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**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2018

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

The Town Board
Town of Cable
Bayfield County, Wisconsin

Report on the Financial Statements

We have audited the accompanying cash basis financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Town of Cable, Bayfield County, Wisconsin (the Town) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Town'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 the cash basis of accounting described in Note 1.C. This includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

Basis for Adverse Opinion on the Fire Department Fund and Qualified Opinion on Governmental Activities

The Town has not included the fire department fund in its financial statements. Accounting principles generally accepted in the United States of America require the fire department fund to be presented as a major governmental fund and financial information about the fire department fund to be part of governmental activities, thus increasing that activity's assets, liabilities, net position, fund balance, receipts, disbursements and changes in net position and changes in fund balance. The amount by which this departure would affect the assets, liabilities, net position, fund balance, receipts, disbursements, changes in net position and changes in fund balance has not been determined.

Adverse Opinion

In our opinion, because of the significance of the matter described in the "Basis for Adverse Opinion on the Fire Department Fund and Qualified Opinion on Governmental Activities" paragraph, the financial statements referred to above do not present fairly the cash basis financial position of the Fire Department Fund of the Town as of December 31, 2018, or the change in cash basis financial position for the year then ended.

Qualified Opinion

In our opinion, except for the matter described in the "Basis for Adverse Opinion on the Fire Department Fund and Qualified Opinion on Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the cash basis financial position of the governmental activities of the Town as of December 31, 2018, and the changes in cash basis financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the major general fund and the aggregate remaining fund information of the Town of Cable, Wisconsin, as of December 31, 2018, and the respective changes in cash basis financial position for the year then ended in accordance with the basis of accounting described in Note 1.C.

Basis of Accounting

We draw attention to Note 1.C. of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The budgetary comparison schedule – cash basis – general fund, schedule of cash basis general fund receipts, disbursements and changes in cash and investment balances – budget and actual, schedule of cash basis receipts, disbursements and changes in cash and investment balances – special revenue fund, and schedule of cash basis agency fund receipts, disbursements and changes in cash and investment balances are for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other

The Town Board
Town of Cable

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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Eau Claire, Wisconsin
January 17, 2020

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
STATEMENT OF ACTIVITIES AND NET POSITION - CASH BASIS
YEAR ENDED DECEMBER 31, 2018**

	Cash	Program Cash Receipts		Net
	Disbursements	Charges For Services	Operating Grants and Contributions	(Disbursements) Receipts and Changes in Net Position
Governmental Activities:				
General Government	\$ 158,949	\$ 4,261	\$ -	\$ (154,688)
Public Safety	88,538	-	4,926	(83,612)
Public Works	516,133	26,405	-	(489,728)
Health and Human Services	5,503	-	-	(5,503)
Culture, Recreation and Education	122,834	-	-	(122,834)
Conservation and Development	44,196	-	-	(44,196)
Capital Outlay	209,924	-	-	(209,924)
Total Governmental Activities	<u>\$ 1,146,077</u>	<u>\$ 30,666</u>	<u>\$ 4,926</u>	(1,110,485)
General Receipts:				
Taxes:				
Property Taxes, Levied for General Purposes				665,444
Other Taxes				28,396
State and County Aids Not Restricted to Specific Functions				309,764
Interest and Investment Earnings				10,722
Other revenues				46,318
Total General Receipts				<u>1,060,644</u>
Change in Net Position				(49,841)
Net Position - Beginning of Year				<u>595,810</u>
Net Position - End of Year				<u>\$ 545,969</u>
CASH BASIS ASSETS, End of Year				
Total Cash and Investments				\$ 872,709
Less Agency Funds Cash				(326,740)
Total Cash Basis Assets, End of Year				<u>\$ 545,969</u>
CASH BASIS NET POSITION, End of Year				
Unrestricted				<u>\$ 545,969</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES AND
CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS
FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2018**

	General Fund
RECEIPTS:	
Local Taxes	\$ 693,840
Intergovernmental	314,690
Licenses and Permits	4,261
Fines, Forfeitures and Penalties	1,717
Public Charges for Services	26,405
Interest Income	11,327
Rent	17,015
Other	26,981
Total Receipts	<u>1,096,236</u>
DISBURSEMENTS:	
General Government	158,949
Public Safety	88,538
Public Works	516,133
Health and Human Services	5,503
Culture, Recreation and Education	122,834
Conservation and Development	44,196
Capital Outlay	209,924
Total Disbursements	<u>1,146,077</u>
NET CHANGE IN FUND BALANCE	(49,841)
Cash Basis Fund Balance, Beginning of Year	<u>595,810</u>
CASH BASIS FUND BALANCE, End of Year	<u><u>\$ 545,969</u></u>

See accompanying Notes to Basic Financial Statements.

TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES AND
CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BASIS
FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2018

	General Fund
CASH BASIS FUND BALANCE - End of Year	
Assigned:	
Cemetery	\$ 37,372
Municipal Parking	40,546
Highway Equipment	57,470
Reserve Working Capital	274,734
Economic Development	21,985
Recreation Park	43,351
Fire Department Equipment	62,850
Airport	10,007
Unassigned	(2,346)
Total Cash Basis Fund Balance - End of Year	<u>\$ 545,969</u>

TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
STATEMENT OF CASH BASIS ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2018

	Agency Fund
CASH BASIS ASSETS, End of Year	
Cash and Investments	<u>\$ 326,740</u>
 CASH BASIS LIABILITIES, End of Year	
Cash Due to Others - Advance Tax Collections	\$ 323,829
Cash Due to Others - Payroll Withholdings	2,911
Total Cash Basis Liabilities, End of Year	<u>\$ 326,740</u>

See accompanying Notes to Basic Financial Statements.

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed further in Note 1.C, the financial statements of the Town of Cable (the Town) are presented on the cash basis of accounting which differs from accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The significant accounting principles and policies utilized by the Town are described below:

A. Reporting Entity

The Town of Cable is a separate local governmental entity as defined in Chapter 60 of the Wisconsin Statutes. It is governed by a three-member board consisting of the town chairman and two supervisors elected at-large. The financial statements of the Town include all funds under the custody of the Town clerk and treasurer.

The financial reporting of the Town is defined by the GASB to consist 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 the exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The basic financial statements of the Town consist solely of the primary government. No other organizations were identified for inclusion in the financial reporting entity of the Town. Financial statements of the Town do not include transactions of the Town's fire department, which should be included as a separate major special revenue fund.

B. Government-Wide and Fund Financial Statements

The Town's basic financial statements include both government-wide financial statements (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds) as described below:

Government-Wide Financial Statement

The statement of activities and net position presents financial information about the Town's governmental type activities. (The Town had no business-type activities for the reporting year.) This statement includes the financial activities of the overall government in its entirety, except those that are fiduciary. The statement of activities presents a comparison between disbursements and program receipts for each function of the Town's governmental activities. Program receipts include (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Receipts that are not classified as program revenues, including all taxes, are presented as general receipts.

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements

The fund financial statements provide information about the Town's funds, including fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds; each displayed in a separate column.

The Town has the following major governmental funds:

General Fund – The General Fund is the operating fund of the Town. It is used to account for all financial resources which are not accounted for in another fund.

Additionally, the Town reports the following fiduciary fund:

Agency Fund – This fund is used to account for assets held by the Town as an agent for individuals, private organizations and/or other governmental units. Agency fund transactions principally consist of property taxes and other collections received for and disbursed to other taxing districts. The Town also reports advance tax collections in its agency fund.

C. Basis of Accounting

The accounts of the Town are maintained, and the accompanying statements have been prepared, on the cash basis of accounting. Accordingly, revenues and expenditures are recognized only as cash is received or disbursed, and receivables, inventories, prepaid expenses, accrued expenses and vouchers payable are not reflected in the financial statements. Purchases of property and equipment are recorded as disbursements when paid.

D. Deposits and Investments

Investments of the Town are stated at fair value. The Town is required to invest its funds in accordance with Wisconsin Statutes 66.0603 and 67.11(2). State statutes permit the Town to invest available cash balances, other than debt service funds, in time deposits of authorized depositories, U.S. Treasury obligations, U.S. agency issues, high grade commercial paper, and the local government pooled-investment fund administered by the state investment board. Additional restrictions may arise from local charters, ordinances, resolutions, and grant resolutions.

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Property Taxes

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach an enforceable lien as of January 1.

Real property taxes are payable in full on or before January 31 or, alternatively, if over \$100, can be paid in two equal installments with the first installment payable on or before January 31 and the second installment payable on or before July 31. Personal property taxes and special assessments, special charges and special taxes placed on the tax roll are payable in full on or before January 31. Collections on the tax roll prior to January 1 are recorded in the Agency Fund at December 31 of the prior year and are included in the tax collections of the year subject to collection. All uncollected items on the current tax roll, except delinquent personal property taxes, are turned over to the Bayfield County Treasurer for collection in February. Bayfield County subsequently settles in full with the Town in August of the same year. Delinquent personal property taxes are retained by the Town for collection.

F. Equity Classifications

Fund equity, representing the difference between assets and liabilities, is classified as follows in the Town's financial statements:

Government-Wide Statements. Fund equity is classified as net position in the government-wide financial statements and is displayed in three components, as applicable. Net investment in capital assets fund balance classification is not applicable to this financial statement. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Town did not have restricted net position as of December 31, 2018. All other net position is displayed as unrestricted.

Fund Financial Statements. In the fund financial statements, governmental funds report components of fund balance to provide information about fund balance availability for appropriation. Nonspendable fund balance represents amounts that are inherently nonspendable or assets that are legally or contractually required to be maintained intact. The nonspendable fund balance classification is not applicable to this financial statement. Restricted fund balance represents amounts available for appropriation but intended for a specific use and is legally restricted by outside parties. Committed fund balance represents constraints on spending that the government imposes upon itself by high-level formal action prior to the close of the fiscal period. Assigned fund balance represents resources intended for spending for a purpose set by the government body itself or by some person or body delegated to exercise such authority in accordance with policy established by the board. The Town Board retained the authority to assign fund balance.

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Equity Classifications (Continued)

Fund Financial Statements (Continued). Unassigned fund balance is the residual classification for the Town's general fund and includes all spendable amounts not contained in the other classifications. The Town has not established a minimum unassigned fund balance policy. Committed fund balance is required to be established, modified, or rescinded by resolution of the Town Board prior to each year end. Fund balance is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. When restricted and unrestricted fund balance is available for expenditure, it is the Town's practice to first use restricted fund balance. The Town did not have restricted net position as of December 31, 2018. When committed, assigned, and unassigned fund balance is available for expenditure, it is the Town's practice to use committed, assigned and finally unassigned fund balance.

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Cash and investments of the Town at December 31, 2018, are reflected in the financial statements as follows:

Governmental Funds	\$ 545,969
Fiduciary Funds	326,740
	<u>\$ 872,709</u>

The above balances at December 31, 2018 consisted of the following:

	<u>Totals</u>	<u>General Fund</u>	<u>Agency Fund</u>
Deposits at Financial Institutions	\$ 328,753	\$ 2,013	\$ 326,740
Investments in Local Government			
Investment Pool	543,956	543,956	-
Total	<u>\$ 872,709</u>	<u>\$ 545,969</u>	<u>\$ 326,740</u>

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Deposits at Financial Institutions. The Town's balances at individual financial institutions are covered by federal depository insurance and amounts appropriated by Sections 20.144(1)(a) and 34.08 of the Wisconsin Statutes (State Guarantee Fund). The insurance coverage of public unit accounts depends upon the type of deposit and the location of the insured depository institution. All time and savings deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. Separately, all demand deposits owned by a public unit and held by the public unit's official custodian in an insured depository institution within the State in which the public unit is located are added together and insured up to \$250,000. For the purpose of these rules, the term 'time and savings deposits' includes NOW accounts and money market deposit accounts but does not include interest-bearing demand deposit accounts (which were permitted after July 21, 2011). The term 'demand deposits' means both interest-bearing and noninterest-bearing deposits that are payable on demand and for which the depository institution does not reserve the right to require advance notice of an intended withdrawal.

The insurance coverage of accounts held by government depositors is different if the depository institution is located outside the State in which the public unit is located. In that case, all deposits, both time and savings deposits and demand deposits, owned by the public unit and held by the public unit's official custodian are added together and insured up to \$250,000. Time and savings deposits are not insured separately from demand deposits. Coverage under the State Guarantee Fund may not exceed \$400,000 above the amount of coverage under federal depository insurance at any institution and is limited by the availability of the appropriations authorized therein. (Due to the relatively small size of the State Guarantee Fund in relation to the total coverage, total recovery of losses may not be available.) Also, Section 34.07 of the Wisconsin Statutes authorizes the Town to collateralize its deposits that exceed the amount of coverage provided by federal depository insurance and the State Guarantee Fund.

Custodial credit risk for deposits is the risk that, in the event of bank failure, the Town's deposits may not be returned. At December 31, 2018, the Town deposits are not subject to custodial credit risk.

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

Investments

The Town's investments at December 31, 2018 consisted of deposits in the following external investment pool:

Deposits in State Local Government Pooled-Investment Fund. The State of Wisconsin offers a Local Government Investment Pool (LGIP) to local government units to enable them to voluntarily invest idle funds in State Investment Fund. Local funds are pooled with state funds and invested by the State Investment Board. There is no minimum or maximum amount that can be invested by a local government unit. Interest is earned on a daily basis and withdrawals are generally available on the day of request. Deposits in the LGIP are not covered by federal depository insurance but are subject to coverage under the State Guarantee Fund. Also, the State of Wisconsin Investment Board has obtained a surety bond to protect deposits in the LGIP against defaults in principal payments on the LGIP's investments (subject to certain limitations). The average monthly weighted average maturity of the State Investment Fund's investments for 2018 was 27 days.

The Town's assets in the LGIP are measured at amortized cost and are not subject to hierarchy disclosures.

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The LGIP investments were not rated as of December 31, 2018. The Town's policy is to invest its funds in accordance with provisions of the Wisconsin Statutes previously discussed in Note 1.D.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with maturity dates farther into the future are more sensitive to changes in market interest rates. The short weighted average maturities of the investments in the above external investment pool mitigates this risk to the Town.

B. Agency Fund

The cash balance of \$326,740 shown in the agency fund at December 31, 2018 consisted of advance tax collections and payroll withholdings. These amounts were paid to the respective agencies in 2019.

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 OTHER INFORMATION

A. Joint Ventures

Ambulance Service

The Town of Cable, together with the Towns of Drummond, Grand View and Namakagon (all in Bayfield County) approved a joint resolution effective January 1, 1998 to create the Great Divide Ambulance Service (Ambulance Service). The Ambulance Service is controlled by a five member Board of Directors consisting of a representative selected by each individual Town and the fifth member selected by the Cable Area Lions Club from its membership. The joint resolution calls for the Towns to each share in the operation of the ambulance service through annual levies based on the number of improved properties in the respective Towns as shown on the official tax rolls. The Town paid \$24,392 to the Ambulance Service in 2018, as its share.

Library

During 2018 the Town of Cable and the Town of Namakagon operated a joint library under an agreement dated September 10, 2003. The joint library was governed by a seven member board with four members appointed by the Town of Cable were to consist of three residents of the Town of Cable and the Drummond School District Administrator, or his/her representative. The Town of Namakagon Chairman appointed three members subject to town board approval with at least two of the members being residents of the Town of Namakagon. The Town of Cable paid \$51,064 for operating the joint library during 2018.

The Towns entered into a new agreement effective January 1, 2007 for operation of the joint library. Said agreement sets forth the guidelines for composition and appointment of the library board, annual appropriation for operations and ownership of assets.

B. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. Settled claims have not exceeded this commercial coverage in any of the past three years.

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Wisconsin Retirement System Pension Plan Benefits

Plan Description. The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. The WRS issues an annual financial report which may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

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

Benefits Provided. Employees who retire at or after age 65 (54 for protective occupation employees and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest annual earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as 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 age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to becoming eligible for an annuity may either receive employee-required contributions plus interest as a separate 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.

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Wisconsin Retirement System Pension Plan Benefits (Continued)

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

For the year ended December 31, 2018, the WRS recognized \$11,759 in contributions from the Town.

Contribution rates as of December 31, 2018, are:

	<u>Employee</u>	<u>Employer</u>
General	6.7%	6.7%
Executives and Elective Officials	6.7%	6.7%

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

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2008	6.6%	0.0%
2009	-2.1%	-42.0%
2010	-1.3%	22.0%
2011	0.0%	11.0%
2012	-7.0%	-7.0%
2013	-9.6%	9.0%
2014	4.7%	25.0%
2015	2.9%	2.0%
2016	0.5%	-5.0%
2017	2.0%	4.0%

SUPPLEMENTARY INFORMATION

SCHEDULE 1

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
BUDGETARY COMPARISON SCHEDULE
CASH BASIS - GENERAL FUND
YEAR ENDED DECEMBER 31, 2018**

	Budget Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
RECEIPTS:				
Local Taxes	\$ 675,528	\$ 675,528	\$ 693,840	\$ 18,312
Intergovernmental	237,145	237,145	314,690	77,545
Licenses and Permits	4,340	4,340	4,261	(79)
Fines, Forfeitures and Penalties	-	-	1,717	1,717
Public Charges for Services	17,455	17,455	26,405	8,950
Miscellaneous	31,749	31,749	55,323	23,574
Total Receipts	966,217	966,217	1,096,236	130,019
DISBURSEMENTS:				
General Government	166,555	166,555	158,949	7,606
Public Safety	106,880	106,880	88,538	18,342
Public Works	568,250	568,250	516,133	52,117
Health and Human Services	6,375	6,375	5,503	872
Culture, Recreation and Education	132,218	132,218	122,834	9,384
Conservation and Development	43,125	43,125	44,196	(1,071)
Capital Outlay	209,500	209,500	209,924	(424)
Total Disbursements	1,232,903	1,232,903	1,146,077	86,826
EXCESS (DEFICIENCY) OF RECEIPTS OVER DISBURSEMENTS	(266,686)	(266,686)	(49,841)	216,845
OTHER FINANCING SOURCES (USES)				
Transfers In	266,686	266,686	-	(266,686)
Total Other Financing Sources (Uses)	266,686	266,686	-	(266,686)
NET CHANGE IN CASH BASIS FUND BALANCE	-	-	(49,841)	(49,841)
Cash Basis Fund Balance, January 1	595,810	595,810	595,810	-
CASH BASIS FUND BALANCE, DECEMBER 31	<u>\$ 595,810</u>	<u>\$ 595,810</u>	<u>\$ 545,969</u>	<u>\$ (49,841)</u>

TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
SCHEDULE OF CASH BASIS GENERAL FUND RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH AND INVESTMENT BALANCES
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance - Positive (Negative)
RECEIPTS:			
Local Taxes:			
General Property Taxes	\$ 665,528	\$ 665,059	\$ (469)
Prior Year Delinquent Taxes	-	380	380
Interest on Delinquent Taxes	-	5	5
Forest Crop/Managed Forest Lands Taxes	-	7,837	7,837
Room Tax	10,000	20,559	10,559
Total Local Taxes	675,528	693,840	18,312
Intergovernmental:			
State Shared Taxes	20,992	20,983	(9)
2% Fire Insurance Tax from State	4,800	4,926	126
State Transportation Aids	183,953	183,953	-
State Aid for Recycling	4,700	4,724	24
In Lieu of Taxes on State Conservation Lands	700	873	173
State Forest Crop Aid	5,000	2,744	(2,256)
Federal Grant - FEMA - Highway Aids	-	66,806	66,806
Other Highway Aids	-	1,029	1,029
Town Share of County Timber Sales	5,000	16,192	11,192
Other State Government Grants	12,000	12,460	460
Total Intergovernmental	237,145	314,690	77,545
Licenses and Permits:			
Liquor and Malt Beverage Licenses	3,925	4,175	250
Fees and Permits	415	86	(329)
Total Licenses and Permits	4,340	4,261	(79)
Fines, Forfeitures and Penalties:			
Judgments and Damages	-	1,717	1,717

TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
SCHEDULE OF CASH BASIS GENERAL FUND RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH AND INVESTMENT BALANCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance - Positive (Negative)
RECEIPTS (CONTINUED):			
Public Charges for Services:			
License Publication Fees	\$ 260	\$ -	\$ (260)
Waste Disposal Fees	10,000	17,560	7,560
Recycling	500	463	(37)
Highway Services	1,195	1,195	-
Airport	4,000	6,338	2,338
Cemetery Charges			
Annual Care Lot Sales	-	150	150
Perpetual Care Lot Sales	300	300	-
Other Public Charges for Service	1,200	399	(801)
Total Public Charges for Services	<u>17,455</u>	<u>26,405</u>	<u>8,950</u>
Miscellaneous:			
Interest on Investments	2,000	10,722	8,722
Cemetery Annual Care Interest Income	-	2	2
Cemetery Perpetual Care Interest Income	50	603	553
Rent of Town Property	15,699	17,015	1,316
Sale of Recyclables	-	1,908	1,908
Donations	500	1,500	1,000
Reimbursements	13,500	17,298	3,798
Miscellaneous	-	6,275	6,275
Total Miscellaneous	<u>31,749</u>	<u>55,323</u>	<u>23,574</u>
Total Receipts	966,217	1,096,236	130,019

TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
SCHEDULE OF CASH BASIS GENERAL FUND RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH AND INVESTMENT BALANCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance - Positive (Negative)
DISBURSEMENTS:			
General Government:			
Town Board:			
Salaries	\$ 18,694	\$ 18,596	\$ 98
Board Expenses	2,500	1,516	984
Insurance	1,250	611	639
Board Association Dues	750	711	39
Publication	1,000	1,490	(490)
Total Town Board	24,194	22,924	1,270
Clerk:			
Salary	55,876	44,536	11,340
Retirement	2,500	1,940	560
Health Insurance	15,000	17,115	(2,115)
Clerk Expense	4,250	9,508	(5,258)
Insurance	100	85	15
Dues	-	50	(50)
Publication	100	50	50
Office Equipment	1,800	1,893	(93)
Office Supplies	3,000	3,921	(921)
Election Workers Salary	2,000	2,415	(415)
Election Expenses	2,700	3,409	(709)
Total Clerk	87,326	84,922	2,404
Treasurer:			
Salary	7,685	7,685	-
Treasurer Expenses	650	378	272
Office Supplies	2,000	859	1,141
Total Treasurer	10,335	8,922	1,413
Legal	3,000	899	2,101
Assessment of Property	11,500	11,500	-
Village Hall	3,200	4,537	(1,337)
Service Buildings	6,100	8,193	(2,093)
Property and Liability Insurance	13,800	11,765	2,035
Social Security and Medicare	7,100	5,287	1,813
Total General Government	166,555	158,949	7,606

TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
SCHEDULE OF CASH BASIS GENERAL FUND RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH AND INVESTMENT BALANCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance- Positive (Negative)
DISBURSEMENTS (CONTINUED):			
Public Safety:			
Law Enforcement	\$ 8,750	\$ 8,708	\$ 42
Fire Protection	52,450	37,235	15,215
Fire Department Dues	5,000	4,927	73
LOSA Program	4,000	3,824	176
Ambulance Service	24,630	24,392	238
Paramedic Housing	1,500	1,637	(137)
Fire Department Service Building	7,900	5,525	2,375
Ambulance Service Building	2,650	2,290	360
Total Public Safety	106,880	88,538	18,342
Public Works:			
Highway:			
Labor	154,200	147,199	7,001
Social Security and Medicare	10,450	11,049	(599)
Retirement	10,000	9,819	181
Health Insurance	52,500	52,056	444
Insurance	5,150	3,401	1,749
Roadwork Maintenance	69,000	63,555	5,445
Roadwork Construction	145,500	97,524	47,976
Signs	3,500	4,679	(1,179)
Highway Parts and Supplies	8,000	10,882	(2,882)
Fuel	25,000	32,308	(7,308)
Miscellaneous Expenses	1,700	5,612	(3,912)
Utilities	6,000	5,256	744
Street Lights	7,000	6,137	863
Equipment Repair	25,000	19,526	5,474
General Maintenance/Repair	-	3,636	(3,636)
Old Firehall	1,150	864	286
Sidewalks	-	28	(28)
Airport	23,150	18,843	4,307
Recycling	12,100	18,654	(6,554)
Sanitation	8,850	5,105	3,745
Total Public Works	568,250	516,133	52,117

**TOWN OF CABLE
BAYFIELD COUNTY, WISCONSIN
SCHEDULE OF CASH BASIS GENERAL FUND RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH AND INVESTMENT BALANCES
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED DECEMBER 31, 2018**

	Final Budget	Actual	Variance - Positive (Negative)
DISBURSEMENTS (CONTINUED):			
Health and Human Services:			
Cemetery	\$ 6,375	\$ 5,503	\$ 872
Total Health and Human Services	6,375	5,503	872
Culture, Recreation and Education:			
Library	49,198	51,064	(1,866)
Community Center	18,400	22,504	(4,104)
Recreational Park	39,700	35,773	3,927
Chamber Building	1,050	927	123
Fireworks	4,500	4,500	-
Youth Recreation Program	800	666	134
Street Decorations	13,200	2,135	11,065
Public Landings	5,370	5,265	105
Total Culture, Recreation and Education	132,218	122,834	9,384
Conservation and Development:			
Room Tax Commission	10,000	15,149	(5,149)
Economic Development	10,575	4,525	6,050
Lake Grant	12,000	13,745	(1,745)
Planning Commission	10,550	10,777	(227)
Total Conservation and Development	43,125	44,196	(1,071)
Capital Outlay:			
Highway	209,500	209,924	(424)
Total Capital Outlay	209,500	209,924	(424)
Total Disbursements	1,232,903	1,146,077	86,826
EXCESS OF RECEIPTS OVER DISBURSEMENTS	(266,686)	(49,841)	(216,845)
OTHER FINANCING SOURCES (Uses)			
Transfers In From Hwy Cont. Fund	40,000	-	40,000
Transfers In From Reserve Fund	199,186	-	199,186
Transfers In From Economic Dev Fund	12,500	-	12,500
Transfers in From Rec Park Fund	15,000	-	15,000
Total Other Financing Sources (Uses)	266,686	-	266,686
NET CHANGE IN CASH AND INVESTMENT BALANCE	-	(49,841)	(49,841)
Cash and Investments, January 1	595,810	595,810	-
CASH AND INVESTMENTS, DECEMBER 31	<u>\$ 595,810</u>	<u>\$ 545,969</u>	<u>\$ (49,841)</u>