4,000	3,673	327
Recreation program expense	14,690	14,690	9,380	5,310
	<u>221,425</u>	<u>221,425</u>	<u>218,223</u>	<u>3,202</u>
Contingency	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL CURRENT	<u>6,385,420</u>	<u>6,240,420</u>	<u>6,234,351</u>	<u>6,069</u>
Other Financing Uses				
Transfers out				
Library Fund	-	5,000	5,000	-
5-Year Capital Project Fund	-	140,000	140,000	-
	<u>-</u>	<u>145,000</u>	<u>145,000</u>	<u>-</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES ON BUDGETARY BASIS	<u>\$ 6,385,420</u>	<u>\$ 6,385,420</u>	6,379,351	<u>\$ 6,069</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Expenditures charged to designated accounts				
General Government			5,024	
Public Safety			2,867	
Park and Recreation			1,758	
TOTAL EXPENDITURES AND OTHER FINANCING USES			<u>\$ 6,389,000</u>	

VILLAGE OF ELM GROVE

Debt Service Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Commercial Revenue				
Investment income	\$ 13,950	\$ 13,950	\$ 24,539	\$ 10,589
EXPENDITURES				
Debt service				
Principal	832,918	832,918	832,918	-
Interest and fiscal charges	133,191	133,191	167,948	(34,757)
Total Expenditures	966,109	966,109	1,000,866	(34,757)
Excess (deficiency) of revenues over (under) expenditures	(952,159)	(952,159)	(976,327)	(24,168)
OTHER FINANCING SOURCES				
Debt issued	-	-	1,030,000	1,030,000
Premium on debt issued	-	-	41,023	41,023
Transfers in				
Special Revenue - Stormwater fund	372,919	372,919	372,919	-
Special Revenue - TID # 2	590,273	590,273	590,273	-
Total Other Financing Sources	963,192	963,192	2,034,215	1,071,023
Net change in fund balance	\$ 11,033	\$ 11,033	1,057,888	\$ 1,046,855
FUND BALANCE - Beginning of Year			895,185	
FUND BALANCE - END OF YEAR			\$ 1,953,073	

CAPITAL PROJECT FUND

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

VILLAGE OF ELM GROVE

Capital Projects Fund - Five Year Capital
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 709,500	\$ 709,500	\$ 709,500	\$ -
Intergovernmental revenue	19,250	19,250	20,428	1,178
Public charges for service	14,500	14,500	14,500	-
Commercial revenues				
Miscellaneous revenue	71,000	71,000	81,980	10,980
Investment income	35,000	35,000	50,740	15,740
Total Revenues	<u>849,250</u>	<u>849,250</u>	<u>877,148</u>	<u>27,898</u>
EXPENDITURES				
Capital outlay				
Equipment	452,960	452,960	307,604	145,356
Building and land improvements	1,739,000	1,739,000	1,819,925	(80,925)
Infrastructure	570,000	570,000	590,047	(20,047)
Debt service				
Interest and fiscal charges	-	-	39,177	(39,177)
Total Expenditures	<u>2,761,960</u>	<u>2,761,960</u>	<u>2,756,753</u>	<u>5,207</u>
Excess of revenues over expenditures	<u>(1,912,710)</u>	<u>(1,912,710)</u>	<u>(1,879,605)</u>	<u>33,105</u>
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	26,500	26,500	12,572	(13,928)
Debt issued	2,050,000	2,050,000	2,325,000	275,000
Premium on debt issued	-	-	15,671	15,671
Transfers in				
Donation Fund	-	226,386	226,386	-
General Fund	-	140,000	140,000	-
Total Other Financing Sources (Uses)	<u>2,076,500</u>	<u>2,442,886</u>	<u>2,719,629</u>	<u>276,743</u>
Net change in fund balance	<u>\$ 163,790</u>	<u>\$ 530,176</u>	840,024	<u>\$ 309,848</u>
FUND BALANCE - Beginning of Year			<u>1,757,934</u>	
FUND BALANCE - END OF YEAR			<u>\$ 2,597,958</u>	

NONMAJOR FUNDS

Special Revenue Funds

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

Library Fund

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

EMS Fund (Emergency Medical Services)

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

Stormwater Operations Fund

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

Donation Fund

This fund is used to record donations received for specific future projects.

Library Gift Fund

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

VILLAGE OF ELM GROVE

Special Revenue Fund - Library Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 393,000	\$ 393,000	\$ 393,000	\$ -
Intergovernmental revenues	32,140	32,140	32,140	-
Public charges for services	12,250	12,250	11,980	(270)
Commercial revenues				
Investment income	3,250	3,250	2,511	(739)
Total Revenues	<u>440,640</u>	<u>440,640</u>	<u>439,631</u>	<u>(1,009)</u>
EXPENDITURES				
Current - library				
Salaries and wages	295,750	295,750	292,885	2,865
Fringe benefits	55,425	55,425	56,873	(1,448)
New material and book service	54,575	54,575	56,884	(2,309)
Supplies and equipment maintenance	30,400	30,400	31,349	(949)
Miscellaneous	6,790	6,790	6,594	196
Total Expenditures	<u>442,940</u>	<u>442,940</u>	<u>444,585</u>	<u>(1,645)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,300)</u>	<u>(2,300)</u>	<u>(4,954)</u>	<u>(2,654)</u>
OTHER FINANCING SOURCES				
Transfer in				
General Fund	-	5,000	5,000	-
Net change in fund balance	<u>\$ (2,300)</u>	<u>\$ 2,700</u>	46	<u>\$ (2,654)</u>
FUND BALANCE - Beginning of Year			<u>551</u>	
FUND BALANCE - END OF YEAR			<u>\$ 597</u>	

VILLAGE OF ELM GROVE

Special Revenue Fund - Emergency Medical Service (EMS) Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual (Non-GAAP)
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property taxes	\$ 200,000	\$ 200,000	\$ 200,000	\$ -
Public charges for services	120,000	120,000	106,480	(13,520)
Commercial revenues				
Investment income	<u>3,200</u>	<u>3,200</u>	<u>3,319</u>	<u>119</u>
Total Revenues	<u>323,200</u>	<u>323,200</u>	<u>309,799</u>	<u>(13,401)</u>
EXPENDITURES				
Current- public safety				
Ambulance				
Wages and paid on call	251,500	251,500	247,872	3,628
Fringe benefits	29,100	29,100	28,387	713
EMT training	3,100	3,100	4,234	(1,134)
Uniforms	1,500	1,500	327	1,173
Medical supplies	15,000	15,000	11,295	3,705
Ambulance maintenance	6,600	6,600	6,981	(381)
Ambulance communications	1,000	1,000	1,622	(622)
Ambulance billing fees	9,500	9,500	7,783	1,717
Miscellaneous	<u>5,900</u>	<u>5,900</u>	<u>6,712</u>	<u>(812)</u>
Total Expenditures	<u>323,200</u>	<u>323,200</u>	<u>315,213</u>	<u>7,987</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	(5,414)	<u>(5,414)</u>
Net change in fund balance (budgetary basis)	<u>\$ -</u>	<u>\$ -</u>	(5,414)	<u>\$ (5,414)</u>
ADJUSTMENTS TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES				
Revenues credited to designated accounts				
Miscellaneous			<u>1,147</u>	
Expenditures charged to designated accounts				
Capital outlay			15,107	
EMS training			<u>397</u>	
			<u>15,504</u>	
Net change in fund balance			(19,771)	
FUND BALANCE - Beginning of Year			<u>84,821</u>	
FUND BALANCE - END OF YEAR			<u>\$ 65,050</u>	

VILLAGE OF ELM GROVE

Special Revenue Fund - Stormwater Operations Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 179,000	\$ 179,000	\$ 179,000	\$ -
Intergovernmental revenues	49,000	212,700	163,723	(48,977)
Public charges for services	453,600	453,600	450,043	(3,557)
Commercial revenues				
Investment income	4,700	4,700	3,940	(760)
Total Revenues	<u>686,300</u>	<u>850,000</u>	<u>796,706</u>	<u>(53,294)</u>
EXPENDITURES				
Current- health and sanitation				
Infrastructure repair and maintenance	69,000	69,000	58,293	10,707
Administrative	155,000	155,000	154,002	998
Inspection, engineering, audit	15,000	34,500	40,870	(6,370)
Capital outlay	75,000	215,000	214,703	297
Total Expenditures	<u>314,000</u>	<u>473,500</u>	<u>467,868</u>	<u>5,632</u>
Excess (deficiency) of revenues over (under) expenditures	<u>372,300</u>	<u>376,500</u>	<u>328,838</u>	<u>(47,662)</u>
OTHER FINANCING SOURCES (USES)				
Transfer in				
Sewer Fund	100,000	100,000	100,000	-
Transfer out				
Debt service	<u>(372,920)</u>	<u>(372,920)</u>	<u>(372,919)</u>	<u>1</u>
Total Other Financing Sources (Uses)	<u>(272,920)</u>	<u>(272,920)</u>	<u>(272,919)</u>	<u>1</u>
Net change in fund balance	<u>\$ 99,380</u>	<u>\$ 103,580</u>	55,919	<u>\$ (47,661)</u>
FUND BALANCE (Deficit) - Beginning of Year			<u>(52,578)</u>	
FUND BALANCE - END OF YEAR			<u>\$ 3,341</u>	

VILLAGE OF ELM GROVE

Special Revenue Fund - Donation Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Commercial revenues				
Donations	\$ -	\$ 208,838	\$ 208,838	\$ -
Investment income	-	1,820	1,820	-
Total Revenues	-	210,658	210,658	-
EXPENDITURES				
Current				
Public safety	-	2,100	2,090	10
Parks and recreation	-	5,480	5,468	12
Capital outlay	-	27,100	27,100	-
Total Expenditures	-	34,680	34,658	22
Excess of revenues over expenditures	-	175,978	176,000	22
OTHER FINANCING USES				
Transfer out				
Capital Fund	-	(226,386)	(226,386)	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (50,408)</u>	(50,386)	<u>\$ 22</u>
FUND BALANCE - Beginning of Year			68,982	
FUND BALANCE - END OF YEAR			<u>\$ 18,596</u>	

VILLAGE OF ELM GROVE

Special Revenue Fund - Library Gift Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget to Actual
 For the Year Ended December 31, 2019

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Commercial revenues				
Donations	\$ -	\$ 54,927	\$ 54,927	\$ -
Investment income	-	1,465	1,465	-
Total Revenues	-	56,392	56,392	-
EXPENDITURES				
Current				
Library Materials	-	34,992	34,992	-
Total Expenditures	-	34,992	34,992	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 21,400</u>	21,400	<u>\$ -</u>
FUND BALANCE - Beginning of Year			40,498	
FUND BALANCE - END OF YEAR			<u>\$ 61,898</u>	

STATISTICAL SECTION

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

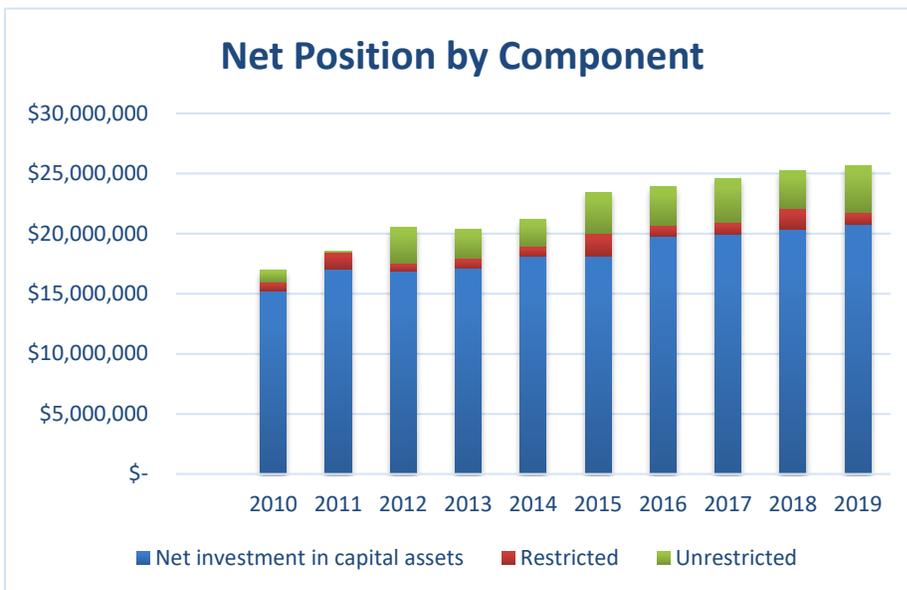
These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

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

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

Table 1

Net Position- Governmental Activities	Net investment in capital assets	Restricted	Unrestricted	Total Governmental Activities Net Position
2010	\$ 15,262,863	\$ 701,048	\$ 1,032,474	\$ 16,996,385
2011	17,074,144	1,361,919	110,321	18,546,384
2012	16,855,319	681,483	2,971,576	20,508,378
2013	17,095,963	830,689	2,444,563	20,371,215
2014	18,081,257	831,662	2,242,089	21,155,008
2015	18,099,477	1,899,736	3,454,557	23,453,770
2016	19,752,197	961,290	3,179,599	23,893,086
2017	19,961,302	961,308	3,668,063	24,590,673
2018	20,373,281	1,740,505	3,130,697	25,244,483
2019	20,806,616	952,057	3,912,386	25,671,059



Data Source: Village of Elm Grove Annual Financial Reports

Table 2

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

<u>Expenses</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental Activities				
General government	\$1,255,384	\$1,283,229	\$1,422,768	\$1,403,462
Public Safety	3,317,707	4,052,000	3,284,598	3,309,156
Health and sanitation	2,995,497	2,876,611	3,056,274	3,711,448
Highway and transportation	1,021,752	1,299,338	1,102,688	1,192,854
Library	416,425	423,337	441,712	455,467
Park and recreation	342,267	316,343	311,277	290,622
Interest and Fiscal Charges	562,945	441,711	172,892	396,125
Total Governmental Activities	<u>9,911,977</u>	<u>10,692,569</u>	<u>9,792,209</u>	<u>10,759,134</u>
<u>Program Revenues</u>				
Governmental Activities				
Charges for services				
General government	13,490	18,434	9,752	6,539
Public safety	442,860	423,271	421,163	445,931
Health and sanitation	1,602,791	1,700,490	1,758,946	1,721,793
Public works	6,740	19,750	28,831	10,246
Library	13,324	15,000	14,628	13,800
Park and recreation	237,136	197,824	182,431	169,953
Operating grants and contributions	703,360	722,881	716,792	609,911
Capital grants and contributions	3,880	1,650,982	29,953	5,490
Total Program Revenues, Grants and Contributions	<u>3,023,581</u>	<u>4,748,632</u>	<u>3,162,496</u>	<u>2,983,663</u>
<u>Net Revenue (Expense)</u>	<u>(6,888,396)</u>	<u>(5,943,937)</u>	<u>(6,629,713)</u>	<u>(7,775,471)</u>
<u>General Revenue and Other Changes in Net Position</u>				
Governmental Activities				
Taxes levied				
General Village Operations	4,524,987	4,571,793	4,567,260	4,428,895
MMSD Capital Charge	1,252,000	1,392,802	1,466,940	1,464,500
TIF Fund	477,472	437,809	341,594	475,181
Capital Fund	355,375	487,500	459,195	600,000
Debt service	200,000	-	-	-
Intergovernmental Revenues	212,968	228,595	217,394	207,048
Investment Income	63,286	37,882	25,696	32,339
Miscellaneous	248,925	292,375	263,628	430,345
Special Item- settlement of lawsuit, WTPR federal funding	142,958	-	1,250,000	-
Total government Activities - General and Other Revenues	<u>7,477,971</u>	<u>7,448,756</u>	<u>8,591,707</u>	<u>7,638,308</u>
<u>Change in Net Position</u>	<u>\$ 589,575</u>	<u>\$1,504,819</u>	<u>\$1,961,994</u>	<u>\$ (137,163)</u>

Data Source: Village of Elm Grove Annual Financial Reports

Table 2

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$1,456,058	\$1,341,736	\$1,625,055	\$1,609,499	\$1,703,861	\$1,831,415
3,279,232	3,222,560	3,555,547	3,728,144	3,638,692	4,056,201
3,315,768	3,065,778	3,019,585	3,096,800	3,100,795	3,010,966
1,441,556	1,146,621	1,223,163	1,238,555	1,273,283	1,500,461
438,845	440,791	482,046	507,907	510,259	513,124
283,628	296,768	321,307	328,023	333,368	345,702
235,576	243,928	226,223	207,981	195,429	304,835
<u>10,450,663</u>	<u>9,758,182</u>	<u>10,452,926</u>	<u>10,716,909</u>	<u>10,755,687</u>	<u>11,562,704</u>
3,949	4,101	4,020	2,699	3,193	5,372
439,302	468,713	488,437	467,175	468,920	504,606
1,731,916	1,874,146	1,882,395	1,883,365	1,973,758	1,964,771
18,681	10,602	17,213	22,600	35,970	32,679
13,163	12,221	12,955	12,698	11,878	11,980
154,103	161,826	164,561	160,492	151,697	140,337
539,409	493,310	492,073	554,081	542,811	495,128
738,142	22,701	27,054	122,516	17,310	187,752
<u>3,638,665</u>	<u>3,047,620</u>	<u>3,088,708</u>	<u>3,225,626</u>	<u>3,205,537</u>	<u>3,342,625</u>
<u>(6,811,998)</u>	<u>(6,710,562)</u>	<u>(7,364,218)</u>	<u>(7,491,283)</u>	<u>(7,550,150)</u>	<u>(8,220,079)</u>
4,478,820	4,549,718	4,633,574	4,755,800	4,920,781	4,983,590
1,500,000	1,500,000	1,500,000	1,425,000	1,350,000	1,320,000
435,349	455,763	496,909	698,151	616,239	610,076
600,000	602,000	584,500	609,500	589,000	709,500
-	-	-	-	-	-
224,520	241,050	217,611	206,053	201,428	216,640
47,028	53,773	65,260	86,455	177,846	247,601
310,074	317,444	305,680	407,911	419,679	559,248
-	-	-	-	-	-
<u>7,595,791</u>	<u>7,719,748</u>	<u>7,803,534</u>	<u>8,188,870</u>	<u>8,274,973</u>	<u>8,646,655</u>
<u>\$ 783,793</u>	<u>\$1,009,186</u>	<u>\$ 439,316</u>	<u>\$ 697,587</u>	<u>\$ 724,823</u>	<u>\$ 426,576</u>

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

Table 3

	<u>2010 (2)</u>	<u>2011 (3)</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>General Fund:</u>					
Reserved	\$ 1,016,600	\$ -	\$ -	\$ -	\$ -
Unreserved - designated	1,114,573	-	-	-	-
Unreserved - undesignated	291,560	-	-	-	-
Nonspendable	-	882,615	144,235	992,657	990,050
Restricted	-	26,159	25,745	15,665	15,086
Assigned	-	166,499	155,122	229,651	242,952
Unassigned	-	1,315,420	2,047,938	1,026,438	1,088,706
Total general fund	2,422,733	2,390,693	2,373,040	2,264,411	2,336,794
<u>All Other Governmental Funds:</u>					
Reserved	1,956,662	-	-	-	-
Unreserved - designated	1,917,354	-	-	-	-
Unreserved - undesignated (deficit)	(1,707,975)	-	-	-	-
Nonspendable	-	595,056	-	38,045	-
Restricted	-	811,905	1,344,873	1,371,523	1,341,610
Committed	-	2,169,221	2,649,752	3,019,737	2,429,409
Unassigned	-	(1,421,928)	(629,173)	(1,422,832)	(1,437,551)
Total all other governmental funds	2,166,041	2,154,254	3,365,452	3,006,473	2,333,468
<u>Total Governmental Funds</u>					
Reserved	2,973,262	-	-	-	-
Unreserved - designated	3,031,927	-	-	-	-
Unreserved - undesignated (deficit)	(1,416,415)	-	-	-	-
Non-spendable	-	1,477,671	144,235	1,030,702	990,050
Restricted	-	838,064	1,370,618	1,387,188	1,356,696
Committed	-	2,169,221	2,649,752	3,019,737	2,429,409
Assigned	-	166,499	155,122	229,651	242,952
Unassigned	-	(106,508)	1,418,765	(396,394)	(348,845)
Total all governmental funds (1)	\$ 4,588,774	\$ 4,544,947	\$ 5,738,492	\$ 5,270,884	\$ 4,670,262

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

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

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

Data Source: Village of Elm Grove Annual Financial Reports

Table 3

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
883,251	818,134	736,405	666,171	591,108
15,495	9,925	10,090	10,227	9,009
224,986	220,327	204,242	171,643	166,291
<u>1,130,243</u>	<u>1,145,526</u>	<u>1,233,757</u>	<u>1,306,067</u>	<u>1,287,825</u>
<u>2,253,975</u>	<u>2,193,912</u>	<u>2,184,494</u>	<u>2,154,108</u>	<u>2,054,233</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,320,325	1,020,360	1,014,337	1,005,423	2,402,248
2,994,528	2,102,027	2,728,004	3,133,583	3,624,635
<u>(1,350,414)</u>	<u>(1,394,790)</u>	<u>(1,286,919)</u>	<u>(1,372,290)</u>	<u>(1,424,212)</u>
<u>2,964,439</u>	<u>1,727,597</u>	<u>2,455,422</u>	<u>2,766,716</u>	<u>4,602,671</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
883,251	818,134	736,405	666,171	591,108
1,335,820	1,030,285	1,024,427	1,015,650	2,411,257
2,994,528	2,102,027	2,728,004	3,133,583	3,624,635
224,986	220,327	204,242	171,643	166,291
<u>(220,171)</u>	<u>(249,264)</u>	<u>(53,162)</u>	<u>(66,223)</u>	<u>(136,387)</u>
<u>\$ 5,218,414</u>	<u>\$ 3,921,509</u>	<u>\$ 4,639,916</u>	<u>\$ 4,920,824</u>	<u>\$ 6,656,904</u>

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

Table 4

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues					
Taxes	\$ 6,809,834	\$ 6,889,904	\$ 6,834,989	\$ 6,968,576	\$ 7,014,169
Intergovernmental revenues	920,208	978,098	964,139	822,448	1,265,732
Licenses and permits	182,004	184,210	214,648	255,904	235,806
Fines, forfeitures and penalties	202,269	190,205	159,019	155,977	158,057
Public charges for services	1,978,516	2,058,742	2,102,510	2,026,118	2,234,767
Commercial revenues	244,781	277,812	228,274	390,025	293,296
Total Revenues	<u>10,337,612</u>	<u>10,578,971</u>	<u>10,503,579</u>	<u>10,619,048</u>	<u>11,201,827</u>
Expenditures					
Current					
General government	1,097,641	1,132,892	1,228,685	1,217,422	1,241,640
Public Safety	3,090,838	3,184,143	3,138,141	3,325,255	3,114,600
Health and sanitation	2,791,191	2,523,402	2,834,451	2,597,144	2,623,425
Highway and transportation	795,147	807,872	887,923	798,580	832,802
Library	397,207	414,743	429,026	439,739	431,041
Park and recreation	250,754	233,013	210,244	199,715	193,146
Community Development	-	-	-	-	-
Capital outlay	631,378	1,197,865	665,106	1,431,610	2,298,974
Debt service					
Principal	735,000	780,000	960,000	850,000	880,000
Interest	633,955	435,276	221,449	235,980	215,323
Total Expenditures	<u>10,423,111</u>	<u>10,709,206</u>	<u>10,575,025</u>	<u>11,095,445</u>	<u>11,830,951</u>
Excess of revenues over (under) expenditures	(85,499)	(130,235)	(71,446)	(476,397)	(629,124)
OTHER FINANCING SOURCES (USES)					
Settlement of lawsuit	142,958	-	1,250,000	-	-
Sale of village assets	38,504	41,228	44,792	8,789	5,156
Transfers in	1,411,288	1,505,203	1,836,382	1,190,819	1,204,810
Transfers out	(1,411,288)	(1,505,203)	(1,836,382)	(1,190,819)	(1,204,810)
Proceeds from long term debt	-	-	-	-	23,346
Refunding bonds issued	2,115,000	-	9,450,000	-	-
Premium on bonds	-	-	225,482	-	-
Discount on bonds	-	-	(53,873)	-	-
Advance bond refunding	(3,055,000)	-	(9,651,410)	-	-
Total Other Financing Sources (Uses)	<u>(758,538)</u>	<u>41,228</u>	<u>1,264,991</u>	<u>8,789</u>	<u>28,502</u>
Net change in fund balances	<u>\$ (844,037)</u>	<u>\$ (89,007)</u>	<u>\$ 1,193,545</u>	<u>\$ (467,608)</u>	<u>\$ (600,622)</u>
Capitalized expenditures	709,333	2,905,103	783,096	461,170	1,650,602
Debt service as a percentage of non-capital expenditures	14.09%	15.57%	12.07%	10.21%	10.76%

Data Source: Village of Elm Grove Annual Financial Reports

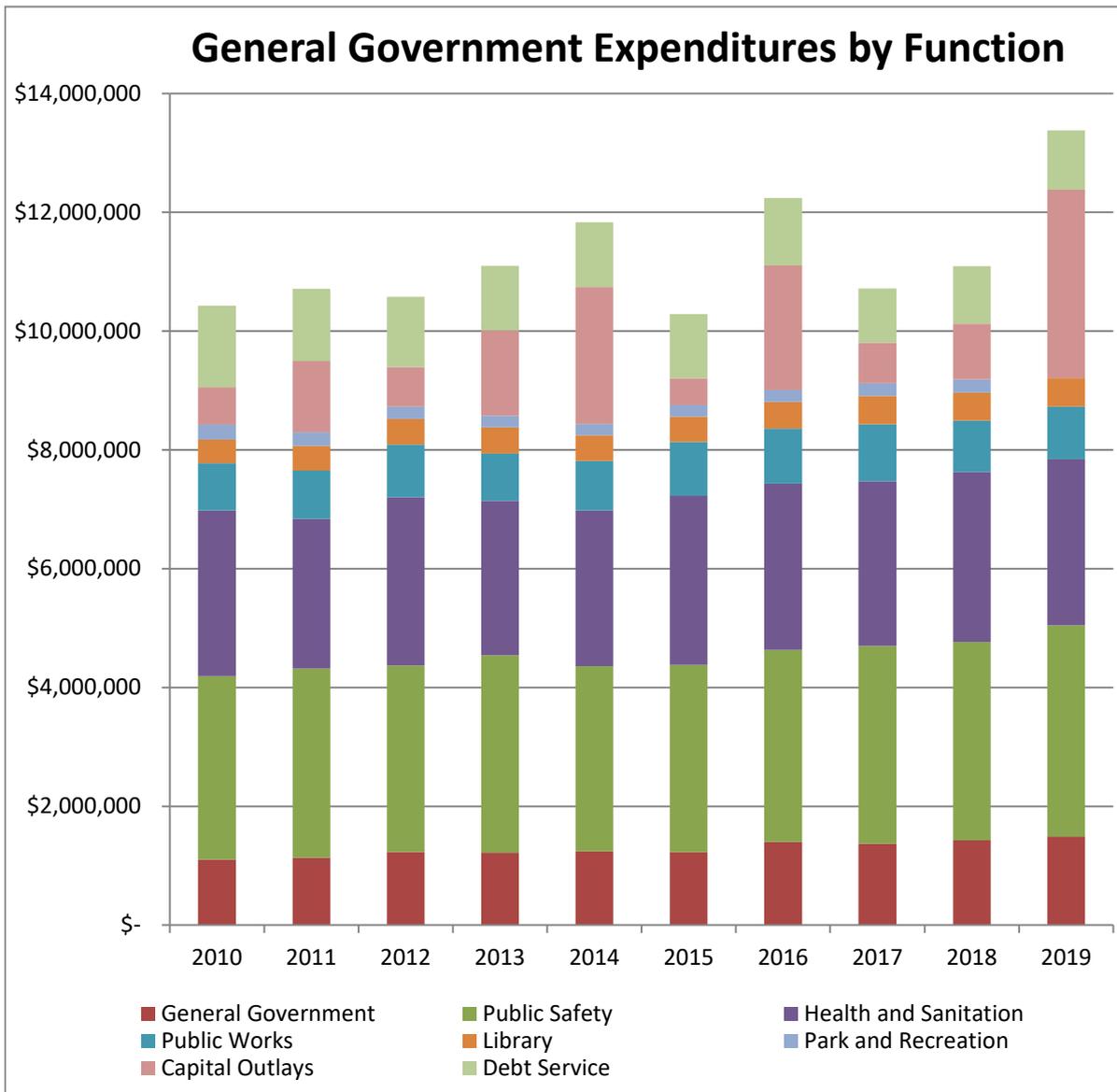
Table 4

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$ 7,107,481	\$ 7,214,983	\$ 7,488,451	\$ 7,476,020	\$ 7,628,966
790,653	736,738	882,650	761,549	875,488
229,851	244,101	226,155	242,849	331,925
176,230	180,328	176,612	178,037	123,016
2,181,542	2,220,340	2,206,764	2,288,388	2,263,667
304,295	302,432	432,330	484,565	770,532
<u>10,790,052</u>	<u>10,898,922</u>	<u>11,412,962</u>	<u>11,431,408</u>	<u>11,993,594</u>
1,222,006	1,399,837	1,372,359	1,425,534	1,485,859
3,158,061	3,230,271	3,324,559	3,339,919	3,562,058
2,841,866	2,801,772	2,778,378	2,865,022	2,798,126
912,387	926,069	958,034	858,600	884,634
422,585	450,179	472,628	473,613	479,577
197,787	201,368	214,121	225,431	225,449
-	-	-	-	-
447,753	2,095,981	682,962	936,469	3,175,754
857,918	927,918	727,918	787,918	832,918
224,301	207,558	188,600	176,548	237,405
<u>10,284,664</u>	<u>12,240,953</u>	<u>10,719,559</u>	<u>11,089,054</u>	<u>13,681,780</u>
505,388	(1,342,031)	693,403	342,354	(1,688,186)
-	-	-	-	-
42,764	45,126	20,621	13,949	12,572
2,317,548	1,233,045	969,901	1,222,569	1,438,348
(2,317,548)	(1,233,045)	(969,901)	(1,222,569)	(1,438,348)
-	-	-	-	2,355,000
-	-	-	-	1,000,000
-	-	-	-	56,694
-	-	-	-	-
-	-	-	-	-
<u>42,764</u>	<u>45,126</u>	<u>20,621</u>	<u>13,949</u>	<u>3,424,266</u>
<u>\$ 548,152</u>	<u>\$ (1,296,905)</u>	<u>\$ 714,024</u>	<u>\$ 356,303</u>	<u>\$ 1,736,080</u>
671,707	2,220,995	699,159	833,030	2,959,471
11.26%	11.33%	9.15%	9.40%	9.98%

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

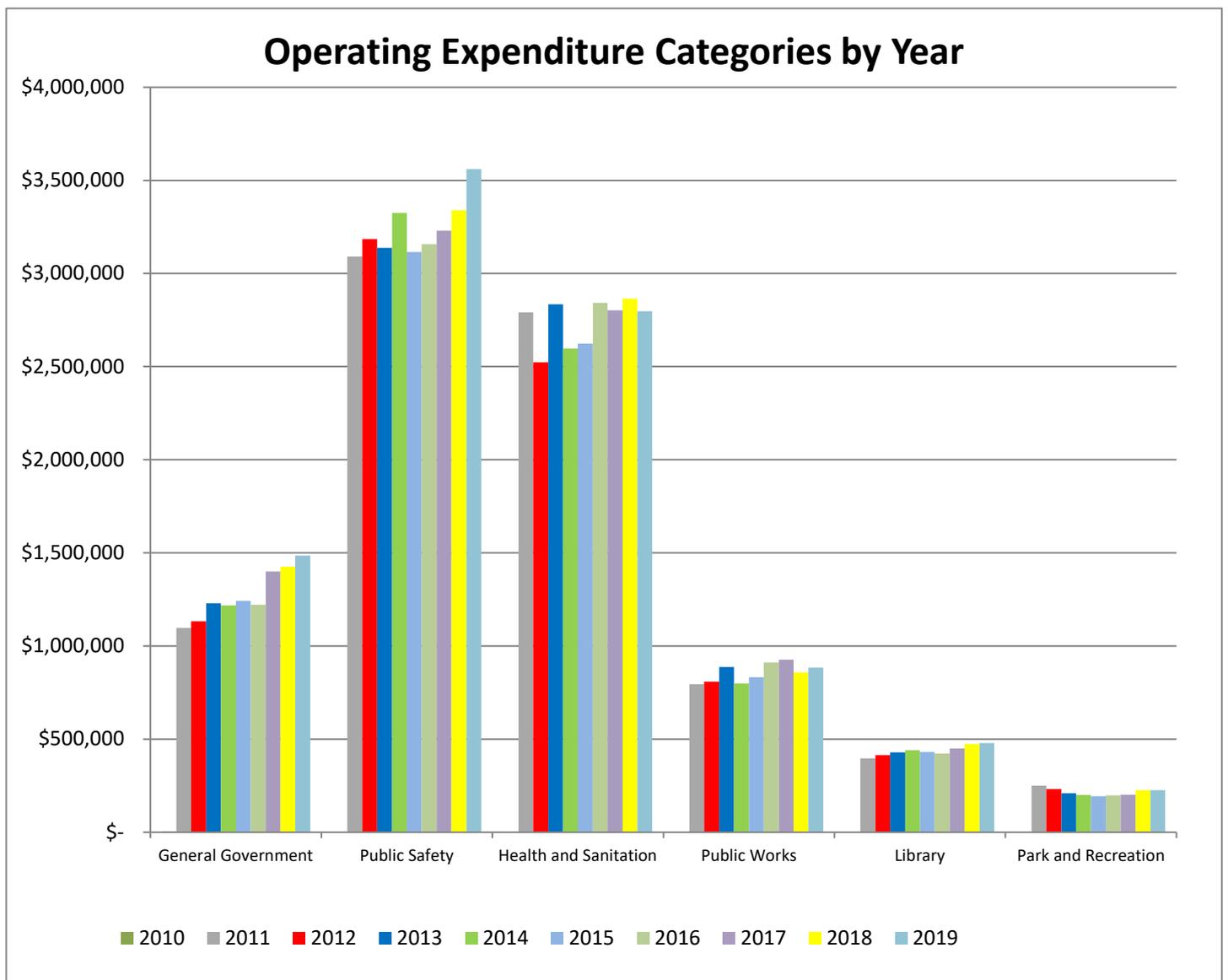
Fiscal Year	General Government		Public Safety		Health and Sanitation		Public Works	
2010	\$ 1,097,641	10.53%	\$ 3,090,838	29.65%	\$ 2,791,191	26.78%	\$ 795,147	7.63%
2011	1,132,892	10.58%	3,184,143	29.73%	2,523,402	23.56%	807,872	7.54%
2012	1,228,685	11.62%	3,138,141	29.68%	2,834,451	26.80%	887,923	8.40%
2013	1,217,422	10.97%	3,325,255	29.97%	2,597,144	23.41%	798,580	7.20%
2014	1,241,640	10.49%	3,114,600	26.33%	2,623,425	22.17%	832,802	7.04%
2015	1,222,006	11.88%	3,158,061	30.71%	2,841,866	27.63%	912,387	8.87%
2016	1,399,837	11.44%	3,230,271	26.39%	2,801,772	22.89%	926,069	7.57%
2017	1,372,359	12.80%	3,324,559	31.01%	2,778,378	25.92%	958,034	8.94%
2018	1,425,534	12.86%	3,339,919	30.12%	2,865,022	25.84%	858,600	7.74%
2019	1,485,859	10.86%	3,562,058	26.03%	2,798,126	20.45%	884,634	6.47%

Village of Elm Grove, Wisconsin



Data Source: Village of Elm Grove Annual Financial Reports

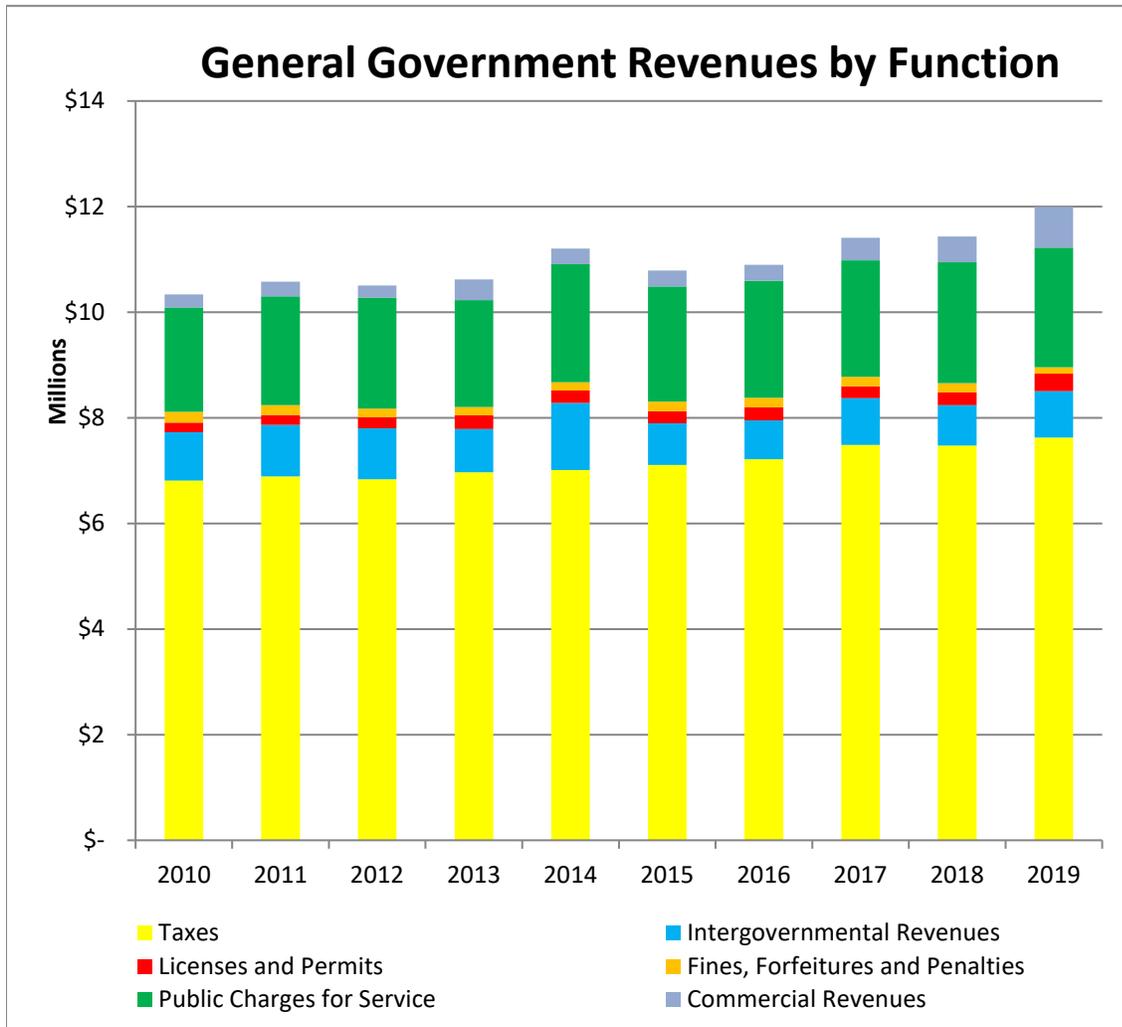
Library		Park and Recreation		Capital Outlay		Debt Service		Total Expenditures
\$ 397,207	3.81%	\$ 250,754	2.41%	\$ 631,378	6.06%	\$ 1,368,955	13.13%	\$ 10,423,111
414,743	3.87%	233,013	2.18%	1,197,865	11.19%	1,215,276	11.35%	10,709,206
429,026	4.05%	210,244	1.99%	665,106	6.29%	1,181,449	11.17%	10,575,025
439,739	3.96%	199,715	1.80%	1,431,610	12.90%	1,085,980	9.79%	11,095,445
431,041	3.65%	193,146	1.63%	2,298,974	19.43%	1,095,323	9.26%	11,830,951
422,585	4.12%	197,787	1.92%	447,753	4.35%	1,082,219	10.52%	10,284,664
450,179	3.66%	201,368	1.65%	2,095,981	17.12%	1,135,476	9.28%	12,240,953
472,628	4.41%	214,121	2.00%	682,962	6.37%	916,518	8.55%	10,719,559
473,613	4.27%	225,431	2.03%	936,469	8.44%	964,466	8.70%	11,089,054
479,577	3.51%	225,449	1.65%	3,175,754	23.21%	1,070,323	7.82%	13,681,780



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

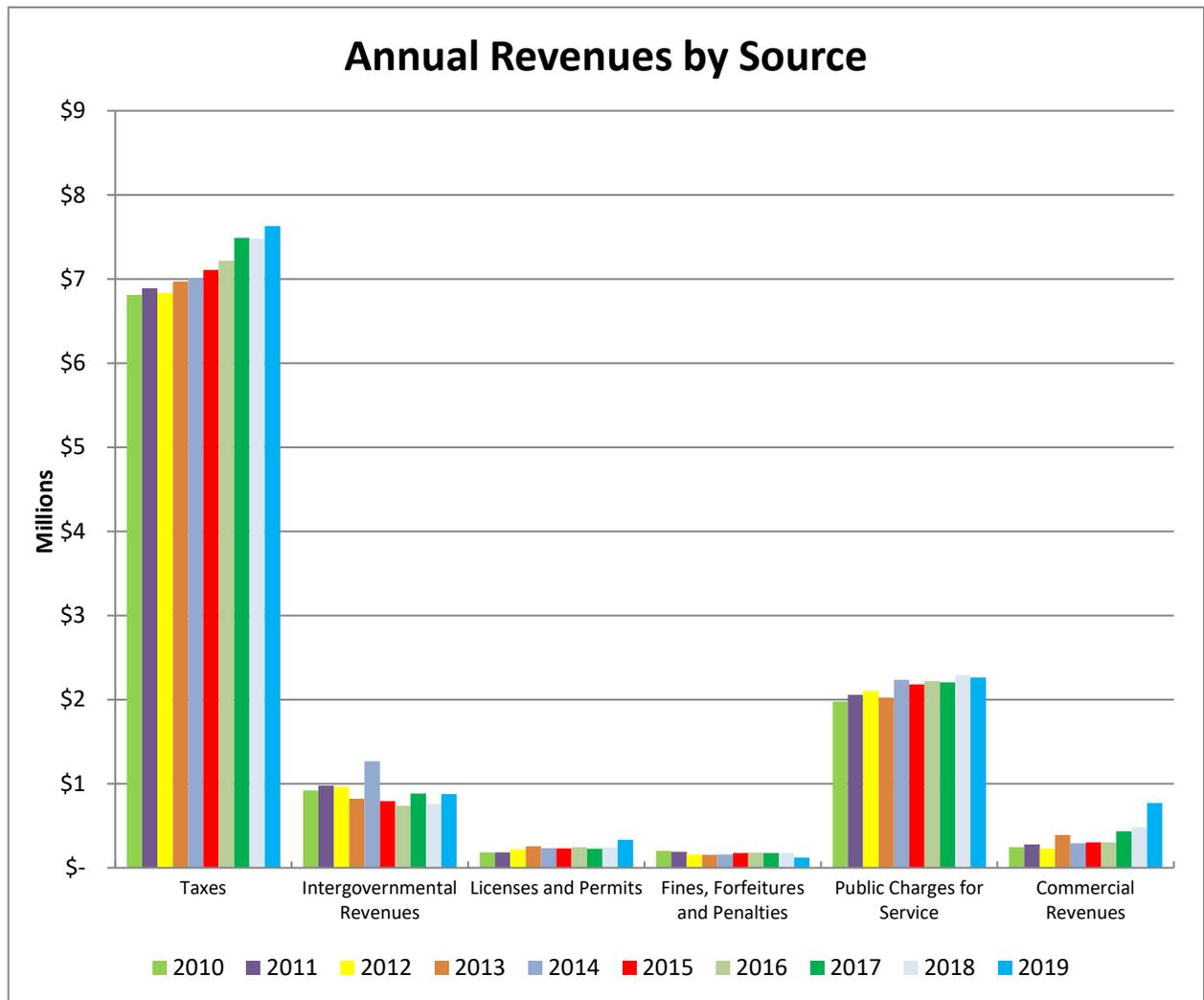
Fiscal Year	Taxes		Intergovernmental Revenues		Licenses and Permits		Fines, Forfeitures and Penalties	
2010	\$6,809,834	65.87%	\$ 920,208	8.90%	\$182,004	1.76%	\$202,269	1.96%
2011	6,889,904	65.13%	978,098	9.25%	184,210	1.74%	190,205	1.80%
2012	6,834,989	65.07%	964,139	9.18%	214,648	2.04%	159,019	1.51%
2013	6,968,576	65.62%	822,448	7.75%	255,904	2.41%	155,977	1.47%
2014	7,014,169	62.62%	1,265,732	11.30%	235,806	2.11%	158,057	1.41%
2015	7,107,481	65.87%	790,653	7.33%	229,851	2.13%	176,230	1.63%
2016	7,214,983	66.20%	736,738	6.76%	244,101	2.24%	180,328	1.65%
2017	7,488,451	65.61%	882,650	7.73%	226,155	1.98%	176,612	1.55%
2018	7,476,020	65.40%	761,549	6.66%	242,849	2.12%	178,037	1.56%
2019	7,628,966	63.61%	875,488	7.30%	331,925	2.77%	123,016	1.03%

Village of Elm Grove, Wisconsin



Data Source: Village of Elm Grove Annual Financial Reports

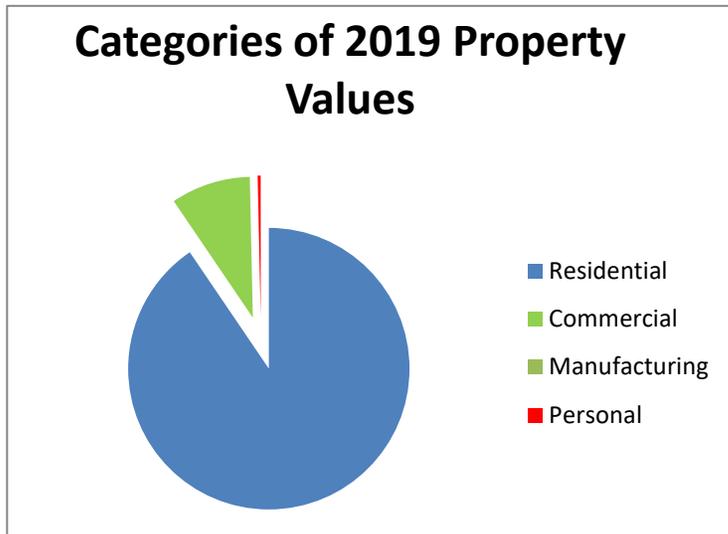
	Public Charges for Service	Commercial Revenues	Total Revenues
\$	1,978,516	244,781	10,337,612
	19.14%	2.37%	
	2,058,742	277,812	10,578,971
	19.46%	2.63%	
	2,102,510	228,274	10,503,579
	20.03%	2.17%	
	2,026,118	390,025	10,619,048
	19.08%	3.67%	
	2,234,767	293,296	11,201,827
	19.94%	2.62%	
	2,181,542	304,295	10,790,052
	20.22%	2.82%	
	2,220,340	302,432	10,898,922
	20.38%	2.77%	
	2,206,764	432,330	11,412,962
	19.34%	3.79%	
	2,288,388	484,565	11,431,408
	20.02%	4.24%	
	2,263,667	770,532	11,993,594
	18.87%	6.42%	



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

Table 7

Year	Assessed Value					Total Assessed Value	Total Equalized Value	Ratio Assessed to Equalized	Total Direct Tax Rate
	Residential	Commercial	Manufacturing	Personal					
2010	\$ 969,230,500	\$ 102,753,800	\$ 1,255,700	\$ 10,454,700	\$ 1,083,694,700	\$ 1,065,098,100	101.75%	\$ 5.96	
2011	944,037,500	97,463,700	1,240,400	10,162,700	1,052,904,300	1,047,445,900	100.52%	6.27	
2012	896,618,200	97,970,600	1,226,000	9,226,100	1,005,040,900	1,011,730,300	99.34%	6.61	
2013	870,599,100	99,131,400	-	10,457,700	980,188,200	976,671,200	100.36%	6.86	
2014	935,104,000	104,066,600	-	9,781,600	1,048,952,200	1,054,284,600	99.49%	6.48	
2015	953,938,970	108,296,000	-	9,992,900	1,072,227,870	1,076,396,900	99.61%	6.41	
2016	957,722,300	109,559,400	-	9,293,000	1,076,574,700	1,112,491,000	96.77%	6.53	
2017	969,386,400	103,135,200	-	9,002,700	1,081,524,300	1,139,590,900	94.90%	6.54	
2018	1,044,966,400	106,078,800	-	4,830,900	1,155,876,100	1,166,471,900	99.09%	6.25	
2019	1,048,662,100	106,078,800	-	4,014,000	1,158,754,900	1,249,867,700	92.71%	6.38	



Data Source: Village of Elm Grove Assessment Report

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

	Village Direct Rates							Overlapping Rates					Total Tax Rate	Assessed Valuation
	General			Other		Debt Service	Total Direct	Elmbrook School District	Waukesha County					
	Operations	Sewer	Library	Special Revenue Funds	Capital				Waukesha County	Technical College	State of Wisconsin			
2010	\$ 3.31	\$ 1.49	\$ 0.32	\$ 0.39	\$ 0.45	\$ -	\$ 5.96	\$ 8.79	\$ 1.94	\$ 1.21	\$ 0.17	\$ 18.07	\$ 1,083,694,700	
2011	3.59	1.53	0.33	0.38	0.44	-	6.27	8.25	2.00	1.24	0.17	17.93	1,052,904,300	
2012	3.77	1.58	0.34	0.37	0.55	-	6.61	8.58	2.12	1.31	0.17	18.79	1,005,040,900	
2013	3.93	1.56	0.37	0.37	0.63	-	6.86	8.57	2.14	1.31	0.17	19.05	980,188,200	
2014	3.74	1.46	0.34	0.35	0.59	-	6.48	8.54	2.09	0.39	0.17	17.67	1,048,952,200	
2015	3.74	1.43	0.34	0.34	0.56	-	6.41	8.39	2.05	0.38	0.17	17.40	1,072,227,870	
2016	3.86	1.37	0.36	0.35	0.59	-	6.53	8.41	2.06	0.38	0.17	17.55	1,076,574,700	
2017	3.97	1.29	0.37	0.35	0.56	-	6.54	8.64	2.05	0.39	-	17.62	1,081,524,300	
2018	3.75	1.18	0.35	0.34	0.63	-	6.25	7.97	1.91	0.36	-	16.49	1,155,876,100	
2019	3.83	1.20	0.36	0.34	0.65	-	6.38	8.71	1.96	0.39	-	17.44	1,158,754,900	

Data Source: Village of Elm Grove Assessment Report

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

2019

2019					% of Taxes
Rank	Taxpayer	Nature of Property	Address	Assessed Value	Levied
1	Elm Grove Alf LLC	Assisted Living	800 Wall Street	\$11,777,100	1.02%
2	Oshcon Corp	UPS Distribution Center	12400 W Bluemound Rd	\$7,854,000	0.68%
3	Western Raquet Club	Private Club	1800 Highland Dr	\$5,587,900	0.48%
4	Building Trades United	Office Building	500 Elm Grove Rd	\$4,200,000	0.36%
5	Nrf VIII - Autumn Grove, LLC	Retail	12850 Bluemound Rd	\$4,193,700	0.36%
6	Town Bank	Bank	13150 Watertown Plank Rd	\$3,911,700	0.34%
7	1500 Sunset Drive LLC	Private Residence	1500 Sunset Dr	\$3,430,000	0.30%
8	Schlifske Trust	Private Residence	1500 Greenway Terrace	\$3,377,000	0.29%
9	G Fotsch Living Trust	Private Residence	1545 Greenway Terrace	\$3,264,800	0.28%
10	Shecterle Properties 7 LLC	Retail	15280 W bluemound Rd	\$3,260,600	0.28%
				\$50,856,800	4.39%
Total Village Value				<u>\$1,158,754,900</u>	

2010

2010					% of Taxes
Rank	Taxpayer	Nature of Property	Address	Assessed Value	Levied
1	Oshcon Corp	UPS Distribution Center	12400 W Bluemound Rd	\$8,245,000	0.76%
2	Bluemound Holdings LLC	Medical Office Building	12500 W Bluemmound Rd	\$7,197,100	0.66%
3	Building Trades	Office Building	500 Elm Grove Road	\$6,294,200	0.58%
4	Western Raquet Club	Private Club	1800 Highland Dr	\$5,791,600	0.53%
5	Marjorie Takton WI RES Trust	private residence	1505 Greenway Terrace	\$4,226,600	0.39%
6	Town Bank	Bank	13150 Watertown Plank Rd	\$4,050,000	0.37%
7	Schlifske Trust	private residence	1500 Greenway Terrace	\$3,642,600	0.34%
8	Autumn Grove LLC	Retail	12850 W Bluemound Rd	\$3,600,000	0.33%
9	Robert Yunker	Office Building	12700 W Bluemound Rd	\$3,400,000	0.31%
10	1500 Sunset Drive LLC	Private residence	1500 Sunset Drive	\$3,340,500	0.31%
				\$49,787,600	4.59%
Total Village Value				<u>\$1,083,694,700</u>	

Data Source: Village of Elm Grove Assessment Report

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

Levy Year	Municipal Property Taxes Levied	Collected within the fiscal year of the levy		Collections in subsequent years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 6,452,095	\$ 3,311,683	51.33%	\$ 3,135,884	\$ 6,447,567	99.93%
2011	6,493,395	3,202,557	49.32%	3,273,941	6,476,498	99.74%
2012	6,493,395	3,689,161	56.81%	2,789,416	6,478,577	99.77%
2013	6,578,820	3,875,405	58.91%	2,701,545	6,576,950	99.97%
2014	6,646,855	3,940,302	59.28%	2,688,621	6,628,923	99.73%
2015	6,700,870	3,789,342	56.55%	2,903,733	6,693,075	99.88%
2016	6,790,300	3,730,591	54.94%	3,056,308	6,786,899	99.95%
2017	6,859,780	3,995,136	58.24%	2,861,576	6,856,712	99.96%
2018	7,013,090	4,002,363	57.06%	3,005,510	7,007,873	99.93%
2019	7,182,098	3,908,091	54.41%		<i>in process</i>	

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

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

Table 11

Ratios of Net General Bonded Debt Outstanding

Year	Total General Obligation Debt	Debt Service funds available	Net General Obligation Debt	Total Taxable Equalized Value	Ratio of Debt to Equalized Value	Debt per Capita
2010	\$ 12,710,000	\$ 149,272	\$12,560,728	\$1,065,098,100	1.18%	2,117
2011	11,930,000	269,077	11,660,923	1,047,445,900	1.11%	1,963
2012	11,350,000	267,481	11,082,519	1,011,730,300	1.10%	1,869
2013	10,500,000	397,548	10,102,452	976,671,200	1.03%	1,702
2014	9,643,346	425,172	9,218,174	1,054,284,600	0.87%	1,546
2015	8,785,428	871,410	7,914,018	1,076,396,900	0.74%	1,329
2016	7,857,510	875,467	6,982,043	1,112,491,000	0.63%	1,175
2017	7,129,592	882,681	6,246,911	1,139,590,900	0.55%	1,058
2018	6,341,674	895,185	5,446,489	1,166,471,900	0.47%	920
2019	8,863,756	1,953,074	6,910,682	1,249,867,700	0.55%	1,174

Table 12

Legal Debt Margin (1)

	Total Taxable Equalized Value	Legal Debt Limit 5% of Equalized Value	Net debt applicable to limit	Legal debt margin	Percentage of Outstanding Debt to Limit
2010	\$1,065,098,100	\$ 52,372,295	\$11,660,923	\$ 40,711,372	22.27%
2011	1,047,445,900	50,586,515	11,082,519	39,503,996	21.91%
2012	1,011,730,300	48,833,560	10,102,452	38,731,108	20.69%
2013	976,671,200	52,714,230	9,218,174	43,496,056	17.49%
2014	1,054,284,600	53,819,845	7,914,018	45,905,827	14.70%
2015	1,076,396,900	55,624,550	6,982,043	48,642,507	12.55%
2016	1,112,491,000	56,979,545	6,246,911	50,732,634	10.96%
2017	1,139,590,900	56,979,545	6,246,911	50,732,634	10.96%
2018	1,166,471,900	58,323,595	5,446,489	52,877,106	9.34%
2019	1,249,867,700	62,493,385	6,910,682	55,582,703	11.06%

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

**Direct and Overlapping Governmental Activities Debt
As of December 31, 2019**

Governmental Unit	General Obligation Bonded Debt Outstanding	Percentage Applicable to Village	Amount Applicable to Village
<u>Direct</u>			
Village of Elm Grove	\$ 8,863,756	100.00%	\$ 8,863,756
<u>Overlapping</u>			
Waukesha County	\$ 79,330,000	2.10%	\$ 1,665,930
Elmbrook School District	49,445,000	13.76%	6,803,632
Waukesha County Technical College	19,110,000	2.03%	387,933
Total Overlapping	<u>147,885,000</u>		<u>8,857,495</u>
Total Direct and Overlapping Debt	<u>\$ 156,748,756</u>		<u>\$ 17,721,251</u>

Notes:

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

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

Year	Population (1)	Personal Income (2)	<u>Per Capita Personal Income (3)</u>		<u>Unemployment Rates (4)</u>	
			Waukesha County	State of Wisconsin	Waukesha County	State of Wisconsin
2009	6,157	\$ 322,922,336	\$ 52,448	\$ 38,364	7.7%	8.5%
2010	5,934	314,323,980	52,970	38,755	7.5%	8.5%
2011	5,941	335,048,636	56,396	40,648	6.6%	7.5%
2012	5,930	344,266,150	58,055	42,121	6.0%	6.9%
2013	5,934	352,354,986	59,379	42,722	5.0%	5.8%
2014	5,963	366,694,685	61,495	44,296	4.5%	5.5%
2015	5,956	387,705,820	65,095	45,960	3.8%	4.6%
2016	5,943	401,021,754	67,478	47,550	3.7%	4.2%
2017	5,903	407,808,755	69,085	49,290	2.9%	3.3%
2018	5,921	430,160,650	72,650	51,592	2.7%	3.0%
2019	5,884	*	*	*	*	*

* information not yet available

Notes: (1) Source-State of Wisconsin Department of Administration 2009-2011, 2012-2019 U.S. Census Bureau 2010

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

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

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

Village of Elm Grove
Principal Employers
Current Year and 10 Years Ago

<u>Employer</u>	<u>Type of Business</u>	<u>2019</u>			<u>2009</u>		
		<u>Approximate Employees</u>	<u>% of total</u>	<u>Rank</u>	<u>Approximate Employees</u>	<u>% of total</u>	<u>Rank</u>
Kohl's Department Stores	Retail/Headquarters	5,500	19%	1	5,220	19%	2
Pro Health Care	Health Services	4,338	15%	2	5,885	21%	1
Froedtert System	Health Services	4,000	13%	3			
Quad Graphics (a)	Printing/Headquarters	3,000	10%	4	2,848	10%	5
Aurora Health Care	Health Services	2,800	9%	5			
Roundy's (Kroger)	Retail/Distribution Center	2,579	9%	6	3,081	11%	4
GE Healthcare	Medical Equipment/Training	2,397	8%	7	3,400	12%	3
Target	Retail/Distribution Center	1,830	6%	8	1,369	5%	10
Eaton Cooper Power Systems	Manufacturing	1,675	6%	9	1,378	5%	9
Walmart Corporation	Retail	1,517	5%	10			
Waukesha School District	Education				1,840	7%	6
Community Memorial Hospital	Health Services				1,441	5%	7
Waukesha County	Government				1,384	5%	8
		<u>29,636</u>	<u>100%</u>		<u>27,846</u>	<u>100%</u>	

Source: Waukesha County Administration

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

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Administration	6.00	6.00	6.00	6.00	6.18	7.05	7.05	6.15	6.11	6.30
Public Safety										
Police Officers	18.00	18.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00
Police Administration	1.74	1.73	1.73	1.73	1.74	1.78	1.50	1.50	1.40	1.50
Dispatchers	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Municipal Court	0.84	0.83	0.83	0.83	0.83	0.83	0.93	0.56	0.66	0.60
Fire ⁽¹⁾	2.61	2.93	3.24	2.53	2.54	2.40	2.63	2.34	2.44	2.14
Emergency Medical ⁽²⁾	0.60	0.70	0.70	0.77	0.82	0.84	0.82	1.60	1.52	1.48
Health and Sanitation ⁽³⁾	0.19	0.17	0.34	0.46	0.51	0.46	0.42	0.50	0.52	0.52
Highway and Transportation										
Public Works	7.88	7.80	7.80	7.92	7.94	8.26	8.17	8.37	7.91	8.51
Forestry	1.25	1.28	1.28	1.23	1.23	1.27	1.25	1.10	1.06	1.30
Library	7.10	7.24	7.24	6.85	6.90	6.90	7.40	6.76	7.00	6.94
Park and Recreation	4.39	4.34	4.00	4.09	4.20	4.32	4.03	4.19	4.21	4.12
Total Employment	56.60	57.02	56.16	55.41	55.89	57.11	57.20	56.07	55.83	56.41

From Village payroll reports

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

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

⁽³⁾ Includes the village's yard waste facility. The yard waste facility is overseen by part-time employees.

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>General</u>										
Number of elections	3	2	5	2	2	2	4	2	2	2
<u>Inspections</u>										
Number of permits	740	751	773	834	837	935	965	967	985	987
New single family homes	-	6	5	8	5	7	8	4	3	5
<u>Public Safety</u>										
<u>Police</u>										
Traffic Stops	5,755	4,437	4,528	3,849	3,699	3,591	3,613	3,896	3,701	2,858
Calls for service-other		4,640	4,288	3,858	3,823	3,904	4,031	3,847	3,734	3,867
Citations Issued	3,919	3,294	3,214	2,649	2,501	2,602	2,779	2,544	2,026	1,426
Warnings	3,560	2,624	2,793	2,309	2,236	1,871	1,858	2,255	2,321	1,932
Business Checks	28,815	25,352	30,047	32,474	29,816	27,976	20,496	22,568	25,006	21,438
Tavern Checks	157	136	85	56	57	27	75	22	24	27
Vacant Home Checks	973	1,617	2,364	2,002	1,856	936	896	734	966	522
<u>Dispatch</u>										
Calls for service	10,031	10,130	9,246	7,707	7,522	7,495	7,644	7,743	7,435	6,725
<u>Fire</u>										
Calls for service	120	121	120	111	122	144	137	115	127	130
<u>EMS</u>										
Calls for service	268	295	297	261	282	289	349	291	347	336
<u>Public Works</u>										
Tons of Salt Used	255	454	120	830	507	236	740	330	292	429
Salt cost per ton	\$ 54.10	\$ 52.48	\$ 53.16	\$ 54.27	\$ 62.41	\$ 63.72	\$ 62.13	\$ 60.58	\$ 69.88	\$ 74.07
Miles of street paved	0.86	1.24	0.67	-	0.92	0.50	0.14	0.44	-	-
<u>Solid Waste/Recycling</u>										
Tons of Waste	1,859	1,983	1,921	1,995	2,129	1,886	1,815	1,776	1,759	1,760
Tons of Recycling	538	461	445	431	349	733	706	733	741	689
<u>Forestry</u>										
Trees Planted	85	132	57	40	47	42	73	41	55	43
Trees Removed	279	225	248	221	146	203	310	416	709	459
Ash Trees Removed	104	80	71	61	67	56	162	320	600	319
Elm Trees removed	52	49	79	83	44	63	62	57	65	37
<u>Recreation</u>										
Number of programs	243	243	242	245	244	230	234	234	203	187
Participants	1,935	1,775	1,568	1,682	1,509	1,320	1,512	1,489	1,267	1,073
Pool Passes - family	101	74	84	77	73	72	84	62	60	51
Pool Passes- individual	111	101	97	100	113	85	66	58	38	56
<u>Library</u>										
Circulation	107,610	102,058	104,196	106,085	106,451	102,641	107,798	103,708	108,115	109,558
Visits	101,481	97,994	98,622	85,729	74,141	82,299	90,870	89,854	94,615	89,112
Computers for Public Use	13	14	14	14	13	13	13	13	13	13
with internet access	6	12	12	12	6	6	6	6	6	6
Users of public internet computers	8,673	8,542	7,548	6,353	5,271	6,195	6,125	5,570	5,023	4,772

Information from Village budget and department records

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

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

<u>Function/Program</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Public Safety										
Public Safety Buildings	1	1	1	1	1	1	1	1	1	1
Police Vehicles	8	8	8	8	8	8	8	8	8	8
Fire Trucks	5	5	5	5	5	5	5	5	6	6
Ambulances	2	2	2	2	2	2	2	2	2	2
Public Works										
Street (miles)	42.26	42.26	42.26	42.26	42.26	42.26	42.26	42.26	42.26	42.26
Properties with municipal water*	-	-	-	2	3	4	4	5	5	5
Park and recreation										
Number of parks	2	2	2	2	2	2	2	2	2	2
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	9	9	9	9	9	9	9	9	9	9
Baseball diamonds	2	2	2	2	2	2	2	2	2	2

Information from Village department records