

CITY OF BURLINGTON
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2011

CITY OF BURLINGTON
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Patrick W. Romenesko, S.C.
CERTIFIED PUBLIC ACCOUNTANT

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Independent Auditor's Report

To the City Council
City of Burlington
Racine and Walworth Counties, Wisconsin

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Burlington, as of and for the year ended December 31, 2011, which collectively comprise the City of Burlington's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Burlington's management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

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

In my 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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Burlington at December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary information for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Burlington's basic financial statements. The combining financial statements, detailed general fund budget and actual schedules, and long-term debt individual repayment schedules are presented for purposes of additional analysis and are not a required part of the of the basic financial statements. The combining financial statements, detailed general fund budget and actual schedules, and long-term debt individual repayment schedules are the responsibility of management and were derived from and relate

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

Patrick W. Romenesko, S.C.

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

Lake Geneva, Wisconsin
June 16, 2012

CITY OF BURLINGTON
STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Primary Government		Total	Component Unit
	Governmental Activities	Business-type Activities		Housing Authority
Assets				
Pooled cash and investments	\$ 2,972,813	\$ 891,256	\$ 3,864,069	\$ 39,587
Receivables:				
2011 tax levy	9,899,083	-	9,899,083	-
Delinquent personal property tax (net of allowance for uncollectible accounts)	8,562	-	8,562	-
Accounts and other	20,293	1,198,982	1,219,275	-
Special assessments	63,875	344,106	407,981	-
Internal balances	2,493,801	(2,493,801)	-	-
Inventories	-	45,570	45,570	-
Prepaid items	41,021	-	41,021	7,485
Restricted assets:				
Cash and investments	319,000	84,169	403,169	83,716
Unamortized debt issuance costs	336,676	117,549	454,225	-
Notes receivable	1,947,188	-	1,947,188	-
Other deferred debits	-	368,778	368,778	-
Capital assets (net of accumulated depreciation):				
Land and land rights	19,958,830	1,173,332	21,132,162	87,236
Buildings and improvements	9,234,373	20,936,278	30,170,651	2,235,128
Land improvements and other structures	3,625,016	-	3,625,016	128,724
Machinery and equipment	6,584,720	9,010,265	15,594,985	179,864
Infrastructure	38,692,503	34,545,538	73,238,041	-
Construction in progress	-	2,073,797	2,073,797	-
Less: accumulated depreciation	(23,879,293)	(26,122,726)	(50,002,019)	(1,542,045)
Total assets	<u>72,318,462</u>	<u>42,173,093</u>	<u>114,491,554</u>	<u>1,219,695</u>
Liabilities				
Accounts payable and other current liabilities	410,186	398,381	808,567	10,398
Accrued interest payable	245,935	19,288	265,223	-
Deposits held	19,748	3,000	22,748	27,224
Deferred revenue	10,284,768	-	10,284,768	-
Liabilities payable from restricted assets:				
Accrued interest payable	-	27,390	27,390	-
Non-current liabilities:				
Unamortized debt premium	-	37,321	37,321	-
Compensated absences, due beyond one year	343,991	73,864	417,855	-
Bonds and notes payable, due within one year	2,939,880	513,367	3,453,247	45,404
Bonds and notes payable, due beyond one year	26,537,489	9,710,516	36,248,005	844,527
Total liabilities	<u>40,781,998</u>	<u>10,783,127</u>	<u>51,565,125</u>	<u>927,553</u>
Net Assets				
Invested in capital assets, net of related debt	25,075,456	29,297,837	54,373,293	198,976
Restricted for debt service	319,000	84,169	403,169	55,898
Unrestricted	6,142,008	2,007,960	8,149,968	37,268
Total net assets	<u>\$ 31,536,464</u>	<u>\$ 31,389,966</u>	<u>\$ 62,926,429</u>	<u>\$ 292,142</u>

See accompanying notes to financial statements.

A two-page statement of activities follows.

CITY OF BURLINGTON
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Functions/Programs</u>	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 809,714	\$ 41,799	\$ -	\$ -
Public safety	3,930,210	353,314	118,337	-
Public works	3,253,385	18,243	551,860	30,558
Health and human services	80,160	-	-	-
Culture, recreation and education	1,498,491	51,515	357,911	54,381
Conservation and development	566,836	14,040	-	-
Interest on long-term debt	1,188,782	-	-	-
Total governmental activities	<u>11,327,577</u>	<u>478,911</u>	<u>1,028,108</u>	<u>84,939</u>
Business-type activities:				
Water	1,547,303	2,183,311	2,346	-
Sewer	3,260,285	3,325,292	171,576	-
Airport	753,326	672,025	-	-
Total business-type activities	<u>5,560,914</u>	<u>6,180,628</u>	<u>173,922</u>	<u>-</u>
Total primary government	<u>16,888,492</u>	<u>6,659,539</u>	<u>1,202,030</u>	<u>84,939</u>
Component unit:				
Housing authority	<u>\$ 334,536</u>	<u>\$ 384,085</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

 Taxes:

 Property taxes levied for general purposes

 Franchise taxes

 Public accommodation taxes

 Payments in lieu of taxes

 Other taxes

 Intergovernmental revenues not restricted to specific programs

 Property rents

 Loss on sale of assets

 Unrestricted investment earnings

Transfers

 Total general revenues and transfers

 Change in net assets

Net assets - beginning , as restated

Net assets - ending

See accompanying notes to financial statements.

Net (Expense) Revenue and
Changes in Net Assets

Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Housing Authority
\$ (767,915)	\$ -	\$ (767,915)	\$ -
(3,458,559)	-	(3,458,559)	-
(2,652,724)	-	(2,652,724)	-
(80,160)	-	(80,160)	-
(1,034,684)	-	(1,034,684)	-
(552,796)	-	(552,796)	-
(1,188,782)	-	(1,188,782)	-
<u>(9,735,619)</u>	<u>-</u>	<u>(9,735,619)</u>	<u>-</u>
-	638,354	638,354	-
-	236,583	236,583	-
<u>-</u>	<u>(81,301)</u>	<u>(81,301)</u>	<u>-</u>
<u>-</u>	<u>793,636</u>	<u>793,636</u>	<u>-</u>
<u>(9,735,619)</u>	<u>793,636</u>	<u>(8,941,984)</u>	<u>-</u>
			<u>49,549</u>
9,554,364	-	9,554,364	-
125,867	-	125,867	-
35,391	-	35,391	-
36,253	-	36,253	-
1,038	-	1,038	-
758,981	-	758,981	-
53,716	-	53,716	-
(3,666)	-	(3,666)	-
198,435	16,525	214,960	68
355,145	(355,145)	-	-
<u>11,115,524</u>	<u>(338,620)</u>	<u>10,776,904</u>	<u>68</u>
1,379,905	455,016	1,834,920	49,617
<u>30,156,559</u>	<u>30,934,950</u>	<u>61,091,509</u>	<u>242,525</u>
<u>\$ 31,536,464</u>	<u>\$ 31,389,966</u>	<u>\$ 62,926,429</u>	<u>\$ 292,142</u>

A two-page balance sheet - governmental funds follows.

CITY OF BURLINGTON
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	General	TIF No. 3 Debt Service Fund	Environmental TIF District	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>					
Pooled cash and investments	\$ (856,950)	\$ -	\$ -	\$ 3,624,234	\$ 2,767,284
Receivables:					
2011 tax levy	4,621,523	4,382,416	48,177	846,967	9,899,083
Delinquent personal property	8,562	-	-	-	8,562
Accounts and other	20,293	-	-	-	20,293
Special assessments	11,273	-	-	52,602	63,875
Due from other funds	2,493,801	-	-	-	2,493,801
Prepaid items	11,243	-	-	29,778	41,021
Restricted assets:					
Cash and investments	-	319,000	-	-	319,000
Advances to other funds	1,334,417	1,771,462	-	-	3,105,879
Notes receivable	-	-	1,155,533	791,655	1,947,188
Total assets	<u>7,644,162</u>	<u>6,472,878</u>	<u>1,203,710</u>	<u>5,345,236</u>	<u>20,665,986</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable and accrued expenses	254,773	2,356	1,923	59,508	318,560
Deposits held	19,747	-	-	-	19,747
Deferred revenue	5,374,030	4,382,416	1,203,710	1,638,622	12,598,778
Deferred special assessments	15,819	-	-	52,602	68,421
Advances from other funds	-	366,822	1,771,462	967,595	3,105,879
Total liabilities	<u>5,664,369</u>	<u>4,751,594</u>	<u>2,977,095</u>	<u>2,718,327</u>	<u>16,111,385</u>

CITY OF BURLINGTON
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	<u>General</u>	<u>TIF No. 3 Debt Service Fund</u>	<u>Environmental TIF District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances:					
Nonspendable for:					
Delinquent taxes receivable	8,562	-	-	-	8,562
Prepaid expenditures	11,243	-	-	-	11,243
Permanent funds	-	-	-	54,746	54,746
Net advances to other funds	967,595	1,771,462	-	-	2,739,057
Restricted	-	(50,178)	(1,773,385)	-	(1,823,563)
Assigned	300,000	-	-	2,572,163	2,872,163
Unassigned	692,393	-	-	-	692,393
Total fund balances	<u>1,979,793</u>	<u>1,721,284</u>	<u>(1,773,385)</u>	<u>2,626,909</u>	<u>4,554,601</u>
Total liabilities and fund balances	<u>\$ 7,644,162</u>	<u>\$ 6,472,878</u>	<u>\$ 1,203,710</u>	<u>\$ 5,345,236</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	54,216,149
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	2,382,430
Internal service funds are used by management to charge the costs of health and dental insurance benefits to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	113,903
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(29,730,620)</u>
Net assets of governmental activities	<u>\$ 31,536,464</u>

See accompanying notes to financial statements.

CITY OF BURLINGTON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Revenues</u>	<u>General</u>	<u>TIF No. 3 Debt Service Fund</u>	<u>Environmental TIF District</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Taxes:					
General property taxes	\$ 3,840,262	\$ 3,676,125	\$ -	\$ 2,037,977	\$ 9,554,364
Payments in lieu of taxes	36,253	-	-	-	36,253
Occupational taxes	881	-	-	-	881
Room tax and other taxes	35,548	-	-	-	35,548
Intergovernmental	1,418,924	20,699	-	422,447	1,862,070
Licenses and permits	283,705	-	-	-	283,705
Fines and forfeitures	250,299	-	-	-	250,299
Charges for services	53,072	-	-	34,083	87,155
Special assessments	9,042	-	-	14,040	23,082
Investment earnings	13,183	69,179	85,684	30,389	198,435
TIF repayment of deferred advance	430,000	-	4,467	-	434,467
Repayments of note receivable principal	-	-	-	72,105	72,105
Other	50,537	-	-	29,820	80,357
Total revenues	<u>6,421,706</u>	<u>3,766,003</u>	<u>90,151</u>	<u>2,640,861</u>	<u>12,918,721</u>
<u>Expenditures</u>					
Current:					
General government	738,151	13,215	2,973	17,308	771,647
Public safety	3,555,401	-	-	2,500	3,557,901
Public works	1,996,859	-	-	-	1,996,859
Health and human services	80,160	-	-	-	80,160
Culture, recreation and education	549,814	-	-	745,883	1,295,697
Conservation and development	169,803	310,409	-	486,624	966,836
Capital outlay	-	-	278,056	1,302,682	1,580,738
Bond issuance costs	-	56,523	-	-	56,523
Debt service:					
Principal	-	2,380,514	-	556,024	2,936,538
Interest and fiscal charges	-	904,202	58,919	171,308	1,134,429
Interest on general fund advances	-	32,484	-	-	32,484
Total expenditures	<u>7,090,188</u>	<u>3,697,347</u>	<u>339,948</u>	<u>3,282,329</u>	<u>14,409,812</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(668,482)</u>	<u>68,656</u>	<u>(249,797)</u>	<u>(641,468)</u>	<u>(1,491,091)</u>
<u>Other Financing Sources (Uses)</u>					
Transfers in	-	-	-	820,920	820,920
Transfers out	(50,000)	(718,271)	(52,649)	-	(820,920)
Face value of refunding bonds issued	-	7,370,000	-	-	7,370,000
Face value of notes issued	-	-	815,000	-	815,000
Premium credit on bonds issued	-	152,177	-	-	152,177
Payment to escrow agent for refunded debt	-	(7,465,679)	-	-	(7,465,679)
Water utility tax equivalent	355,145	-	-	-	355,145
Sale of capital assets	890	-	-	8,956	9,846
Total other financing sources and uses	<u>306,035</u>	<u>(661,773)</u>	<u>762,351</u>	<u>829,876</u>	<u>1,236,489</u>
Net change in fund balances	<u>(362,447)</u>	<u>(593,117)</u>	<u>512,554</u>	<u>188,408</u>	<u>(254,602)</u>
Fund balances - beginning	<u>2,342,240</u>	<u>2,314,401</u>	<u>(2,285,939)</u>	<u>2,438,501</u>	<u>4,809,203</u>
Fund balances - ending	<u>\$ 1,979,793</u>	<u>\$ 1,721,284</u>	<u>\$ (1,773,385)</u>	<u>\$ 2,626,909</u>	<u>\$ 4,554,601</u>

See accompanying notes to financial statements.

CITY OF BURLINGTON
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

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

Net change in fund balances - total governmental funds (page 8)	\$ (254,602)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Certain capital outlay costs that are recorded as capital assets in the government-wide financial statements	1,516,167
Depreciation expense is recorded in the government-wide statements	(1,588,167)
Net book value of assets retired or traded affects net assets	(13,512)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(23,662)
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Long-term receivables not available are reported as revenue in the fund financial statements when collected or currently available, but are recognized as revenue when earned in the government-wide financial statements.

Collection of advances and loans	(506,572)
Notes receivable issued	400,000

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

Principal and defeasance payments on long-term debt	10,402,217
Issuance of general obligation debt	(8,185,000)
Premiums in the issuance of long-term debt	(152,177)
Bond issuance costs	56,523
Amortization of debt issuance costs, discounts and refunding costs	(135,937)

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

Changes in interest accrued on long-term debt	81,585
Changes in compensated absences	14,927

The net revenue (expense) of internal service fund activity is reported with governmental activities.	<u>(231,885)</u>
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Change in net assets of governmental activities (Pages 4 - 5)	<u><u>\$ 1,379,905</u></u>
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See accompanying notes to financial statements.

CITY OF BURLINGTON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	Original and Final Budget	Actual Amounts	Variance with Budget
<u>Revenues</u>			
Taxes:			
General property taxes	\$ 3,890,761	\$ 3,840,262	\$ (50,499)
Payments in lieu of taxes	42,508	36,253	(6,255)
Occupational tax	742	881	139
Room tax	55,205	35,391	(19,814)
Other taxes	4,070	157	(3,913)
Intergovernmental	1,471,008	1,418,924	(52,084)
Licenses and permits	286,464	283,705	(2,759)
Fines and forfeitures	205,000	250,299	45,299
Charges for services	35,500	53,072	17,572
Special assessments	74,382	9,042	(65,340)
Investment income	12,000	13,183	1,183
TIF reimbursement for deferred advance	430,000	430,000	-
Other	4,600	50,537	45,937
Total revenues	<u>6,512,240</u>	<u>6,421,706</u>	<u>(90,534)</u>
<u>Expenditures</u>			
Current:			
General government	783,279	738,151	45,128
Public safety	3,662,301	3,555,401	106,900
Public works	1,880,585	1,996,859	(116,274)
Health and human services	96,753	80,160	16,593
Culture, recreation and education	556,530	549,814	6,716
Conservation and development	168,402	169,803	(1,401)
Total expenditures	<u>7,147,850</u>	<u>7,090,188</u>	<u>57,662</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(635,610)</u>	<u>(668,482)</u>	<u>(32,872)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers out	(267,187)	(50,000)	217,187
Water utility tax equivalent	431,331	355,145	(76,186)
Sale of capital assets	250,000	890	(249,110)
Total other financing sources and uses	<u>414,144</u>	<u>306,035</u>	<u>(108,109)</u>
Change in fund balances	(221,466)	(362,447)	(140,981)
Fund balances - beginning	<u>2,342,240</u>	<u>2,342,240</u>	<u>-</u>
Fund balances - ending	<u>\$ 2,120,774</u>	<u>\$ 1,979,793</u>	<u>\$ (140,981)</u>

See accompanying notes to financial statements.

A two-page statement of net assets -
proprietary funds follows.

CITY OF BURLINGTON
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

	<u>Business-type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Fund</u>
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Airport</u>	<u>Totals</u>	
<u>Assets</u>					
Current assets:					
Cash and investments	\$ 128,658	\$ 128,854	\$ 227,250	\$ 484,762	\$ 612,023
Receivables:					
Customer accounts receivable	580,775	452,979	9,159	1,042,913	-
Special assessments	140,468	203,638	-	344,106	-
Other	85,266	70,803	-	156,069	17,545
Inventories	11,536	-	34,034	45,570	-
Total current assets	<u>946,703</u>	<u>856,274</u>	<u>270,443</u>	<u>2,073,420</u>	<u>629,568</u>
Noncurrent assets:					
Restricted assets:					
Restricted cash and investments	25,504	58,665	-	84,169	-
Total restricted assets	<u>25,504</u>	<u>58,665</u>	<u>-</u>	<u>84,169</u>	<u>-</u>
Other noncurrent assets:					
Unamortized debt issuance costs	71,421	46,128	-	117,549	-
Other deferred debits	-	368,778	-	368,778	-
Total other noncurrent assets	<u>71,421</u>	<u>414,906</u>	<u>-</u>	<u>486,327</u>	<u>-</u>
Capital assets:					
Property, plant and equipment	23,213,572	42,003,207	2,522,431	67,739,210	-
Less accumulated depreciation	<u>(5,263,399)</u>	<u>(19,819,409)</u>	<u>(1,039,918)</u>	<u>(26,122,726)</u>	<u>-</u>
Total capital assets, net	<u>17,950,173</u>	<u>22,183,798</u>	<u>1,482,513</u>	<u>41,616,484</u>	<u>-</u>
Total noncurrent assets	<u>18,047,098</u>	<u>22,657,369</u>	<u>1,482,513</u>	<u>42,186,980</u>	<u>-</u>
Total assets	<u>\$ 18,993,801</u>	<u>\$ 23,513,643</u>	<u>\$ 1,752,956</u>	<u>\$ 44,260,400</u>	<u>\$ 629,568</u>

See accompanying notes to financial statements.

CITY OF BURLINGTON
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Fund
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Airport</u>	<u>Totals</u>	
<u>Liabilities</u>					
Current liabilities:					
Accounts payable	\$ 288,492	\$ 94,022	\$ 4,204	\$ 386,718	\$ 109,172
Accrued payroll	4,218	7,445	-	11,663	-
Accrued interest payable	6,883	12,405	-	19,288	-
Due to other funds	2,493,801	-	-	2,493,801	-
Current portion of general obligation bonds	20,000	162,335	-	182,335	-
Deposits held	-	3,000	-	3,000	-
Total current liabilities	<u>2,813,394</u>	<u>279,207</u>	<u>4,204</u>	<u>3,096,805</u>	<u>109,172</u>
Current liabilities payable from restricted assets:					
Current portion of revenue bonds payable	100,000	231,032	-	331,032	-
Accrued interest payable	7,231	20,159	-	27,390	-
Total current liabilities payable from restricted assets	<u>107,231</u>	<u>251,191</u>	<u>-</u>	<u>358,422</u>	<u>-</u>
Noncurrent liabilities:					
Revenue bonds payable	1,869,365	4,541,286	-	6,410,651	-
General obligation bonds payable	680,000	2,619,865	-	3,299,865	-
Unamortized debt premium	-	37,321	-	37,321	-
Compensated absences	40,721	33,143	-	73,864	-
Total noncurrent liabilities	<u>2,590,086</u>	<u>7,231,615</u>	<u>-</u>	<u>9,821,701</u>	<u>-</u>
Total liabilities	<u>5,510,711</u>	<u>7,762,013</u>	<u>4,204</u>	<u>13,276,928</u>	<u>109,172</u>
<u>Net Assets</u>					
Invested in capital assets, net of related debt	13,177,237	14,638,087	1,482,513	29,297,837	-
Restricted for debt service	25,504	58,665	-	84,169	-
Unrestricted	280,349	1,054,878	266,239	1,601,466	520,396
Total net assets	<u>\$ 13,483,090</u>	<u>\$ 15,751,630</u>	<u>\$ 1,748,752</u>	<u>\$ 30,983,472</u>	<u>\$ 520,396</u>

See accompanying notes to financial statements.

CITY OF BURLINGTON
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Fund
	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Airport</u>	<u>Totals</u>	
<u>Operating Revenues</u>					
Charges for sales and services:					
Water sales	\$ 2,162,706	\$ -	\$ -	\$ 2,162,706	\$ -
Sewer charges	-	3,286,389	-	3,286,389	-
Fuel sales	-	-	632,637	632,637	-
Billings to departments	-	-	-	-	1,215,468
Other	20,605	38,903	39,388	98,896	141,189
Total operating revenues	<u>2,183,311</u>	<u>3,325,292</u>	<u>672,025</u>	<u>6,180,628</u>	<u>1,356,657</u>
<u>Operating Expenses</u>					
Operation and maintenance	981,584	1,699,714	95,350	2,776,648	-
Fuel for resale	-	-	561,116	561,116	-
Depreciation	439,416	1,311,474	89,184	1,840,074	-
Taxes	25,703	36,960	7,676	70,339	-
Insurance claims and administration	-	-	-	-	1,473,060
Total operating expenses	<u>1,446,703</u>	<u>3,048,148</u>	<u>753,326</u>	<u>5,248,177</u>	<u>1,473,060</u>
Operating income (loss)	<u>736,608</u>	<u>277,144</u>	<u>(81,301)</u>	<u>932,451</u>	<u>(116,403)</u>
<u>Nonoperating Revenues (Expenses)</u>					
Investment income	6,937	9,568	20	16,525	467
Interest expense	(104,452)	(236,044)	-	(340,496)	-
Amortization expense	(28,230)	(28,992)	-	(57,222)	-
Total nonoperating revenue (expenses)	<u>(125,745)</u>	<u>(255,468)</u>	<u>20</u>	<u>(381,193)</u>	<u>467</u>
Income before contributions and transfers	610,863	21,676	(81,281)	551,258	(115,936)
Capital contributions	2,346	171,576	-	173,922	-
Transfer in	55,922	-	-	55,922	-
Transfer out - tax equivalent	(386,113)	-	-	(386,113)	-
Transfers out - other	-	(55,922)	-	(55,922)	-
Change in net assets	<u>283,018</u>	<u>137,330</u>	<u>(81,281)</u>	<u>339,067</u>	<u>(115,936)</u>
Total net assets - beginning of year - as restated	<u>13,200,072</u>	<u>15,614,300</u>	<u>1,830,033</u>	<u>30,644,405</u>	<u>636,332</u>
Total net assets - end of year	<u>\$ 13,483,090</u>	<u>\$ 15,751,630</u>	<u>\$ 1,748,752</u>	<u>30,983,472</u>	<u>\$ 520,396</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				<u>406,494</u>	
Net assets of business - type activities (page 3)				<u>\$ 31,389,966</u>	

See accompanying notes to financial statements.

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

CITY OF BURLINGTON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	<u>Business-type Activities - Enterprise Funds</u>				Governmental Activities - Internal Service Fund
	Water Utility	Sewer Utility	Airport	Totals	
<u>Cash Flows from Operating Activities</u>					
Receipts from customers and users	\$ 2,056,436	\$ 3,344,635	\$ 667,500	\$ 6,068,571	\$ -
Receipts from interfund services provided	-	-	-	-	1,385,897
Payments to suppliers	(935,397)	(1,331,292)	(659,190)	(2,925,879)	-
Payments to employees	(347,275)	(500,746)	-	(848,021)	-
Payments for interfund services used	-	-	-	-	(1,412,026)
Net cash provided by (used for) operating activities	<u>773,764</u>	<u>1,512,597</u>	<u>8,310</u>	<u>2,294,671</u>	<u>(26,129)</u>
<u>Cash Flows from Noncapital Financing Activities</u>					
Net transfers out	<u>(330,191)</u>	<u>(55,922)</u>	<u>-</u>	<u>(386,113)</u>	<u>-</u>
<u>Cash Flows from Capital and Related Financing Activities</u>					
Capital contributions	2,346	175,198	-	177,544	-
Acquisition and construction of capital assets	(2,102,121)	(27,062)	(5,562)	(2,134,745)	-
Salvage and insurance proceeds on capital assets	3,726	-	-	3,726	-
Due to general fund for construction advances	2,103,571	-	-	2,103,571	-
Face value of bonds issued	2,050,000	1,750,000	-	3,800,000	-
Principal paid on bonds	(2,095,000)	(3,471,055)	-	(5,566,055)	-
Interest paid on bonds	(118,513)	(248,113)	-	(366,626)	-
Net bond issuance premiums (costs)	(137,030)	24,161	-	(112,869)	-
Special assessment collections	2,259	2,829	-	5,088	-
Net cash used for capital and related financing activities	<u>(290,762)</u>	<u>(1,794,042)</u>	<u>(5,562)</u>	<u>(2,090,366)</u>	<u>-</u>
<u>Cash Flows from Investing Activities</u>					
Interest and dividends received	<u>1,284</u>	<u>1,309</u>	<u>20</u>	<u>2,613</u>	<u>467</u>
Net cash provided by investing activities	<u>1,284</u>	<u>1,309</u>	<u>20</u>	<u>2,613</u>	<u>467</u>
Net increase (decrease) in cash and cash equivalents	154,095	(336,058)	2,768	(179,195)	(25,662)
Cash and cash equivalents - beginning of year	<u>67</u>	<u>523,577</u>	<u>224,482</u>	<u>748,126</u>	<u>637,685</u>
Cash and cash equivalents - end of year	<u>\$ 154,162</u>	<u>\$ 187,519</u>	<u>\$ 227,250</u>	<u>\$ 568,931</u>	<u>\$ 612,023</u>

See accompanying notes to financial statements.

CITY OF BURLINGTON
STATEMENT OF CASH FLOWS - CONTINUED
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

Business-type Activities - Enterprise Funds

<u>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities</u>	Water Utility	Sewer Utility	Airport	Totals	Governmental Activities - Internal Service Fund
Operating income (loss)	\$ 736,608	\$ 277,144	\$ (81,301)	\$ 932,451	\$ (116,403)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation	439,416	1,311,474	89,184	1,840,074	-
Depreciation charged to clearing account	18,855	-	-	18,855	-
(Increase) decrease in receivables	(126,875)	19,343	(4,525)	(112,057)	29,240
(Increase) decrease in inventories	724	-	6,795	7,519	-
Increase (decrease) in accounts payable	189,750	(89,199)	(1,843)	98,708	61,034
Increase (decrease) in accrued payroll	343	(368)	-	(25)	-
Increase (decrease) in due to other funds	(489,270)	-	-	(489,270)	-
Increase (decrease) in compensated absences payable	4,213	(5,797)	-	(1,584)	-
Total adjustments	<u>37,156</u>	<u>1,235,453</u>	<u>89,611</u>	<u>1,362,220</u>	<u>90,274</u>
Net cash provided by (used for) operating activities	<u><u>773,764</u></u>	<u><u>1,512,597</u></u>	<u><u>8,310</u></u>	<u><u>2,294,671</u></u>	<u><u>(26,129)</u></u>
<u>Reconciliation of Cash and Cash Equivalents to Statement of Net Assets - Proprietary Funds</u>					
Cash and investments reported as current assets	128,658	128,854	227,250	484,762	612,023
Cash and investments reported as restricted assets	<u>25,504</u>	<u>58,665</u>	<u>-</u>	<u>84,169</u>	<u>-</u>
Cash and cash equivalents - end of year	<u><u>\$ 154,162</u></u>	<u><u>\$ 187,519</u></u>	<u><u>\$ 227,250</u></u>	<u><u>\$ 568,931</u></u>	<u><u>\$ 612,023</u></u>

See accompanying notes to financial statements.

CITY OF BURLINGTON
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2011

	<u>Tax Roll</u>	<u>Municipal Court</u>	<u>Developers' Reimburse Fund</u>	<u>Totals</u>
<u>Assets</u>				
Cash and cash equivalents	\$ 7,587,172	\$ 23,187	\$ 32,412	\$ 7,642,771
Taxes receivable	3,171,658	-	-	3,171,658
Total assets	<u>10,758,830</u>	<u>23,187</u>	<u>32,412</u>	<u>10,814,429</u>
<u>Liabilities</u>				
Liabilities:				
Accounts payable	173,878	13,359	-	187,237
Due to county and state	2,552,675	-	-	2,552,675
Due to school and VTAE districts	8,032,277	-	-	8,032,277
Deposits held	-	9,828	32,412	42,240
Total liabilities	<u>10,758,830</u>	<u>23,187</u>	<u>32,412</u>	<u>10,814,429</u>
Net Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

CITY OF BURLINGTON
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For the Year Ended December 31, 2011

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CITY OF BURLINGTON
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011

Note 1 - Summary Of Significant Accounting Policies

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

A. Reporting Entity

The City of Burlington (the city) is a municipal corporation governed by an elected mayor and eight-member council. The accompanying financial statements present the city and its component unit, an entity for which the city is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the city.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. Although it is a legally separate entity, standards set forth in Statement Nos. 14 and 39 of the Governmental Accounting Standards Board require that the financial statements of the Housing Authority of the City of Burlington be reported as a component unit of the city due to the appointment of its board of commissioners by the city's mayor. The Housing Authority of the City of Burlington is reported as a discretely presented component unit to emphasize that it is an entity that is legally separate from the city. The financial information included in the statement of net assets is as of the Housing Authority's fiscal year end of August 31, 2011. Complete financial statements for the component unit may be obtained at its administrative offices.

Riverview Manor
580 Madison Street
Burlington, Wisconsin 53105

B. Government-Wide and Fund Financial Statements

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

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

Note 1 - Summary Of Significant Accounting Policies - Continued

B. Government-Wide and Fund Financial Statements - Continued

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.

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

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

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

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

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

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

Note 1 - Summary Of Significant Accounting Policies - Continued

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

Major Funds

The city reports the following major governmental funds:

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

TIF No. 3 Debt service fund - accounts for the resources accumulated and payments made for principal and interest on long-term obligation debt of the city's Tax Incremental Financing District No. 3.

Environmental TIF District fund - accounts for remediation and other capital costs as authorized by the Wisconsin statutes.

The city reports the following major proprietary funds:

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

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

Airport enterprise fund - accounts for the activities of the city's airport operations.

Non-Major Funds

The city reports the following non-major governmental funds:

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

- Library Operations
- Community Development Block Grant
- TIF No. 3 Revolving Loan
- Park Development
- Library Trust
- Police DARE
- Derozier
- Wehmhoff

Debt Service Funds - Debt service funds are used to account for the accumulation of resources for, and the payment of general long-term debt principal and interest.

- General Debt Service

Capital Projects Funds - Capital projects funds are used to account for financial resources segregated for the acquisition and construction of major capital facilities.

- TIF No. 4
- General Infrastructure
- Downtown Redevelopment
- Revolving Capital Projects
- Stormwater Management
- Facade Grants

Note 1 - Summary Of Significant Accounting Policies - Continued

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

Additionally, the city reports the following fund types:

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the city, on a cost reimbursement basis. The city's internal service fund accounts for the city's risk financing activities related to its employee health insurance medical claims.

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

Tax Roll Fund

Municipal Court Bond Fund

Developers' Reimbursement Fund

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The city has elected not to follow subsequent private-sector guidance.

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

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water enterprise fund, the sewer enterprise fund, and the airport enterprise fund are charges to customers for sales and services. The water and sewer enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service 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

D. Assets, Liabilities, and Net Assets or Equity

1. Cash and Investments

The city's cash and investments consist of cash on hand, checking accounts, savings accounts, certificates of deposit, the state Local Government Investment Pool and government agency securities. Pooled bank accounts that are shared between its various accounting funds are maintained. Each fund's cash balance represents the residual cash available to it after all other transactions.

Investment of city funds are restricted by state statutes. Permitted investments for the city include any of the following:

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

2. Receivable and Payables

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

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Note 1 - Summary Of Significant Accounting Policies - Continued

D. Assets, Liabilities, and Net Assets or Equity - Continued

2. Receivable and Payables - Continued

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

Details of the city's property tax calendar for the 2011 tax levy follows:

Lien and levy dates	December 2011
Real estate collection due dates:	
First installment due	January 31, 2012
Second installment due	July 31, 2012
Personal property tax due in full	January 31, 2012
Final settlement with county	August 2012
Tax sale of 2011 delinquent real estate taxes	October 2014

3. Inventories and Prepaid Items

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

4. Restricted Assets

Cash and equivalents of the city's utilities have been restricted by either bond ordinance or city council resolution for the following purposes:

	Water Utility	Sewer Utility	Totals
Plant and equipment replacement	\$ - - -	\$ 333	\$ 333
Bond special redemption	25,504	58,332	83,836
Totals	<u>\$ 25,504</u>	<u>\$ 58,665</u>	<u>\$ 84,169</u>

Note 1 - Summary Of Significant Accounting Policies - Continued

D. Assets, Liabilities, and Net Assets or Equity - Continued

5. Capital Assets

Capital assets, which include land, buildings, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of assets constructed.

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50 - 75
Land improvements	30
Roads	30
Other infrastructure	30 - 50
Vehicles	5 - 10
Office equipment	6 - 10
Computer equipment	5

6. Compensated Absences

City employees earn vacation time in varying amounts and it must generally be taken by the employee's anniversary date according to city policy. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary 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.

7. Long-Term Obligations

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

Note 1 - Summary Of Significant Accounting Policies - Continued

D. Assets, Liabilities, and Net Assets or Equity - Continued

7. Long-Term Obligations - Continued

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

8. Fund Equity

Accounting principles generally accepted require the classification of fund balances into various components. The components used by the city in the fund financial statements are defined as follows:

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

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

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

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

In the government-wide statements, fund equity is termed net assets and reported as the following three components:

Invested in capital assets, net of related debt - This represents capital assets net of accumulated depreciation and reduced by any debt attributable to the acquisition or construction of the capital assets net of any unspent debt proceeds.

Restricted net assets - This represents net assets restricted by external groups, laws and regulations, or enabling legislation.

Unrestricted net assets - This represents net assets that do not meet the criteria of the above components of net assets.

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

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

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

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds and net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$29,730,620 difference are as follows:

Bonds and notes payable	\$29,887,587
Less: Deferred charges for bond refunding costs (to be amortized as interest expense over life of debt)	(410,217)
Less: Issuance discount (to be amortized as interest expense)	(336,676)
Add: Accrued interest payable	245,935
Add: Compensated absences payable	<u>343,991</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net-assets - governmental activities</i>	<u>\$29,730,620</u>

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds and changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “*Long-term receivables not available are reported as revenue in the fund financial statements when collected or currently available, but are recognized as revenue when earned in the government-wide financial statements.*” The details of these differences are as follows:

Notes receivable issued	\$ 400,000
Principal repayments received on notes receivable	(76,572)
Repayment of advance made by general fund to the TIF no. 3 fund that is reported as revenue in the fund financial statements	<u>(430,000)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ (106,572)</u>

Note 3 - Stewardship, Compliance, and Accountability

A. Budgetary Information

The government reviews and adopts its annual budget by December or earlier of the preceding year. The budgetary information included in the accompanying financial statements is comprised of the originally approved budget plus or minus approved revisions of budgeted revenues and expenditures. These budgets are adopted on a basis consistent with GAAP. Management control of the budgetary process has been established at the departmental level of expenditure. A department can be a fund, cost center, program or other activity for which control of expenditures is considered desirable. Budget appropriations for certain capital projects funds are project oriented, often possessing multi-year lives; consequently, budgeted capital

Note 3 - Stewardship, Compliance, and Accountability - Continued

A. Budgetary Information - Continued

projects expenditures are controlled through fund balances. Expenditures cannot legally exceed their appropriations at the fund level.

The budget may be amended for supplemental appropriations periodically during the year. Budget changes require a two-thirds approval by the city council. There were no budget amendments made during 2011.

B. Deficit Fund Equity

The following individual funds had deficit fund balances as of December 31, 2011.

	<u>Amount of Deficit</u>
<u>Debt Service Funds:</u>	
General debt service fund	\$ (6,073)
Environmental TIF district capital projects fund	(1,773,385)
General infrastructure capital projects fund	(983,502)

The debt service fund deficit balance is expected to be eliminated by future appropriations from the general fund. The deficit fund balance in the environmental TIF district capital projects funds will be eliminated in loan receivable repayments and tax increments. The deficit fund balances in the general infrastructure and downtown redevelopment funds will be eliminated by future property tax levies.

C. General Fund Assigned and Nonspendable Fund Balances

The fund balance of the general fund at December 31, 2011 was assigned for the following:

City hall construction	<u>\$ 300,000</u>
------------------------	-------------------

The fund balance of the general fund at December 31, 2011 was nonspendable for the following:

Delinquent personal property taxes	\$ 8,562
Prepaid expenditures	11,243
Advances to other funds	<u>967,595</u>
Total	<u>\$ 987,400</u>

D. Utility Debt Service Redemption Funds and Bond Covenants

Provisions of the water and sewer utility bond agreements specify certain balances in debt service redemption funds. Those balances were calculated as \$25,504 and \$58,665 for the water and sewer utilities, respectively, at December 31, 2011. The required balances for the water and sewer utilities were fully funded at year end.

Note 4 - Detailed Notes on All Funds

A. Cash and Investments

The city's cash and investments at December 31, 2011 consisted of the following:

	<u>Carrying Amount</u>	<u>Weighted Average Maturity (Days)</u>
Petty cash	\$ 1,158	N/A
Interest bearing checking accounts	7,843,842	Demand
Money market savings accounts	709,987	Demand
State local government investment pool	928,237	97
Certificates of deposit	970,814	450
Federal Home Loan zero coupon note	<u>1,455,971</u>	365
Total carrying amount	<u><u>\$11,910,009</u></u>	

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

Credit Risk

The city has policies to minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed previously in the resolution.
- The common council shall by resolution each year approve the public depositories within the city that are deemed appropriate for use under the state and federal law.
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

Interest Rate Risk

The city has policies to minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Custodial Risk

The city has policies to minimize custodial risk, which is the risk that in the event of a financial institution failure, the city's deposits may not be returned to it, by:

- Maintaining a list of financial institutions, public depositories and broker/dealers authorized by resolution to provide deposit and investment services.
- All financial institutions, public depositories and broker/dealers authorized by resolution to provide deposit and investment services must supply as appropriate audited financial statements demonstrating compliance with state and federal capital adequacy guidelines.

Note 4 - Detailed Notes on All Funds - Continued

A. Cash and Investments - Continued

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

Statement of net assets:

Cash and investments	\$ 3,864,069
Restricted cash and investments	<u>403,169</u>
Total reported on statement of net assets	4,267,238
Statement of fiduciary net assets	<u>7,642,771</u>
Total Cash and Investments	<u><u>\$ 11,910,009</u></u>

City cash and investments are insured by the FDIC for up to \$250,000 for time and savings deposits (including interest-bearing NOW accounts), and an additional \$250,000 of FDIC insurance is available for demand (non-interest bearing checking accounts) for each bank used. For the period December 31, 2010 through December 31, 2012, all non-interest bearing accounts are fully insured, regardless of the balance of the account. All city deposits are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses of the pool may not be significant to individual municipalities.

The Local Government Investment Pool (LGIP) is an investment fund managed by the State of Wisconsin Investment Board. The LGIP accepts deposits from governmental units within the State of Wisconsin. The objectives of the LGIP are to provide safety of principal, liquidity and a reasonable rate of return. The LGIP is regulated by the Wisconsin Statutes and is not a SEC registered investment. The yield of the LGIP changes daily and its participants may invest or withdraw any or all amounts at par value at any time. The LGIP balance reported in the financial statements as \$928,237 at December 31, 2011 is at cost basis. The fair value of the LGIP investment at December 31, 2011 did not materially differ from its cost basis. The LGIP had a weighted average maturity of 97 days at December 31, 2011.

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

B. Receivables

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

	General	TIF No. 3 Debt Service	Water Utility	Sewer Utility	Airport	Nonmajor and Fiduciary Funds	Totals
Receivables:							
Taxes - current	\$ 4,621,523	\$ 4,382,416	\$ ---	\$ ---	\$ ---	\$ 4,066,802	\$13,070,741
Taxes - delinquent	8,562	---	---	---	---	---	8,562
Accounts and other	20,293	---	666,041	523,782	9,159	---	1,219,275
Special assessments	11,273	---	140,468	203,638	---	52,602	407,981
Notes	---	---	---	---	---	1,947,188	1,947,188
Net total receivables	<u>\$ 4,661,651</u>	<u>\$ 4,382,416</u>	<u>\$ 806,509</u>	<u>\$ 727,420</u>	<u>\$ 9,159</u>	<u>\$ 6,066,592</u>	<u>\$16,653,747</u>

Note 4 - Detailed Notes on All Funds - Continued

B. Receivables - Continued

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

	<u>Unavailable</u>	<u>Unearned</u>
Property and other taxes receivable	\$ - - -	\$ 9,894,538
Water utility property tax equivalent	- - -	390,230
Notes receivable (special revenue funds)	1,947,188	- - -
Special assessments not yet due (various funds)	68,421	- - -
Interfund advances receivable (general fund)	366,822	- - -
Total deferred/unearned revenue for governmental funds	<u>\$ 2,382,431</u>	<u>\$ 10,284,768</u>

The city has issued notes receivable which are due for the following purposes:

<u>Purpose</u>	<u>Date of Note</u>	<u>Interest Rate</u>	<u>Original Principal</u>	<u>Balance 12/31/11</u>
Community Development Block Grant	10/23/00	4.0%	60,000	\$ 33,249
Community Development Block Grant	7/6/10	2.0%	340,000	337,691
Community Development Block Grant	12/31/11	2.0%	400,000	400,000 *
TIF No. 3 Revolving Loan	6/01/09	1.625%	21,425	16,390
TIF No. 3 Revolving Loan	6/01/11	4.0%	4,896	4,325
Environmental TIF Capital Projects	9/1/10	7.0%	1,160,000	1,155,533
Total				<u>\$ 1,947,188</u>

* - Contains a forgiveness provision of up to \$16,000 per full time employee added for a 3 year period.

Note 4 - Detailed Notes on All Funds - Continued

C. Capital Assets

Capital asset activity for the year ended December 31, 2011 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Land	\$ 19,958,830	\$ ---	\$ ---	\$ 19,958,830
Total capital assets, not being depreciated	<u>19,958,830</u>	<u>---</u>	<u>---</u>	<u>19,958,830</u>
Capital assets, being depreciated:				
Buildings and improvements	8,784,624	449,749	---	9,234,373
Land improvements and other structures	3,455,932	169,084	---	3,625,016
Machinery and equipment	6,072,457	606,422	(94,159)	6,584,720
Infrastructure	<u>38,401,591</u>	<u>290,912</u>	<u>---</u>	<u>38,692,503</u>
Total capital assets being depreciated	<u>56,714,604</u>	<u>1,516,167</u>	<u>(94,159)</u>	<u>58,136,612</u>
Less accumulated depreciation for:				
Buildings and other improvements	(2,930,401)	(283,188)	---	(3,213,589)
Machinery and equipment	(3,589,004)	(315,328)	80,647	(3,823,685)
Infrastructure	<u>(15,852,368)</u>	<u>(989,651)</u>	<u>---</u>	<u>(16,842,019)</u>
Total accumulated depreciation	<u>(22,371,773)</u>	<u>(1,588,167)</u>	<u>80,647</u>	<u>(23,879,293)</u>
Total capital assets, being depreciated, net	<u>34,342,831</u>	<u>(72,000)</u>	<u>(13,512)</u>	<u>34,257,319</u>
Governmental activities capital assets, net	<u>\$ 54,301,661</u>	<u>\$ (72,000)</u>	<u>\$ (13,512)</u>	<u>\$ 54,216,149</u>

Note 4 - Detailed Notes on All Funds - Continued

C. Capital Assets - Continued

Business Type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Water Utility				
Capital assets, not being depreciated:				
Land	\$ 269,027	\$ ---	\$ ---	\$ 269,027
Construction in progress	---	2,073,798	---	2,073,798
Total capital assets, not being depreciated	<u>269,027</u>	<u>2,073,798</u>	<u>---</u>	<u>2,342,825</u>
Capital assets, being depreciated:				
Buildings and system	2,240,593	---	---	2,240,593
Machinery and equipment	1,600,564	73,350	(5,000)	1,668,914
Infrastructure	16,931,993	66,309	(37,062)	16,961,240
Total capital assets being depreciated	20,773,150	139,659	(42,062)	20,870,747
Less: accumulated depreciation	<u>(4,843,464)</u>	<u>(461,997)</u>	<u>42,062</u>	<u>(5,263,399)</u>
Total capital assets, being depreciated, net	<u>15,929,686</u>	<u>(322,338)</u>	<u>---</u>	<u>15,607,348</u>
Business-type activities capital assets, net	<u>\$ 16,198,713</u>	<u>\$ 1,751,460</u>	<u>\$ ---</u>	<u>\$ 17,950,173</u>

Accumulated depreciation by capital asset category for the water utility is not available.

Sewer Utility

Capital assets, not being depreciated:				
Land	\$ 778,671	\$ ---	\$ ---	\$ 778,671
Total capital assets, not being depreciated	<u>778,671</u>	<u>---</u>	<u>---</u>	<u>778,671</u>
Capital assets, being depreciated:				
Buildings and system	18,654,505	---	---	18,654,505
Machinery and equipment	8,529,554	24,105	(10,000)	8,543,659
Infrastructure	14,023,728	2,644	---	14,026,372
Total capital assets being depreciated	<u>41,207,787</u>	<u>26,749</u>	<u>(10,000)</u>	<u>41,224,536</u>
Less: accumulated depreciation:				
Buildings and system	(9,159,717)	(621,195)	---	(9,780,912)
Machinery and equipment	(6,309,899)	(342,429)	10,000	(6,642,328)
Infrastructure	(3,048,319)	(347,850)	---	(3,396,169)
Total accumulated depreciation	<u>(18,517,935)</u>	<u>(1,311,474)</u>	<u>10,000</u>	<u>(19,819,409)</u>
Total capital assets, being depreciated, net	<u>22,689,852</u>	<u>(1,284,725)</u>	<u>---</u>	<u>21,405,127</u>
Business-type activities capital assets, net	<u>\$ 23,468,523</u>	<u>\$ (1,284,725)</u>	<u>\$ ---</u>	<u>\$ 22,183,798</u>

Note 4 - Detailed Notes on All Funds - Continued

C. Capital Assets - Continued

Business Type Activities - Continued

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Airport				
Capital assets, not being depreciated:				
Land	\$ 125,634	\$ ---	\$ ---	\$ 125,634
Total capital assets, not being depreciated	<u>125,634</u>	<u>---</u>	<u>---</u>	<u>125,634</u>
Capital assets, being depreciated:				
Buildings	41,180	---	---	41,180
Land improvements	2,054,267	---	---	2,054,267
Machinery and equipment	<u>295,787</u>	<u>5,563</u>	<u>---</u>	<u>301,350</u>
Total capital assets being depreciated	<u>2,391,234</u>	<u>5,563</u>	<u>---</u>	<u>2,396,797</u>
Less: accumulated depreciation:				
Buildings	(40,976)	(136)	---	(41,112)
Land improvements	(735,626)	(65,305)	---	(800,931)
Machinery and equipment	<u>(174,132)</u>	<u>(23,743)</u>	<u>---</u>	<u>(197,875)</u>
Total accumulated depreciation	<u>(950,734)</u>	<u>(89,184)</u>	<u>---</u>	<u>(1,039,918)</u>
Total capital assets, being depreciated, net	<u>1,440,500</u>	<u>(83,621)</u>	<u>---</u>	<u>1,356,879</u>
Business-type activities capital assets, net	<u>\$ 1,566,134</u>	<u>\$ (83,621)</u>	<u>\$ ---</u>	<u>\$ 1,482,513</u>

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

Governmental activities:	
General government	\$ 12,973
Public safety	241,191
Highways and streets, including depreciation of general infrastructure assets	1,163,269
Culture and recreation	<u>170,734</u>
Total depreciation expense - governmental activities	<u>\$ 1,588,167</u>
Business-type activities:	
Water	\$ 439,416
Sewer	1,311,474
Airport	<u>89,184</u>
Total depreciation expense - business-type activities	<u>\$ 1,840,074</u>

Note 4 - Detailed Notes on All Funds - Continued

C. Capital Assets - Continued

Discretely Presented Component Unit

Activity for the Housing Authority for the year ended August 31, 2011, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 87,236	\$ ---	\$ ---	\$ 87,236
Capital assets, being depreciated:				
Buildings	2,233,258	6,620	(4,750)	2,235,128
Landscaping	121,446	7,278	---	128,724
Furniture and equipment	158,712	21,152	---	179,864
Total capital assets being depreciated	2,513,416	35,050	---	2,513,416
Less: accumulated depreciation	(1,479,823)	(66,972)	4,750	(1,542,045)
Total capital assets, being depreciated, net	1,033,593	(31,922)	---	1,001,671
Business-type activities capital assets, net	<u>\$ 1,120,829</u>	<u>\$ (31,922)</u>	<u>\$ ---</u>	<u>\$ 1,088,907</u>

Accumulated depreciation by capital asset category for the housing authority is not available.

D. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of December 31, 2011, is as follows:

Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Water utility	\$ 2,103,571
General	Sewer utility	390,230
		<u>\$ 2,493,801</u>

Advances to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	TIF No. 3 debt service	\$ 366,822
General	General infrastructure	967,595
TIF No. 3 debt service	Environmental TIF district	1,771,462
		<u>\$ 3,105,879</u>

Annual repayments of the advance payable by TIF No. 3 debt service fund to the general fund is determined by the city council and is to be paid in full during 2012. Interest on the advance is charged to the TIF No. 3 fund at 4.25%. A transfer from the general fund is expected to be authorized by the city council in 2012 to close the general infrastructure fund.

Note 4 - Detailed Notes on All Funds - Continued

D. Interfund Receivables, Payables and Transfers - Continued

Interfund transfers:

	Transfers In				Total
	Park Develop-ment	Water Utility Enterprise	TIF No. 4 Capital Projects	Downtown Redevelop-ment	
Transfers Out:					
General fund	\$ 50,000	\$ ---	\$ ---	\$ ---	\$ 50,000
TIF No. 3 debt service	---	---	718,271	---	718,271
Environmental TIF District	---	---	---	52,649	52,649
Sewer utility enterprise fund	---	55,922	---	---	55,922
Total	\$ 50,000	\$ 55,922	\$ 718,271	\$ 52,649	\$ 876,842

E. Long-Term Obligations

Outstanding debt and other long-term obligations of the city at December 31, 2011 follows:

Issue	Interest Rate(s)	Original Principal	Outstanding Principal At 12/31/11		Purpose
			General	Proprietary	
<u>General obligation debt:</u>					
2001 refunding bonds	4.0-4.8%	9,990,000	\$ 650,000	\$ ---	Riverfront
2004 state trust fund loan	5.25%	734,110	528,628	---	Pension
2007 refunding bonds	4.1%-4.375%	1,500,000	1,500,000	---	Infrastructure
2009 state trust fund loan	3.5%	342,194	265,354	---	Various
2010 Build America bonds	1.4%-5.75%	6,400,000	4,625,000	1,775,000	Water, sewer, public works
2010 refunding bonds	2.0%-2.375%	4,290,000	3,715,000	---	TIF 3,4 & various
2011 state trust fund loan	3.75%	815,000	815,000	---	Environmental TIF
2011 refunding bonds	2.0%-3.0%	9,120,000	7,370,000	1,750,000	Riverfront & sewer
Total bonds and notes			19,468,982	3,525,000	
<u>Other long-term obligations:</u>					
2000 tax increment rev. bonds	0%	1,500,000	318,605	---	Fitness Center
2005 revenue lease bonds	2.7-4.25%	11,810,000	10,100,000	---	Riverfront
Compensated absences (Note 5B.)			343,991	73,864	
Total other long-term obligations			10,762,596	73,864	
<u>Utility revenue debt:</u>					
2008 CWF revenue bonds (1)	2.569%	4,465,837	---	3,965,801	Sewer
2008 CWF revenue bonds (2)	2.365%	926,948	---	806,517	Sewer
2011 refunding bonds	2.0%-3.5%	2,050,000	---	2,050,000	Water
Total utility revenue debt			---	6,822,318	
Total Long-Term Obligations			30,231,578	10,421,182	
Less: deferred bond refunding costs			(410,218)	(123,435)	
Net Long-Term Obligations			\$29,821,360	\$10,297,747	

Note 4 - Detailed Notes on All Funds - Continued

E. Long-Term Obligations - Continued

A. General obligation debt

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

Year Ended December 31,	General City Long-Term Debt		Proprietary Fund Long-Term Debt		Totals
	Principal	Interest	Principal	Interest	
2012	\$ 2,178,710	\$ 514,959	\$ 177,604	\$ 88,346	\$ 2,959,619
2013	2,130,922	464,562	310,004	88,872	2,994,360
2014	2,326,498	416,416	322,477	82,824	3,148,215
2015	1,540,483	372,976	212,143	77,617	2,203,219
2016	1,660,017	336,567	222,899	73,160	2,292,643
2017-2021	6,316,034	1,071,422	1,089,873	277,560	8,754,889
2022-2026	2,031,318	427,424	590,000	159,276	3,208,018
2027-2030	1,285,000	88,755	600,000	45,370	2,019,125
	<u>\$ 19,468,982</u>	<u>\$ 3,693,081</u>	<u>\$3,525,000</u>	<u>\$ 893,025</u>	<u>\$ 27,580,088</u>

General city and proprietary fund indebtedness represented by general obligation notes totaled \$22,993,982 on December 31, 2011. The city's full faith and credit back these general obligation notes. Transactions for 2011 are summarized as follows:

Balance - January 1, 2011	\$ 24,048,862
Loan proceeds	9,935,000
Principal reductions - current	(2,079,880)
Principal defeasance - refunding	<u>(8,910,000)</u>
Balance - December 31, 2011	<u>\$ 22,993,982</u>

B. Community development revenue lease bonds

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

Year Ended December 31,	Community Development Long-Term Debt		
	Principal	Interest	Totals
2012	\$ 1,050,000	\$ 377,612	\$ 1,427,612
2013	1,050,000	341,125	1,391,125
2014	1,100,000	302,950	1,402,950
2015	1,100,000	262,525	1,362,525
2016	1,150,000	218,900	1,368,900
2016-2020	4,650,000	396,513	5,046,513
	<u>\$ 10,100,000</u>	<u>\$ 1,899,625</u>	<u>\$ 11,999,625</u>

Note 4 - Detailed Notes on All Funds - Continued

E. Long-Term Obligations - Continued

B. Community development revenue lease bonds - continued

Community development indebtedness represented by the lease revenue bonds totaled \$10,100,000 on December 31, 2011. These bonds were issued to finance the riverfront improvement project. Transactions for 2011 are summarized as follows:

Balance - January 1, 2011	\$ 11,100,000
Principal reductions	<u>(1,000,000)</u>
Balance - December 31, 2011	<u>\$ 10,100,000</u>

C. Tax increment project revenue bonds

Annual estimated debt service requirements to maturity of tax increment project revenue bonds are as follows:

Year Ended December 31,	Community Development Long-Term Debt		
	Principal	Interest	Totals
2012	\$ 105,000	\$ ---	\$ 105,000
2013	105,000	---	105,000
2014	108,605	---	108,605
	<u>\$ 318,605</u>	<u>\$ ---</u>	<u>\$ 318,605</u>

Tax increment indebtedness represented by the revenue bonds totaled \$318,605 on December 31, 2011. These bonds were issued for the various developer and construction agreements. Transactions for 2011 are summarized as follows:

Balance - January 1, 2011	\$ 420,263
Principal reductions	<u>(101,658)</u>
Balance - December 31, 2011	<u>\$ 318,605</u>

D. Utility revenue debt

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

Year Ended December 31,	Principal	Interest	Totals
2012	\$ 331,032	\$ 172,293	\$ 503,325
2013	411,882	165,856	577,738
2014	417,880	156,283	574,163
2015	429,029	146,504	575,533
2016	440,335	135,543	575,878
2017 - 2021	2,386,994	487,443	2,874,437
2022 - 2026	1,785,406	183,710	1,969,116
2027 - 2028	619,760	15,183	634,943
Totals	<u>\$ 6,822,318</u>	<u>\$ 1,462,815</u>	<u>\$ 8,285,133</u>

Note 4 - Detailed Notes on All Funds - Continued

E. Long-Term Obligations - Continued

D. Utility revenue debt - continued

Proprietary fund indebtedness represented by revenue bonds totaled \$6,822,318 on December 31, 2011. The debt is pledged by the assets and revenues of the utilities. The city's full faith and credit do not back these revenue bonds. Transactions for 2011 are summarized as follows:

Balance - January 1, 2011	\$ 8,323,373
Loan proceeds	2,050,000
Principal reductions - current	(1,581,055)
Principal defeasance - refunding	<u>(1,970,000)</u>
Balance - December 31, 2011	<u>\$ 6,822,318</u>

E. Refunding of outstanding bonds

On November 15, 2011, the city issued \$9,120,000 in general obligation bonds with an average interest rate of 2.026% used to currently refund \$1,770,000 of outstanding series 2004 refunding bonds and advance refund \$7,140,000 of outstanding series 2001 refunding bonds. On November 15, 2011, the city also issued \$2,050,000 in waterworks system revenue bonds with an average interest rate of 2.898% used to advance refund \$1,970,000 of outstanding series 2002 revenue bonds. The net proceeds of the bonds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded bonds. As a result, the 2001 series 2002 bonds are considered to be defeased and the liability for these bonds has been removed from the government-wide statement of net assets. The advance refunding issues reduces its total debt service over the life of the bonds by \$978,331 and results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$763,122.

As provided by accounting principles generally accepted, certain costs associated with the refunding bonds are being deferred and reported as a reduction of the bonds payable on the balance sheet. These costs will be amortized as a component of interest expense over the life of the 2011 bonds, which are scheduled to be fully paid in 2016.

In prior years, the city defeased certain other general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the city's financial statements. On December 31, 2011, \$22,935,000 of total outstanding bonds are considered defeased.

F. Margin of indebtedness

The Wisconsin Statutes restrict the city's general obligation debt to 5% of the equalized value of all property in the city. This amount is compared below with the outstanding debt on December 31, 2011:

Equalized Value - 2011	<u>\$ 885,415,000</u>
Margin of Indebtedness:	
5% of Equalized Value	44,270,750
Outstanding General Obligation Debt - December 31, 2011	<u>22,993,982</u>
Margin of Indebtedness	<u>\$ 21,276,768</u>

Note 4 - Detailed Notes on All Funds - Continued

E. Long-Term Obligations - Continued

G. Industrial development revenue bonds

The city issued industrial development revenue bonds during 1998 and 2008 for the benefit of private entities. The bonds outstanding as of December 31, 2011 totaled \$2,855,000 and \$3,832,500 for the 1998 and 2008 bonds, respectively. The city has no liability for repayment of these bonds and, consequently, they are not included in the financial statements.

F. Segment Information for Enterprise Funds

The city maintains three enterprise funds. Segment information for the year ended December 31, 2011 follows:

CONDENSED STATEMENT OF NET ASSETS

	Water Utility	Sewer Utility	Airport	Total
Assets:				
Current assets	\$ 946,703	\$ 856,274	\$ 270,443	\$ 2,073,420
Restricted cash and investments	25,504	58,665	--	84,169
Other noncurrent assets	71,421	414,906	--	486,327
Capital assets	17,950,173	22,183,798	1,482,513	41,616,484
Total assets	18,993,801	23,513,643	1,752,956	44,260,400
Liabilities:				
Current liabilities	2,813,394	279,207	4,204	3,096,805
Current liabilities payable from restricted assets	107,231	251,191	--	358,422
Noncurrent liabilities	2,590,086	7,231,615	--	9,821,701
Total liabilities	5,510,711	7,762,013	4,204	13,276,928
Net assets:				
Invested in capital assets, net of related debt	13,177,237	14,638,087	1,482,513	29,297,837
Restricted	25,504	58,665	--	84,169
Unrestricted	280,349	1,054,878	266,239	1,601,466
Total net assets	13,483,090	15,751,630	1,748,752	30,983,472

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

	Water Utility	Sewer Utility	Airport	Total
Operating revenues	\$ 2,183,311	\$ 3,325,292	\$ 672,025	\$ 6,180,628
Depreciation expense	439,416	1,311,474	89,184	1,840,074
Other operating expenses	1,007,287	1,736,674	664,142	3,408,103
Operating income (loss)	736,608	277,144	(81,301)	932,451
Nonoperating revenues (expenses):				
Investment income	6,937	9,568	20	16,525
Interest expense	(104,452)	(236,044)	--	(340,496)
Amortization expense	(28,230)	(28,992)	--	(57,222)
Capital contributions	2,346	171,576	--	173,922
Net transfers in (out)	(330,191)	(55,922)	--	(386,113)
Beginning net assets	13,200,072	15,614,300	1,830,033	30,644,405
Ending net assets	13,483,090	15,751,630	1,748,752	30,983,472

Note 4 - Detailed Notes on All Funds - Continued

F. Segment Information for Enterprise Funds - Continued

CONDENSED STATEMENT OF CASH FLOWS

	Water Utility	Sewer Utility	Airport	Total
Net cash provided (used) by:				
Operating activities	\$ 773,764	\$ 1,512,597	\$ 8,310	\$ 2,294,671
Noncapital financing activities	(330,191)	(55,922)	--	(386,113)
Capital and related financing activities	(290,762)	(1,794,042)	(5,562)	(2,090,366)
Investing activities	1,284	1,309	20	2,613
Net increase (decrease)	154,095	(336,058)	2,768	(179,195)
Beginning cash and cash equivalents	67	523,577	224,482	748,126
Ending cash and cash equivalents	154,162	187,519	227,250	568,931

Note 5 - Other Information

A. Risk Management

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

The city is also exposed to various risks of loss related to medical claims. The city's risk management fund (an internal service fund) is used to account for and finance its uninsured health risks of loss. Under this program the risk management fund provides coverage for up to a maximum of \$25,000 for each individual's total claims with group claims limited to 125% of expected claims. The city purchases commercial insurance for health claims in excess of coverage provided by the fund. Settled claims have not exceeded this commercial insurance coverage since inception of the fund.

All funds of the city participate in the health program and are charged amounts needed to pay prior and current year claims and to establish a reserve for future insurance costs. That reserve was \$520,396 at December 31, 2011 and is reported as the internal service fund balance. The accounts payable of \$109,172 reported in the fund at December 31, 2011 is based on the requirements of Governmental Accounting Standards Board Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's reported liability amount for the years ended December 31, 2011 and 2010 was as follows:

Year	Beginning Of Year Liability	Incurred Claims	Claim Payments	End of Year Liability
2011	\$ 48,138	\$ 969,829	\$ 908,795	\$ 109,172
2010	134,083	860,594	946,539	48,138

Note 5 - Other Information - Continued

B. Compensated Absences

City employees earn vacation time in varying amounts and it must generally be taken by the employee's anniversary date according to city policy. Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the statement of net assets.

Management has determined that no material amounts of accumulated vacation time at year end will be liquidated with expendable available resources. The amount of accumulated vacation time at December 31, 2011 that has been recorded in the governmental activities of the statement of net assets is \$136,068.

Employees may accumulate a maximum of 150 days of sick leave. It is the city's policy to pay for unused sick leave upon retirement or death at a rate of \$25 per day or apply it to future retiree health insurance premiums at a rate of \$50 per day. Accumulated sick days of employees totaled approximately 4,158 at December 31, 2011. The city determined its liability for accumulated sick pay benefits payable based on the option of applying \$50 per day toward health insurance premiums. At December 31, 2011, estimated sick leave termination benefits of \$207,923 have been recorded in the governmental activities of the statement of net assets.

Accumulated vacation and sick pay benefits for employees of the city's proprietary funds are recorded as a liability directly in those funds as they are earned by the employees. An additional \$73,864 of accumulated vacation and sick pay has been recorded as a liability in the proprietary funds.

C. Employees' Pensions

All eligible city employees participate in the Wisconsin Retirement System (WRS), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). New hires who were not previously employed by a WRS participating employer are required to work at least 1,200 hours per year (increased from the current 600 hours per year) in order to be eligible for coverage under the WRS. Current employees will remain covered under WRS even if they work less than 1,200 hours per year. Covered employees in the General category are required by state statute to contribute 5.8% of their salary (6.65% for Executives and Elected Officials, 5.8% for Protective Occupations with Social Security and 5.8% for Protective Occupations without Social Security) to the plan. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits. The Wisconsin legislature enacted Act 10 that made changes to the employee and employer required contributions to the System and to what employers are allowed to pay toward System contributions for employees. Public safety employees are exempt from making contributions to the plan and the city makes the contributions on behalf of those employees. The city implemented the required changes effective August 1, 2011.

The payroll for city employees covered by the WRS for the year ended December 31, 2011 was \$4,113,354 the employer's total payroll was \$4,144,525. The total required contribution for the year ended December 31, 2011 was \$560,957, which consisted of \$537,112, or 13.1% of payroll from the employer and \$23,845 or .6% of payroll from employees. Total contributions for the years ended December 31, 2010 and 2009 were \$504,649 and \$465,545, respectively, equal to the required contributions for each year.

Note 5 - Other Information - Continued

B. Employees' Pensions - Continued

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive retirement benefits. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are : (1) final average earnings, (2) years of creditable service, and (3) a formula factor. Final average earnings is the average of the employee's three highest years earnings. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefits. 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 are immediately vested.

The WRS also provides death and disability benefits for employees. Eligibility for and the amount of all benefits is determined under Chapter 40 of Wisconsin Statutes. 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.

D. Tax Incremental Financing Districts

The city has established tax incremental financing (TIF) district nos. 3 and 4 pursuant to a law enacted to provide a process by which local units of government could finance public works or improvements in blighted areas from taxes levied by county, city, schools and other local jurisdictions based on the increase in property values within a designated geographic area. When a tax incremental district is established, the state determines the aggregate value of taxable property located within the district (the base value). Taxes derived from levies by all local jurisdictions on property values exceeding the base value determined by the state are allocated to the city for financing improvements within the district.

During 2011, TIF district no. 4 collected revenues that were sufficient to fully finance the district's project costs from the date of its inception and it was terminated. Excess increments collected of \$393,224 will be paid to the overlying taxing districts in 2012 and an additional \$206,368 will be transferred to the city's general fund. Adequate funds are expected to be available to service the district's remaining outstanding debt.

Summary information on TIF district no. 3 follows:

Date of creation	9/29/1992
End of statutory construction period	9/29/2014
Maximum statutory life of district	9/29/2019

Note 5 - Other Information - Continued

D. Tax Incremental Financing Districts - Continued

The following summarizes the transactions to date of TIF district no. 3.

	<u>Year Ended</u>	<u>From Date of Creation</u>
Accumulated project expenditures (including interest costs)	\$ 1,164,656	\$ 52,555,462
Less: tax increments received	3,676,125	30,867,240
Less: intergovernmental revenues	20,699	657,774
Less: special assessments/property sales	---	231,751
Less: rental income	---	2,794
Less: interest earned	69,179	2,114,619
Less: city contribution for Wehmhoff Park	---	60,000
Less: increment allocations from TIF district no. 4	---	2,009,000
Less: all other	---	3,000
Total project revenues	<u>3,766,003</u>	<u>35,946,178</u>
Net Costs to be Recovered	<u>\$ (2,601,347)</u>	<u>\$ 16,609,284</u>

The recovery of the above costs is subject to sufficient increments being generated in the districts before the end of the life of the districts. The above costs have been primarily financed by the issuance of general obligation and lease revenue bonds and notes.

The city created an environmental remediation tax incremental financing district in 2009 pursuant to the Wisconsin Statutes. The following summarizes the transactions to date of the environmental remediation tax incremental financing district.

	<u>Year Ended</u>	<u>From Date of Creation</u>
Accumulated project expenditures (including interest costs)	\$ 265,918	\$ 4,733,892
Less: intergovernmental revenues	---	330,000
Less: interest earned	85,684	92,719
Less: loan repayments	4,467	4,467
Total project revenues	<u>90,151</u>	<u>427,186</u>
Net Costs to be Recovered	<u>\$ 175,767</u>	<u>\$ 4,306,706</u>

Note 5 - Other Information - Continued,

E. Litigation and Contingencies

The city attorney and management are unaware of any pending or threatened litigation against the city that would have a material effect on the financial statements.

F. Subsequent Events

Management has evaluated the need for disclosure or recording of transactions resulting from subsequent events through June 16, 2012, the date the financial statements were available to be issued; and concluded the following requires disclosure.

During February 2012, the city issued \$2,044,276 waterworks revenue bonds to finance improvements to the water utility plant.

During May 2012, the issued \$3,155,000 general obligation bonds to finance various street improvement projects.

G. Restatement of Net Assets

The January 1, 2011 net assets balance of the airport enterprise fund was restated to reflect the accumulated depreciation balance on airport capital assets considered correct. The effect of the restatement follows.

	<u>Airport Business Type Activities</u>
<u>Net Assets</u>	
Amounts as previously reported on December 31, 2010	\$ 1,762,689
Adjustment to net assets to recognize retroactive change to airport depreciation on capital assets	<u>67,344</u>
Net assets - January 1, 2011 - as restated	<u><u>\$ 1,830,033</u></u>

H. Housing Authority Component Unit

The Housing Authority of the City of Burlington is a component unit of the city. The fiscal year end of the housing authority is August 31, 2011. The following is a summary of significant disclosures of the housing authority.

1. Summary of significant accounting policies

The housing authority was formed under the applicable sections of the Wisconsin Statutes to provide an economically designed and constructed low-rent housing facility for senior citizens in the City of Burlington. The housing authority is governed by a five-member board of commissioners appointed by the city's mayor.

The housing authority uses the accrual basis of accounting.

Property and equipment are stated at cost. Depreciation is provided on the straight line method over the estimated useful lives of the assets.

Note 5 - Other Information - Continued

H. Housing Authority - Continued

2. Cash and investments

The housing authority's cash and investments consist of deposits at local banks. At August 31, 2011, the housing authority's deposits totaled \$128,676. The carrying value of those deposits on the housing authority's financial statements was \$123,303.

3. Restricted cash

The housing authority is required to maintain separate restricted accounts for debt service, security deposits, and capital improvements and replacements. Restricted cash at August 31, 2011 consisted of the following:

Reserve account	\$	55,898
Security deposits		<u>27,818</u>
Totals	\$	<u><u>83,716</u></u>

4. Long-term debt

Long-term debt of the housing authority at August 31, 2011 consisted of the following:

Note payable to Rural Development dated September 1, 1977.

It is due September 1, 2027 with monthly payments of \$2,918.

Interest is charged at 8%, but is subsidized to a rate of 1%. \$ 510,819

Note payable to Rural Development dated January 4, 1984.

It is due January 4, 2034 with monthly payments of \$1,590.

Interest is charged at 10.75%, but is subsidized to a rate of 1%. 379,112

Totals 889,931

Less: Current maturities (45,404)

Net Long-Term Debt \$ 844,527

Annual debt service requirements of housing authority debt are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2012	\$ 45,404	\$ 8,692	\$ 54,096
2013	45,861	8,235	54,096
2014	46,320	7,776	54,096
2015	46,787	7,309	54,096
2016	47,257	6,839	54,096
2017 - 2021	243,500	26,980	270,480
2022 - 2026	255,980	14,500	270,480
2027 - 2031	118,055	4,620	122,675
2032 - 2034	40,767	487	41,254
	<u>\$ 889,931</u>	<u>\$ 85,438</u>	<u>\$ 975,369</u>

Interest expense is calculated at 1% for cash debt service cash flow requirements to maturity assuming that the subsidy from the USDA Rural Development will continue.

SUPPLEMENTAL INFORMATION

A two-page combining balance
sheet follows.

CITY OF BURLINGTON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Special Revenue Funds							
	Library Operations	Community Development Block Grant	TIF No. 3 Revolving Loan	Park Develop- ment	Library Trust	Police DARE	Derozier	Wehmhoff
Assets								
Cash and investments	\$ 86,151	\$ 88,266	\$ 599,208	\$ 71,817	\$ 101,801	\$ 10,441	\$ 48,988	\$ 54,746
Taxes receivable	418,508	-	-	-	-	-	-	-
Prepaid expenditures	-	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Notes receivable	-	770,940	20,715	-	-	-	-	-
Total Assets	504,659	859,206	619,923	71,817	101,801	10,441	48,988	54,746
Liabilities								
Accounts payable	17,920	-	-	2,709	-	-	-	-
Deferred revenue	418,508	770,940	20,715	-	-	-	-	-
Deferred special assessments	-	-	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-	-	-
Total Liabilities	436,428	770,940	20,715	2,709	-	-	-	-
Fund Balances								
Unreserved:								
Assigned	68,231	88,266	599,208	69,108	101,801	10,441	48,988	54,746
Total Fund Balances	68,231	88,266	599,208	69,108	101,801	10,441	48,988	54,746
Total Liabilities and Fund Balances	\$ 504,659	\$ 859,206	\$ 619,923	\$ 71,817	\$ 101,801	\$ 10,441	\$ 48,988	\$ 54,746

Capital Projects Funds

General Debt Service Fund	TIF No. 4	General Infrastructure	Downtown Redevelop- ment	Revolving Capital Projects	Stormwater Management	Facade Grants	Total Nonmajor Funds
\$ (6,073)	\$ 952,347	\$ -	\$ -	\$ 1,601,646	\$ 13,282	\$ 1,614	\$ 3,624,234
428,459	-	-	-	-	-	-	846,967
-	-	-	-	29,778	-	-	29,778
-	52,602	-	-	-	-	-	52,602
-	-	-	-	-	-	-	791,655
<u>422,386</u>	<u>1,004,949</u>	<u>-</u>	<u>-</u>	<u>1,631,424</u>	<u>13,282</u>	<u>1,614</u>	<u>5,345,236</u>
-	-	15,907	-	22,972	-	-	59,508
428,459	-	-	-	-	-	-	1,638,622
-	52,602	-	-	-	-	-	52,602
-	-	967,595	-	-	-	-	967,595
<u>428,459</u>	<u>52,602</u>	<u>983,502</u>	<u>-</u>	<u>22,972</u>	<u>-</u>	<u>-</u>	<u>2,718,327</u>
<u>(6,073)</u>	<u>952,347</u>	<u>(983,502)</u>	<u>-</u>	<u>1,608,452</u>	<u>13,282</u>	<u>1,614</u>	<u>2,626,909</u>
<u>(6,073)</u>	<u>952,347</u>	<u>(983,502)</u>	<u>-</u>	<u>1,608,452</u>	<u>13,282</u>	<u>1,614</u>	<u>2,626,909</u>
<u>\$ 422,386</u>	<u>\$ 1,004,949</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,631,424</u>	<u>\$ 13,282</u>	<u>\$ 1,614</u>	<u>\$ 5,345,236</u>

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

CITY BURLINGTON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Special Revenue Funds							
	Library Operations	Community Development Block Grant	TIF No. 3 Revolving Loan	Park Develop- ment	Library Trust	Police DARE	Derozier	Wehmhoff
Revenues								
Taxes	\$ 432,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	325,136	-	-	53,331	-	-	-	-
Charges for services	26,083	-	-	8,000	-	-	-	-
Special assessments	-	-	-	-	-	-	-	-
Investment income	350	11,612	8,623	20	994	1	867	76
Repayment of note receivable principal	-	5,352	66,753	-	-	-	-	-
All other	1,918	-	-	380	22,407	5,115	-	-
Total Revenues	786,023	16,964	75,376	61,731	23,401	5,116	867	76
Expenditures								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	2,500	-	-
Culture, recreation & education	720,533	-	-	4,014	21,336	-	-	-
Conservation and development	-	402,479	-	-	-	-	-	-
Capital outlay	-	-	-	179,488	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Total Expenditures	720,533	402,479	-	183,502	21,336	2,500	-	-
Excess (deficiency) of revenues over (under) expenditures	65,490	(385,515)	75,376	(121,771)	2,065	2,616	867	76
Other Financing Sources (Uses)								
Transfers in	-	-	-	50,000	-	-	-	-
Property sales	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	50,000	-	-	-	-
Net change in fund balances	65,490	(385,515)	75,376	(71,771)	2,065	2,616	867	76
Fund balances - beginning	2,741	473,781	523,832	140,879	99,736	7,825	48,121	54,670
Fund balances - ending	\$ 68,231	\$ 88,266	\$ 599,208	\$ 69,108	\$ 101,801	\$ 10,441	\$ 48,988	\$ 54,746

General Debt Service Fund	Capital Projects Funds						Total Nonmajor Funds
	TIF No. 4	General Infrastructure	Downtown Redevelop- ment	Revolving Capital Projects	Stormwater Management	Facade Grants	
\$ 418,213	\$ 687,228	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ 2,037,977
-	2,583	-	-	41,397	-	-	422,447
-	-	-	-	-	-	-	34,083
-	14,040	-	-	-	-	-	14,040
174	6,033	1,017	9	578	2	33	30,389
-	-	-	-	-	-	-	72,105
-	-	-	-	-	-	-	29,820
<u>418,387</u>	<u>709,884</u>	<u>1,017</u>	<u>9</u>	<u>541,975</u>	<u>2</u>	<u>33</u>	<u>2,640,861</u>
-	17,308	-	-	-	-	-	17,308
-	-	-	-	-	-	-	2,500
-	-	-	-	-	-	-	745,883
-	75,000	-	-	-	-	9,145	486,624
-	-	562,214	-	560,980	-	-	1,302,682
181,848	374,176	-	-	-	-	-	556,024
161,984	9,324	-	-	-	-	-	171,308
<u>343,832</u>	<u>475,808</u>	<u>562,214</u>	<u>-</u>	<u>560,980</u>	<u>-</u>	<u>9,145</u>	<u>3,282,329</u>
<u>74,555</u>	<u>234,076</u>	<u>(561,197)</u>	<u>9</u>	<u>(19,005)</u>	<u>2</u>	<u>(9,112)</u>	<u>(641,468)</u>
-	718,271	-	52,649	-	-	-	820,920
-	-	-	-	8,956	-	-	8,956
<u>-</u>	<u>718,271</u>	<u>-</u>	<u>52,649</u>	<u>8,956</u>	<u>-</u>	<u>-</u>	<u>829,876</u>
74,555	952,347	(561,197)	52,658	(10,049)	2	(9,112)	188,408
<u>(80,628)</u>	<u>-</u>	<u>(422,305)</u>	<u>(52,658)</u>	<u>1,618,501</u>	<u>13,280</u>	<u>10,726</u>	<u>2,438,501</u>
<u>\$ (6,073)</u>	<u>\$ 952,347</u>	<u>\$ (983,502)</u>	<u>\$ -</u>	<u>\$ 1,608,452</u>	<u>\$ 13,282</u>	<u>\$ 1,614</u>	<u>\$ 2,626,909</u>

CITY OF BURLINGTON
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	Original and Final Budget	Actual	Variance with Budget
<u>Taxes</u>			
General property taxes	\$ 3,890,761	\$ 3,840,262	\$ (50,499)
Payments in lieu of taxes	42,508	36,253	(6,255)
Occupational tax	742	881	139
Room tax	55,205	35,391	(19,814)
Interest on personal property taxes	4,070	157	(3,913)
	<u>3,993,286</u>	<u>3,912,944</u>	<u>(80,342)</u>
<u>Intergovernmental</u>			
Shared taxes from state	716,005	719,586	3,581
Exempt computer aid	18,000	16,113	(1,887)
Fire insurance from state	28,000	30,023	2,023
Municipal services	2,300	1,971	(329)
General transportation aid	500,136	500,090	(46)
Connecting streets	76,022	75,704	(318)
Other transportation aid	-	30,558	30,558
Recycling grants	46,700	30,241	(16,459)
State Historical Society reimbursement	-	10,368	10,368
Stewardship park grant	80,805	-	(80,805)
State aid for police training	3,040	3,600	560
DNR aid in lieu of tax	-	670	670
	<u>1,471,008</u>	<u>1,418,924</u>	<u>(52,084)</u>
<u>Licenses and Permits</u>			
Business and occupational licenses	29,500	30,085	585
Weights and measures	6,400	7,350	950
Wisconsin cable TV licenses	110,500	125,867	15,367
Parking permits	1,500	320	(1,180)
Cell tower permit	45,860	47,116	1,256
Building and electrical permits	72,500	68,732	(3,768)
Right of way and zoning permits	7,500	4,235	(3,265)
Chocolate city franchise fee	12,704	-	(12,704)
	<u>286,464</u>	<u>283,705</u>	<u>(2,759)</u>
<u>Fines and Forfeitures</u>			
Court penalty costs	145,000	155,563	10,563
Parking violations	60,000	94,736	34,736
	<u>\$ 205,000</u>	<u>\$ 250,299</u>	<u>\$ 45,299</u>

CITY OF BURLINGTON
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	Original and Final Budget	Actual	Variance with Final Budget
<u>Charges for Services</u>			
Clerk's revenue	\$ 8,500	\$ 5,979	\$ (2,521)
Police department	6,000	7,236	1,236
Fire department	15,000	15,142	142
Street department	1,000	9,201	8,201
Park revenue	5,000	15,514	10,514
	<hr/>	<hr/>	<hr/>
Total Charges for Services	35,500	53,072	17,572
<u>Special Assessments</u>			
Sidewalks	74,382	9,042	(65,340)
<u>Interest</u>			
Investment earnings	11,500	12,954	1,454
Interest on special assessments	500	229	(271)
	<hr/>	<hr/>	<hr/>
Total interest	12,000	13,183	1,183
TIF Reimbursement for Deferred Advance	430,000	430,000	-
<u>Other</u>			
Lease of city property	1,975	6,600	4,625
Insurance recoveries	50	38,202	38,152
Miscellaneous	2,575	5,735	3,160
	<hr/>	<hr/>	<hr/>
Total Other	4,600	50,537	45,937
	<hr/>	<hr/>	<hr/>
Total Revenues	\$ 6,512,240	\$ 6,421,706	\$ (90,534)

CITY OF BURLINGTON
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	Original and Final Budget	Actual	Variance with Budget
<u>General Government</u>			
Mayor and city council	\$ 39,160	\$ 36,385	\$ 2,775
Municipal court	62,660	58,287	4,373
Administration	299,393	286,249	13,144
Finance - treasurer	169,411	154,151	15,260
City clerk	46,331	47,875	(1,544)
Elections	14,452	16,661	(2,209)
Assessor and board of review	43,872	39,547	4,325
City attorney	108,000	98,996	9,004
	<u>783,279</u>	<u>738,151</u>	<u>45,128</u>
<u>Public Safety</u>			
Police department	2,904,815	2,838,785	66,030
Fire department	602,486	577,374	25,112
Building inspector	155,000	139,242	15,758
	<u>3,662,301</u>	<u>3,555,401</u>	<u>106,900</u>
<u>Public Works</u>			
Street administration and maintenance	1,047,611	1,114,428	(66,817)
Street lighting	272,000	266,663	5,337
Sidewalks, curb and gutters	100,000	74,034	25,966
Storm sewers	6,000	878	5,122
Garbage collection	305,675	365,853	(60,178)
Recycling	128,299	143,517	(15,218)
Landfill	18,000	31,486	(13,486)
Monitoring wells	3,000	-	3,000
	<u>1,880,585</u>	<u>1,996,859</u>	<u>(116,274)</u>
<u>Health and Human Services</u>			
Health officer	84,540	73,607	10,933
Animal shelter	12,213	6,553	5,660
	<u>\$ 96,753</u>	<u>\$ 80,160</u>	<u>\$ 16,593</u>

CITY OF BURLINGTON
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	Original and Final Budget	Actual	Variance with Budget
<u>Culture, Recreation and Education</u>			
Historical society	\$ 1,100	\$ 1,000	\$ 100
Senior citizens	2,400	2,493	(93)
Parks	553,030	546,321	6,709
	<u>556,530</u>	<u>549,814</u>	<u>6,716</u>
<u>Conservation and Development</u>			
Economic development	50,000	57,756	(7,756)
Planning commission	71,000	64,137	6,863
Town annexation revenue sharing	47,402	47,910	(508)
	<u>168,402</u>	<u>169,803</u>	<u>(1,401)</u>
Total Expenditures	<u><u>\$ 7,147,850</u></u>	<u><u>\$ 7,090,188</u></u>	<u><u>\$ 57,662</u></u>

CITY OF BURLINGTON
LONG-TERM DEBT SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2011

The following is a summary of the bonds and notes payable of the city as of December 31, 2011.

<u>General Obligation Debt</u>	<u>Outstanding Principal 12/31/2011</u>
2001 refunding bonds (TIF No. 3 purposes)	\$ 650,000
2004 state trust fund loan (retirement obligation loan)	528,628
2007 refunding bonds	1,500,000
2009 state trust fund loan	265,354
2010 refunding bonds	3,715,000
2010 Build America Bonds	6,400,000
2011 state trust fund loan	815,000
2011 refunding bonds	9,120,000
	<u>\$ 22,993,982</u>

2001 General Obligation Refunding Bonds

The proceeds of this issue were used to refund the 1999 bond anticipation notes. The proceeds from those refunded bonds were used to finance project costs in the city's TIF No. 3. Interest is charged at rates of 4.00% to 4.80%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 1, 2012	\$ -	\$ 14,625	\$ 14,625
October 1, 2012	650,000	14,625	664,625
	<u>\$ 650,000</u>	<u>\$ 29,250</u>	<u>\$ 679,250</u>

2004 State Trust Fund Loan

The proceeds of this issue were used to refund the unfunded pension liability. Interest is charged at a rate of 5.25%

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 15, 2012	\$ 34,699	\$ 27,829	\$ 62,528
March 15, 2013	36,596	25,931	62,527
March 15, 2014	38,518	24,010	62,528
March 15, 2015	40,540	21,988	62,528
March 15, 2016	42,614	19,914	62,528
March 15, 2017	44,906	17,622	62,528
March 15, 2018	47,263	15,265	62,528
March 15, 2019	49,744	12,783	62,527
March 15, 2020	52,328	10,200	62,528
March 15, 2021	55,103	7,424	62,527
March 15, 2022	57,996	4,532	62,528
March 15, 2023	28,321	1,487	29,808
	<u>\$ 528,628</u>	<u>\$ 188,985</u>	<u>\$ 717,613</u>

CITY OF BURLINGTON
LONG-TERM DEBT SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2011

2007 General Obligation Refunding Bonds

The proceeds from this issue were used to refund a short-term note and to finance various infrastructure improvements. Interest is charged at rates of 4.10% to 4.375%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 1, 2012	\$ -	\$ 31,988	\$ 31,988
October 1, 2012	-	31,988	31,988
April 1, 2013	-	31,988	31,988
October 1, 2013	-	31,988	31,988
April 1, 2014	-	31,988	31,988
October 1, 2014	-	31,988	31,988
April 1, 2015	-	31,988	31,988
October 1, 2015	-	31,988	31,988
April 1, 2016	-	31,988	31,988
October 1, 2016	-	31,988	31,988
April 1, 2017	100,000	31,988	131,988
October 1, 2017	-	29,800	29,800
April 1, 2018	110,000	29,800	139,800
October 1, 2018	-	27,545	27,545
April 1, 2019	120,000	27,545	147,545
October 1, 2019	-	25,055	25,055
April 1, 2020	130,000	25,055	155,055
October 1, 2020	-	22,325	22,325
April 1, 2021	140,000	22,325	162,325
October 1, 2021	-	19,350	19,350
April 1, 2022	150,000	19,350	169,350
October 1, 2022	-	16,162	16,162
April 1, 2023	150,000	16,162	166,162
October 1, 2023	-	12,975	12,975
April 1, 2024	150,000	12,975	162,975
October 1, 2024	-	9,750	9,750
April 1, 2025	150,000	9,750	159,750
October 1, 2025	-	6,525	6,525
April 1, 2026	150,000	6,525	156,525
October 1, 2026	-	3,262	3,262
April 1, 2027	150,000	3,262	153,262
	<u>\$ 1,500,000</u>	<u>\$ 697,366</u>	<u>\$ 2,197,366</u>

CITY OF BURLINGTON
LONG-TERM DEBT SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2011

2009 State Trust Fund

The proceeds from this issue were used to finance the purchase of capital equipment and vehicles. Interest is charged at a rate of 3.5%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 15, 2012	\$ 85,410	\$ 9,313	\$ 94,723
March 15, 2013	88,425	6,298	94,723
March 15, 2014	91,519	3,204	94,723
	<u>\$ 265,354</u>	<u>\$ 18,815</u>	<u>\$ 284,169</u>

2010 Refunding Bonds

The proceeds from this issue were used to advance refund previously issued debt used for TIF No. 3, TIF No. 4 and general capital projects. Interest is charged at rates of 2.0% to 2.375%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
May 1, 2012	\$ 745,000	\$ 38,425	\$ 783,425
November 1, 2012	-	30,975	30,975
May 1, 2013	780,000	30,975	810,975
November 1, 2013	-	23,175	23,175
May 1, 2014	915,000	23,175	938,175
November 1, 2014	-	14,025	14,025
May 1, 2015	595,000	14,025	609,025
November 1, 2015	-	8,075	8,075
May 1, 2016	680,000	8,075	688,075
	<u>\$ 3,715,000</u>	<u>\$ 190,925</u>	<u>\$ 3,905,925</u>

CITY OF BURLINGTON
LONG-TERM DEBT SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2011

2010 Build America Bonds

The proceeds from this issue were used to finance capital projects in the TIF No. 3 capital projects, environmental TIF, water utility and sewer utility funds. Interest is charged at rates of 1.4% to 5.75%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
May 1, 2012	\$ 100,000	\$ 96,098	\$ 196,098
November 1, 2012	-	95,643	95,643
May 1, 2013	100,000	95,643	195,643
November 1, 2013	-	94,976	94,976
May 1, 2014	100,000	94,976	194,976
November 1, 2014	-	94,196	94,196
May 1, 2015	185,000	94,196	279,196
November 1, 2015	-	92,453	92,453
May 1, 2016	195,000	92,453	287,453
November 1, 2016	-	90,393	90,393
May 1, 2017	500,000	90,393	590,393
November 1, 2017	-	84,462	84,462
May 1, 2018	500,000	84,462	584,462
November 1, 2018	-	78,043	78,043
May 1, 2019	500,000	78,043	578,043
November 1, 2019	-	70,974	70,974
May 1, 2020	385,000	70,974	455,974
November 1, 2020	-	65,344	65,344
May 1, 2021	315,000	65,344	380,344
November 1, 2021	-	60,583	60,583
May 1, 2022	330,000	60,583	390,583
November 1, 2022	-	55,489	55,489
May 1, 2023	345,000	55,489	400,489
November 1, 2023	-	49,995	49,995
May 1, 2024	355,000	49,995	404,995
November 1, 2024	-	44,168	44,168
May 1, 2025	370,000	44,168	414,168
November 1, 2025	-	37,975	37,975
May 1, 2026	385,000	37,975	422,975
November 1, 2026	-	31,406	31,406
May 1, 2027	405,000	31,406	436,406
November 1, 2027	-	24,364	24,364
May 1, 2028	425,000	24,364	449,364
November 1, 2028	-	16,768	16,768
May 1, 2029	445,000	16,767	461,767
November 1, 2029	-	8,596	8,596
May 1, 2030	460,000	8,596	468,596
	<u>\$ 6,400,000</u>	<u>\$ 2,287,753</u>	<u>\$ 8,687,753</u>

CITY OF BURLINGTON
LONG-TERM DEBT SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2011

2011 State Trust Fund

The proceeds from this issue were used to finance capital projects in the environmental TIF capital projects fund. Interest is charged at 3.75%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
March 15, 2012	\$ 76,205	\$ 32,404	\$ 108,609
March 15, 2013	80,905	27,704	108,609
March 15, 2014	83,938	24,671	108,609
March 15, 2015	87,086	21,523	108,609
March 15, 2016	90,302	18,307	108,609
March 15, 2017	93,738	14,871	108,609
March 15, 2018	97,253	11,356	108,609
March 15, 2019	100,900	7,709	108,609
March 15, 2020	104,673	3,936	108,609
	<u>\$ 815,000</u>	<u>\$ 162,481</u>	<u>\$ 977,481</u>

2011 General Obligation Refunding Bonds

The proceeds from this issue were used to refund 2001 bonds issued for TIF No. 3 purposes and 2004 bonds issued for sewer purposes. The bonds are attributed 80.8% to TIF No. 3 and 19.2% to the sewer utility. Interest is charged at rates of 2.0% to 3.0%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
April 1, 2012	\$ 665,000	\$ 79,940	\$ 744,940
October 1, 2012	-	99,153	99,153
April 1, 2013	1,355,000	99,153	1,454,153
October 1, 2013	-	85,603	85,603
April 1, 2014	1,420,000	85,603	1,505,603
October 1, 2014	-	71,403	71,403
April 1, 2015	845,000	71,403	916,403
October 1, 2015	-	62,953	62,953
April 1, 2016	875,000	62,953	937,953
October 1, 2016	-	53,657	53,657
April 1, 2017	905,000	53,657	958,657
October 1, 2017	-	43,475	43,475
April 1, 2018	940,000	43,475	983,475
October 1, 2018	-	31,725	31,725
April 1, 2019	970,000	31,725	1,001,725
October 1, 2019	-	17,175	17,175
April 1, 2020	1,145,000	17,175	1,162,175
	<u>\$ 9,120,000</u>	<u>\$ 1,010,228</u>	<u>\$ 10,130,228</u>

CITY OF BURLINGTON
LONG-TERM DEBT SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Other Long-Term Obligations</u>	<u>Outstanding Principal 12/31/2011</u>
2005 community development lease revenue refunding bonds	<u>\$ 10,100,000</u>

2005 Community Development Lease Revenue Refunding Bonds

The proceeds from this issue were used to partially refund the 2000 Community Development bonds.
Interest is charged at rates of 2.70% to 4.25%

	Principal	Interest	Total
April 1, 2012	\$ 1,050,000	\$ 197,862	\$ 1,247,862
October 1, 2012	-	179,750	179,750
April 1, 2013	1,050,000	179,750	1,229,750
October 1, 2013	-	161,375	161,375
April 1, 2014	1,100,000	161,375	1,261,375
October 1, 2014	-	141,575	141,575
April 1, 2015	1,100,000	141,575	1,241,575
October 1, 2015	-	120,950	120,950
April 1, 2016	1,150,000	120,950	1,270,950
October 1, 2016	-	97,950	97,950
April 1, 2017	1,150,000	97,950	1,247,950
October 1, 2017	-	74,375	74,375
April 1, 2018	1,150,000	74,375	1,224,375
October 1, 2018	-	49,938	49,938
April 1, 2019	1,175,000	49,937	1,224,937
October 1, 2019	-	24,969	24,969
April 1, 2020	1,175,000	24,969	1,199,969
	<u>\$ 10,100,000</u>	<u>\$ 1,899,625</u>	<u>\$ 11,999,625</u>

CITY OF BURLINGTON
LONG-TERM DEBT SCHEDULES
FOR THE YEAR ENDED DECEMBER 31, 2011

<u>Utility Revenue Debt</u>	Outstanding Principal 12/31/2011
2008 revenue bonds - Clean Water Fund (No. 5096-02)	\$ 3,965,801
2008 revenue bonds - Clean Water Fund (No. 5096-04)	806,517
2011 water revenue refunding bonds	2,050,000
	\$ 6,822,318

2008 Clean Water Fund Loan (No. 5096-02)

The proceeds from this issue were used for various sewer utility improvements. Interest is charged at the rate of 2.569%.

	Principal	Interest	Total
May 1, 2012	\$ 188,975	\$ 50,941	\$ 239,916
November 1, 2012	-	48,513	48,513
May 1, 2013	193,830	48,513	242,343
November 1, 2013	-	46,024	46,024
May 1, 2014	198,810	46,024	244,834
November 1, 2014	-	43,470	43,470
May 1, 2015	203,917	43,470	247,387
November 1, 2015	-	40,851	40,851
May 1, 2016	209,156	40,851	250,007
November 1, 2016	-	38,164	38,164
May 1, 2017	214,529	38,164	252,693
November 1, 2017	-	35,408	35,408
May 1, 2018	220,040	35,408	255,448
November 1, 2018	-	32,582	32,582
May 1, 2019	225,693	32,582	258,275
November 1, 2019	-	29,683	29,683
May 1, 2020	231,491	29,683	261,174
November 1, 2020	-	26,709	26,709
May 1, 2021	237,438	26,709	264,147
November 1, 2021	-	23,660	23,660
May 1, 2022	243,538	23,660	267,198
November 1, 2022	-	20,531	20,531
May 1, 2023	249,794	20,531	270,325
November 1, 2023	-	17,323	17,323
May 1, 2024	256,211	17,323	273,534
November 1, 2024	-	14,032	14,032
May 1, 2025	262,794	14,032	276,826
November 1, 2025	-	10,656	10,656
May 1, 2026	269,545	10,656	280,201
November 1, 2026	-	7,193	7,193
May 1, 2027	276,469	7,193	283,662
November 1, 2027	-	3,642	3,642
May 1, 2028	283,571	3,642	287,213
	\$ 3,965,801	\$ 927,823	\$ 4,893,624

CITY OF BURLINGTON
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2008 Clean Water Fund Loan (No. 5096-04)

The proceeds from this issue were used for various sewer utility improvements. Interest is charged at the rate of 2.365%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
May 1, 2012	\$ 42,057	\$ 9,537	\$ 51,594
November 1, 2012	-	9,040	9,040
May 1, 2013	43,052	9,040	52,092
November 1, 2013	-	8,531	8,531
May 1, 2014	44,070	8,531	52,601
November 1, 2014	-	8,010	8,010
May 1, 2015	45,112	8,010	53,122
November 1, 2015	-	7,476	7,476
May 1, 2016	46,179	7,476	53,655
November 1, 2016	-	6,930	6,930
May 1, 2017	47,271	6,930	54,201
November 1, 2017	-	6,371	6,371
May 1, 2018	48,389	6,371	54,760
November 1, 2018	-	5,799	5,799
May 1, 2019	49,534	5,799	55,333
November 1, 2019	-	5,213	5,213
May 1, 2020	50,705	5,213	55,918
November 1, 2020	-	4,614	4,614
May 1, 2021	51,904	4,614	56,518
November 1, 2021	-	4,000	4,000
May 1, 2022	53,132	4,000	57,132
November 1, 2022	-	3,371	3,371
May 1, 2023	54,388	3,371	57,759
November 1, 2023	-	2,728	2,728
May 1, 2024	55,675	2,728	58,403
November 1, 2024	-	2,070	2,070
May 1, 2025	56,991	2,070	59,061
November 1, 2025	-	1,396	1,396
May 1, 2026	58,339	1,396	59,735
November 1, 2026	-	706	706
May 1, 2027	59,719	706	60,425
	<u>\$ 806,517</u>	<u>\$ 162,047</u>	<u>\$ 968,564</u>

CITY OF BURLINGTON
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2011 Water Revenue Refunding Bonds

The proceeds from this issue were used to refund the 2002 water revenue bonds that were issued to finance various water utility improvements. Interest is charged at rates of 2.0% to 3.5%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
May 1, 2012	\$ 100,000	\$ 26,513	\$ 126,513
November 1, 2012	-	27,749	27,749
May 1, 2013	175,000	27,749	202,749
November 1, 2013	-	25,999	25,999
May 1, 2014	175,000	25,999	200,999
November 1, 2014	-	24,248	24,248
May 1, 2015	180,000	24,248	204,248
November 1, 2015	-	22,449	22,449
May 1, 2016	185,000	22,449	207,449
November 1, 2016	-	19,674	19,674
May 1, 2017	190,000	19,674	209,674
November 1, 2017	-	16,823	16,823
May 1, 2018	195,000	16,823	211,823
November 1, 2018	-	13,898	13,898
May 1, 2019	200,000	13,898	213,898
November 1, 2019	-	10,899	10,899
May 1, 2020	210,000	10,899	220,899
November 1, 2020	-	7,539	7,539
May 1, 2021	215,000	7,539	222,539
November 1, 2021	-	3,938	3,938
May 1, 2022	225,000	3,938	228,938
	<u>\$ 2,050,000</u>	<u>\$ 372,945</u>	<u>\$ 2,422,945</u>