

PRELIMINARY OFFICIAL STATEMENT DATED JULY 11, 2019

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Notes is excludable from gross income and is not an item of tax preference for federal income tax purposes. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Notes. The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

The Village will designate the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

New Issue

Rating Application Made: Moody's Investors Service, Inc.

VILLAGE OF LITTLE CHUTE, WISCONSIN (Outagamie County)

\$4,960,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2019A

BID OPENING: July 17, 2019, 10:30 A.M., C.T.

CONSIDERATION: July 17, 2019, 6:00 P.M., C.T.

PURPOSE/AUTHORITY/SECURITY: The \$4,960,000* General Obligation Promissory Notes, Series 2019A (the "Notes") of the Village of Little Chute, Wisconsin (the "Village") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, for public purposes, including financing land acquisition, park, street, storm water and water system improvement projects, and community development projects in Tax Incremental Districts. The Notes are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF NOTES: August 8, 2019

MATURITY: August 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2020	\$270,000	2024	\$600,000	2028	\$660,000
2021	270,000	2025	620,000	2029	685,000
2022	285,000	2026	625,000		
2023	290,000	2027	655,000		

MATURITY ADJUSTMENTS: * The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BONDS: See "Term Bond Option" herein.

INTEREST: February 1, 2020 and semiannually thereafter.

OPTIONAL REDEMPTION: Notes maturing on August 1, 2027 and thereafter are subject to call for prior optional redemption on August 1, 2026 and any date thereafter, at a price of par plus accrued interest.

MINIMUM BID: \$4,910,400.

MAXIMUM BID: \$5,257,600.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$99,200 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: To be determined by the Village.

BOND COUNSEL: Quarles & Brady LLP.

MUNICIPAL ADVISOR: Ehlers and Associates, Inc.

BOOK-ENTRY-ONLY: See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a Final Official Statement.



REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the Village to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. ***This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Preliminary Official Statement is not to be construed as a contract with the Syndicate Manager or Syndicate Members. Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the Village and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the Village, is contingent upon the delivery of the Notes.

COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

Preliminary Official Statement: This Preliminary Official Statement was prepared for the Village for dissemination to potential investors. Its primary purpose is to disclose information regarding the Notes to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

Review Period: This Preliminary Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Preliminary Official Statement, interested bidders will be informed by an addendum prior to the sale.

Final Official Statement: Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

Continuing Disclosure: Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which the Village is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Notes, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Notes and all times subsequent thereto up to and including the time of the delivery of the Notes, this Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Notes; (3) a certificate evidencing the due execution of the Notes, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Notes, (b) neither the corporate existence or boundaries of the Village nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Notes have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the Village which indicates that the Village does not expect to use the proceeds of the Notes in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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VILLAGE OF LITTLE CHUTE VILLAGE BOARD

		<u>Term Expires</u>
Michael Vanden Berg	Village President	April 2021
John Elrick	Village Trustee	April 2020
Bill Peerenboom	Village Trustee	April 2021
David Peterson	Village Trustee	April 2020
Skip Smith	Village Trustee	April 2021
Brian Van Lankveldt	Village Trustee	April 2022
Larry Van Lankvelt	Village Trustee	April 2022

ADMINISTRATION

James Fenlon, Village Administrator
Lisa Remiker-DeWall, Village Finance Director/Treasurer
Laurie Decker, Village Clerk

PROFESSIONAL SERVICES

Charles D. Koehler, Herrling, Clark, Hartzheim & Siddall, Village Attorney, Appleton, Wisconsin

Quarles & Brady LLP, Bond Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin
(Other offices located in Roseville, Minnesota and Denver, Colorado)

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the Village of Little Chute, Wisconsin (the "Village") and the issuance of its \$4,960,000* General Obligation Promissory Notes, Series 2019A (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the issuance and sale of the Notes ("Award Resolution") to be adopted by the Board of Trustees on July 17, 2019.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the Village's municipal advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at www.ehlers-inc.com by connecting to the Bond Sales link and following the directions at the top of the site.

THE NOTES

GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of August 8, 2019. The Notes will mature on August 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on August 1 and February 1 of each year, commencing February 1, 2020, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2025 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Notes of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Notes shall be payable as provided in the Award Resolution.

The Village may select a bank or trust company to act as paying agent (the "Paying Agent"). The Village will pay any charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after August 1, 2027 shall be subject to optional redemption prior to maturity on August 1, 2026 or any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the Village.

*Preliminary, subject to change.

If only part of the Notes having a common maturity date are called for redemption, then the Village or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, for public purposes, including financing land acquisition, park, street, storm water and water system improvement projects, and community development projects in Tax Incremental Districts.

ESTIMATED SOURCES AND USES*

Sources		
Par Amount of Notes	\$4,960,000	
Estimated Interest Earnings	<u>12,147</u>	
Total Sources		\$4,972,147
Uses		
Total Underwriter's Discount	\$49,600	
Costs of Issuance	62,050	
Deposit to Project Construction Fund	4,858,760	
Rounding Amount	<u>1,737</u>	
Total Uses		\$4,972,147

*Preliminary, subject to change

SECURITY

For the prompt payment of the Notes with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the Village will be irrevocably pledged. The Village will levy a direct, annual, irrevocable tax on all taxable property in the Village sufficient to pay the interest on the Notes when it becomes due and also to pay and discharge the principal on the Notes at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

RATING

General obligation debt of the Village is currently rated "Aa3" by Moody's Investors Service ("Moody's").

The Village has requested a rating on the Notes from Moody's Investors Service, Inc., and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations

of the significance of such rating may be obtained from Moody's Investors Service, Inc.. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Notes, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the Village nor the underwriter undertake responsibility to bring to the attention of the owner of the Notes any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Notes, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the Village shall agree to provide certain information to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events.

On the date of issue and delivery, the Village shall execute and deliver a Continuing Disclosure Certificate, under which the Village will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the Village are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the Village to comply with any Disclosure Undertaking will not constitute an event of default on the Notes. However, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

In the previous five years, the Village believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The Village has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the Village.

LEGAL OPINION

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the Village, and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the Village; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

STATEMENT REGARDING COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for this Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Notes under existing law substantially in the following form:

"The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Village has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Village comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes."

The interest on the Notes is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Notes should be aware that ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Notes should consult their tax advisors as to collateral federal income tax consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Notes. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Notes may be enacted. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Notes is less than the principal amount payable at maturity, such Notes ("Discounted Notes") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Note over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Notes were sold (issue price). With respect to a taxpayer who purchases a Discounted Note in the initial public offering at the issue price and who holds such Discounted Note to maturity, the full amount of original issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Note for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Note upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Note, on days that are determined by reference to the maturity date of such Discounted Note. The amount treated as original issue discount on a Discounted Note for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Note (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Note at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Note during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Note the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Note is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual

compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Note is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Note (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Note that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Notes may result in certain collateral federal income tax consequences for the owners of such Discounted Notes. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Notes at a price other than the issue price or who purchase such Discounted Notes in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Notes. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Notes may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Notes should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Notes.

BOND PREMIUM

To the extent that the initial offering price of certain of the Notes is more than the principal amount payable at maturity, such Notes ("Premium Notes") will be considered to have bond premium.

Any Premium Note purchased in the initial offering at the issue price will have "amortizable premium" within the meaning of Section 171 of the Code. The amortizable premium of each Premium Note is calculated on a daily basis from the issue date of such Premium Note until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Note that has amortizable premium is not allowed any deduction for the amortizable premium; rather the amortizable premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Notes. During each taxable year, such an owner must reduce his or her tax basis in such Premium Note by the amount of the amortizable premium that is allocable to the portion of such taxable year during which the holder held such Premium Note. The adjusted tax basis in a Premium Note will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Note.

Owners of Premium Notes who did not purchase such Premium Notes in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Notes. Owners of Premium Notes should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Notes.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Village will designate the Notes as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the Village in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Preliminary

Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

Bond Trust Services Corporation ("BTSC") and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the Village, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the Village under an agreement separate from Ehlers.

INDEPENDENT AUDITORS

The basic financial statements of the Village for the fiscal year ended December 31, 2017 ("2017 Audit") and the draft basic financial statements for the fiscal year ended December 31, 2018, have been audited by KerberRose SC, Shawano, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Village expects delivery of the draft financial statements in substantially the form attached hereto, but such draft is subject to further review and modification. The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

Following is a description of possible risks to holders of the Notes without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

Taxes: The Notes are general obligations of the Village, the ultimate payment of which rests in the Village's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the Village in time to pay debt service when due.

State Actions: Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the state may affect the overall financial condition of the Village, the taxable value of property within the Village, and the ability of the Village to levy and collect property taxes.

Future Changes in Law: Various State and federal laws, regulations and constitutional provisions apply to the Village and to the Notes. The Village can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the Village or the taxing authority of the Village.

Ratings; Interest Rates: In the future, the Village's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Notes for resale prior to maturity.

Tax Exemption: If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Notes may fall for purposes of resale. Noncompliance by the Village with the covenants in the Award Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Notes in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

Continuing Disclosure: A failure by the Village to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Notes. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Notes to the accounts of the Beneficial Owners of the Notes may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the Village to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Notes.

Depository Risk: Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

Economy: A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the Village, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the Village may have an adverse effect on the value of the Notes in the secondary market.

Secondary Market for the Notes: No assurance can be given that a secondary market will develop for the purchase and sale of the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Notes at the request of the owners thereof. Prices of the Notes as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Notes. Such market value could be substantially different from the original purchase price.

Bankruptcy: The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Notes will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

Cybersecurity: The Village is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the Village will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

VALUATIONS

WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

CURRENT PROPERTY VALUATIONS

2018 Equalized Value	\$878,465,300
2018 Equalized Value Reduced by Tax Increment Valuation	\$769,295,700
2018 Assessed Value	\$773,487,300

2018 EQUALIZED VALUE BY CLASSIFICATION

	2018 Equalized Value	Percent of Total Equalized Value
Residential	\$ 549,672,600	62.572%
Commercial	225,554,900	25.676%
Manufacturing	84,398,600	9.608%
Agricultural	80,300	0.009%
Undeveloped	244,800	0.028%
Ag Forest	61,200	0.007%
Forest	88,400	0.010%
Other	47,800	0.005%
Personal Property	18,316,700	2.085%
Total	<u>\$ 878,465,300</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value ¹	Percent Increase/Decrease in Equalized Value
2014	\$687,179,400	\$677,706,100	3.41%
2015	697,899,300	704,553,900	3.96%
2016	723,006,500	726,771,000	3.15%
2017	735,134,700	771,569,100	6.16%
2018	773,487,300	878,465,300	13.85%

Source: Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

¹ Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2018 Equalized Value¹	Percent of Village's Total Equalized Value
Nestle's Frozen Foods	Food processing	\$ 63,407,530	7.22%
Trilliant Nutrition	Food production	18,761,981	2.14%
Premier Little Chute, LLC	Apartments	13,395,733	1.52%
Crystal Print Inc.	Commercial printing	11,630,508	1.32%
Meadowbreeze, Windgate, Prairiewater	Apartments	11,462,770	1.30%
Little Chute Warehouse	Warehousing	8,593,157	0.98%
Darboy Development	Computer technology	5,856,052	0.67%
Nobleman Crossing LLC	Apartments	5,437,730	0.62%
Resource One International	Paper converting	5,267,151	0.60%
EGALC LLC	Apartments	5,197,942	0.59%
Total		\$149,010,554	16.96%
Village's Total 2018 Equalized Value ²		\$878,465,300	

Source: The Village.

¹ Calculated by dividing the 2018 Assessed Values by the 2018 Aggregate Ratio of assessment for the Village.

² Includes tax increment valuation.

DEBT

DIRECT DEBT¹

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes)*	<u>\$ 24,034,545</u>
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Revenue Debt (see schedules following)

Total revenue debt secured by storm water revenues	<u>\$ 3,147,728</u>
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Total revenue debt secured by water revenues	<u>\$ 1,793,320</u>
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¹ Outstanding debt is as of the dated date of the Notes.

Village of Little Chute, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 08/08/2019)

Calendar Year Ending	GO Bonds Series 2011A		GO Notes Series 2011B		GO Notes Series 2012A		State Trust Fund Loan		GO Notes Series 2014A	
	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity
2019	0	0	0	0	470,000	9,810	0	0	0	11,920
2020	395,000	103,495	155,000	8,060	475,000	14,685	387,648	72,984	295,000	20,890
2021	400,000	91,645	155,000	4,185	310,000	8,985	401,415	59,216	200,000	15,940
2022	475,000	79,645			320,000	4,800	415,464	45,167	205,000	11,788
2023	455,000	65,395					430,006	30,626	205,000	7,329
2024	485,000	51,063					445,013	15,618	205,000	2,511
2025	510,000	35,300								
2026	535,000	18,725								
2027										
2028										
2029										
2030										
2031										
2032										
2033										
2034										
2035										
2036										
2037										
			3,255,000	445,268	1,575,000	38,280	2,079,545	223,611	1,110,000	70,378

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Village of Little Chute, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 08/08/2019)

Calendar Year Ending	GO Bonds Series 2015A		GO Bonds Series 2017A		GO Notes Series 2017B		GO Notes Series 2019A		Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	Dated Amount	Maturity	Principal	Interest	Principal	Interest	Principal	Interest						
2019			155,000	40,700	0	0	0	0	625,000	62,430	687,430	23,409,545	2.60%	2019
2020	\$3,245,000	09/01	160,000	78,300	120,000	141,050	365,000	91,950	2,622,648	636,315	3,258,963	20,786,898	13.51%	2020
2021			165,000	75,100	170,000	137,450	370,000	81,000	2,441,415	575,373	3,016,788	18,345,483	23.67%	2021
2022			180,000	71,800	170,000	132,350	350,000	69,900	2,400,464	512,036	2,912,501	15,945,019	33.66%	2022
2023			180,000	68,200	230,000	127,250	355,000	59,400	2,145,006	449,143	2,594,149	13,800,013	42.58%	2023
2024			185,000	64,600	230,000	120,350	375,000	48,750	2,525,013	388,007	2,913,020	11,275,000	53.09%	2024
2025			195,000	60,438	240,000	113,450	410,000	37,500	1,975,000	319,503	2,294,503	9,300,000	61.31%	2025
2026			200,000	56,050	250,000	106,250	415,000	25,200	2,025,000	266,020	2,291,020	7,275,000	69.73%	2026
2027			205,000	50,050	255,000	98,750	425,000	12,750	1,540,000	207,908	1,747,908	5,735,000	76.14%	2027
2028			210,000	43,900	260,000	91,100			1,130,000	166,620	1,296,620	4,605,000	80.84%	2028
2029			225,000	37,600	265,000	83,300			1,175,000	137,340	1,312,340	3,430,000	85.73%	2029
2030			230,000	30,850	275,000	75,350			505,000	106,200	611,200	2,925,000	87.83%	2030
2031			235,000	23,950	280,000	67,100			515,000	91,050	606,050	2,410,000	89.97%	2031
2032			250,000	16,900	290,000	58,700			540,000	75,600	615,600	1,870,000	92.22%	2032
2033			270,000	8,775	300,000	50,000			570,000	58,775	628,775	1,300,000	94.59%	2033
2034					310,000	41,000			310,000	41,000	351,000	990,000	95.88%	2034
2035					320,000	31,700			320,000	31,700	351,700	670,000	97.21%	2035
2036					330,000	21,780			330,000	21,780	351,780	340,000	98.59%	2036
2037					340,000	11,220			340,000	11,220	351,220	0	100.00%	2037
			3,045,000	727,213	4,635,000	1,508,150	3,065,000	426,450	24,034,545	4,158,020	28,192,566			

* Preliminary, subject to change.

Village of Little Chute, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Stormwater Revenues
(As of 08/08/2019)

Calendar Year Ending	Storm Rev Bds CWFL		Stormwater Rev Bds Series 2011		Storm Rev Bonds Series 2016B		Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
	Dated Amount	Maturity	Principal	Interest	Principal	Interest				
2019			0	4,063	0	23,320	44,727	3,147,728	.00%	2019
2020	22,324	7,774	120,000	32,738	100,000	45,640	86,152	2,905,405	7.70%	2020
2021	23,028	7,059	125,000	28,600	100,000	43,640	79,299	2,657,377	15.58%	2021
2022	23,754	6,322	130,000	23,975	100,000	41,640	71,937	2,403,623	23.64%	2022
2023	24,503	5,561	130,000	19,100	100,000	39,640	64,301	2,149,120	31.72%	2023
2024	25,275	4,776	135,000	14,131	100,000	37,740	56,648	1,888,845	39.99%	2024
2025	26,072	3,967	140,000	8,800	105,000	35,895	48,662	1,617,773	48.61%	2025
2026	26,894	3,132	150,000	3,000	105,000	33,900	40,032	1,335,879	57.56%	2026
2027	27,742	2,270	27,742	2,270	105,000	31,800	34,070	1,203,136	61.78%	2027
2028	28,617	1,382	28,617	1,382	115,000	29,428	30,809	1,059,519	66.34%	2028
2029	29,519	465	29,519	465	115,000	26,783	27,248	915,000	70.93%	2029
2030					120,000	23,960	23,960	795,000	74.74%	2030
2031					125,000	20,898	20,898	670,000	78.71%	2031
2032					125,000	17,648	17,648	545,000	82.69%	2032
2033					130,000	14,205	14,205	415,000	86.82%	2033
2034					135,000	10,425	10,425	280,000	91.10%	2034
2035					140,000	6,300	6,300	140,000	95.55%	2035
2036					140,000	2,100	2,100	0	100.00%	2036
	257,728	46,772	930,000	147,688	1,960,000	484,960	679,419	3,827,148		

Village of Little Chute, Wisconsin
 Schedule of Bonded Indebtedness
 Revenue Debt Secured by Water Revenues
 (As of 08/08/2019)

Dated Amount	Water Rev Bonds Series 2016A		Water Rev Bonds SDWFL		Total P & I	Principal Outstanding	% Paid	Calendar Year Ending		
	07/06/2016 \$985,000	12/13/2017 \$1,306,472	05/01	05/01						
Maturity	05/01	05/01								
Calendar Year Ending	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2019	0	5,913	0	9,973	0	15,886	15,886	1,793,320	.00%	2019
2020	195,000	9,875	54,063	19,471	249,063	29,346	278,408	1,544,258	13.89%	2020
2021	75,000	7,363	55,014	18,511	130,014	25,873	155,887	1,414,243	21.14%	2021
2022	75,000	6,238	55,982	17,534	130,982	23,772	154,754	1,283,261	28.44%	2022
2023	75,000	5,038	56,968	16,540	131,968	21,578	153,545	1,151,293	35.80%	2023
2024	80,000	3,720	57,970	15,529	137,970	19,249	157,219	1,013,323	43.49%	2024
2025	80,000	2,280	58,991	14,499	138,991	16,779	155,770	874,332	51.25%	2025
2026	80,000	760	60,029	13,452	140,029	14,212	154,241	734,304	59.05%	2026
2027			61,085	12,386	61,085	12,386	73,472	673,218	62.46%	2027
2028			62,160	11,302	62,160	11,302	73,462	611,058	65.93%	2028
2029			63,254	10,198	63,254	10,198	73,452	547,804	69.45%	2029
2030			64,368	9,075	64,368	9,075	73,443	483,436	73.04%	2030
2031			65,501	7,932	65,501	7,932	73,433	417,935	76.69%	2031
2032			66,653	6,769	66,653	6,769	73,423	351,282	80.41%	2032
2033			67,826	5,586	67,826	5,586	73,412	283,455	84.19%	2033
2034			69,020	4,381	69,020	4,381	73,402	214,435	88.04%	2034
2035			70,235	3,156	70,235	3,156	73,391	144,200	91.96%	2035
2036			71,471	1,909	71,471	1,909	73,380	72,729	95.94%	2036
2037			72,729	640	72,729	640	73,369	0	100.00%	2037
	660,000	41,185	1,133,320	198,843	1,793,320	240,028	2,033,348			

DEBT LIMIT

The constitutional and statutory general obligation debt limit for Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$878,465,300
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$ 43,923,265
Less: General Obligation Debt (includes the Notes)*	<u>(24,034,545)</u>
Unused Debt Limit*	<u><u>\$ 19,888,720</u></u>

*Preliminary, subject to change.

OVERLAPPING DEBT¹

Taxing District	2018 Equalized Value	% In Village	Total G.O. Debt ²	Village's Proportionate Share
Outagamie County	\$ 15,601,113,200	5.6308%	\$ 70,145,000	\$ 3,949,725
Fox Valley Technical College District	39,424,524,911	2.2282%	80,765,000	1,799,606
Little Chute Area School District	549,592,535	100.0000%	19,580,391	19,580,391
Appleton Area School District	8,129,465,172	0.8433%	33,400,000	281,662
Kaukauna Area School District	2,393,293,273	10.8770%	44,220,000	4,809,809
Heart of the Valley Metro Sewerage District	4,025,366,131	21.8232%	17,538,566	<u>3,827,476</u>
Village's Share of Total Overlapping Debt				<u><u>\$ 34,248,669</u></u>

¹ Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

² Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$878,465,300	Debt/ Per Capita 11,120¹
Total General Obligation Debt (includes the Notes)*	\$ 24,034,545	2.74%	\$ 2,161.38
Village's Share of Total Overlapping Debt	<u>34,248,669</u>	<u>3.90%</u>	<u>3,079.92</u>
Total*	\$ 58,283,214	6.63%	\$ 5,241.30

*Preliminary, subject to change.

DEBT PAYMENT HISTORY

The Village has no record of default in the payment of principal and interest on its debt.

FUTURE FINANCING

The Village has no current plans for additional financing in the next 12 months.

¹ Estimated 2018 population.

TAX LEVIES AND COLLECTIONS

TAX LEVIES AND COLLECTIONS

Tax Year	Levy for Village Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2014/15	\$4,365,182	100%	\$7.02
2015/16	4,514,674	100%	6.92
2016/17	4,925,911	100%	7.27
2017/18	4,912,301	100%	6.87
2018/19	5,093,435	[In process]	6.62

Property tax statements are distributed to taxpayers by the town, village, and city treasurers in December of the levy year. Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Personal property taxes, special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll are collected from each taxing entity in the year following the levy year.

PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools¹	County	Local	Other²	Total
2014/15	\$10.86	\$4.85	\$7.02	\$0.18	\$22.91
2015/16	11.58	4.84	6.92	0.18	23.52
2016/17	11.09	4.80	7.27	0.18	23.34
2017/18	11.36	4.73	6.87	0.00	22.96
2018/19	10.59	4.69	6.62	0.00	21.90

Source: Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a

¹ The Schools tax rate reflects the composite rate of all local school districts and technical college district.

² Includes the state reforestation tax which is apportioned to each county on the basis of its full value. Counties, in turn, apportion the tax to the tax districts within their borders on the basis of full value. It also includes taxes levied for special purpose districts such as metropolitan sewerage districts, sanitary districts, and public inland lake protection districts. Tax increment values are not included. State property taxes were eliminated in the State's 2017 - 2019 budget act.

majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other exclusions from and adjustments to the tax levy limit. Among the items excluded from the limit are amounts levied for any revenue shortfall for debt service on a revenue bond issued under Section 66.0621. Among the adjustments permitted is an adjustment applicable when a tax increment district terminates, which allows an amount equal to the prior year's allowable levy multiplied by 50% of the political subdivision's percentage growth due to the district's termination.

With respect to general obligation debt service, the following provisions are made:

- (a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.
- (b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.
- (c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

The Notes were authorized after July 1, 2005 and therefore the levy limits do not apply to taxes levied to pay debt service on the Notes.

THE ISSUER

VILLAGE GOVERNMENT

The Village was incorporated on March 8, 1899, and is governed by a seven-member Board of Trustees, of which the Village President is a voting member. All are elected to staggered two-year terms. The appointed Administrator, Clerk and Finance Director/Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The Village employs a staff of 62 full-time, 23 part-time, and 58 seasonal employees. All eligible employees in the Village are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

Village employees are required generally to contribute half of the actuarially determined contributions, and the Village generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2016 ("Fiscal Year 2016"), the fiscal year ended December 31, 2017 ("Fiscal Year 2017") and the fiscal year ended December 31, 2018 ("Fiscal Year 2018"), the Village's portion of contributions to WRS (not including any employee contributions) totaled \$317,428, \$319,149, and \$317,242, respectively.

The Village implemented Governmental Accounting Standards Board Statement No. 68 ("GASB 68") for Fiscal Year 2016.

GASB 68 requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2017, the total pension asset of the WRS was calculated as \$101.4 billion and the fiduciary net position of the WRS was calculated as \$104.4 billion, resulting in a net pension asset of \$2.969 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2017, the Village reported an asset of \$991,216 for its proportionate share of the net pension asset of the WRS. The net pension asset was measured as of December 31, 2017 based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. The Village's proportion was 0.03338418% of the aggregate WRS net pension liability as of December 31, 2017.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

Recognized and Certified Bargaining Units

All eligible Village personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the Village is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the Village is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless Village were to seek approval for a higher increase through a referendum). Ultimately, the Village can unilaterally implement the wages for a collective bargaining unit.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the Village, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. As a practical matter, it is anticipated that strikes will be rare. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is the base wage rates, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

The following bargaining units represent employees of the Village:

Bargaining Unit	Expiration Date of Current Contract
Fox Valley Metro Professional Police Association	December 31, 2019

OTHER POST EMPLOYMENT BENEFITS

The Village has obligations for some post-employment benefits (some mandated by State Statute and others that cover a portion of the cost of health insurance during retirement) for the majority of its employees. Accounting for these obligations is dictated by Governmental Accounting Standards Board Statement No. 75 (GASB 75). The Village has completed an actuarial study of its obligations. The study shows a total OPEB liability of \$3,623,849 as of December 31, 2018, with a discount rate of 3.44%, and \$3,261,538 as of December 31, 2019, with a discount rate of 4.1%, both based on a valuation date of December 31, 2017.

The Village is currently funding these obligations on a pay-as-you-go basis.

Source: The Village's most recent actuarial study.

LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the Village or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Notes or otherwise questioning the validity of the Notes.

MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Notes are outstanding, in a way that would allow the Village to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the Village to file for relief under Chapter 9. If, in the future, the Village were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the Village could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the Village is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the Village could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Notes could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Notes, and there could ultimately be no assurance that holders of the Notes would be paid in full or in part on the Notes. Further, under such circumstances, there could be no assurance that the Notes would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Notes could be viewed as having no priority (a) over claims of other creditors of the Village; (b) to any particular assets of the Village, or (c) to revenues otherwise designated for payment to holders of the Notes. Moreover, if the Village were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or state law or equitable proceeding

regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Notes would not occur.

FUNDS ON HAND (as of May 31, 2019)

Fund	Total Cash and Investments
General	\$ 7,034,973
Debt Service	524,452
Capital Projects	4,013,708
Water Utility	668,234
Sewer Utility	2,472,075
Storm Utility	<u>3,009,659</u>
Total Funds on Hand	<u>\$ 17,723,101</u>

ENTERPRISE FUNDS

Revenues available for debt service on the Village's enterprise funds have been as follows as of December 31 each year:

	2016	2017	2018 Draft
Water			
Total Operating Revenues	\$ 2,205,227	\$ 2,175,455	\$ 2,193,531
Less: Operating Expenses	<u>(1,458,940)</u>	<u>(1,501,690)</u>	<u>(1,565,825)</u>
Operating Income	\$ 746,287	\$ 673,765	\$ 627,706
Plus: Depreciation	389,306	416,637	449,218
Interest Income	<u>11,813</u>	<u>10,269</u>	<u>6,294</u>
Revenues Available for Debt Service	<u><u>\$ 1,147,406</u></u>	<u><u>\$ 1,100,671</u></u>	<u><u>\$ 1,083,218</u></u>
Sewer			
Total Operating Revenues	\$ 2,623,071	\$ 2,730,654	\$ 2,754,230
Less: Operating Expenses	<u>(1,955,592)</u>	<u>(2,132,177)</u>	<u>(2,250,383)</u>
Operating Income	\$ 667,479	\$ 598,477	\$ 503,847
Plus: Depreciation	201,922	205,110	209,224
Interest Income	<u>21,913</u>	<u>12,766</u>	<u>26,888</u>
Revenues Available for Debt Service	<u><u>\$ 891,314</u></u>	<u><u>\$ 816,353</u></u>	<u><u>\$ 739,959</u></u>
Storm Water			
Total Operating Revenues	\$ 878,753	\$ 1,055,988	\$ 1,085,544
Less: Operating Expenses	<u>(770,644)</u>	<u>(754,499)</u>	<u>(793,970)</u>
Operating Income	\$ 108,109	\$ 301,489	\$ 291,574
Plus: Depreciation	362,001	374,355	385,497
Interest Income	<u>23,847</u>	<u>23,657</u>	<u>56,128</u>
Revenues Available for Debt Service	<u><u>\$ 493,957</u></u>	<u><u>\$ 699,501</u></u>	<u><u>\$ 733,199</u></u>

SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the Village's General Fund. These summaries are not purported to be the complete audited financial statements of the Village, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the Village. Copies of the complete audited financial statements are available upon request. See Appendix A for the Village's 2017 audited and 2018 draft audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2015 Audited	2016 Audited	2017 Audited	2018 Draft Audited	2019 Adopted Budget ¹
Revenues					
Taxes	\$ 1,161,347	\$ 1,111,697	\$ 1,217,945	\$ 1,342,868	\$ 1,317,067
Intergovernmental revenues	2,145,685	2,185,382	2,143,703	2,122,910	2,238,533
Licenses and permits	152,893	128,623	128,802	180,597	123,885
Public charges for services	77,688	81,129	100,549	114,024	98,925
Intergovernmental charges for services	39,656	44,625	10,137	372	0
Fines, forfeitures and penalties	86,911	92,634	81,009	86,401	91,000
Interest on advances	4,000	0	0	19,076	0
Interest and investment incomes	10,507	11,130	14,627	30,880	13,000
Other	149,279	143,035	159,478	204,313	118,800
Total Revenues	<u>\$ 3,827,966</u>	<u>\$ 3,798,255</u>	<u>\$ 3,856,250</u>	<u>\$ 4,101,441</u>	<u>\$ 4,001,210</u>
Expenditures					
Current:					
General government	\$ 1,183,060	\$ 1,225,915	\$ 1,218,628	\$ 1,257,978	\$ 1,464,791
Public safety	711,057	770,696	741,681	753,026	809,515
Public works	1,129,721	1,172,724	1,129,993	1,087,917	1,290,766
Culture and recreation	545,404	619,772	684,716	771,175	815,038
Conservation and development	4,525	5,740	13,217	30,829	7,100
Capital outlay	78,262	11,294	997	0	0
Total Expenditures	<u>\$ 3,652,029</u>	<u>\$ 3,806,141</u>	<u>\$ 3,789,232</u>	<u>\$ 3,900,925</u>	<u>\$ 4,387,210</u>
Excess of revenues over (under) expenditures	\$ 175,937	\$ (7,886)	\$ 67,018	\$ 200,516	\$ (386,000)
Other Financing Sources (Uses)					
Operating transfers in / sales of assets ²	3,418,063	719,752	224,870	218,899	216,000
Operating transfers out	(29,635)	(425,838)	(2,594,211)	(250,879)	0
Total Other Financing Sources (Uses)	<u>\$ 3,388,428</u>	<u>\$ 293,914</u>	<u>\$(2,369,341)</u>	<u>\$ (31,980)</u>	<u>\$ 216,000</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ 3,564,365	\$ 286,028	\$(2,302,323)	\$ 168,536	\$ (170,000)
General Fund Balance January 1	2,918,130	6,482,495	6,759,845 ³	4,457,522	4,626,058
Prior Period Adjustment	0	0	0	0	
General Fund Balance December 31	<u>\$ 6,482,495</u>	<u>\$ 6,768,523</u>	<u>\$ 4,457,522</u>	<u>\$ 4,626,058</u>	<u>\$ 4,456,058</u>
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	613,648	463,320	836,411	867,435	
Restricted	0	0	0	0	
Committed	0	0	0	0	
Assigned	218,749	218,749	218,749	218,749	
Unassigned	5,650,098	6,086,454	3,402,362	3,539,874	
Total	<u>\$ 6,482,495</u>	<u>\$ 6,768,523</u>	<u>\$ 4,457,522</u>	<u>\$ 4,626,058</u>	

¹ The 2019 budget was adopted on November 28, 2018.

² For 2015, Sale of Assets includes \$3,202,063 from the sale of the Village's Municipal Services Building.

³ Restated; represents recreation center funds previously reported as part of the General Fund.

GENERAL INFORMATION

LOCATION

The Village, with a 2010 U.S. Census population of 10,449, and a current estimated population of 11,120, comprises an area of 5.58 square miles and is located approximately 25 miles southwest of Green Bay, Wisconsin and five miles east of Appleton.

LARGER EMPLOYERS¹

Larger employers in the Village include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Jacks Frozen Pizza (Nestle)	Food processing	1,052
Trilliant Food & Beverage	Coffee roaster and supplier	553
BEL Brands USA	Cheese production	200
School District of Little Chute Area	Elementary and secondary education	196
Fox Valley Tool and Die	CNC precision machining and tool and die shop	185
Building Services Group	Commercial janitorial services	181
Heartland Label Printers	Corporate headquarters and direct thermal label manuf.	150
Village of Little Chute	Municipal government and services	143
Argropur (Includes Simon's Cheese)	Cheese production	105
Parkside Care Center	Nursing home and rehabilitation center	90
Crystal Print	Commercial printing	85

Source: *ReferenceUSA, written and telephone survey (June 2019), Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.*

¹ This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above. Some employers do not respond to inquiries for employment data.

BUILDING PERMITS

	2015	2016	2017	2018	2019 ¹
<u>New Single Family Homes</u>					
No. of building permits	36	28	32	25	10
Valuation	\$6,021,000	\$6,111,860	\$5,984,000	\$5,303,000	\$2,380,687
<u>New Multiple Family Buildings</u>					
No. of building permits	6	4	6	14	0
Valuation	\$4,850,000	\$1,585,600	\$4,048,000	\$13,050,000	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	23	16	4	6	1
Valuation	\$26,977,000	\$26,352,661	\$1,414,396	\$9,298,100	\$12,491,000
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	65	64	80	81	27
Valuation	\$37,848,000	\$34,613,121	\$32,239,396	\$28,962,185	\$17,230,519

Source: The Village.

¹ As of June 12, 2019.

U.S. CENSUS DATA

Population Trend: Village of Little Chute

2000 U.S. Census	10,476
2010 U.S. Census	10,449
2018 Estimated Population	11,120
Percent of Change 2000 - 2010	-0.26%

Income and Age Statistics

	Village of Little Chute	Outagamie County	State of Wisconsin	United States
2017 per capita income	\$28,606	\$30,858	\$30,557	\$31,177
2017 median household income	\$59,483	\$61,523	\$56,759	\$57,652
2017 median family income	\$73,447	\$76,484	\$72,542	\$70,850
2017 median gross rent	\$760	\$769	\$813	\$982
2017 median value owner occupied units	\$141,900	\$160,100	\$169,300	\$193,500
2017 median age	37.0 yrs.	37.9 yrs.	39.2 yrs.	37.8 yrs.

	State of Wisconsin	United States
Village % of 2017 per capita income	93.62%	91.75%
Village % of 2017 median family income	101.25%	103.67%

Housing Statistics

	<u>Village of Little Chute</u>		
	2000	2017	Percent of Change
All Housing Units	3,956	4,961	25.40%

Source: 2000 and 2010 Census of Population and Housing, and 2017 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (www.factfinder2.census.gov).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

Year	<u>Average Employment</u>		<u>Average Unemployment</u>	
	Outagamie County	Outagamie County	State of Wisconsin	State of Wisconsin
2015	97,919	4.0%	4.6%	
2016	100,418	3.5%	4.0%	
2017	101,108	3.0%	3.3%	
2018	100,730	2.8%	3.0%	
2019, April	99,822	2.5%	2.7%	

Source: Wisconsin Department of Workforce Development.

FINANCIAL STATEMENTS

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the Village's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The Village has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Preliminary Official Statement, nor has the Village requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Preliminary Official Statement is not intended to demonstrate the fiscal condition of the Village since the date of the financial statements, in connection with the issuance of the Notes, the Village represents that there have been no material adverse change in the financial position or results of operations of the Village, nor has the Village incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

VILLAGE OF LITTLE CHUTE
Comprehensive Annual Financial Report
Year Ended December 31, 2018

DEPARTMENT OF ADMINISTRATION
James P. Fenlon, Administrator
Lisa Remiker-DeWall, CPA Finance Director

VILLAGE OF LITTLE CHUTE

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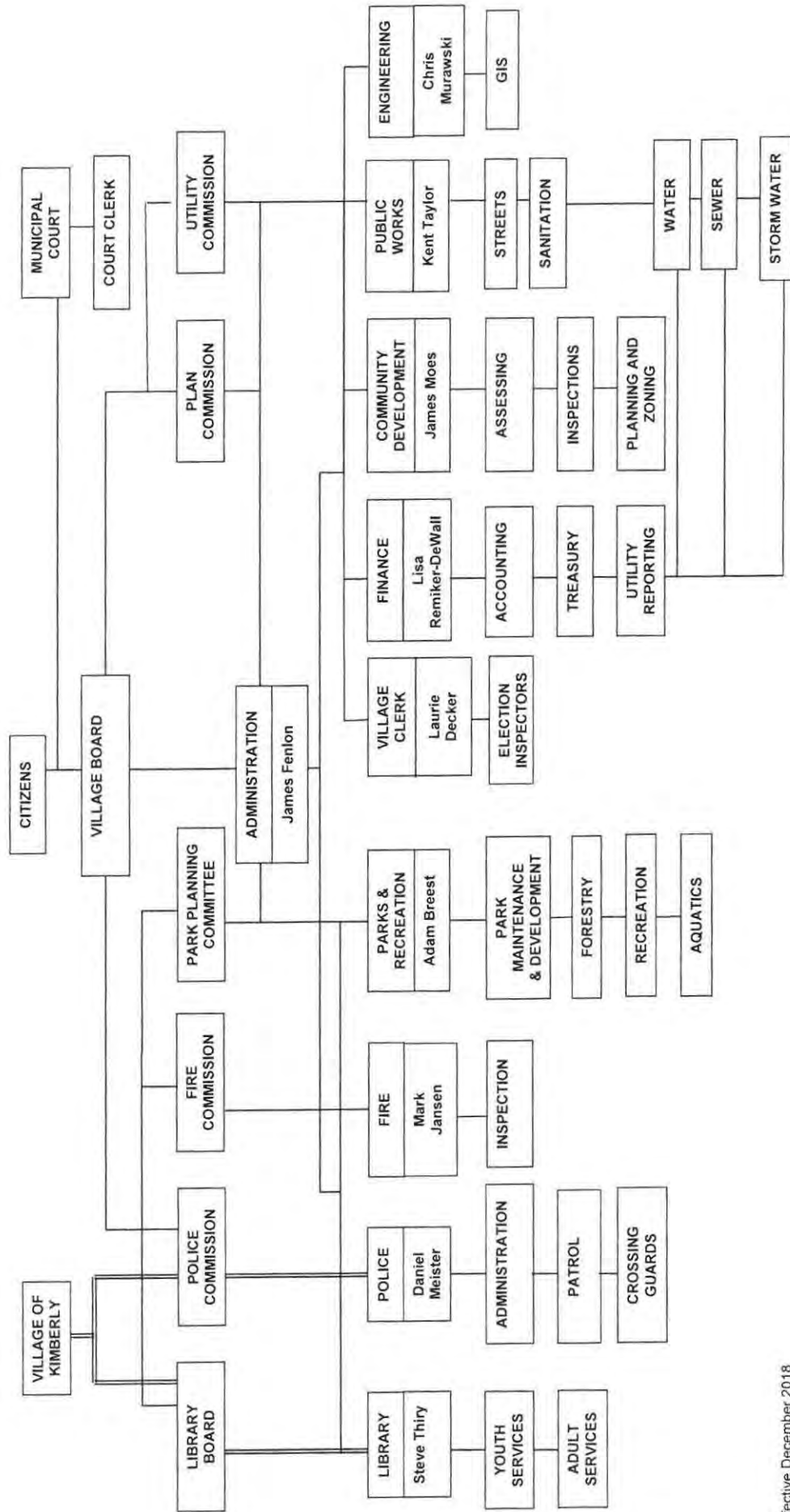
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VILLAGE OF LITTLE CHUTE ORGANIZATIONAL CHART



Effective December 2018

Independent Auditors' Report

To the Village Board
Village of Little Chute
Little Chute, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Little Chute as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

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

To the Village Board
Village of Little Chute

Change in Accounting Principles

As discussed in Note 1, the Village adopted the provisions of Governmental Accounting Standards Board Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits other than Pensions* as of and for the year ended December 31, 2018. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10 through 25, discussion of budgets on pages 71 – 74, the schedule of funding progress of net OPEB liability on page 75 and the schedules of proportionate share of the net pension liability (asset) and employer contributions to the Wisconsin Retirement System on page 76, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economical, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Little Chute's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The "Introductory Section" and "Statistical Section" listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

KerberRose SC
Certified Public Accountants
_____, 2019

BASIC FINANCIAL STATEMENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF LITTLE CHUTE

Statement of Net Position
December 31, 2018

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and Investments	\$ 10,031,402	\$ 5,903,247	\$ 15,934,649
Receivables:			
Taxes	4,625,738	-	4,625,738
Accounts	-	1,425,344	1,425,344
Special Assessments	2,247,942	1,333,734	3,581,676
Accrued Interest	2,634	6,833	9,467
Loans	516,016	-	516,016
Other	296,454	-	296,454
Prepaid Items	19,664	-	19,664
Due from Other Governments	65,926	-	65,926
Internal Balances	(665,500)	665,500	-
Inventories	-	43,688	43,688
Prepaid Items	-	-	-
Restricted Assets:			
Land Held for Resale	359,436	-	359,436
Cash and Investments	2,922,937	-	2,922,937
Net Pension Asset	912,017	79,199	991,216
Land	3,890,677	2,206,733	6,097,410
Construction in Progress	1,109,196	110,542	1,219,738
Capital Assets Net of Depreciation	27,649,001	48,557,611	76,206,612
Total Assets	53,983,540	60,332,431	114,315,971
Deferred Outflows of Resources:			
Deferred Amount of Refunding Loss	11,250	-	11,250
Deferred Outflows Related to Pension	1,633,688	141,867	1,775,555
Total Deferred Outflows of Resources	1,644,938	141,867	1,786,805
Total Assets and Deferred Outflows of Resources	55,628,478	60,474,298	116,102,776
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Accounts Payable	293,013	297,091	590,104
Deferred Revenue	-	209	209
Other Accrued Liabilities	211,565	10,962	222,527
Due to Other Governments	134,906	25,701	160,607
Unearned Revenue	12,450	-	12,450
Accrued Interest	213,401	37,492	250,893
Noncurrent Liabilities:			
Due Within One Year	2,473,400	1,070,199	3,543,599
Due in More Than One Year	21,542,068	5,837,574	27,379,642
Total Liabilities	24,880,803	7,279,228	32,160,031
Deferred Inflows of Resources:			
Taxes Levied for Subsequent Periods	7,411,892	-	7,411,892
Deferred Inflows Related to Pension	1,798,993	156,221	1,955,214
Total Deferred Inflows of Resources	9,210,885	156,221	9,367,106
Total Liabilities and Deferred Inflows of Resources	34,091,688	7,435,449	41,527,137
NET POSITION			
Net Investment in Capital Assets	19,130,687	44,712,707	63,843,394
Restricted for Debt Service	493,368	3,147,001	3,640,369
Restricted for Pension Benefits	757,962	64,845	822,807
Unrestricted	1,154,773	5,114,296	6,269,069
TOTAL NET POSITION	\$ 21,536,790	\$ 53,038,849	\$ 74,575,639

VILLAGE OF LITTLE CHUTE
Statement of Activities
For the Year Ended December 31, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 1,525,736	\$ 80,616	\$ 30,945	\$ -
Public Safety	3,195,407	237,390	53,483	-
Public Works	2,367,473	571,113	1,233,721	457,009
Culture, Recreation and Education	1,532,249	288,000	-	54,864
Conservation and Development	2,601,130	8,008	-	-
Interest	1,034,384	-	-	-
Total Governmental Activities	12,256,379	1,185,127	1,318,149	511,873
Business-Type Activities:				
Water	1,630,318	2,193,531	-	100,721
Sewer	2,267,441	2,754,230	-	219,585
Stormwater	885,188	1,085,544	-	584,638
Total Business-Type Activities	4,782,947	6,033,305	-	904,944
TOTAL PRIMARY GOVERNMENT	\$ 17,039,326	\$ 7,218,432	\$ 1,318,149	\$ 1,416,817

General Revenues

Taxes:

Property Taxes, Levied for General Purposes

Property Taxes, Levied for Debt Service

Other Taxes

Intergovernmental Revenues not Restricted to Specific Programs

Investment Income

Gain on Sale of Property

Miscellaneous

Transfers

Total General Revenues and Transfers

CHANGE IN NET POSITION

NET POSITION - BEGINNING OF YEAR - AS RESTATED

NET POSITION - END OF YEAR

**Net (Expenses) Revenues and
Changes in Net Position**

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Totals</u>
\$ (1,414,175)	\$ -	\$ (1,414,175)
(2,904,534)	-	(2,904,534)
(105,630)	-	(105,630)
(1,189,385)	-	(1,189,385)
(2,593,122)	-	(2,593,122)
(1,034,384)	-	(1,034,384)
<u>(9,241,230)</u>	<u>-</u>	<u>(9,241,230)</u>
-	663,934	663,934
-	706,374	706,374
-	784,994	784,994
-	<u>2,155,302</u>	<u>2,155,302</u>
<u>(9,241,230)</u>	<u>2,155,302</u>	<u>(7,085,928)</u>
5,234,907	-	5,234,907
855,393	-	855,393
74,161	-	74,161
2,767,843	-	2,767,843
146,097	89,310	235,407
639,713	-	639,713
176,770	65,159	241,929
211,710	(211,710)	-
<u>10,106,594</u>	<u>(57,241)</u>	<u>10,049,353</u>
865,364	2,098,061	2,963,425
<u>20,671,426</u>	<u>50,940,788</u>	<u>71,612,214</u>
<u>\$ 21,536,790</u>	<u>\$ 53,038,849</u>	<u>\$ 74,575,639</u>

VILLAGE OF LITTLE CHUTE
Balance Sheet
Governmental Funds
December 31, 2018

	General	Tax Incremental District No. 4	Tax Incremental District No. 5	Tax Incremental District No. 6	Tax Incremental District No. 7	Tax Incremental District No. 8
ASSETS						
Cash and Investments	\$ 3,794,367	\$ 517,086	\$ 288	\$ 104	\$ 364	\$ 99,814
Receivables:						
Taxes	780,485	617,944	247,493	538,719	-	-
Loans	225,388	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Accrued Interest	-	-	-	-	-	-
Other	176,949	-	-	-	-	-
Due from Other Governments	31,492	-	-	-	-	-
Due from Other Funds	216,000	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-
Advances Due from Other Funds	685,196	-	-	-	-	-
Land held for resale	182,239	-	-	177,197	-	-
Restricted Cash and Investments	505,849	402,368	161,153	350,781	-	-
TOTAL ASSETS	\$ 6,597,965	\$ 1,537,398	\$ 408,934	\$ 1,066,801	\$ 364	\$ 99,814
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)						
Liabilities:						
Accounts Payable	\$ 102,284	\$ 70	\$ 6,126	\$ 15,564	\$ 193	\$ 839
Other Accrued Liabilities	117,494	790	738	1,936	-	30,683
Due to Other Governments	102,928	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-
Advances Due to Other Funds	-	-	340,219	1,044,239	19,500	-
Total Liabilities	322,706	860	347,083	1,061,739	19,693	31,522
Deferred Inflow of Resources:						
Taxes Levied for Subsequent Periods	1,282,715	1,020,312	408,646	889,501	-	-
Unavailable - Special Assessments	-	-	-	-	-	-
Unavailable - Other Receivables	366,486	-	-	-	-	-
Total Deferred Inflows of Resources	1,649,201	1,020,312	408,646	889,501	-	-
Fund Balances (Deficit):						
Nonspendable	867,435	-	-	177,197	-	-
Restricted	-	516,226	-	-	-	68,292
Assigned	218,749	-	-	-	-	-
Unassigned (Deficit)	3,539,874	-	(346,795)	(1,061,636)	(19,329)	-
Total Fund Balances (Deficit)	4,626,058	516,226	(346,795)	(884,439)	(19,329)	68,292
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)	\$ 6,597,965	\$ 1,537,398	\$ 408,934	\$ 1,066,801	\$ 364	\$ 99,814

Consolidated Police Services	Construction Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 23,251	\$ 3,649,889	\$ 493,368	\$ 1,452,871	\$ 10,031,402
1,158,503	331,555	570,728	380,311	4,625,738
-	-	-	290,828	516,016
-	2,247,942	-	-	2,247,942
-	2,634	-	-	2,634
76,821	1,840	-	40,844	296,454
34,434	-	-	-	65,926
-	-	-	-	218,000
11,728	7,936	-	-	19,664
-	-	-	-	685,196
-	-	-	-	359,436
754,347	134,166	371,623	242,650	2,922,937
<u>\$ 2,059,084</u>	<u>\$ 6,375,962</u>	<u>\$ 1,435,719</u>	<u>\$ 2,407,304</u>	<u>\$ 21,989,345</u>

\$ 30,095	\$ 73,258	\$ -	\$ 64,584	\$ 293,013
52,043	2,728	-	5,153	211,565
31,940	-	-	38	134,906
12,450	-	-	-	12,450
-	-	-	162,738	1,566,696
126,528	75,986	-	232,513	2,218,630
1,912,850	340,214	942,351	615,303	7,411,892
-	2,247,942	-	-	2,247,942
-	-	-	-	366,486
1,912,850	2,588,156	942,351	615,303	10,026,320
11,728	7,936	-	-	1,064,296
-	3,703,884	493,368	1,626,280	6,408,050
7,978	-	-	-	226,727
-	-	-	(66,792)	2,045,322
19,706	3,711,820	493,368	1,559,488	9,744,395
<u>\$ 2,059,084</u>	<u>\$ 6,375,962</u>	<u>\$ 1,435,719</u>	<u>\$ 2,407,304</u>	<u>\$ 21,989,345</u>

VILLAGE OF LITTLE CHUTE
 Reconciliation of the Balance Sheet
 Governmental Funds to the Statement of Net Position
 December 31, 2018

Total Fund Balances - Governmental Funds \$ 9,744,395

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

Capital assets used in governmental activities are not financial resource and, therefore, are not reported in the funds 32,648,874

Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

Special Assessments	2,247,942
Other Receivables	366,486

Losses on certain refundings of debt are not recognized in the fund financial statements but are reported and amortized over the term of the related debt in the government-wide statements. 11,250

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

Pension Asset	912,017
Deferred Outflows of Resources Related to Pension	1,633,688
Deferred Inflows of Resources Related to Pension	(1,798,993)

Noncurrent liabilities, including bonds and notes payable, are not due in the current period and therefore not reported in the fund financial statements. Noncurrent liabilities reported in the statement of net position that are not reported in the funds balance sheet

Bonds and Notes Payable	(19,781,208)
Accrued Interest on General Obligation Bond	(213,401)
Vested Employee Benefits	(459,897)
Length of Service Awards Pension Plan	(150,514)
Other Post-Employment Benefits	(3,623,849)

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 21,536,790
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VILLAGE OF LITTLE CHUTE
Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) - Governmental Funds
For the Year Ended December 31, 2018

	General	Tax Incremental District No. 4	Tax Incremental District No. 5	Tax Incremental District No. 6	Tax Incremental District No. 7	Tax Incremental District No. 8
REVENUES						
Property Taxes	\$ 1,342,868	\$ 818,973	\$ 387,771	\$ 22,371	\$ -	\$ -
Intergovernmental	2,122,910	878	46,145	-	-	-
Licenses and Permits	180,597	-	-	-	-	-
Public Charges for Services	114,024	-	-	-	-	-
Rental Income	-	-	-	-	-	-
Intergovernmental Charges for Services	372	-	-	-	-	-
Fines and Forfeitures	86,401	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Interest on Advances	19,076	-	-	-	-	-
Investment Income	30,880	3,842	2,277	446	-	-
Contributions	-	-	-	-	-	-
Insurance Reimbursements	-	-	-	-	-	-
Other	204,313	-	6,825	-	-	-
Total Revenues	4,101,441	823,693	443,018	22,817	-	-
EXPENDITURES						
Current:						
General Government	1,257,978	-	-	-	18,841	19,795
Public Safety	753,026	-	-	-	-	-
Public Works	1,087,917	-	-	-	-	-
Culture, Recreation and Education	771,175	-	-	-	-	-
Conservation and Development	30,829	354,126	49,678	1,582,766	-	514,891
Capital Outlay	-	-	-	-	-	-
Debt Service						
Principal Retirement	-	-	-	-	-	-
Interest and Fees	-	-	18,589	3,673	488	-
Total Expenditures	3,900,925	354,126	68,267	1,586,439	19,329	534,686
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	200,516	469,567	374,751	(1,563,622)	(19,329)	(534,686)
OTHER FINANCING SOURCES (USES)						
Sale of Village Properties	2,899	-	-	600,000	-	1
Transfers In	216,000	-	-	-	-	617,191
Transfers (Out)	(250,879)	(460,631)	(326,228)	(8,949)	-	(14,214)
Total Other Financing Sources (Uses)	(31,980)	(460,631)	(326,228)	591,051	-	602,978
NET CHANGE IN FUND BALANCES	168,536	8,936	48,523	(972,571)	(19,329)	68,292
FUND BALANCES - BEGINNING - RESTATED	4,457,522	507,290	(395,318)	88,132	-	-
FUND BALANCES (DEFICIT)- ENDING	\$ 4,626,058	\$ 516,226	\$ (346,795)	\$ (884,439)	\$ (19,329)	\$ 68,292

Consolidated Police Services	Construction Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,811,807	\$ 344,271	\$ 855,393	\$ 596,755	\$ 6,180,209
1,174,863	550,000	-	162,228	4,057,024
-	-	-	-	180,597
2,225	-	-	629,291	745,540
-	-	-	5,450	5,450
140,278	-	-	-	140,650
1,100	-	-	-	87,501
-	523,141	-	-	523,141
-	-	-	-	19,076
-	67,631	4,880	17,063	127,019
7,750	-	-	16,250	24,000
-	-	-	1,228	1,228
14,727	-	-	22,520	248,385
<u>3,152,750</u>	<u>1,485,043</u>	<u>860,273</u>	<u>1,450,785</u>	<u>12,339,820</u>
-	-	-	4,288	1,300,902
3,125,762	-	-	26,095	3,904,883
-	1,530,244	-	459,191	3,077,352
-	-	-	580,082	1,351,257
-	-	-	35,918	2,568,208
74,286	-	-	248,204	322,490
-	-	1,989,447	-	1,989,447
-	-	764,617	-	787,367
<u>3,200,048</u>	<u>1,530,244</u>	<u>2,754,064</u>	<u>1,353,778</u>	<u>15,301,906</u>
<u>(47,298)</u>	<u>(45,201)</u>	<u>(1,893,791)</u>	<u>97,007</u>	<u>(2,962,086)</u>
133	-	-	36,680	639,713
-	250,879	1,136,815	-	2,220,885
-	(326,793)	(4,290)	-	(1,391,984)
<u>133</u>	<u>(75,914)</u>	<u>1,132,525</u>	<u>36,680</u>	<u>1,468,614</u>
<u>(47,165)</u>	<u>(121,115)</u>	<u>(761,266)</u>	<u>133,687</u>	<u>(1,493,472)</u>
<u>66,871</u>	<u>3,832,935</u>	<u>1,254,634</u>	<u>1,425,801</u>	<u>11,237,867</u>
<u>\$ 19,706</u>	<u>\$ 3,711,820</u>	<u>\$ 493,368</u>	<u>\$ 1,559,488</u>	<u>\$ 9,744,395</u>

VILLAGE OF LITTLE CHUTE

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2018

Net Change in Fund Balances - Total Governmental Funds	\$ (1,493,472)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets are capitalized and they are depreciated over their estimated useful lives with depreciation expense reported in the statement of activities.	
Capital assets are included with capital expenditures in the fund statements but are capitalized in the government-wide financial statements	2,345,303
Depreciation is reported in the government-wide statements	(1,521,479)
The Village disposed of land and outdated assets resulting in a reduction of prior year depreciation expense reported on the statement of activities and has no effect on the governmental funds	
The value of capital assets disposed of during the year	(518,319)
The amount of depreciation recapture during the year	591,588
Amounts related to the Wisconsin Retirement System pension plan that affect the statement of activities but do not affect the fund financial statements.	(116,080)
Amounts related to the Length of Service Awards pension plan that affect the statement of activities but do not affect the fund financial statements.	26,699
Receivables not currently available are reported as deferred inflows of revenues in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	(69,500)
Debt issued provides current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Debt issued	-
Principal repaid	1,709,444
Amortization of deferred amount of refunding loss	(11,248)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Other post-employment benefits	(90,379)
Compensated absences	(14,560)
Accrued interest on long-term debt	(10,514)
Discounts and premiums on debt issued are recorded as other financing sources and uses in the governmental funds but are amortized over the life of the related debt issue in the government activities financial statements.	37,881
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES - STATEMENT OF ACTIVITIES	\$ 865,364

VILLAGE OF LITTLE CHUTE
Statement of Net Position
Proprietary Funds
December 31, 2018

	Water Utility	Sewer Utility	Stormwater Utility	Totals
CURRENT ASSETS				
Cash and Investments	\$ 780,724	\$ 2,349,734	\$ 2,772,789	\$ 5,903,247
Customer Accounts Receivable	292,604	896,114	236,626	1,425,344
Special Assessments Receivable	15,954	10,952	2,535	29,441
Due from Other Fund	-	-	171,200	171,200
Inventories	42,381	1,307	-	43,688
Interest Receivable	2,111	2,764	1,958	6,833
Total Current Assets	1,133,774	3,260,871	3,185,108	7,579,753
NON-CURRENT ASSETS				
Capital Assets				
Land	115,283	23,627	2,067,823	2,206,733
Equipment	-	-	-	-
Construction in Progress	38,433	46,799	25,310	110,542
Other Capital Assets	20,469,684	15,222,897	27,282,305	62,974,986
Less: Accumulated Depreciation	(6,552,169)	(2,447,668)	(5,417,538)	(14,417,375)
Net Capital Assets	14,071,231	12,845,755	23,957,900	50,874,886
Net Pension Asset	16,851	25,574	36,774	79,199
Special Assessments Receivable	376,319	483,107	444,867	1,304,293
Advances Due from Other Funds	-	-	881,500	881,500
Total Non-Current Assets	14,464,401	13,354,436	25,321,041	53,139,878
Total Assets	15,598,175	16,615,307	28,506,149	60,719,631
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to Pension	30,184	45,810	65,873	141,867
Total Assets and Deferred Outflows of Resources	15,628,359	16,661,117	28,572,022	60,861,498
CURRENT LIABILITIES				
Accounts Payable	63,868	196,955	36,268	297,091
Due to Other Funds	387,200	-	-	387,200
Deferred Revenue	209	-	-	209
Other Accrued Liabilities	2,934	3,618	4,410	10,962
Advance from County	-	25,701	-	25,701
Accrued Interest	6,477	4,103	(292)	10,288
Revenue Bonds Payable	412,237	-	216,641	628,878
General Obligation Notes Payable	204,110	159,174	78,037	441,321
Payable from Restricted Assets:				
Accrued Interest	12,059	-	15,145	27,204
Total Current Liabilities	1,089,094	389,551	350,209	1,828,854
NON-CURRENT LIABILITIES				
Revenue Bonds Payable	1,589,211	-	2,755,729	4,344,940
General Obligation Notes Payable	879,418	420,178	193,038	1,492,634
Total Non-Current Liabilities	2,468,629	420,178	2,948,767	5,837,574
Total Liabilities	3,557,723	809,729	3,298,976	7,666,428
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to Pension	33,238	50,444	72,539	156,221
Total Liabilities and Deferred Inflows of Resources	3,590,961	860,173	3,371,515	7,822,649
NET POSITION				
Net Investment in Capital Assets	11,866,404	11,622,011	21,224,292	44,712,707
Restricted for Debt Service	1,775,889	-	1,371,112	3,147,001
Restricted for Pension Benefits	13,797	20,940	30,108	64,845
Unrestricted (Deficit)	(1,618,692)	4,157,993	2,574,995	5,114,296
TOTAL NET POSITION	\$ 12,037,398	\$ 15,800,944	\$ 25,200,507	\$ 53,038,849

VILLAGE OF LITTLE CHUTE
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2018

	Water Utility	Sewer Utility	Stormwater Utility	Totals
OPERATING REVENUES				
Charges for Services	\$ 2,184,162	\$ 2,754,230	\$ 1,085,544	\$ 6,023,936
Other	9,369	-	-	9,369
Total Operating Revenues	<u>2,193,531</u>	<u>2,754,230</u>	<u>1,085,544</u>	<u>6,033,305</u>
OPERATING EXPENSES				
Operation and Maintenance	1,116,607	2,041,159	408,473	3,566,239
Depreciation	449,218	209,224	385,497	1,043,939
Total Operating Expenses	<u>1,565,825</u>	<u>2,250,383</u>	<u>793,970</u>	<u>4,610,178</u>
OPERATING INCOME	<u>627,706</u>	<u>503,847</u>	<u>291,574</u>	<u>1,423,127</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	6,294	26,888	56,128	89,310
Interest Expense	(64,493)	(17,058)	(91,218)	(172,769)
Other	56,707	7,422	1,030	65,159
Total Non-Operating Revenue (Expenses)	<u>(1,492)</u>	<u>17,252</u>	<u>(34,060)</u>	<u>(18,300)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	626,214	521,099	257,514	1,404,827
CAPITAL CONTRIBUTIONS	100,721	219,585	584,638	904,944
TRANSFERS IN (OUT)	<u>(208,235)</u>	<u>(7,765)</u>	<u>4,290</u>	<u>(211,710)</u>
CHANGE IN NET POSITION	518,700	732,919	846,442	2,098,061
NET POSITION - BEGINNING OF YEAR - AS RESTATED	<u>11,518,698</u>	<u>15,068,025</u>	<u>24,354,065</u>	<u>50,940,788</u>
NET POSITION - END OF YEAR	<u>\$ 12,037,398</u>	<u>\$ 15,800,944</u>	<u>\$ 25,200,507</u>	<u>\$ 53,038,849</u>

VILLAGE OF LITTLE CHUTE
Statement of Cash Flows - Proprietary Funds
For the Year Ended December 31, 2018

	Water Utility	Sewer Utility	Stormwater Utility	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from Customers	\$ 2,145,587	\$ 2,413,727	\$ 1,121,916	\$ 5,681,230
Paid to Suppliers for Goods and Services	(1,123,025)	(1,900,572)	(226,416)	(3,250,013)
Paid to Employees for Operating Payroll	(77,942)	(113,983)	(168,730)	(360,655)
Net Cash Flows From Operating Activities	<u>944,620</u>	<u>399,172</u>	<u>726,770</u>	<u>2,070,562</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Collections on Advances to Other Funds	-	-	(881,500)	(881,500)
Paid to Municipality for Tax Equivalent	(208,235)	(7,765)	4,290	(211,710)
Net Cash Flows From Noncapital and Related Financing Activities	<u>(208,235)</u>	<u>(7,765)</u>	<u>(877,210)</u>	<u>(1,093,210)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(389,435)	(295,191)	505,185	(179,441)
Debt Retired	(1,753,231)	(290,173)	(1,178,852)	(3,222,256)
Interest Paid	(65,080)	(19,211)	(122,947)	(207,238)
Proceeds from Debt	1,179,228	-	448,313	1,627,541
Debt Issuance Costs	-	-	1,687	1,687
Collections on Special Assessments	13,928	52,877	10,829	77,634
Payment on Advance from County	-	(3,294)	-	(3,294)
Net Cash Flows From Capital and Related Financing Activities	<u>(1,014,590)</u>	<u>(554,992)</u>	<u>(335,785)</u>	<u>(1,905,367)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	6,838	27,567	62,753	97,158
Sales of Investments	712,566	1,311,905	2,640,564	4,665,035
Miscellaneous Receipts	56,707	7,422	1,030	65,159
Net Cash Flows From Investing Activities	<u>776,111</u>	<u>1,346,894</u>	<u>2,704,347</u>	<u>4,827,352</u>
NET CHANGE IN CASH AND INVESTMENTS	497,906	1,183,309	2,218,122	3,899,337
CASH AND INVESTMENTS - BEGINNING	<u>282,818</u>	<u>1,166,425</u>	<u>554,667</u>	<u>2,003,910</u>
CASH AND INVESTMENTS - ENDING	<u>\$ 780,724</u>	<u>\$ 2,349,734</u>	<u>\$ 2,772,789</u>	<u>\$ 5,903,247</u>
CASH AND INVESTMENTS - ENDING				
Unrestricted	\$ 780,724	\$ 2,349,734	\$ 2,772,789	\$ 5,903,247
Restricted - Current Assets	-	-	-	-
TOTAL CASH AND INVESTMENTS - ENDING	<u>\$ 780,724</u>	<u>\$ 2,349,734</u>	<u>\$ 2,772,789</u>	<u>\$ 5,903,247</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES				
Operating Income	\$ 627,706	\$ 503,847	\$ 291,574	\$ 1,423,127
Noncash Items in Operating Income:				
Depreciation	449,218	209,224	385,497	1,043,939
Changes in Assets, Outflows, Liabilities, and Inflows:				
Customer Accounts Receivable	(47,944)	(340,503)	36,372	(352,075)
Deferred Outflows Related to Pension	9,552	14,495	20,844	44,891
Retainage Payable	-	-	8,659	8,659
Accounts Payable	(100,344)	22,117	(2,227)	(80,454)
Other Accrued Liabilities	1,005	1,236	2,215	4,456
Deferred Revenue	-	-	-	-
Pension Liability	(4,633)	(7,031)	(10,110)	(21,774)
Deferred Inflows Related to Pension	14,075	21,362	30,720	66,157
CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 944,620</u>	<u>\$ 399,172</u>	<u>\$ 726,770</u>	<u>\$ 2,070,562</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Capital Asset Additions in Accounts Payable	\$ 18,880	\$ 39,363	\$ -	\$ 58,243
Contributed Property	\$ 100,721	\$ 219,585	\$ 584,638	\$ 904,944

VILLAGE OF LITTLE CHUTE

Statement of Net Position

Fiduciary Funds

December 31, 2018

	<u>Agency</u> <u>Tax Collection</u> <u>Fund</u>
ASSETS	
Tax Roll Receivable	\$ 5,577,159
Restricted Cash and Investments	6,185,106
Total Assets	<u>\$ 11,762,265</u>
LIABILITIES	
Due to Other Taxing Units	<u>\$ 11,762,265</u>

See Accompanying Notes

Note 1 - Summary of Significant Accounting Policies

Introduction

The Village of Little Chute (Village) complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. These accounting policies have been consistently applied in the preparation of the financial statements, except for the implementation of a new account standard as described later within this footnote. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Reporting Entity

This report includes all of the funds of the Village of Little Chute. The reporting entity for the Village 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. In accordance with generally accepted accounting principles (GAAP), the financial statements are required to include the Village (primary government) and any separate component units that have a significant operational or financial relationship with the Village. The Village has identified the Little Chute Community Development Authority as a component unit that is required to be blended in the basic financial statements.

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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. The Village does not allocate indirect expenses to functions in the statement of activities. Program revenues included 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Taxes and other items not properly included as program revenues are reported instead as general revenues.

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 Village's utilities 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.

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 utility enterprise funds 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are 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.

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

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, 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
- b. The same element that met the 10 percent criterion in (a) is at least 5 percent of the corresponding element total for all governmental and enterprise funds combined
- c. In addition, any other governmental or proprietary fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

The Village reports the following major governmental funds:

General Fund - accounts for the Village's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Tax Incremental District Nos. 4, 5, 6, 7, and 8 Special Revenue Funds - account for receipts of district "incremental" property taxes and other revenues and the corresponding program expenditures.

Consolidated Police Services Special Revenue Fund - accounts for intergovernmental and other revenues and the corresponding public safety expenditures.

Construction Projects Capital Projects Fund - accounts for the construction of various projects not accounted for in other funds.

Debt Service Fund - accounts for resources accumulated and payments made for principal and interest on long-term debt and related costs.

The Village reports the following major enterprise funds:

The Water Utility - accounts for operations of the water system.

The Sewer Utility - accounts for operations of the sewer system.

The Stormwater Utility - accounts for operations of the stormwater system.

Note 1 - Summary of Significant Accounting Policies (Continued)
Fund Financial Statements (Continued)

The Village reports the following non-major governmental funds:

Special Revenue Funds - used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Community Development Grants
- Aquatics
- Sanitation Services
- Library/Civic Center
- Promotional
- VanLieshout Rec. Center

Capital Projects Funds - used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

- Equipment Revolving
- Facility and Technology
- Park Improvement

Agency Fund - used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village as their agent. The Village accounts for tax collections on behalf of other taxing units in an Agency Fund.

Measurement Focus and Basis of Accounting
Government-Wide Financial Statements

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

Note 1 - Summary of Significant Accounting Policies (Continued)
Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements

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

For governmental fund financial statements, deferred inflows of resources and unearned revenue arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources arise from resources acquired which are for subsequent year's operations. Unearned revenue arises when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflows of resources and the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

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

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and either deferred inflows of resources or unearned revenue. Amounts received prior to the entitlement period are also recorded as unearned revenue.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows of resources. Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the general fund.

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

Proprietary and pension trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. The agency fund only presents a statement of net position since it does not have a measurement focus.

Cash and Investments

For purposes of the statement of cash flows, cash deposits and highly liquid investments with an initial maturity of three months or less at the time of purchase are considered to be cash equivalents.

Note 1 - Summary of Significant Accounting Policies (Continued)

Restricted Cash

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt.

Accounts Receivable

Accounts receivable in the governmental funds are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof.

No provision for uncollectible accounts receivable has been made in the accompanying enterprise fund financial statements because the water, sewer and stormwater utilities have the right by law to place delinquent bills on the tax roll.

Interfund Loans

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

In the governmental fund financial statements, advances to other funds are offset equally as nonspendable fund balance which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Economic Development Loans Receivable

The Village has received federal and state grant funds for economic development loan programs. The Village records a loan receivable from various businesses when the loan has been made and the funds have been disbursed.

It is the Village's policy to record revenue when the initial loan is made from the federal and state grant funds. The net amount of the loan receivable balance is offset by a restricted fund balance. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are also presented as restricted fund balance in the governmental fund balance sheet.

Inventories

Inventories of governmental fund types are recorded as expenditures when purchased. Year end inventory is not significant.

Inventory of proprietary fund types are recorded at cost based on weighted average, and charged to construction or operation and maintenance expense when used.

Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements and used in governmental fund operations.

Government-Wide Statements

Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost. If actual amounts are unavailable, Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Government-Wide Statements (Continued)

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

Buildings and Improvements, including Parking Lots	37 - 45 Years
Vehicles and Equipment	10 - 25 Years
Utility Systems	20 - 107 Years
Infrastructure	20 - 50 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village reports its deferred amount for refunding loss and pension related items in its government-wide financial statements as deferred outflows of resources. No items qualify in this category for reporting in the governmental funds.

In addition to liabilities, the statement of net position and balance sheet report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position/fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The government-wide financial statements have two items that qualify for reporting in this category. Accordingly, the items, taxes levied for subsequent periods and pension related items are reported in the statement of net position.

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources (Continued)

The governmental funds report unavailable revenues from three sources: taxes levied for subsequent periods, unavailable special assessments, and unavailable accounts receivable.

Long-Term Obligations/Conduit Debt

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable, state trust fund loans and accrued compensated absences.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The face value of the debt plus any premiums are reported as other financing sources. Debt discounts on issued debt are reported as other financing uses. Payment of principal and interest are reported as expenditures.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the debt issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter.

The Village has approved the issuance of two industrial revenue bonds (IRBs) for the benefit of private business enterprises. IRBs are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the Village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of the IRBs outstanding at the end of the year is approximately \$3.58 million.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2018 are determined on the basis of current salary rates and include salary related payments.

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of a Governmental Accounting Standards Board pronouncement are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds if they are not to be liquidated with expendable available financial resources; no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide and proprietary funds statements as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

Note 1 - Summary of Significant Accounting Policies (Continued)

Equity Classifications

Equity is classified as net position and displayed in three components in the government-wide statements:

- Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets, and increased by unexpended debt proceeds.

- Restricted net position - Consists of resources with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

- Unrestricted net position - Net amount that do not meet the definition of "restricted" or "net investment in capital assets."

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.

Governmental fund equity is classified as fund balance. The Village classifies governmental fund balance as follows:

- Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements mandate funds be maintained intact.

- Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

- Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action at the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Village. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which is subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village that originally created the commitment.

- Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance is assigned through formal action by the Village Board for specific purposes or include all remaining positive spendable amounts in governmental funds other than the general fund. Assignments may take place after the end of the reporting period.

- Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any other governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

The Village, unless otherwise required by law or agreements, spend funds in the following order: restricted first, then committed, then assigned, and lastly unassigned.

The Village has adopted, via resolution passed by the Village Board, a formal financial policy regarding the fund balance in the general fund. The policy is to maintain a minimum unassigned general fund balance equivalent of 25% of subsequent years general fund expenditures, or \$97,523,1 as of December 31, 2018.

Proprietary fund equity is classified the same as in the government-wide statements.

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies (Continued)

Use of Estimates

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

Basis for Existing Rates - Proprietary Funds

- Water Utility
Current water rates were approved by the Public Service Commission of Wisconsin effective September 29, 2015.
- Sewer Utility
Current wastewater rates were approved by the Village Board on July 1, 2011
- Stormwater Utility
Current stormwater rates were approved by the Village Board on February 1, 2010

Implementation of New Accounting Standard

Statement Number 75 issued by the Governmental Accounting Standards Board (GASB) establishes requirements for governments that provide their employees with OPEB through a trust and replaces GASB Statement Number 45 for those government employers. The most significant change is that governments will now be required to recognize their net OPEB liability, which is the difference between the total OPEB liability (the portion of the present value of the projected benefit payments that is attributed to past periods) and the value of OPEB assets available to pay benefits. Additional note disclosures are required. This requirement also applies to cost-sharing, multiple-employer plans and plans that are not administered through a trust. The statement mirrors the pension requirements of GASB Statement Number 68. Most changes in the net OPEB liability will be included in the current period expense. Other components, such as changes in economic assumptions, will be recognized over a closed period equal to the expected remaining service lives of all employees that are provided benefits. Differences between expected and actual investment rate of return will be recognized in expense over a five-year period.

Note 2 - Cash and Investments

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

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

The Village has adopted an investment policy. The policy follows the state statutes for allowable investments.

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2018

Note 2 - Cash and Investments (Continued)

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2018, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements. An investment in the LGIP is not a deposit with any bank and is neither insured nor guaranteed by the FDIC, the United States Government or any state government agency. At December 31, 2018 the LGIP's investments had a weighted average maturity of 67 days.

The Local Government Investment Pool, an external investment pool operates as a joint venture under Section 66.0301 of the Wisconsin Statutes. Membership in the joint venture is limited to school districts, technical colleges, and municipalities in Wisconsin. The governing body, the Board of Commissioners, is elected by the membership.

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

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing the amount of uninsured deposits below.

The Local Government Investment Pool and unallocated insurance contracts cannot be classified by credit risk since they are not evidenced by securities that exist in physical or book entry form.

Fluctuating cash flows during the year due to tax collections and receipt of state aids may have resulted in uninsured balances during the year significantly exceeding insured amounts at year end.

Custodial Credit Risk - Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to it. Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2018 approximately \$12.9 million of financial institution deposits was uninsured and uncollateralized and therefore was exposed to custodial credit risk. The Village does not have a policy regarding custodial credit risk.

The following represents a summary of deposits as of December 31, 2018:

Fully Insured Deposits	\$ 1,949,830
Collateralize with Securities held by the Pledging of Financial Institution in the Village's Name	6,851,800
Uncollateralized	6,084,891
Total	<u>\$ 14,886,521</u>

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized rating agencies. The Village's investment policy limits its investments in these types of investments to the top rating of these rating agencies. The LGIP investments are not rated.

Note 2 - Cash and Investments (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the Village investment in a single issuer. At December 31, 2018, the investment portfolio (excluding LGIP) has concentrations of investments greater than 5% of the total portfolio as follows:

Issuer	Investment Type	Portfolio	Percentage of
Federal Home Loan Bank	U.S. Government Agency Securities	18%	

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. To reduce this risk the Village invests in securities with varying maturities. To the extent possible, the Village attempts to match the maturity of the investments with anticipated cash flow requirements. At December 31, 2018 the Village's investments in the above table mature at various times between January 2018 and October 2020.

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. No investments are reported at amortized costs. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances.

- Level 1 - Valuation for assets are from quoted prices in active markets. These valuations are obtained from readily available pricing sources from market transactions involving identical assets.
- Level 2 - Valuation for assets are from less active markets. These valuations are obtained from third party pricing services for identical or similar assets.
- Level 3 - Measurements that are least observable are estimated from related market data, determined from sources with little or no market activity for comparable contracts, or are positions with longer durations. These valuations incorporate certain assumptions and projections in determining fair value assigned to such assets.

	Level 1	Level 2	Level 3
Ehlers Investment Portfolio	\$ 7,147,056	\$ -	\$ -
Local Government Investment Pool	-	1,928,916	-
Total	\$ 7,147,056	\$ 1,928,916	\$ -

Note 3 - Property Taxes

Property taxes consist of taxes on real estate and personal property. They are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the Village, taxes are collected for and remitted to the state and county governments as well as the local school 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 receivables and due to other taxing units on the accompanying agency fund balance sheet.

Property tax calendar - 2018 tax roll:

Budget Approved by Village Board	November 2017
Payment in Full, or	January 31, 2018
First Installment Due	January 31, 2018
Personal Property Taxes in Full	January 31, 2018
Second Installment Due	July 31, 2018
Final Settlement with County	August 21, 2018

Note 4 - Receivables

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

	Unavailable	Unearned	Total
Property Taxes Receivable	\$ -	\$ 7,411,893	\$ 7,411,893
Payment in Lieu of Taxes	216,000	-	216,000
Citations	484	-	484
Land Purchase	150,000	-	150,000
Special Assessments Not Yet Due	2,247,942	-	2,247,942
Total Unavailable/Unearned Revenues for Governmental Funds	\$ 2,614,426	\$ 7,411,893	\$ 10,026,319

Note 5 - Interfund Receivables, Payables and Advances

Interfund receivables and payables between individual funds of the Village are as follows:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Water Utility	\$ 216,000	Payment in Lieu of Taxes
Storm Water Utility	Water Utility	171,200	Year End Cash Flow Timing
		\$ 387,200	

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	TID No. 5	340,218	To Fund Capital Expenditures
General Fund	TID No. 6	162,739	To Fund Capital Expenditures
General Fund	TID No. 7	19,500	To Fund Capital Expenditures
Storm Water Utility	TID No. 8	881,500	To Fund Capital Expenditures
		\$ 1,403,957	

The principal purpose of these interfund advances is to fund capital expenditures.

Note 5 - Interfund Receivables, Payables and Advances (Continued)

For the government-wide statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

Note 6 - Interfund Transfers

The following is a schedule of interfund transfers:

Fund	Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Water Utility	Water Utility	\$ 208,235	Payment in Lieu of Taxes
	Sewer Utility	Sewer Utility	7,765	Payment in Lieu of Taxes
Total General Fund			216,000	
Construction Projects	General Fund	General Fund	250,879	Capital Improvements
Stormwater Utility	Debt Service	Debt Service	4,290	Reimburse Project Costs
Debt Service	TID No. 4	TID No. 4	460,631	Debt Service
	TID No. 5	TID No. 5	326,228	Debt Service
	TID No. 6	TID No. 6	8,949	Debt Service
	TID No. 8	TID No. 8	14,214	Debt Service
	Construction Projects	Construction Projects	326,793	Debt Service
Total Debt Service			1,136,615	
Sub Total Fund Statements			1,603,694	
Less Eliminations			1,391,984	
Total Government-Wide Statement of Activities			\$ 211,710	

Transferred To	Transferred From	Amount
Governmental Activity	Business-Type Activity	\$ 211,710

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

Note 7 - Restricted Assets

For the proprietary funds, certain resources set aside for the repayment of debt or for other purposes required by debt ordinances are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term liabilities.

Note 7 - Restricted Assets (Continued)

Similarly, advance collections on property taxes in the governmental funds and agency fund and unspent debt proceeds in the governmental funds are classified as restricted assets because their use is limited to financing expenditures of the ensuing year.

Note 8 - Capital Assets

Capital asset balances and activity for the year ended December 31, 2018 were as follows:

	Balance 1/1/2018	Additions/ Reclassifications	Deletions/ Reclassifications	Balance 12/31/2018
Governmental Activities:				
Capital Assets, Net	\$ 3,890,677	\$ -	\$ -	\$ 3,890,677
Land	915,472	193,724	-	1,109,196
Construction in Progress	-	-	-	-
Total Capital Assets not Being Depreciated	4,806,149	193,724	-	4,999,873
Capital Assets				
Being Depreciated:				
Land Improvements	1,876,545	42,421	-	1,918,966
Buildings	6,207,295	114,394	-	6,321,689
Vehicles and Equipment	9,098,280	1,019,112	428,875	9,688,517
Infrastructure	32,768,199	975,652	89,444	33,654,407
Total Capital Assets	49,950,319	2,151,579	518,319	51,583,579
Being Depreciated				
Less Accumulated Depreciation for:				
Land Improvements	856,719	64,801	-	921,520
Buildings	2,654,503	146,882	-	2,801,385
Vehicles and Equipment	5,083,535	534,640	428,875	5,189,300
Infrastructure	14,409,930	773,156	162,713	15,020,373
Total Accumulated Depreciation	23,004,687	1,521,479	591,588	23,934,578
Total Capital Assets Being Depreciated Net of Accumulated Depreciation	26,945,632			27,649,001
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 31,751,781			\$ 32,648,874

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2018

Note 8 - Capital Assets (Continued)

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

Governmental Activities:				
General Government			\$ 83,277	
Public Safety			174,101	
Public Works, which includes the Depreciation of Infrastructure			1,025,996	
Culture, Recreation and Education			238,105	
Total Governmental Activities Depreciation Expense			\$ 1,521,479	

	Balance 1/1/2018	Additions/ Reclassifications	Deletions/ Reclassifications	Balance 12/31/2018
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Business-Type Activities:

Capital Assets Not Being Depreciated:				
Land	\$ 2,206,733	\$ -	\$ -	\$ 2,206,733
Construction in Progress	93,941	37,830	21,229	110,542
Total Capital Assets not Being Depreciated	2,300,674	37,830	21,229	2,317,275
Capital Assets Being Depreciated:				
Land Improvements	5,907,418	-	-	5,907,418
Buildings	1,575,533	2,300	-	1,577,833
Vehicles and Equipment	3,633,873	127,855	93,234	3,668,494
Infrastructure	50,148,983	1,789,888	117,640	51,821,241
Total Capital Assets Being Depreciated	61,265,807	1,920,053	210,874	62,974,986
Less Accumulated Depreciation for:				
Water Unallocated	6,187,319	478,952	114,102	6,552,169
Sewer Unallocated	2,308,953	179,490	40,775	2,447,668
Stormwater Unallocated	5,088,038	385,487	55,997	5,417,538
Total Accumulated Depreciation	13,584,310	1,043,939	210,874	14,417,375
Total Capital Assets Being Depreciated Net of Accumulated Depreciation	47,681,497			48,557,611

Business-Type Capital Assets, Net of Accumulated Depreciation	\$ 49,982,171	\$ 50,874,896
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VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2018

Note 8 - Capital Assets (Continued)

Depreciation expense was charged to functions of the utilities as follows:

Business-Type Activities:		
Water Utility	\$ 478,952	
Less - Share of Depreciation Charged to Sewer	(29,734)	
Water Utility Depreciation Expense	449,218	
Sewer Utility	179,490	
Plus - Share of Depreciation Charged from Water	29,734	
Sewer Utility Depreciation Expense	209,224	
Stormwater Utility	385,487	
Total Business-Type Activities Depreciation Expense	\$ 1,043,939	

Note 9 - Long-Term Obligations

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2018.

	Balance 1/1/2018	Adjustments	Increase	Decrease	Balance 12/31/2018	Due Within One Year
Governmental Activities						
Bonds and Notes Payable						
General Obligation Debt	\$ 20,774,083	\$ 450,000	\$ -	\$ 2,139,444	\$ 19,084,619	\$ 2,113,410
Revenue Bonds	432,000	-	-	20,000	412,000	20,000
Loss - Issuance Discount	(107,017)	-	-	(13,243)	(93,774)	-
Plus - Issuance Premium	429,485	-	-	51,122	378,363	-
Other Liabilities	21,928,531	(450,000)	-	3,197,323	19,789,208	2,133,410
Vested Compensated						
Advances	445,337	-	469,897	445,337	459,897	339,990
Net Pension Liability	177,213	-	-	26,699	150,514	-
Volunteer Firefighters						
Other Post-Employment Benefits	3,533,470	-	279,073	186,694	3,623,849	-
Total Governmental Activities Long-Term Liabilities	4,166,020	-	738,970	660,730	4,234,260	339,990
Business-Type Activities						
Bonds and Notes Payable						
General Obligation Debt	\$ 3,017,274	\$ (450,000)	\$ -	\$ 847,616	\$ 1,919,658	\$ 441,322
Revenue Bonds	5,512,130	-	71,721	810,033	4,973,818	424,769
Plus - Issuance Premium	49,714	-	(27,400)	1,077	21,237	-
Less - Issuance Discount	(11,631)	-	2,084	(2,907)	(9,940)	-
Other Liabilities	8,587,467	(450,000)	46,405	1,256,119	8,967,773	866,091
Total Business-Type Activities						
Total Business-Type Activities	\$ 25,684,551	\$ (450,000)	\$ 738,970	\$ 2,658,053	\$ 24,015,468	\$ 2,473,400

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2018

Note 9 - Long-Term Obligations (Continued)

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2018, was approximately \$43.9 million. Total general obligation debt outstanding at year end was approximately \$21 million.

	Date of Issuance	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2018
Governmental Activities					
General Obligation Debt					
G.O. Promissory Notes	9/17/2015	9/1/1933	2.00-3.25%	\$3,245,000	\$ 3,045,000
G.O. Corporate Purpose Bonds	8/70/2011	12/1/2026	2.00-3.50%	5,578,000	3,174,200
G.O. Promissory Notes	8/10/2011	8/1/2021	1.70-2.70%	1,330,000	460,000
G.O. Promissory Notes	11/20/2012	11/1/2022	0.75-1.50%	3,246,700	830,125
2014 State Trust Fund	5/9/2014	3/15/2024	3.50%	3,850,000	2,454,277
G.O. Promissory Notes	7/17/2014	6/1/2024	1.50-2.45%	1,640,000	1,010,000
G.O. Promissory Notes	8/9/2017	8/9/2027	1.15-3.30%	7,810,399	8,111,017
					\$19,084,619

Business-Type Activities

G.O. Corporate Purpose Bonds	8/10/2011	12/1/2026	2.00-3.50%	1,137,000	705,800
G.O. Promissory Notes	11/20/2012	11/1/2022	0.75-1.50%	2,913,300	744,877
G.O. Promissory Notes	7/17/2014	6/1/2024	1.50-2.45%	985,000	455,000
G.O. Promissory Notes	8/9/2017	8/9/2027	1.15-3.30%	464,601	13,981
					\$ 1,919,658

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

Year	Governmental Activities		Business-Type Activities	
	General Obligation Debt	Interest	General Obligation Debt	Interest
2019	\$ 2,113,410	\$ 549,295	\$ 441,322	\$ 38,433
2020	1,908,797	501,305	443,851	30,108
2021	1,899,778	449,960	271,637	23,561
2022	1,834,181	396,818	281,284	18,632
2023	1,719,241	345,271	135,764	12,927
2024-2028	9,605,212	1,591,722	345,800	18,857
	\$ 19,084,619	\$ 3,834,371	\$ 1,919,658	\$ 142,518

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2018

Note 9 - Long-Term Obligations (Continued)

Revenue Debt

Revenue bonds are payable only from revenues derived from the utilities. Revenue debt payable at December 31, 2018 consists of the following:

	Date of Issuance	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2018
Water Utility					
Water System Revenue Bonds	7/6/2016	5/1/2026	1.70-2.00%	\$1,495,000	\$ 815,000
Safe Drinking Water Fund	12/13/2017	5/1/2037	1.75%	1,163,780	1,166,448
Stormwater Utility					
Stormwater Revenue Bonds	1/27/2010	5/1/2029	3.153%	396,014	279,370
Stormwater Revenue Bonds	8/10/2011	11/1/2026	2.00-4.00%	1,605,000	1,045,000
Stormwater Revenue Bonds	7/6/2016	5/1/2036	1.80-3.00%	1,792,000	1,648,000
					\$ 4,973,818
Governmental Activities					
Stormwater Revenue Bonds	7/6/2016	5/1/2036	1.80-3.00%	448,000	\$ 412,000

Debt service requirements to maturity on the revenue debt are as follows:

Year	Governmental Activities		Business-Type Activities	
	Revenue Bonds	Interest	Revenue Bonds	Interest
2019	\$ 20,000	\$ 9,528	\$ 424,769	\$ 126,308
2020	20,000	9,128	471,386	115,487
2021	20,000	8,727	358,042	105,173
2022	20,000	8,328	364,736	96,505
2023	20,000	7,928	366,470	85,879
2024-2028	106,000	33,034	1,523,636	284,149
2029-2033	123,000	20,700	839,540	134,079
2034-2037	83,000	4,485	625,039	37,553
	\$ 412,000	\$ 101,858	\$ 4,973,818	\$ 985,143

Note 9 - Long-Term Obligations (Continued)

Estimated payments of accumulated employee benefits and other commitments are not included in the debt service requirements schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

A statutory mortgage lien upon the Village's utility system and any additions, improvements and extensions thereto is created by Section 86.066 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The Village's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes it is in compliance with all significant limitations and restrictions.

Conduit Debt

The Village has intentions to issue Industrial Development Revenue Bonds (IDRBs) to provide financial assistance to private organizations for the acquisition of land and construction of an industrial facility deemed to be in the public interest. The Village is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding will not be reported as a liability in these financial statements. As of December 31, 2018, the Village has yet to issue bonds on behalf of the private organization. The aggregate principal amount for the bonds to be issued will not exceed \$10,000,000.

Note 10 - Governmental Activities Net Position/Fund Balances

Governmental activities net position reported on the government-wide statement of net position at December 31, 2018 includes the following:

Net Investment in Capital Assets	
Land and Construction in Progress	\$ 4,999,873
Other Capital Assets, Net of Accumulated Depreciation	27,649,001
Less: Related Long-Term Debt Outstanding	(19,769,958)
Deduct: Unspent Debt Proceeds	6,251,771
Total Net Investment in Capital Assets	<u>19,130,667</u>
Restricted	
Debt Service	493,368
Pension Benefits	757,962
Total Restricted	<u>1,251,330</u>
Unrestricted	
	1,154,773
Total Governmental Activities Net Position	<u>\$ 21,536,790</u>

Note 10 - Governmental Activities Net Position/Fund Balances (Continued)

Fund balances reported in the governmental funds balance sheet at December 31, 2018 are further classified as follows:

Nonspendable	
Major Funds:	
General Fund	\$ 522,457
Non-Current Receivables	
Consolidated Police Services	11,728
Prepaid Items	7,936
Construction Projects	
Prepaid Items	
Total Nonspendable Fund Balances	<u>\$ 542,121</u>
Restricted	
Major Funds:	
Construction Projects	\$ 3,703,884
Debt Service Fund - Debt Service	493,368
Tax Incremental District No. 4	516,226
Tax Incremental District No. 8	86,292
Total Major Funds	<u>4,781,770</u>
Non-Major Funds:	
Special Revenue Funds Restricted For Subsequent Year Expenditures	315,581
Community Development Grants	17,714
Sanitation Services	94,081
Promotional	130,107
Library/Civic Center	
Capital Projects Funds Restricted For Subsequent Year Expenditures	174,659
Park Improvement	894,138
Equipment Revolving	1,626,280
Total Non-Major Funds	<u>\$ 6,408,050</u>
Total Restricted Fund Balances	
Assigned	
Major Funds:	
General Fund	\$ 218,749
Consolidated Police Services	7,978
Total Assigned Fund Balances	<u>\$ 226,727</u>
Unassigned	
	<u>\$ 2,390,300</u>

Note 11 - Individual Funds Disclosures

Excess Expenditures Over Appropriations

The following individual funds had an excess of expenditures over appropriations at the legal level of budgetary control for the year ended December 31, 2018:

General Fund	\$	12,696
Culture, Recreation, and Education		23,229
Conservation and Development		
Special Revenue Funds		
Consolidated Police Services		103,291
Library/Civic Center		86,752
Capital Projects Funds		
VanLieshout Rec. Center Fund		1,483
Tax Incremental District No. 4		6,420
Tax Incremental District No. 5		18,171
Tax Incremental District No. 6		1,528,894
Tax Incremental District No. 7		19,329
Tax Incremental District No. 8		534,866
Park Improvement Fund		6,763
Facility and Technology Fund		6,441
Construction Projects Fund		5,348
Debt Service		399,683

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end. As of December 31, 2018, the following individual funds held a deficit balance:

Fund	Amount	Reason
Aquatics	31,959	Costs to be recovered in subsequent periods
Tax Incremental District No. 5	346,795	Project costs to be recovered over time
Tax Incremental District No. 6	1,061,636	Project costs to be recovered over time
Tax Incremental District No. 7	19,329	Project costs to be recovered over time
Facility and Technology	29,432	Costs to be recovered in subsequent periods

Note 12 - Defined Benefit Pension Plan

Summary of Significant Accounting Policies

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

Note 12 - Defined Benefit Pension Plan (Continued)

General Information about the Pension Plan

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

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

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

Benefits provided. Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

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

The WRS also provides death and disability benefits for employees

Note 12 - Defined Benefit Pension Plan (Continued)

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2008	6.9	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, Executives and Elected Officials, Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employees are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$317,242 in contributions from the Village.

Contribution rates as of December 31, 2018 are:

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

Pension Asset, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pension

At December 31, 2018, the Village reported an asset of \$991,215 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension asset was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2017, the Village's proportion was 0.03338418%, which was an increase of 0.0002289% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the Village recognized pension expense of \$429,796.

Note 12 - Defined Benefit Pension Plan (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 1,259,363	\$ 569,088
Changes in assumptions	195,844	-
Net differences between projected and actual earnings on pension plan investments	-	1,362,334
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,106	3,792
Employer contributions subsequent to the measurement date	317,242	-
Total	\$ 1,775,555	\$ 1,955,214

The \$317,242 reported as deferred outflows related to pension resulting from the WRS employer's contributions subsequent to the measurement date will be recognized as an adjustment to the net pension asset in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year ending December 31,	Deferred Outflow and Inflow of Resources
2018	\$ 107,079
2019	(8,487)
2020	(339,984)
2021	(257,880)
Thereafter	2,371
	\$ (496,901)

Note 12 - Defined Benefit Pension Plan (Continued)

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

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

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

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

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

Core Fund Asset Class	Current Asset Allocation %	Destination Target Asset Allocation %	Long-Term Expected	
			Nominal Rate of Return %	Real Rate of Return %
Global Equities	50.0	45.0	8.3	5.4
Fixed Income	24.5	37.0	4.2	1.4
Inflation Sensitive Assets	15.5	20.0	4.3	1.5
Real Estate	8.0	7.0	6.5	3.6
Private Equity/Debt	8.0	7.0	9.4	6.5
Multi-Asset	4.0	4.0	6.6	3.7
Total Core Fund	110.0	120.0	7.4	4.5
Variable Fund Asset Class				
U.S. Equities	70	70	7.6	4.7
International Equities	30	30	8.5	5.6
Total Variable Fund	100	100	7.9	5.0

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

Note 12 - Defined Benefit Pension Plan (Continued)

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

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

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
Village's proportionate share of the net pension liability (asset)	\$ 2,564,614	\$ (991,216)	\$ (3,693,756)

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

Payables to the Pension Plan

The Village is required to remit the monthly required contribution for both the employee and Village portions by the last day of the following month. All amounts due to WRS were paid as of December 31, 2018.

Note 13 - Volunteer Fire Department Length of Service Awards Program

Plan Description. Effective July 1999 the Village created a length of service awards program ("Program") for its volunteer fire department members. The Village administers the Program, a single-employer defined benefit pension plan, which is reported in the Pension Trust Fund. All active fire department members age 18 and older, who have completed the department's probationary period are eligible for the Program. The Village has sole authority to amend the Program. Members of the department are not required to contribute to the Program unless they wish to continue the life insurance benefit upon reaching age 60. The Village makes all contributions to the Program.

Benefits Provided. The Program provides life insurance death benefits of \$25,000 for eligible members under age 60. Members who reach age 60 with 5 or more years of active service are entitled to monthly retirement benefits. The amount of the monthly benefit is \$4 for each year of credited service for 10 years certain.

Contributions. The Village has not established a trust or equivalent arrangement to fund its OPEB liability. Health premiums related to retirees and their spouses are paid as they come due.

Note 13 - Volunteer Fire Department Length of Service Awards Program (Continued)

Net Pension Liability

The Village's net pension liability was measured as of December 31, 2018 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

Actuarial Cost Method:	Entry Age Normal
Investment Rate of Return, Including Inflation:	3.71%
Mortality:	RP2000 projected to 2030

Discount rate. The discount rate used to measure the total pension liability was 3.71 percent as of the actuarial valuation date of December 31, 2018. The projection of cash flows used to determine the discount rate assumed that Village contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected pension payments for current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Total Pension Liability

	Increase (Decrease) Total Pension Liability
Balance at 12/31/17	\$ 177,213
Changes for the Year:	
Service Cost	7,808
Interest	6,027
Differences Between Expected and Actual Experience	1,568
Changes of Assumptions	(10,687)
Benefit Payments and Expenses	(31,435)
Net Changes	(26,699)
Balance at 12/31/18	\$ 150,514

Sensitivity of the total pension liability to changes in the discount rate. The following presents the total pension liability of the Village, as well as what the Village's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.71 percent) or 1-percentage-point higher (4.71 percent) than the current discount rate.

	1% Decrease (2.71%)	Discount Rate (3.71%)	1% Increase (4.71%)
Net Pension Liability	\$ 163,229	\$ 150,514	\$ 137,520

Note 13 - Volunteer Fire Department Length of Service Awards Program (Continued)

Pension Expense

For the year ended December 31, 2018, the Village recognized pension expense of \$4,736.

Note 14 - Other Post-Employment Benefits

General Information about the OPEB Plan

Plan Description. The Village administers a single-employer defined benefit post-employment healthcare plan. The plan provides health insurance coverage from retirement to death for employees hired prior to September 1, 1980 and their spouses. The benefits are provided through the Village's group medical insurance plan, which covers both active and retired members. The entire cost is paid by the Village. Funding for these costs is provided out of the general fund. The Village funds these post-employment benefits on a pay-as-you-go basis, accordingly no liability is recognized within the fund financial statements. However a liability is recorded for the unfunded liability on the government-wide financial statements beginning on January 1, 2008 as required under Government Accounting Standards Board Statement No. 45 and amended for Government Accounting Standards Board Statement No. 75.

Benefits Provided. The Plan provides post-employment health insurance coverage from retirement to death to eligible employees and their spouses described above in the plan description.

Employees Covered by the Benefit Terms. At December 31, 2017, the actuarial valuation measurement date, the Village's membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefit payments 31

Contributions. The Village has not established a trust or equivalent arrangement to fund its OPEB liability. Health premiums related to retirees and their spouses are paid as they come due.

Net OPEB Liability

The Village's net OPEB liability was measured as of December 31, 2017 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

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

Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	3.44%
Long-Term Expected Rate of Return:	5.00%
Discount Rate:	3.63%
Mortality:	Wisconsin 2012 Mortality Table

Rates are based on the Wisconsin 2012 Mortality Table as the base table and project future improvements with MP-2015 generational improvement scale in connection with the 2012-2014 Experience Study performed by the actuary for the Wisconsin Retirement System.

Note 14 - Other Post-Employment Benefits (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	100%	3.44%

Discount rate. The discount rate used to measure the total OPEB liability was 3.44 percent as of the actuarial valuation date of December 31, 2017. The projection of cash flows used to determine the discount rate assumed that Village contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Total OPEB Liability:

Balance at 12/31/17	\$ 3,533,470
Changes for the Year:	
Interest	130,032
Changes in Assumptions or Other Inputs	149,041
Benefit Payments	(188,654)
Net Changes	90,379
Balance at 12/31/18	\$ 3,623,849

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.44 percent) or 1-percentage-point higher (4.44 percent) than the current discount rate.

Total OPEB Liability	\$ 4,125,245	Discount Rate (3.44%)	\$ 3,623,849	1% Increase (4.44%)	\$ 3,211,903
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Note 14 - Other Post-Employment Benefits (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Village, as well as what the Village's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.50 percent, decreasing to 3.00 percent) or 1 percentage-point higher (8.50 percent, decreasing to 5.00 percent) than the current healthcare cost trend rates.

	Discount Rate		1% Increase (8.50%)	
	(7.50%) decreasing to 3.00%	(6.50%) decreasing to 4.00%	(7.50%) decreasing to 3.00%	(8.50%) decreasing to 5.00%
Total OPEB Liability	\$ 3,230,116	\$ 3,623,849	\$ 3,623,849	\$ 4,091,312

OPEB Expense

For the year ended December 31, 2018, the Village recognized OPEB expense of \$279,073.

Note 15 - Tax Incremental Districts (TID)

The Village of Little Chute has three Tax Incremental Districts (TID) at December 31, 2017 that were created under the provisions of Wisconsin Statute Section 66.46. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

TID No. 4, TID No. 5 and TID No. 6 were formed to promote industrial development by expansion of the street infrastructure along with pay-as-you-go developer incentives.

The Statutes specify the period of time after creation date for a TID to incur project costs eligible for financing from tax increments. The Statutes further specify the period of time the TID may collect tax increments to repay project costs including principal and interest on long-term debt issued by the Village to finance such improvements. Project costs uncollected after the final dissolution date are absorbed by the municipality.

	Creation Date	Last Date To Incur Project Costs	Final Dissolution Date
TID No. 4	2007	2022	2027
TID No. 5	2013	2028	2033
TID No. 6	2016	2031	2036
TID No. 7	2018	2033	2039
TID No. 8	2018	2040	2046

Note 15 - Tax Incremental Districts (TID) (Continued)

The Village has financed development and public improvement costs in its TIDs through the issuance of general obligation long-term debt. Tax increments will be reported as revenues and will be used to meet maturing debt obligations incurred to provide financing for development and public improvement costs within the tax incremental districts. The following is a summary of significant financial information of the TIDs No. 4, No. 5, No. 6, No. 7, and No. 8 through December 31, 2018.

	TID No. 4	TID No. 5	TID No. 6	TID No. 7	TID No. 8
Tax Increment Revenue for 2018	\$ 818,972	\$ 387,771	\$ 22,371	\$ -	\$ -
Project Activity through 12/31/18					
Revenues:					
Tax Increments	2,880,188	829,205	22,371	-	-
Other	5,690,159	4,423,817	730,059	-	1
Total Revenues	8,570,347	5,253,022	752,440	-	1
Expenditures:					
Project Costs	7,607,608	5,357,958	1,805,718	18,841	541,723
Interest and Related Net Costs	447,408	247,907	7,148	488	7,177
Total Expenditures	8,055,016	5,605,865	1,812,866	19,329	548,900
Unrecovered (Over Recovered) Costs as of December 31, 2018	\$ (515,331)	\$ 352,843	\$ 1,060,426	\$ 18,329	\$ 548,899
TID Proportion of Debt Outstanding	\$ -	\$ 3,522,000	\$ -	\$ -	\$ -
TID Advances from Other Funds	\$ -	\$ -	\$ -	\$ -	\$ 617,191

Note 16 - Risk Management

The Village is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage for which the Village purchases commercial insurance. There has been no reduction in insurance coverage from the prior year. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years.

Note 17 - Contingencies

From time to time, the Village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village's attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

Funding for the operating budget of the Village comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the Village. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the Village.

Note 17 - Contingencies (Continued)

The Village is located on the Fox River, which contains PCB contamination. Industries located along the Fox River have been notified by the Environmental Protection Agency (EPA) that they are potentially responsible for the contamination. The industries have argued that municipal sewer utilities also contributed to the contamination, and should participate in the cleanup costs. The Village has not been notified by the EPA that it is a potentially responsible party, but may be in the future. Cleanup methods are being proposed and tested. The cost of any cleanup of the river is not known at this time, in part because a cleanup method has not been selected. The Village does not have any information that would enable it to determine its share, if any, of any cleanup costs.

Note 18 - Joint Ventures - Library Board and Police Services

As authorized in the state statutes, the Village of Little Chute joined the Village of Kimberly in 1994 to establish and operate a joint library board (Board). Five members of the joint library board are appointed by the Village of Little Chute and three are appointed by the Village of Kimberly. The Villages are responsible for owning and maintaining their own library facilities. All other library assets are controlled by the Board.

The operating and capital budgets are funded by contributions from each government. Each Village's share of the budget, assets, liabilities and equity is 50% proportional to population and 50% proportional to equalized valuation. At December 31, 2018, Little Chute's financial share of the Board is approximately 60%, and its share of the 2018 budget, which is reported in the Library/Civic Center Special Revenue Fund, was \$130,107. Financial statements for the Board, which are audited by other auditors, may be obtained from the Village of Kimberly.

The Village of Little Chute joined the Village of Kimberly in 1995 to establish a joint police department (Department) to provide police protective services to both communities. In July 2011, the Village of Combined Locks joined the Department. Two members of the joint police commission are appointed by each Village. All assets of the respective police departments, with the exception of real estate and buildings, were joined under the agreement.

The operating and capital budgets are funded by contributions from each government. Each Village's share of the budget, assets, liabilities and equity is 50% proportional to population and 50% proportional to equalized valuation. At December 31, 2018, Little Chute's share of the police department is approximately 50%, and its share of the 2018 budget was \$2,059,084. The Village of Little Chute serves as the fiscal agent of the joint police department, which is included in the Village's special revenue funds. Separate financial statements for the joint police department are not issued.

Note 19 - Limitations on the Village's Tax Levy

As part of Wisconsin Act 32 (2011), legislation was passed that limits the Village's future tax levies. Generally, the Village is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the Village's equalized value due to new construction or zero percent for the 2011 levy collected in 2012 and thereafter. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions.

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2018

Note 20 - Restatement of Beginning Net Position and Fund Balance

The Village's net position was restated due to various items, including implementation of GASB Statement Number 75 for Other Post-Employment Benefits, corrections of previously reported liabilities related to Retainage, police services firefighter's length of service pension plan, system cash allocation, and the reporting of the Village's subfund Special Assessments as part of the Construction Projects Fund, rather than as part of the Debt Service Fund.

The following is a summary of the net position and fund balance for the fiscal year ended December 31, 2017.

	Government-Wide		Governmental Funds			Pension Trust Fund
	Governmental Activities	Business-Type Activities	Consolidated Police	Construction Projects	Debt Service	
Beginning Net Position or Fund Balance as of December 31, 2017	\$ 23,756,590	\$ 24,314,013	\$ 87,548	\$ 342,841	\$ 4,512,981	176,444
Other Post-Employment Benefits Liability	(2,887,802)	-	-	-	-	-
Length of Service Pension Benefit Liability	(177,213)	-	-	-	-	(176,444)
Debt Issuance for TID Held in Stormwater	-	25,316	-	-	-	-
To Correct Retainage Payables	-	14,726	-	-	-	-
To Correct Payables to Police Services	(20,677)	-	(20,677)	-	-	-
Cash Allocation to Capital Projects	628	-	-	628	-	-
Transfer of TID Debt Service to Debt Service Fund	-	-	-	-	231,209	-
Transfer of Special Assessment Fund to Construction Projects	-	-	-	3,489,465	(3,489,465)	-
Ending Net Position or Fund Balance as of December 31, 2017	\$ 20,671,426	\$ 24,354,055	\$ 66,871	\$ 3,632,835	\$ 1,254,634	-

REQUIRED SUPPLEMENTARY INFORMATION

The effect on the change in net position or fund balance for 2017 is not reasonably determinable.

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2018

	Original and Final Budget	Actual Amounts	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,357,572	\$ 1,342,868	\$ (14,704)
Intergovernmental	2,116,921	2,122,910	5,989
Licenses and Permits	121,933	180,597	58,664
Public Charges for Services	82,075	114,024	31,949
Intergovernmental Charges for Services	850	372	(478)
Fines and Forfeitures	100,000	86,401	(13,599)
Investment Income	7,500	28,189	20,689
Other	258,251	204,313	(53,938)
Total Revenues	4,045,102	4,098,750	53,648
EXPENDITURES			
General Government	1,351,844	1,257,141	94,703
Public Safety	803,890	753,026	50,864
Public Works	1,288,538	1,087,917	200,621
Culture, Recreation and Education	758,479	771,175	(12,696)
Conservation and Development	7,600	30,829	(23,229)
Capital Outlay	1,000	-	1,000
Total Expenditures	4,211,151	3,800,088	311,063
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(166,049)	198,662	364,711
OTHER FINANCING SOURCES AND (USE)			
Sale of Village Properties	-	2,899	2,899
Transfers In	216,000	216,000	-
Transfers Out	(49,951)	(250,879)	(200,928)
Total Other Financing Sources (Use)	166,049	(31,980)	(198,029)
NET CHANGE IN FUND BALANCE	\$ -	166,682	\$ 166,682
FUND BALANCE - BEGINNING		4,115,528	
FUND BALANCE - ENDING		\$ 4,282,210	

See Accompanying Notes to Budgetary Comparison Schedules
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VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit)
Budget and Actual
Consolidated Police Services Fund
For the Year Ended December 31, 2018

	Original and Final Budget	Actual Amounts	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,811,807	\$ 1,811,807	\$ -
Intergovernmental	1,136,850	1,174,863	38,013
Licenses and Permits	100	-	(100)
Public Charges for Services	1,500	2,225	725
Intergovernmental Charges for Service	145,000	140,278	(4,722)
Fines	1,000	1,100	100
Contributions	-	7,750	7,750
Other	500	14,727	14,227
Total Revenues	3,096,757	3,152,750	55,993
EXPENDITURES			
Public Safety	3,096,757	3,125,762	(29,005)
Capital Outlay	-	74,288	(74,288)
Total Expenditures	3,096,757	3,200,048	(103,291)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(47,298)	(47,298)
OTHER FINANCING SOURCE			
Sale of Village Property	-	133	133
NET CHANGE IN FUND BALANCE	\$ -	(47,165)	\$ (47,165)
FUND DEFICIT - BEGINNING - AS RESTATED		66,871	
FUND BALANCE - ENDING		\$ 19,706	

See Accompanying Notes to Budgetary Comparison Schedules
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VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget

Tax Incremental Financing District No. 4 Fund (Major Fund)
For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 818,927	\$ 818,973	\$ 46
Intergovernmental	879	878	(1)
Investment Income	-	3,842	3,842
Total Revenues	<u>819,806</u>	<u>823,693</u>	<u>3,887</u>
EXPENDITURES			
Conservation and Development	347,705	354,126	(6,420)
EXCESS OF REVENUES OVER EXPENDITURES	<u>472,100</u>	<u>469,567</u>	<u>(2,533)</u>
OTHER FINANCING USE			
Transfer Out	(460,631)	(460,631)	-
Total Other Financing Source (Use)	<u>(460,631)</u>	<u>(460,631)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	\$ 11,469	\$ 8,936	\$ (2,533)
FUND BALANCE-BEGINNING		<u>507,290</u>	
FUND BALANCE - ENDING		\$ 516,226	

See Accompanying Notes to Budgetary Comparison Schedules

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Actual and Budget

Tax Incremental Financing District No. 5 Fund (Major Fund)
For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 387,771	\$ 387,771	\$ -
Intergovernmental	45,146	46,145	(1)
Investment Income	-	2,277	2,277
Total Revenues	<u>433,917</u>	<u>436,193</u>	<u>2,276</u>
EXPENDITURES			
Conservation and Development	52,096	49,678	2,418
Interest	-	18,589	(18,589)
Total Expenditures	<u>52,096</u>	<u>68,267</u>	<u>(16,171)</u>
EXCESS OF REVENUES OVER EXPENSES	<u>381,821</u>	<u>367,926</u>	<u>13,895</u>
OTHER FINANCING SOURCE (USE)			
Transfer Out	(233,953)	(325,228)	(92,275)
Miscellaneous Revenue	-	6,825	6,825
Total Other Financing Sources (Use)	<u>(233,953)</u>	<u>(318,403)</u>	<u>(82,275)</u>
NET CHANGE IN FUND BALANCE	\$ 147,868	\$ 49,523	\$ (98,345)
FUND BALANCE-BEGINNING		<u>(395,318)</u>	
FUND DEFICIT - ENDING		\$ (345,795)	

See Accompanying Notes to Budgetary Comparison Schedules

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
 Actual and Budget
 Tax Incremental Financing District No. 6 Fund
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 22,416	\$ 22,371	\$ (45)
Investment Income	-	446	446
Total Revenues	<u>22,416</u>	<u>22,817</u>	<u>401</u>
EXPENDITURES			
Conservation and Development	\$ 54,072	\$ 1,592,766	\$ (1,528,694)
Interest	54,072	3,673	50,400
Total Expenditures	<u>108,144</u>	<u>1,596,439</u>	<u>(1,528,694)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(85,728)</u>	<u>(1,563,622)</u>	<u>(1,531,995)</u>
OTHER FINANCING SOURCE (USE)			
Sale of Land	-	600,000	600,000
Transfer In	31,895	-	(31,895)
Transfer Out	-	(6,949)	(6,949)
Total Other Financing Sources (Uses)	<u>31,895</u>	<u>593,051</u>	<u>(48,844)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 239</u>	<u>(972,571)</u>	<u>(1,569,137)</u>
FUND DEFICIT - BEGINNING		86,132	
FUND BALANCE - ENDING		<u>\$ (984,439)</u>	

See Accompanying Notes to Budgetary Comparison Schedules
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VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
 Actual and Budget
 Tax Incremental Financing District No. 7 Fund
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
EXPENDITURES			
Administrative Costs	\$ -	\$ 18,841	\$ (18,841)
Interest Expense	-	488	(488)
Total Expenditures	<u>-</u>	<u>19,329</u>	<u>(19,329)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(19,329)</u>	<u>\$ (19,329)</u>
FUND DEFICIT - BEGINNING		-	
FUND BALANCE - ENDING		<u>\$ (19,329)</u>	

See Accompanying Notes to Budgetary Comparison Schedules
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VILLAGE OF LITTLE CHUTE, WISCONSIN
Notes to Budgetary Comparison Schedules
December 31, 2018

VILLAGE OF LITTLE CHUTE
Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Actual and Budget
Tax Incremental Financing District No. 8 Fund
For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
EXPENDITURES			
Senior Housing Storm Sewer Extension	\$ -	\$ 504,063	(504,063)
Property Acquisition	-	10,628	(10,628)
Administrative Costs	-	19,795	(19,795)
Total Expenditures	<u>-</u>	<u>534,686</u>	<u>(534,686)</u>
OTHER FINANCING SOURCE (USE)			
Sale of Real Estate	-	1	1
Transfer In	-	617,191	617,191
Transfers Out	-	(14,214)	(14,214)
Total Other Financing Sources (Uses)	<u>-</u>	<u>602,978</u>	<u>602,978</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>68,292</u>	<u>\$ 68,292</u>
FUND DEFICIT - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>-</u>	<u>\$ 68,292</u>	<u>\$ 68,292</u>

Budgets and Budgetary Accounting

The Village follows these procedures in establishing the budgetary data reflected in the budgetary schedules:

- Prior to the end of September, the department heads submit to the Village Administrator proposals for the operating budget for the fiscal year which commences the following January 1. The Proposed Operating Budget includes proposed expenditures and the means of financing them.
- The Village Administrator submits the Executive Budget to the Village Board prior to October 1.
- Public hearings are conducted at the Village Administration building to obtain taxpayer comments on both the Proposed and Executive Budgets.
- The budget is legally enacted through passage of a resolution prior to December 31.
- The budget as enacted includes total expenditures at the department (cost center) level for the General Fund and at the total fund expenditures level for other funds. Expenditures cannot legally exceed appropriations at this level without two-thirds Village Board approval. Management may not amend the budget without Village Board approval.
- Transfers between functions and transfers from the reserve for contingencies require approval by a two-thirds affirmative vote of the Board.
- Formal budgetary integration is employed as a management control device during the year for all funds budgeted individually. Budgets are legally adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. Debt Service Funds are budgeted at the total fund type level and not individually.
- Budgets lapse at year-end. Encumbrance accounting is not used.
- No supplemental budget appropriations were approved during the year.

Basis of Accounting

The budget is prepared on the same modified accrual basis of accounting as applied to the governmental funds in the basic financial statements.

VILLAGE OF LITTLE CHUTE
Notes to Budgetary Comparison Schedules (Continued)
December 31, 2018

BUDGET-TO-ACTUAL RECONCILIATION

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principals follows:

Sources/Inflows of Resources	General Fund
Actual amounts (budgetary basis) total revenues and other financing sources ¹ from the budgetary comparison schedule	\$ 4,317,649
Differences - budget to generally accepted accounting principles:	
The following funds were budgeted separately but do not meet the definition of a special revenue fund and were combined with the general fund:	
Facade Renovation Fund	875
Small Business Micro Loan Fund	1,816
Total revenues and other financing sources as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$ 4,320,340

VILLAGE OF LITTLE CHUTE
Schedule of Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System
Last 10 Fiscal Years²

WRS Fiscal Year End Date (Measurement Date)	Village's Proportionate Share of the Net Pension Asset/Liability	Village's Covered Payroll	Village's Proportionate Share of the Net Pension Asset/Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2017	\$ (891,215)	\$ 3,581,649	-24.63%	102.63%
12/31/2016	\$ 272,504	4,010,247	6.80%	89.13%
12/31/2015	\$ 836,630	3,966,055	21.09%	68.20%
12/31/2014	\$ (814,445)	3,734,471	-21.81%	102.74%

Schedule of Employer Contributions
Wisconsin Retirement System
Last 10 Fiscal Years²

Village Fiscal Year End	Contractually Required Contributions	Contributions in Excess of Contractually Required Contributions	Contributions as a Percentage of Covered Payroll
12/31/2018	\$ 317,242	\$ -	7.90%
12/31/2017	\$ 341,171	\$ 3,991,648	8.55%
12/31/2016	\$ 319,553	\$ 4,010,247	7.97%
12/31/2015	\$ 317,428	\$ 3,866,055	8.17%

¹The amounts presented for each year were determined as of the calendar year-end from the prior calendar year. Ten years of data will be accumulated beginning with 2015.

Notes to Above Schedules

²Changes in Benefit Terms - There were no changes of benefit terms for any participating employees in WRS.
Changes in Assumptions - There were no changes in the assumptions.

VILLAGE OF LITTLE CHUTE
 Schedule of Changes in Total Pension Liability and Related Ratios
 Volunteer Firefighters' Length of Service Awards Program
 Last 10 Fiscal Years*

	2018	2017
Total Pension Liability	7,808	7,518
Service Cost	6,027	5,819
Interest	-	-
Changes in Benefit Terms	1,568	1
Differences Between Expected and Actual Experience	(10,687)	15,995
Changes in Assumptions	(31,435)	(64,717)
Benefit Payments and Expenses	(26,699)	(25,384)
Net Change in Total OPEB Liability	<u>177,213</u>	<u>202,597</u>
Total OPEB Liability - Beginning	<u>150,514</u>	<u>177,213</u>
Total OPEB Liability - Ending	<u>327,727</u>	<u>379,810</u>

Covered Employee Payroll

N/A

Notes to Schedule:

There were no changes to assumptions in 2018.

There were no changes of benefit terms in 2018.

*Ten years of data will be accumulated beginning with 2017.

VILLAGE OF LITTLE CHUTE
 Other Post-Employment Benefits - Single-Employer Plan
 Schedule of Changes in Total OPEB Liability and Related Ratios
 Last 10 Fiscal Years*

	2018
Total OPEB Liability	-
Service Cost	-
Interest	130,032
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	-
Changes in Assumptions	149,041
Benefit Payments	(188,694)
Net Change in Total OPEB Liability	<u>90,379</u>
Total OPEB Liability - Beginning	<u>3,533,470</u>
Total OPEB Liability - Ending	<u>3,623,849</u>

Covered Employee Payroll

N/A

Notes to Schedule:

Changes of Assumptions: As of the measurement date of December 31, 2018, the discount rate was 3.44 percent to be reflective of a 20-year AA municipal bond rate since assets are held solely as cash and cash equivalents.

There were no changes of benefit terms in 2018.

All participants in the plan are retired, therefore covered payroll does not exist for this plan.

*Ten years of data will be accumulated beginning with 2018.

VILLAGE OF LITTLE CHUTE
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2018

	Special Revenue Funds					
	Community Development Grants	Aquatics	Sanitation Services	Library/Civic Center	Van/Leshout Rec Center	Promotional
ASSETS						
Cash and Investments	\$ 315,581	\$ 14	\$ 7,48	\$ 144,119	\$ -	\$ 94,081
Texas Receivables	-	30,262	7,659	247,134	-	-
Other Receivables	-	-	37,868	777	-	-
Loans	-	-	-	-	-	-
Prepaid for Trade	-	-	-	-	-	-
Restricted Cash and Investments	-	19,718	-	160,910	-	-
TOTAL ASSETS	\$ 315,581	\$ 50,014	\$ 45,972	\$ 552,949	\$ -	\$ 94,081
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES (DEFICIT)						
Liabilities						
Accounts Payable	\$ -	\$ 12,992	\$ 22,365	\$ 5,992	\$ 1,208	\$ -
Other Accrued Liabilities	-	-	4,449	34	185	-
Due to Other Governments	-	-	-	34	-	-
Prepaid for Other Funds	-	-	-	34	-	-
Advanced from Other Funds	-	18,983	1,024	8,240	4,008	-
Unearned Revenue	-	-	-	-	-	-
Total Liabilities	-	\$ 31,975	\$ 27,838	\$ 14,299	\$ 5,401	\$ -
Deferred Inflow of Resources	-	-	-	-	-	-
Taxes Levied for Subsequent Periods	-	50,000	-	468,053	-	-
Fund Balances (Deficit)						
Restricted	\$ 315,581	-	\$ 17,714	\$ 130,107	\$ -	\$ (4,081)
Unrestricted	-	(31,959)	-	-	(5,401)	-
Total Fund Balances (Deficit)	\$ 315,581	\$ (31,959)	\$ 17,714	\$ 130,107	\$ (5,401)	\$ (4,081)
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES (DEFICIT)	\$ 315,581	\$ 50,014	\$ 45,972	\$ 552,949	\$ -	\$ 94,081

SUPPLEMENTARY INFORMATION

VILLAGE OF LITTLE CHUTE
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2018

	Total Nonmajor Governmental Funds		Special Revenue Funds						
	Park Improvement	Equipment Requiring	Facility and Technology	Community Development Grants	Aquatics	Sanitation Services	Library Civic Center	Van/Lashout Rec Center	Promotional
REVENUES									
Taxes					50,000		381,758		16,747
Intergovernmental				1,704					
Investment Income	3,634	54,205	37,396			207	1,968		778
Public Charges for Services	1,662	419			58,893	421,823			5,785
Reserve Earnings	(290,678)								5,450
Contributions					762		10,130		801
Insurance Reimbursement	2,366	33,295	24,262				22,520		
Other				1,704	107,810	421,823	415,496	12,035	16,476
Total Revenues	3,088,310	888,847	61,750	1,704	107,810	421,823	415,496	12,035	16,476
EXPENDITURES									
Current									
General Government	4,518	5,209	12,178						
Public Works									
Culture, Recreation and Education					130,775				26,665
Conservation and Development	115,132		17,253						36,918
Public Works						459,191			
Capital Outlay	117,651	5,329	29,432						
Debt									
Interest and Fees					138,775	459,191	484,760		35,918
Total Expenditures	6,000	85,500	61,700	1,704	(31,859)	(37,362)	(88,354)	(14,030)	(19,442)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,912)	(80,653)	(2,950)		139,669	459,185	503,850	26,065	35,918
OTHER FINANCING SOURCES (USES)									
State of Village Properties									
Interest Expense									
Transfer In									
Transfer Out									
Total Other Financing Sources (Uses)									
NET CHANGE IN FUND BALANCES (DEFICITS)	(2,912)	(80,653)	(2,950)		139,669	459,185	503,850	26,065	35,918
FUND BALANCES (DEFICITS) - BEGINNING	313,877	55,076	168,461						113,323
FUND BALANCES (DEFICIT) - ENDING	\$ 315,581	\$ 31,857	\$ 165,511	\$ 1,704	\$ 139,669	\$ 17,714	\$ 135,107	\$ 26,065	\$ 149,241

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues and Other Financing Sources
 Budget and Actual
 General Fund
 For the Year Ended December 31, 2018

	Park Improvement	Equipment Revolving	Facility and Technology	Nonmajor Governmental Funds	Total
	\$ 17,500	\$ 89,250	\$ 60,000	\$ 596,755	\$ 1,463,505
	16,400	144,729	-	12,728	264,857
	144,681	3,825	-	829,201	1,078,707
	4,527	1,228	-	18,250	24,005
	173,248	241,141	60,000	2,550	1,463,755
	-	4,298	-	4,248	13,894
	71,703	-	-	26,095	97,798
	-	-	-	562,042	659,840
	-	-	-	35,918	35,918
	-	83,147	68,841	248,204	380,192
	71,703	67,425	68,841	1,353,778	2,062,747
	101,585	172,706	(8,841)	97,007	363,457
	-	30,680	-	36,680	67,367
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	191,585	210,386	(8,841)	1,333,687	1,726,813
	73,674	693,752	(20,591)	1,425,901	2,227,441
	174,659	884,138	(20,432)	1,559,488	2,408,833

	Original and Final Budget	Actual Amounts	Variance - Favorable (Unfavorable)
TAXES			
General Property Taxes	\$ 1,319,822	\$ 1,318,706	\$ (1,116)
Mobile Home Parking Fees	24,000	21,506	(2,494)
Use Value Penalty Tax	10,000	-	(10,000)
Interest on Delinquent Tax	250	294	44
Other	3,500	2,362	(1,138)
Total Taxes	1,357,572	1,342,868	(14,704)
INTERGOVERNMENTAL			
State Shared Revenue	1,514,262	1,514,135	(127)
State Aid for Local Streets	516,554	516,554	-
State Aid of Connecting Streets	32,167	32,167	-
Fire Insurance Tax from State	31,000	31,672	672
State Exempt Computer Aid	22,838	28,382	5,444
Total Intergovernmental	2,116,821	2,122,810	5,989
LICENSES AND PERMITS			
Liquor and Malt Beverage Licenses	12,000	11,967	(33)
Operators Licenses	7,000	7,429	429
Cigarette Licenses	275	300	25
Mobile Home Park Licenses	458	460	2
Other Licenses	14,300	13,767	(533)
Building Permits	60,000	89,732	29,732
Electrical Permits	19,000	24,543	5,543
Plumbing Permits	12,000	14,526	2,526
Heating Permits	6,000	15,250	9,250
Other Permits	900	2,623	1,723
Total Licenses and Permits	121,933	180,597	58,664
PUBLIC CHARGES FOR SERVICES			
Garbage and Refuse Collection	500	1,120	620
Plan Review Fees	2,575	3,707	1,132
Recreation Department	55,100	77,051	21,951
Parks Department	9,250	9,184	(66)
Terrace Trees	400	969	569
Weed Cutting	500	866	366
Property Inquiry Fees	7,000	7,771	771
Publication Fees	750	1,075	325
Duplicating Services	-	10	10
Yard Waste Stickers	3,000	8,295	5,295
Recycling Fees	-	100	100
Public Works Department	2,000	1,700	(300)
Other Charges for Services	1,000	2,176	1,176
Total Charges for Services	82,075	114,024	31,949
INTERGOVERNMENTAL CHARGES FOR SERVICES			
	850	372	(478)
FINES AND FORFEITURES			
Court Fines and Costs	90,000	75,846	(14,154)
Parking Violations	10,000	10,555	555
Total Fines and Forfeitures	100,000	86,401	(13,599)

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues and Other Financing Sources - Continued
 Budget and Actual
 General Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual Amounts	Variance - Favorable (Unfavorable)
INVESTMENT INCOME AND INTEREST			
Investment Income	\$ 7,500	\$ 28,189	\$ 20,689
Interest on Advances	-	19,076	19,076
Total Investment Income and Interest	7,500	47,265	39,765
OTHER			
Rent on Village Buildings	2,700	2,894	(6)
Rent from Utilities	17,600	17,600	-
Other Rental	8,000	8,500	500
Franchise Fees	87,000	96,048	9,048
Property Damage Claims	-	3,357	3,357
Liability Insurance Dividends	-	35,637	35,637
Contributions	142,851	40,477	(102,374)
Total Other	298,251	204,313	(93,938)
OTHER FINANCING SOURCES			
Sale of Village Properties	-	2,899	2,899
Transfer In From:			
Water Utility	216,000	216,000	-
Total Other Financing Sources	216,000	218,899	2,899
TOTAL REVENUES AND OTHER FINANCING SOURCES	4,261,102	4,317,649	56,547

VILLAGE OF LITTLE CHUTE
 Schedule of Expenditures and Other Financing Uses
 Budget and Actual
 General Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual Amounts	Variance - Favorable (Unfavorable)
GENERAL GOVERNMENT			
Village Board	\$ 58,366	\$ 54,109	\$ 4,257
Administration	122,261	108,052	14,209
GIS/US	75,119	95,744	(20,625)
Finance	165,191	160,260	(4,931)
Clerk	161,025	169,337	(8,312)
Assessing	100,861	107,404	(6,543)
Village Hall	150,809	117,273	33,536
Municipal Court	87,400	76,696	10,704
Insurance	342,038	313,051	28,987
Village Promotion	47,774	35,524	12,250
Unallocated	40,000	23,751	16,249
Bus Subsidy	1,351,844	1,257,141	94,703
Total General Government	4,000	3,751	249
PUBLIC SAFETY			
Inspection	107,471	100,887	6,584
Fire Department	320,881	276,937	43,944
Hydram Rental	318,270	318,270	-
Crashing Courses	57,063	56,932	131
Total Public Safety	803,685	753,026	50,659
PUBLIC WORKS			
Administration	28,552	37,721	(9,169)
Street Repair and Maintenance	463,550	465,437	(1,887)
Municipal Services Building Maintenance	99,072	154,260	(55,188)
Public Works Vehicle Maintenance	242,371	152,715	89,656
Snow and Ice Control	203,471	190,237	13,234
Sanitation	61,368	40,490	20,878
Recycling	16,124	14,048	2,076
Weed Control	1,288,538	1,087,917	200,621
Total Public Works	2,703,916	2,788,808	(85,892)
CULTURE, RECREATION AND EDUCATION			
Recreation	270,711	278,657	(7,946)
Youth Football	16,550	19,518	(2,968)
Parks	334,041	348,080	(14,039)
Forestry	130,877	120,080	10,797
Community Band	6,200	4,840	1,360
Total Culture, Recreation and Education	758,479	771,175	(12,696)
CONSERVATION AND DEVELOPMENT			
Economic Development	7,600	30,629	(23,029)
CAPITAL OUTLAY			
TOTAL EXPENDITURES	4,211,151	3,900,088	311,063
OTHER FINANCING USES			
Transfers Out To:			
Capital Projects	49,951	250,878	(200,927)
Special Revenue	49,951	250,878	(200,927)
Total Other Financing Uses	99,902	501,756	(401,854)
TOTAL EXPENDITURES AND OTHER FINANCING USES	4,311,053	4,401,844	(90,791)

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance

Actual and Budget

Community Development Grants Fund

For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Investment Income	\$ 2,150	\$ 1,704	\$ (446)
Interest on Notes	1,153	-	(1,153)
Total Revenues	<u>\$ 3,303</u>	<u>\$ 1,704</u>	<u>\$ (1,599)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ 3,303	1,704	(1,599)
FUND BALANCE - BEGINNING		313,877	
FUND BALANCE - ENDING		<u>\$ 315,581</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance

Actual and Budget

Aquatics Fund

For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 50,000	\$ 50,000	\$ -
Public Charges for Services	52,400	56,993	4,593
Donations	-	782	782
Investment Income	-	61	61
Total Revenues	<u>102,400</u>	<u>107,816</u>	<u>4,654</u>
EXPENDITURES			
Culture, Recreation and Education	152,351	159,775	12,576
NET CHANGE IN FUND BALANCE	<u>\$ (49,951)</u>	<u>(31,959)</u>	<u>\$ 17,992</u>
FUND BALANCE - BEGINNING		-	
FUND BALANCE - ENDING		<u>\$ (31,959)</u>	

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Actual and Budget
 Sanitation Services Fund
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Charges for Service	\$ 439,260	\$ 421,622	\$ (17,628)
Investment Income	750	207	(543)
Total Revenues	<u>440,000</u>	<u>421,829</u>	<u>(18,171)</u>
EXPENDITURES			
Public Works	384,779	459,191	(74,412)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>55,221</u>	<u>(37,362)</u>	<u>(92,583)</u>
OTHER FINANCING USE			
Transfer Out	(25,000)	-	25,000
NET CHANGE IN FUND BALANCE	<u>\$ 30,221</u>	<u>(37,362)</u>	<u>\$ (67,583)</u>
FUND BALANCE - BEGINNING		55,076	
FUND BALANCE - ENDING		<u>\$ 17,714</u>	

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Actual and Budget
 Library/Civic Center Fund
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 381,758	\$ 381,758	\$ -
Investment Income	150	1,988	1,848
Rent	16,100	22,520	6,420
Contributions	-	10,130	10,130
Total Revenues	<u>398,008</u>	<u>416,406</u>	<u>18,398</u>
EXPENDITURES			
Culture, Recreation and Education	393,008	369,544	24,464
Capital Outlay	5,000	116,216	(111,216)
Total Expenditures	<u>398,008</u>	<u>484,760</u>	<u>(86,752)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(68,354)</u>	<u>\$ (68,354)</u>
FUND BALANCE - BEGINNING		199,461	
FUND BALANCE - ENDING		<u>\$ 130,107</u>	

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Actual and Budget
 VanLieshout Rec Center
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Investment Income	-	29	29
Recreation Programs	14,750	5,785	(8,965)
Rental Income	-	5,450	5,450
Contributions	-	801	801
Total Revenues	14,750	12,065	(8,135)
EXPENDITURES	24,612	26,085	(1,483)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,862)	(14,030)	(4,168)
NET CHANGE IN FUND BALANCE	\$ (9,862)	\$ (14,030)	\$ (4,168)
FUND BALANCE - BEGINNING		8,629	
FUND BALANCE - ENDING		\$ (5,401)	

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Actual and Budget
 Promotional Fund
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Local Room Tax	17,000	15,747	\$ (1,253)
Investment Income	200	729	529
Total Revenues	17,200	16,476	(724)
EXPENDITURES	41,200	35,918	5,282
Conservation and Development	-	-	-
Capital Outlay	41,200	35,918	5,282
Total Expenditures	41,200	35,918	5,282
NET CHANGE IN FUND BALANCE	\$ (24,000)	\$ (19,442)	\$ 4,558
FUND BALANCE - BEGINNING		113,523	
FUND BALANCE - ENDING		\$ 94,081	

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance

Actual and Budget
 Park Improvement Fund
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Intergovernmental	\$ 10,000	\$ 17,500	\$ 7,500
Investment Income	-	6,400	6,400
Park Fees	7,000	144,851	137,851
Contributions	-	4,557	4,557
Other	-	40	40
Total Revenues	<u>17,000</u>	<u>173,348</u>	<u>156,348</u>
EXPENDITURES			
Culture and Recreation	65,000	71,763	(6,763)
NET CHANGE IN FUND BALANCE	<u>\$ (48,000)</u>	<u>101,585</u>	<u>\$ 149,585</u>
FUND BALANCE - BEGINNING		<u>73,074</u>	
FUND BALANCE - ENDING		<u>\$ 174,659</u>	

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance

Actual and Budget
 Equipment Revolving Fund
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 89,250	\$ 89,250	\$ -
Intergovernmental	135,000	144,728	9,728
Investment Income	225	5,835	5,710
Insurance Reimbursement	-	1,228	1,228
Total Revenues	<u>224,475</u>	<u>241,141</u>	<u>16,666</u>
EXPENDITURES			
General Government	2,100	4,268	(2,168)
Capital Outlay	535,000	63,147	471,853
Total Expenditures	<u>537,100</u>	<u>67,435</u>	<u>469,665</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(312,625)</u>	<u>173,706</u>	<u>486,331</u>
OTHER FINANCING SOURCES (USE)			
Transfers In	362,969	25,000	(337,969)
Transfers Out	-	(25,000)	(25,000)
Proceeds from Sale of Property	-	36,680	36,680
Total Other Financing Sources (Use)	<u>362,969</u>	<u>36,680</u>	<u>(326,289)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 50,344</u>	<u>210,386</u>	<u>\$ 123,352</u>
FUND BALANCE - BEGINNING		<u>883,752</u>	
FUND BALANCE - ENDING		<u>\$ 894,138</u>	

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Deficit
 Actual and Budget
 Facility and Technology Fund
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 60,000	\$ 60,000	\$ -
EXPENDITURES			
Capital Outlay	60,400	66,841	(6,441)
NET CHANGE IN FUND DEFICIT	<u>\$ (400)</u>	<u>(6,841)</u>	<u>(6,441)</u>
FUND DEFICIT - BEGINNING		(20,591)	
FUND DEFICIT - ENDING		<u>\$ (29,432)</u>	

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
 Actual and Budget
 Construction Projects (Major Fund)
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 344,271	\$ 344,271	\$ -
Intergovernmental	550,000	550,000	-
Special Assessments	-	523,141	523,141
Investment Income	25,750	67,631	41,881
Total Revenues	<u>920,021</u>	<u>1,485,043</u>	<u>565,022</u>
EXPENDITURES			
Public Works	1,524,896	1,530,244	(5,348)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(604,875)</u>	<u>(45,201)</u>	<u>559,674</u>
OTHER FINANCING SOURCES (USE)			
Transfers In	-	250,878	250,878
Transfers Out	-	(326,793)	(326,793)
Total Other Financing Sources (Use)	<u>-</u>	<u>(75,914)</u>	<u>(75,914)</u>
NET CHANGE IN FUND BALANCE	<u>(604,875)</u>	<u>(121,115)</u>	<u>483,760</u>
FUND DEFICIT - BEGINNING - AS RESTATED		3,632,935	
FUND BALANCE - ENDING		<u>\$ 3,711,820</u>	

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Actual and Budget
 Debt Service Fund (Major Fund)
 For the Year Ended December 31, 2018

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 551,648	\$ 855,393	\$ 303,745
Investment Income	-	4,880	4,880
Total Revenues	<u>551,648</u>	<u>860,273</u>	<u>308,625</u>
EXPENDITURES			
Debt Service:			
Principal	1,840,064	1,989,447	(149,383)
Interest and Fees	514,317	764,617	(250,300)
Total Expenditures	<u>2,354,381</u>	<u>2,754,064</u>	<u>(399,683)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(1,802,733)</u>	<u>(1,893,791)</u>	<u>(91,058)</u>
OTHER FINANCING SOURCES (USE)			
Transfers In	1,301,704	1,136,815	(164,889)
Transfers Out	-	(4,290)	(4,290)
Total Other Financing Sources (Use)	<u>1,301,704</u>	<u>1,132,525</u>	<u>(169,179)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (501,029)</u>	<u>(761,266)</u>	<u>\$ (260,237)</u>
FUND BALANCE - BEGINNING - AS RESTATED		<u>1,254,634</u>	
FUND BALANCE - ENDING		<u>\$ 493,368</u>	

VILLAGE OF LITTLE CHUTE
 Statement of Changes in Assets and Liabilities
 Tax Collections Agency Fund
 For the Year Ended December 31, 2018

	Balance 1/1/2018	Additions	Deductions	Balance 12/31/2018
TAX COLLECTIONS				
Assets:				
Tax Roll Receivable	\$ 6,246,751	\$ 5,577,159	\$ 6,246,751	\$ 5,577,159
Restricted Cash and Investments	6,380,647	6,185,106	6,380,647	6,185,106
TOTAL ASSETS	<u>\$ 12,627,398</u>	<u>\$ 11,762,265</u>	<u>\$ 12,627,398</u>	<u>\$ 11,762,265</u>
Liabilities:				
Due to Other Taxing Units	\$ 12,627,398	\$ 11,762,265	\$ 12,627,398	\$ 11,762,265

STATISTICAL SECTION

Table 1

Village of Little Chute
 Net Position By Component
 For the fiscal years ended December 31, 2009 through 2018
 (accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Governmental Activities:										
Net investment in capital assets	\$ 19,130,687	\$ 18,993,177	\$ 16,907,942	\$ 15,133,369	\$ 18,103,267	\$ 18,993,956	\$ 17,047,002	\$ 15,378,103	\$ 13,502,439	\$ 11,851,691
Restricted	1,251,330	1,886,215	2,023,472	2,004,934	288,855	265,549	106,711	134,082		
Unrestricted	1,154,773	2,877,198	11,325,314	13,413,290	10,995,363	9,261,665	6,224,617	5,444,832	5,811,650	5,482,937
Total Government Activities Net Position	\$ 21,536,790	\$ 23,766,590	\$ 30,256,728	\$ 30,551,593	\$ 29,357,485	\$ 28,921,170	\$ 23,378,330	\$ 20,957,017	\$ 19,314,089	\$ 17,334,628
Business-type Activities:										
Net investment in capital assets	\$ 44,712,707	\$ 44,712,707	\$ 42,359,902	\$ 40,046,663	\$ 35,095,991	\$ 33,745,583	\$ 31,779,332	\$ 30,077,762	\$ 28,985,499	\$ 27,336,292
Restricted	3,211,846	2,877,033	1,419,815	1,332,226	1,196,594	1,578,145	1,574,515	1,567,375	1,252,310	1,234,979
Unrestricted	5,114,295	3,310,996	5,036,602	5,646,755	6,422,796	6,528,530	6,665,149	6,204,261	5,729,637	5,827,466
Total Business-type Activities Net Position	\$ 53,038,849	\$ 50,900,735	\$ 48,815,319	\$ 47,025,644	\$ 42,715,341	\$ 41,852,258	\$ 40,008,996	\$ 37,849,398	\$ 35,967,446	\$ 34,398,737
Primary Government:										
Net investment in capital assets	\$ 63,843,394	\$ 63,705,884	\$ 59,267,844	\$ 55,180,032	\$ 53,199,258	\$ 52,739,539	\$ 48,826,334	\$ 45,455,865	\$ 42,487,938	\$ 39,187,983
Restricted	4,463,176	4,763,248	3,443,287	3,337,160	1,455,449	1,843,694	1,681,226	1,701,457	1,252,310	1,234,979
Unrestricted	6,269,069	6,188,194	15,361,916	19,060,045	17,418,119	15,790,185	12,879,766	11,649,093	11,541,287	11,310,403
Total Primary Government Net Position	\$ 74,575,639	\$ 74,657,326	\$ 79,073,047	\$ 77,577,237	\$ 72,072,826	\$ 70,373,428	\$ 63,387,326	\$ 58,806,415	\$ 55,281,535	\$ 51,733,365

Notes: (1) The Village adopted GASB No. 65. Items Previously Reported as Assets and Liabilities in 2012. Note that 2010 and prior fiscal years have not been restated to reflect the expensing of previously capitalized debt issuance costs.

Table 2

Village of Little Chute
Changes in Net Position
For the fiscal years ended December 31, 2009 through 2018
 (accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Expenses:										
Governmental Activities:										
General Government	\$ 1,525,736	\$ 1,394,487	\$ 1,401,592	\$ 1,345,592	\$ 2,111,053	\$ 1,514,283	\$ 1,768,114	\$ 1,298,398	\$ 1,346,091	\$ 1,350,825
Public Safety	3,195,407	5,029,146	4,703,835	4,413,617	4,348,603	4,387,078	4,223,040	3,821,656	3,662,875	3,484,135
Public Works	2,367,473	9,136,504	3,212,730	3,255,084	2,890,330	2,759,473	2,635,520	2,848,534	2,248,066	2,657,514
Culture, Recreation & Education	1,532,249	1,564,566	1,537,812	1,279,078	1,488,449	1,245,665	1,186,451	1,294,935	1,303,158	1,226,808
Conservation & Community Development	2,601,130	1,363,448	1,755,119	4,224,114	208,522	278,383	146,633	191,381	318,472	592,596
Interest & Fiscal Charges	1,034,384	321,820	472,855	514,732	474,864	346,180	505,097	487,247	528,531	593,558
Total Governmental Activities	12,256,379	18,809,981	13,083,843	15,036,217	11,521,921	10,531,062	10,464,855	9,942,151	9,407,193	9,905,436
Business-type Activities:										
Water Utility	1,630,318	1,555,991	1,579,271	1,576,985	1,611,864	1,577,120	1,609,800	1,627,765	1,552,998	1,483,591
Sewer Utility	2,267,441	2,196,633	1,986,662	1,655,382	1,804,934	1,791,966	1,772,948	2,077,856	2,045,100	1,910,153
Storm Water Utility	885,188	855,674	901,669	792,437	756,482	789,587	816,231	660,683	648,735	683,271
Total Business-type Activities	4,782,947	4,568,298	4,467,602	4,024,804	4,173,280	4,158,673	4,198,979	4,366,304	4,246,833	4,077,015
Total Primary Government	\$ 17,039,326	\$ 23,378,279	\$ 17,551,545	\$ 19,061,021	\$ 15,695,101	\$ 14,689,735	\$ 14,663,834	\$ 14,308,455	\$ 13,654,026	\$ 13,982,451
Revenues:										
Program revenues										
Governmental Activities										
Charges for Services	\$ 80,616	\$ 81,073	\$ 53,751	\$ 54,057	\$ 43,356	\$ 43,955	\$ 35,350	\$ 36,815	\$ 36,668	\$ 33,523
General Government	237,390	374,805	254,473	229,549	293,026	285,714	154,882	177,367	184,364	203,924
Public Safety	571,113	633,256	549,786	536,098	504,434	507,808	570,129	411,725	232,224	87,020
Public Works	288,000	159,352	128,633	133,158	123,898	128,778	120,113	114,482	118,667	110,007
Culture, Recreation & Education	8,008	6,115	5,659	5,877	5,625	6,486	17,245	9,184	7,158	7,684
Conservation & Community Development	1,318,149	706,168	801,335	714,018	688,216	752,521	662,806	687,545	743,687	756,104
Operating Grants & Contributions	511,873	444,919	656,632	435,184	1,696,903	4,704,382	1,210,151	702,974	866,886	434,772
Capital Grants & Contributions	3,015,149	2,385,928	2,450,269	2,107,941	3,355,458	6,427,644	2,770,676	2,140,092	2,191,654	1,633,034
Total Governmental Activities	2,193,531	2,730,654	2,623,071	2,410,115	2,322,205	2,327,183	2,386,421	2,325,318	2,354,312	2,161,358
Business-type Activities:										
Charges for Services	1,085,544	1,055,968	878,753	854,080	829,474	811,355	791,223	778,879	805,113	865,659
Water Utility	904,944	788,670	653,267	2,890,005	1,806	1,051,870	1,431,018	1,520,894	934,074	301,149
Sewer Utility	6,938,249	6,750,767	6,360,318	8,347,942	5,137,515	6,149,751	6,621,096	6,422,846	5,833,623	5,061,378
Storm Water Utility	9,953,398	9,136,695	8,810,587	10,455,883	8,492,973	12,577,395	9,391,762	8,562,938	8,025,277	6,694,412
Total Business-type Activities	17,875,890	17,676,295	16,582,882	22,104,710	14,428,269	20,727,021	22,426,375	22,711,972	22,713,286	18,912,567
Total Primary Government	\$ 34,915,216	\$ 41,054,574	\$ 34,134,427	\$ 41,165,731	\$ 30,123,370	\$ 35,416,756	\$ 37,090,209	\$ 37,020,427	\$ 36,367,312	\$ 32,895,018

Table 2

Village of Little Chute
Changes in Net Position (Continued)
 For the fiscal years ended December 31, 2009 through 2018
 (accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Net (Expense)/Revenue:										
Governmental Activities	\$ (9,241,230)	\$ (16,424,053)	\$ (10,633,674)	\$ (12,928,296)	\$ (8,166,363)	\$ (4,103,418)	\$ (7,694,179)	\$ (7,802,059)	\$ (7,215,539)	\$ (8,272,402)
Business-type Activities	2,155,302	2,182,489	1,892,716	4,323,138	964,235	1,991,078	2,422,107	2,086,541	1,586,790	984,363
Total Primary Government Net Position	\$ (7,085,928)	\$ (14,241,564)	\$ (8,740,958)	\$ (8,605,158)	\$ (7,202,128)	\$ (2,112,340)	\$ (5,272,072)	\$ (5,715,518)	\$ (5,628,749)	\$ (7,288,039)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Taxes										
Property taxes	\$ 6,090,300	\$ 5,998,013	\$ 5,656,262	\$ 5,570,275	\$ 5,151,371	\$ 5,869,808	\$ 5,823,889	\$ 5,766,779	\$ 5,757,919	\$ 5,521,974
Other taxes	74,161	74,569	93,932	77,475	31,600	27,606	25,649	26,715	25,648	29,007
Intergovernmental Revenues not restricted to specific programs	2,787,843	3,305,273	3,367,200	3,317,094	3,333,235	3,459,241	3,804,060	3,127,428	2,845,646	2,852,847
Investment Income	146,097	76,973	85,901	112,964	125,348	33,865	145,426	147,492	230,845	289,769
Gain on Sale of Capital Assets	639,713	22,015	388,546	3,097,345	-	-	-	-	-	-
Miscellaneous	176,770	231,072	304,105	210,486	145,125	240,879	192,497	160,573	134,942	154,133
Special Item - Refund to Overlaying Districts	-	-	-	-	-	(1,076,488)	-	-	-	-
Transfers	211,710	216,000	216,000	216,000	216,000	216,000	216,000	216,000	200,000	200,000
Total Governmental Activities	\$ 10,106,584	\$ 9,923,915	\$ 10,111,946	\$ 12,801,639	\$ 9,002,679	\$ 8,760,911	\$ 10,207,521	\$ 9,444,987	\$ 9,195,000	\$ 9,047,730
Business-type Activities:										
Investment Income	89,310	46,693	57,573	41,881	55,025	11,007	45,824	(21,711)	152,086	104,499
Miscellaneous	66,159	71,255	56,386	54,460	59,823	57,177	48,372	63,122	29,833	139,152
Transfers	(211,710)	(216,000)	(216,000)	(216,000)	(216,000)	(216,000)	(216,000)	(216,000)	(200,000)	(200,000)
Total Business-type Activities	\$ (57,241)	\$ (96,052)	\$ (102,041)	\$ (119,859)	\$ (101,152)	\$ (147,816)	\$ (122,064)	\$ (174,589)	\$ (18,081)	\$ 43,651
Total Primary Government	\$ 10,049,353	\$ 9,825,863	\$ 10,009,905	\$ 12,481,780	\$ 8,901,527	\$ 8,613,095	\$ 10,085,457	\$ 9,270,398	\$ 9,176,919	\$ 9,091,381
Change in Net Position:										
Governmental Activities	\$ 865,364	\$ (6,500,138)	\$ (521,728)	\$ (326,657)	\$ 636,316	\$ 4,657,493	\$ 2,513,342	\$ 1,642,928	\$ 1,979,461	\$ 775,328
Business-type Activities	2,038,061	2,084,417	1,790,675	4,203,279	863,083	1,843,262	2,300,043	1,881,952	1,568,709	1,028,014
Total Primary Government	\$ 2,903,425	\$ (4,415,721)	\$ 1,268,947	\$ 3,876,622	\$ 1,500,399	\$ 6,500,755	\$ 4,813,385	\$ 3,524,880	\$ 3,548,170	\$ 1,803,342

Table 3

Village of Little Chute
Fund Balances, Governmental Funds
For the fiscal years ended December 31, 2009 through 2018
 (modified accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011 (2)	2010	2009
General Fund:										
Nonspendable	\$ 522,457	\$ 836,411	\$ 463,320	\$ 613,648	\$ 598,000	\$ 570,721	\$ 645,947	713,559	-	-
Assigned	218,749	218,749	218,749	218,749	218,749	218,749	218,749	218,749	-	-
Unassigned	3,884,852	3,402,352	6,086,454	5,650,098	2,101,381	2,225,304	2,177,364	1,388,299	-	-
Reserved	-	-	-	-	-	-	-	-	741,877	1,449,887
Unreserved	-	-	-	-	-	-	-	-	1,713,364	1,393,322
Total General Fund	4,626,058	4,457,522	6,768,523	6,482,495	2,918,130	3,014,774	3,043,060	2,320,607	2,455,241	2,845,209
All Other Governmental Funds:										
Nonspendable	196,861	19,193	19,229	-	-	-	-	-	-	-
Restricted	6,408,050	3,408,078	2,157,733	3,526,261	4,934,580	3,221,467	5,370,755	7,869,746	-	-
Committed	-	-	-	-	-	-	-	5,726	-	-
Assigned	7,978	3,789,031	3,134,629	3,059,147	2,974,059	4,398,313	4,159,105	2,177,812	-	-
Unassigned	(1,494,552)	(415,909)	(1,530,724)	(895,743)	(959,209)	(1,038,530)	(1,230,960)	(1,402,738)	-	-
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special Revenue	-	-	-	-	-	-	-	-	309,864	360,729
Capital Projects Fund	-	-	-	-	-	-	-	-	2,113,919	1,500,799
Total All Other Governmental Funds	5,118,337	6,800,393	3,780,867	5,689,665	6,949,430	6,581,250	8,298,900	8,650,546	2,935,549	3,161,639
Total all governmental funds (1)	\$ 9,744,395	\$ 11,257,915	\$ 10,549,390	\$ 12,172,160	\$ 9,867,560	\$ 9,596,024	\$ 11,341,960	\$ 10,971,153	\$ 7,814,573	\$ 7,866,376

Notes: (1) See the notes to financial statements "Net Position/Fund Balances" for complete details of the fund balance classification.
 (2) Reflects implementation of GASB Statement No. 54, which introduced changes in fund balance reporting.

Table 4

Village of Little Chute

Changes in Fund Balances, Governmental Funds
For the fiscal years ended December 31, 2009 through 2018
(modified accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Revenues:										
Property Taxes	\$6,180,209	\$6,089,707	\$5,767,175	\$5,663,134	\$5,182,971	\$ 5,987,414	\$ 5,849,538	\$ 5,793,494	\$ 5,783,567	\$ 5,550,981
Intergovernmental	4,057,024	4,066,831	4,141,093	3,990,550	3,987,880	4,152,568	4,909,171	3,882,221	3,960,350	3,970,610
Licenses & Permits	180,597	128,827	129,273	153,193	111,764	126,873	72,343	56,675	61,610	51,192
Public Charges for Services	745,540	615,797	578,862	555,390	545,142	534,873	554,730	518,147	338,696	167,693
Rental Income	5,450									
Intergovernmental Charges for Services	140,650	155,479	174,953	163,410	169,958	153,234	74,125	19,071	12,271	25,971
Fines & Forfeitures	87,501	82,863	95,424	88,801	102,663	127,642	100,446	112,139	111,098	109,390
Special Assessments	523,141	731,913	661,392	951,021	851,380	636,337	481,637	340,195	493,567	660,899
Interest Income	146,095	76,968	85,891	113,022	125,348	33,865	145,426	147,482	230,845	289,769
Developers Agreement									1,984	1,543
Other Revenues	273,613	317,575	376,442	309,469	943,745	928,696	346,995	200,515	296,827	316,966
Total Revenues	12,339,820	12,265,960	12,010,505	11,987,990	12,020,851	12,581,502	12,534,611	11,069,949	11,290,815	11,145,014
Expenditures:										
Current:										
General Government	1,300,902	1,464,656	1,225,915	1,183,060	1,186,314	1,323,999	1,205,424	1,215,404	1,193,505	1,112,487
Public Safety	3,904,883	4,125,495	4,215,371	4,031,039	4,136,661	4,210,502	4,093,664	3,805,114	3,524,653	3,416,626
Public Works	3,077,352	8,557,298	1,586,302	1,494,371	1,479,213	1,542,066	1,384,343	1,520,261	1,394,943	1,347,532
Culture, Recreation & Education	1,351,257	1,400,487	1,154,751	1,022,724	1,093,794	1,060,351	1,033,926	1,073,104	1,092,520	1,101,234
Conservation & Development	2,568,208	738,273	830,580	3,690,628	205,796	278,383	146,633	171,470	261,805	546,278
Capital Outlay	322,490	1,558,627	2,985,982	2,547,325	8,391,799	3,748,143	3,556,579	3,586,146	1,293,272	1,425,165
Debt Service										
Principal Retirement	1,989,447	1,981,927	2,746,252	2,133,981	1,553,110	1,577,092	3,177,259	1,979,815	2,265,944	2,340,084
Interest and Fees	787,367	465,926	486,017	512,149	351,903	374,002	526,525	494,200	536,265	580,175
Total Expenditures	15,301,906	20,292,689	15,231,170	16,615,277	18,398,590	14,114,538	15,134,353	13,845,514	11,562,908	11,869,581
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,962,086)	(8,026,729)	(3,220,665)	(4,627,287)	(6,377,739)	(1,533,036)	(2,599,742)	(2,775,565)	(272,093)	(724,567)

Table 4

Village of Little Chute
Changes in Fund Balances, Governmental Funds (Continued)
For the fiscal years ended December 31, 2009 through 2018
(modified accrual basis of accounting)

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Other Financing Sources										
(Uses)										
Issuance of Debt	\$ -	\$ 7,810,399	\$ 448,000	\$ 3,245,000	\$ 5,490,000	\$ -	\$ 1,943,902	\$ 5,704,304	\$ -	\$ 691,000
Discount on Debt Issued	-	(75,574)	-	-	-	-	(18,344)	-	-	-
Premium on Debt Issued	-	360,705	3,400	70,865	41,684	-	37,960	-	-	-
Transfers In	2,220,885	4,266,810	2,597,994	1,451,234	1,288,352	1,902,901	2,890,502	1,587,003	3,625,291	4,153,341
Transfers Out	(1,391,984)	(4,050,810)	(2,381,984)	(1,235,234)	(1,072,352)	(1,886,901)	(2,674,502)	(1,387,003)	(3,425,291)	(3,953,341)
Refund to Overlying Districts	-	-	(229,115)	-	901,591	(1,076,488)	-	-	-	-
Sale of Property	639,713	423,724	1,159,610	3,400,022	-	422,296	791,031	27,841	20,290	5,440
Total other financing sources (uses)	1,488,614	8,735,254	1,597,895	6,931,887	6,649,275	(438,192)	2,970,549	5,932,145	220,290	896,440
Net Change in Fund Balance	\$ (1,493,472)	\$ 708,525	\$ (1,622,770)	\$ 2,304,600	\$ 271,536	\$ (1,971,228)	\$ 370,807	\$ 3,156,580	\$ (51,803)	\$ 171,873
Debt Service as a Percentage of Noncapital Expenditures	21.43%	13.07%	26.40%	18.81%	19.04%	18.82%	31.99%	24.11%	27.29%	27.96%

Table 5

Village of Little Chute
 Assessed Value and Estimated Actual Value of Taxable Property
 For the fiscal years ended December 31, 2009 through 2018

Fiscal Year Ended 12/31	Residential Property	Commercial Property	Manufacturing Property	Other Property	Personal Property	Total Taxable Assessed Value*	Total Direct Tax Rate	Total Taxable Equalized Value	Ratio Of Assessed To Equalized Value
2018	\$ 473,862,100	\$ 208,468,600	\$ 74,286,100	\$ 380,300	\$ 16,510,200	\$ 773,487,300	\$ 7.52	\$ 878,465,300	87.99%
2017	465,593,900	170,590,300	75,960,500	390,600	22,599,400	735,134,700	7.21	771,569,100	95.28%
2016	458,427,200	166,467,800	76,910,700	386,400	20,814,400	723,006,500	7.31	726,771,000	99.48%
2015	452,543,000	156,507,100	68,045,800	388,200	20,415,200	697,899,300	6.99	704,553,900	99.54%
2014	447,570,900	148,820,100	69,902,000	399,300	20,487,100	687,179,400	6.92	677,706,100	101.58%
2013	435,190,000	130,622,500	60,552,200	148,700	18,533,700	645,047,100	6.95	655,348,800	98.42%
2012	434,415,600	129,398,000	62,092,900	235,100	17,624,900	643,766,500	6.87	665,478,600	96.73%
2011	435,017,500	131,312,400	58,751,300	236,000	17,410,100	642,727,300	6.87	690,335,000	93.10%
2010	435,707,500	133,484,500	53,731,400	236,500	21,079,500	644,239,400	6.68	688,108,000	93.76%
2009	434,896,000	137,082,500	49,845,800	422,700	20,926,700	643,173,700	6.69	694,645,900	92.87%

*Note: Total Taxable Assessed Value does not include tax exempt properties; Tax exempt properties are not assigned values.

Source: Wisconsin Department of Revenue Statement of Assessment

Table 6

Village of Little Chute
Direct and Overlapping Property Tax Rates
For the fiscal years ended December 31, 2009 through 2018
 (Per \$1,000 of Assessed Valuation)

Levy Year	Collection Year	Village Direct Rate					Overlapping Rates					
		Village Services	General Obligation Debt Service	Special Revenue Funds(1)	Capital Outlay	Village Rate	Little Chute School District(2)	Kaukauna School District	Appleton School District	Outagamie County	Fox Valley Technical College	State of Wisconsin
2018	2019	\$ 1.90	\$ 1.39	\$ 3.61	\$ 0.62	7.52	\$ 11.25	\$ 9.88	\$ 9.85	\$ 5.33	\$ 1.20	\$ -
2017	2018	1.94	1.26	3.40	0.61	7.21	11.29	9.65	9.21	4.97	1.14	-
2016	2017	1.83	1.39	3.36	0.73	7.31	10.52	8.85	9.11	4.82	1.12	0.17
2015	2016	1.82	1.27	3.35	0.55	6.99	11.08	9.20	9.70	4.88	1.13	0.17
2014	2015	1.80	1.25	3.33	0.54	6.92	10.05	8.50	8.89	4.79	1.11	0.17
2013	2014	1.70	1.42	3.39	0.44	6.95	9.75	9.43	9.55	4.90	2.00	0.17
2012	2013	1.63	1.28	3.65	0.31	6.87	10.23	9.72	9.65	4.98	2.04	0.18
2011	2012	1.59	1.08	3.92	0.28	6.87	10.23	9.44	9.85	5.05	1.92	0.18
2010	2011	1.22	1.34	3.96	0.16	6.68	12.08	9.52	9.71	4.86	1.90	0.18
2009	2010	4.13	1.56	0.87	0.13	6.69	11.72	9.52	9.10	4.84	1.85	0.18

Source: Tax rates provided by individual tax jurisdictions.

(1) Tax Levy for Consolidated Police Services in 2011 through 2018 applied directly to Special Revenue Fund.

Prior year levies were included in the General Fund and then transferred to Consolidated Police Services.

(2) A property owner is taxed by only one school district and each of the remaining entities.

Table 7

Village of Little Chute
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Nestle's Frozen Foods	\$ 55,795,100	1	7.21 %	\$ 23,652,700	1	3.68 %
Trilliant Nutrition, LLC	16,509,500	2	2.13	4,707,200	6	0.73
Premier Little Chute LLC	11,787,500	3	1.52			-
Crystal Print, Inc., Chris Hartwig	10,234,200	4	1.32	11,175,800	2	1.74
Meadowbreeze, Windgate, Prairewater	10,086,600	5	1.30			-
Little Chute Warehouse LLC	7,561,500	6	0.98	8,060,200	3	1.25
Darboy Development (Heartland)	5,153,000	7	0.67			-
Resource One	4,784,900	8	0.62			-
Noblemen Crossing LLC	4,634,800	9	0.60	4,755,900	5	0.74
EGLAC LLC (Elm Grove Apartments)	4,573,900	10	0.59			-
Bela LLC	-		-	6,345,400	4	0.99
Sydney Hotels	-		-	4,673,400	7	0.73
Bel Cheese USA	-		-	4,604,700	8	0.72
Marmon Keystone	-		-	4,574,300	9	0.71
West Elm Apartments				4,428,000	10	0.69
Total	\$ 131,121,000		16.94 %	\$ 76,977,600		11.98 %

Source: Taxpayer totals compiled by Village's Assessor's office.

Table 8

Village of Little Chute

Property Tax Levies and Collections

For the fiscal years ended December 31, 2009 through 2017

Tax Levy Year	Total Tax Levy	Collected Within The		Collections In Subsequent Years	Total Collections To Date	
		Fiscal Year Of The Levy	Percentage Of Levy		Amount	Percentage Of Levy
2018	\$ 7,411,893	\$ 2,922,937	39.44 %	\$ 2,504,758	5,427,695	73.23
2017	6,141,416	2,813,142	45.81	3,297,395	6,110,537	99.50
2016	6,048,287	2,864,044	47.35	3,172,744	6,036,788	99.81
2015	5,705,504	2,757,914	48.34	2,933,406	5,691,320	99.75
2014	5,619,765	2,513,442	44.73	3,093,966	5,607,408	99.78
2013	5,159,780	2,439,428	47.28	2,705,576	5,145,004	99.71
2012	5,851,253	2,648,435	45.26	3,181,454	5,829,889	99.63
2011	5,814,760	2,704,487	46.51	3,092,358	5,796,845	99.69
2010	5,761,594	2,650,286	46.00	3,111,179	5,761,465	100.00
2009	5,749,050	2,404,912	41.83	3,333,582	5,738,494	99.82

Source: Village accounting records.

Notes: In addition, to property taxes for the municipality, the Village collects and remits taxes for State and County governments as well as three school districts and a technical college district. Taxes are levied in December of each year based upon the assessed value as of January 1st of that year. Real estate taxes can be paid in two installments due January 31st and July 31st. Personal property taxes are due by January 31st. Tax settlements to the other taxing authorities are made in January, for taxes collected as of December 31st, and in February, for taxes collected as of January 31st. All unpaid real estate taxes as of January 31st are turned over to the County Treasurer for collection. All personal property taxes are retained for collection by the Village. The final settlement for real estate taxes is made by the County to each of the other taxing authorities for the balance of their tax levies.

Table 9

Village of Little Chute

Ratios of Outstanding Debt

For the fiscal years ended December 31, 2009 through 2018

Year	Total		Designated Funds For Debt Service (1)	Net		Ratio Of Net	
	General Bonded Debt	Bonded Debt		General Bonded Debt	General Bonded Debt to Equalized Property Value (2)	Net General Bonded Debt Per Capita (3)	
2018	\$ 21,004,277	\$ 20,510,639	\$ 493,638	20,510,639	0.0233	1,844.48	
2017	23,791,337	22,767,914	1,023,423	22,767,914	0.0295	2,072.26	
2016	18,112,512	17,300,114	812,398	17,300,114	0.0238	1,576.18	
2015	20,744,816	20,267,241	477,575	20,267,241	0.0288	1,880.43	
2014	21,158,709	20,899,854	258,855	20,899,854	0.0308	1,983.10	
2013	15,674,469	15,408,920	265,549	15,408,920	0.0235	1,472.85	
2012	16,741,527	16,634,816	106,711	16,634,816	0.0250	1,594.60	
2011	17,060,473	16,926,391	134,082	16,926,391	0.0245	1,619.13	
2010	12,536,419	12,471,698	64,721	12,471,698	0.0181	1,131.73	
2009	15,122,023	15,082,705	39,318	15,082,705	0.0217	1,366.19	

Notes: (1) Restricted for debt service are advance collections applicable to debt service on the Statement of Net Position.

(2) Wisconsin uses equalized value for calculating legal debt limit.

(3) Population data can be found in table 16.

Table 10

Village of Little Chute
Ratios of Outstanding Debt
For the fiscal years ended December 31, 2009 through 2018

Year	Governmental Activities		Business-Type Activities						Total Primary Government	Percentage Of Personal Income	Per Capita
	Bonds/Notes	General Obligation	Water Utility Bonds/Notes	Sewer Utility Bonds/Notes	Stormwater Utility Bonds/Notes	Water Utility Bonds/Notes	Sewer Utility Bonds/Notes	Stormwater Utility Bonds/Notes			
2018	\$ 19,496,619		\$ 3,084,976	\$ 579,352	\$ 3,243,445				26,404,392	4.83%	2,374
2017	21,206,062		3,659,826	869,525	4,038,133				29,773,546	5.79%	2,710
2016	15,377,590		3,062,764	1,144,712	3,854,318				23,439,384	4.70%	2,136
2015	16,855,842		3,692,681	1,404,524	2,302,051				24,255,098	4.95%	2,250
2014	15,564,823		4,469,586	1,654,086	2,551,406				21,158,709	4.85%	2,008
2013	11,475,933		4,796,697	2,111,962	2,826,644				21,225,173	4.96%	2,029
2012	11,766,329		5,585,246	2,458,644	3,135,863				22,946,082	5.59%	2,200
2011	12,702,392		5,027,220	2,838,776	3,335,975				23,904,363	5.95%	2,287
2010	8,687,903		5,002,349	2,739,450	1,858,638				18,288,340	4.48%	1,660
2009	10,678,847		5,592,206	3,101,831	1,749,139				21,122,023	5.32%	1,913

Notes: Details of the Village's outstanding debt can be found in the notes to the financial statements. See table 16 for personal income and population data.

Table 11

Village of Little Chute
Legal Debt Margin Information

For the fiscal years ended December 31, 2009 through 2018

Legal Debt Margin Calculation for Fiscal Year 2018

Equalized valuation	\$ 878,465,300
Legal debt limit (5% of equalized valuation)	43,923,265
Less: General Obligation debt	21,416,277
Legal Debt Margin	\$ 22,506,988

	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Debt limit	\$ 43,923,265	\$ 38,578,455	\$ 36,338,550	\$ 35,227,695	\$ 33,885,305	\$ 32,767,440	\$ 33,273,930	\$ 34,516,750	\$ 34,405,400	\$ 34,732,295
Total net debt applicable to limit	21,416,277	24,223,336	18,112,152	20,744,814	20,158,709	15,677,840	16,741,527	17,060,473	12,536,419	15,122,023
Legal debt margin	\$ 22,506,988	\$ 14,355,119	\$ 18,226,398	\$ 14,482,881	\$ 13,726,596	\$ 17,089,600	\$ 16,532,403	\$ 17,456,277	\$ 21,868,981	\$ 19,610,272
Total debt applicable to limit as a percentage of debt limit	48.76%	62.79%	49.84%	58.89%	59.49%	47.85%	50.31%	49.43%	36.44%	43.54%

Note: In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent (5.0%) of the equalized value of the taxable property within the Village's jurisdiction.

Table 12

**Village of Little Chute
Direct and Overlapping Governmental Activities Debt
As of December 31, 2018**

<u>Governmental Unit</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable To Village</u>	<u>Amount Applicable To Village</u>
Village of Little Chute	\$ 21,004,277	100.0000%	\$ 21,004,277
School Districts:			
Little Chute	20,430,286	100.0000%	20,430,286
Kaukauna	48,990,000	9.4814%	4,644,931
Appleton	35,347,946	25.4749%	9,004,854
Fox Valley Technical College	79,125,317	2.0209%	1,599,031
Outagamie County	69,613,650	5.6300%	3,919,248
Heart of Valley Metro Sewer	15,255,168	29.0000%	4,423,999
Total Overlapping	<u>268,762,367</u>		<u>44,022,349</u>
Total Direct and Overlapping Debt	<u>\$ 289,766,644</u>		<u>\$ 65,026,626</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of these overlapping governments that is borne by the taxpayers of the Village through the taxes levied by these government agencies.

Source: Data provided by each governmental unit.

Table 13

Village of Little Chute
Revenue Bond Coverage-Water Utility

For the fiscal years ended December 31, 2008 through 2018

Fiscal Year	Operating Revenues	Investment Income (Loss)	Operating Expenses(1)	Net Revenue Available for Debt Service	Debt Service Requirements(2)			Coverage(3)
					Principal	Interest	Total	
2018	\$ 2,184,162	\$ 6,294	\$ 1,116,607	\$ 1,073,849	\$ 399,053	\$ 37,897	436,950	2.46
2017	2,175,455	10,269	1,085,053	1,100,671	330,000	34,337	364,337	3.02
2016	2,205,227	11,813	1,069,634	1,147,406	495,000	65,970	560,970	2.05
2015	2,103,742	10,374	1,054,197	1,059,919	475,000	82,578	557,578	1.90 (6)
2014	1,984,030	11,454	1,078,467	917,017	520,000	100,198	620,198	1.48 (5)
2013	1,959,343	7,435	1,049,625	917,153	510,000	117,402	627,402	1.46
2012	2,012,424	9,946	1,062,653	959,717	500,000	134,300	634,300	1.51 (4)
2011	1,797,755	(31,221)	1,078,309	688,225	485,000	150,710	635,710	1.08
2010	1,740,124	74,003	995,985	818,142	445,000	165,978	610,978	1.34
2009	1,733,202	36,230	912,151	857,281	395,000	203,373	598,373	1.43

Notes:

- (1) Total operating expenses less depreciation.
- (2) Does not include general obligation debt.
- (3) Required coverage ratio is 1.25.
- (4) Public Service Commission of Wisconsin authorized a 17% increase in rates as of September 7, 2011. (Conventional Rate Case)
- (5) Public Service Commission of Wisconsin authorized a 3% increase in rates as of August 31, 2014. (Simplified Rate Case)
- (6) Public Service Commission of Wisconsin authorized a 3% increase in rates as of September 29, 2015. (Simplified Rate Case)

Table 14

**Village of Little Chute
Revenue Bond Coverage-Sewer Utility**
For the fiscal years ended December 31, 2009 through 2018

Fiscal Year	Operating Revenues	Investment Income	Operating Expenses(1)	Net Revenue Available for Debt Service	Debt Service Requirements(2)		
					Principal	Interest	Total
	\$	\$	\$	\$	\$	\$	Coverage(3)
2018	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-
2014	2,322,205	12,163	1,555,619	778,749	100,000	24,389	6.26
2013	2,327,183	8,346	1,540,647	794,882	100,000	35,853	5.85
2012	2,386,421	14,559	1,506,619	894,361	100,000	39,853	6.40
2011	2,325,318	296	1,801,419	524,195	100,000	43,853	3.64
2010	2,354,312	36,145	1,765,423	625,034	100,000	47,853	4.23
2009	2,161,358	31,507	1,619,923	572,942	95,000	51,753	3.90

Notes:

- (1) Total operating expenses less depreciation.
- (2) Does not include general obligation debt.
- (3) Required coverage ratio is 1.25.
- (4) On August 1, 2014, the Village current refunded the remaining \$725,000 of Sewer Revenue Bonds. At December 31, 2014, the Sewer Utility no longer had bond coverage requirements.

Table 15

**Village of Little Chute
Revenue Bond Coverage-Storm Water Utility**
For the fiscal years ended December 31, 2009 through 2018

Fiscal Year	Operating Revenues	Investment Income	Operating Expenses(1)	Net Revenue Available for Debt Service	Debt Service Requirements(2)			Coverage(3)
					Principal	Interest	Total	
2018	\$ 1,085,544	\$ 56,128	\$ 408,473	\$ 733,199	\$ 210,980	\$ 87,528	\$ 298,508	2.46
2017	1,055,988	23,657	380,144	699,501	184,339	92,112	276,451	2.53
2016	878,753	23,847	408,643	493,957	109,717	54,710	164,427	3.00
2015	854,080	16,265	382,717	487,628	99,114	57,022	156,136	3.12
2014	829,474	31,408	357,673	503,209	88,530	59,115	147,645	3.41
2013	811,355	(4,774)	394,894	411,687	77,964	60,982	138,946	2.96
2012	791,223	21,119	361,088	451,254	65,539	71,273	136,812	3.30
2011	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-

- Notes:**
- (1) Total operating expenses less depreciation.
 - (2) Does not include general obligation debt.
 - (3) Required coverage ratio is 1.25.

Table 16

**Village of Little Chute
Demographic and Economic Statistics
For the fiscal years ended December 31, 2009 through 2018**

Year	Population(1)	Personal Income(2)	Per Capita Personal Income(3)		Unemployment Rates(4)	
			Outagamie County	State of Wisconsin	Outagamie County	State of Wisconsin
2018	11,120	\$ 547,003,920	\$ 49,191	\$ 47,850	2.8	3.0
2017	10,987	514,345,418	46,814	47,850	2.5	3.0
2016	10,976	498,628,704	45,429	47,275	3.6	4.1
2015	10,778	489,633,762	45,429	45,914	3.9	4.6
2014	10,539	436,398,912	41,408	44,585	4.9	5.2
2013	10,462	427,655,174	40,877	43,149	5.4	6.1
2012	10,432	410,186,240	39,320	40,537	6.5	6.9
2011	10,454	401,433,600	38,400	40,073	7.0	7.5
2010	11,020	408,246,920	37,046	38,225	8.0	8.5
2009	11,040	396,755,520	35,938	36,970	8.0	8.3

- Notes:**
- (1) Source-Department of Administration-State of Wisconsin (Final Muni Estimate 1/1/2016)
 - (2) Personal income estimate for Village based upon Village population and County per capita personal income
 - (3) Personal Income from Bureau of Economic Analysis www.bea.gov - BEARFACTS
 - (4) Source-Department of Workforce Development-State of Wisconsin Local Area Unemployment Statistics

**Village of Little Chute
Principal Employers
December 31, 2018**

<u>Company Name</u>	<u>Product or Service</u>	<u>Number of Employees</u>
Jack's Frozen Pizza (Nestle)	Food processing	1,052
Trilliant Food and Nutrition	Coffee manufacturer	535
Bel Brands USA	Cheese production	310
Fox Valley Tool and Die	CNC precision machining	185
Building Services Group	Commercial janitorial services	181
School District of Little Chute Area	Elementary and secondary education	176
Heartland Label Printers	Corporate headquarters and direct thermal label manufacturing	150
Village of Little Chute	Municipal government services	143
Agropur Inc	Cheese production	105
Parkside Care Center	Nursing home and rehabilitation center	89

**Principal Employers
December 31, 2009**

<u>Company Name</u>	<u>Product or Service</u>	<u>Number of Employees</u>
Jack's Frozen Pizza (Nestle)	Food processing	1,050
Heartland Label Printer	Computerized accounting and website design	360
Fox Valley Tool and Die Inc.	Tool and die	330
Bel/Kaukauna Cheese, USA	Cheese production	288
Building Service Group	Janitorial services	189
School District of Little Chute Area	Elementary and secondary education	178
Village of Little Chute	Municipal government services	119
Larry's Markets/Piggly Wiggly	Grocery store	106
Excellence Electric Inc	Electrical contracting	75
Resource One International	Paper converting	70

Source: Ehlers, Inc Debt Issuance

Table 18

Village of Little Chute
Village Government Employees Function/Program
For the fiscal years ended December 31, 2009 through 2018
 (full time equivalents; seasonal shown as actual count)

Function Program (1)	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government:										
Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
GIS	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-
Finance	4.50	4.25	4.25	2.60	2.75	3.25	3.25	3.25	3.25	3.50
Clerk	2.00	2.00	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.00
Seasonal	-	-	-	-	-	-	-	-	-	0.20
Assessor	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Public Safety:										
Inspection Services	1.50	1.50	1.50	1.50	1.50	1.50	1.00	1.00	1.50	1.50
Police Department (2)	28.50	30.75	31.75	33.75	33.75	33.50	34.75	30.75	28.50	30.00
Seasonal (Crossing Guard) (5)	12.00	19.00	19.00	18.00	18.00	18.00	18.00	10.00	8.00	8.00
Fire Department (3)	46.00	46.50	50.00	47.00	45.00	45.00	46.50	45.50	44.50	44.00
Municipal Court	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Public Works:										
DPW Admin/Engineering	8	6.00	6.00	7.00	6.00	6.00	6.00	6.00	6.00	5.00
Street Department	13.00	13.00	13.00	12.00	12.00	12.00	14.00	13.00	11.00	13.00
Seasonal (Sanitation, Streets)	0.50	2.00	2.00	2.00	3.00	4.00	4.00	3.00	4.00	3.00
Library (4)	0.00	-	-	-	-	-	-	-	-	-
Parks and Recreation	4.50	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.50
Facilities	1.00	1.00	-	-	-	-	-	-	-	-
Seasonal (Pool, Parks, Recreation)	48.00	46.00	47.00	48.00	49.00	49.00	50.00	47.00	47.00	49.00
Community/Economic Development	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total Employment	173.25	179.75	184.25	181.60	180.25	181.50	186.75	168.75	164.00	166.45
Full-time Equivalent	66.75	66.25	66.25	66.60	65.50	65.50	68.75	63.75	61.00	62.45
Fire (Volunteer)	46.00	46.50	50.00	47.00	45.00	45.00	46.00	45.00	44.00	44.00
Seasonal	60.50	67.00	68.00	68.00	70.00	71.00	72.00	60.00	59.00	60.00
Total Employment	173.25	179.75	184.25	181.60	180.50	181.50	186.75	168.75	164.00	166.45

Notes: (1) Source - Village annual budget report.
 (2) Police - Fox Valley Metro - Served by joint police force; all Little Chute employees. Serves combined population of 20,606
 (3) Fire - Volunteer paid-on-call
 (4) Library - Kimberly/Little Chute Library - Served by joint library; all Kimberly employees.
 (5) Crossing Guards - Little Chute is no longer the fiscal agent for Combined Locks

Table 19

Village of Little Chute
 Operating Indicators By Function/Program
 For the fiscal years ended December 31, 2009 through 2018

Function/Program	Fiscal Year									
	2018	2107	2016	2015	2014	2013	2012	2011	2010	2009
Public Safety:										
Police:										
Calls for service	12,334	11,082	11,448	11,939	12,050	13,950	13,496	8,803	8,242	8,660
Arrests	2,202	1,939	2,565	2,313	2,607	3,559	3,448	3,216	2,033	1,086
Citations	1,874	1,592	2,203	2,230	2,290	2,837	2,665	2,785	1,208	2,280
Fire:										
Fire/service responses	164	172	155	132	122	110	94	108	99	108
Fire inspections	640	600	628	630	654	626	690	664	720	701
Public works:										
Refuse collection (tons)	3,297	3,562	3,621	3,675	3,678	3,468	3,572	3,831	3,838	4,135
Sanitation properties serviced	4,037	4,026	3,977	3,905	3,878	3,862	3,861	3,856	3,852	3,840
Public construction projects	4	2	1	4	5	2	3	5	4	8
Library:										
Circulation	278,179	266,069	280,777	300,367	343,232	343,232	358,733	333,098	313,539	310,423
User visits	117,904	119,027	123,195	125,611	133,333	135,543	142,645	144,106	135,167	142,384
Registered borrowers	12,070	11,811	11,825	12,686	12,738	11,903	11,698	12,477	12,618	12,196
Parks and recreation:										
Recreation programs	284	291	40	38	35	31	29	29	27	26
Recreation attendance (1)	16,056	17,172	18,209	17,908	15,154	15,378	23,999	23,203	6,010	5,882
Special events	6	4	4	3	3	3	3	3	3	3
Special events attendance	18,861	17,488	17,520	17,123	14,172	13,677	13,000	12,750	12,500	12,300
Water utility:										
Number of customers	4,506	4,584	4,532	4,454	4,403	4,186	4,026	4,021	4,056	4,051
Gallons sold(millions)	355	357	363	356	340	341	357	356	362	373
Hydrants flushed	1,305	1,305	1,236	1,176	1,214	1,255	1,188	1,162	1,095	1,214
Wastewater utility:										
Gallons treated (millions)	577	550	504	443	509	485	410	528	537	482
Storm water utility:										
Number of municipal ponds	8	8	8	8	8	8	8	8	7	7
Street sweeping (lane miles)	2,621	2,599	2,624	2,150	2,150	2,150	2,150	2,150	2,150	2,150

Source: Data provided by Village department annual reports.

(1) Beginning in 2011, Recreation attendance includes yearly attendance at Doyle Pool not the single largest day of pool attendance.

Table 20

Village of Little Chute
 Capital Asset Statistics by Function/Program
 For the fiscal years ended December 31, 2009 through 2018

Function/Program	Fiscal Year									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Public safety:										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol vehicles	15	15	15	13	13	13	13	13	12	12
Fire stations	1	1	1	1	1	1	1	1	1	1
Fire trucks	5	5	5	5	5	5	5	5	5	5
Parks and recreation										
Number of parks	11	11	11	11	11	11	11	10	9	9
Acreege of parkland	86	86	86	86	86	86	86	86	81	81
Recreational facilities	76	74	74	73	72	72	71	70	70	70
Public works:										
Streets (miles)	57.0	56.5	55.4	55.4	54.9	54.9	54.9	54.7	54.0	54.0
Water utility:										
Miles of water main	58.3	55.8	55.7	55.7	55.7	55.7	55.7	55.7	55.6	55.6
Number of hydrants	627	625	625	620	607	606	599	594	587	540
Storage capacity (millions of gallons)	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Wastewater utility:										
Miles of sanitary sewer	57.2	56.9	56.4	56.4	55.7	55.7	55.7	55.7	57.0	57.1
Storm water utility:										
Miles of storm sewer	60.8	60.7	59.0	59.0	57.3	57.3	57.3	56.5	56.4	56.1
Acres of municipal ponds	78.8	78.8	78.8	78.8	78.8	78.8	78.8	78.8	77.5	74.6

Source: Data provided by Village department annual reports and capital asset records.

VILLAGE OF LITTLE CHUTE
Comprehensive Annual Financial Report
Year Ended December 31, 2017

DEPARTMENT OF ADMINISTRATION

James P. Fenlon, Administrator
Teresa M. Matheny, Finance Director

VILLAGE OF LITTLE CHUTE

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INTRODUCTORY SECTION



September 21, 2018

Honorable Michael R. Vanden Berg, Village President,
Members of the Board of Trustees, and Citizens of the
Village of Little Chute

The Comprehensive Annual Financial Report (CAFR) of the Village of Little Chute is submitted for the year ended December 31, 2017. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Village. We believe the data, as presented, is accurate in all material aspects, and is presented in a manner designed to present fairly the financial position and results of operations of the various funds of the Village and the cash flows of the proprietary funds. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

Generally accepted accounting principles require that management provide a narrative introductory overview and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This transmittal letter is designed to complement the MD&A and should be read in conjunction with it. The Village of Little Chute's MD&A can be found after the independent auditors' report.

The audited financial statements include all of the funds of the Village including all activities for which the Village's elected officials are accountable, in accordance with the reporting entity definition of the Governmental Accounting Standards Board.

The Village of Little Chute is represented by three school districts: Little Chute, Kaukauna and Appleton. These school districts along with Fox Valley Technical College and the Heart of the Valley Metropolitan Sewerage District do not meet the criteria for inclusion in the reporting entity, and accordingly are excluded from this report. These entities are independent jurisdictions with elected governing bodies, or governing bodies appointed by other jurisdictions.

LITTLE CHUTE AND ITS SERVICES

The Village of Little Chute is located in an area termed "the Fox Cities" of east central Wisconsin. Several communities built up along the Fox River and became a dominant economic force in the State. Surrounding the Village are several urban communities. The City of Appleton, the largest community within the Fox Cities Metro Area, borders on the west. Four communities within the Fox Cities are identified geographically and for marketing purposes as the "Heart of the Valley". These three neighbors, the City of Kaukauna, and the Villages of Combined Locks and Kimberly, as well as Little Chute, have similar demographics, and seek to tackle common urban issues that are shared by all.

Little Chute was founded in 1836 by Reverend Theodore Vanden Broek when he traveled 24 miles up the Fox River to a place now known as La Petite Chute, the French name meaning Little Falls, where he started a mission serving Indians in a 300 square mile area. In the spring of 1848, a small group of Dutch immigrants left Brabant, Holland for the United States and the promise of rich, abundant land and the freedom to practice their religion. Free passage was provided by the Fox River Development Company to anyone willing to help construct canals along the river. Recruited and led by Father Vanden Broek, they located in La Petite Chute. Little Chute was proclaimed a Village on March 8, 1899 and included

1,393 acres of land and 943 people. Today, the Village consists of 3,830 acres and has 10,987 residents, many of whom are of Dutch descent.

Little Chute operates under a Village President and Board of Trustees form of government. Under this form of government, a seven member Board of Trustees, including the Village President, is elected at large to exercise the legislative power of the Village and to determine all matters of policy. The Village President presides at Village Board meetings and votes on all matters without veto power. A Village Administrator is appointed by the Board to serve as the chief administrative officer. The Administrator serves as the head of the administrative branch of the Village and is responsible to the Board for the proper administration of all affairs of the Village. Administrator James Fenlon was appointed in 2013.

The Village provides full municipal services which include: public safety (police and fire), street maintenance, sanitation, parks and recreation, forestry, planning, zoning, assessing, building inspections, municipal court, library, financial management, and general administrative services. The Village also operates its own water, sanitary sewer and storm water utilities and participates in a regional sewage treatment district. Proactive in planning, design, and construction of regional storm water ponds, the Village expects the expanding infrastructure to be a catalyst for more development.

ECONOMIC CONDITION AND OUTLOOK

Located in the center of the Fox Cities metropolitan area, Little Chute's population has remained somewhat stable, decreasing only .3% since the census in 2010. The area is in the Appleton MSA for economic reporting. The area has historically enjoyed a lower unemployment rate than the state average. Unemployment figures for Outagamie County and the State of Wisconsin continued a positive trend in 2017. The 2017 annual unemployment rate for Outagamie County was 2.5% which was a decrease of 0.3% as compared to 2016. The State of Wisconsin rate decreased from 4.1% to 3.0%, or 0.2% during the same period. The Village of Little Chute experienced an increase of \$44,798,100 or 6% in equalized value in 2017. The equalized value increased to \$771,569,100 in 2017 as compared to \$726,771,000 in 2016.

MAJOR INITIATIVES

Despite continuing economic challenges, the promotion of commercial and industrial development remains a top priority for the Village. One way the Village has accomplished this goal is the creation of Tax Incremental Financing (TIF) Districts. TID #1 – The project plan expenditures period was completed in May 2012 and the District closed as of May 8, 2017. TID #2 – The project plan expenditures period was completed in August 2014. The District closed May 18, 2016. TID #4 – The project plan expenditures are eligible to be made, or to amend the plan, up to 2022 with a closure year of 2027. TID #5 – Project plan expenditures are eligible to be made, or to amend the plan, up to 2028 with a closure year of 2033. TID #6 – The project plan expenditures are eligible to be made, or to amend the plan, up to 2031 with a closure year of 2036. TID #7 was created in 2018 – The project plan expenditures are eligible to be made, or to amend the plan, up to 2033 with a closure year of 2039. TID #8 was created in 2018 – The project plan expenditures are eligible to be made, or to amend the plan, up to 2040 with a closure year of 2046.

Tax Incremental District #1 (downtown development area) was established in 1980. A non-profit organization, Little Chute Windmill, Inc., has built an authentic Dutch working windmill in the central business district through corporate and individual donations. The Windmill is expected to be a catalyst for further development and retail opportunities in the downtown area in the future. The Village seeks to be partners in redevelopment efforts in the downtown area. The Village adopted Resolution No. 11, Series 2017 terminating TID #1 as of May 8, 2017. As projected, TID #1 has not created excess tax increment. TID #1 created \$7,075,350 of new construction value.

Since the September 1986 startup date for the TID #2 (Ebben Industrial Park), new construction value totals \$25,291,300. The Village adopted Resolution No. 25, Series 2016 terminating TID #2 as of May 18, 2016. Excess tax increments totaled \$330,172 and have been distributed to the respective tax entities.

TID #4 has a total net growth value of \$9.8 million during 2017. That value consisted of 25 single family homes with a value of \$6.2 million and 4-12 unit apartment buildings with a value of \$3.6 million. The Village expects continued single family construction during 2018.

Fifth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and it is being submitted to the GFOA to determine its eligibility for another certificate.

Acknowledgements

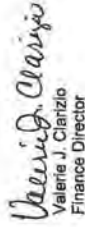
The preparation of this report was accomplished through the cooperative efforts of the finance department and other administrative staff. The dedication and expertise of KerberRose, SC audit team was instrumental in presenting a professional report that focuses on the reader's need for information in compliance with accepted financial reporting standards. We express our appreciation to our dedicated staff for a myriad of demands placed upon them in preparation of this report.

In addition, we convey our appreciation to the Village Board for their personal interest and collective support of the financial operations of the Village.

Respectfully submitted,



James P. Fenlon
Village Administrator



Valeria J. Cianzio
Finance Director

TID #5 was created overlaying a portion of TID #2 (Village Industrial Park) in 2013. TID #2 has been terminated in 2016.

TID #6 was created July 20, 2016 with a base value of \$1,151,700. TID #6 has a total new growth value of \$33 million in commercial improvements in 2017. Geographically, the TID is north of HWY "41" to the Village limits and roughly located between Buchanan Road and Cardinal Lane.

Residential construction permits continued in 2017. The Village issued 32 single family home and two duplex permits. The total permit value is estimated to be \$8.5 million. Four permits for multifamily development with a valuation of \$3.8 million were issued in 2017. The Village believes that it is positioned to continue to take advantage of economic development in the Fox Cities.

The Village is proactive in developing areas to share government services. Two joint ventures, namely a joint library and consolidated police services (Fox Valley Metro Police Department), with the Village of Kimberly were pioneering efforts in Wisconsin. The joint library was formed in 1984 and has met a community need evidenced by a steady and continuing increase in circulation. The consolidated police department began in April 1995. As of July 1, 2011 the Village of Combined Locks has become a member community of the Fox Valley Metro Police Department (FVMPD). The police staff serves a combined population of over 17,400. As of January 1, 2018, the Villages of Combined Locks is no longer a partner in the FVMPD. FVMPD will continue with the original partnership of the Villages of Little Chute and Kimberly. The five-year Capital Improvement Plans of the participating Villages are coordinated to identify facility and service upgrades. In addition to these formal agreements under Wisconsin statutes, the Village of Little Chute and Kimberly share trucks for municipal refuse hauling and a sewer jetter. Cost efficiencies result from sharing the equipment.

The Village Board has adopted policies in prior years addressing the desired level of fund balance, or appropriate uses, and a debt management policy. These policies have helped the governing body make budget decisions regarding the use of fund balance to replace significant changes in state shared revenue and dramatic decreases in investment income. With a generous and conservative fund balance target of 25%, there is adequate flexibility to adjust for loss of revenues.

FINANCIAL INFORMATION

Management of the Village is responsible for establishing and maintaining internal controls designed to ensure that the assets of the Village are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

OTHER INFORMATION

Notes to the financial statements are provided and are considered essential to the fair presentation and adequate disclosure for this financial report. The notes include the Summary of Significant Accounting Policies for the Village and other necessary disclosures of important matters relating to the financial position of the Village. The notes are an integral part of the financial statements and should be read in conjunction with them.

Independent Audit

Village practice is in accordance with federal and state requirements and debt agreements to provide for an annual audit by independent certified public accountants. The Independent auditors' report on the financial statements is included in the Financial Section of this report.

Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Little Chute for its comprehensive annual financial report for the fiscal year ended December 31, 2016. This was the twenty-



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Village of Little Chute
Wisconsin**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

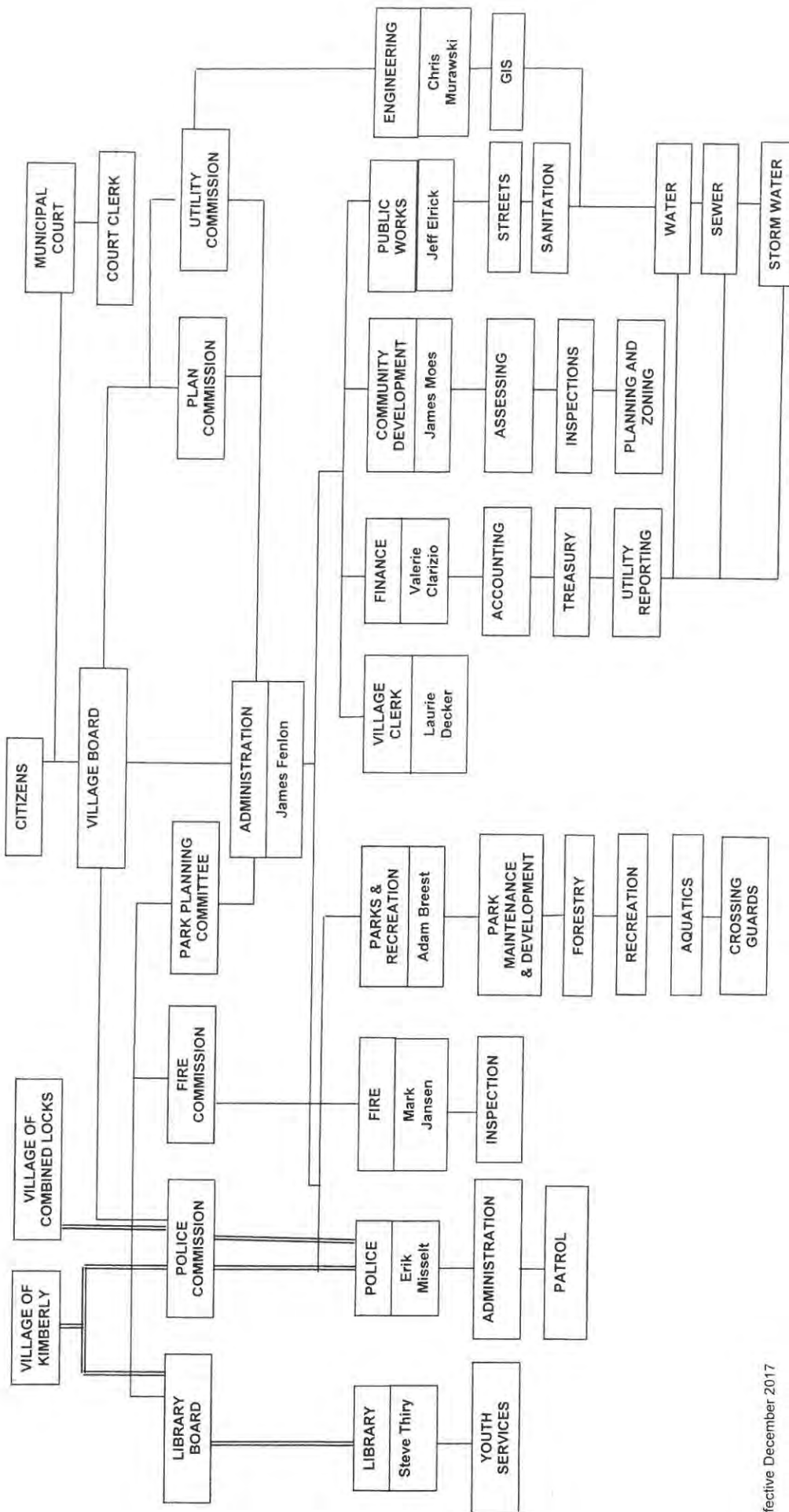
December 31, 2016

Christopher P. Morill
Executive Director/CEO

VILLAGE OF LITTLE CHUTE DIRECTORY OF OFFICIALS

<u>Title</u>	<u>Name</u>	<u>Term Expires</u>
Village President	Michael R. Vanden Berg	April 2018
Village Trustees	Dave Peterson John Erick Dale "Skip" Smith William Peerenboom James Hietpas Lawrence Van Lankvelt	April 2020 April 2020 April 2018 April 2018 April 2019 April 2019
Municipal Judge	Rodney Reader	April 2020
Village Administrator	James Fenlon	Appointed
Clerk	Laurie Decker	Appointed
Director of Community Development	James Moos	Appointed
Chief of Police	Erik Misselt	Appointed
Director of Parks, Recreation and Forestry	Adam Breesl	Appointed
Director of Public Works	Jeff Erick	Appointed
Village Engineer	Chris Murawski	Appointed
Fire Chief	Mark Jansen	Appointed
Director of Finance	Valerie Clarizio	Appointed

VILLAGE OF LITTLE CHUTE ORGANIZATIONAL CHART



Effective December 2017

Independent Auditors' Report

To the Village Board
Village of Little Chute
Little Chute, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Little Chute as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Little Chute as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Village Board
Village of Little Chute

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10 through 25, discussion of budgets on pages 71 – 74, the schedule of funding progress of net OPEB liability on page 75 and the schedules of proportionate share of the net pension liability (asset) and employer contributions to the Wisconsin Retirement System on page 76, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economical, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Little Chute's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The "Introductory Section" and "Statistical Section" listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.


KerberRose SC
Certified Public Accountants
October 30, 2018

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Year Ended December 31, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS (cont'd)

Other factors that are integral to an evaluation of financial status are changes in the property tax base and care, management, and planning of infrastructure assets.

The Statement of Activities presents information showing how the Village's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of the timing of the related cash flows.

Both government-wide financial statements distinguish governmental activities of the Village that are principally supported by taxes and intergovernmental revenues from business-type activities that are intended to recover all or a significant portion of their costs from fees and charges. Governmental activities include: General Government (Village board, administration, finance, elections, assessing, municipal court, village promotion and goodwill), Public Safety (Fox Valley Metro Police Department, fire, building inspection), Public Works (street repair and lighting, garbage collection, recycling, snow and ice removal, vehicle maintenance, street construction), Culture, Recreation and Education (parks, recreation, forestry, youth football, community band, library, aquatics), and Conservation and Development (Village branding efforts through collaborative entities, TID administration and development).

Business-type activities consist of those services for which the Village charges a fee to cover all or the costs of the services provided. The Village's Sewer, Water, and Storm Water Utilities are reported here.

The government-wide financial statements include not only the funds of the Village of Little Chute (primary government), but also a legally separate Community Development Authority (component unit) for which the Village is financially accountable. Financial information for this blended component unit is included in the governmental activities of the primary government.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Little Chute is required by law to use "fund accounting" to ensure and demonstrate compliance with all finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Village's most significant (major) funds. Major funds are separately reported while all other funds are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report. All funds of the Village are divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

The majority of the Village's operations, debt payments, and capital projects are reported in governmental funds, which focus on how money flows into and out of those funds. The balances left in these funds are available to be spent in future years. These funds are reported using an accounting method called *modified accrual accounting*, which measures cash and all financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. They are also helpful to evaluate a government's ability to meet near-term financing requirements. The relationship between governmental activities (as reported in the Statement of Net Position and Statement of Activities) and governmental funds are reconciled on pages 31 and 34. Following is a listing and description of the governmental funds reported by the Village of Little Chute in 2017.

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Year Ended December 31, 2017

This section of the Village of Little Chute's comprehensive annual financial report provides the reader with management's narrative overview and analysis of the financial activities for the fiscal year ended December 31, 2017. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity and (3) identify changes in the Village's financial position.

The financial analysis presented in the section is intended to be read in conjunction with the accompanying financial statements which begin on page 26 of this report. Additional information is provided in the transmittal letter which can be found on pages 1-4 of this report.

THE FINANCIAL HIGHLIGHTS

The Village's net position totals \$74,657,326 as of December 31, 2017. Net position (Total Assets and Deferred Outflows of Resources less Total Liabilities and Deferred Inflows of Resources) from Governmental Activities accounts for \$23,756,950 of the total, a decrease of \$6,500,138 or 21.4% from the previous year. Business-Type Activities net position is \$50,900,736, an increase of \$2,084,416 or 4.3% from 2016. The decrease in Governmental Activities reflects the impact of Village financed street construction in 2017. The increase in Business Activities represents the Village's continuing commitment to replacement of utility infrastructure.

The Village ended 2017 with a fund balance of \$11,257,914 for all Governmental funds, \$2,986,453 of this balance is available for spending at the government's discretion (unassigned fund balance). At the end of the year, management had designated \$4,007,780 as assigned for specific purposes and \$4,263,681 as restricted or non-spendable. This amount is primarily due to advances due from other funds in the General Fund and expenditures constrained by external factors such as grants or regulations defining specific use.

The unassigned fund balance for the General Fund is \$3,402,362 at December 31, 2017 which is a decrease of \$2,302,323 or 34% from 2016. The 2016 year-end fund balance was significantly higher due to the sale of the old Municipal Service building and property. The offsetting expenses associated with the construction of the new Municipal Services building occurred the following year. This unassigned fund balance is 53.3% of general fund unassigned and 46.8% of all unassigned of the Village's 2017 General Fund Expenditures and Other Financing Uses of \$6,383,443.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis serves as an introduction to the Village of Little Chute's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE STATEMENTS

The Village's basic financial statements include two government-wide financial statements, the Statement of Net Position (page 26) and the Statement of Activities (page 27-28). These financial statements are designed to provide the reader with a broad overview of the Village's financial condition as of December 31, 2017.

The Statement of Net Position presents information on all of the Village's assets and deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village, as a whole, is improving or deteriorating.

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For Year Ended December 31, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS (cont'd)

General Fund

The General fund (Major fund) is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources other than major capital projects that are legally restricted to expenditures for specified purposes. In 2017, the Village of Little Chute used special revenue funds to account for:

Community Development Grants	Library/Civic Center
Aquatics	Sanitation Services
Consolidated Police Services (Major fund)	Promotional
Van/Leshout Recreation Center	

Debt Service Fund

The Debt Service fund (Major fund) is used to account for the accumulation of resources for and the payment of general long-term debt, principal, interest, and related costs (other than those being financed by proprietary funds).

Capital Project Funds

Capital projects are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment (other than those financed by proprietary funds). In 2017, the Village of Little Chute used capital project funds to account for:

Construction Projects (Major fund)	TIF District #1
TIF District #4 (Major fund)	TIF District #5 (Major Fund)
TIF District #6	Facility and Technology
Equipment Revolving	Village North Development
Park Improvement	

Data from the non-major governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Village of Little Chute adopts annual budgets for its various funds in accordance with state statutes. Budgetary comparison statements and schedules are included in the basic financial statements for the general fund and any major special revenue funds. These statements and schedules demonstrate compliance with the Village's adopted and final budget. The basic governmental fund financial statements can be found on pages 29 to 34 of this report.

Proprietary Funds

The Village charges customers for the utility services it provides, i.e., the Sanitary Sewer, Storm Water and Water Utilities. These services are accounted for and reported in the proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and Statement of Activities.

Proprietary, or enterprise, funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. In 2017, the Village of Little Chute used enterprise funds to account for:

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For Year Ended December 31, 2017

OVERVIEW OF THE FINANCIAL STATEMENTS (cont'd)

Water Utility (Major fund)
Sewer Utility (Major fund)
Storm Water Utility (Major fund)

The basic proprietary fund financial statements can be found on pages 35 to 37 of this report.

Fiduciary Funds

Agency Funds

Agency funds are used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. In 2017, the Village of Little Chute used an Agency fund to account for property tax collections on behalf of other taxing units. The Village of Little Chute collects property taxes through the first installment at January 31. Following that date, Outagamie County is responsible for remaining property tax collections.

Pension Trust Fund

A pension Trust Fund is used to account for assets held in a trustee capacity on behalf of its volunteer fire department members. The Village accounts for assets of the Village of Little Chute Fire Department Length of Service Awards Program in a Pension Trust Fund. Employees of the Village covered by the Wisconsin Retirement System administered by the State of Wisconsin are excluded from the pension trust fund. Elected representatives are not included in any pension plan.

Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Village's own programs.

The basic fiduciary fund financial statements can be found on pages 38 and 39 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 40 to 70 of this report.

Other Required and Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information. Other required supplementary information can be found on pages 71 to 76 of this report. Combining and individual fund statements and schedules can be found on pages 77-101 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As stated earlier in the discussion, net position totals \$74,657,325 for the Village of Little Chute as of December 31, 2017. This includes total assets and deferred outflows of resources of \$114,501,624 and total liabilities and deferred inflows of resources of \$39,844,299.

Capital assets (land, buildings, equipment, and infrastructure) account for over 72% of the Village's total assets and deferred outflows of resources. This includes the Village's investment in roads, sewer, water and storm water infrastructure and ponds. The decrease in capital assets of \$575,217 for governmental activities represents a decrease of \$665,997 of land due to the sale of Village land and an increase of \$446,499 in construction in progress which represents the design and preconstruction phase of the Municipal Services Building.

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Year Ended December 31, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont'd)

Property taxes levied in 2017 increased \$341,751 and accounted for 49.6% of total governmental revenue, while charges for services comprise over half of the operating revenues generated by business-type activities

The graphs on page 16 provide a breakdown of all governmental activities revenues and expenses

VILLAGE OF LITTLE CHUTE CHANGES IN NET POSITION
December 31, 2017 and 2016

	Governmental Activities		Business-Type Activities		Total
	2017	2016	2017	2016	2016
Revenues					
Program Revenues					
Charges for Services	\$ 1,204,041	\$ 992,302	\$ 3,992,077	\$ 5,107,021	\$ 7,194,956
Operating Grants & Contributions	700,168	801,335	-	-	1,501,503
Capital Grants & Contributions	444,919	656,632	786,670	1,653,397	2,887,618
General Revenues	6,828,013	5,646,262	-	-	12,474,275
Other Taxes	14,558	61,505	-	-	76,063
Other Capital Revenues	3,035,303	4,149,752	117,647	113,949	7,315,260
Total Revenues	13,033,943	13,348,325	4,896,394	6,874,277	18,804,297
Expenses					
General Government	1,394,457	1,401,559	-	-	2,796,016
Public Safety	5,029,149	4,703,825	-	-	9,732,974
Police Work	9,136,304	3,212,730	-	-	12,349,034
Public Works	1,363,366	1,877,870	-	-	3,241,236
Public Utilities	281,853	412,282	-	-	694,135
Community Development	1,565,991	1,578,271	-	-	3,144,262
Capital Outlay	2,156,033	1,946,623	-	-	4,102,656
Storm Water Utility	825,673	901,869	-	-	1,727,542
Total Expenses	18,809,881	13,083,943	4,808,207	4,407,602	23,318,278
Change in Net Position	(5,775,938)	259,382	(911,813)	2,466,675	(4,210,874)
Net Position - Beginning (Restated 2016)	30,256,728	30,718,456	48,916,319	47,025,644	79,073,047
Net Position - Ending	24,480,790	30,977,838	48,004,506	49,492,319	73,857,447

Charges for Services increased by \$242,539 in the governmental activities due to an increase in public works for sanitation services and an increase in public safety for citations and increased by \$255,046 in the business-type activities due to an increase in stormwater commercial and industrial charges for services from 2016 to 2017.

Operating Grants and Contributions decreased by \$95,167 due to a decrease in public works road grants and a decrease in local street state aid from 2016 to 2017.

Capital Grants and Contributions decreased by \$211,713 in the governmental activities due to a decrease in public works special assessments contributions and increased by \$135,403 in the business-type activities due to an increase in stormwater contributed capital from 2016 to 2017.

Capital contributions for each proprietary fund are as follows: Sewer - \$71,221, Water - \$63,491 and Storm Water - \$653,958.

Business-type activities report the operations of the water, sanitary sewer and storm water utilities. Net position for business-type activities increased \$2,084,417 from 2016. In 2017, the Village Board increased the storm water rates from \$7 to \$8. Overall, revenues for all three utilities remain flat - continued increases are driven by development and new customers.

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Year Ended December 31, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont'd)

There was also an increase of \$1,112,128 for capital asset additions. This consisted of \$12,895 for land improvements, \$62,830 for buildings, \$687,928 for vehicles and equipment and \$348,385 for infrastructure additions.

In addition, an increase in capital assets for business-type activities of \$1,284,229 represents a decrease in construction in progress of \$581,806 and an increase of \$2,435,664 due to the completion of the Grand Avenue and McKinley and Wilson Streets projects during 2017. The Water Utility started a \$1.2 million project at Well #1 in 2016 that was completed in 2017. The Village standard for road construction requires the replacement of water, sanitary sewer and storm water infrastructure, if appropriate.

Non-current liabilities, most of which were incurred to finance capital assets, account for over 78% of all Village liabilities and deferred inflows of resources. The Village issued \$1,163,760 of Water revenue bonds in December of 2017.

The following table provides a recap of the Village's net position:
VILLAGE OF LITTLE CHUTE NET POSITION
December 31, 2017 and 2016

	Governmental Activities		Business-Type Activities		Total
	2017	2016	2017	2016	2016
Current and Other Assets	\$ 20,654,278	\$ 20,070,324	\$ 9,000,787	\$ 7,750,210	\$ 29,843,005
Capital Assets	31,751,781	32,325,989	30,819,560	40,531,231	81,898,329
Deferred Outflows of Resources	1,364,440	2,780,608	185,758	4,386,537	3,019,200
Total Assets and Deferred Outflows of Resources	54,480,519	55,708,691	40,011,105	57,200,078	113,220,000
Long-Term Liabilities	30,404,150	14,565,526	7,312,543	6,956,405	41,627,991
Other	3,325,945	3,694,368	1,701,763	1,653,590	5,346,346
Deferred Inflows of Resources	6,909,854	7,089,341	80,054	90,404	1,169,653
Total Liabilities and Deferred Inflows of Resources	30,733,929	25,462,223	8,110,370	8,700,409	34,156,022
Net Position	19,995,177	16,907,942	31,900,735	48,499,669	79,073,047
Net Investment in Capital Assets	1,688,215	3,072,472	2,877,033	1,419,816	5,446,297
Restricted	2,877,188	1,325,314	3,310,595	5,036,602	16,351,919
Unrestricted	23,796,690	30,250,728	30,900,795	46,816,319	74,857,225
Total of Net Position	28,362,093	34,653,514	37,088,423	52,272,737	79,073,047

The following table on page 15 provides a summary of the Village's change in net position for 2017. Net position for governmental activities decreased \$6,500,138. The Village decrease in Other General Revenues of \$510,419 consists mainly of a decrease in sale of property from 2016 to 2017. Overall, all other revenue line items increased \$252,372 in 2017 as compared to 2016.

Expenses of the governmental activities increased \$5,726,038 or 44%, as compared to 2016. The majority of this increase is due to maintenance on Municipal Services Buildings and vehicles

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Year Ended December 31, 2017

INDIVIDUAL FUND FINANCIAL ANALYSIS

Revenues for the General Fund totaled \$3,856,250 in 2017, an increase of \$56,760 or 1.5% from the previous year. General Fund other Financing Sources totaled \$224,870 in 2017 which represents a decrease of \$89,044 or 23%. The net change in fund balance was a decrease of \$2,302,323 or 64% as compared to 2016. The significant decrease highlights the impact of the Municipal Services Building in 2017 and the one time nature of that transaction. The following schedule presents a summary of General Fund revenues and Other Financing Sources comparing the Adopted and Amended budgets. Actual revenues and the change from the previous year (Note: The Budget presented below is for the General Fund only as adopted and does not include several special revenue funds that have been included with the General Fund for financial statement purposes in accordance with GASB #54.)

General Fund Revenue and Other Financing Sources	2017		2017 Actual	Increase (Decrease) From 2016
	Adopted Budget	Amended Budget		
Taxes	\$ 1,217,369	\$ 1,217,369	\$ 1,217,945	\$106,248
Intergovernmental	2,128,635	2,128,635	2,143,703	(41,679)
Licenses & Permits	118,233	118,233	128,602	179
Charges for Services	78,600	78,600	100,549	19,420
Intergovernmental				
Charges for Services	39,947	39,947	10,137	(34,486)
Fines & Forfeitures	110,000	110,000	81,009	(11,625)
Investment Income & Interest	11,000	11,000	13,392	3,342
Other	117,100	117,100	159,478	16,443
TOTAL REVENUES	\$ 3,820,914	\$ 3,820,914	\$ 3,855,015	\$ 57,840

Other Financing Sources
Sale of Village Property \$ 8,870 \$ (393,825)
Transfers In \$ 216,000 \$ 216,000 \$ 216,000 \$ (101,097)

The largest variance was an increase in Taxes of \$106,248 or 8.6% which reflects an increase in the allocation of property taxes to the General Fund.

Intergovernmental revenue decreased \$41,679 or 1.9% due to decreases in General Transportation Aids (\$45,000), Shared Revenue and State Exempt Computer Aid decreased slightly, whereas, State Expenditure Restraint, State Aids for Connecting Streets, and Fire Insurance Tax from State increased minimally. Road aids are calculated using a six year average by the State of Wisconsin; the Village has made a commitment to a consistent level of road reconstruction in its Capital Improvement Program to ensure that Village road aids will be maintained or increase for the next five years.

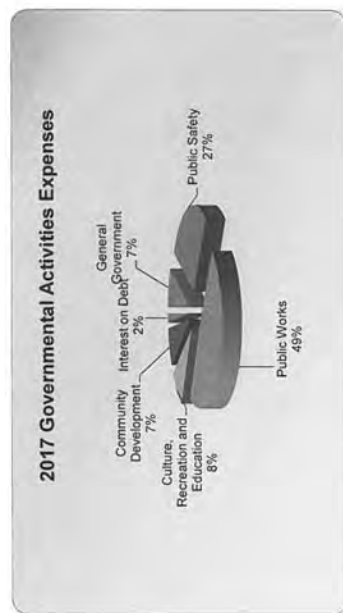
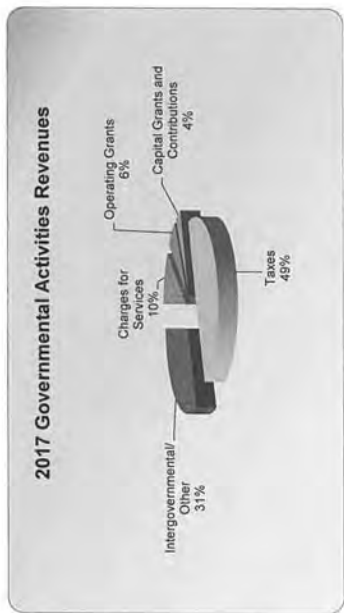
Public charges for services increased by \$36,935 or 6.2% in 2017. Park fees increased by \$8,200 due to increased use of the parks and an increase in general fund recreational charges for services by \$23,978 due to an increased use in recreational services.

Intergovernmental charges for services decreased by \$19,474 or 11.1% in 2017. Local school service charges in the consolidated police services fund increased by \$15,014 which is offset by a decrease in crossing guard reimbursements in the general fund by \$34,488.

Fines and forfeitures decreased \$11,625 or 12.5% in 2017 as compared to 2016. The level of revenue is directly tied to the sustainability of pursuing an aggressive collection policy which includes the issuance of suspensions and warrants.

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
For Year Ended December 31, 2017

GOVERNMENT-WIDE FINANCIAL ANALYSIS (cont'd)



VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For Year Ended December 31, 2017

INDIVIDUAL FUND FINANCIAL ANALYSIS (cont'd)

The Village is maintaining its level of services, however, ordinary wage and benefit increases, and normal, routine business costs continue to put pressure on the Village's ability to manage the property tax levy.

The General Fund completely excludes police protection. The Village records its share of the Fox Valley Metro Police Department in the Consolidated Police Services Fund.

Overall, Revenue and Other Financing Sources were less than Expenditures and Other Financing Uses by \$2,302,323, resulting in a decrease of fund balance to \$4,457,522 for the General Fund. At the end of the current fiscal year, the Village of Little Chute's governmental funds reported combined ending fund balances of \$11,257,914 or an increase of \$708,524 over 2016. The increase in the Village's overall fund balance is due to significant increases to fund balances in the Construction Project fund balance, the debt service fund, and the Nonmajor Governmental funds fund balances, in particular, the Library/Civic Center, TID #1, Equipment Revolving, and Village North Development. These increased fund balances offset the decrease in fund balance in the General Fund.

In accordance with Government Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Government Fund Type Definitions, the Village has classified the governmental fund balance as follows: 1) Nonspendable - \$655,604; 2) Restricted - \$3,408,077; 3) Assigned - \$4,007,780 and 4) Unassigned - \$2,986,453. The Village had no committed fund balance at December 31, 2017. Nonspendable funds include amounts that cannot be spent because they are not in spendable form (inventories or prepaid expenses, for example), or are legally required to remain intact. Restricted funds consist of amounts that have limitations placed on their use that are externally enforceable by creditors, grantors, contributors, or other governments, or by law through constitutional provisions or enabling legislation. Committed funds include amounts that are constrained for specific purposes through formal action of the highest level of decision making authority, usually the Village Board. Assigned funds consist of spendable amounts that are intended to be used for specific purposes that are not considered restricted or committed. Unassigned funds include the residual balance within the general fund which has not been classified within the other categories. Unassigned fund balance may also include deficit balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes. Further explanations of fund balance classification can be found in Note 1 – page 48 of the financial statements.

At December 31, 2017, the fund balance in the General Fund totals \$4,457,522. \$636,411 is nonspendable, \$2,187,49 is assigned and \$3,402,362 is unassigned. The unassigned fund balance represents 76.3% of the 2017 General Fund expenditures and other financing uses approved budget.

Municipal credit analyst Moody's Investors Service considers the emphasis focused on the fund balance policy by management and the governing body an important indicator of a Village's financial priorities. The consistently strong fund balance status continues to contribute to the Village of Little Chute maintaining a steady Aa3 bond rating.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for particular purposes. The Village had seven Special Revenue Funds in 2017: Community Development Grants, Aquatics, Sanitation Services, Consolidated Police Services (Major), Library/Civic Center, VanLieshout Recreation Center, and Promotional.

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For Year Ended December 31, 2017

INDIVIDUAL FUND FINANCIAL ANALYSIS (cont'd)

Investment and interest income had an increase of \$3,342 or 33.3% in 2017. Interest rates have continued to gradually climb.

Other income decreased by \$98,955 or 28.5% in 2017. Workers compensation reimbursements decreased by \$15,478 in the general fund as well as in the construction projects fund by \$114,194. These decreases are offset by an increase in the general fund for liability insurance dividends by \$23,000.

Other Financing Sources recognizes the annual transfer of \$216,000 from the water utility for payment in lieu of taxes in 2017. As a whole, Other Financing Sources decreased in 2017 as compared to 2016 by 58.8% because of the sale of Village Property in the amount of \$402,695 and the Transfer in of excess tax increment from the termination of TID #2 in the amount of \$10,057 that occurred in 2016.

Expenditures and Other Financing Uses of the General Fund totaled \$6,383,443 in 2017, an increase of \$2,151,464 or 50.8% from the previous year. This reflects an unbudgeted Transfer to other funds of \$2,550,935, an increase of \$2,125,097 as compared to 2016. The following schedule presents a summary of Adopted and Amended budgets, Actual Expenditures and Other Financing Uses along with the change from the previous year. (Note: The Budget presented below is for General Fund only as adopted and does not include several special revenue funds that have been included with the General Fund for financial statement purposes in accordance with GASB #54.)

General Fund Expenditures and Other Financing Uses	2017 Adopted Budget	2017 Amended Budget	2017 Actual	Increase (Decrease) From 2016
General Government	\$ 1,290,745	\$ 1,290,745	\$ 1,218,828	\$ (7,287)
Public Safety	788,087	788,087	741,681	(29,015)
Public Works	1,231,130	1,231,130	1,129,983	(42,731)
Culture, Recreation and Education	658,876	658,876	684,716	64,944
Conservation & Development	12,800	12,800	13,217	7,477
Capital Outlay	10,000	10,000	997	(10,297)
Other Financing Uses	43,276	43,276	2,594,211	2,188,373
Total Expenditures and Other Financing Uses	\$ 4,034,914	\$ 4,034,914	\$ 6,383,443	\$ 2,151,464

General Government decreased \$7,287 or 6%. There were no significant increases or decreases for any specific department within this category.

Public Safety decreased \$29,015 or 3.8%. Crossing Guards shows a significant decrease within this category due to the Village no longer serving as the fiscal agent for the Village of Kimberly's crossing guard program.

Public Works decreased \$42,731 or 3.5%. Municipal Services Building Maintenance shows the largest amount of resource allocation within this category while Administration shows a significant decrease due to a position vacancy.

Culture, Recreation and Education increased by \$64,944 or 10.5%. Forestry and Recreation show the largest amount of resource allocation within this category.

Other financing sources increased by \$7.1 million from 2017. This is due to the issuance of GO Bonds in the amount of \$8,275 million, offset by a decrease in the sale of village properties and an increase in transfers out.

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For Year Ended December 31, 2017

INDIVIDUAL FUND FINANCIAL ANALYSIS (cont'd)

Special Revenue Funds (cont'd)

Sanitation Services – The Village operates the residential and commercial garbage collection function as a special revenue fund supported by user fees. As of January 1, 2017, this function is billed monthly by the Village. No increase in rates was authorized for 2017. Equipment is shared with the Village of Kimberly and maintenance and replacement costs are allocated on a percentage basis based on the total number of collection points for each community.

Library/Civic Center – Library operation is a joint department serving the Villages of Little Chute and Kimberly. Revenue includes charges for services and tax levy. The Village of Kimberly serves as the fiscal agent.

Debt Administration

On December 31, 2017, the Village had \$29,735,467 of debt outstanding, with varying maturity dates. Included is \$23,791,337 of general obligation bonds and notes, \$5,944,130 of revenue bonds payable.

Under Wisconsin statutes, general obligation debt is legally limited to five percent of total equalized value of real and personal property. As of December 31, 2017, the Village's equalized value was \$771,958,700 resulting in a legal debt limit of \$38,578,455. The outstanding balance of \$23,791,337 represents 61.67% of the legal limit. The Governmental Activities are responsible for \$20,774,052 of the \$23,791,337 general obligation debt. In Wisconsin, the full amount of general obligation debt is compared to the legal limit.

The Village Board monitors its debt policy and position annually. The policy initiatives focus on infrastructure priorities, financing sources, and overall debt margin. Policy guidelines are reviewed with regard to the legal debt margin, and to maintain a debt service tax rate burden that is level over a several year period. The Village Board has adopted a target debt ratio to be 50% of the legal limit. The increase in the debt ratio in 2017 is attributed to the issuance of \$7,810,399 in GO Debt for Capital Projects and \$464,601 for Business Activities. The increase was partially offset by the 6.1% increase to the equalized value which created a higher debt ceiling.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition of major capital facilities other than those financed by proprietary funds and other funds. The Village has ten capital project funds with activity in 2017: Construction Projects (Major), Village North Development, TID District #1, TID District #2, TID District #4 (Major), TID District #5 (Major), TID #6, Equipment Revolving, Facility and Technology and Park Improvement. Primary sources of revenue for these projects are tax levies, special assessments, and debt proceeds.

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For Year Ended December 31, 2017

INDIVIDUAL FUND FINANCIAL ANALYSIS (cont'd)

Capital Projects Funds (cont'd)

Construction Projects – The Village conducts numerous public works infrastructure improvement projects each year. The purpose is to maintain its extensive infrastructure and to construct new streets, bridges, and other projects. Primary funding is provided through new debt proceeds or temporary use of fund balance. The Village offered new debt in 2017 to assist in the financing of the new Municipal Services Building.

Village North Development – The Village created a fully improved thirty-five lot subdivision in 2011. Interfund receivables were utilized to finance the infrastructure construction. Lot sales were utilized to repay the receivables to the General Fund and the Village utilities. All of the lots have been sold in the Village North Development.

TID #1 – Tax Increment District #1 completed its project plan expenditure period on May 8, 2012. The Village adopted Resolution No. 11, Series 2017 terminating TID #1 as of May 8, 2017. In this downtown district, no excess tax increment was created.

TID #4 – Tax Increment District #4 was created in 2007 to provide development incentives for expansion in the West Evergreen Drive corridor and support new street infrastructure. During 2014, the Village purchased approximately 69.8 acres from Evergreen Development, LLC at a cost of \$4 million dollars. TID #4 has a total new growth value of \$9.8 million during 2017. That value consisted of 25 single family homes with a value of \$6.2 million and 4-12 unit apartment buildings with a value of \$3.6 million. The Village expects continued single family construction during 2018.

TID #5 – Tax Increment District #5 was newly created in September 2013 as an overlay district on TID #2. It will help to continue to provide additional infrastructure and development incentives in the Village's industrial park.

TID #6 – Tax Increment District #6 was newly created in July 2016 to provide development incentives and support new infrastructure construction north of Interstate 41. TID #6 has a total new growth value of \$33 million in commercial improvements in 2017.

Proprietary Funds

The Village's Water, Sewer, and Storm Water Utility operations are reported as Enterprise Funds. A summary of 2017 Water Utility financial subtotals is included in the following table.

Water Utility Fund	2017 Amount	Percent of Operating Revenue	Increase (Decrease) from 2016
Operating Revenues	\$ 2,175,455	100.0%	\$ (29,772)
Operating Expenses	1,065,053	49.9%	15,419
Depreciation	416,637	19.2%	27,331
Operating Income	673,765	31.0%	(72,522)
Non Operating Revenues			
(Expenses) - Net	22,548	(1.0)%	83,220
Income before Contributions and Transfers	696,313	32.0%	10,698
Capital Contributions	63,491		(89,089)
Transfer Out	(207,287)		5
Change in Net Position	\$ 552,517		\$ (78,386)

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For Year Ended December 31, 2017

INDIVIDUAL FUND FINANCIAL ANALYSIS (cont'd)

A summary of 2017 Storm Water Utility financial subtotals is included in the following table.

Storm Water Utility Fund	2017 Amount	Percent of Operating Revenue	Increase (Decrease) From 2016
Operating Revenues	\$ 1,055,988	100.0%	\$ 177,235
Operating Expenses	380,144	36.0%	(28,499)
Depreciation	374,355	35.5%	12,354
Operating Income	301,489	28.6%	193,380
Non Operating Revenues	(76,534)	(7.2)%	29,573
(Expenses) - Net	224,955	21.3%	222,950
Income before Contributions and Transfers	653,958		311,742
Capital Contributions	\$ 878,913		\$ 534,695
Change in Net Position			

Storm Water Utility - The storm water utility had an operating income of \$301,489 and an increase in the change in net position of \$878,913. In 2017, the change in net position is driven by an increase in capital contributions and operating revenues. In 2017, the Village Board increased the storm water rates from \$7.00 to \$8.25. Capital contributions in 2017 were for infrastructure at various public and private developments.

The Village drains into two separate watersheds: Apple Creek and Fox River. Each watershed has differing standards and requirements for existing development. Significant planning and design continues for both drainage basins. Compliance with State regulatory agencies for storm water control is mandated for all new development. Future requirements include remediation of existing runoff.

The Village had a current monthly storm water user fee of \$7.00 per ERU (Equivalent Runoff Unit) for 2016. Effective January 1, 2017, the monthly storm water user fee was increased to \$8.25 per ERU. Revenue is intended to cover current and future debt service requirements and maintenance of expanding storm water facilities.

BUDGETARY ANALYSIS

The Village's General Fund final adopted expenditures and other financing uses budget totaled \$4,034,914. Actual General Fund expenditures and financing uses were \$6,383,443, or 58.2% over budget for 2017. The variance was due to unbudgeted Operating Transfers Out of \$2,550,935 offset by a favorable expenditure variance of \$202,406 in all of the General Fund functions. Other Financing Uses were the unbudgeted transfers to Construction Projects and Capital Project Funds (TID #1, Equipment Revolving, and Village North Development). The Village's final General Fund revenue and other financing sources budget totaled \$4,036,914. Actual general fund revenue and other financing sources exceeded budget by \$42,971 or 1.1%. Other Financing Sources represent \$8,870 of the variance and represent Sale of Village Properties.

General fund statements highlighting budget vs. actual variances can be found on pages 71 and 83 of this report.

VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS
 For Year Ended December 31, 2017

INDIVIDUAL FUND FINANCIAL ANALYSIS (cont'd)

Water Utility - The Public Service Commission of Wisconsin authorized a 3% increase in water rates effective September 29, 2015. The new rates were required due to the lack of growth in operating revenues and the amount of debt to be paid for replacement infrastructure. In 2016 significant investments to Well 1 were undertaken but were not completed until 2017.

The Change in Net Position decreased \$78,388 or 12.4% in 2017. The decrease is clearly driven by the decrease in capital contributions. The rate of return was 6.66% for 2017 and 7.46% for 2016.

Reasonable cost allocations are made between the utility and the General Fund to recognize shared Village management and services.

The Utility Commission contracts with a private firm to operate the water system. As of December 31, 2015, the utility terminated its contract with Kaukauna Utilities (a municipal electric utility serving Kaukauna and Little Chute) to perform all meter reading, billing and collection functions. Rates which were proposed to be significantly higher for the next contract period resulted in a revaluation of the cost-effectiveness for the utility. Beginning January 1, 2016 the utility is performing its own meter reading, billing and collection operations. Ownership of all assets is retained by the Village.

A summary of 2017 Sewer Utility financial subtotals is included in the following table.

Sewer Utility Fund	2017 Amount	Percent of Operating Revenue	Increase (Decrease) from 2016
Operating Revenues	\$ 2,730,654	100.0%	\$ 107,583
Operating Expenses	1,927,067	70.6%	173,387
Depreciation	205,110	7.5%	3,188
Operating Income	598,477	27.7%	(69,002)
Non Operating Revenues	(7,999)	(.3)%	(6,310)
(Expenses) - Net	590,478	21.6%	(75,312)
Income before Contributions and Transfers	71,221		(87,250)
Capital Contributions	(8,713)		(5)
Transfer Out			
Change in Net Position	\$ 652,986		\$ (162,567)

Sewer Utility - The Village Board has not authorized an increase in sewer rates since July 1, 2011.

The Change in Net Position decreased \$162,567 or 19.9% in 2017. The decrease is clearly driven by the reduction in capital contributions of \$87,250 and an increase in operating expenses. In 2017 capital contributions continued for various development projects.

The Village of Little Chute belongs to the Heart of the Valley Metropolitan Sewerage District (HOVSD). The sewer utility is fully self-supporting. Reasonable cost allocations are made between the utility and the General Fund to recognize shared Village management and services.

**VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS**
For Year Ended December 31, 2017

ECONOMIC FACTORS, 2017 TAX RATES, AND THE 2018 BUDGET

The Village of Little Chute's economy continues to report steady employment. The Appleton MSA's 2017 unemployment rate continued to decrease from 3.6% to 2.5% by year end, it remains consistently better than the state or national averages. The Village experienced an increase in residential, multi-family and commercial development in 2017. Residential and multi-family development increased \$7.2 million or 1.5%, commercial increased \$4.1 million or 2.5% and industrial decreased \$950 thousand or 1.2%. Net new construction is a significant component of the levy limits imposed by the State of Wisconsin.

The Village's equalized property value continued to increase \$44,798,100 or 6.2% in 2017 as compared to an increase of 3.2% in 2016. The Village anticipates a fifth consecutive year of increases in equalized value for 2018. The Village remains positively positioned for continued growth in 2018 and in the future.

Despite the difficult budgetary environment, the Village's 2017 budget enacted a property tax levy of \$4,925,911 or an increase of \$411,237 or 9.1%. New levy limit legislation enacted by the State of Wisconsin limits property tax levy increases to the amount of net new construction or 0.00% plus or minus several adjustments (debt service). The 2017 (2018 budget) assessed tax rate of \$7.21 per \$1,000 of assessed valuation was a decrease of \$0.10 or 1.4% in 2017. The decrease in the tax rate reflects that the Village's significant equalized growth was sufficient to sustain Village services while returning excess to the taxpayers by incorporating a rate reduction.

REQUEST FOR FINANCIAL INFORMATION

This financial report is designed to provide a general overview of the Village of Little Chute's finances for citizens, investors, or anyone who would have an interest. Additional information regarding the Village's finances or questions concerning any of the information found in this report should be addressed to the Village of Little Chute Finance Director, 108 W. Main Street, Little Chute WI 54140. Other information related to the Village can be accessed on the Village's website at www.littlechutewi.org

**VILLAGE OF LITTLE CHUTE
MANAGEMENT'S DISCUSSION AND ANALYSIS**
For Year Ended December 31, 2017

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2017, the Village of Little Chute had capital assets of \$82,567,341, net of accumulated depreciation, for all governmental and business-type activities of the Village. This amounts to a \$709,012 increase or .9% from 2016.

In the governmental activities, capital assets decreased due to the sale of Village owned property, particularly the sale of the Municipal Services Building property. Conversely, in 2017 there were significant additions in vehicles and equipment, and infrastructure. In the Village's business-type activities, major capital additions and construction in progress include investment in the water plant and water, sewer and storm water systems. The following table provides a summary of the Village's change in capital assets.

Detail of capital assets can be found in the Notes to the Financial Statements on pages 54-55

	VILLAGE OF LITTLE CHUTE CAPITAL ASSETS				
	Governmental Activities		Business-Type Activities		Total
	2017	2016	2017	2016	
Landright of way	\$ 3,890,977	\$ 4,556,074	\$ 3,040,122	\$ 3,053,091	\$ 6,090,299
Land improvements	1,876,545	1,963,590	5,907,418	5,907,418	7,710,978
Buildings	6,207,785	8,144,595	1,575,533	1,561,497	7,792,628
Vehicles and equipment	9,099,280	8,059,342	3,633,873	2,919,366	12,732,153
Infrastructure	32,758,179	32,419,814	50,148,983	46,553,862	92,917,842
Construction in progress	915,472	468,973	93,841	675,147	1,066,415
Total Capital Assets	54,756,468	54,012,328	62,309,370	62,559,381	118,198,338
Less Accumulated Depreciation	(13,056,681)	(12,686,850)	(13,548,310)	(13,056,456)	(38,568,897)
Capital assets, net of depreciation	\$ 31,751,787	\$ 31,325,478	\$ 48,761,060	\$ 49,502,925	\$ 82,207,341

Outstanding Debt

The Village's outstanding general obligation debt (backed by the full faith and credit of Village taxpayers) as of December 31, 2017, totals \$23,791,337. In addition, the Village had revenue debt outstanding of \$5,944,130 backed by revenues generated from the water and storm utilities and property taxes from TID #5

Village outstanding debt has an Aa3 bond rating from municipal rating agency Moody's Investors Service following a recalculation of all municipal debt issuers in 2010. The continued strength of the bond rating is due to the Village's solid financial operation supported by healthy reserves with a stable tax base and continued economic development. While recognizing a high debt burden, it is offset by rapid amortization of debt as well as multiple revenue sources of debt retirement other than property taxes.

VILLAGE OF LITTLE CHUTE

Statement of Net Position

December 31, 2017

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and Investments	\$ 11,066,791	\$ 3,230,803	\$ 14,297,594
Receivables:			
Taxes	3,474,018	-	3,474,018
Accounts	-	836,302	836,302
Special Assessments	2,314,074	1,411,368	3,725,442
Accrued Interest	4,915	14,681	19,596
Loans	541,354	-	541,354
Other	379,755	236,967	616,722
Prepaid Items	19,193	-	19,193
Due from Other Governments	5,037	-	5,037
Internal Balances	216,000	(216,000)	-
Inventories	-	56,524	56,524
Restricted Assets:			
Cash and Investments	2,813,142	3,438,142	6,251,284
Land	3,890,677	3,040,122	6,930,799
Construction in Progress	915,472	93,941	1,009,413
Capital Assets Net of Depreciation	26,945,632	47,681,497	74,627,129
Total Assets	52,586,060	59,824,347	112,410,407
Deferred Outflows of Resources:			
Deferred Amount of Refunding Loss	22,500	-	22,500
Deferred Outflows Related to Pension	1,881,960	186,758	2,068,718
Total Deferred Outflows of Resources	1,904,460	186,758	2,091,218
Total Assets and Deferred Outflows of Resources	54,490,520	60,011,105	114,501,625
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities:			
Accounts Payable	479,007	350,006	829,013
Deferred Revenue	-	209	209
Other Accrued Liabilities	160,141	6,506	166,647
Due to Other Governments	99,422	28,996	128,418
Unearned Revenue	12,450	-	12,450
Accrued Interest	202,888	45,330	248,218
Noncurrent Liabilities:			
Due Within One Year	3,199,826	1,276,716	4,476,542
Due in More Than One Year	19,419,612	7,290,768	26,710,380
Net Pension Liability	250,730	21,774	272,504
Total Liabilities	23,824,076	9,020,305	32,844,381
Deferred Inflows of Resources:			
Taxes Levied for Subsequent Periods	6,141,416	-	6,141,416
Deferred Inflows Related to Pension	768,438	90,064	858,502
Total Deferred Inflows of Resources	6,909,854	90,064	6,999,918
Total Liabilities and Deferred Inflows of Resources	30,733,930	9,110,369	39,844,299
NET POSITION			
Net Investment in Capital Assets	16,497,523	44,712,707	61,210,230
Restricted for Debt Service	1,023,423	2,802,113	3,825,536
Restricted for Pension Benefits	862,792	74,920	937,712
Unrestricted	5,372,852	3,310,996	8,683,848
TOTAL NET POSITION	\$ 23,756,590	\$ 50,900,736	\$ 74,657,326

VILLAGE OF LITTLE CHUTE
Statement of Activities
For the Year Ended December 31, 2017

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 1,394,497	\$ 61,073	\$ 35,110	\$ -
Public Safety	5,029,146	374,805	54,889	-
Public Works	9,136,504	633,296	616,169	406,258
Culture, Recreation and Education	1,564,566	159,552	-	38,661
Conservation and Development	1,363,448	6,115	-	-
Interest	321,820	-	-	-
Total Governmental Activities	18,809,981	1,234,841	706,168	444,919
Business-Type Activities:				
Water	1,555,991	2,175,455	-	63,491
Sewer	2,156,633	2,730,654	-	71,221
Stormwater	855,674	1,055,988	-	653,958
Total Business-Type Activities	4,568,298	5,962,097	-	788,670
TOTAL PRIMARY GOVERNMENT	\$ 23,378,279	\$ 7,196,938	\$ 706,168	\$ 1,233,589

General Revenues

Taxes:

Property Taxes, Levied for General Purposes

Property Taxes, Levied for Debt Service

Other Taxes

Intergovernmental Revenues not Restricted to Specific Programs

Investment Income

Gain on Sale of Property

Miscellaneous

Transfers

Total General Revenues and Transfers

CHANGE IN NET POSITION

NET POSITION - BEGINNING OF YEAR

NET POSITION - END OF YEAR

**Net (Expenses) Revenues and
Changes in Net Position**

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Totals</u>
\$ (1,298,314)	\$ -	\$ (1,298,314)
(4,599,452)	-	(4,599,452)
(7,480,781)	-	(7,480,781)
(1,366,353)	-	(1,366,353)
(1,357,333)	-	(1,357,333)
(321,820)	-	(321,820)
<u>(16,424,053)</u>	<u>-</u>	<u>(16,424,053)</u>
-	682,955	682,955
-	645,242	645,242
-	854,272	854,272
<u>-</u>	<u>2,182,469</u>	<u>2,182,469</u>
<u>(16,424,053)</u>	<u>2,182,469</u>	<u>(14,241,584)</u>
5,097,625	-	5,097,625
900,388	-	900,388
74,569	-	74,569
3,305,273	-	3,305,273
76,973	46,693	123,666
22,015	-	22,015
231,072	71,255	302,327
216,000	(216,000)	-
<u>9,923,915</u>	<u>(98,052)</u>	<u>9,825,863</u>
(6,500,138)	2,084,417	(4,415,721)
<u>30,256,728</u>	<u>48,816,319</u>	<u>79,073,047</u>
<u>\$ 23,756,590</u>	<u>\$ 50,900,736</u>	<u>\$ 74,657,326</u>

VILLAGE OF LITTLE CHUTE

Balance Sheet

Governmental Funds

December 31, 2017

	General	Tax Incremental District No. 4	Tax Incremental District No. 5
ASSETS			
Cash and Investments	\$ 3,709,353	\$ 507,904	\$ 166,230
Receivables:			
Taxes	736,366	443,809	210,148
Loans	221,354	-	-
Special Assessments	-	-	-
Accrued Interest	-	-	-
Other	186,310	-	-
Due from Other Governments	55	-	-
Due from Other Funds	216,000	-	-
Prepaid Items	-	-	-
Advances Due from Other Funds	836,411	-	-
Restricted Cash and Investments	604,559	375,118	177,623
TOTAL ASSETS	\$ 6,510,408	\$ 1,326,831	\$ 554,001
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)			
Liabilities:			
Accounts Payable	\$ 164,685	\$ -	\$ -
Other Accrued Liabilities	99,105	614	574
Due to Other Governments	99,422	-	-
Unearned Revenue	-	-	-
Advances Due to Other Funds	-	-	560,974
Total Liabilities	363,212	614	561,548
Deferred Inflow of Resources:			
Taxes Levied for Subsequent Periods	1,319,822	818,927	387,771
Unavailable - Special Assessments	-	-	-
Unavailable - Other Receivables	369,852	-	-
Total Deferred Inflows of Resources	1,689,674	818,927	387,771
Fund Balances (Deficit):			
Nonspendable	836,411	-	-
Restricted	-	507,290	-
Assigned	218,749	-	-
Unassigned (Deficit)	3,402,362	-	(395,318)
Total Fund Balances (Deficit)	4,457,522	507,290	(395,318)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)	\$ 6,510,408	\$ 1,326,831	\$ 554,001

Consolidated Police Services	Construction Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 99,801	\$ 489,379	\$ 4,607,342	\$ 1,486,782	\$ 11,066,791
981,889	186,574	588,158	327,074	3,474,018
-	-	-	320,000	541,354
-	17,480	2,296,594	-	2,314,074
-	-	4,915	-	4,915
62,770	-	-	130,675	379,755
4,982	-	-	-	5,037
-	-	-	-	216,000
11,728	-	7,465	-	19,193
-	-	-	-	836,411
829,918	157,697	391,822	276,405	2,813,142
<u>\$ 1,991,088</u>	<u>\$ 851,130</u>	<u>\$ 7,896,296</u>	<u>\$ 2,540,936</u>	<u>\$ 21,670,690</u>
\$ 25,913	\$ 142,833	\$ 208	\$ 145,368	\$ 479,007
53,370	3,705	-	2,773	160,141
-	-	-	-	99,422
12,450	-	-	-	12,450
-	-	-	275,437	836,411
91,733	146,538	208	423,578	1,587,431
1,811,807	344,271	855,393	603,425	6,141,416
-	17,480	2,296,596	-	2,314,076
-	-	-	-	369,852
1,811,807	361,751	3,151,989	603,425	8,825,344
11,728	-	7,465	-	855,604
-	342,841	1,023,423	1,534,524	3,408,078
75,820	-	3,713,211	-	4,007,780
-	-	-	(20,591)	2,986,453
87,548	342,841	4,744,099	1,513,933	11,257,915
<u>\$ 1,991,088</u>	<u>\$ 851,130</u>	<u>\$ 7,896,296</u>	<u>\$ 2,540,936</u>	<u>\$ 21,670,690</u>

VILLAGE OF LITTLE CHUTE
 Reconciliation of the Balance Sheet
 Governmental Funds to the Statement of Net Position
 December 31, 2017

Total Fund Balances - Governmental Funds \$ 11,257,915

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 31,751,781

Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements.

 Special Assessments 2,314,076
 Other Receivables 369,852

Losses on certain refundings of debt are not recognized in the fund financial statements but are reported and amortized over the term of the related debt in the government-wide statements. 22,500

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

 Pension Liability (250,730)
 Deferred Outflows of Resources Related to Pension 1,881,960
 Deferred Inflows of Resources Related to Pension (768,438)

Noncurrent liabilities, including bonds and notes payable, are not due in the current period and therefore not reported in the fund financial statements. Noncurrent liabilities reported in the statement of net position that are not reported in the funds balance sheet

 Bonds and Notes Payable (21,528,530)
 Accrued Interest on General Obligation Bond (202,888)
 Vested Employee Benefits (445,340)
 Other Post-Employment Benefits (645,568)

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 23,756,590

VILLAGE OF LITTLE CHUTE
Statement of Revenues, Expenditures, and Changes
in Fund Balances (Deficit) - Governmental Funds
For the Year Ended December 31, 2017

	General	Tax Incremental District No. 4	Tax Incremental District No. 5
REVENUES			
Property Taxes	\$ 1,217,945	\$ 660,804	\$ 294,199
Intergovernmental	2,143,703	866	45,477
Licenses and Permits	128,802	-	-
Public Charges for Services	100,549	-	-
Intergovernmental Charges for Services	10,137	-	-
Fines and Forfeitures	81,009	-	-
Special Assessments	-	-	-
Interest on Special Assessments	-	-	-
Investment Income	14,627	845	18
Contributions	-	-	-
Insurance Reimbursements	-	-	-
Other	159,478	-	-
Total Revenues	<u>3,856,250</u>	<u>662,515</u>	<u>339,694</u>
EXPENDITURES			
Current:			
General Government	1,218,628	-	-
Public Safety	741,681	-	-
Public Works	1,129,993	-	-
Culture, Recreation and Education	684,716	-	-
Conservation and Development	13,217	381,126	313,843
Capital Outlay	997	-	358,849
Debt Service			
Principal Retirement	-	-	-
Interest and Fees	-	-	-
Total Expenditures	<u>3,789,232</u>	<u>381,126</u>	<u>672,692</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>67,018</u>	<u>281,389</u>	<u>(332,998)</u>
OTHER FINANCING SOURCES (USES)			
Sale of Village Properties	8,870	325,140	-
Discount on Debt Issued	-	-	-
Premium on Debt Issued	-	-	-
Issuance of Debt	-	-	-
Transfers In	216,000	-	-
Transfers (Out)	(2,594,211)	(460,631)	(227,976)
Total Other Financing Sources (Uses)	<u>(2,369,341)</u>	<u>(135,491)</u>	<u>(227,976)</u>
NET CHANGE IN FUND BALANCES	(2,302,323)	145,898	(560,974)
FUND BALANCES - BEGINNING	<u>6,759,845</u>	<u>361,392</u>	<u>165,656</u>
FUND BALANCES (DEFICIT)- ENDING	<u>\$ 4,457,522</u>	<u>\$ 507,290</u>	<u>\$ (395,318)</u>

Consolidated Police Services	Construction Projects	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,673,895	\$ 317,407	\$ 1,043,102	\$ 882,355	\$ 6,089,707
1,620,061	-	-	256,724	4,066,831
25	-	-	-	128,827
3,048	-	-	512,200	615,797
145,342	-	-	-	155,479
1,854	-	-	-	82,863
-	15,369	716,544	-	731,913
-	-	29,590	-	29,590
-	11,160	16,877	3,851	47,378
1,500	-	-	37,178	38,678
-	-	-	30,719	30,719
15,247	57,394	-	16,059	248,178
<u>3,460,972</u>	<u>401,330</u>	<u>1,806,113</u>	<u>1,739,086</u>	<u>12,265,960</u>
-	-	-	246,028	1,464,656
3,383,178	-	-	636	4,125,495
-	7,011,089	-	416,216	8,557,298
-	-	-	715,771	1,400,487
-	-	-	30,087	738,273
28,642	-	-	1,170,139	1,558,627
-	-	1,981,927	-	1,981,927
-	38,340	417,928	9,658	465,926
<u>3,411,820</u>	<u>7,049,429</u>	<u>2,399,855</u>	<u>2,588,535</u>	<u>20,292,689</u>
<u>49,152</u>	<u>(6,648,099)</u>	<u>(593,742)</u>	<u>(849,449)</u>	<u>(8,026,729)</u>
4,417	-	-	85,297	423,724
-	(58,787)	-	(16,787)	(75,574)
-	-	360,705	-	360,705
-	5,872,196	-	1,938,203	7,810,399
-	2,027,761	1,431,601	591,448	4,266,810
-	-	(386,742)	(381,250)	(4,050,810)
<u>4,417</u>	<u>7,841,170</u>	<u>1,405,564</u>	<u>2,216,911</u>	<u>8,735,254</u>
53,569	1,193,071	811,822	1,367,462	708,525
33,979	(850,230)	3,932,277	146,471	10,549,390
<u>\$ 87,548</u>	<u>\$ 342,841</u>	<u>\$ 4,744,099</u>	<u>\$ 1,513,933</u>	<u>\$ 11,257,915</u>

VILLAGE OF LITTLE CHUTE

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit) of Governmental Funds to the Statement of Activities For the Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds	\$ 708,525
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets are capitalized and they are depreciated over their estimated useful lives with depreciation expense reported in the statement of activities.	
Capital assets are included with capital expenditures in the fund statements but are capitalized in the government-wide financial statements	1,558,627
Depreciation is reported in the government-wide statements	(1,467,847)
The Village disposed of land and outdated assets resulting in a reduction of prior year depreciation expense reported on the statement of activities and has no effect on the governmental funds	
The value of capital assets disposed of during the year	(814,987)
The amount of depreciation recapture during the year	148,990
Amounts related to the pension plan that affect the statement of activities but do not affect the fund financial statements.	(348,282)
Receivables not currently available are reported as deferred inflows of revenues in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	(194,135)
Debt issued provides current financial resources to governmental funds, but issuing these obligations increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Debt issued	(7,810,399)
Principal repaid	1,981,927
Amortization of deferred amount of refunding loss	(11,250)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Other post-employment benefits	2,041
Accrued interest on long-term debt	(6,096)
Discounts and premiums on debt issued are recorded as other financing sources and uses in the governmental funds but are amortized over the life of the related debt issue in the government activities financial statements.	(247,252)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES - STATEMENT OF ACTIVITIES	<u>\$ (6,500,138)</u>

VILLAGE OF LITTLE CHUTE

Statement of Net Position

Proprietary Funds

December 31, 2017

	Water Utility	Sewer Utility	Stormwater Utility	Totals
CURRENT ASSETS				
Cash and Investments	\$ 162,497	\$ 1,166,425	\$ 383,847	\$ 1,712,769
Customer Accounts Receivable	244,660	364,731	226,911	836,302
Special Assessments Receivable	15,714	14,511	3,155	33,380
Due from Other Fund	-	-	171,200	171,200
Inventories	55,217	1,307	-	56,524
Interest Receivable	2,655	3,443	8,583	14,681
Restricted Cash and Investments	120,321	-	170,820	291,141
Total Current Assets	601,064	1,550,417	964,516	3,115,997
NON-CURRENT ASSETS				
Capital Assets				
Land	115,283	23,627	2,901,212	3,040,122
Construction in Progress	16,828	46,144	30,969	93,941
Other Capital Assets	20,066,621	14,779,385	26,419,801	61,265,807
Less: Accumulated Depreciation	(6,187,319)	(2,308,953)	(5,088,038)	(13,584,310)
Net Capital Assets	14,011,413	12,540,203	24,263,944	50,815,560
Special Assessments Receivable	390,487	532,425	455,076	1,377,988
Other Receivables	-	190,880	46,087	236,967
Cash and Investments	(1,063,323)	1,311,905	1,269,452	1,518,034
Restricted Cash and Investments	1,775,889	-	1,371,112	3,147,001
Total Non-Current Assets	15,114,466	14,575,413	27,405,671	57,095,550
Total Assets	15,715,530	16,125,830	28,370,187	60,211,547
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows Related to Pension	39,736	60,305	86,717	186,758
Total Assets and Deferred Outflows of Resources	15,755,266	16,186,135	28,456,904	60,398,305
CURRENT LIABILITIES				
Accounts Payable	145,332	174,838	29,836	350,006
Due to Other Funds	387,200	-	-	387,200
Deferred Revenue	209	-	-	209
Other Accrued Liabilities	1,929	2,382	2,195	6,506
Advance from County	-	28,996	-	28,996
General Obligation Notes Payable	248,683	291,007	126,993	666,683
Accrued Interest	7,425	6,256	5,653	19,334
Payable from Restricted Assets:				
Revenue Bonds Payable	399,053	-	210,980	610,033
Accrued Interest	10,851	-	15,145	25,996
Total Current Liabilities	1,200,682	503,479	390,802	2,094,963
NON-CURRENT LIABILITIES				
Revenue Bonds Payable	1,929,727	-	2,972,370	4,902,097
General Obligation Notes Payable	1,082,363	578,518	727,790	2,388,671
Net Pension Liability	4,633	7,031	10,110	21,774
Total Non-Current Liabilities	3,016,723	585,549	3,710,270	7,312,542
Total Liabilities	4,217,405	1,089,028	4,101,072	9,407,505
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows Related to Pension	19,163	29,082	41,819	90,064
Total Liabilities and Deferred Inflows of Resources	4,236,568	1,118,110	4,142,891	9,497,569
NET POSITION				
Net Investment in Capital Assets	11,866,404	11,622,011	21,224,292	44,712,707
Restricted for Debt Service	1,486,306	-	1,315,807	2,802,113
Restricted for Pension Benefits	15,940	24,192	34,788	74,920
Unrestricted (Deficit)	(1,849,952)	3,421,822	1,739,126	3,310,996
TOTAL NET POSITION	\$ 11,518,698	\$ 15,068,025	\$ 24,314,013	\$ 50,900,736

VILLAGE OF LITTLE CHUTE
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Stormwater Utility</u>	<u>Totals</u>
OPERATING REVENUES				
Charges for Services	\$ 2,164,877	\$ 2,730,654	\$ 1,055,988	\$ 5,951,519
Other	10,578	-	-	10,578
Total Operating Revenues	<u>2,175,455</u>	<u>2,730,654</u>	<u>1,055,988</u>	<u>5,962,097</u>
OPERATING EXPENSES				
Operation and Maintenance	1,085,053	1,927,067	380,144	3,392,264
Depreciation	416,637	205,110	374,355	996,102
Total Operating Expenses	<u>1,501,690</u>	<u>2,132,177</u>	<u>754,499</u>	<u>4,388,366</u>
OPERATING INCOME	<u>673,765</u>	<u>598,477</u>	<u>301,489</u>	<u>1,573,731</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	10,269	12,766	23,658	46,693
Interest Expense	(49,648)	(24,456)	(96,885)	(170,989)
Debt Issuance Costs	(4,653)	-	(4,290)	(8,943)
Other	66,580	3,691	984	71,255
Total Non-Operating Revenue (Expenses)	<u>22,548</u>	<u>(7,999)</u>	<u>(76,533)</u>	<u>(61,984)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	696,313	590,478	224,956	1,511,747
CAPITAL CONTRIBUTIONS	63,491	71,221	653,958	788,670
TRANSFERS OUT	<u>(207,287)</u>	<u>(8,713)</u>	<u>-</u>	<u>(216,000)</u>
CHANGE IN NET POSITION	552,517	652,986	878,914	2,084,417
NET POSITION - BEGINNING OF YEAR	<u>10,966,181</u>	<u>14,415,039</u>	<u>23,435,099</u>	<u>48,816,319</u>
NET POSITION - END OF YEAR	<u>\$ 11,518,698</u>	<u>\$ 15,068,025</u>	<u>\$ 24,314,013</u>	<u>\$ 50,900,736</u>

VILLAGE OF LITTLE CHUTE
Statement of Cash Flows - Proprietary Funds
For the Year Ended December 31, 2017

	Water Utility	Sewer Utility	Stormwater Utility	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from Customers	\$ 2,196,686	\$ 2,836,610	\$ 1,046,845	\$ 6,080,141
Received from Municipality	209	-	-	209
Paid to Suppliers for Goods and Services	(969,283)	(1,812,993)	(354,586)	(3,136,862)
Paid to Employees for Operating Payroll	(73,410)	(107,103)	(158,842)	(339,355)
Net Cash Flows From Operating Activities	1,154,202	916,514	533,417	2,604,133
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Payments to Other Funds	(395,956)	-	(24,915)	(420,871)
Collections on Advances to Other Funds	34,221	43,649	70,024	147,894
Paid to Municipality for Tax Equivalent	(207,287)	(8,713)	-	(216,000)
Net Cash Flows From Noncapital and Related Financing Activities	(569,022)	34,936	45,109	(488,977)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(1,139,369)	(43,376)	(256,811)	(1,439,556)
Debt Retired	(576,805)	(275,988)	(291,434)	(1,144,227)
Interest Paid	(58,766)	(25,513)	(109,364)	(193,643)
Proceeds from Debt	1,179,228	-	476,121	1,655,349
Debt Issuance Costs	(4,653)	-	(2,206)	(6,859)
Collections on Special Assessments	-	14,922	6,963	21,885
Payment on Advance from County	-	(524)	-	(524)
Net Cash Flows From Capital and Related Financing Activities	(600,365)	(330,479)	(176,731)	(1,107,575)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income	9,629	12,065	21,662	43,356
Sales of Investments	(5,998)	(10,268)	(12,999)	(29,265)
Miscellaneous Receipts	66,580	3,691	984	71,255
Net Cash Flows From Investing Activities	70,211	5,488	9,647	85,346
NET CHANGE IN CASH AND INVESTMENTS	55,026	626,459	411,442	1,092,927
CASH AND INVESTMENTS - BEGINNING	227,792	539,966	143,225	910,983
CASH AND INVESTMENTS - ENDING	\$ 282,818	\$ 1,166,425	\$ 554,667	\$ 2,003,910
CASH AND INVESTMENTS - ENDING				
Unrestricted	\$ 162,497	\$ 1,166,425	\$ 383,847	\$ 1,712,769
Restricted - Current Assets	120,321	-	170,820	291,141
TOTAL CASH AND INVESTMENTS - ENDING	\$ 282,818	\$ 1,166,425	\$ 554,667	\$ 2,003,910
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES				
Operating Income	\$ 673,765	\$ 598,477	\$ 301,489	\$ 1,573,731
Noncash Items in Operating Income:				
Depreciation	416,637	205,110	374,355	996,102
Changes in Assets, Outflows, Liabilities, and Inflows:				
Customer Accounts Receivable	21,231	105,956	(9,143)	118,044
Deferred Outflows Related to Pension	11,016	16,720	24,043	51,779
Retainage Payable	-	-	(128,193)	(128,193)
Accounts Payable	35,564	(3,245)	(19,499)	12,820
Other Accrued Liabilities	121	85	(160)	46
Deferred Revenue	209	-	-	209
Pension Liability	(4,269)	(6,479)	(9,317)	(20,065)
Deferred Inflows Related to Pension	(72)	(110)	(158)	(340)
CASH FLOWS FROM OPERATING ACTIVITIES	\$ 1,154,202	\$ 916,514	\$ 533,417	\$ 2,604,133
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Capital Asset Additions in Accounts Payable	\$ 52,105	\$ -	\$ -	\$ 52,105
Contributed Property	\$ 63,491	\$ 71,221	\$ 653,958	\$ 788,670

See Accompanying Notes

VILLAGE OF LITTLE CHUTE

Statement of Net Position

Fiduciary Funds

December 31, 2017

	<u>Pension Trust Fund</u>	<u>Agency</u>
	<u>Volunteer</u>	<u>Tax Collection</u>
	<u>Fire</u>	<u>Fund</u>
ASSETS		
Investments for Benefit Plan:		
Unallocated Insurance Contracts	\$ 176,444	\$ -
Tax Roll Receivable	-	6,246,751
Restricted Cash and Investments	-	6,380,647
Total Assets	<u>176,444</u>	<u>12,627,398</u>
LIABILITIES		
Due to Other Taxing Units	<u>-</u>	<u>12,627,398</u>
NET POSITION - RESTRICTED FOR BENEFITS	<u>\$ 176,444</u>	<u>\$ -</u>

VILLAGE OF LITTLE CHUTE
Statement of Changes in Plan Net Position
Pension Trust Fund
For the Year Ended December 31, 2017

	Volunteer Fire
ADDITIONS	
Contributions by Employer	\$ 30,522
Investment Income	5,184
Total Additions	35,706
 DEDUCTIONS	
Benefits	22,562
Expenses	1,003
Total Deductions	23,565
 NET INCREASE	12,141
NET POSITION HELD IN TRUST FOR PENSION BENEFITS - BEGINNING OF YEAR	164,303
NET POSITION HELD IN TRUST FOR PENSION BENEFITS - END OF YEAR	\$ 176,444

Note 1 - Summary of Significant Accounting Policies

Introduction

The Village of Little Chute (Village) complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Reporting Entity

This report includes all of the funds of the Village of Little Chute. The reporting entity for the Village 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. In accordance with generally accepted accounting principles (GAAP), the financial statements are required to include the Village (primary government) and any separate component units that have a significant operational or financial relationship with the Village. The Village has identified the Little Chute Community Development Authority as a component unit that is required to be blended in the basic financial statements.

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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. The Village does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment; 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Taxes and other items not properly included as program revenues are reported instead as general revenues.

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 Village's utilities 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.

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 utility enterprise funds 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are 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.

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

- a. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, 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
- b. The same element that met the 10 percent criterion in (a) is at least 5 percent of the corresponding element total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or proprietary fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

The Village reports the following major governmental funds:

General Fund - accounts for the Village's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Tax Incremental Districts No. 4 and No. 5 Capital Projects Fund - accounts for receipts of district "incremental" property taxes and other revenues and the corresponding program expenditures.

Consolidated Police Services Special Revenue Fund - accounts for intergovernmental and other revenues and the corresponding public safety expenditures.

Construction Projects Capital Projects Fund - accounts for the construction of various projects not accounted for in other funds.

Debt Service Fund - accounts for resources accumulated and payments made for principal and interest on long-term debt and related costs.

The Village reports the following major enterprise funds:

The Water Utility - accounts for operations of the water system.

The Sewer Utility - accounts for operations of the sewer system.

The Stormwater Utility - accounts for operations of the stormwater system.

Note 1 - Summary of Significant Accounting Policies (Continued)
Fund Financial Statements (Continued)

The Village reports the following non-major governmental funds:

Special Revenue Funds - used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

- Community Development Grants
- Aquatics
- Sanitation Services
- Library/Civic Center
- Promotional
- VanLieshout Rec Center

Capital Projects Funds - used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

- Equipment Revolving
- Facility and Technology
- Park Improvement
- Tax Incremental District No. 1
- Tax Incremental District No. 2
- Tax Incremental District No. 6
- Village North Development

Agency Funds - used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village as their agent. The Village accounts for tax collections on behalf of other taxing units in an Agency Fund.

Pension Trust Funds - used to account for assets held in a trustee capacity on behalf of employees. The Village accounts for assets of the Village of Little Chute Fire Department Length of Service Awards Plan in a Pension Trust Fund.

Measurement Focus and Basis of Accounting
Government-Wide Financial Statements

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

Note 1 - Summary of Significant Accounting Policies (Continued)
Measurement Focus and Basis of Accounting (Continued)

Fund Financial Statements

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

For governmental fund financial statements, deferred inflows of resources and unearned revenue arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources arise from resources acquired which are for subsequent year's operations. Unearned revenue arises when resources are received before the Village has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflows of resources and the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

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

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and either deferred inflows of resources or unearned revenue. Amounts received prior to the entitlement period are also recorded as unearned revenue.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows of resources. Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the general fund.

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

Proprietary and pension trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. The agency fund only presents a statement of net position since it does not have a measurement focus.

Cash and Investments

For purposes of the statement of cash flows, cash deposits and highly liquid investments with an initial maturity of three months or less at the time of purchase are considered to be cash equivalents.

Note 1 - Summary of Significant Accounting Policies (Continued)

Restricted Cash

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt.

Accounts Receivable

Accounts receivable in the governmental funds are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof.

No provision for uncollectible accounts receivable has been made in the accompanying enterprise fund financial statements because the water, sewer and stormwater utilities have the right by law to place delinquent bills on the tax roll.

Interfund Loans

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

In the governmental fund financial statements, advances to other funds are offset equally as nonspendable fund balance which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Economic Development Loans Receivable

The Village has received federal and state grant funds for economic development loan programs. The Village records a loan receivable from various businesses when the loan has been made and the funds have been disbursed.

It is the Village's policy to record revenue when the initial loan is made from the federal and state grant funds. The net amount of the loan receivable balance is offset by a restricted fund balance. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are also presented as restricted fund balance in the governmental fund balance sheet.

Inventories

Inventories of governmental fund types are recorded as expenditures when purchased. Year end inventory is not significant.

Inventory of proprietary fund types are recorded at cost based on weighted average, and charged to construction or operation and maintenance expense when used.

Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Assets

The accounting treatment over property, plant and equipment (capital assets) depends on whether the assets are reported in the government-wide or fund financial statements and used in governmental fund operations.

Government-Wide Statements

Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and infrastructure assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Government-Wide Statements (Continued)

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

Buildings and Improvements, Including Parking Lots	37 - 45 Years
Vehicles and Equipment	10 - 25 Years
Utility Systems	20 - 107 Years
Infrastructure	20 - 50 Years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Village reports its deferred amount for refunding loss and pension related items in its government-wide financial statements as deferred outflows of resources. No items qualify in this category for reporting in the governmental funds.

In addition to liabilities, the statement of net position and balance sheet report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position/fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The government-wide financial statements have two items that qualify for reporting in this category. Accordingly, the items, taxes levied for subsequent periods and pension related items are reported in the statement of net position.

Note 1 - Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources (Continued)

The governmental funds report unavailable revenues from three sources: taxes levied for subsequent periods, unavailable special assessments, and unavailable accounts receivable.

Long-Term Obligations/Conduit Debt

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable, state trust fund loans and accrued compensated absences.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements. The face value of the debt plus any premiums are reported as other financing sources. Debt discounts on issued debt are reported as other financing uses. Payment of principal and interest are reported as expenditures.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the debt issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter.

The Village has approved the issuance of two industrial revenue bonds (IRBs) for the benefit of private business enterprises. IRBs are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the Village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of the IRBs outstanding at the end of the year is approximately \$3.68 million.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2017 are determined on the basis of current salary rates and include salary related payments.

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of a Governmental Accounting Standards Board pronouncement are met. Claims and judgments that would normally be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund statements. The related expenditure is recognized when the liability is liquidated. Claims and judgments are recorded in the government-wide and proprietary funds statements as expenses when the related liabilities are incurred. There were no significant claims or judgments at year end.

Note 1 - Summary of Significant Accounting Policies (Continued)

Equity Classifications

Equity is classified as net position and displayed in three components in the government-wide statements:

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

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.

Governmental fund equity is classified as fund balance. The Village classifies governmental fund balance as follows:

- Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements mandate funds be maintained intact.
- Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action at the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Village. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which is subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village that originally created the commitment.
- Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance is assigned through formal action by the Village Board for specific purposes or include all remaining positive spendable amounts in governmental funds other than the general fund. Assignments may take place after the end of the reporting period.

- Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any other governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

The Village, unless otherwise required by law or agreements, spend funds in the following order: restricted first; then committed, then assigned, and lastly unassigned.

Note 1 - Summary of Significant Accounting Policies (Continued)

Equity Classifications (Continued)

The Village has adopted, via resolution passed by the Village Board, a formal financial policy regarding the fund balance in the general fund. The policy is to maintain a minimum unassigned general fund balance equivalent of 25% of subsequent years general fund expenditures, or \$947,309 as of December 31, 2017.

Proprietary fund equity is classified the same as in the government-wide statements.

Use of Estimates

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

Basis for Existing Rates – Proprietary Funds

- Water Utility
Current water rates were approved by the Public Service Commission of Wisconsin effective September 29, 2015.
- Sewer Utility
Current wastewater rates were approved by the Village Board on July 1, 2011
- Stormwater Utility
Current stormwater rates were approved by the Village Board on February 1, 2010.

Note 2 - Cash and Investments

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

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

The Village has adopted an investment policy. The policy follows the state statutes for allowable investments.

Note 2 - Cash and Investments (Continued)

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2017, the fair value of the Village's share of the LGIP's assets was substantially equal to the amount as reported in these statements. An investment in the LGIP is not a deposit with any bank and is neither insured nor guaranteed by the FDIC, the United States Government or any state government agency. At December 31, 2017, the LGIP's investments had a weighted average maturity of 67 days.

The Local Government Investment Pool, an external investment pool operates as a joint venture under Section 66.0301 of the Wisconsin Statutes. Membership in the joint venture is limited to school districts, technical colleges, and municipalities in Wisconsin. The governing body, the Board of Commissioners, is elected by the membership.

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

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing the amount of uninsured deposits below.

The Local Government Investment Pool and unallocated insurance contracts cannot be classified by credit risk since they are not evidenced by securities that exist in physical or book entry form.

Fluctuating cash flows during the year due to tax collections and receipt of state aids may have resulted in uninsured balances during the year significantly exceeding insured amounts at year end.

Custodial Credit Risk - Custodial credit risk for deposits is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to it. Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2017, approximately \$12.3 million of financial institution deposits was uninsured and uncollateralized and therefore was exposed to custodial credit risk. The Village does not have a policy regarding custodial credit risk.

The following represents a summary of deposits as of December 31, 2017.

Fully Insured Deposits	\$ 2,345,611
Collateralize with Securities held by the Pledging of Financial Institution in the Village's Name	2,578,000
Uncollateralized	12,331,415
Total	<u>\$ 17,255,026</u>

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized rating agencies. The Village's investment policy limits its investments in these types of investments to the top rating of these rating agencies. The LGIP investments are not rated.

Note 2 - Cash and Investments (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the Village investment in a single issuer. At December 31, 2017 the investment portfolio (excluding LGIP) has concentrations of investments greater than 5% of the total portfolio as follows:

Issuer	Investment Type	Portfolio	Percentage of Portfolio
Federal Home Loan Bank	U.S. Government Agency Securities		18%

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. To reduce this risk the Village invests in securities with varying maturities. To the extent possible, the Village attempts to match the maturity of the investments with anticipated cash flow requirements. At December 31, 2017 the Village's investments in the above table mature at various times between January 2018 and October 2020.

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. No investments are reported at amortized costs. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances.

- Level 1 - Valuation for assets are from quoted prices in active markets. These valuations are obtained from readily available pricing sources from market transactions involving identical assets.
- Level 2 - Valuation for assets are from less active markets. These valuations are obtained from third party pricing services for identical or similar assets.
- Level 3 - Measurements that are least observable are estimated from related market data, determined from sources with little or no market activity for comparable contracts, or are positions with longer durations. These valuations incorporate certain assumptions and projections in determining fair value assigned to such assets.

	Level 1	Level 2
Ehlers Investment Portfolio	\$ 8,286,394	\$ 367,137
Local Government Investment Pool		
Total	\$ 8,286,394	\$ 367,137

Note 3 - Property Taxes

Property taxes consist of taxes on real estate and personal property. They are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the Village, taxes are collected for and remitted to the state and county governments as well as the local school 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 receivables and due to other taxing units on the accompanying agency fund balance sheet.

Property tax calendar - 2017 tax roll:

Budget Approved by Village Board	November 2016
Payment in Full, or	January 31, 2017
First Installment Due	January 31, 2017
Personal Property Taxes in Full	January 31, 2017
Second Installment Due	July 31, 2017
Final Settlement with County	August 21, 2017

Note 4 - Receivables

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

	Unavailable	Unearned	Total
Property Taxes Receivable	\$ -	\$ 6,141,416	\$ 6,141,416
Payment in Lieu of Taxes	216,000	-	216,000
Citations	3,852	-	3,852
Land Purchase	150,000	-	150,000
Special Assessments Not Yet Due	2,314,074	-	2,314,074
Total Unavailable/Unearned Revenues for Governmental Funds	\$ 2,683,926	\$ 6,141,416	\$ 8,825,342

Note 5 - Interfund Receivables, Payables and Advances

Interfund receivables and payables between individual funds of the Village are as follows:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Water Utility	\$ 216,000	Payment in Lieu of Taxes
Storm Water Utility	Water Utility	171,200	Year End Cash Flow Timing
		\$ 387,200	

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Nonmajor Governmental Funds	\$ 275,437	To Fund Capital Expenditures
General Fund	TID No. 5	560,974	To Fund Capital Expenditures
		\$ 836,411	

The principal purpose of these interfund advances is to fund capital expenditures.

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 5 - Interfund Receivables, Payables and Advances (Continued)

For the government-wide statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated.

Note 6 - Interfund Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From		Principal Purpose
	Water/Utility/Sewer/Utility	Amount	
General Fund	\$ 207,287	\$ 8,713	
Total General Fund	216,000	216,000	
Construction Projects		2,027,761	Capital Improvements
Debt Service		126,446	Debt Service
		229,806	Debt Service
		460,631	Debt Service
		227,976	Debt Service
		386,742	Debt Service
Total Debt Service		1,431,601	
Nonmajor Governmental Funds		566,450	Capital Improvements
		24,998	Capital Improvements
		591,448	
Sub Total Fund Statements		4,266,810	
Less Eliminations		4,050,810	
Total Government-Wide Statement of Activities		\$ 216,000	

Transferred To

Governmental Activity
Business-Type Activity

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

In the fund financial statements, total transfers in of \$4,266,810 are greater than total transfers out of \$4,050,810 because of transfers between governmental funds and proprietary (business-type) funds detailed above.

Note 7 - Restricted Assets

For the proprietary funds, certain resources set aside for the repayment of debt or for other purposes required by debt ordinances are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term liabilities.

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 7 - Restricted Assets (Continued)

Similarly, advance collections on property taxes in the governmental funds and agency fund and unspent debt proceeds in the governmental funds are classified as restricted assets because their use is limited to financing expenditures of the ensuing year.

Note 8 - Capital Assets

Capital asset balances and activity for the year ended December 31, 2017, were as follows:

	Balance 1/1/2017	Additions/Reclassifications	Deletions/Reclassifications	Balance 12/31/2017
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 4,556,674	\$ 446,499	\$ 665,997	\$ 3,890,677
Construction in Progress	468,973			915,472
Total Capital Assets not Being Depreciated	5,025,647	446,499	665,997	4,806,149
Capital Assets Being Depreciated:				
Land Improvements	1,863,560	12,985		1,876,545
Buildings	6,144,465	62,830		6,207,295
Vehicles and Equipment	8,559,342	687,928	148,990	9,098,280
Infrastructure	32,419,814	348,385		32,768,199
Total Capital Assets Being Depreciated	48,987,181	1,112,128	148,990	49,950,319
Less Accumulated Depreciation for:				
Land Improvements	790,482	66,237		856,719
Buildings	2,507,640	146,863		2,654,503
Vehicles and Equipment	4,732,261	500,264	148,990	5,083,535
Infrastructure	13,655,447	754,483		14,409,930
Total Accumulated Depreciation	21,685,830	1,467,847	148,990	23,004,667
Total Capital Assets Being Depreciated Net of Accumulated Depreciation	27,301,351			26,945,652
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 32,326,998			\$ 31,751,781

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 8 - Capital Assets (Continued)

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

Governmental Activities:			
General Government	\$	83,139	
Public Safety		141,190	
Public Works, which includes the Depreciation of Infrastructure		988,085	
Culture, Recreation and Education		257,433	
Total Governmental Activities Depreciation Expense	\$	<u>1,467,847</u>	

Business-Type Activities:

	Balance 1/1/2017	Additions/ Reclassifications	Deletions/ Reclassifications	Balance 12/31/2017
Capital Assets Not Being Depreciated:				
Land	\$ 3,053,891	\$ -	13,769	\$ 3,040,122
Construction in Progress	675,747	1,982	583,788	93,941
Total Capital Assets not Being Depreciated	3,729,638	1,982	597,557	3,134,063
Capital Assets Being Depreciated:				
Land Improvements	5,907,418	-	-	5,907,418
Buildings	1,549,497	26,036	-	1,575,533
Vehicles and Equipment	2,819,366	1,209,507	395,000	3,633,873
Infrastructure	48,553,862	1,640,383	45,242	50,148,983
Total Capital Assets Being Depreciated	58,830,143	2,875,906	440,242	61,265,807
Less Accumulated Depreciation for:				
Water Unallocated	6,141,814	445,713	400,208	6,187,319
Sewer Unallocated	2,132,919	176,034	-	2,308,953
Stormwater Unallocated	4,753,717	374,355	40,034	5,088,038
Total Accumulated Depreciation	13,028,450	996,102	440,242	13,584,310
Total Capital Assets Being Depreciated Net of Accumulated Depreciation	45,801,693			47,681,497
Business-Type Capital Assets, Net of Accumulated Depreciation	\$ 49,531,331			\$ 50,815,560

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 8 - Capital Assets (Continued)

Depreciation expense was charged to functions of the utilities as follows:

Business-Type Activities:		
Water Utility	\$	445,713
Less: Share of Depreciation Charged to Sewer		(29,076)
Water Utility Depreciation Expense		<u>416,637</u>
Sewer Utility		176,034
Plus: Share of Depreciation Charged from Water		29,076
Sewer Utility Depreciation Expense		<u>205,110</u>
Stormwater Utility		374,355
Total Business-Type Utilities Depreciation Expense	\$	<u>996,102</u>

Note 9 - Long-Term Obligations

The following is a summary of changes in long-term obligations of the Village for the year ended December 31, 2017:

	Balance 1/1/2017	Increase	Decrease	Balance 12/31/2017	Due Within One Year
Governmental Activities					
Bonds and Notes Payable:					
General Obligation Debt	\$ 14,929,560	\$ 7,810,399	\$ 1,965,927	\$ 20,774,062	\$ 2,787,069
Revenue Bonds	448,000	-	16,000	432,000	20,000
Plus: Issuance Premium	119,902	360,705	51,122	429,485	-
Less: Issuance Discount	(44,686)	(75,574)	(13,243)	(107,017)	-
Other Liabilities:	15,452,806	8,095,530	2,019,806	21,528,530	2,807,069
Net Pension Liability	494,791	401,908	645,969	250,730	-
Vested Compensated Absences	445,337	433,569	433,566	445,340	392,767
Other Post-Employment Benefits	647,609	188,653	188,694	645,568	-
Total Governmental Activities Long-Term Liabilities	1,587,737	1,022,130	1,288,229	1,341,638	392,767
Business-Type Activities					
Bonds and Notes Payable:					
General Obligation Debt	\$ 3,182,562	\$ 464,601	\$ 629,888	\$ 3,017,275	\$ 666,683
Revenue Bonds	4,862,689	1,183,780	514,339	5,512,130	610,033
Plus: Issuance Premium	28,653	29,120	8,064	49,709	-
Less: Issuance Discount	(12,110)	(2,152)	(2,632)	(11,630)	-
Other Liabilities:	8,061,794	1,855,349	1,149,659	8,667,484	1,276,716
Net Pension Liability	41,839	35,007	56,072	21,774	-
Total Business-Type Activities Long-Term Liabilities	\$ 8,103,633	\$ 1,891,356	\$ 1,205,731	\$ 8,589,258	\$ 1,276,716

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 9 - Long-Term Obligations (Continued)

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2017, was approximately \$38.6 million. Total general obligation debt outstanding at year end was approximately \$23.8 million.

	Date of Issuance	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2017
Governmental Activities					
General Obligation Debt					
G.O. Promissory Notes	3/25/2008	3/1/2018	3.75-3.80%	\$ 4,890,000	\$ 303,115
G.O. Corporate Purpose Bonds	8/10/2011	12/1/2026	2.00-3.50%	5,578,000	3,691,500
G.O. Promissory Notes	8/10/2011	8/1/2021	1.70-2.70%	1,330,000	605,000
G.O. Promissory Notes	11/20/2012	11/1/2022	0.75-1.50%	3,246,700	1,172,712
2014 State Trust Fund	5/9/2014	3/15/2024	3.50%	3,850,000	2,816,336
G.O. Promissory Notes	7/17/2014	6/1/2024	1.50-2.45%	1,640,000	1,180,000
G.O. Promissory Notes	9/17/2015	9/1/1933	2.00-3.25%	3,245,000	3,195,000
G.O. Promissory Notes	8/9/2017	8/9/2027	1.15-3.30%	7,810,399	7,810,399
					<u>\$ 20,774,052</u>

Business-Type Activities

G.O. Promissory Notes	3/25/2008	3/1/2018	3.75-3.80%	\$ 4,890,000	\$ 116,885
G.O. Corporate Purpose Bonds	8/10/2011	12/1/2026	2.00-3.50%	1,137,000	783,500
G.O. Promissory Notes	11/20/2012	11/1/2022	0.75-1.50%	2,913,300	1,052,289
G.O. Promissory Notes	7/17/2014	6/1/2024	1.50-2.45%	985,000	600,000
G.O. Promissory Notes	8/9/2017	8/9/2027	1.15-3.30%	464,601	464,601
					<u>\$ 3,017,275</u>

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 9 - Long-Term Obligations (Continued)

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

Year	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2018	\$ 2,787,059	\$ 577,511	\$ 666,663	\$ 61,202
2019	2,072,095	537,131	462,636	50,596
2020	1,862,400	489,617	490,248	41,797
2021	1,852,744	439,664	318,671	33,858
2022	1,789,588	387,932	325,776	27,517
2023-2027	10,410,076	1,913,656	733,261	55,123
	<u>\$ 20,774,062</u>	<u>\$ 4,345,511</u>	<u>\$ 3,017,275</u>	<u>\$ 270,093</u>

Revenue Debt

Revenue bonds are payable only from revenues derived from the utilities. Revenue debt payable at December 31, 2017 consists of the following:

	Date of Issuance	Final Maturity	Interest Rates	Original Amount	Balance 12/31/2017
Water Utility:					
Water System Revenue Bonds	7/6/2016	5/1/2026	1.50-2.00%	\$ 1,495,000	\$ 1,165,000
Safe Drinking Water Fund	12/13/2017	5/1/2037	1.76%	1,163,780	1,163,780
Stormwater Utility:					
Stormwater Revenue Bonds	1/27/2010	5/1/2029	3.153%	396,014	300,350
Stormwater Revenue Bonds	8/10/2011	11/1/2026	2.50-4.00%	1,605,000	1,155,000
Stormwater Revenue Bonds	7/6/2016	5/1/2036	1.80-3.00%	1,792,000	1,728,000
					<u>\$ 5,512,130</u>
Governmental Activities					
Stormwater Revenue Bonds	7/6/2016	5/1/2036	1.80-3.00%	448,000	\$ 432,000

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 9 - Long-Term Obligations (Continued)

Debt service requirements to maturity on the revenue debt are as follows:

Year	Governmental Activities Revenue Bonds		Business-Type Activities Revenue Bonds	
	Principal	Interest	Principal	Interest
2018	\$ 20,000	\$ 9,928	\$ 610,033	\$ 124,450
2019	20,000	9,928	421,557	115,546
2020	20,000	9,128	468,118	105,192
2021	20,000	8,728	354,717	95,325
2022	20,000	8,328	361,352	86,320
2023-2027	103,000	31,047	1,670,275	266,419
2028-2032	120,000	27,924	819,564	159,445
2033-2037	109,000	6,605	805,514	42,954
	<u>\$ 432,000</u>	<u>\$ 111,217</u>	<u>\$ 5,512,130</u>	<u>\$ 995,651</u>

Estimated payments of accumulated employee benefits and other commitments are not included in the debt service requirements schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the general fund.

A statutory mortgage lien upon the Village's utility system and any additions, improvements and extensions thereto is created by Section 66.056 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The Village's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The Village believes it is in compliance with all significant limitations and restrictions.

Note 10 - Governmental Activities Net Position/Fund Balances

Governmental activities net position reported on the government-wide statement of net position at December 31, 2017 includes the following:

Net Investment in Capital Assets	\$	4,806,149
Land and Construction in Progress		26,945,632
Other Capital Assets, Net of Accumulated Depreciation		(21,506,030)
Less: Related Long-Term Debt Outstanding		6,251,772
Deduct: Unspent Debt Proceeds		16,497,523
Total Net Investment in Capital Assets		<u>1,023,423</u>
Restricted		862,792
Debt Service		1,886,215
Pension Benefits		5,372,852
Total Restricted		<u>8,262,861</u>
Unrestricted		23,756,590
Total Governmental Activities Net Position	\$	<u>32,019,451</u>

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 10 - Governmental Activities Net Position/Fund Balances (Continued)

Fund balances reported in the governmental funds balance sheet at December 31, 2017 are further classified as follows:

Nonspendable		
Major Funds:		
General Fund	\$	838,411
Non-Current Receivables		
Consolidated Police Services		11,728
Prepaid Items		7,465
Debt Service		855,604
Prepaid Items		
Total Nonspendable Fund Balances	\$	<u>1,713,208</u>
Restricted		
Major Funds:		
Tax Incremental District No. 4 - Subsequent Year Expenditures	\$	507,290
Construction Projects		342,841
Debt Service Fund - Debt Service		1,023,423
Total Major Funds		<u>1,873,554</u>
Non-Major Funds:		
Special Revenue Funds Restricted For Subsequent Year Expenditures		313,877
Community Development Grants		55,076
Sanitation Services		8,629
Van/Leshout Rec Center		113,523
Promotional		198,461
Library/Civic Center		
Capital Projects Funds Restricted For Subsequent Year Expenditures		88,132
Tax Incremental District No. 6		73,074
Park Improvement		683,752
Equipment Revolving		1,534,524
Total Non-Major Funds		<u>3,408,078</u>
Total Restricted Fund Balances	\$	<u>5,281,632</u>
Assigned		
Major Funds:		
General Fund	\$	218,749
Consolidated Police Services		75,620
Debt Service Fund - Debt Service		3,713,211
Total Assigned Fund Balances	\$	<u>4,007,580</u>
Unassigned		
Total Governmental Activities Net Position	\$	<u>9,290,990</u>

Note 11 - Individual Funds Disclosures

Excess Expenditures Over Appropriations

The following individual funds had an excess of expenditures over appropriations at the legal level of budgetary control for the year ended December 31, 2017:

General Fund	\$	25,840
Culture, Recreation, and Education Conservation and Development		417
Special Revenue Funds		
Library/Civic Center		11,789
Promotional Fund		78
Capital Projects Funds		
VanLeshout Rec Center Fund		636
Tax Incremental District No. 4		110,060
Tax Incremental District No. 6		20,244
Park Improvement Fund		77,100
Facility and Technology Fund		15,043
Village North Development		(6,650)
Construction Projects Fund		7,049,429
Debt Service		37,355

Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end. As of December 31, 2017, the following individual funds held a deficit balance:

Fund	Amount	Reason
Tax Incremental District No. 5	(395,318)	Project costs to be recovered over time
Facility and Technology	(20,591)	Costs to be recovered in subsequent periods

Note 12 - Defined Benefit Pension Plan

Summary of Significant Accounting Policies

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

Note 12 - Defined Benefit Pension Plan (Continued)

General Information about the Pension Plan

Plan description. The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year, and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1,200 hours a year, and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

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

Vesting. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1988, 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, 1988, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

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

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

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

The WRS also provides death and disability benefits for employees.

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 12 - Defined Benefit Pension Plan (Continued)

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2007	3.0%	10%
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)

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

During the reporting period, the WRS recognized \$319,149 in contributions from the Village.
Contribution rates as of December 31, 2017 are:

Employee Category	Employee	Employer
General (including teachers, executives, and elected officials)	6.8%	6.8%
Protective with Social Security	6.8%	10.6%
Protective without Social Security	6.6%	13.2%

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

At December 31, 2017, the Village reported a liability of \$272,504 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 rolled forward to December 31, 2016. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Village's proportion of the net pension liability was based on the Village's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2016, the Village's proportion was 0.03306125%, which was an increase of 0.00003753% from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the Village recognized pension expense of \$701,768.

VILLAGE OF LITTLE CHUTE
Notes to Financial Statements
December 31, 2017

Note 12 - Defined Benefit Pension Plan (Continued)

At December 31, 2017, the Village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 103,906	\$ 857,001
Changes in assumptions	284,913	-
Net differences between projected and actual earnings on pension plan investments	1,356,438	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,312	1,501
Employer contributions subsequent to the measurement date	319,149	-
Total	\$ 2,068,718	\$ 858,502

The \$319,149 reported as deferred outflows related to pension resulting from the WRS employer's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year ending December 31,	Deferred Outflow and Inflow of Resources
2018	361,938
2019	361,938
2020	247,483
2021	(80,802)
Thereafter	500

Note 12 - Defined Benefit Pension Plan (Continued)

Actuarial assumptions. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2015
Measurement Date of Net Pension Liability (Asset)	December 31, 2016
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	3.2%
Inflation:	0.2% - 5.6%
Seniority/Merit:	Wisconsin 2012 Mortality Table
Mortality:	2.1%
Post-retirement Adjustments*	

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

The total pension liability for December 31, 2016 is based upon a roll-forward of the asset calculated from the December 31, 2015 actuarial valuation.

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

Core Fund Asset Class	Current Asset Allocation %	Destination Target Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	60.0%	45.0%	8.3%	5.4%
Fixed Income	24.5	37.0	4.2	1.4
Inflation Sensitive Assets	15.5	20.0	4.3	1.5
Real Estate	8.0	7.0	6.5	3.6
Private Equity/Debt	8.0	7.0	9.4	6.5
Multi-Asset	4.0	4.0	6.6	3.7
Total Core Fund	110.0	120.0	7.4	4.5
Variable Fund Asset Class				
U.S. Equities	70	70	7.6	4.7
International Equities	30	30	8.5	5.6
Total Variable Fund	100%	100%	7.9%	5.0%

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

Note 12 - Defined Benefit Pension Plan (Continued)

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

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

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
Village's proportionate share of the net pension liability (asset)	\$ 3,584,954	\$ 272,504	\$ (2,278,240)

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

Payables to the Pension Plan

The Village is required to remit the monthly required contribution for both the employee and Village portions by the last day of the following month. All amounts due to WRS were paid as of December 31, 2017.

Note 13 - Volunteer Fire Department Length of Service Awards Program

Effective July 1999 the Village created a length of service awards program ("Program") for its volunteer fire department members. The Village administers the Program, a single-employer defined benefit pension plan, which is reported in the Pension Trust Fund. All active fire department members age 18 and older who have completed the department's probationary period are eligible for the Program.

The Program provides life insurance death benefits of \$25,000 for eligible members under age 60. Members who reach age 60 with 5 or more years of active service are entitled to monthly retirement benefits. The amount of the monthly benefit is \$4 for each year of credited service for 10 years certain. The Village has sole authority to amend the Program and issues a publicly available financial report that includes financial statements and required supplementary information.

Members of the department are not required to contribute to the Program unless they wish to continue the life insurance benefit upon reaching age 60. The Village makes all contributions to the Program. The Village has contributed \$29,333 in 2017, \$30,522 in 2016, and \$27,795 in 2015 which equated the annual pension cost for each year. The actuarially determined contribution required for the year 2017 was \$29,333.

Note 13 - Volunteer Fire Department Length of Service Awards Program (Continued)

The annual required contribution was determined as part of a January 1, 2017 actuarial valuation using the modified entry age normal actuarial cost method. The actuarial assumptions included a 3.0% return on investments. There is no net pension obligation at December 31, 2017. A separate audited report of the Program is not available.

As of January 1, 2018, the most recent valuation date the actuarial accrued liability for benefits was \$177,213 and the value of plan assets was \$176,444, resulting in an unfunded liability of \$769. The unfunded liability as of January 1, 2017 was \$51,652.

Note 14 - Tax Incremental Districts (TID)

The Village of Little Chute has three Tax Incremental Districts (TID) at December 31, 2017 that were created under the provisions of Wisconsin Statute Section 86.46. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

TID No. 4, TID No. 5 and TID No. 6 were formed to promote industrial development by expansion of the street infrastructure along with pay-as-you-go developer incentives.

The Statutes specify the period of time after creation date for a TID to incur project costs eligible for financing from tax increments. The Statutes further specify the period of time the TID may collect tax increments to repay project costs including principal and interest on long-term debt issued by the Village to finance such improvements. Project costs uncollected after the final dissolution date are absorbed by the municipality.

	Creation Date	Last Date To Incur Project Costs	Final Dissolution Date
TID No. 4	2007	2022	2027
TID No. 5	2013	2028	2033
TID No. 6	2016	2031	2036

The Village has financed development and public improvement costs in its TIDs through the issuance of general obligation long-term debt. Tax increments will be reported as revenues and will be used to meet maturing debt obligations incurred to provide financing for development and public improvement costs within the tax incremental districts. The following is a summary of significant financial information of the TIDs No. 4, No. 5 and No. 6 through December 31, 2017.

Note 14 - Tax Incremental Districts (TID) (continued)

	TID No. 4	TID No. 5	TID No. 6
Tax Increment Revenue for 2017	\$ 660,804	\$ 294,200	\$ -
Project Activity through 12/31/17			
December 31, 2017			
Revenues:			
Tax Increments	2,061,216	441,435	-
Other	5,686,335	4,377,925	129,727
Total Revenues	7,747,551	4,819,360	129,727
Expenditures:			
Project Costs	6,891,426	5,060,756	41,594
Interest and Related Net Costs	348,836	151,921	-
Total Expenditures	7,240,262	5,212,676	41,594
Unrecovered (Over Recovered) Costs as of December 31, 2017	\$ (507,289)	\$ 383,316	\$ (88,133)
TID Proportion of Debt Outstanding	\$ 2,816,336	\$ 3,752,000	\$ -

Note 15 - Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets, errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage for which the Village purchases commercial insurance. There has been no reduction in insurance coverage from the prior year. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in any of the past three years.

Note 16 - Contingencies

From time to time, the Village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village's attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

Funding for the operating budget of the Village comes from many sources, including property taxes, grants and aids from other units of government, user fees, fines and permits, and other miscellaneous revenues. The State of Wisconsin provides a variety of aid and grant programs which benefit the Village. Those aid and grant programs are dependent on continued approval and funding by the Wisconsin governor and legislature, through their budget processes. Any changes made by the State to funding or eligibility of local aid programs could have a significant impact on the future operating results of the Village.

Note 16 - Contingencies (Continued)

The Village is located on the Fox River, which contains PCB contamination. Industries located along the Fox River have been notified by the Environmental Protection Agency (EPA) that they are potentially responsible for the contamination. The industries have argued that municipal sewer utilities also contributed to the contamination, and should participate in the cleanup costs. The Village has not been notified by the EPA that it is a potentially responsible party, but may be in the future. Cleanup methods are being proposed and tested. The cost of any cleanup of the river is not known at this time, in part because a cleanup method has not been selected. The Village does not have any information that would enable it to determine its share, if any, of any cleanup costs.

Note 17 - Joint Ventures – Library Board and Police Services

As authorized in the state statutes, the Village of Little Chute joined the Village of Kimberly in 1994 to establish and operate a joint library board (Board). Five members of the joint library board are appointed by the Village of Little Chute and three are appointed by the Village of Kimberly. The Villages are responsible for owning and maintaining their own library facilities. All other library assets are controlled by the Board.

The operating and capital budgets are funded by contributions from each government. Each Village's share of the budget, assets, liabilities and equity is 50% proportional to population and 50% proportional to equalized valuation. At December 31, 2017, Little Chute's financial share of the Board is approximately 60%, and its share of the 2017 budget, which is reported in the Library/Civic Center Special Revenue Fund, was \$198,461. Financial statements for the Board, which are audited by other auditors, may be obtained from the Village of Kimberly.

The Village of Little Chute joined the Village of Kimberly in 1995 to establish a joint police department (Department) to provide police protective services to both communities. In July 2011, the Village of Combined Locks joined the Department. Two members of the joint police commission are appointed by each Village. All assets of the respective police departments, with the exception of real estate and buildings, were joined under the agreement.

The operating and capital budgets are funded by contributions from each government. Each Village's share of the budget, assets, liabilities and equity is 50% proportional to population and 50% proportional to equalized valuation. At December 31, 2017, Little Chute's share of the police department is approximately 50% and its share of the 2017 budget was \$1,991,088. The Village of Little Chute serves as the fiscal agent of the joint police department, which is included in the Village's special revenue funds. Separate financial statements for the joint police department are not issued.

Note 18 - Limitations on the Village's Tax Levy

As part of Wisconsin Act 32 (2011), legislation was passed that limits the Village's future tax levies. Generally the Village is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the Village's equalized value due to new construction or zero percent for the 2011 levy collected in 2012 and thereafter. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions.

Note 19 - Other Post-Employment Benefits

Plan Description

The Village administers a single-employer defined benefit post-employment healthcare plan. The plan provides health insurance coverage from retirement to death for employees hired prior to September 1, 1980 and their spouses. The benefits are provided through the Village's group medical insurance plan, which covers both active and retired members. The entire cost is paid by the Village. Funding for these costs is provided out of the general fund. The Village funds these post-employment benefits on a pay-as-you-go basis, accordingly no liability is recognized within the fund financial statements. However a liability is recorded for the unfunded liability on the government-wide financial statements beginning on January 1, 2008 as required under Government Accounting Standards Board Statement No. 45. As of December 31, 2017, the plan had 16 retirees receiving benefits and no active participants. The plan does not issue a separate stand-alone financial statement.

Net OPEB Liability

The Village's annual other post-employment benefits (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period of 30 years.

The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the Village's net OPEB obligation.

Annual Required Contribution	\$ 199,303
Interest on net OPEB obligation	19,428
Adjustment to annual required contribution	<u>(32,078)</u>
Annual OPEB cost (expense)	186,653
Contributions made	<u>(188,694)</u>
Decrease in net OPEB Liability	(2,041)
Net OPEB Liability – beginning of year	647,609
Net OPEB Liability – end of year	<u>\$ 645,568</u>

Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Liability
12/31/2015	259,615	87.80%	\$ 615,203
12/31/2016	253,714	87.20%	647,609
12/31/2017	186,653	101.09%	645,568

Funded Status

As of December 31, 2017, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$3,832,126 and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability (UUAL) of \$3,832,126.

Note 19 - Other Post-Employment Benefits (Continued)

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment of active employees, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, would present multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 3% discount rate, WRS mortality rates for active and retired participants and an annual healthcare cost trend rate of 5.6% initially, reduced to an rate of 5.5% after ten years. The actuarial value of plan assets was not determined as there were no plan assets as of the valuation date. The UAAL is being amortized using the level dollar method on an open basis. The remaining amortization period at December 31, 2017 was 30 years.

Note 20 - Future GASB Standard

The Governmental Accounting Standards Board (GASB) issued Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, which addresses reporting by governments that finance OPEB for employees of other governments. This standard enhances accountability and transparency through revised note disclosures and requires supplementary information (RSI). The provisions of this statement are effective for the Village's financial statements for the year ending December 31, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 General Fund
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance - Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes	\$ 1,217,399	\$ 1,217,399	\$ 1,217,945	546
Intergovernmental	2,128,635	2,143,703	2,143,703	15,068
Licenses and Permits	118,233	118,233	128,802	10,569
Public Charges for Services	78,000	78,000	100,549	21,949
Intergovernmental Charges for Services	39,947	39,947	10,137	(29,810)
Fines and Forfeitures	110,000	110,000	81,009	(28,991)
Investment Income	7,000	7,000	13,392	6,392
Other	117,100	117,100	159,478	42,378
Total Revenues	3,820,914	3,820,914	3,855,015	34,101
EXPENDITURES				
General Government	1,290,745	1,290,745	1,216,628	74,117
Public Safety	788,087	788,087	741,681	46,406
Public Works	1,231,130	1,231,130	1,129,983	101,137
Culture, Recreation and Education	658,876	658,876	684,716	(25,840)
Conservation and Development	12,800	12,800	13,217	(417)
Capital Outlay	10,000	10,000	987	9,003
Total Expenditures	3,891,638	3,891,638	3,786,232	202,406
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(170,724)	(170,724)	65,783	236,507
OTHER FINANCING SOURCES AND (USE)				
Sale of Village Properties			8,870	8,870
Transfers In	216,000	216,000	216,000	-
Transfers Out	(43,275)	(43,275)	(2,594,211)	(2,550,935)
Total Other Financing Sources (Use)	172,725	172,725	(2,369,341)	(2,542,065)
NET CHANGE IN FUND BALANCE	\$ 2,000	\$ 2,000	(2,303,558)	\$ (2,305,558)
FUND BALANCE - BEGINNING			6,419,086	
FUND BALANCE - ENDING			\$ 4,115,528	

See Notes to Budgetary Comparison Schedules
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VILLAGE OF LITTLE CHUTE
 Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit)
 Budget and Actual
 Consolidated Police Services Fund
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance - Favorable (Unfavorable)
	Original	Final		
REVENUES				
Taxes	\$ 1,673,895	\$ 1,673,895	\$ 1,673,895	\$ -
Intergovernmental	1,630,995	1,630,995	1,620,061	(10,934)
Licenses and Permits	400	400	25	(375)
Public Charges for Services	1,500	1,500	3,048	1,548
Intergovernmental Charges for Service	145,000	145,000	145,342	342
Fines	-	-	1,854	1,854
Contributions	-	-	1,500	1,500
Other	500	500	15,247	14,747
Total Revenues	3,452,290	3,452,290	3,450,972	-8,682
EXPENDITURES				
Public Safety	3,337,290	3,337,290	3,383,178	(45,888)
Capital Outlay	122,000	122,000	28,642	93,358
Total Expenditures	3,459,290	3,459,290	3,411,820	47,470
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,000)	(7,000)	49,152	56,152
OTHER FINANCING SOURCE				
Sale of Village Property	7,000	7,000	4,417	(2,583)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	53,569	\$ 53,569
FUND DEFICIT - BEGINNING			33,979	
FUND BALANCE - ENDING			\$ 87,548	

See Notes to Budgetary Comparison Schedules
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Budgets and Budgetary Accounting

The Village follows these procedures in establishing the budgetary data reflected in the budgetary schedules:

- Prior to the end of September, the department heads submit to the Village Administrator proposals for the operating budget for the fiscal year which commences the following January 1. The Proposed Operating Budget includes proposed expenditures and the means of financing them.
- The Village Administrator submits the Executive Budget to the Village Board prior to October 1.
- Public hearings are conducted at the Village Administration building to obtain taxpayer comments on both the Proposed and Executive Budgets.
- The budget is legally enacted through passage of a resolution prior to December 31.
- The budget as enacted includes total expenditures at the department (cost center) level for the General Fund and at the total fund expenditures level for other funds. Expenditures cannot legally exceed appropriations at this level without two-thirds Village Board approval. Management may not amend the budget without Village Board approval.
- Transfers between functions and transfers from the reserve for contingencies require approval by a two-thirds affirmative vote of the Board.
- Formal budgetary integration is employed as a management control device during the year for all funds budgeted individually. Budgets are legally adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. Debt Service Funds are budgeted at the total fund type level and not individually.
- Budgets lapse at year-end. Encumbrance accounting is not used.
- No supplemental budget appropriations were approved during the year.

Basis of Accounting

The budget is prepared on the same modified accrual basis of accounting as applied to the governmental funds in the basic financial statements.

BUDGET-TO-ACTUAL RECONCILIATION

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principals follows:

Sources/Inflows of Resources.

Actual amounts (budgetary basis) Total revenues and other financing sources *
from the budgetary comparison schedule

\$ 4,079,885

General Fund

Differences - budget to generally accepted accounting principles.

The following funds were budgeted separately but do not meet the definition of a special revenue fund and were combined with the general fund:

Facade Renovation Fund 242
Small Business Micro Loan Fund 993

Total revenues and other financing sources as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds

\$ 4,081,120

VILLAGE OF LITTLE CHUTE
SCHEDULE OF FUNDING PROGRESS OF NET OPEB LIABILITY

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Projected Unit Credit Actuarial Cost Method (b)	Unfunded AAL (AAL) (b-a)	Funded Ratio (bb)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll (b-b)(c)
December 31, 2008	\$ -	\$ 6,071,691	\$ 6,071,691	0%	N/A	N/A
December 31, 2014	-	5,867,946	5,867,946	0%	N/A	N/A
December 31, 2014	-	5,311,980	5,311,980	0%	N/A	N/A
December 31, 2017	-	3,832,126	3,832,126	0%	N/A	N/A

NOTES:

- The Village is required to present the above information for the three most recent actuarial studies.
- The data presented in this schedule was taken from the reports issued by the actuary, except the covered payroll data was supplied by the Village.
- The Village used the projected unit credit actuarial cost method for calculation of the AAL.

VILLAGE OF LITTLE CHUTE
Schedule of Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System
Last 10 Fiscal Years*

WRS Fiscal Year End Date (Measurement Date)	Village's Proportion of the Net Pension Asset/Liability	Village's Proportionate Share of the Net Pension (Asset)/Liability	Village's Covered Payroll	Proportionate Share of the Net Pension Asset/Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2016	0.03306129%	\$ 272,504	\$ 4,010,247	6.80%	99.12%
12/31/2015	0.03302376%	536,630	3,896,055	13.81%	98.20%
12/31/2014	0.03315689%	(814,424)	3,734,471	-21.81%	102.74%

Schedule of Employer Contributions
Wisconsin Retirement System
Last 10 Fiscal Years*

Village Year End Date	Contributions in Relation to the Contractually Required Contributions		Contributions as a Percentage of Covered Payroll	
	Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Percentage of Covered Payroll
12/31/2017	\$ 319,149	\$ -	\$ 3,951,649	8.00%
12/31/2016	319,553	-	4,010,247	7.97%
12/31/2015	317,428	-	3,896,055	8.17%

*The amounts presented for each year were determined as of the calendar year-end from the prior calendar year. Ten years of data will be accumulated beginning with 2015.

Notes to Above Schedules

Changes in Benefit Terms - There were no changes of benefit terms for any participating employer in WRS.
Changes in Assumptions - There were no changes in the assumptions.

VILLAGE OF LITTLE CHUTE
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2017

	Special Revenue Funds				
	Community Development Grants	Aquatics	Sanitation Services	Library/Civic Center	VanLieshout Rec Center
ASSETS					
Cash and Investments	\$ 313,877	\$ 533	\$ 46,501	\$ 211,301	\$ 9,195
Taxes Receivable	-	27,097	55	206,690	-
Other Receivables	-	-	32,136	777	80
Loans	-	-	-	-	-
Restricted Cash and Investments	-	23,903	-	174,863	-
TOTAL ASSETS	\$ 313,877	\$ 50,533	\$ 78,692	\$ 593,635	\$ 9,265
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES (DEFICIT)					
Liabilities:					
Accounts Payable	\$ -	\$ 533	\$ 21,457	\$ 5,377	\$ 637
Other Accrued Liabilities	-	-	2,159	-	-
Advances Due to Other Funds	-	-	-	8,240	-
Total Liabilities	-	533	23,616	13,617	637
Deferred Inflow of Resources:					
Taxes Levied for Subsequent Periods	-	50,000	-	381,758	-
Fund Balances (Deficit):					
Restricted	313,877	-	55,076	198,461	8,629
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	313,877	-	55,076	198,461	8,629
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES (DEFICIT)	\$ 313,877	\$ 50,533	\$ 78,692	\$ 593,635	\$ 9,265

SUPPLEMENTARY INFORMATION

VILLAGE OF LITTLE CHUTE
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2017

REVENUES	Special Revenue Funds					
	Community Development Grants	Aquatics	Sanitation Services	Library/Civic Center	VanLeishout Rec Center	Promotional
Taxes	-	\$ 50,000	-	\$ 382,658	-	\$ 17,125
Intergovernmental	1,678	-	-	-	-	-
Investment Income	-	12	150	392	-	17
Public Charges for Services	-	56,368	435,742	10,925	480	309
Contributions	-	-	-	18,059	-	-
Other	-	-	-	-	-	-
Total Revenues	1,678	106,380	435,892	410,234	480	17,354
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	636	-
Culture, Recreation and Education	-	141,492	-	371,088	-	-
Conservation and Development	-	-	-	-	-	11,078
Public Works	-	-	487,487	-	-	-
Capital Outlay	-	-	-	37,883	-	-
Debt	-	-	-	-	-	-
Interest and Fees	-	-	-	1,909	-	-
Total Expenditures	-	141,492	487,487	410,947	636	11,078
Excess (Deficiency) of Revenue Over (Under) Expenditures	1,678	(35,112)	(51,595)	(1,713)	(49)	6,276
OTHER FINANCING SOURCES (USES)						
Sale of Village Properties	-	-	-	(825)	-	-
Discount on Debt Issued	-	-	-	200,600	-	-
Issuance of Debt	-	35,112	(25,000)	-	-	-
Transfers In	-	-	(25,000)	-	-	-
Transfers Out	-	-	(25,000)	199,074	-	-
Total Other Financing Sources (Uses)	-	35,112	(50,000)	198,249	-	-
NET CHANGE IN FUND BALANCES (DEFICITS)	1,678	(35,112)	(51,595)	(1,713)	(49)	6,256
FUND BALANCES (DEFICITS) - BEGINNING	312,195	-	51,701	-	8,276	107,267
FUND BALANCES (DEFICITS) - ENDING	\$ 313,873	\$ -	\$ 5,106	\$ -	\$ 8,227	\$ 113,523

Special Revenue Funds	Capital Projects Funds				Total Nonmajor Governmental Funds
	TID No. 6	Park Improvement	Equipment Revolving	Facility and Technology	
Promotional					
\$ 113,523	\$ 88,747	\$ -	\$ 703,114	\$ -	\$ 1,486,762
	12,146	-	48,368	32,516	327,074
	-	834	96,848	-	130,675
	-	320,000	-	-	320,000
	10,268	-	40,882	27,484	276,405
\$ 113,523	\$ 111,163	\$ 320,834	\$ 895,212	\$ 60,000	\$ 2,540,936
\$ -	\$ -	\$ 1,154	\$ 116,210	\$ -	\$ 145,368
	614	248,606	-	20,591	275,437
	814	247,760	116,210	20,591	423,578
	22,417	-	89,250	60,000	603,425
113,523	88,132	73,074	683,752	-	1,534,524
				(20,591)	(20,591)
113,523	88,132	73,074	683,752	(20,591)	1,513,933
\$ 113,523	\$ 111,163	\$ 320,834	\$ 895,212	\$ 60,000	\$ 2,540,936

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues and Other Financing Sources
 Budget and Actual
 General Fund
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance - Favorable (Unfavorable)
	Original	Final		
TAXES				
General Property Taxes	\$ 1,193,649	\$ 1,193,649	\$ 1,193,376	\$ (273)
Mobile Home Parking Fees	20,000	20,000	21,838	1,838
Interest on Delinquent Taxes	250	250	162	(88)
Other	3,500	3,500	2,569	(931)
Total Taxes	1,217,399	1,217,399	1,217,945	546
INTERGOVERNMENTAL				
State Shared Revenue	1,514,659	1,514,659	1,514,493	(166)
State Expenditure Rest./amt.	93,834	93,834	93,834	-
State Aid for Local Streets	450,151	450,151	449,178	(973)
State Aid of Connecting Streets	31,991	31,991	31,991	-
Fire Insurance Tax from State	28,000	28,000	31,601	3,601
State Exempt Computer Aid	10,000	10,000	22,606	12,606
Total Intergovernmental	2,128,635	2,128,635	2,143,703	15,068
LICENSES AND PERMITS				
Liquor and Mail Beverage Licenses	12,000	12,000	11,025	(975)
Operators Licenses	8,000	8,000	8,883	883
Business and Occupation Licenses	-	-	70	70
Cigarette Licenses	325	325	275	(50)
Mobile Home Park Licenses	458	458	458	-
Other Licenses	7,700	7,700	10,110	2,410
Building Permits	55,000	55,000	51,487	(3,513)
Electrical Permits	15,000	15,000	22,134	7,134
Plumbing Permits	9,000	9,000	13,220	4,220
Heating Permits	10,000	10,000	9,955	(45)
Other Permits	750	750	1,185	435
Total Licenses and Permits	118,233	118,233	128,802	10,569
PUBLIC CHARGES FOR SERVICES				
Garbage and Refuse Collection	500	500	970	470
Plan Review Fees	2,500	2,500	3,100	600
Recreation Department	49,450	49,450	74,520	25,070
Parks Department	9,250	9,250	9,993	743
Terrace Trees	400	400	402	2
Weed Cutting	500	500	1,382	882
Property Inquiry Fees	8,000	8,000	6,437	(1,563)
Publication Fees	750	750	725	(25)
Yard Waste Stickers	1,500	1,500	1,754	254
Public Works Department	4,000	4,000	(281)	(4,281)
Other Charges for Services	1,750	1,750	1,547	(203)
Total Charges for Services	78,600	78,600	100,549	21,949
INTERGOVERNMENTAL CHARGES FOR SERVICES				
	39,947	39,947	10,137	(29,810)
FINES AND FORFEITURES				
Court Fines and Costs	100,000	100,000	72,155	(27,845)
Parking Violations	10,000	10,000	8,854	(1,146)
Total Fines and Forfeitures	110,000	110,000	81,009	(28,991)

TID No. 1	TID No. 2	TID No. 5	Capital Project Funds				Total Nonmajor Governmental Funds
			Park Improvement	Equipment Revolving	Facility and Technology	Village North Development	
\$ 197,472	\$ -	\$ -	\$ 70,000	\$ 160,000	\$ 35,000	\$ -	\$ 882,355
5,395	-	123	9,500	242,859	-	-	256,724
-	-	-	81	1,239	-	-	3,851
-	-	-	19,600	-	-	-	51,400
-	-	-	10,713	18,660	-	-	37,373
-	-	-	-	-	-	-	16,059
172,737	-	123	139,193	419,958	35,000	-	1,739,896
-	-	1,235	540	6,077	-	-	9,658
-	-	20,244	292,331	1,394,248	50,043	8,729	2,588,235
172,737	-	(20,121)	(64,536)	(814,200)	(15,043)	(6,729)	(849,449)
-	-	(600)	(282)	(14,999)	-	85,297	85,297
391,698	-	129,603	58,500	1,552,000	-	1,920,444	1,920,444
(126,445)	(228,805)	-	-	2,000	-	139,640	591,448
292,251	(229,805)	129,003	59,338	1,662,001	-	224,937	2,216,911
437,988	(229,805)	108,882	(8,200)	847,711	(16,043)	216,208	1,397,662
(437,889)	229,805	(20,750)	81,274	38,041	(9,548)	(216,209)	146,471
\$ -	\$ -	\$ 88,132	\$ 73,074	\$ 683,752	\$ (20,591)	\$ -	\$ 1,513,932

VILLAGE OF LITTLE CHUTE
 Schedule of Revenues and Other Financing Sources - Continued
 Budget and Actual
 General Fund
 For the Year Ended December 31, 2016

	Budgeted Amounts		Actual Amounts	Variance - Favorable (Unfavorable)
	Original	Final		
INVESTMENT INCOME AND INTEREST				
Investment Income	\$ 7,000	\$ 7,000	\$ 13,392	\$ 6,392
Interest on Advances	4,000	4,000	-	(4,000)
Total Investment Income and Interest	11,000	11,000	13,392	2,392
OTHER				
Rent on Village Buildings	2,500	2,500	3,451	951
Rent from Utilities	17,600	17,600	17,600	-
Other Rental	7,000	7,000	10,000	3,000
Franchise Fees	80,000	80,000	86,768	(3,264)
Property Damage Claims	-	-	1,238	1,238
Liability Insurance Dividends	-	-	23,000	23,000
Contributions	-	-	17,423	17,423
Total Other	117,100	117,100	159,478	42,378
OTHER FINANCING SOURCES				
Sale of Village Properties	-	-	8,870	8,870
Transfer In From:				
Water Utility	216,000	216,000	216,000	-
Total Other Financing Sources	216,000	216,000	224,870	8,870
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 4,036,914	\$ 4,036,914	\$ 4,079,885	\$ 42,971

VILLAGE OF LITTLE CHUTE
 Schedule of Expenditures and Other Financing Uses
 Budget and Actual
 General Fund
 For the Year Ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance - Favorable (Unfavorable)
	Original	Final		
GENERAL GOVERNMENT				
Village Board	\$ 59,191	\$ 59,191	\$ 61,829	\$ (2,638)
Administration	119,954	119,954	112,559	7,395
G.S./I.S.	79,489	79,489	72,640	6,849
Finance	166,172	166,172	166,028	(144)
Clerk	146,167	146,167	134,276	13,891
Assessing	96,899	96,899	96,899	0
Village Hall	132,428	132,428	127,156	5,272
Municipal Court	90,075	90,075	76,626	13,449
Insurance	336,886	336,886	309,435	27,451
Village Promotion	28,164	28,164	39,850	(2,686)
Unallocated	-	-	-	-
Bus Salsbery	33,500	33,500	24,373	9,127
Total General Government	1,290,745	1,290,745	1,218,628	72,117
PUBLIC SAFETY				
Inspection	101,060	101,060	94,374	6,686
Fire Department	301,631	301,631	263,016	38,615
Hydrant Rental	300,000	300,000	318,270	(18,270)
Crossing Guards	85,396	85,396	65,521	19,875
Total Public Safety	788,087	788,087	741,681	46,406
PUBLIC WORKS				
Administration	50,241	50,241	21,487	28,754
Street Repair and Maintenance	591,247	591,247	620,592	(29,345)
Municipal Services Building Maintenance	156,648	156,648	106,522	50,126
Public Works Vehicle Maintenance	199,712	199,712	146,308	51,404
Snow and Ice Control	193,327	193,327	162,074	31,253
Recycling	24,186	24,186	35,072	(10,886)
Weed Control	15,789	15,789	13,328	2,461
Total Public Works	1,231,130	1,231,130	1,129,993	101,137
CULTURE, RECREATION AND EDUCATION				
Recreation	249,471	249,471	266,216	(16,745)
Youth Football	16,000	16,000	20,970	(4,970)
Parks	275,419	275,419	274,030	1,389
Forestry	111,786	111,786	117,803	(6,017)
Community Band	6,200	6,200	5,087	1,113
Total Culture, Recreation and Education	658,876	658,876	684,716	(25,840)
CONSERVATION AND DEVELOPMENT				
Economic Development	12,800	12,800	13,217	(417)
CAPITAL OUTLAY				
	10,000	10,000	967	9,033
TOTAL EXPENDITURES	3,991,638	3,991,638	3,789,232	202,406
OTHER FINANCING USE				
Transfers In				
Transfers Out To:				
Capital Projects	43,276	43,276	2,559,099	(2,559,099)
Special Revenue	43,276	43,276	35,112	8,164
Total Other Financing Uses	43,276	43,276	2,594,211	(2,550,935)
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 4,034,914	\$ 4,034,914	\$ 6,383,443	\$ (2,348,529)

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget

Community Development Grants Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Investment Income	\$ -	\$ 1,678	\$ 1,678
FUND BALANCE - BEGINNING		312,199	
FUND BALANCE - ENDING		<u>\$ 313,877</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget

Aquatics Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 50,000	\$ 50,000	\$ -
Public Charges for Services	51,400	56,388	4,988
Investment Income	-	12	12
Total Revenues	<u>101,400</u>	<u>106,380</u>	<u>4,980</u>
EXPENDITURES			
Culture, Recreation and Education	144,676	141,492	3,184
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(43,276)</u>	<u>(35,112)</u>	<u>8,164</u>
OTHER FINANCING SOURCE			
Transfer In	43,276	35,112	(8,164)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCE - BEGINNING			
FUND BALANCE - ENDING		<u>\$ -</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget

Sanitation Services Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Charges for Service	\$ 438,200	\$ 435,742	\$ (2,458)
Investment Income	-	120	120
Total Revenues	<u>438,200</u>	<u>435,862</u>	<u>(2,338)</u>
EXPENDITURES			
Public Works	446,496	407,487	39,011
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(8,296)</u>	<u>28,375</u>	<u>36,673</u>
OTHER FINANCING USE			
Transfer Out	(25,000)	(25,000)	-
NET CHANGE IN FUND BALANCE	<u>\$ (33,296)</u>	<u>3,375</u>	<u>\$ 36,673</u>
FUND BALANCE - BEGINNING		51,701	
FUND BALANCE - ENDING		<u>\$ 55,076</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget

Library/Civic Center Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 382,858	\$ 382,858	\$ -
Investment Income	200	392	192
Rent	16,000	16,059	59
Contributions	-	10,925	10,925
Total Revenues	<u>399,058</u>	<u>410,234</u>	<u>11,176</u>
EXPENDITURES			
Culture, Recreation and Education	399,058	371,088	27,970
Capital Outlay	-	37,853	(37,853)
Debt Issuance Costs	-	1,906	(1,906)
Total Expenditures	<u>399,058</u>	<u>410,847</u>	<u>(11,789)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>-</u>	<u>(613)</u>	<u>(613)</u>
OTHER FINANCING SOURCE			
Issuance of Debt	-	200,000	200,000
Debt Discount	-	(926)	(926)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>196,461</u>	<u>\$ 196,461</u>
FUND BALANCE - BEGINNING		-	
FUND BALANCE - ENDING		<u>\$ 196,461</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget
VanLieshout Rec Center

For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Investment Income	\$ -	\$ 17	\$ 17
Recreation Programs	-	490	490
Contributions	-	80	80
Total Revenues	-	587	587
EXPENDITURES			
	-	636	(636)
NET CHANGE IN FUND BALANCE	\$ -	(49)	(49)
FUND BALANCE - BEGINNING		8,678	
FUND BALANCE - ENDING	\$ -	8,629	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget
Promotional Fund

For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Local Room Tax	\$ 17,000	\$ 17,125	\$ 125
Investment Income	200	209	9
Total Revenues	17,200	17,334	134
EXPENDITURES			
Conservation and Development	11,000	11,078	(78)
NET CHANGE IN FUND BALANCE	\$ 6,200	6,256	56
FUND BALANCE - BEGINNING		107,267	
FUND BALANCE - ENDING	\$ -	113,523	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Deficit
Actual and Budget

Tax Incremental Financing District No. 1 Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Tax Increment Intergovernmental	\$ 187,397	\$ 187,372	\$ (25)
	5,000	5,365	365
Total Revenues	<u>172,397</u>	<u>172,737</u>	<u>340</u>
EXPENDITURES			
Current:			
Conservation and Development	150	-	150
EXCESS OF REVENUES OVER EXPENDITURES	<u>172,247</u>	<u>172,737</u>	<u>490</u>
OTHER FINANCING USE (SOURCE)			
Transfer In	-	391,696	391,696
Transfer Out	(126,445)	(126,445)	-
NET CHANGE IN FUND DEFICIT	<u>\$ 45,802</u>	<u>\$ 437,988</u>	<u>\$ 490</u>
FUND DEFICIT - BEGINNING		<u>(437,988)</u>	
FUND DEFICIT - ENDING		<u>\$ -</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual

Tax Incremental Financing District No. 2 Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
OTHER FINANCING USE			
Transfer Out	\$ -	\$ (229,805)	\$ (229,805)
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(229,805)</u>	<u>(229,805)</u>
FUND BALANCE - BEGINNING		<u>229,805</u>	
FUND BALANCE - ENDING		<u>\$ -</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget

Tax Incremental Financing District No. 4 Fund (Major Fund)
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 660,804	\$ 660,804	\$ -
Intergovernmental	1,000	866	(134)
Investment Income	-	845	845
Total Revenues	<u>661,804</u>	<u>662,515</u>	<u>711</u>
EXPENDITURES			
Conservation and Development	271,066	381,125	(110,050)
EXCESS OF REVENUES OVER EXPENDITURES	<u>390,738</u>	<u>281,389</u>	<u>(109,349)</u>
OTHER FINANCING SOURCE (USE)			
Sale of Village Properties	(460,631)	325,140	325,140
Transfer Out	-	(460,631)	-
Total Other Financing Source (Use)	<u>(460,631)</u>	<u>(135,491)</u>	<u>325,140</u>
NET CHANGE IN FUND BALANCE	<u>\$ (69,893)</u>	<u>145,898</u>	<u>\$ 215,791</u>
FUND BALANCE- BEGINNING		<u>361,392</u>	
FUND BALANCE - ENDING		<u>\$ 507,290</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Actual and Budget

Tax Incremental Financing District No. 5 Fund (Major Fund)
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 294,228	\$ 294,199	\$ (29)
Intergovernmental	2,000	45,477	43,477
Investment Income	-	18	18
Total Revenues	<u>296,228</u>	<u>339,694</u>	<u>43,465</u>
EXPENDITURES			
Conservation and Development	53,864	313,843	(259,979)
Capital Outlays	1,266,000	356,849	907,151
Total Expenditures	<u>1,319,864</u>	<u>672,692</u>	<u>647,172</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(1,023,636)</u>	<u>(332,998)</u>	<u>690,638</u>
OTHER FINANCING USE			
Transfer Out	(234,646)	(227,976)	6,670
NET CHANGE IN FUND BALANCE	<u>\$ (1,258,282)</u>	<u>(560,974)</u>	<u>\$ 697,308</u>
FUND BALANCE- BEGINNING		<u>165,656</u>	
FUND DEFICIT - ENDING		<u>\$ (395,318)</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)
Actual and Budget
Tax Incremental Financing District No. 6 Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Investment Income	\$ -	\$ 123	\$ 123
EXPENDITURES			
Conservation and Development	\$ -	\$ 19,009	\$ (19,009)
Debt Issuance Costs	-	1,235	(1,235)
Total Expenditures	-	20,244	(20,244)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	(20,121)	(20,121)
OTHER FINANCING SOURCE (USE)			
Discount on Debt Issued	-	(600)	(600)
Issuance of Debt	-	129,603	129,603
Total Other Financing Sources (Uses)	-	129,003	129,003
NET CHANGE IN FUND BALANCE	\$ -	108,882	\$ 108,882
FUND DEFICIT - BEGINNING		(20,750)	
FUND BALANCE - ENDING		\$ 88,132	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget
Park Improvement Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 70,000	\$ 70,000	\$ -
Intergovernmental	14,250	8,500	(5,750)
Investment Income	-	61	61
Park Fees	7,000	19,600	12,600
Contributions	-	10,313	10,313
Insurance Reimbursement	-	30,719	30,719
Total Revenues	91,250	139,193	47,943
EXPENDITURES			
Culture and Recreation	-	203,191	(203,191)
Capital Outlay	126,631	-	126,631
Debt Issuance Costs	-	540	(540)
Total Expenditures	126,631	203,731	(77,100)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(35,381)	(64,538)	(29,157)
OTHER FINANCING SOURCE (USE)			
Discount on Debt Issued	-	(262)	(262)
Issuance of Debt	-	96,600	96,600
Total Other Financing Sources (Uses)	-	96,338	96,338
NET CHANGE IN FUND BALANCE	(35,381)	(8,200)	27,181
FUND BALANCE - BEGINNING		81,274	
FUND BALANCE - ENDING		\$ 73,074	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget
Equipment Revolving Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 125,000	\$ 160,000	\$ 35,000
Intergovernmental	217,250	242,859	25,609
Investment Income	100	1,239	1,139
Contributions	-	15,860	15,860
Total Revenues	<u>342,350</u>	<u>419,958</u>	<u>77,608</u>
EXPENDITURES			
General Government	-	246,028	(246,028)
Capital Outlay	1,366,600	1,062,243	284,357
Debt Issuance Costs	-	5,977	(5,977)
Total Expenditures	<u>1,366,600</u>	<u>1,334,248</u>	<u>32,352</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(1,024,250)</u>	<u>(914,290)</u>	<u>109,960</u>
OTHER FINANCING SOURCES (USE)			
Issuance of Debt	125,000	1,552,000	1,427,000
Discount on Debt Issued	-	(14,999)	(14,999)
Transfers In	25,000	25,000	-
Total Other Financing Sources (Use)	<u>150,000</u>	<u>1,562,001</u>	<u>1,412,001</u>
NET CHANGE IN FUND BALANCE	<u>\$ (874,250)</u>	<u>647,711</u>	<u>\$ 1,521,961</u>
FUND BALANCE - BEGINNING		<u>36,041</u>	
FUND BALANCE - ENDING		<u>\$ 683,752</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Deficit
Actual and Budget
Facility and Technology Fund
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 35,000	\$ 35,000	\$ -
EXPENDITURES			
Capital Outlay	35,000	50,043	(15,043)
NET CHANGE IN FUND DEFICIT	<u>\$ -</u>	<u>(15,043)</u>	<u>\$ (15,043)</u>
FUND DEFICIT - BEGINNING		<u>(5,548)</u>	
FUND DEFICIT - ENDING		<u>\$ (20,591)</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Deficit

Actual and Budget

Village North Development

For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
EXPENDITURES			
Public Works	\$ -	\$ 8,729	\$ (8,729)
Capital Outlay	6,650	-	6,650
Total Expenditures	<u>6,650</u>	<u>8,729</u>	<u>(2,079)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(6,650)</u>	<u>-</u>	<u>6,650</u>
OTHER FINANCING SOURCES			
Sale of Village Property	60,000	85,297	25,297
Transfers In	-	139,640	139,640
Total Other Financing Sources	<u>60,000</u>	<u>224,937</u>	<u>164,937</u>
NET CHANGE IN FUND DEFICIT	<u>\$ 53,350</u>	<u>216,208</u>	<u>\$ 162,858</u>
FUND DEFICIT - BEGINNING		<u>(216,208)</u>	
FUND DEFICIT - ENDING		<u>\$ -</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit)

Actual and Budget

Construction Projects (Major Fund)

For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ -	\$ 317,407	\$ 317,407
Special Assessments	-	15,369	15,369
Investment Income	-	11,160	11,160
Other	-	57,394	57,394
Total Revenues	<u>-</u>	<u>401,330</u>	<u>401,330</u>
EXPENDITURES			
Public Works	-	7,011,089	(7,011,089)
Capital Outlay	-	-	-
Debt Issuance Costs	-	38,340	(38,340)
Total Expenditures	<u>-</u>	<u>7,049,429</u>	<u>(7,049,429)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>-</u>	<u>(6,648,099)</u>	<u>(6,648,099)</u>
OTHER FINANCING SOURCES (USE)			
Issuance of Debt	-	5,872,196	5,872,196
Discount on Debt Issued	-	(68,787)	(68,787)
Transfers In	-	2,027,761	2,027,761
Total Other Financing Sources (Use)	<u>-</u>	<u>7,841,170</u>	<u>7,841,170</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>1,193,071</u>	<u>\$ 1,193,071</u>
FUND DEFICIT - BEGINNING		<u>(850,230)</u>	
FUND BALANCE - ENDING		<u>\$ 342,841</u>	

VILLAGE OF LITTLE CHUTE

Schedule of Revenues, Expenditures and Changes in Fund Balance
Actual and Budget

Debt Service Fund (Major Fund)
For the Year Ended December 31, 2017

	Budget	Actual	Variance - Favorable (Unfavorable)
REVENUES			
Taxes	\$ 1,043,102	\$ 1,043,102	\$ -
Special Assessments	-	716,544	716,544
Interest on Special Assessments	-	29,590	29,590
Investment Income	-	16,877	16,877
Total Revenues	1,043,102	1,805,113	763,011
EXPENDITURES			
Debt Service:			
Principal	1,965,927	1,981,927	(16,000)
Interest and Fees	396,573	417,928	(21,355)
Total Expenditures	2,362,500	2,399,855	(37,355)
	(1,319,398)	(593,742)	725,656
DEFICIENCY OF REVENUES UNDER EXPENDITURES			
OTHER FINANCING SOURCES (USE)			
Premium on Debt Issued	-	360,705	360,705
Transfers In	1,201,794	1,431,601	229,807
Transfers Out	(386,742)	(386,742)	-
Total Other Financing Sources (Use)	815,052	1,405,564	590,512
NET CHANGE IN FUND BALANCE	\$(504,346)	811,822	\$ 1,316,168
FUND BALANCE - BEGINNING		3,932,277	
FUND BALANCE - ENDING		\$ 4,744,099	

VILLAGE OF LITTLE CHUTE

Statement of Changes in Assets and Liabilities
Tax Collections Agency Fund

For the Year Ended December 31, 2017

	Balance 1/1/2017	Additions	Deductions	Balance 12/31/2017
TAX COLLECTIONS				
Assets:				
Tax Roll Receivable	\$ 5,735,060	\$ 6,246,751	\$ 5,735,060	\$ 6,246,751
Restricted Cash and Investments	5,343,852	6,380,647	5,343,852	6,380,647
TOTAL ASSETS	\$ 11,078,912	\$ 12,627,398	\$ 11,078,912	\$ 12,627,398
Liabilities:				
Due to Other Taxing Units	\$ 11,078,912	\$ 12,627,398	\$ 11,078,912	\$ 12,627,398

Table 1

Village of Little Chute
Net Position By Component
For the fiscal years ended December 31, 2008 through 2017
 (accrual basis of accounting)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities:										
Net investment in capital assets	\$ 18,993,177	\$ 16,907,942	\$ 15,133,369	\$ 18,103,267	\$ 18,993,956	\$ 17,047,002	\$ 15,378,103	\$ 13,502,439	\$ 11,851,691	\$ 11,221,078
Restricted	1,886,215	2,023,472	2,004,934	258,855	265,549	106,711	134,082,000	-	-	-
Unrestricted	2,877,198	11,325,314	13,413,290	10,995,363	9,261,665	6,224,617	5,444,832	5,811,650	5,482,937	5,338,222
Total Government Activities Net Position	\$ 23,756,590	\$ 30,256,728	\$ 30,551,593	\$ 29,357,485	\$ 28,521,170	\$ 23,378,330	\$ 20,957,017	\$ 19,314,089	\$ 17,334,628	\$ 16,559,300
Business-type Activities:										
Net investment in capital assets	\$ 44,712,707	\$ 42,359,902	\$ 40,046,663	\$ 35,095,991	\$ 33,745,563	\$ 31,779,332	\$ 30,077,762	\$ 28,985,499	\$ 27,336,292	\$ 25,941,808
Restricted	2,877,033	1,419,815	1,332,226	1,196,594	1,578,145	1,574,515	1,567,375	1,252,310	1,234,979	1,211,477
Unrestricted	3,310,996	5,036,602	5,646,755	6,422,756	6,528,530	6,655,149	6,204,261	5,729,637	5,827,466	6,217,438
Total Business-type Activities Net Position	\$ 50,900,736	\$ 48,816,319	\$ 47,025,644	\$ 42,715,341	\$ 41,852,258	\$ 40,008,996	\$ 37,849,398	\$ 35,967,446	\$ 34,398,737	\$ 33,370,723
Primary Government:										
Net investment in capital assets	\$ 63,705,884	\$ 59,267,844	\$ 55,180,032	\$ 53,199,258	\$ 52,739,539	\$ 48,826,334	\$ 45,455,865	\$ 42,487,938	\$ 39,187,983	\$ 37,162,886
Restricted	4,763,248	3,443,287	3,337,160	1,455,449	1,843,694	1,681,226	1,701,457	1,252,310	1,234,979	1,211,477
Unrestricted	6,188,194	16,361,916	19,060,045	17,418,119	15,790,195	12,879,766	11,649,093	11,541,287	11,310,403	11,555,660
Total Primary Government Net Position	\$ 74,657,326	\$ 79,073,047	\$ 77,577,237	\$ 72,072,826	\$ 70,373,428	\$ 63,387,326	\$ 58,806,415	\$ 55,281,535	\$ 51,733,365	\$ 49,930,023

Notes: (1) The Village adopted GASB No. 65. Items Previously Reported as Assets and Liabilities in 2012. Note that 2010 and prior fiscal years have not been restated to reflect the expensing of previously capitalized debt issuance costs.

Table 2

Village of Little Chute
 Changes in Net Position
 For the fiscal years ended December 31, 2008 through 2017
 (accrual basis of accounting)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses:										
Governmental Activities:										
General Government	\$ 1,394,497	\$ 1,401,592	\$ 1,345,592	\$ 2,111,053	\$ 1,514,282	\$ 1,768,114	\$ 1,298,398	\$ 1,346,091	\$ 1,350,825	\$ 1,320,260
Public Safety	5,029,146	4,703,835	4,413,617	4,348,603	4,387,078	4,223,040	3,821,656	3,662,875	3,484,135	3,413,182
Public Works	9,136,504	3,212,730	3,259,084	2,890,330	2,759,473	2,635,520	2,848,534	2,248,066	2,657,514	2,666,230
Culture, Recreation & Education	1,564,566	1,537,812	1,279,078	1,488,449	1,245,665	1,186,451	1,294,935	1,303,158	1,226,808	1,351,975
Conservation & Community Development	1,363,448	1,755,119	4,224,114	208,522	278,383	146,633	191,381	318,472	592,596	624,691
Interest & Fiscal Charges	321,820	472,855	514,732	474,864	346,180	505,097	487,247	528,531	593,558	675,000
Total Governmental Activities	18,809,981	13,083,943	15,036,217	11,521,821	10,531,061	10,464,855	9,942,151	9,407,193	9,905,436	10,051,338
Business-type Activities:										
Water Utility	1,555,991	1,579,271	1,576,985	1,611,864	1,577,120	1,609,800	1,627,785	1,552,998	1,483,591	1,487,589
Sewer Utility	2,156,633	1,966,662	1,655,382	1,804,934	1,791,966	1,772,948	2,077,856	2,045,100	1,910,153	1,762,821
Storm Water Utility	855,673	901,669	792,437	756,482	789,587	816,231	660,683	648,735	683,271	629,159
Total Business-type Activities	4,568,297	4,467,602	4,024,804	4,173,280	4,158,673	4,198,979	4,366,304	4,246,833	4,077,015	3,879,569
Total Primary Government	\$ 23,378,278	\$ 17,551,545	\$ 19,061,021	\$ 15,695,101	\$ 14,689,734	\$ 14,663,834	\$ 14,308,455	\$ 13,654,026	\$ 13,982,451	\$ 13,930,907
Revenues:										
Program revenues										
Governmental Activities										
Charges for Services										
General Government	\$ 61,073	\$ 53,751	\$ 54,057	\$ 43,356	\$ 43,955	\$ 35,350	\$ 36,815	\$ 36,668	\$ 33,523	\$ 42,261
Public Safety	374,805	254,473	229,549	293,026	285,714	154,882	177,367	184,364	203,924	152,010
Public Works	633,296	549,786	536,098	504,434	507,808	570,129	411,725	232,224	87,020	94,254
Culture, Recreation & Education	159,552	128,633	133,158	123,898	126,778	120,113	114,482	118,667	110,007	113,087
Conservation & Community Development	6,115	5,659	5,877	5,625	6,486	17,245	9,184	7,158	7,684	10,814
Operating Grants & Contributions	706,168	801,335	714,018	688,216	752,521	662,806	687,545	743,687	756,104	799,199
Capital Grants & Contributions	444,919	656,632	435,184	1,896,903	4,704,382	1,210,151	702,974	868,886	434,772	1,058,693
Total Governmental Activities	2,385,928	2,450,269	2,107,941	3,355,458	6,427,644	2,770,676	2,140,092	2,191,654	1,633,034	2,270,318
Business-type Activities:										
Charges for Services										
Water Utility	2,175,455	2,205,227	2,103,742	1,984,030	1,959,343	2,012,424	1,797,755	1,740,124	1,733,202	1,677,175
Sewer Utility	2,730,654	2,623,071	2,410,115	2,322,205	2,327,183	2,386,421	2,325,318	2,354,312	2,161,358	1,891,504
Storm Water Utility	1,055,988	878,753	854,080	829,474	811,355	791,223	778,879	805,113	865,669	873,884
Capital Grants & Contributions	788,670	653,267	2,980,005	1,806	1,051,870	1,431,018	1,520,894	934,074	301,149	88,628
Total Business-type activities	6,750,767	6,360,318	8,347,942	5,137,515	6,149,751	6,621,086	6,422,846	5,833,623	5,061,378	4,531,191
Total Primary Government	\$ 9,136,695	\$ 8,810,587	\$ 10,455,883	\$ 8,492,973	\$ 12,577,395	\$ 9,391,762	\$ 8,562,938	\$ 8,025,277	\$ 6,694,412	\$ 6,801,509

Table 2

Village of Little Chute
Changes in Net Position
For the fiscal years ended December 31, 2008 through 2017
 (accrual basis of accounting)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net (Expense)/Revenue:										
Governmental Activities	\$ (16,424,053)	\$ (10,633,674)	\$ (12,928,296)	\$ (8,166,363)	\$ (4,103,417)	\$ (7,694,179)	\$ (7,802,059)	\$ (7,215,539)	\$ (8,272,402)	\$ (7,781,020)
Business-type Activities	2,192,470	1,892,716	4,323,138	964,235	1,991,078	2,422,107	2,056,542	1,586,790	984,363	651,622
Total Primary Government Net Position	\$ (14,241,583)	\$ (8,740,958)	\$ (8,605,158)	\$ (7,202,128)	\$ (2,112,339)	\$ (5,272,072)	\$ (5,745,517)	\$ (5,628,749)	\$ (7,288,039)	\$ (7,129,398)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Taxes										
Property taxes	\$ 5,998,013	\$ 5,656,262	\$ 5,570,275	\$ 5,151,371	\$ 5,859,808	\$ 5,823,889	\$ 5,766,779	\$ 5,757,919	\$ 5,521,974	\$ 5,148,846
Other taxes	74,589	93,932	77,475	31,600	27,606	25,649	26,715	25,648	29,007	26,617
Intergovernmental Revenues not restricted to specific programs	3,305,273	3,367,200	3,317,094	3,333,235	3,459,241	3,804,060	3,127,428	2,845,646	2,652,847	2,814,757
Investment Income	76,973	85,901	112,964	125,348	33,865	145,426	147,492	230,845	289,769	453,918
Gain on Sale of Capital Assets	22,015	388,546	3,097,345	-	-	-	-	-	-	-
Miscellaneous	231,072	304,105	210,486	145,125	240,879	192,497	160,573	134,942	154,133	116,875
Special Item - Refund to Overlying Districts	-	-	-	-	(1,076,488)	-	-	-	-	-
Transfers	216,000	216,000	216,000	216,000	216,000	216,000	216,000	200,000	200,000	200,000
Total Governmental Activities	\$ 9,923,915	\$ 10,111,946	\$ 12,601,639	\$ 9,002,679	\$ 8,760,911	\$ 10,207,521	\$ 9,444,987	\$ 9,185,000	\$ 9,047,730	\$ 8,761,013
Business-type Activities:										
Investment Income	46,682	57,573	41,681	55,025	11,007	45,624	(21,711)	152,086	104,499	253,571
Miscellaneous	71,255	56,386	54,460	59,823	57,177	48,312	63,121	29,833	139,152	61,274
Transfers	(216,000)	(216,000)	(216,000)	(216,000)	(216,000)	(216,000)	(216,000)	(200,000)	(200,000)	(200,000)
Total Business-type Activities	\$ (98,063)	\$ (102,041)	\$ (119,859)	\$ (101,152)	\$ (147,816)	\$ (122,064)	(174,590)	(18,081)	43,651	114,845
Total Primary Government	\$ 9,825,862	\$ 10,009,905	\$ 12,481,780	\$ 8,901,527	\$ 8,613,095	\$ 10,085,457	\$ 9,270,397	\$ 9,176,919	\$ 9,091,381	\$ 8,875,858
Change in Net Position:										
Governmental Activities	\$ (6,500,136)	\$ (521,728)	\$ (326,657)	\$ 836,316	\$ 4,657,494	\$ 2,513,342	\$ 1,642,928	\$ 1,979,461	\$ 775,328	\$ 979,993
Business-type Activities	2,084,417	1,790,675	4,203,279	863,083	1,843,262	2,300,043	1,881,952	1,568,709	1,028,014	766,467
Total Primary Government	\$ (4,415,721)	\$ 1,268,947	\$ 3,876,622	\$ 1,699,399	\$ 6,500,756	\$ 4,813,385	\$ 3,524,880	\$ 3,548,170	\$ 1,803,342	\$ 1,746,460

Table 3

Village of Little Chute

Fund Balances, Governmental Funds

For the fiscal years ended December 31, 2008 through 2017

(modified accrual basis of accounting)

	Fiscal Year										
	2017	2016	2015	2014	2013	2012	2011 (2)	2010	2009	2008	
General Fund:											
Nonspendable	\$ 836,411	\$ 463,320	\$ 613,648	\$ 598,000	\$ 570,721	\$ 646,947	713,559	-	-	-	
Restricted	-	-	-	-	-	-	-	-	-	-	
Committed	-	-	-	-	-	-	-	-	-	-	
Assigned	218,749	218,749	218,749	218,749	218,749	218,749	218,749	-	-	-	
Unassigned	3,402,362	6,086,454	5,650,098	2,101,381	2,225,305	2,177,364	1,388,299	-	-	-	
Reserved	-	-	-	-	-	-	-	741,877	1,449,887	1,701,348	
Unreserved	4,457,522	6,768,523	6,482,495	2,918,130	3,014,775	3,043,060	2,320,607	1,713,364	1,393,322	1,737,072	
Total General Fund											
								2,455,241	2,843,209	3,438,420	
All Other Governmental Funds:											
Nonspendable	19,193	19,229	-	-	-	-	-	-	-	-	
Restricted	3,408,077	2,157,733	3,526,261	4,934,560	3,221,467	5,370,755	7,869,746	-	-	-	
Committed	-	-	-	-	-	-	5,726	-	-	-	
Assigned	3,789,031	3,134,629	3,059,147	2,974,059	4,398,313	4,159,105	2,177,812	-	-	-	
Unassigned	(415,909)	(1,530,724)	(895,743)	(959,209)	(1,038,530)	(1,230,960)	(1,402,738)	-	-	-	
Reserved	-	-	-	-	-	-	-	309,864	360,729	360,197	
Unreserved, reported in:											
Special Revenue	-	-	-	-	-	-	-	2,113,919	1,500,799	192,662	
Debt Service	-	-	-	-	-	-	-	-	-	-	
Capital Projects Fund	-	-	-	-	-	-	-	2,935,549	3,161,639	3,703,224	
Total All Other Governmental Funds	6,800,392	3,780,867	5,689,665	6,949,430	6,581,250	8,298,900	8,650,546	5,359,332	5,023,167	4,256,083	
Total all governmental funds (1)	\$11,257,914	\$10,549,390	\$12,172,160	\$9,867,560	\$ 9,596,025	\$11,341,960	\$10,971,153	\$ 7,814,573	\$ 7,866,376	\$ 7,694,503	

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

(2) Reflects implementation of GASB Statement No. 54, which introduced changes in fund balance reporting.

Table 4

Village of Little Chute
Changes in Fund Balances, Governmental Funds
For the fiscal years ended December 31, 2008 through 2017
(modified accrual basis of accounting)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues:										
Property Taxes	\$6,089,707	\$5,767,175	\$5,663,134	\$5,182,971	\$ 5,887,414	\$5,849,538	\$5,793,494	\$5,783,567	\$5,550,981	\$5,175,463
Intergovernmental	4,066,831	4,141,093	3,990,550	3,987,880	4,152,568	4,909,171	3,882,221	3,960,350	3,970,610	3,578,426
Licenses & Permits	128,827	129,273	153,193	111,764	126,873	72,343	56,675	61,610	51,192	94,415
Public Charges for Services	615,797	578,862	555,390	545,142	534,873	554,730	518,147	338,696	167,693	170,622
Intergov't Charges for Services	155,479	174,953	163,410	169,958	153,234	74,125	19,071	12,271	25,971	20,978
Fines & Forfeitures	82,863	95,424	88,801	102,663	127,642	100,446	112,139	111,098	109,390	90,168
Special Assessments	731,913	661,392	951,021	851,380	636,337	481,837	340,195	493,567	660,899	408,476
Interest Income	76,967	85,891	109,022	125,348	33,865	145,426	147,492	230,845	289,769	453,918
Developers Agreement	-	-	-	-	-	-	-	1,984	1,543	322,285
Other Revenues	317,575	376,442	303,179	943,745	928,697	346,995	200,515	296,827	316,966	165,580
Total Revenues	12,265,959	12,010,505	11,977,700	12,020,851	12,581,503	12,534,611	11,069,949	11,290,815	11,145,014	10,480,331
Expenditures:										
Current:										
General Government	1,218,628	1,225,915	1,183,060	1,186,314	1,323,999	1,205,424	1,215,404	1,193,505	1,112,487	1,025,204
Public Safety	4,052,017	4,215,371	4,048,159	4,136,661	4,210,502	4,093,664	3,805,114	3,524,653	3,416,626	3,311,357
Public Works	1,537,480	1,586,302	1,494,371	1,479,213	1,542,066	1,394,343	1,520,261	1,394,943	1,347,532	1,469,924
Culture, Recreation & Education	1,197,296	1,154,751	1,022,724	1,093,794	1,060,351	1,033,926	1,073,104	1,092,520	1,101,234	1,049,984
Conservation & Development	475,904	830,580	3,690,287	205,796	278,383	146,633	171,470	261,806	546,278	613,326
Capital Outlay	9,292,894	2,985,982	2,530,205	8,391,799	3,748,143	3,556,579	3,586,146	1,293,272	1,425,165	2,512,376
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal Retirement	1,915,927	2,746,252	2,133,981	1,553,110	1,577,092	3,177,259	1,979,815	2,265,944	2,340,084	2,051,875
Interest and Fees	557,893	486,017	512,490	351,903	374,002	526,525	494,200	536,265	580,175	711,082
Total Expenditures	20,248,039	15,231,170	16,615,277	18,398,590	14,114,538	15,134,353	13,845,514	11,562,908	11,869,581	12,745,128
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,982,080)	(3,220,665)	(4,637,577)	(6,377,739)	(1,533,035)	(2,599,742)	(2,775,565)	(272,093)	(724,567)	(2,264,797)

Table 4

Village of Little Chute
Changes in Fund Balances, Governmental Funds
For the fiscal years ended December 31, 2008 through 2017
(modified accrual basis of accounting)

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Other Financing Sources										
(Uses)										
Issuance of Debt	\$ 7,765,749	\$ 448,000	\$ 3,245,000	\$ 5,490,000	\$ -	\$ 5,704,304	\$ 5,704,304	\$ -	\$ 691,000	\$ 3,716,038
Principal Pay-Current Refunding	-	-	-	-	-	-	-	-	-	(1,685,000)
Payment to Escrow Agent	-	-	-	-	-	-	-	-	-	-
Discount on Debt Issued	(75,574)	-	-	-	-	-	-	-	-	-
Premium on Debt Issued	360,705	3,400	70,865	41,684	-	-	-	-	-	-
Transfers In	4,266,810	2,597,994	1,451,234	1,288,352	1,902,901	1,587,003	1,587,003	3,625,291	5,653,341	3,743,776
Transfers Out	(4,050,810)	(2,381,994)	(1,235,234)	(1,072,352)	(1,686,901)	(1,387,003)	(1,387,003)	(3,425,291)	(5,453,341)	(3,543,776)
Refund to Overlying Districts	-	(229,115)	-	-	(1,076,488)	-	-	-	-	-
Sale of Property	423,724	1,159,610	3,400,022	901,591	422,296	27,841	27,841	20,290	5,440	34,521
Total other financing sources (uses)	8,690,604	1,597,895	6,931,887	6,649,275	(438,192)	5,932,145	5,932,145	220,290	896,440	2,265,559
Net Change in Fund Balance	\$ 708,524	\$ (1,622,770)	\$ 2,294,310	\$ 271,536	\$ (1,971,227)	\$ 3,332,403	\$ 3,156,580	\$ (51,803)	\$ 171,873	\$ 762
Debt Service as a Percentage of Noncapital Expenditures	13.24%	24.37%	17.28%	17.88%	18.82%	31.99%	24.11%	27.29%	27.96%	27.00%

Table 5

Village of Little Chute
 Assessed Value and Estimated Actual Value of Taxable Property
 For the fiscal years ended December 31, 2008 through 2017

Fiscal Year Ended 12/31	Residential Property	Commercial Property	Manufacturing Property	Other Property	Personal Property	Total Taxable Assessed Value*	Total Direct Tax Rate	Total Taxable Equalized Value	Ratio Of Assessed To Equalized Value
2017	\$ 465,593,900	\$ 170,590,300	\$ 75,960,500	\$ 390,600	\$ 22,599,400	\$ 735,134,700	\$ 7.21	771,569,100	95.28 %
2016	458,427,200	166,467,800	76,910,700	386,400	20,814,400	723,006,500	7.31	726,771,000	99.48
2015	452,543,000	156,507,100	68,045,800	388,200	20,415,200	697,899,300	6.99	704,553,900	99.06
2014	447,570,900	148,820,100	69,902,000	399,300	20,487,100	687,179,400	6.92	677,706,100	101.58
2013	435,190,000	130,622,500	60,552,200	148,700	18,533,700	645,047,100	6.95	655,348,800	98.43
2012	434,415,600	129,398,000	62,092,900	235,100	17,624,900	643,766,500	6.87	665,478,600	96.74
2011	435,017,500	131,312,400	58,751,300	236,000	17,410,100	642,727,300	6.87	690,335,000	93.10
2010	435,707,500	133,484,500	53,731,400	236,560	21,079,500	644,239,400	6.68	688,108,000	93.76
2009	434,896,000	137,082,500	49,845,800	422,700	20,926,700	643,173,700	6.69	694,645,900	92.87
2008	435,287,300	134,533,600	42,257,900	235,200	22,006,800	634,320,800	6.57	689,878,600	92.15

*Note: Total Taxable Assessed Value does not include tax exempt properties; Tax exempt properties are not assigned values.
 Source: Wisconsin Department of Revenue provides property value by class.

Village of Little Chute
Direct and Overlapping Property Tax Rates
For the fiscal years ended December 31, 2008 through 2017
 (Per \$1,000 of Assessed Valuation)

Levy Year	Collection Year	Village Direct Rate				Overlapping Rates							
		Village Services	General Obligation Debt Service	Special Revenue Funds(1)	Capital Outlay	Village Rate	Little Chute School District(2)	Kaukauna School District	Appleton School District	Outagamie County	Fox Valley Technical College	State of Wisconsin	
2017	2018	\$ 1.94	\$ 1.26	\$ 3.40	\$ 0.61	\$ 7.21	\$ 11.29	\$ 9.65	\$ 9.71	\$ 4.97	\$ 1.14	\$ -	
2016	2017	1.83	1.39	3.36	0.73	7.31	10.52	8.85	9.11	4.82	1.12	0.17	
2015	2016	1.82	1.27	3.35	0.55	6.99	11.08	9.20	9.70	4.88	1.13	0.17	
2014	2015	1.80	1.25	3.33	0.54	6.92	10.05	8.50	8.89	4.79	1.11	0.17	
2013	2014	1.70	1.42	3.39	0.44	6.95	9.75	9.43	9.55	4.90	2.00	0.17	
2012	2013	1.63	1.28	3.65	0.31	6.87	10.23	9.72	9.65	4.98	2.04	0.18	
2011	2012	1.59	1.08	3.92	0.28	6.87	10.23	9.44	9.85	5.05	1.92	0.18	
2010	2011	1.22	1.34	3.96	0.16	6.68	12.08	9.52	9.71	4.86	1.90	0.18	
2009	2010	4.13	1.56	0.87	0.13	6.69	11.72	9.52	9.10	4.84	1.85	0.18	
2008	2009	4.01	1.63	0.91	0.03	6.58	11.81	8.82	8.71	4.79	1.83	0.18	

Source: Tax rates provided by individual tax jurisdictions.

(1) Tax Levy for Consolidated Police Services in 2011 through 2017 applied directly to Special Revenue Fund.

Prior year levies were included in the General Fund and then transferred to Consolidated Police Services.

(2) A property owner is taxed by only one school district and each of the remaining entities.

Table 7

Village of Little Chute
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
Nestle's Frozen Foods	\$ 19,574,100	1	2.54 %	\$ 17,435,400	1	2.81 %
Trilliant Nutrition, LLC	14,204,500	2	1.84			
Crystal Print, Inc., Chris Hartwig	12,427,100	3	1.61	12,672,000	2	2.04
Premier Little Chute LLC	11,787,500	4	1.53			
Little Chute Warehouse LLC	7,561,500	5	0.98	7,279,000	3	1.17
Darboy Development (Heartland)	5,098,800	6	0.66			
Resource One International, Inc.	4,909,600	7	0.64	4,062,700	9	0.65
Bela LLC	4,884,900	8	0.63	5,234,500	4	0.84
Nobleman Crossing LLC	4,755,900	9	0.62	4,755,900	6	0.77
EGLAC LLC (Elm Grove Apartments)	4,573,900	10	0.59			
Bel Cheese USA	-		-	4,780,700	5	0.77
Lone Star Equities (Foxdale Plaza)	-		-			
Sydney Hotels	-		-	4,365,900	8	0.70
JVDH Enterprises	-		-			
Evergreen Storage (Miller Electric)	-		-	3,884,000	10	0.63
Marron Keystone	-		-	4,711,900	7	0.76
Total	\$ 89,777,800		11.65 %	\$ 69,182,000		11.15 %

Source: Taxpayer totals compiled by Village's Assessor's office.

Table 8

Village of Little Chute

Property Tax Levies and Collections

For the fiscal years ended December 31, 2008 through 2017

Tax Levy Year	Total Tax Levy	Collected Within The Fiscal Year Of The Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	Percentage Of Levy		Amount	Percentage Of Levy
2017	\$6,141,416	\$2,813,142	45.81 %	\$3,297,395	\$ 6,110,537	99.50
2016	6,048,287	2,864,044	47.35	3,172,744	6,036,788	99.81
2015	5,705,504	2,757,914	48.34	2,933,406	5,691,320	99.75
2014	5,619,765	2,513,442	44.73	3,093,966	5,607,408	99.78
2013	5,159,780	2,439,428	47.28	2,705,576	5,145,004	99.71
2012	5,851,253	2,648,435	45.26	3,181,454	5,829,889	99.63
2011	5,814,760	2,704,487	46.51	3,092,358	5,796,845	99.69
2010	5,761,594	2,650,286	46.00	3,111,179	5,761,465	100.00
2009	5,749,050	2,404,912	41.83	3,333,582	5,738,494	99.82
2008	5,546,622	2,324,826	41.91	3,216,973	5,541,799	99.91

Source: Village accounting records.

Notes: In addition, to property taxes for the municipality, the Village collects and remits taxes for State and County governments as well as three school districts and a technical college district. Taxes are levied in December of each year based upon the assessed value as of January 1st of that year. Real estate taxes can be paid in two installments due January 31st and July 31st. Personal property taxes are due by January 31st. Tax settlements to the other taxing authorities are made in January, for taxes collected as of December 31st, and in February, for taxes collected as of January 31st. All unpaid real estate taxes as of January 31st are turned over to the County Treasurer for collection. All personal property taxes are retained for collection by the Village. The final settlement for real estate taxes is made by the County to each of the other taxing authorities for the balance of their tax levies.

Table 9

Village of Little Chute
Ratios of Outstanding Debt
For the fiscal years ended December 31, 2008 through 2017

Year	Total General		Designated Funds For		Net General		Ratio Of Net	
	Bonded Debt	Bonded Debt	Debt Service (1)	Bonded Debt	Bonded Debt	Bonded Debt	General Bonded Debt to Equalized Property Value (2)	Net General Bonded Debt Per Capita (3)
2017	\$ 21,528,530	\$ 21,528,530	\$ 1,023,423	\$20,505,107		0.0266	1,866.31	
2016	15,452,806	15,452,806	812,398	14,640,408		0.0201	1,333.86	
2015	17,760,423	17,760,423	477,575	17,282,848		0.0245	1,603.53	
2014	21,158,709	21,158,709	258,855	20,899,854		0.0308	1,462.41	
2013	15,677,840	15,677,840	265,549	15,412,291		0.0235	1,462.41	
2012	16,744,684	16,744,684	231,666	16,513,018		0.0248	1,582.92	
2011	17,060,473	17,060,473	281,430	16,779,043		0.0243	1,605.04	
2010	12,536,419	12,536,419	64,721	12,471,698		0.0181	1,131.73	
2009	15,122,023	15,122,023	39,318	15,082,705		0.0217	1,366.19	
2008	17,165,047	17,165,047	51,956	17,113,091		0.0248	1,550.80	

- Notes:** (1) Restricted for debt service are advance collections applicable to debt service on the Statement of Net Position.
(2) Wisconsin uses equalized value for calculating legal debt limit.
(3) Population data can be found in table 16.

Table 10

Village of Little Chute

Ratios of Outstanding Debt

For the fiscal years ended December 31, 2008 through 2017

Year	Governmental Activities		Business-Type Activities				Total Primary Government	Percentage Of Personal Income	Per Capita
	Obligation Bonds/Notes	General	Water Utility Bonds/Notes	Sewer Utility Bonds/Notes	Storm water Utility Bonds/Notes	Government			
2017	\$ 21,528,530		\$ 3,659,826	\$ 869,525	\$ 4,038,133	\$ 30,096,014	5.85%	\$ 2,739	
2016	15,452,806		3,062,764	1,144,712	3,854,318	23,514,600	4.72%	2,142	
2015	17,760,423		3,700,162	1,408,662	2,305,555	25,174,802	5.14%	2,336	
2014	16,564,823		2,163,651	1,658,990	771,245	21,158,709	4.85%	2,008	
2013	11,475,587		4,804,295	2,113,630	2,831,661	21,225,173	4.86%	2,029	
2012	11,785,945		5,585,246	2,458,644	3,135,863	22,965,698	5.60%	2,201	
2011	12,702,392		5,027,220	2,838,776	3,335,975	23,904,363	5.95%	2,287	
2010	8,687,903		5,002,349	2,739,450	1,858,638	18,288,340	4.48%	1,660	
2009	10,678,847		5,592,206	3,101,830	1,749,140	21,122,023	5.32%	1,913	
2008	12,067,931		6,121,599	3,441,483	2,024,034	23,655,047	5.69%	2,144	

Notes: Details of the Village's outstanding debt can be found in the notes to the financial statements. See table 16 for personal income and population data.

Table 11

Village of Little Chute
Legal Debt Margin Information

For the fiscal years ended December 31, 2008 through 2017

	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt limit	\$38,578,455	\$36,338,550	\$35,227,695	\$33,885,305	\$32,767,440	\$33,273,930	\$34,516,750	\$34,405,400	\$34,732,295	\$34,493,930
Total net debt applicable to limit	24,223,336	18,112,152	20,744,814	20,158,709	15,677,840	16,744,684	17,060,473	12,536,419	15,122,023	17,165,047
Legal debt margin	\$14,355,119	\$18,226,398	\$14,482,881	\$13,726,596	\$17,089,600	\$16,529,246	\$17,456,277	\$21,868,981	\$19,610,272	\$17,328,883
Total debt applicable to limit as a percentage of debt limit	62.79%	49.84%	58.89%	59.49%	47.85%	50.32%	49.43%	36.44%	43.54%	49.76%

Legal Debt Margin Calculation for Fiscal Year 2017

Equalized valuation	\$771,569,100
Legal debt limit (5% of equalized valuation)	38,578,455
Less: General Obligation debt	24,223,336
Legal Debt Margin	\$ 14,355,119

Note: In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent (5.0%) of the equalized value of the taxable property within the Village's jurisdiction.

Table 12

**Village of Little Chute
Direct and Overlapping Governmental Activities Debt
As of December 31, 2017**

<u>Governmental Unit</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable To Village</u>	<u>Amount Applicable To Village</u>
Village of Little Chute	\$ 21,528,530	100.0000%	\$ 21,528,530
School Districts:			
Little Chute	21,206,686	100.0000%	21,206,686
Kaukauna	28,789,000	9.1949%	2,647,125
Appleton	37,912,946	0.2533%	96,029
Fox Valley Technical College	82,060,084	1.9479%	1,598,424
Outagamie County	64,108,442	4.8986%	3,140,416
Heart of Valley Metro Sewer	17,538,566	20.3390%	3,567,167
<u>Total Overlapping</u>	<u>251,615,724</u>		<u>32,255,848</u>
<u>Total Direct and Overlapping Debt</u>	<u>\$ 273,144,254</u>		<u>\$ 53,784,378</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Village. This schedule estimates the portion of the outstanding debt of these overlapping governments that is borne by the taxpayers of the Village through the taxes levied by these government agencies.

Source: Data provided by each governmental unit.

Table 13

**Village of Little Chute
Revenue Bond Coverage-Water Utility**
For the fiscal years ended December 31, 2008 through 2017

Fiscal Year	Operating Revenues	Investment Income (Loss)	Operating Expenses(1)	Net Revenue Available for Debt Service	Debt Service Requirements(2)			Coverage(3)
					Principal	Interest	Total	
2017	\$ 2,175,455	\$ 10,269	\$ 1,085,053	\$ 1,100,671	\$ 330,000	\$ 34,337	\$ 364,337	3.02
2016	2,205,227	11,813	1,069,634	1,147,406	495,000	65,970	560,970	2.05
2015	2,103,742	10,374	1,054,197	1,059,919	475,000	82,578	557,578	1.90 (6)
2014	1,984,030	11,454	1,078,467	917,017	520,000	100,198	620,198	1.48 (5)
2013	1,959,343	7,435	1,049,625	917,153	510,000	117,402	627,402	1.46
2012	2,012,424	9,946	1,062,653	959,717	500,000	134,300	634,300	1.51 (4)
2011	1,797,755	(31,221)	1,078,309	688,225	485,000	150,710	635,710	1.08
2010	1,740,124	74,003	995,985	818,142	445,000	165,978	610,978	1.34
2009	1,733,202	36,230	912,151	857,281	395,000	203,373	598,373	1.43
2008	1,677,175	117,988	894,893	900,270	355,000	181,590	536,590	1.68

- Notes:**
- (1) Total operating expenses less depreciation.
 - (2) Does not include general obligation debt.
 - (3) Required coverage ratio is 1.25.
 - (4) Public Service Commission of Wisconsin authorized a 17% increase in rates as of September 7, 2011. (Conventional Rate Case)
 - (5) Public Service Commission of Wisconsin authorized a 3% increase in rates as of August 31, 2014. (Simplified Rate Case)
 - (6) Public Service Commission of Wisconsin authorized a 3% increase in rates as of September 29, 2015. (Simplified Rate Case)

Table 14

Village of Little Chute
Revenue Bond Coverage-Sewer Utility

For the fiscal years ended December 31, 2008 through 2017

Fiscal Year	Operating Revenues	Investment Income	Operating Expenses(1)	Net Revenue Available for Debt Service	Debt Service Requirements(2)			Coverage(3)
					Principal	Interest	Total	
2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
2016	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-
2014	2,322,205	12,163	1,555,619	778,749	100,000	24,389	124,389	6.26
2013	2,327,183	8,346	1,540,647	794,882	100,000	35,853	135,853	5.85
2012	2,386,421	14,559	1,506,619	894,361	100,000	39,853	139,853	6.40
2011	2,325,318	296	1,801,419	524,195	100,000	43,853	143,853	3.64
2010	2,354,312	36,145	1,765,423	625,034	100,000	47,853	147,853	4.23
2009	2,161,358	31,507	1,619,923	572,942	95,000	51,753	146,753	3.90
2008	1,891,504	72,663	1,473,510	490,657	90,000	55,453	145,453	3.37

Notes:

- (1) Total operating expenses less depreciation.
- (2) Does not include general obligation debt.
- (3) Required coverage ratio is 1.25.

(4) On August 1, 2014, the Village current refunded the remaining \$725,000 of Sewer Revenue Bonds. At December 31, 2014, the Sewer Utility no longer had bond coverage requirements.

Table 15

**Village of Little Chute
Revenue Bond Coverage-Storm Water Utility
For the fiscal years ended December 31, 2012 through 2017**

Fiscal Year	Operating Revenues	Investment Income	Operating Expenses(1)	Net Revenue Available for Debt Service	Debt Service Requirements(2)			Coverage(3)
					Principal	Interest	Total	
2017	\$ 1,055,988	\$ 23,657	\$ 380,144	\$ 699,501	\$ 184,339	\$ 106,431	\$ 290,770	2.41
2016	878,753	23,847	408,643	493,957	109,717	54,710	164,427	3.00
2015	854,080	16,265	382,717	487,628	99,114	57,022	156,136	3.12
2014	829,474	31,408	357,673	503,209	88,530	59,115	147,645	3.41
2013	811,355	(4,774)	394,894	411,687	77,964	60,982	138,946	2.96
2012	791,223	21,119	361,088	451,254	65,539	71,273	136,812	3.30
2011	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-

Notes:
 (1) Total operating expenses less depreciation.
 (2) Does not include general obligation debt.
 (3) Required coverage ratio is 1.25.

Table 16

Village of Little Chute
Demographic and Economic Statistics

For the fiscal years ended December 31, 2008 through 2017

Year	Population(1)	Personal Income(2)	Per Capita Personal Income(3)		Unemployment Rates(4)	
			Outagamie County	State of Wisconsin	Outagamie County	State of Wisconsin
2017	10,987	\$514,345,418	\$ 46,814	\$ 47,850	2.5	3.0
2016	10,976	498,628,704	45,429	47,275	3.6	4.1
2015	10,778	489,633,762	45,429	45,914	3.9	4.6
2014	10,539	436,398,912	41,408	44,585	4.9	5.2
2013	10,462	427,655,174	40,877	43,149	5.4	6.1
2012	10,432	410,186,240	39,320	40,537	6.5	6.9
2011	10,454	401,433,600	38,400	40,073	7.0	7.5
2010	11,020	408,246,920	37,046	38,225	8.0	8.5
2009	11,040	396,755,520	35,938	36,970	8.0	8.3
2008	11,035	415,942,255	37,693	38,172	5.6	5.8

- Notes:**
- (1) Source-Department of Administration-State of Wisconsin (Final Muni Estimate 1/1/2016)
 - (2) Personal income estimate for Village based upon Village population and County per capita personal income
 - (3) Personal Income from Bureau of Economic Analysis www.bea.gov - BEARFACTS
 - (4) Source-Department of Workforce Development-State of Wisconsin Local Area Unemployment Statistics

Table 17

**Village of Little Chute
Principal Employers
Current Year and Nine Years Ago**

Employer	2017			2008		
	Number of(1) Employees	Rank	Percentage(2) of Total Village Employment	Number of Employees	Rank	Percentage(2) of Total Village Employment
Nestle's Frozen Foods	880	1	14.67 %	850	1	13.69 %
Trilliant Food and Nutrition, LLC	519	2	8.65	99	10	1.60
Heartland Label Printers	515	3	8.59	240	3	3.87
Building Services Group	268	4	4.47	246	2	3.96
Little Chute Area School District	185	5	3.08	182	4	2.93
Fox Valley Tool and Die	172	6	2.87	166	6	2.67
Bel Cheese USA	135	7	2.25	161	7	2.59
Bela LLC (General Beer Dist)	88	10	1.47	115	8	1.85
Resource One	99	8	1.65	-	-	-
Village of Little Chute	-	-	-	175	5	2.82
Agropur	94	9	1.57	-	-	-
Parkside Health Center	2,955	-	49.27 %	110	9	1.80
				2,344		37.78 %

Source: Telephone survey by Village staff.

(1) Current year number shows full-time employees only.

(2) Employment estimates derived from Wisconsin Department of Workforce Development - Outagamie County

Table 18

Village of Little Chute
Village Government Employees Function/Program
 For the fiscal years ended December 31, 2008 through 2017
 (full time equivalents; seasonal shown as actual count)

Function Program (1)	Fiscal Year										
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	
General Government:											
Administration	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	1.00	
GIS	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	
Finance	4.25	4.25	2.60	2.75	3.25	3.25	3.25	3.25	3.50	3.50	
Clerk	2.00	2.00	2.00	1.50	1.50	1.50	1.50	1.50	1.00	1.00	
Seasonal	-	-	-	-	-	-	-	-	0.20	-	
Assessor	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	
Public Safety:											
Inspection Services	1.50	1.50	1.50	1.50	1.50	1.00	1.00	1.50	1.50	1.50	
Police Department (2)	30.75	31.75	33.75	33.75	33.50	34.75	30.75	28.50	30.00	28.50	
Seasonal (Crossing Guard)	19.00	19.00	18.00	18.00	18.00	18.00	10.00	8.00	8.00	8.00	
Fire Department (3)	46.50	50.00	47.00	45.00	45.00	46.50	45.50	44.50	44.00	44.00	
Municipal Court	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	
Public Works:											
DPW Admin/Engineering	6.00	6.00	7.00	6.00	6.00	6.00	6.00	6.00	5.00	5.00	
Street Department	13.00	13.00	12.00	12.00	12.00	14.00	13.00	11.00	13.00	14.00	
Seasonal (Sanitation, Streets)	2.00	2.00	2.00	3.00	4.00	4.00	3.00	4.00	3.00	2.00	
Library (4)	-	-	-	-	-	-	-	-	-	-	
Parks and Recreation	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.50	4.50	
Seasonal (Pool, Parks, Recreation)	46.00	47.00	48.00	49.00	49.00	50.00	47.00	47.00	49.00	49.00	
Community/Economic Development	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	
Total Employment	178.75	184.25	181.60	180.25	181.50	186.75	168.75	164.00	166.45	163.75	
Full-time Equivalent	65.25	66.25	66.60	65.50	65.50	68.75	63.75	61.00	62.45	60.75	
Fire (Volunteer)	46.50	50.00	47.00	45.00	45.00	46.00	45.00	44.00	44.00	44.00	
Seasonal	67.00	68.00	68.00	70.00	71.00	72.00	60.00	59.00	60.00	59.00	
Total Employment	178.75	184.25	181.60	180.50	181.50	186.75	168.75	164.00	166.45	163.75	

Notes: (1) Source - Village annual budget report.
 (2) Police - Fox Valley Metro - Served by joint police force; all Little Chute employees. Serves combined population of 20,606
 (3) Fire - Volunteer paid-on-call
 (4) Library - Kimberly/Little Chute Library - Served by joint library; all Kimberly employees.

Village of Little Chute
Operating Indicators By Function/Program
 For the fiscal years ended December 31, 2008 through 2017

Function/Program	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Public Safety:										
Police:										
Calls for service	11,082	11,448	11,939	12,050	13,950	13,496	8,803	8,242	8,660	8,772
Arrests	1,939	2,565	2,313	2,607	3,559	3,448	3,216	2,033	1,086	1,317
Citations	1,592	2,203	2,230	2,290	2,837	2,665	2,785	1,208	2,280	1,694
Fire:										
Fire/service responses	172	155	132	122	110	94	108	99	108	109
Fire inspections	600	628	630	654	626	690	664	720	701	698
Public works:										
Refuse collection (tons)	3,562	3,621	3,675	3,678	3,468	3,572	3,831	3,838	4,135	4,239
Sanitation properties serviced	4,026	3,977	3,905	3,878	3,862	3,861	3,856	3,852	3,840	3,850
Culverts replaced	-	-	-	-	-	-	-	-	-	1
Public construction projects	2	1	4	5	2	3	5	4	8	9
Library:										
Circulation	266,069	280,777	300,367	343,232	343,232	358,733	333,098	313,539	310,423	402,935
User visits	119,027	123,195	125,611	133,333	135,543	142,645	144,106	135,167	142,384	131,424
Registered borrowers	11,811	11,825	12,686	12,738	11,903	11,698	12,477	12,618	12,196	13,552
Parks and recreation:										
Recreation programs	291	40	38	35	31	29	29	27	26	25
Recreation attendance (1)	17,172	18,209	17,908	15,154	15,378	23,999	23,203	6,010	5,882	5,311
Special events	4	4	3	3	3	3	3	3	3	3
Special events attendance	17,488	17,520	17,123	14,172	13,677	13,000	12,750	12,500	12,300	12,200
Water utility:										
Number of customers	4,584	4,532	4,454	4,403	4,186	4,026	4,021	4,056	4,051	4,045
Gallons sold (millions)	357	363	356	340	341	357	356	362	373	360
Hydrants flushed	1,305	1,236	1,176	1,214	1,255	1,188	1,162	1,095	1,214	1,185
Wastewater utility:										
Gallons treated (millions)	550	504	443	509	485	410	528	537	482	483
Storm water utility:										
Number of municipal ponds	8	8	8	8	8	8	8	7	7	7
Street sweeping (lane miles)	2,599	2,624	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150

Source: Data provided by Village department annual reports.

(1) Beginning in 2011, Recreation attendance includes yearly attendance at Doyle Pool not the single largest day of pool attendance.

Village of Little Chute
Capital Asset Statistics by Function/Program
 For the fiscal years ended December 31, 2008 through 2017

Function/Program	Fiscal Year									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Public safety:										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol vehicles	15	15	13	13	13	10	13	12	12	11
Fire stations	1	1	1	1	1	1	1	1	1	1
Fire trucks	5	5	5	5	5	5	5	5	5	5
Parks and recreation										
Number of parks	11	11	11	11	11	11	10	9	9	9
Acreage of parkland	86	86	86	86	86	86	86	81	81	81
Recreational facilities	64	63	64	63	63	63	62	62	62	60
Public works:										
Streets (miles)	56.5	55.4	55.4	54.9	54.9	54.9	54.7	54.0	54.0	53.7
Water utility:										
Miles of water main	55.8	55.7	55.7	55.7	55.7	55.7	55.7	55.6	55.6	55.6
Number of hydrants	625	625	620	607	606	599	594	587	540	541
Storage capacity (millions of gallons)	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Wastewater utility:										
Miles of sanitary sewer	56.9	56.4	56.4	55.7	55.7	55.7	55.7	57.0	57.1	57.1
Storm water utility:										
Miles of storm sewer	60.7	59.0	59.0	57.3	57.3	57.3	56.5	56.4	56.1	55.8
Acres of municipal ponds	78.8	78.8	78.8	78.8	78.8	78.8	78.8	77.5	74.6	74.6

Source: Data provided by Village department annual reports and capital asset records.

FORM OF LEGAL OPINION

(See following pages)

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

August 8, 2019

Re: Village of Little Chute, Wisconsin ("Issuer")
\$4,960,000 General Obligation Promissory Notes, Series 2019A,
dated August 8, 2019 ("Notes")

We have acted as bond counsel to the Issuer in connection with the issuance of the Notes. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Notes are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on August 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2020	\$270,000	___%
2021	270,000	___
2022	285,000	___
2023	290,000	___
2024	600,000	___
2025	620,000	___
2026	625,000	___
2027	655,000	___
2028	660,000	___
2029	685,000	___

Interest is payable semi-annually on February 1 and August 1 of each year commencing on February 1, 2020.

The Notes maturing on August 1, 2027 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on August 1, 2026 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

[The Notes maturing in the years _____ are subject to mandatory redemption by lot as provided in the resolution authorizing the Notes, at the redemption price of par plus accrued interest to the date of redemption and without premium.]

We further certify that we have examined a sample of the Notes and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Notes have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.

2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Notes, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Notes.

3. The interest on the Notes is excludable for federal income tax purposes from the gross income of the owners of the Notes. The interest on the Notes is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Notes in order for interest on the Notes to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Notes to be included in gross income retroactively to the date of issuance of the Notes. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Notes.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth herein.

The rights of the owners of the Notes and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

QUARLES & BRADY LLP

BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The Village may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

(See following pages)

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the Village of Little Chute, Outagamie County, Wisconsin (the "Issuer") in connection with the issuance of \$4,960,000 General Obligation Promissory Notes, Series 2019A, dated August 8, 2019 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on July 17, 2019 (the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated July 18, 2019 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Village Board of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the Village of Little Chute, Outagamie County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the Treasurer/Finance Director of the Issuer who can be contacted at 108 West Main Street, Little Chute, Wisconsin 54140, phone (920) 423-3855, fax (920) 788-7394.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ended December 31, 2018, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - Direct Debt
2. DEBT - Debt Limit
3. VALUATIONS - Current Property Valuations
4. TAX LEVIES AND COLLECTIONS - Tax Levies and Collections

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Securities, or other material events affecting the tax status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Securities, if material;
11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist

it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 8th day of August, 2019.

(SEAL)

Michael R. Vanden Berg
President

Laurie Decker
Village Clerk

NOTICE OF SALE

**\$4,960,000* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2019A
VILLAGE OF LITTLE CHUTE, WISCONSIN**

Bids for the purchase of \$4,960,000* General Obligation Promissory Notes, Series 2019A (the "Notes") of the Village of Little Chute, Wisconsin (the "Village") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, municipal advisors to the Village, until 10:30 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:30 A.M. Central Time, on July 17, 2019, at which time they will be opened, read and tabulated. The bids will be presented to the Board of Trustees for consideration for award by resolution at a meeting to be held at 6:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the Village will be accepted unless all bids are rejected.

PURPOSE

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, for public purposes, including financing land acquisition, park, street, storm water and water system improvement projects, and community development projects in Tax Incremental Districts. The Notes are general obligations of the Village, and all the taxable property in the Village is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

DATES AND MATURITIES

The Notes will be dated August 8, 2019, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on August 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2020	\$270,000	2024	\$600,000	2028	\$660,000
2021	270,000	2025	620,000	2029	685,000
2022	285,000	2026	625,000		
2023	290,000	2027	655,000		

ADJUSTMENT OPTION

* The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

TERM BOND OPTION

Bids for the Notes may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

INTEREST PAYMENT DATES AND RATES

Interest will be payable on February 1 and August 1 of each year, commencing February 1, 2020, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2025 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

BOOK-ENTRY-ONLY FORMAT

Unless otherwise specified by the purchaser, the Notes will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Notes. So long as Cede & Co. is the registered owner of the Notes, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Notes.

PAYING AGENT

The Village may select a bank or trust company to act as paying agent (the "Paying Agent"). The Village will pay any charges for Paying Agent services. The Village reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the Village, the Notes maturing on or after August 1, 2027 shall be subject to optional redemption prior to maturity on August 1, 2026 or any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Notes subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the Village. If only part of the Notes having a common maturity date are called for redemption, then the Village or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Note to be redeemed at the address shown on the registration books.

DELIVERY

On or about August 8, 2019, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the Village will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the Village, threatened. Payment for the Notes must be received by the Village at its designated depository on the date of closing in immediately available funds.

LEGAL OPINION

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the Village, and will be available at the time of delivery of the Notes. The legal opinion will be issued on the basis of existing law and will state that the Notes are valid and binding general obligations of the Village; provided that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding).

STATEMENT REGARDING BOND COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for this Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement).

SUBMISSION OF BIDS

Bids must not be for less than \$4,910,400 nor more than \$5,257,600 plus accrued interest on the principal sum of \$4,960,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to bondsale@ehlers-inc.com; or
- 2) Electronically via **PARITY** in accordance with this Notice of Sale until 10:30 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the Village nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$99,200 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The Village and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the Village scheduled for award of the Notes is adjourned, recessed, or continued to another date without award of the Notes having been made.

AWARD

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The Village's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The Village reserves the right to reject any and all bids and to waive any informality in any bid.

BOND INSURANCE

If the Notes are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the Village requested and received a rating on the Notes from a rating agency, the Village will pay that rating fee. Any rating agency fees not requested by the Village are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Notes are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Notes.

CUSIP NUMBERS

The Village will assume no obligation for the assignment or printing of CUSIP numbers on the Notes or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The Village will designate the Notes as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

CONTINUING DISCLOSURE

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the Village will enter into an undertaking for the benefit of the holders of the Notes. A description of the details and terms of the undertaking is set forth in Appendix D of the Official Statement.

NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Notes pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the Village in establishing the issue price of the Notes and shall execute and deliver to the Village at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Notes, together with the supporting pricing wires or equivalent communications. All actions to be taken by the Village under this Notice of Sale to establish the issue price of the Notes may be taken on behalf of the Village by the Village's municipal advisor identified herein and any notice or report to be provided to the Village may be provided to the Village's municipal advisor.

(b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Notes) will apply to the initial sale of the Notes (the "competitive sale requirements") because:

- (1) The Village shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Village may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Village anticipates awarding the sale of the Notes to the bidder who submits a firm offer to purchase the Notes at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Notes, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the Village shall advise the winning bidder of such fact prior to the time of award of the sale of the Notes to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the Village agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Notes. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Notes: (1) the first price at which 10% of a maturity of the Notes (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Notes (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Notes to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Notes, that the underwriters will neither offer nor sell unsold Notes of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the Village promptly after the close of the fifth (5th) business day after the sale whether it has sold 10% of that maturity of the Notes to the public at a price that is no higher than the initial offering price to the public.

The Village acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Notes, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Notes to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Notes to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, as set forth in the third-party distribution agreement and the related pricing wires. The Village further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Notes, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Notes, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Notes.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the Village, Bond Counsel and Ehlers the prices at which the Notes have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Notes of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Notes, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Notes of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Notes of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Village or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Notes to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Notes to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Notes that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Notes to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Notes to any person that is a related party to an underwriter participating in the initial sale of the Notes to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Notes to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the public),
- (iii) a purchaser of any of the Notes is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Notes are awarded by the Village to the winning bidder.

PRELIMINARY OFFICIAL STATEMENT

Bidders may obtain a copy of the Preliminary Official Statement relating to the Notes prior to the bid opening by request from Ehlers at www.ehlers-inc.com by connecting to the Bond Sales link. The Syndicate Manager will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Board of Trustees

Laurie Decker, Village Clerk
Village of Little Chute, Wisconsin

BID FORM

The Board of Trustees
Village of Little Chute, Wisconsin

July 17, 2019

RE: \$4,960,000* General Obligation Promissory Notes, Series 2019A (the "Notes")
DATED: August 8, 2019

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$_____ (not less than \$4,910,400 nor more than \$5,257,600) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due	2020	_____ % due	2024	_____ % due	2028
_____ % due	2021	_____ % due	2025	_____ % due	2029
_____ % due	2022	_____ % due	2026		
_____ % due	2023	_____ % due	2027		

* The Village reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2025 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.) All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

A good faith deposit ("Deposit") in the amount of \$99,200 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The Village reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the Village may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the Village as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about August 8, 2019.

This bid is subject to the Village's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Notes.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the Village with the reoffering price of the Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: _____ NO: _____.

If the competitive sale requirements are not met, we elect to use the (circle one): 10% test / hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: _____ By: _____
Account Members:

Award will be on a true interest cost basis. According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from August 8, 2019 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the Board of Trustees of the Village of Little Chute, Wisconsin, on July 17, 2019.

By: _____ By: _____
Title: _____ Title: _____