

**RECEIVED**

**JUN - 9 2013**

**VILLAGE OF FONTANA**

**VILLAGE OF FONTANA-ON-GENEVA LAKE**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2012**

**VILLAGE OF FONTANA-ON-GENEVA LAKE**

**TABLE OF CONTENTS**

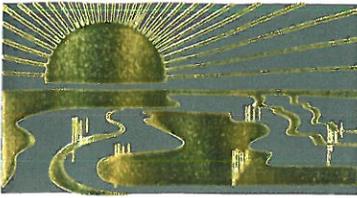
**For the Year Ended December 31, 2012**

	<u>Page</u>
<b><u>Financial Section</u></b>	
Independent Auditor's Report	1 - 2
<u>Basic Financial Statements:</u>	
Government-wide Financial Statements:	
Statement of Net Position	3
Statement of Activities	4 - 5
Fund Financial Statements:	
Balance Sheet - Governmental Funds	6
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	7 - 8
Reconciliation of the Statement of Revenues, Expenditures and Changes In Fund Balances of Governmental Funds to the Statement of Activities	9
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	10
Statement of Net Position - Proprietary Funds	11
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	12
Statement of Cash Flows - Proprietary Funds	13 - 14
Statement of Fiduciary Net Position - Fiduciary Funds	15
Notes to Financial Statements	16 - 38
<b><u>Supplemental Information</u></b>	
General Fund - Schedule of Revenues - Budget and Actual	40 - 41
General Fund - Schedule of Expenditures - Budget and Actual	42 - 44
Schedule of Water Utility Plant Detail	45
Schedule of Sewer Utility Plant Detail	46

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**TABLE OF CONTENTS - CONTINUED**  
**For the Year Ended December 31, 2012**

**Historical and Other Supplemental Information**

Long-Term Debt Schedules	47 - 67
General Revenues by Sources	68
General Government Expenditures by Functions	69
Property Tax Levies and Collections	70
Assessed and Estimated Actual Value of Taxable Property	71
Ratio of Net General Obligation Long-Term Debt to Assessed and Equalized Values and Long-Term Debt Per Capita	72
Demographic Statistics	73
Principal Taxpayers	74



# Patrick W. Romenesko, S.C.

## CERTIFIED PUBLIC ACCOUNTANT

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

### Independent Auditor's Report

To the Village Board  
Village of Fontana-on-Geneva Lake  
Walworth County, Wisconsin

I have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Fontana-on-Geneva Lake, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Village of Fontana-on-Geneva Lake's basic financial statements as listed in the table of contents.

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

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

#### **Auditor's Responsibility**

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

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

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

## Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Fontana-on-Geneva Lake as of December 31, 2012, and the respective changes in financial position and, where applicable, the cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

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

### *Other Information*

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

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

The Historical and Other Supplemental Information as listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.



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

Lake Geneva, Wisconsin  
May 31, 2013

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2012**

	<u>Primary Government</u>		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-type Activities</u>	
<b><u>Assets</u></b>			
Cash and investments	\$ 1,574,011	\$ 999,746	\$ 2,573,757
Receivables:			
2012 tax levy	3,919,504	-	3,919,504
Delinquent personal property tax (net of allowance for uncollectibles)	1,189	-	1,189
Accounts and other	130,296	387,691	517,987
Internal balances	9,234	(9,234)	-
Inventories	-	69,182	69,182
Prepaid items	27,240	-	27,240
Restricted assets:			
Cash and investments	449,839	2,251,482	2,701,321
Investment in joint venture - FWWPCC	-	9,829,454	9,829,454
Note receivable	452,330	-	452,330
Deferred charges	196,986	91,509	288,495
Preliminary design project costs	127,728	494,179	621,907
Capital assets (net of accumulated depreciation):			
Land and land rights	1,526,727	74,912	1,601,639
Other capital assets	21,319,753	19,955,151	41,274,904
Less: accumulated depreciation	(5,874,605)	(6,002,551)	(11,877,156)
Total assets	<u>23,860,232</u>	<u>28,141,521</u>	<u>52,001,753</u>
<b><u>Liabilities</u></b>			
Accounts payable and other current liabilities	168,065	61,435	229,500
Accrued interest payable	196,859	91,779	288,638
Deposits held	22,300	-	22,300
Deferred revenue	3,919,504	-	3,919,504
Non-current liabilities:			
Due within one year	834,970	657,111	1,492,081
Due in more than one year	17,145,419	9,800,172	26,945,591
Total liabilities	<u>22,287,117</u>	<u>10,610,497</u>	<u>32,897,614</u>
<b><u>Net Position</u></b>			
Invested in capital assets, net of related debt	(577,980)	14,134,339	13,556,359
Restricted	449,839	2,251,482	2,701,321
Unrestricted	1,701,256	1,767,813	3,469,069
Total net position	<u>\$ 1,573,115</u>	<u>\$ 18,153,634</u>	<u>\$ 19,726,749</u>

See accompanying notes to financial statements.

A two-page statement of  
activities follows.

Net (Expense) Revenue and  
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (517,174)	\$ -	\$ (517,174)
(1,196,158)	-	(1,196,158)
(906,658)	-	(906,658)
(2,984)	-	(2,984)
(61,430)	-	(61,430)
(61,829)	-	(61,829)
(791,641)	-	(791,641)
<u>(3,537,874)</u>	<u>-</u>	<u>(3,537,874)</u>
-	316,291	316,291
-	319,736	319,736
<u>-</u>	<u>636,027</u>	<u>636,027</u>
<u>(3,537,874)</u>	<u>636,027</u>	<u>(2,901,847)</u>
2,283,207	-	2,283,207
512,992	-	512,992
806,667	-	806,667
24,120	-	24,120
361,398	-	361,398
40,004	-	40,004
12,084	5,003	17,087
75,814	-	75,814
-	(126,766)	(126,766)
41,778	-	41,778
93,402	(93,402)	-
<u>4,251,466</u>	<u>(215,165)</u>	<u>4,036,301</u>
713,592	420,862	1,134,454
<u>859,523</u>	<u>17,732,772</u>	<u>18,592,295</u>
<u>\$ 1,573,115</u>	<u>\$ 18,153,634</u>	<u>\$ 19,726,749</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2012**

	General Fund	Rescue Squad Special Revenue Fund	Debt Service Fund	CDA Capital Projects Fund	Total Governmental Funds
<b><u>Assets</u></b>					
Cash and investments	\$ 1,555,745	\$ 18,266	\$ -	\$ -	\$ 1,574,011
Receivables:					
2012 tax levy	2,291,404	-	757,398	870,702	3,919,504
Personal property	1,189	-	-	-	1,189
Accounts and other	90,131	40,165	-	-	130,296
Due from other funds	351,328	-	449,073	-	800,401
Note receivable	-	-	-	452,330	452,330
Prepaid items	27,240	-	-	-	27,240
Restricted assets - cash and investments	449,839	-	-	-	449,839
Total assets	4,766,876	58,431	1,206,471	1,323,032	7,354,810
<b><u>Liabilities and Fund Balances</u></b>					
Liabilities:					
Accounts payable	116,864	776	-	-	117,640
Accrued payroll	50,425	-	-	-	50,425
Due to other funds	450,245	22,379	-	318,543	791,167
Deposits held	22,300	-	-	-	22,300
Deferred revenue	2,291,404	-	757,398	1,323,032	4,371,834
Total liabilities	2,931,238	23,155	757,398	1,641,575	5,353,366
Fund balances:					
Nonspendable for:					
Delinquent taxes receivable	1,189	-	-	-	1,189
Prepaid expenditures	27,240	-	-	-	27,240
Restricted for:					
Capital projects funds	446,915	-	-	(318,543)	128,372
Public safety	2,924	35,276	-	-	38,200
Assigned, reported in:					
General fund	17,252	-	-	-	17,252
Debt service funds	-	-	449,073	-	449,073
Unassigned, reported in:					
General fund	1,340,118	-	-	-	1,340,118
Total fund balances	1,835,638	35,276	449,073	(318,543)	2,001,444
Total liabilities and fund balances	\$ 4,766,876	\$ 58,431	\$ 1,206,471	\$ 1,323,032	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	17,099,603
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	452,330
Debt issuance costs used in governmental activities are also not financial resources and are not reported in the funds.	196,986
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(18,177,248)
Net position of governmental activities	\$ 1,573,115

See accompanying notes to financial statements.

A two-page statement of revenues, expenditures and changes in fund balances follows.

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-**  
**ALL GOVERNMENTAL FUNDS - CONTINUED**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	General Fund	Rescue Squad Special Revenue Fund	Debt Service Fund	CDA Capital Projects Fund	Total
<b><u>Other Financing Sources (Uses)</u></b>					
Sale of village property	45,094	-	-	-	45,094
Face value of bonds issued	1,418,000	-	-	-	1,418,000
Face value of refunded bonds issued	-	-	365,000	-	365,000
Discount on bonds issued	(7,554)	-	-	-	(7,554)
Premium on bonds issued	-	-	1,309	-	1,309
Transfer in - tax equivalent	93,402	-	-	-	93,402
Transfer in - other	-	-	-	125,000	125,000
Transfer out - other	(125,000)	-	-	-	(125,000)
Total other financing sources (uses)	<u>1,423,942</u>	<u>-</u>	<u>366,309</u>	<u>125,000</u>	<u>1,915,251</u>
Net change in fund balances	1,113,849	11,295	122,108	(190,827)	1,056,425
Fund balances - beginning	<u>721,789</u>	<u>23,981</u>	<u>326,965</u>	<u>(127,716)</u>	<u>945,019</u>
Fund balances - ending	<u>\$ 1,835,638</u>	<u>\$ 35,276</u>	<u>\$ 449,073</u>	<u>\$ (318,543)</u>	<u>\$ 2,001,444</u>

See accompanying notes to financial statements.

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

Amounts reported for governmental activities in the statement of activities (pages 4 and 5) are different because:

Net change in fund balances - total governmental funds (pages 7 and 8)	\$ 1,056,425
--	--------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities certain assets with costs of over \$3,000 are allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay reported in the governmental funds (exclusive of plant contributed to the utilities and certain other costs not being depreciated) reported as capital assets in the statement of net assets.	1,089,951
Depreciation that is reported in the statement of activities.	(771,216)
Assets sold are removed at their undepreciated value	(3,316)

Long-term receivables not available are reported as revenue in the fund financial statements when collected or currently available, but are recognized as revenue when earned in the government-wide financial statements.	(16,671)
--	----------

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transactions, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt principal payments	1,214,636
Face value of bonds issued	(1,418,000)
Face value of refunding bonds issued	(365,000)
Debt discount, premium and issuance costs	24,861
Amortization of debt issuance costs, discounts and refunding costs	(33,362)
Amortization of deferred loss on refunding	(37,909)

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 governmental funds.

Changes in interest accrued on long-term debt	2,000
Changes in compensated absences	(28,807)

Change in net position of governmental activities (pages 4 and 5)	<u>\$ 713,592</u>
---	-------------------

See accompanying notes to financial statements.

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GENERAL FUND**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b><u>Revenues</u></b>				
Taxes	\$ 2,577,447	\$ 2,577,447	\$ 2,644,706	\$ 67,259
Intergovernmental	563,649	563,649	642,990	79,341
Licenses and permits	149,800	149,800	182,659	32,859
Fines and forfeitures	71,000	71,000	99,139	28,139
Charges for services	427,978	427,978	499,222	71,244
Investment income	7,200	7,200	11,906	4,706
Rental income and all other	84,115	84,115	85,889	1,774
Total revenues	<u>3,881,189</u>	<u>3,881,189</u>	<u>4,166,511</u>	<u>285,322</u>
<b><u>Expenditures</u></b>				
Current:				
General government	468,610	510,293	506,062	4,231
Public safety	1,422,465	1,427,579	1,411,557	16,022
Public works	962,927	924,140	914,145	9,995
Health and human services	13,721	2,984	2,984	-
Culture, recreation and education	416,966	426,981	434,291	(7,310)
Conservation and development	74,000	95,594	95,594	-
Capital outlay	2,389,000	2,191,427	1,093,355	1,098,072
Bond issuance costs	-	18,616	18,616	-
Contingency	137,500	137,500	-	137,500
Total expenditures	<u>5,885,189</u>	<u>5,735,114</u>	<u>4,476,604</u>	<u>1,258,510</u>
Excess of revenues over (under) expenditures	<u>(2,004,000)</u>	<u>(1,853,925)</u>	<u>(310,093)</u>	<u>1,543,832</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Sale of village property	54,000	54,000	45,094	(8,906)
Face value of bonds issued	2,250,000	2,250,000	1,418,000	(832,000)
Bond discount	-	(6,245)	(7,554)	(1,309)
Transfer in - tax equivalent	80,000	80,000	93,402	13,402
Transfer out - other	-	-	(125,000)	(125,000)
Total other financing sources	<u>2,384,000</u>	<u>2,377,755</u>	<u>1,423,942</u>	<u>(953,813)</u>
Net change in fund balances	380,000	523,830	1,113,849	590,019
Fund balances - beginning	<u>721,789</u>	<u>721,789</u>	<u>721,789</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,101,789</u>	<u>\$ 1,245,619</u>	<u>\$ 1,835,638</u>	<u>590,019</u>

See accompanying notes to financial statements.

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2012**

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Totals</u>
<b><u>Assets</u></b>			
Current assets:			
Cash and cash equivalents	\$ 761,357	\$ 238,389	\$ 999,746
Customer accounts receivable	139,198	248,493	387,691
Due from other funds	-	1,172	1,172
Inventories	69,182	-	69,182
Total current assets	<u>969,737</u>	<u>488,054</u>	<u>1,457,791</u>
Restricted assets:			
Cash and investments	<u>1,442,888</u>	<u>808,594</u>	<u>2,251,482</u>
Noncurrent assets:			
Investment in joint venture - FWWPCC	-	9,829,454	9,829,454
Debt issuance costs	48,065	43,444	91,509
Other deferred debits	487,065	7,114	494,179
Advances to other funds	-	622,610	622,610
Capital assets:			
Land and land rights	69,412	5,500	74,912
Other plant and equipment	10,166,442	9,788,709	19,955,151
Less accumulated depreciation	<u>(2,926,707)</u>	<u>(3,075,844)</u>	<u>(6,002,551)</u>
Total noncurrent assets	<u>7,844,277</u>	<u>17,220,987</u>	<u>25,065,264</u>
Total assets	<u>10,256,902</u>	<u>18,517,635</u>	<u>28,774,537</u>
<b><u>Liabilities</u></b>			
Current liabilities:			
Accounts payable	1,224	51,946	53,170
Accrued payroll	5,485	2,780	8,265
Accrued interest	44,695	47,084	91,779
Due to other funds	10,406	-	10,406
Current portion general obligation bonds and notes	344,799	163,963	508,762
Current portion of revenue bonds	-	148,349	148,349
Total current liabilities	<u>406,609</u>	<u>414,122</u>	<u>820,731</u>
Noncurrent liabilities:			
General obligation bonds and notes payable	4,135,537	2,983,319	7,118,856
Revenue bonds payable	-	2,038,169	2,038,169
Advances from other funds	622,610	-	622,610
Compensated absences	20,537	-	20,537
Total noncurrent liabilities	<u>4,778,684</u>	<u>5,021,488</u>	<u>9,800,172</u>
Total liabilities	<u>5,185,293</u>	<u>5,435,610</u>	<u>10,620,903</u>
<b><u>Net Position</u></b>			
Invested in capital assets, net of related debt	2,876,876	11,257,463	14,134,339
Restricted	1,442,888	808,594	2,251,482
Unrestricted	751,845	1,015,968	1,767,813
Total net position	<u>\$ 5,071,609</u>	<u>\$ 13,082,025</u>	<u>\$ 18,153,634</u>

See accompanying notes to financial statements.

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Totals</u>
<b><u>Operating Revenues</u></b>			
Charges for sales and services:			
Water sales	\$ 1,093,450	\$ -	\$ 1,093,450
Sewer charges	-	1,248,949	1,248,949
Other services	4,947	-	4,947
Total operating revenues	<u>1,098,397</u>	<u>1,248,949</u>	<u>2,347,346</u>
<b><u>Operating Expenses</u></b>			
Operation and maintenance	406,325	548,643	954,968
Depreciation	231,304	216,123	447,427
Taxes	10,014	7,799	17,813
Total operating expenses	<u>647,643</u>	<u>772,565</u>	<u>1,420,208</u>
Operating income	<u>450,754</u>	<u>476,384</u>	<u>927,138</u>
<b><u>Nonoperating Revenues (Expenses)</u></b>			
Investment earnings	-	5,003	5,003
Interest expense	(112,571)	(154,761)	(267,332)
Amortization	(23,492)	(3,487)	(26,979)
Loss from joint venture investment	-	(126,766)	(126,766)
Total nonoperating revenue (expenses)	<u>(136,063)</u>	<u>(280,011)</u>	<u>(416,074)</u>
Income before contributions and transfers	314,691	196,373	511,064
Capital contributions - connection fees	1,600	1,600	3,200
Transfers out - tax equivalent	(93,402)	-	(93,402)
Change in net position	<u>222,889</u>	<u>197,973</u>	<u>420,862</u>
Total net position - beginning	<u>4,848,720</u>	<u>12,884,052</u>	<u>17,732,772</u>
Total net position - ending	<u>\$ 5,071,609</u>	<u>\$ 13,082,025</u>	<u>\$ 18,153,634</u>

See accompanying notes to financial statements.

A two-page statement of cash flows -  
proprietary funds follows.

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	Business-type Activities - Enterprise Funds		
	Water Utility	Sewer Utility	Totals
<b><u>Reconciliation of Operating Income to Net Cash</u></b>			
<b><u>Provided by Operating Activities:</u></b>			
Operating income	\$ 450,754	\$ 476,384	\$ 927,138
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	231,304	216,123	447,427
Depreciation charged to sewer	10,998	-	10,998
(Increase) decrease in accounts receivable	(8,182)	(14,756)	(22,938)
(Increase) decrease in due from other funds	(18,549)	6,647	(11,902)
(Increase) decrease in inventories	(11,204)	-	(11,204)
Increase (decrease) in operating accounts payable	(34,348)	(11,280)	(45,628)
Increase (decrease) in accrued payroll	(559)	(2,250)	(2,809)
Increase (decrease) in due to other funds	4,256	18,549	22,805
Increase (decrease) in compensated absences payable	(1,598)	(8,912)	(10,510)
Total adjustments	172,118	204,121	376,239
Net cash flows from operating activities	622,872	680,505	1,303,377
<b><u>Reconciliation of Cash And Cash Equivalents to</u></b>			
<b><u>Statement of Net Position</u></b>			
Cash and cash equivalents reported in current assets	761,357	238,389	999,746
Cash and cash equivalents reported in restricted assets	1,442,888	808,594	2,251,482
Total Cash and Investments	\$ 2,204,245	\$ 1,046,983	\$ 3,251,228

**Noncash Capital and Related Financing Activities:**

A loss from the FWWPCC joint venture of \$126,766 was recognized under the equity method of accounting in the sewer utility.

See accompanying notes to financial statements.

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**STATEMENT OF NET POSITION**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2012**

	<u>Tax Roll</u>	<u>Municipal Court</u>	<u>Totals</u>
<b><u>Assets</u></b>			
Cash and cash equivalents	\$ 3,361,317	\$ 5,514	\$ 3,366,831
Taxes receivable	9,997,051	-	9,997,051
Total assets	<u>13,358,368</u>	<u>5,514</u>	<u>13,363,882</u>
<b><u>Liabilities</u></b>			
Due to county and state	5,187,047	-	5,187,047
Due to school and vocational districts	8,171,321	-	8,171,321
Deposits held	-	5,514	5,514
Total liabilities	<u>13,358,368</u>	<u>5,514</u>	<u>13,363,882</u>
<b>Net Position</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**INDEX TO NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

<u>Note Number</u>	<u>Page</u>
1. Summary Of Significant Accounting Policies	
A. Reporting Entity	17
B. Government-Wide and Fund Financial Statements	17
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	18 - 20
D. Change in Accounting Principle	20
E. Assets, Liabilities, and Net Position or Equity	
1. Cash and Investments	20
2. Receivables and Payables	21
3. Inventories and Prepaid Items	21
4. Restricted Assets	22
5. Capital Assets	22
6. Compensated Absences	23
7. Long-Term Obligations	23
8. Fund Equity	23 - 24
2. Reconciliation of Government-Wide and Fund Financial Statements	
A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position	24
B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities	25
3. Stewardship, Compliance, and Accountability	
A. Budgetary Information	25 - 26
B. General Fund Nonspendable and Assigned Fund Balances	26
4. Detailed Notes on All Funds	
A. Cash and Investments	26 - 27
B. Receivables	28
C. Capital Assets	29 - 30
D. Investment In Fontana-Walworth Water Pollution Control Commission	30
E. Interfund Receivables, Payables and Transfers	30 - 31
F. Long-Term Obligations	31 - 33
G. Segment Information for Enterprise Funds	34
H. Lease Income	35
5. Other Information	
A. Risk Management	35
B. Employees' Pensions	35 - 36
C. Tax Incremental District	37
D. Litigation and Contingencies	37
E. Utility User Rates	38
F. Subsequent Events	38

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**Note 1 - Summary Of Significant Accounting Policies**

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles of state and local governments, except the Management's Discussion and Analysis has not been presented. Statement No. 34 of the Governmental Accounting Standards Board calls for the inclusion of this information as required supplementary information.

**A. Reporting Entity**

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

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government.

The primary government is a separately elected governing body that is legally separate and fiscally independent. The accompanying financial statements do not contain any component units.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type* activities, which rely to a significant extent on fees and charges for support.

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

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

## Note 1 - Summary Of Significant Accounting Policies - Continued

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

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

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

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

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

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

#### ***Major Funds***

The village reports the following major governmental funds:

*General fund* is the village's primary operating fund. It accounts for all financial resources of the village except those required to be accounted for in another fund.

*General debt service fund* - accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the village.

**Note 1 - Summary Of Significant Accounting Policies - Continued**

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

***Major Funds - Continued***

*Capital projects funds* - Capital projects funds are used to account for financial resources segregated for the acquisition and construction of major capital facilities. For the village, the capital projects fund is:

Community Development Authority (TIF No. 1)

The village reports the following major proprietary funds:

*Sewer utility enterprise fund* - accounts for the activities of operating the sewage treatment plant, sewage pumping stations and collections systems.

*Water utility enterprise fund* - accounts for the activities of operating the water distribution system.

***Non-Major Funds***

The village reports the following non-major governmental funds:

*Special revenue funds* - Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

Rescue squad

Additionally, the village reports the following fund type:

*Agency Funds* - Agency funds are used to account for assets held by the government in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. For the village, the agency funds are:

Tax roll fund

Municipal court bond fund

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

## **Note 1 - Summary Of Significant Accounting Policies - Continued**

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

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

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

### **D. Change in Accounting Principle**

The village has adopted Statement No. 63 of the Government Accounting Standards Board, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement establishes reporting guidance for certain deferred outflows (formerly reported as assets) and inflows (formerly reported as liabilities) of resources, and net position. There is no cumulative effect on the village's net position as a result of the implementation of this accounting principles.

### **E. Assets, Liabilities, and Net Position or Equity**

#### ***1. Cash and Investments***

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

For purposes of the statement of cash flows, cash equivalents are temporary cash investments with a maturity of three months or less at the date of purchase.

**Note 1 - Summary Of Significant Accounting Policies - Continued**

**F. Assets, Liabilities, and Net Position or Equity - Continued**

***2. Receivables and Payables***

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

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

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

Details of the village’s property tax calendar follows:

Lien and levy dates	December 2012
Real estate collection due dates:	
First installment due	January 31, 2013
Second installment due	July 31, 2013
Personal property tax due in full	January 31, 2013
Final settlement with county	August 2013
Tax sale of 2012 delinquent real estate taxes	October 2015

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

Inventories of the water utility enterprise fund are generally used in the operation and maintenance of the water utility. The inventories are valued at cost (first-in, first-out method), which is not in excess of market value. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

**Note 1 - Summary Of Significant Accounting Policies - Continued**

**E. Assets, Liabilities, and Net Position or Equity - Continued**

**4. Restricted Assets**

Cash and investments have been restricted for the following at December 31, 2012:

	<u>Governmental Funds</u>	<u>Proprietary Funds</u>
General fund:		
Police restricted funds	\$ 2,924	\$ ---
Unspent loan proceeds	446,915	
Water and sewer utility funds:		
Unspent loan proceeds	---	1,923,850
Equipment replacement fund - sewer	---	327,632
	<u>\$ 449,839</u>	<u>\$ 2,251,482</u>

**5. Capital Assets**

Capital assets, which include land, buildings, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$3,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Land improvements	30
Public domain infrastructure	50
Roads	30
Vehicles and equipment	3 - 15
Office equipment	10
Computer equipment	5

## **Note 1 - Summary Of Significant Accounting Policies – Continued**

### **E. Assets, Liabilities, and Net Position or Equity - Continued**

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

The village allows employees to accumulate unused sick leave to a maximum of 90 days for police officers and 90 days for all other employees. Upon retirement or resignation, the village pays to employees with at least 10 years of employment with the village, up to 60 days for police, and up to 90 days for others of accumulated sick leave. Sick leave in excess of the 60 or 90 day maximum is not paid upon termination, but will be paid only upon illness while in the employment of the village. Any accumulated vacation that was not allowed to be taken due to work-related assignments is also paid upon termination.

Vacations are granted in varying amounts on the employees' anniversary dates. Generally, vacation time must be used or paid out by December 31 each year; however each employee, except for police, may carry over up to two weeks of vacation to the following year.

As of December 31, 2012, the liabilities for accrued vested sick leave and accrued vested vacation time have balances of \$173,749 and \$20,537, respectively, for the combined general village and the water and sewer utilities. The amount expected to be paid from current resources is not significant.

#### **7. *Long-Term Obligations***

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### **8. *Fund Equity***

In the fund financial statements, fund balances are classified into various components. The components used by the village are defined as follows:

Nonspendable - This component of fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash such as inventories and prepaid amounts.

## Note 1 - Summary Of Significant Accounting Policies - Continued

### **8. Fund Equity - Continued**

Restricted - This component of fund balance is used when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or law or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Assigned - This component of fund balance represents amounts that are constrained by the government's *intent* to be used for specific purposes.

Unassigned - This component of fund balance is the residual classification for the general fund.

In the government-wide financial statements, equity is classified in three components, invested in capital assets, net of related debt; restricted; and unrestricted. When both restricted and unrestricted resources are available for use, it is the village's policy to use restricted resources first, then unrestricted resources as they are needed.

## Note 2 - Reconciliation of Government-Wide and Fund Financial Statements

### **A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position**

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

One element of that reconciliation explains that "capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds" The details of this \$17,099,603 difference are as follows:

Preliminary design project costs	\$ 127,728
Capital assets	22,846,480
Accumulated depreciation	<u>(5,874,605)</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 17,099,603</u>

Another element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds." The details of this \$18,177,248 difference are as follows:

Bonds and notes payable	\$ 18,231,311
Less: Deferred charges for bond refunding costs (to be Amortized as interest expense over life of debt)	(424,671)
Accrued interest payable	196,859
Compensated absences payable	<u>173,749</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 18,177,248</u>

## Note 2 - Reconciliation of Government-Wide and Fund Financial Statements

### **B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$315,419 difference are as follows:

Certain capital outlay costs	\$ 1,089,951
Depreciation expense	(771,216)
Undepreciated value of assets sold	<u>(3,316)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 315,419</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$(614,774) difference are as follows:

Principal repayments on general obligation debt	\$ 1,214,636
Face value of bonds issued	(1,418,000)
Face value of refunding bonds issued	(365,000)
Debt discount, premium and issuance costs	24,861
Amortization of debt issuance costs and discount	(33,362)
Amortization of deferred loss on refunding	<u>(37,909)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (614,774)</u>

## Note 3 - Stewardship, Compliance, and Accountability

### **A. Budgetary Information**

The village reviews and adopts its annual budget by December or earlier of the preceding year. The budgetary information included in the accompanying financial statements is comprised of the originally approved budget plus or minus approved revisions of budgeted revenues and expenditures. These budgets are adopted on a basis consistent with GAAP. Management control of the budgetary process has been established at the departmental level of expenditure. A department can be a fund, cost center, program or other activity for which control of expenditures is considered desirable. Budget appropriations for certain capital projects funds are project oriented, often possessing multi-year lives; consequently, budgeted capital projects expenditures are controlled through fund balances. Expenditures cannot legally exceed their appropriations at the fund level.

**Note 3 - Stewardship, Compliance, and Accountability - Continued**

**A. Budgetary Information - Continued**

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

**B. General Fund Nonspendable and Assigned Fund Balances**

The fund balance of the general fund was nonspendable at December 31, 2012 for the following:

Delinquent personal property taxes	\$ 1,189
Prepaid expenditures	<u>27,240</u>
Total	<u>\$ 28,429</u>

The fund balance was assigned at December 31, 2012 for the following:

Tree replacement	\$ 12,275
Police	<u>4,977</u>
Total	<u>\$ 17,252</u>

**Note 4 - Detailed Notes on All Funds**

**A. Cash and Investments**

The village's cash and investments at December 31, 2012 consisted of the following:

	<u>Carrying Amount</u>	<u>Amounts Deposited</u>	<u>Uninsured Deposits</u>
Checking-non-interest bearing	\$ 99,822	\$ 477,330	\$ - - -
Checking-interest bearing and savings accounts	<u>8,536,917</u>	<u>8,591,300</u>	<u>8,091,300</u>
Checking and savings accounts	8,636,739	<u>\$ 9,068,630</u>	<u>\$ 8,091,300</u>
Local Government Investment Pool	4,637		
Petty cash	<u>533</u>		
Total	<u>\$ 8,641,909</u>		

Total cash and investments above reconcile to the financial statements as follows:

Statement of net position:

Cash and investments	\$ 2,573,757
Restricted cash and investments	<u>2,701,321</u>
Total reported on statement of net position	5,275,078
Statement of net position - fiduciary funds	<u>3,366,831</u>
Total Cash and Investments	<u>\$ 8,641,909</u>

## Note 4 - Detailed Notes on All Funds - Continued

### **A. Cash and Investments - Continued**

Village deposits are insured by the FDIC for up to \$250,000 for time and savings deposits (including interest-bearing NOW accounts), and an additional \$250,000 of FDIC insurance is available for demand (non-interest bearing checking accounts) for each bank used. For the period December 31, 2010 through December 31, 2012, all non-interest bearing accounts are fully insured, regardless of the balance of the account. All village deposits are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses of the pool may not be significant to individual municipalities. For all investments shown, the fair value at the balance sheet date is substantially the same as the carrying value. The difference between the amounts reported as bank deposits and the carrying amounts above is due to the effect of outstanding checks and deposits in transit on the village's cash balances.

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

#### Custodial Credit Risk

Custodial credit risk represents the risk that in the event of a financial institution failure, the village's deposits may not be recovered. At December 31, 2012, \$8,091,300 of the village's bank deposits were above the FDIC insured amount and, therefore, exposed to custodial credit risk.

#### Credit Risk

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

#### Interest Rate Risk

The village does not have formal policies related to interest rate risk, the risk that changes in interest rates will adversely affect the fair value of an investment. At December 31, 2012 the village's investment in the Local Government Investment Pool (LGIP) had a fair value balance of \$4,637. The LGIP had a weighted average maturity of 73 days at December 31, 2012.

The Local Government Investment Pool (LGIP) is an investment fund managed by the State of Wisconsin Investment Board. The LGIP accepts deposits from governmental units within the State of Wisconsin. The objectives of the LGIP are to provide safety of principal, liquidity and a reasonable rate of return. The LGIP is regulated by sections 25.14 and 25.17 of the Wisconsin Statutes and is not a SEC registered investment. The yield of the LGIP changes daily and its participants may invest or withdraw any or all amounts at par value at any time. The LGIP balance reported in the financial statements at December 31, 2012 is \$4,637 at cost basis. The fair value of the LGIP investment at December 31, 2012 did not materially differ from its cost basis. A surety bond issued by Financial Security, Inc. insures the investments of the LGIP. This bond provides unlimited coverage on all of the LGIP's investments except U.S. Government and agency securities.

The village has not adopted a formal investment policy concerning interest rate and credit risk.

**Note 4 - Detailed Notes on All Funds - Continued**

**B. Receivables**

Receivables as of the year end for the village's individual major funds, nonmajor, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Debt Service</u>	<u>Community Develop. Authority</u>	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Non-Major and Tax Roll</u>	<u>Totals</u>
Receivables:							
Taxes - current	\$ 2,291,404	\$ 757,398	\$ 870,702	\$ ---	\$ ---	\$ 9,997,051	\$13,916,555
Taxes - delinquent	1,189	---	---	---	---	---	1,189
Accounts and other	90,131	---	---	139,198	248,493	40,165	517,987
Note	---	---	452,330	---	---	---	452,330
Net total receivables	<u>\$ 2,382,724</u>	<u>\$ 757,398</u>	<u>\$ 1,323,032</u>	<u>\$ 139,198</u>	<u>\$ 248,493</u>	<u>\$10,037,216</u>	<u>\$14,888,061</u>

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

	<u>Unavailable</u>	<u>Unearned</u>
Property and other taxes receivable	\$ ---	\$ 3,919,504
Note receivable	452,330	---
Total	<u>\$ 452,330</u>	<u>\$ 3,919,504</u>

A provision for uncollectible accounts has not been provided in the customer accounts receivable of the water and sewer utilities as the village has the statutory authority to collect all delinquent utility bills from the property tax roll. It is the policy of Walworth County to pay the local governments for any unpaid taxes, special assessments or special charges that have not been collected from the taxpayer.

The note receivable was issued to a business located in the village. Repayment of the note is to be received in installments equal to the village's repayment of its 2008 state trust fund loan. The note agreement includes various allowances if certain tax incremental growth is realized.

**Note 4 - Detailed Notes on All Funds - Continued**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 1,526,727	\$ ---	\$ ---	\$ 1,526,727
Total capital assets, not being depreciated	<u>1,526,727</u>	<u>---</u>	<u>---</u>	<u>1,526,727</u>
Capital assets, being depreciated:				
Buildings	5,059,844	---	---	5,059,844
Improvements other than buildings	3,121,714	19,580	---	3,141,294
Machinery and equipment	2,238,230	117,850	(99,465)	2,256,615
Infrastructure	9,909,479	952,521	---	10,862,000
Total capital assets being depreciated	<u>20,329,267</u>	<u>1,089,951</u>	<u>(99,465)</u>	<u>21,319,753</u>
Less accumulated depreciation for:				
Buildings	(1,965,971)	(94,029)	---	(2,060,000)
Improvements other than buildings	(508,140)	(156,909)	---	(665,049)
Machinery and equipment	(1,361,891)	(171,383)	96,149	(1,437,125)
Infrastructure	(1,363,536)	(348,895)	---	(1,712,431)
Total accumulated depreciation	<u>(5,199,538)</u>	<u>(771,216)</u>	<u>96,149</u>	<u>(5,874,605)</u>
Total capital assets, being depreciated, net	<u>15,129,729</u>	<u>318,735</u>	<u>(3,316)</u>	<u>15,445,148</u>
Governmental activities capital assets, net	<u>\$ 16,656,456</u>	<u>\$ 318,735</u>	<u>\$ (3,316)</u>	<u>\$ 16,971,875</u>
<b>Business Type Activities</b>				
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Non-utility property	\$ 568	\$ ---	\$ ---	\$ 568
Land	74,344	---	---	74,344
Total capital assets, not being depreciated	<u>74,912</u>	<u>---</u>	<u>---</u>	<u>74,912</u>
Capital assets, being depreciated:				
Buildings and structures	3,314,284	2,472	---	3,316,756
Machinery and equipment, and other	2,326,264	46,270	---	2,372,534
Utility plant infrastructures	13,953,915	377,066	(65,120)	14,265,861
Total capital assets being depreciated	<u>19,594,463</u>	<u>425,808</u>	<u>(65,120)</u>	<u>19,955,151</u>
Less: accumulated depreciation	<u>(5,537,165)</u>	<u>(458,425)</u>	<u>(6,961)</u>	<u>(6,002,551)</u>
Total capital assets, being depreciated, net	<u>14,057,298</u>	<u>(32,617)</u>	<u>(72,081)</u>	<u>13,952,600</u>
Business-type activities capital assets, net	<u>\$ 14,132,210</u>	<u>\$ (32,617)</u>	<u>\$ (72,081)</u>	<u>\$ 14,027,512</u>

**Note 4 - Detailed Notes on All Funds - Continued**

**C. Capital Assets - Continued**

Accumulated depreciation by capital asset category for the water and sewer utilities is not available.

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

Governmental activities:		
General government	\$	23,690
Public safety		86,549
Highways and streets, including depreciation of general infrastructure assets		577,698
Culture and recreation		78,507
Conservation and development		4,772
Total depreciation expense - governmental activities	\$	<u>771,216</u>
Business-type activities:		
Water	\$	231,304
Sewer		216,123
Total depreciation expense - business-type activities	\$	<u>447,427</u>

**D. Investment In Fontana-Walworth Water Pollution Control Commission (FWWPCC)**

The village adopted an ordinance on December 3, 1984 establishing a commission to control the construction and operation of a wastewater plant and interceptors jointly owned with the Village of Walworth. The plant is operated by the Fontana-Walworth Water Pollution Control Commission (the commission). The village's investment in the commission is accounted for using the equity method of accounting and adjusts its investment annually for the operating results of the commission. Complete financial statements of the Fontana - Walworth Water Pollution Control Commission may be obtained from its office at N840 Chilson Rd., Sharon, Wisconsin 53585.

**E. Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of December 31, 2012 is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Water utility	\$ 10,406
Sewer utility	General	1,172
General	CDA	318,543
General	Rescue squad	22,379
Debt service	General	449,073
		<u>\$ 801,573</u>

Advances to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Sewer utility	Water utility	<u>\$ 622,610</u>

**Note 4 - Detailed Notes on All Funds - Continued**

**E. Interfund Receivables, Payables and Transfers - Continued**

The outstanding balances between funds result mainly from the time lag between the dates that interfund goods and services are provided or reimbursable expenses occur; transactions are recorded in the accounting system; and payments between funds are made. The village is in the process of creating a repayment schedule for the advance between the water and sewer utilities.

Interfund transfers:

	Transfers In	
	General Fund	CDA Fund
Transfer Out:		
Water utility	\$ 93,402	\$ - - -
General fund	- - -	125,000
	<u>\$ 93,402</u>	<u>\$ 125,000</u>

The transfer between the general fund and the water utility was made to account for the property tax equivalent settlement. The transfer between the CDA fund and the general fund was made to provide the CDA with adequate resources to meet its debt service requirements.

**F. Long-Term Obligations**

Outstanding debt and other long-term obligations of the village was comprised of the following at December 31, 2012:

Issue	Interest Rates	Original Principal	Outstanding Principal At 12/31/12		Current Portion
			General	Proprietary	
<u>General obligation debt:</u>					
1999 water bonds	2.64%	\$1,327,047	\$ - - -	\$ 628,366	\$ 98,026
2006 corporate purpose bonds	4.0-4.2%	6,710,000	4,885,225	1,074,775	275,000
2008 state trust fund loan	5.0%	500,000	430,534	- - -	18,206
2008 corporate purpose bonds	3.0-5.2%	4,330,000	3,003,762	656,238	225,000
2010 promissory notes	1.75-3.65%	3,035,000	1,084,910	695,089	390,000
2010 refunding bonds	2.0-4.5%	7,140,000	6,623,880	416,150	50,000
2010 bank loan	3.8%	525,000	420,000	- - -	52,500
2012 corporate purpose bonds	0.4-3.5%	4,100,000	1,418,000	2,682,000	155,000
2012 refunding bonds	2.0-2.7%	1,840,000	365,000	1,475,000	80,000
Total general obligation debt			<u>18,231,311</u>	<u>7,627,618</u>	<u>1,343,732</u>
<u>Utility revenue debt:</u>					
1998 CWF sewer bonds	3.159%	872,261	- - -	320,443	60,165
2009 CWF sewer bonds	2.668%	2,026,941	- - -	1,866,075	88,184
Total utility revenue debt			<u>- - -</u>	<u>2,186,518</u>	<u>148,349</u>
<u>Other long-term obligations:</u>					
Compensated absences (Note 1D (6))			173,749	20,537	N/A
Less: deferred bond refunding costs			(424,671)	- - -	N/A
Total			<u>\$17,980,389</u>	<u>\$ 9,834,673</u>	<u>\$ 1,492,081</u>

**Note 4 - Detailed Notes on All Funds - Continued**

**F. Long-Term Obligations - Continued**

A. General obligation debt

General village and proprietary fund indebtedness represented by general obligation notes totaled \$25,858,919 on December 31, 2012. The village's full faith and credit back these general obligation notes. Transactions for 2012 are summarized as follows:

Balance - January 1, 2012	\$ 23,071,180
Proceeds from general obligation bonds and notes	4,100,000
Proceeds from refunded bonds	1,840,000
Principal reductions	(1,340,256)
Principal reductions on refunded bonds	<u>(1,811,995)</u>
Balance - December 31, 2012	<u>\$ 25,858,929</u>

Annual debt service requirements to maturity of general obligation debt are as follows:

Year Ending December 31	General Village Long-Term Debt		Proprietary Fund Long-Term Debt		Totals
	Principal	Interest	Principal	Interest	
2013	\$ 834,970	\$ 705,047	\$ 508,762	\$ 228,301	\$ 2,277,080
2014	864,699	675,163	532,500	201,472	2,273,834
2015	888,185	646,572	517,626	188,745	2,241,128
2016	904,620	616,115	494,871	176,009	2,191,615
2017	1,105,327	580,820	603,093	161,320	2,450,560
2018 - 2022	5,525,423	2,278,191	1,987,085	632,828	10,423,527
2023 - 2027	6,171,206	1,079,205	1,977,697	335,996	9,564,104
2028 - 2032	<u>1,936,881</u>	<u>101,335</u>	<u>1,005,984</u>	<u>66,742</u>	<u>3,110,942</u>
	<u>\$ 18,231,311</u>	<u>\$ 6,682,448</u>	<u>\$ 7,627,618</u>	<u>\$ 1,991,413</u>	<u>\$ 34,532,790</u>

B. Utility revenue debt

Proprietary fund indebtedness represented by Wisconsin Clean Water fund revenue bonds totaled \$2,186,518 on December 31, 2012. The debt is pledged by the assets and revenues of the utilities. The village's full faith and credit do not back these revenue bonds. Transactions for 2012 are summarized as follows:

Balance - January 1, 2012	\$ 2,330,734
Loan proceeds	---
Principal reductions	<u>(144,216)</u>
Balance - December 31, 2012	<u>\$ 2,186,518</u>

**Note 4 - Detailed Notes on All Funds - Continued**

**F. Long-Term Obligations - Continued**

Annual debt service requirements to maturity of utility revenue debt are as follows:

Year Ended December 31	Principal	Interest	Totals
2013	\$ 148,349	\$ 57,784	\$ 206,133
2014	152,603	53,468	206,071
2015	156,980	49,028	206,008
2016	161,482	44,461	205,943
2017	166,115	39,761	205,876
2017 - 2021	530,529	152,251	682,780
2022 - 2026	605,180	76,605	681,785
2027 - 2029	265,280	7,125	272,405
Totals	<u>\$ 2,186,518</u>	<u>\$ 480,483</u>	<u>\$ 2,667,001</u>

**C. Margin of indebtedness**

The Wisconsin Statutes restrict the village's general obligation debt to 5% of the equalized value of all property in the village. This amount is compared below with the outstanding debt on December 31, 2012:

Equalized Value - 2012	<u>\$ 1,178,065,800</u>
Margin of Indebtedness:	
5% of Equalized Value	58,903,290
Outstanding General Obligation Debt - December 31, 2012	<u>25,858,929</u>
Margin of Indebtedness	<u>\$ 33,044,361</u>

**D. Refunding of outstanding bonds**

During 2010, the village issued general obligation bonds to advance refund its 2005 redevelopment lease revenue bonds. On December 31, 2012, \$4,265,000 of bonds are considered defeased as a result of the 2010 transaction.

**Note 4 - Detailed Notes on All Funds - Continued**

**G. Segment Information for Enterprise Funds**

The village maintains two enterprise funds. Segment information for the 2012 year follows:

**CONDENSED STATEMENT OF NET POSITION**

	Water Utility	Sewer Utility	Total
Assets:			
Current assets	\$ 1,092,392	\$ 1,233,319	\$ 2,325,711
Due from other funds	122,655	746,437	869,092
Restricted assets	1,442,888	808,594	2,251,482
Debt issuance costs	48,065	43,444	91,509
Other noncurrent assets	7,796,212	16,554,933	24,351,145
Total assets	10,379,557	18,640,290	29,019,847
Liabilities:			
Current liabilities	1,151,874	536,777	1,688,651
Due to other funds	755,671	122,655	878,326
Noncurrent liabilities	4,156,074	5,021,488	9,177,562
Total liabilities	5,307,948	5,558,265	10,866,213
Net Position:			
Invested in capital assets, net of related debt	2,876,876	11,257,463	14,134,339
Restricted	1,442,888	808,594	2,251,482
Unrestricted	751,845	1,015,968	1,767,813
Total Net Position	\$ 5,071,609	\$ 13,082,025	\$ 18,153,634

**CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

	Water Utility	Sewer Utility	Total
Operating revenues	\$ 1,098,397	\$ 1,248,949	\$ 2,347,346
Depreciation expense	231,304	216,123	447,427
Other operating expenses	416,339	556,442	972,781
Operating income	450,754	476,384	927,138
Non-operating revenues (expenses):			
Investment earnings	---	5,003	5,003
Interest expense	(112,571)	(154,761)	(267,332)
Amortization expense	(23,492)	(3,487)	(26,979)
Loss from joint venture investment	---	(126,766)	(126,766)
Capital contributions	1,600	1,600	3,200
Transfers out	(93,402)	---	(93,402)
Change in Net Position	222,889	197,973	420,862
Beginning Net Position	4,848,720	12,884,052	17,732,772
Ending Net Position	\$ 5,071,609	\$ 13,082,025	\$ 18,153,634

**CONDENSED STATEMENT OF CASH FLOWS**

	Water Utility	Sewer Utility	Total
Net cash provided (used) by:			
Operating activities	\$ 622,872	\$ 680,505	\$ 1,303,377
Noncapital financing activities	(93,402)	---	(93,402)
Capital and related financing activities	1,248,698	(368,251)	880,447
Investing activities	---	5,003	5,003
Net increase (decrease)	1,778,168	317,257	2,095,425
Beginning cash and cash equivalents	426,077	729,726	1,155,803
Ending cash and cash equivalents	\$ 2,204,245	\$ 1,046,983	\$ 3,251,228

**Note 4 - Detailed Notes on All Funds - Continued**

**H. Lease Income**

The village has entered into agreements with various lessees for the rental of a building, pier space, and mounting of telecommunications equipment on a village-owned tower. Rental income for the year ended December 31, 2012 was \$80,220.

The remaining future rental payments due on unextended leases currently in effect are as follows:

<u>Year</u>	<u>Amount</u>
2013	\$ 82,753
2014	85,302
2015	41,857
2016	43,113
2017	44,406
2018	45,737
Total	<u>\$ 343,168</u>

**Note 5 - Other Information**

**A. Risk Management**

The village has purchased commercial insurance policies for various risks of loss related to litigation, theft, damage or destruction of assets, errors or omissions, injuries to employees, or acts of God. Payments of premiums for these policies are recorded as expenditures or expenses in the various funds of the village.

**B. Employees' Pensions**

All eligible village employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and school district education support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Note: Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

Prior to June 29, 2011, covered employees in the General/Teacher/Educational Support Personnel category were required by statute to contribute 6.5% of their salary (3.9% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security, and 4.8% for Protective Occupations without Social Security) to the plan. Employers could make these contributions to the plan on behalf of employees. Employers were required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

**Note 5 - Other Information - Continued**

**B. Employees' Pensions - Continued**

Effective the first day of the first pay period on or after June 29, 2011, the employee required contribution was changed to one-half of the actuarially determined contribution rate for General category employees, including Teachers, and Executives and Elected Officials. Required contributions for protective contributions 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. Contribution rates for 2012 are:

	<u>Employee</u>	<u>Employer</u>
General (including Teachers)	5.9%	5.9%
Executives & Elected Officials	7.05%	7.05%
Protective with Social Security	5.9%	10.9%
Protective without Social Security	5.9%	13.2%

The payroll for village employees covered by the WRS for the year ended December 31, 2012 was \$1,148,598; the employer's total payroll was \$1,357,991. The total required contribution for the year ended December 31, 2012 was \$146,137 which consisted of \$78,369, or 6.8% of the covered payroll from the employer and \$67,768 or 5.9% of the covered payroll from employees. Total contributions for the years ending December 31, 2011 and 2010 were \$149,501 and \$159,730, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the three highest years earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011 are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits is determined under Chapter 40 of the Wisconsin Statutes. The WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, PO Box 7931, Madison, Wisconsin 53707-7931.

**Note 5 - Other Information - Continued**

**C. Tax Incremental District**

The village has established tax incremental financing (TIF) district no. 1 (reported as the Community Development Authority fund) pursuant to a law enacted to provide a process by which local units of government could finance public works or improvements in blighted areas from taxes levied by county, village, schools and other local jurisdictions based on the increase in property values within a designated geographic area. When a tax incremental district is established, the state determines the aggregate value of taxable property located within the district (the base value). Taxes derived from levies by all local jurisdictions on property values exceeding the base value determined by the state are allocated to the village for financing improvements within the district.

Taxes derived from levies by all local jurisdictions on property values exceeding the base value determined by the state are allocated to the village for financing improvements within the district. The statutory period for completing expenditures on improvement projects in the district will expire in 2025. Tax increments generated within the district will be allocated to the village until project costs for the district are recovered by the village or until the year 2030, whichever occurs first. These costs have been financed by the issuance of general obligation notes. The recovery of the project costs is subject to sufficient increments being generated in the district before the end of the life of the district.

The following summarizes the transactions to date of the district.

	<u>Year Ended</u>	<u>From Date of Creation</u>
<b><u>Project Costs</u></b>		
Capital expenditures	\$ 18,188	\$ 17,396,605
Administration	3,839	512,667
Interest expense	625,288	3,859,264
Debt issuance costs	---	201,884
Total Project Costs	<u>647,315</u>	<u>21,970,420</u>
<b><u>Less: Project Revenues</u></b>		
Tax increments	(806,667)	(6,418,178)
Investment income	(159)	(248,346)
Intergovernmental and all other	<u>(79,187)</u>	<u>(721,152)</u>
Total Project Revenues	<u>(886,013)</u>	<u>(7,387,676)</u>
Net Cost Recoverable (Recovered) Through TIF Increments - December 31, 2012	<u>\$ (238,698)</u>	<u>\$ 14,582,744</u>

**D. Litigation and Contingencies**

The village attorney and village management are unaware of any pending or threatened litigation against the village at December 31, 2012 that would have a material effect on the financial statements.

**Note 5 - Other Information - Continued**

**E. Utility User Rates**

Water utility user rates currently in place were established by the Wisconsin Public Service Commission effective September 19, 2012. Sewer utility rates currently in place were approved by the village board effective May 2012.

**F. Subsequent Events**

Management has evaluated the need for disclosure or recording of transactions resulting from subsequent events through May 31, 2013, the date the financial statements were available to be issued; and concluded there were no matters to be disclosed.

**SUPPLEMENTAL INFORMATION**

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b><u>Taxes</u></b>				
General property taxes	\$ 2,277,447	\$ 2,277,447	\$ 2,283,207	\$ 5,760
Room tax revenue	300,000	300,000	361,398	61,398
Interest and penalties on taxes	-	-	101	101
Total Taxes	<u>2,577,447</u>	<u>2,577,447</u>	<u>2,644,706</u>	<u>67,259</u>
<b><u>Intergovernmental Revenues</u></b>				
Shared revenue from state	21,536	21,536	21,536	-
State exempt computer aid	-	-	486	486
Fire insurance from state	28,000	28,000	33,198	5,198
Library system grant	44,261	44,261	45,451	1,190
State highway aid	391,591	391,591	391,591	-
Federal IRS refund of interest	7,261	7,261	8,841	1,580
State police training aid	-	-	11,966	11,966
Highway safety grant	-	-	3,999	3,999
State boating safety aid	25,000	25,000	27,347	2,347
State grant for recycling	17,000	17,000	16,889	(111)
Village of Walworth building permits	18,000	18,000	29,309	11,309
Village of Sharon building permits	10,000	10,000	15,344	5,344
Local road improvement program	-	-	35,506	35,506
Other intergovernmental	1,000	1,000	1,527	527
Total Intergovernmental Revenues	<u>563,649</u>	<u>563,649</u>	<u>642,990</u>	<u>79,341</u>
<b><u>Licenses and Permits</u></b>				
Cigarette license	800	800	1,000	200
Liquor licenses	5,300	5,300	5,800	500
Building permits	100,000	100,000	126,167	26,167
Dog license	300	300	549	249
Operator and other licenses	8,400	8,400	9,240	840
Cablevision fees	35,000	35,000	39,903	4,903
Total Licenses and Permits	<u>149,800</u>	<u>149,800</u>	<u>182,659</u>	<u>32,859</u>
<b><u>Fines and Forfeitures</u></b>				
Court penalty costs	60,000	60,000	69,671	9,671
Tree fines	-	-	1,500	1,500
Parking fines	11,000	11,000	27,968	16,968
Total Fines and Forfeitures	<u>\$ 71,000</u>	<u>\$ 71,000</u>	<u>\$ 99,139</u>	<u>\$ 28,139</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b><u>Public Charges for Services</u></b>				
Parking meters	\$ 68,000	\$ 68,000	\$ 87,951	\$ 19,951
Parking lots	22,000	22,000	27,335	5,335
Boat launching	50,000	50,000	56,590	6,590
Beach	140,000	140,000	164,637	24,637
Boat slips and shore stations	69,630	69,630	69,630	-
Buoy and ramp rental	36,428	36,428	36,166	(262)
Publication fees	220	220	220	-
Park fees	600	600	1,122	522
Park fees/concessions	19,000	19,000	21,421	2,421
Recycling revenue	3,000	3,000	12,600	9,600
Event admission- triathlon & others	15,000	15,000	15,000	-
Other revenue	2,100	2,100	3,896	1,796
Law enforcement fees	-	-	400	400
Planning rezone fees	2,000	2,000	2,254	254
Total Public Charges for Services	<u>427,978</u>	<u>427,978</u>	<u>499,222</u>	<u>71,244</u>
<b><u>Investment Income</u></b>				
Interest earned	<u>7,200</u>	<u>7,200</u>	<u>11,906</u>	<u>4,706</u>
<b><u>Rental Income and All Other</u></b>				
Rental income - Lake Street marina	38,361	38,361	38,361	-
Rental income - cellular tower	38,114	38,114	38,219	105
Rental income - piers	3,640	3,640	3,640	-
FontanaWear sales	4,000	4,000	4,619	619
Donations - other	-	-	1,050	1,050
Total Rental Income and All Other	<u>84,115</u>	<u>84,115</u>	<u>85,889</u>	<u>1,774</u>
Total Revenues	<u>\$ 3,881,189</u>	<u>\$ 3,881,189</u>	<u>\$ 4,166,511</u>	<u>\$ 285,322</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b><u>General Government</u></b>				
Trustees	\$ 23,794	\$ 23,794	\$ 22,816	\$ 978
President	5,823	5,823	5,703	120
Municipal court	20,519	20,519	24,069	(3,550)
Legal	83,000	88,620	99,109	(10,489)
Administration	70,409	70,409	69,191	1,218
Clerk-treasurer	98,557	98,557	97,446	1,111
Elections	3,750	4,813	4,810	3
Accounting	8,600	8,600	8,400	200
Assessment	58,500	58,500	58,500	-
Board of review	500	500	90	410
Village hall	48,596	48,596	48,587	9
Other buildings	755	755	1,036	(281)
Maps and plats	500	500	301	199
Non-medical insurance	16,500	16,500	13,217	3,283
Cell tower repair	750	750	357	393
Refundable and uncollectible taxes	2,985	2,985	2,985	-
Judgments & Losses	-	35,000	35,000	-
Worker's compensation	17,072	17,072	13,968	3,104
Unemployment compensation	8,000	8,000	477	7,523
Total General Government	<u>468,610</u>	<u>510,293</u>	<u>506,062</u>	<u>4,231</u>
<b><u>Public Safety</u></b>				
Police administration and patrol	719,621	719,621	680,982	38,639
Police training	12,600	12,600	10,081	2,519
Geneva Lake law enforcement	45,174	45,174	45,174	-
Water safety patrol	37,320	37,320	37,320	-
Fire protection	43,267	43,267	59,266	(15,999)
Fire training	1,500	1,500	521	979
Fire compensation	19,622	19,622	20,397	(775)
Fire administration	720	720	540	180
Rescue	17,000	17,000	17,116	(116)
Emergency government	2,255	4,746	6,677	(1,931)
Public fire protection - hydrant rental	344,241	344,241	346,995	(2,754)
Building inspection	145,354	147,977	154,255	(6,278)
Correction & detention	200	200	375	(175)
Safety building	33,591	33,591	31,858	1,733
Total Public Safety	<u>\$ 1,422,465</u>	<u>\$ 1,427,579</u>	<u>\$ 1,411,557</u>	<u>\$ 16,022</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b><u>Public Works</u></b>				
Engineering fees	\$ 13,000	\$ 13,000	\$ 9,129	\$ 3,871
Street maintenance	461,704	437,076	411,294	25,782
Snow and ice removal	37,800	34,479	34,479	-
Street lighting	36,000	36,000	37,202	(1,202)
Parking facilities	17,481	17,481	31,544	(14,063)
Docks-harbors-piers	41,000	36,371	36,371	-
Garbage collection	197,923	197,923	197,923	-
Recycling	128,519	122,310	126,139	(3,829)
Tree & brush control	2,500	2,500	6,625	(4,125)
Public works building	27,000	27,000	23,439	3,561
Total Public Works	<u>962,927</u>	<u>924,140</u>	<u>914,145</u>	<u>9,995</u>
<b><u>Health and Human Services</u></b>				
Insect control	<u>13,721</u>	<u>2,984</u>	<u>2,984</u>	<u>-</u>
<b><u>Culture, Recreation and Education</u></b>				
Library	178,351	178,351	177,820	531
Parks	59,999	64,962	78,703	(13,741)
Park house	12,530	15,380	17,452	(2,072)
Park commission	80,725	80,725	67,802	12,923
Duck Pond pavilion	4,400	4,400	4,638	(238)
Beaches	52,146	54,348	61,402	(7,054)
Recreation programs	700	700	657	43
Fontana wear	3,500	3,500	3,390	110
Ramps/launch	24,615	24,615	22,427	2,188
Total Culture, Recreation, and Education	<u>416,966</u>	<u>426,981</u>	<u>434,291</u>	<u>(7,310)</u>
<b><u>Conservation and Development</u></b>				
Promotion/tourism	2,500	7,907	7,907	-
Sales tax to state	25,000	29,207	29,207	-
Celebrations and entertainment	1,000	1,450	1,450	-
Plan commission	25,000	36,530	36,530	-
Lake use committee	500	500	500	-
Water pollution control	20,000	20,000	20,000	-
Total Conservation and Development	<u>\$ 74,000</u>	<u>\$ 95,594</u>	<u>\$ 95,594</u>	<u>\$ -</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
<b><u>Capital Outlay</u></b>				
Police	\$ -	\$ -	\$ 14,289	\$ (14,289)
Safety building	23,000	23,000	22,693	307
Parks commission	5,000	5,000	-	5,000
Recycling	49,500	49,500	46,271	3,229
Street construction	2,250,000	2,062,146	952,521	1,109,625
Highway equipment	61,500	47,318	53,118	(5,800)
Building inspection	-	4,463	4,463	-
Total Capital Outlay	<u>2,389,000</u>	<u>2,191,427</u>	<u>1,093,355</u>	<u>1,098,072</u>
<b>Contingency</b>	<u>137,500</u>	<u>137,500</u>	<u>-</u>	<u>137,500</u>
Total Expenditures	<u><u>\$ 5,885,189</u></u>	<u><u>\$ 5,716,498</u></u>	<u><u>\$ 4,457,988</u></u>	<u><u>\$ 1,258,510</u></u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUND**  
**SCHEDULE OF WATER UTILITY PLANT DETAIL**  
**DECEMBER 31, 2012**

	Balance 1/1/2012	Additions	Retirements	Balance 12/31/2012
<b><u>Source of Supply Plant</u></b>				
Land and land rights	\$ 66,763	\$ -	\$ -	\$ 66,763
Wells and springs	797,268	-	-	797,268
Total Source of Supply Plant	864,031	-	-	864,031
<b><u>Pumping Plant</u></b>				
Structures and improvements	951,404	-	-	951,404
Electric pumping equipment	440,294	-	-	440,294
Other pumping equipment	20,327	-	-	20,327
Total Pumping Plant	1,412,025	-	-	1,412,025
<b><u>Water Treatment Plant</u></b>				
Structures and improvements	372,396	-	-	372,396
Water treatment equipment	401,639	-	-	401,639
Total Water Treatment Plant	774,035	-	-	774,035
<b><u>Transmission and Distribution Plant</u></b>				
Land and land rights	2,649	-	-	2,649
Structures and improvements	22,573	-	-	22,573
Distribution reservoirs and standpipes	558,031	-	-	558,031
Transmission and distribution mains	4,303,054	151,300	(9,160)	4,445,194
Fire mains	13,845	-	-	13,845
Services	787,333	15,520	(600)	802,253
Meters	397,339	8,053	(2,860)	402,532
Hydrants	474,006	25,998	(2,500)	497,504
Other transmission & distribution	22,465	-	-	22,465
Total Transmission and Distribution Plant	6,581,295	200,871	(15,120)	6,767,046
<b><u>General Plant</u></b>				
Structures and improvements	31,833	-	-	31,833
Computer equipment and software	19,558	-	-	19,558
Office furniture and fixtures	31,531	-	-	31,531
SCADA equipment	40,189	-	-	40,189
Transportation equipment	184,736	-	-	184,736
Other general equipment	87,735	23,135	-	110,870
Total General Plant	395,582	23,135	-	418,717
Total Water Utility Plant	<u>\$ 10,026,968</u>	<u>\$ 224,006</u>	<u>\$ (15,120)</u>	<u>\$ 10,235,854</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUND**  
**SCHEDULE OF SEWER UTILITY PLANT DETAIL**  
**DECEMBER 31, 2012**

	Balance <u>1/1/2012</u>	Additions	Retirements	Balance <u>12/31/2012</u>
<b><u>Sewer Utility Plant</u></b>				
Land and land rights	\$ 5,500	\$ -	\$ -	\$ 5,500
Buildings and structures	1,936,079	2,472	-	1,938,551
Pumping station	690,024	-	-	690,024
Treatment and disposal equipment	489,496	-	-	489,496
Other plant equipment	75,430	-	-	75,430
Outfall sewer main	163,261	-	-	163,261
Collecting sewers	4,036,127	70,820	-	4,106,947
Service laterals	222,897	-	-	222,897
Pumping equipment for collecting station	1,715,928	105,375	(50,000)	1,771,303
Transportation equipment	170,685	-	-	170,685
Office equipment	47,499	-	-	47,499
Miscellaneous equipment	89,481	23,135	-	112,616
	<u>\$ 9,642,407</u>	<u>\$ 201,802</u>	<u>\$ (50,000)</u>	<u>\$ 9,794,209</u>

HISTORICAL AND ADDITIONAL  
SUPPLEMENTAL INFORMATION

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

The following is a summary of the long-term debt of the village as of December 31, 2012.

<b><u>Non-Utility General Obligation Debt</u></b>	Outstanding Principal 12/31/12
2006 corporate purpose bonds	\$ 4,885,225
2008 state trust fund loan	430,534
2008 corporate purpose bonds (non-utility portion)	3,003,762
2010A refunding promissory notes	1,084,910
2010B refunding bonds	6,623,880
2010 bank loan	420,000
2012A corporate purpose bonds	1,418,000
2012B refunding bonds	365,000
	<u>\$ 18,231,311</u>

**2006 General Obligation Corporate Purpose Bonds**

The non-utility portion of outstanding general obligation corporate purposes bonds issued in 2006 is \$4,885,225. Proceeds of \$300,000 were used for general village purposes and \$5,200,000 were used for TIF purposes. Interest rates vary from 4.00% to 4.20% and payments are due through June 1, 2026.

	Principal	Interest	Total
June 1, 2013	\$ 225,418	\$ 99,273	\$ 324,691
December 1, 2013	-	94,764	94,764
June 1, 2014	245,910	94,764	340,674
December 1, 2014	-	89,846	89,846
June 1, 2015	245,910	89,846	335,756
December 1, 2015	-	84,928	84,928
June 1, 2016	245,910	84,928	330,838
December 1, 2016	-	80,010	80,010
June 1, 2017	307,388	80,010	387,398
December 1, 2017	-	73,862	73,862
June 1, 2018	307,388	73,862	381,250
December 1, 2018	-	67,714	67,714
June 1, 2019	307,388	67,714	375,102
December 1, 2019	-	61,567	61,567
June 1, 2020	327,880	61,567	389,447
December 1, 2020	-	55,009	55,009
June 1, 2021	377,062	55,009	432,071
December 1, 2021	-	47,374	47,374
June 1, 2022	409,850	47,374	457,224
December 1, 2022	-	39,074	39,074
Balance Carried Forward	<u>\$ 3,000,104</u>	<u>\$ 1,448,495</u>	<u>\$ 4,448,599</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2006 General Obligation Corporate Purpose Bonds - Continued**

	Principal	Interest	Total
Balance Brought Forward	\$ 3,000,104	\$ 1,448,495	\$ 4,448,599
June 1, 2023	450,835	39,074	489,909
December 1, 2023	-	29,832	29,832
June 1, 2024	450,835	29,832	480,667
December 1, 2024	-	20,533	20,533
June 1, 2025	491,820	20,533	512,353
December 1, 2025		10,328	10,328
June 1, 2026	491,631	10,328	501,959
	<u>\$ 4,885,225</u>	<u>\$ 1,608,955</u>	<u>\$ 6,494,180</u>

**2008 State Trust Fund Loan**

The outstanding balance of this loan issued for TIF purposes issued in 2008 is \$430,534. Interest is charged at 5.00% and payments are due through March 15, 2028.

	Principal	Interest	Total
March 15, 2013	\$ 18,206	\$ 21,527	\$ 39,733
March 15, 2014	19,117	20,616	39,733
March 15, 2015	20,072	19,661	39,733
March 15, 2016	21,025	18,708	39,733
March 15, 2017	22,127	17,606	39,733
March 15, 2018	23,234	16,499	39,733
March 15, 2019	24,395	15,338	39,733
March 15, 2020	25,577	14,156	39,733
March 15, 2021	26,894	12,839	39,733
March 15, 2022	28,239	11,494	39,733
March 15, 2023	29,651	10,082	39,733
March 15, 2024	31,110	8,623	39,733
March 15, 2025	32,689	7,044	39,733
March 15, 2026	34,323	5,410	39,733
March 15, 2027	36,039	3,694	39,733
March 15, 2028	37,836	1,897	39,733
	<u>\$ 430,534</u>	<u>\$ 205,194</u>	<u>\$ 635,728</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2008 General Obligation Bonds**

The non-utility portion of these notes issued in 2008 is \$3,003,762. Proceeds of \$87,466 were used for general village purposes and \$3,466,165 were used for TIF purposes. Interest rates vary from 3.00% to 5.20% and payments are due through September 1, 2028.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 1, 2013	\$ -	\$ 66,711	\$ 66,711
September 1, 2013	184,657	66,711	251,368
March 1, 2014	-	63,433	63,433
September 1, 2014	184,657	63,433	248,090
March 1, 2015	-	60,017	60,017
September 1, 2015	184,657	60,017	244,674
March 1, 2016	-	56,462	56,462
September 1, 2016	184,657	56,462	241,119
March 1, 2017	-	52,769	52,769
September 1, 2017	184,657	52,769	237,426
March 1, 2018	-	48,983	48,983
September 1, 2018	184,657	48,983	233,640
March 1, 2019	-	45,106	45,106
September 1, 2019	184,657	45,106	229,763
March 1, 2020	-	41,136	41,136
September 1, 2020	184,657	41,136	225,793
March 1, 2021	-	37,073	37,073
September 1, 2021	184,658	37,073	221,731
March 1, 2022	-	32,918	32,918
September 1, 2022	184,658	32,918	217,576
March 1, 2023	-	28,671	28,671
September 1, 2023	184,658	28,671	213,329
March 1, 2024	-	24,331	24,331
September 1, 2024	184,658	24,331	208,989
March 1, 2025	-	19,900	19,900
September 1, 2025	184,658	19,900	204,558
March 1, 2026	-	15,376	15,376
September 1, 2026	205,175	15,376	220,551
March 1, 2027	-	10,246	10,246
September 1, 2027	205,175	10,246	215,421
March 1, 2028	-	5,014	5,014
September 1, 2028	192,866	5,014	197,880
	<u>\$ 3,003,762</u>	<u>\$ 1,216,292</u>	<u>\$ 4,220,054</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2010A Refunding Promissory Notes**

The non-utility portion of outstanding refunding promissory notes issued in 2010 is \$1,084,910. Proceeds of \$1,131,145 were used for general village purposes and \$718,688 were used for TIF purposes. Interest rates vary from 1.75% to 3.65% and payments are due through March 1, 2017.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 1, 2013	\$ 237,705	\$ 15,808	\$ 253,513
September 1, 2013	-	13,134	13,134
March 1, 2014	243,800	13,134	256,934
September 1, 2014	-	10,086	10,086
March 1, 2015	204,183	10,086	214,269
September 1, 2015	-	7,024	7,024
March 1, 2016	131,043	7,024	138,067
September 1, 2016	-	4,894	4,894
March 1, 2017	268,179	4,894	273,073
	<u>\$ 1,084,910</u>	<u>\$ 86,084</u>	<u>\$ 1,170,994</u>

**2010B General Obligation Refunding Bonds**

The non-utility portion of outstanding general obligation refunding bonds issued in 2010 is \$6,623,880. Proceeds of \$193,000 were used for general village purposes and \$6,525,000 were used for TIF purposes. Interest rates vary from 2.00% to 4.50% and payments are due through March 1, 2029.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 1, 2013	\$ 47,045	\$ 134,481	\$ 181,526
September 1, 2013	-	134,011	134,011
March 1, 2014	47,045	134,011	181,056
September 1, 2014	-	133,540	133,540
March 1, 2015	108,204	133,540	241,744
September 1, 2015	-	131,917	131,917
March 1, 2016	188,180	131,917	320,097
September 1, 2016	-	129,094	129,094
March 1, 2017	188,180	129,094	317,274
September 1, 2017	-	126,272	126,272
March 1, 2018	423,405	126,272	549,677
September 1, 2018	-	117,804	117,804
March 1, 2019	423,405	117,804	541,209
September 1, 2019	-	109,336	109,336
March 1, 2020	376,360	109,336	485,696
September 1, 2020	-	101,808	101,808
March 1, 2021	399,883	101,808	501,691
September 1, 2021	-	93,811	93,811
March 1, 2022	470,450	93,811	564,261
Balance Carried Forward	<u>\$ 2,672,157</u>	<u>\$ 2,289,667</u>	<u>\$ 4,961,824</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2010B General Obligation Refunding Bonds - Continued**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Balance Brought Forward	\$ 2,672,157	\$ 2,289,667	\$ 4,961,824
September 1, 2022	-	84,402	84,402
March 1, 2023	446,928	84,402	531,330
September 1, 2023	-	75,463	75,463
March 1, 2024	517,494	75,463	592,957
September 1, 2024	-	65,113	65,113
March 1, 2025	541,017	65,113	606,130
September 1, 2025	-	53,955	53,955
March 1, 2026	588,062	53,955	642,017
September 1, 2026	-	41,458	41,458
March 1, 2027	564,540	41,458	605,998
September 1, 2027	-	29,109	29,109
March 1, 2028	635,108	29,109	664,217
September 1, 2028	-	14,819	14,819
March 1, 2029	658,574	14,819	673,393
	<u>\$ 6,623,880</u>	<u>\$ 3,018,305</u>	<u>\$ 9,642,185</u>

**2010 Bank Loan**

The outstanding balance of this loan issued in 2010 is \$420,000. Proceeds of \$525,000 were used for general village purposes. The interest rate is 3.80% and payments are due through April 9, 2020.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 9, 2013	\$ 52,500	\$ 15,960	\$ 68,460
April 9, 2014	52,500	13,965	66,465
April 9, 2015	52,500	11,970	64,470
April 9, 2016	52,500	9,975	62,475
April 9, 2017	52,500	7,980	60,480
April 9, 2018	52,500	5,985	58,485
April 9, 2019	52,500	1,356	53,856
April 9, 2020	52,500	1,995	54,495
	<u>\$ 420,000</u>	<u>\$ 69,186</u>	<u>\$ 489,186</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2012A General Obligation Corporate Purpose Bonds**

The non-utility portion of outstanding corporate purpose bonds issued in 2012 is \$1,418,000. Proceeds of \$1,418,000 were used for general village purposes and \$2,682,000 were used for utility purposes. Interest rates vary from .40% to 3.50% and payments are due through February 2032.

	Principal	Interest	Total
February 1, 2013	\$ 53,599	\$ 15,585	\$ 69,184
August 1, 2013	-	15,478	15,478
February 1, 2014	51,870	15,477	67,347
August 1, 2014	-	15,322	15,322
March 1, 2015	51,870	15,322	67,192
August 1, 2015	-	15,114	15,114
February 1, 2016	60,515	15,114	75,629
August 1, 2016	-	14,812	14,812
February 1, 2017	60,515	14,812	75,327
August 1, 2017	-	14,464	14,464
February 1, 2018	44,954	14,464	59,418
August 1, 2018	-	14,172	14,172
February 1, 2019	86,450	14,172	100,622
August 1, 2019	-	13,523	13,523
February 1, 2020	86,450	13,523	99,973
August 1, 2020	-	12,789	12,789
February 1, 2021	86,450	12,789	99,239
August 1, 2021	-	11,989	11,989
February 1, 2022	82,992	11,989	94,981
August 1, 2022	-	11,159	11,159
February 1, 2023	77,805	11,159	88,964
August 1, 2023	-	10,303	10,303
February 1, 2024	77,805	10,303	88,108
August 1, 2024	-	9,369	9,369
February 1, 2025	77,805	9,369	87,174
August 1, 2025	-	8,358	8,358
February 1, 2026	77,805	8,358	86,163
August 1, 2026	-	7,269	7,269
February 1, 2027	77,805	7,269	85,074
August 1, 2027	-	6,102	6,102
February 1, 2028	77,805	6,102	83,907
August 1, 2028	-	4,857	4,857
February 1, 2029	77,805	4,857	82,662
August 1, 2029	-	3,573	3,573
February 1, 2030	77,805	3,573	81,378
August 1, 2030	-	2,250	2,250
February 1, 2031	76,076	2,250	78,326
August 1, 2031	-	938	938
February 1, 2032	53,819	938	54,757
	<u>\$ 1,418,000</u>	<u>\$ 399,266</u>	<u>\$ 1,817,266</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2012B General Obligation Refunding Bonds**

The non-utility portion of outstanding corporate purpose bonds issued in 2012 is \$365,000. Proceeds of \$365,000 were used for general village purposes and \$1,475,000 were used for utility purposes. Interest rates vary from 2.00% to 2.70% and payments are due through February 2029.

	Principal	Interest	Total
March 1, 2013	\$ 15,840	\$ 7,738	\$ 23,578
September 1, 2013	-	3,867	3,867
March 1, 2014	19,800	3,867	23,667
September 1, 2014	-	3,669	3,669
March 1, 2015	20,790	3,669	24,459
September 1, 2015	-	3,461	3,461
March 1, 2016	20,790	3,461	24,251
September 1, 2016	-	3,253	3,253
March 1, 2017	21,780	3,253	25,033
September 1, 2017	-	3,035	3,035
March 1, 2018	20,790	3,035	23,825
September 1, 2018	-	2,827	2,827
March 1, 2019	20,790	2,827	23,617
September 1, 2019	-	2,620	2,620
March 1, 2020	21,780	2,620	24,400
September 1, 2020	-	2,402	2,402
March 1, 2021	21,780	2,402	24,182
September 1, 2021	-	2,184	2,184
March 1, 2022	20,790	2,184	22,974
September 1, 2022	-	1,976	1,976
March 1, 2023	21,780	1,976	23,756
September 1, 2023	-	1,736	1,736
March 1, 2024	21,780	1,736	23,516
September 1, 2024	-	1,497	1,497
March 1, 2025	21,780	1,497	23,277
September 1, 2025	-	1,236	1,236
March 1, 2026	22,770	1,236	24,006
September 1, 2026	-	962	962
March 1, 2027	22,770	962	23,732
September 1, 2027	-	655	655
March 1, 2028	23,760	655	24,415
September 1, 2028	-	334	334
March 1, 2029	25,430	334	25,764
	<u>\$ 365,000</u>	<u>\$ 79,166</u>	<u>\$ 444,166</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

<b><u>Water Utility Debt</u></b>	Outstanding Principal 12/31/12
1999 general obligation bonds	\$ 628,366
2008 corporate purpose bonds (water portion)	388,326
2010A refunding promissory notes	533,644
2010B refunding bonds	214,000
2012A corporate purpose bonds (water portion)	2,405,000
2012B refunding bonds (water portion)	311,000
	\$ 4,480,336

**1999 General Obligation Bonds**

The water utility has remaining \$628,366 on a 1999 Safe Drinking Water Bond. Interest is charged at 2.64% and payments are due through May 1, 2018.

	Principal	Interest	Total
May 1, 2013	\$ 98,026	\$ 8,295	\$ 106,321
November 1, 2013	-	7,001	7,001
May 1, 2014	100,613	7,001	107,614
November 1, 2014	-	5,672	5,672
May 1, 2015	103,270	5,672	108,942
November 1, 2015	-	4,309	4,309
May 1, 2016	105,996	4,309	110,305
November 1, 2016	-	2,910	2,910
May 1, 2017	108,794	2,910	111,704
November 1, 2017	-	1,474	1,474
May 1, 2018	111,667	1,474	113,141
	\$ 628,366	\$ 51,027	\$ 679,393

**2008 General Obligation Bonds**

The water utility portion of outstanding general obligation promissory notes issued in 2008 is \$388,326. Interest rates vary from 3.00% to 5.20% and payments are due through September 1, 2028.

	Principal	Interest	Total
March 1, 2013	\$ -	\$ 8,624	\$ 8,624
September 1, 2013	23,872	8,624	32,496
March 1, 2014	-	8,201	8,201
September 1, 2014	23,872	8,201	32,073
March 1, 2015	-	7,759	7,759
September 1, 2015	23,872	7,759	31,631
March 1, 2016	-	7,298	7,298
September 1, 2016	23,872	7,298	31,170
March 1, 2017	-	6,822	6,822
September 1, 2017	23,872	6,822	30,694
March 1, 2018	-	6,333	6,333
September 1, 2018	23,872	6,333	30,205
Balance Carried Forward	\$ 143,232	\$ 90,074	\$ 233,306

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2008 General Obligation Bonds - Continued**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Balance Brought Forward	\$ 143,232	\$ 90,074	\$ 233,306
March 1, 2019	-	5,831	5,831
September 1, 2019	23,872	5,831	29,703
March 1, 2020	-	5,318	5,318
September 1, 2020	23,872	5,318	29,190
March 1, 2021	-	4,793	4,793
September 1, 2021	23,873	4,793	28,666
March 1, 2022	-	4,256	4,256
September 1, 2022	23,873	4,256	28,129
March 1, 2023	-	3,707	3,707
September 1, 2023	23,873	3,707	27,580
March 1, 2024	-	3,146	3,146
September 1, 2024	23,873	3,146	27,019
March 1, 2025	-	2,573	2,573
September 1, 2025	23,873	2,573	26,446
March 1, 2026	-	1,988	1,988
September 1, 2026	26,525	1,988	28,513
March 1, 2027	-	1,325	1,325
September 1, 2027	26,525	1,325	27,850
March 1, 2028	-	648	648
September 1, 2028	24,935	648	25,583
	<u>\$ 388,326</u>	<u>\$ 157,244</u>	<u>\$ 545,570</u>

**2010A Refunding Promissory Notes**

The water utility portion of outstanding refunding promissory notes issued in 2010 is \$533,644. Interest rate vary from 1.75% to 3.65% and payments are due through March 1, 2017.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 1, 2013	\$ 116,922	\$ 7,776	\$ 124,698
September 1, 2013	-	6,460	6,460
March 1, 2014	119,920	6,460	126,380
September 1, 2014	-	4,961	4,961
March 1, 2015	100,433	4,961	105,394
September 1, 2015	-	3,455	3,455
March 1, 2016	64,457	3,455	67,912
September 1, 2016	-	2,407	2,407
March 1, 2017	131,912	2,407	134,319
	<u>\$ 533,644</u>	<u>\$ 42,342</u>	<u>\$ 575,986</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2010B General Obligation Refunding Bonds**

The water utility portion of outstanding general obligation refunding bonds issued in 2010 is \$214,000. Interest rates vary from 2.00% to 4.5% and payments are due through March 1, 2029.

	Principal	Interest	Total
March 1, 2013	\$ 1,520	\$ 4,345	\$ 5,865
September 1, 2013	-	4,330	4,330
March 1, 2014	1,520	4,330	5,850
September 1, 2014	-	4,315	4,315
March 1, 2015	3,496	4,315	7,811
September 1, 2015	-	4,262	4,262
March 1, 2016	6,080	4,262	10,342
September 1, 2016	-	4,171	4,171
March 1, 2017	6,080	4,171	10,251
September 1, 2017	-	4,080	4,080
March 1, 2018	13,680	4,080	17,760
September 1, 2018	-	3,806	3,806
March 1, 2019	13,680	3,806	17,486
September 1, 2019	-	3,533	3,533
March 1, 2020	12,160	3,533	15,693
September 1, 2020	-	3,289	3,289
March 1, 2021	12,920	3,289	16,209
September 1, 2021	-	3,031	3,031
March 1, 2022	15,200	3,031	18,231
September 1, 2022	-	2,727	2,727
March 1, 2023	14,440	2,727	17,167
September 1, 2023	-	2,438	2,438
March 1, 2024	16,720	2,438	19,158
September 1, 2024	-	2,104	2,104
March 1, 2025	17,480	2,104	19,584
September 1, 2025	-	1,743	1,743
March 1, 2026	19,000	1,743	20,743
September 1, 2026	-	1,339	1,339
March 1, 2027	18,240	1,339	19,579
September 1, 2027	-	941	941
March 1, 2028	20,520	941	21,461
September 1, 2028	-	479	479
March 1, 2029	21,264	479	21,743
	<u>\$ 214,000</u>	<u>\$ 97,521</u>	<u>\$ 311,521</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2012A General Obligation Corporate Purpose Bonds**

The water utility portion of outstanding corporate purpose bonds issued in 2012 is \$2,405,000. Proceeds of \$1,418,000 were used for general village purposes and \$2,682,000 were used for utility purposes. Interest rates vary from .40% to 3.50% and payments are due through February 2032.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
February 1, 2013	\$ 90,939	\$ 26,443	\$ 117,382
August 1, 2013	-	26,260	26,260
February 1, 2014	88,005	26,260	114,265
August 1, 2014	-	25,996	25,996
March 1, 2015	88,005	25,996	114,001
August 1, 2015	-	25,644	25,644
February 1, 2016	102,673	25,644	128,317
August 1, 2016	-	25,131	25,131
February 1, 2017	102,673	25,131	127,804
August 1, 2017	-	24,540	24,540
February 1, 2018	76,271	24,540	100,811
August 1, 2018	-	24,044	24,044
February 1, 2019	146,675	24,044	170,719
August 1, 2019	-	22,944	22,944
February 1, 2020	146,675	22,944	169,619
August 1, 2020	-	21,698	21,698
February 1, 2021	146,675	21,698	168,373
August 1, 2021	-	20,341	20,341
February 1, 2022	140,808	20,341	161,149
August 1, 2022	-	18,933	18,933
February 1, 2023	132,008	18,933	150,941
August 1, 2023	-	17,481	17,481
February 1, 2024	132,008	17,481	149,489
August 1, 2024	-	15,897	15,897
February 1, 2025	132,008	15,897	147,905
August 1, 2025	-	14,181	14,181
February 1, 2026	132,008	14,181	146,189
August 1, 2026	-	12,332	12,332
February 1, 2027	132,008	12,332	144,340
August 1, 2027	-	10,352	10,352
February 1, 2028	132,008	10,352	142,360
August 1, 2028	-	8,240	8,240
February 1, 2029	132,008	8,240	140,248
August 1, 2029	-	6,062	6,062
February 1, 2030	132,008	6,062	138,070
August 1, 2030	-	3,818	3,818
February 1, 2031	129,074	3,818	132,892
August 1, 2031	-	1,591	1,591
February 1, 2032	90,463	1,591	92,054
	<u>\$ 2,405,000</u>	<u>\$ 677,413</u>	<u>\$ 3,082,413</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2012B General Obligation Refunding Bonds**

The water utility portion of outstanding corporate purpose bonds issued in 2012 is \$311,000. Proceeds of \$365,000 were used for general village purposes and \$1,475,000 were used for utility purposes. Interest rates vary from 2.00% to 2.70% and payments are due through February 2029.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 1, 2013	\$ 13,520	\$ 6,603	\$ 20,123
September 1, 2013	-	3,300	3,300
March 1, 2014	16,900	3,300	20,200
September 1, 2014	-	3,132	3,132
March 1, 2015	17,745	3,132	20,877
September 1, 2015	-	2,954	2,954
March 1, 2016	17,745	2,954	20,699
September 1, 2016	-	2,777	2,777
March 1, 2017	18,590	2,777	21,367
September 1, 2017	-	2,591	2,591
March 1, 2018	17,745	2,591	20,336
September 1, 2018	-	2,413	2,413
March 1, 2019	17,745	2,413	20,158
September 1, 2019	-	2,236	2,236
March 1, 2020	18,590	2,236	20,826
September 1, 2020	-	2,050	2,050
March 1, 2021	18,590	2,050	20,640
September 1, 2021	-	1,864	1,864
March 1, 2022	17,745	1,864	19,609
September 1, 2022	-	1,687	1,687
March 1, 2023	18,590	1,687	20,277
September 1, 2023	-	1,482	1,482
March 1, 2024	18,590	1,482	20,072
September 1, 2024	-	1,278	1,278
March 1, 2025	18,590	1,278	19,868
September 1, 2025	-	1,055	1,055
March 1, 2026	19,435	1,055	20,490
September 1, 2026	-	821	821
March 1, 2027	19,435	821	20,256
September 1, 2027	-	559	559
March 1, 2028	20,280	559	20,839
September 1, 2028	-	285	285
March 1, 2029	21,165	285	21,450
	<u>\$ 311,000</u>	<u>\$ 67,571</u>	<u>\$ 378,571</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

<b><u>Sewer Utility Debt</u></b>	<b>Outstanding Principal 12/31/11</b>
1998 revenue bonds	\$ 320,443
2006 corporate purpose bonds (sewer portion)	1,074,775
2008 corporate purposes bonds (sewer portion)	267,912
2009 revenue bonds	1,866,075
2010A refunding promissory notes (sewer portion)	161,445
2010B refunding bonds (sewer portion)	202,150
2012A corporate purpose bonds (sewer portion)	277,000
2012B refunding bonds (sewer portion)	1,164,000
	<b>\$ 5,333,800</b>

**1998 Revenue Bonds**

The sewer utility owes \$320,443 on outstanding 1998 Sewerage System Revenue Bonds, borrowed as part of a clean water fund program established by the State of Wisconsin, to pay its part of the cost of phosphorous removal at the Fontana-Walworth water pollution control facility. Interest is charged at 3.159%. The total borrowed was \$987,271.

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
May 1, 2013	\$ 60,165	\$ 5,062	\$ 65,227
November 1, 2013	-	4,111	4,111
May 1, 2014	62,066	4,111	66,177
November 1, 2014	-	3,131	3,131
May 1, 2015	64,027	3,130	67,157
November 1, 2015	-	2,120	2,120
May 1, 2016	66,049	2,120	68,169
November 1, 2016	-	1,076	1,076
May 1, 2017	68,136	1,076	69,212
	<b>\$ 320,443</b>	<b>\$ 25,937</b>	<b>\$ 346,380</b>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2006 General Obligation Corporate Purpose Bonds**

The sewer utility owes \$1,074,775 on its portion of the 2006 general obligation corporate purpose bonds. The interest rates vary from 4.00% to 4.20% and payments are due through June 1, 2026.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
June 1, 2013	\$ 49,583	\$ 21,836	\$ 71,419
December 1, 2013	-	20,844	20,844
June 1, 2014	54,060	20,844	74,904
December 1, 2014	-	19,762	19,762
June 1, 2015	54,060	19,762	73,822
December 1, 2015	-	18,681	18,681
June 1, 2016	54,060	18,681	72,741
December 1, 2016	-	17,599	17,599
June 1, 2017	67,613	17,599	85,212
December 1, 2017	-	16,247	16,247
June 1, 2018	67,613	16,247	83,860
December 1, 2018	-	14,894	14,894
June 1, 2019	67,613	14,894	82,507
December 1, 2019	-	13,542	13,542
June 1, 2020	72,120	13,542	85,662
December 1, 2020	-	12,100	12,100
June 1, 2021	82,938	12,100	95,038
December 1, 2021	-	10,420	10,420
June 1, 2022	90,150	10,420	100,570
December 1, 2022	-	8,595	8,595
June 1, 2023	99,165	8,595	107,760
December 1, 2023	-	6,562	6,562
June 1, 2024	99,165	6,562	105,727
December 1, 2024	-	4,517	4,517
June 1, 2025	108,180	4,517	112,697
December 1, 2025	-	2,272	2,272
June 1, 2026	108,455	2,272	110,727
	<u>\$ 1,074,775</u>	<u>\$ 353,906</u>	<u>\$ 1,428,681</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2008 General Obligation Bonds**

The sewer utility portion of outstanding general obligation promissory notes issued in 2008 is \$267,912. Interest rates vary from 3.00% to 5.20% and payments are due through September 1, 2028.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 1, 2013	\$ -	\$ 5,950	\$ 5,950
September 1, 2013	16,470	5,950	22,420
March 1, 2014	-	5,658	5,658
September 1, 2014	16,470	5,658	22,128
March 1, 2015	-	5,353	5,353
September 1, 2015	16,470	5,353	21,823
March 1, 2016	-	5,036	5,036
September 1, 2016	16,470	5,036	21,506
March 1, 2017	-	4,707	4,707
September 1, 2017	16,470	4,707	21,177
March 1, 2018	-	4,369	4,369
September 1, 2018	16,470	4,369	20,839
March 1, 2019	-	4,023	4,023
September 1, 2019	16,470	4,023	20,493
March 1, 2020	-	3,669	3,669
September 1, 2020	16,470	3,669	20,139
March 1, 2021	-	3,307	3,307
September 1, 2021	16,470	3,307	19,777
March 1, 2022	-	2,936	2,936
September 1, 2022	16,470	2,936	19,406
March 1, 2023	-	2,557	2,557
September 1, 2023	16,470	2,557	19,027
March 1, 2024	-	2,170	2,170
September 1, 2024	16,470	2,170	18,640
March 1, 2025	-	1,775	1,775
September 1, 2025	16,470	1,775	18,245
March 1, 2026	-	1,371	1,371
September 1, 2026	18,300	1,371	19,671
March 1, 2027	-	914	914
September 1, 2027	18,300	914	19,214
March 1, 2028	-	447	447
September 1, 2028	17,202	446	17,648
	<u>\$ 267,912</u>	<u>\$ 108,483</u>	<u>\$ 376,395</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2009 Revenue Bonds**

The sewer utility owes \$1,866,075 on outstanding 2009 Sewerage System Revenue Bonds, borrowed as part of a clean water fund program established by the State of Wisconsin, to pay its part of the of the cost of improvements at the Fontana-Walworth Water Pollution Control Commission. Interest is charged at 2.668%. The maximum loan amount available is \$2,026,941.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
May 1, 2013	\$ 88,184	\$ 24,894	\$ 113,078
November 1, 2013	-	23,717	23,717
May 1, 2014	90,537	23,717	114,254
November 1, 2014	-	22,509	22,509
May 1, 2015	92,953	22,509	115,462
November 1, 2015	-	21,269	21,269
May 1, 2016	95,433	21,269	116,702
November 1, 2016	-	19,996	19,996
May 1, 2017	97,979	19,996	117,975
November 1, 2017	-	18,689	18,689
May 1, 2018	100,593	18,689	119,282
November 1, 2018	-	17,347	17,347
May 1, 2019	103,277	17,347	120,624
November 1, 2019	-	15,970	15,970
May 1, 2020	106,032	15,970	122,002
November 1, 2020	-	14,555	14,555
May 1, 2021	108,861	14,555	123,416
November 1, 2021	-	13,103	13,103
May 1, 2022	111,766	13,103	124,869
November 1, 2022	-	11,612	11,612
May 1, 2023	114,748	11,612	126,360
November 1, 2023	-	10,081	10,081
May 1, 2024	117,809	10,081	127,890
November 1, 2024	-	8,510	8,510
May 1, 2025	120,952	8,510	129,462
November 1, 2025	-	6,896	6,896
May 1, 2026	124,179	6,896	131,075
November 1, 2026	-	5,240	5,240
May 1, 2027	127,492	5,240	132,732
November 1, 2027	-	3,539	3,539
May 1, 2028	130,894	3,539	134,433
November 1, 2028	-	1,793	1,793
May 1, 2029	134,386	1,793	136,179
	<u>\$ 1,866,075</u>	<u>\$ 454,546</u>	<u>\$ 2,320,621</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2010A Refunding Promissory Notes**

The sewer utility portion of outstanding refunding promissory notes issued in 2010 is \$161,445. Interest rate vary from 1.75% to 3.65% and payments are due through March 1, 2017.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 1, 2013	\$ 35,373	\$ 2,352	\$ 37,725
September 1, 2013	-	1,955	1,955
March 1, 2014	36,280	1,955	38,235
September 1, 2014	-	1,501	1,501
March 1, 2015	30,385	1,501	31,886
September 1, 2015	-	1,045	1,045
March 1, 2016	19,501	1,045	20,546
September 1, 2016	-	728	728
March 1, 2017	39,906	728	40,634
	<u>\$ 161,445</u>	<u>\$ 12,810</u>	<u>\$ 174,255</u>

**2010B General Obligation Refunding Bonds**

The sewer utility portion of outstanding general obligation refunding bonds issued in 2010 is \$202,150. Interest rates vary from 2.00% to 4.5% and payments are due through March 1, 2029.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 1, 2013	\$ 1,435	\$ 4,102	\$ 5,537
September 1, 2013	-	4,088	4,088
March 1, 2014	1,435	4,088	5,523
September 1, 2014	-	4,073	4,073
March 1, 2015	3,301	4,073	7,374
September 1, 2015	-	4,024	4,024
March 1, 2016	5,740	4,024	9,764
September 1, 2016	-	3,938	3,938
March 1, 2017	5,740	3,938	9,678
September 1, 2017	-	3,852	3,852
March 1, 2018	12,915	3,852	16,767
September 1, 2018	-	3,593	3,593
March 1, 2019	12,915	3,593	16,508
September 1, 2019	-	3,335	3,335
March 1, 2020	11,480	3,335	14,815
September 1, 2020	-	3,105	3,105
March 1, 2021	12,198	3,105	15,303
September 1, 2021	-	2,861	2,861
March 1, 2022	14,350	2,861	17,211
September 1, 2022	-	2,575	2,575
March 1, 2023	13,633	2,575	16,208
September 1, 2023	-	2,302	2,302
Balance Carried Forward	<u>\$ 95,142</u>	<u>\$ 77,292</u>	<u>\$ 172,434</u>

VILLAGE OF FONTANA-ON-GENEVA LAKE  
LONG-TERM DEBT SCHEDULES  
FOR THE YEAR ENDED DECEMBER 31, 2012

2010B General Obligation Refunding Bonds - Continued

	Principal	Interest	Total
Balance Brought Forward	\$ 95,142	\$ 77,292	\$ 172,434
March 1, 2024	15,785	2,301	18,086
September 1, 2024	-	1,986	1,986
March 1, 2025	16,502	1,986	18,488
September 1, 2025	-	1,646	1,646
March 1, 2026	17,937	1,646	19,583
September 1, 2026	-	1,265	1,265
March 1, 2027	17,220	1,265	18,485
September 1, 2027	-	888	888
March 1, 2028	19,372	888	20,260
September 1, 2028	-	452	452
March 1, 2029	20,192	452	20,644
	<u>\$ 202,150</u>	<u>\$ 92,067</u>	<u>\$ 294,217</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2012A General Obligation Corporate Purpose Bonds**

The sewer utility portion of outstanding corporate purpose bonds issued in 2012 is \$277,000. Proceeds of \$1,418,000 were used for general village purposes and \$2,682,000 were used for utility purposes. Interest rates vary from .40% to 3.50% and payments are due through February 2032.

	Principal	Interest	Total
February 1, 2013	\$ 10,463	\$ 3,043	\$ 13,506
August 1, 2013	-	3,021	3,021
February 1, 2014	10,125	3,021	13,146
August 1, 2014	-	2,991	2,991
March 1, 2015	10,125	2,991	13,116
August 1, 2015	-	2,951	2,951
February 1, 2016	11,813	2,951	14,764
August 1, 2016	-	2,891	2,891
February 1, 2017	11,813	2,891	14,704
August 1, 2017	-	2,824	2,824
February 1, 2018	8,775	2,824	11,599
August 1, 2018	-	2,766	2,766
February 1, 2019	16,875	2,766	19,641
August 1, 2019	-	2,640	2,640
February 1, 2020	16,875	2,640	19,515
August 1, 2020	-	2,496	2,496
February 1, 2021	16,875	2,496	19,371
August 1, 2021	-	2,340	2,340
February 1, 2022	16,200	2,340	18,540
August 1, 2022	-	2,178	2,178
February 1, 2023	15,188	2,178	17,366
August 1, 2023	-	2,011	2,011
February 1, 2024	15,188	2,011	17,199
August 1, 2024	-	1,829	1,829
February 1, 2025	15,188	1,829	17,017
August 1, 2025	-	1,632	1,632
February 1, 2026	15,188	1,632	16,820
August 1, 2026	-	1,419	1,419
February 1, 2027	15,188	1,419	16,607
August 1, 2027	-	1,191	1,191
February 1, 2028	15,188	1,191	16,379
August 1, 2028	-	948	948
February 1, 2029	15,188	948	16,136
August 1, 2029	-	697	697
February 1, 2030	15,188	697	15,885
August 1, 2030	-	439	439
February 1, 2031	14,850	439	15,289
August 1, 2031	-	183	183
February 1, 2032	10,707	183	10,890
	<u>\$ 277,000</u>	<u>\$ 77,937</u>	<u>\$ 354,937</u>

**VILLAGE OF FONTANA-ON-GENEVA LAKE**  
**LONG-TERM DEBT SCHEDULES**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**2012B General Obligation Refunding Bonds**

The sewer utility portion of outstanding corporate purpose bonds issued in 2012 is \$1,164,000. Proceeds of \$365,000 were used for general village purposes and \$1,475,000 were used for utility purposes. Interest rates vary from 2.00% to 2.70% and payments are due through February 2029.

	Principal	Interest	Total
March 1, 2013	\$ 50,640	\$ 24,738	\$ 75,378
September 1, 2013	-	12,363	12,363
March 1, 2014	63,300	12,363	75,663
September 1, 2014	-	11,730	11,730
March 1, 2015	66,465	11,730	78,195
September 1, 2015	-	11,065	11,065
March 1, 2016	66,465	11,065	77,530
September 1, 2016	-	10,400	10,400
March 1, 2017	69,630	10,400	80,030
September 1, 2017	-	9,704	9,704
March 1, 2018	66,465	9,704	76,169
September 1, 2018	-	9,039	9,039
March 1, 2019	66,465	9,039	75,504
September 1, 2019	-	8,375	8,375
March 1, 2020	69,630	8,375	78,005
September 1, 2020	-	7,678	7,678
March 1, 2021	69,630	7,678	77,308
September 1, 2021	-	6,982	6,982
March 1, 2022	66,465	6,982	73,447
September 1, 2022	-	6,317	6,317
March 1, 2023	69,630	6,317	75,947
September 1, 2023	-	5,551	5,551
March 1, 2024	69,630	5,551	75,181
September 1, 2024	-	4,785	4,785
March 1, 2025	69,630	4,785	74,415
September 1, 2025	-	3,950	3,950
March 1, 2026	72,795	3,950	76,745
September 1, 2026	-	3,076	3,076
March 1, 2027	72,795	3,076	75,871
September 1, 2027	-	2,094	2,094
March 1, 2028	75,960	2,094	78,054
September 1, 2028	-	1,068	1,068
March 1, 2029	78,405	1,068	79,473
	<u>\$ 1,164,000</u>	<u>\$ 253,092</u>	<u>\$ 1,417,092</u>

VILLAGE OF FONTANA-ON-GENEVA LAKE

GENERAL REVENUES BY SOURCES (1)  
LAST TEN YEARS

Year	Taxes	Inter-governmental	Regulation and Compliance	Public Charges	All Other General Revenue (2)	Total
2003	\$ 2,444,972	\$ 379,983	\$ 121,752	\$ 327,362	\$ 189,147	\$ 3,463,216
2004	2,789,840	411,744	293,950	293,544	428,213	4,217,291
2005	2,760,388	388,595	247,712	396,161	6,608,252	10,401,108
2006	2,985,414	458,584	212,668	400,538	394,421	4,451,625
2007	3,815,721	464,024	272,363	439,173	1,586,049	6,577,330
2008	3,826,693	524,704	322,066	453,850	4,240,799	9,368,112
2009	4,169,346	569,045	243,131	469,787	2,100,013	7,551,322
2010	4,248,468	746,121	262,562	563,464	9,267,571	15,088,186
2011	4,016,041	689,766	243,554	544,812	160,064	5,654,237
2012	3,964,365	649,255	281,798	593,183	1,966,873	7,455,474

(1) Includes all governmental funds.

(2) Includes proceeds from nonutility long-term debt.

VILLAGE OF FONTANA-ON-GENEVA LAKE

GENERAL GOVERNMENT EXPENDITURES BY FUNCTIONS (1)  
LAST TEN YEARS

Year	General Government and Contingency	Public Safety	Health and Human Services	Public Works	Culture and Recreation	Conservation and Development	Debt Service	Capital Outlay	Total
2003	\$ 652,449	\$ 1,155,533	\$ 9,400	\$ 860,013	\$ 322,691	\$ 48,139	\$ 775,957	\$ 114,306	\$ 3,938,488
2004	571,546	1,185,884	13,159	1,070,284	339,407	224,714	746,289	317,266	4,468,549
2005	640,781	1,232,680	16,843	1,098,552	391,630	188,240	2,433,011	3,286,509	9,288,246
2006	513,201	1,306,967	14,650	822,201	834,743	299,893	4,050,154	4,835,954	12,677,763
2007	687,133	1,268,825	-	875,294	425,487	52,430	1,349,790	2,306,190	6,965,149
2008	648,871	1,394,172	17,512	953,964	429,419	206,474	1,423,907	3,874,528	8,948,847
2009	634,014	1,446,540	17,609	956,425	411,720	411,398	1,668,150	3,350,047	8,895,903
2010	503,268	1,447,716	872	872,774	426,632	84,589	1,691,811	961,433	5,989,095
2011	496,668	1,509,092	11,409	943,200	391,359	129,887	3,062,753	266,677	6,811,045
2012	509,901	1,462,126	2,984	932,333	434,291	95,594	1,955,622	1,093,355	6,486,206

(1) Includes all governmental funds.

VILLAGE OF FONTANA-ON-GENEVA LAKE

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN YEARS

Collection Year	Total Tax Levy	Current Tax Collections	Total Percent of Levy Collected	Delinquent Tax Collected	Total Tax Collections	Collections As Percent of Current Levy
2003	\$ 11,977,424	\$ 11,972,871	99.96%	\$ 175	\$ 11,973,046	99.96%
2004	12,807,259	12,801,615	99.96%	5,327	12,806,942	100.00%
2005	13,022,968	13,021,109	99.99%	4,569	13,025,678	100.02%
2006	13,581,058	13,580,568	100.00%	4,520	13,585,088	100.03%
2007	15,272,483	15,271,284	99.99%	979	15,272,263	100.00%
2008	16,071,513	16,070,508	99.99%	529	16,071,037	100.00%
2009	17,331,305	17,330,303	99.99%	549	17,330,852	100.00%
2010	17,333,601	17,332,800	100.00%	1,628	17,334,428	100.00%
2011	17,252,648	17,199,640	99.69%	2,208	17,201,848	99.71%
2012	17,503,382	17,502,172	99.99%	619	17,502,791	100.00%

VILLAGE OF FONTANA-ON-GENEVA LAKE

ASSESSED AND ESTIMATED ACTUAL VALUE (1) OF TAXABLE PROPERTY  
LAST TEN YEARS

Year	Real Property		Personal Property		Total	Ratio of Total Assessed Value to Total Estimated Actual Value (1)	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (1)			
2003	\$ 584,849,725	\$ 704,468,900	\$ 3,361,400	\$ 3,731,800	\$ 588,211,125	\$ 708,200,700	83.06%
2004	605,860,600	748,876,900	2,952,100	3,514,400	608,812,700	752,391,300	80.92%
2005	856,773,500	837,473,700	2,942,200	4,900,300	859,715,700	842,374,000	102.06%
2006	905,739,500	1,074,472,800	4,078,100	4,431,200	909,817,600	1,078,904,000	84.33%
2007	914,082,502	1,218,969,900	3,319,800	3,905,700	917,402,302	1,222,875,600	75.02%
2008	1,291,846,310	1,355,486,900	3,589,000	3,578,800	1,295,435,310	1,359,065,700	95.32%
2009	1,280,785,000	1,322,492,100	3,535,600	3,824,300	1,284,320,600	1,326,316,400	96.83%
2010	1,279,290,900	1,247,418,700	4,003,800	3,826,400	1,283,294,700	1,251,245,100	102.56%
2011	1,211,893,600	1,267,255,400	3,836,700	3,832,800	1,215,730,300	1,271,088,200	95.64%
2012	1,205,468,700	1,173,885,800	3,415,700	4,180,000	1,208,884,400	1,178,065,800	102.62%

(1) Equalized value as determined by the State of Wisconsin

VILLAGE OF FONTANA-ON-GENEVA LAKE

RATIO OF NET GENERAL OBLIGATION LONG-TERM DEBT  
TO ASSESSED VALUE AND EQUALIZED VALUE AND  
LONG-TERM DEBT PER CAPITA  
LAST TEN YEARS

Year	Population	Assessed Value	Equalized Value	General Obligation Long-Term Debt	Ratio of Long-Term Debt to Assessed Value	Ratio of Long-Term Debt to Equalized Value	Long-Term Debt Per Capita
2003	1,839	\$ 588,211,125	\$ 708,200,700	\$ 8,103,902	1.38%	1.14%	4,407
2004	1,842	608,812,700	752,391,300	8,102,646	1.33%	1.08%	4,399
2005	1,851	859,715,700	842,374,000	7,736,667	0.90%	0.92%	4,180
2006	1,866	909,817,600	1,014,723,300	12,538,585	1.38%	1.24%	6,719
2007	1,866	917,402,302	1,222,875,600	13,425,965	1.46%	1.10%	7,195
2008	1,874	1,295,435,310	1,268,273,200	17,172,710	1.33%	1.35%	9,164
2009	1,890	1,284,320,600	1,233,538,900	19,539,635	1.52%	1.58%	10,338
2010	1,890	1,283,294,700	1,251,245,100	25,870,795	2.02%	2.07%	13,688
2011	1,671	1,215,730,300	1,271,088,200	23,071,180	1.90%	1.82%	13,807
2012	1,674	1,208,884,400	1,178,065,800	25,858,929	2.14%	2.20%	15,447

VILLAGE OF FONTANA-ON-GENEVA LAKE

DEMOGRAPHIC STATISTICS  
LAST TEN YEARS

Year	Population (3)	Per Return Adjusted Gross Income (1)	Unemployment Rate - Walworth County (2)
2003	1,839	\$ 79,759	4.8%
2004	1,842	79,250	4.3%
2005	1,851	77,507	4.1%
2006	1,866	69,217	4.4%
2007	1,866	77,643	4.6%
2008	1,874	61,722	6.3%
2009	1,890	64,392	9.0%
2010	1,890	66,747	7.6%
2011	1,671	68,840	7.0%
2012	1,674	Unavailable	7.0%

(1) Per return adjusted gross income statistics provided by Wisconsin Department of Revenue.

(2) Walworth County unemployment rates provided by Wisconsin Department of Workforce Development (Office of Research and Analysis).

(3) Population provided by Wisconsin Department of Administration.

VILLAGE OF FONTANA-ON-GENEVA LAKE

PRINCIPAL TAXPAYERS (1)

<u>Name</u>	<u>Type of Taxpayer</u>	<u>2012 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Thomas S. Freytag	Residential	\$ 7,482,400	0.58%
Dean L. Buntrock	Residential	7,130,900	0.55%
Shodeen Family Property Co, LLC	Residential	6,526,100	0.50%
Belvidere Park	Real Estate Association	6,320,800	0.49%
Robert Gee	Residential	5,916,900	0.46%
Trudy Havens	Residential	5,910,000	0.46%
Harvard Club	Residential	5,732,000	0.44%
Peter Wright	Residential	5,565,600	0.43%
Grace Newton/David Weinberg	Residential	5,533,200	0.43%
Terrence Ryan	Residential	<u>5,201,800</u>	0.40%
		<u>\$ 61,319,700</u>	4.73%

(1) Information provided from the village's 2012 assessment roll.