

**TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN**

**ANNUAL FINANCIAL STATEMENTS
WITH ACCOUNTANTS' REVIEW REPORT**

DECEMBER 31, 2012

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
December 31, 2012

Table of Contents

	<u>Page No.</u>
INDEPENDENT ACCOUNTANTS' REVIEW REPORT	1 - 2
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4
Fund Financial Statements	
Balance Sheet - General Fund	5
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund	6
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	7
Notes to Basic Financial Statements	8 - 16
SUPPLEMENTARY INFORMATION	
Schedule of Budgeted and Actual Revenues - General Fund	17
Schedule of Budgeted and Actual Expenditures - General Fund	18

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Town Board
Town of Cooperstown
Manitowoc County, Wisconsin

We have reviewed the accompanying financial statements of the governmental activities and the major fund of the Town of Cooperstown, Wisconsin, as of and for the year ended December 31, 2012 and the related notes to the financial statements which collectively comprise the Town's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Town of Cooperstown, Wisconsin. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Town of Cooperstown, Manitowoc County, Wisconsin is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

As described in Note A, the Town has implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for the fiscal year ended December 31, 2012.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements for them to be in conformity with accounting principles generally accepted in the United States of America. The budgetary comparison information on pages 17 and 18 is presented for purposes of additional analysis and is not a required part of the financial statements. The supplementary information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but it has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

The Town has omitted the 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.

Scheuch SC

Certified Public Accountants
Green Bay, Wisconsin
April 1, 2013

BASIC FINANCIAL STATEMENTS

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Statement of Net Position
December 31, 2012

With Summarized Financial Information as of December 31, 2011
"See Independent Accountants' Review Report"

	Governmental Activities	
	2012	2011
ASSETS		
Cash and investments	\$ 668,141	\$ 741,923
Receivables		
Taxes	1,471,401	1,477,352
Other	302	2,790
Inventory	-	1,818
Capital assets, nondepreciable		
Land	55,774	55,774
Capital assets, depreciable		
Buildings and improvements	55,112	55,112
Machinery and equipment	333,499	333,499
Vehicles	20,211	20,211
Infrastructure	420,918	420,918
Less: Accumulated depreciation	(415,141)	(375,789)
TOTAL ASSETS	<u>2,610,217</u>	<u>2,733,608</u>
LIABILITIES		
Accounts payable	10,713	8,749
Payroll liabilities	1,750	1,728
Due to other governments	1,733,334	1,788,322
TOTAL LIABILITIES	<u>1,745,797</u>	<u>1,798,799</u>
DEFERRED INFLOWS OF RESOURCES		
Property taxes	276,701	274,211
NET POSITION		
Net investment in capital assets	470,373	509,725
Unrestricted	117,346	150,873
TOTAL NET POSITION	<u>\$ 587,719</u>	<u>\$ 660,598</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2012
With Summarized Financial Information for the Year Ended December 31, 2011
"See Independent Accountants' Review Report"

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
					2012	2011
Governmental Activities						
General government	\$ 73,660	\$ 116	\$ -	\$ -	\$ (73,544)	\$ (72,909)
Public safety	95,625	4,784	3,342	-	(87,499)	(85,800)
Public works	393,939	14,962	136,957	-	(242,020)	(185,326)
Conservation and development	1,350	630	-	-	(720)	(2,168)
Total Governmental Activities	<u>\$ 564,574</u>	<u>\$ 20,492</u>	<u>\$ 140,299</u>	<u>\$ -</u>	<u>(403,783)</u>	<u>(346,203)</u>
General revenues						
Property taxes, levied for general purposes					274,211	272,379
Other taxes					3,083	1,109
State and federal aids not restricted to specific functions					50,643	58,745
Interest and investment earnings					451	460
Miscellaneous					2,516	1,193
Total general revenues					<u>330,904</u>	<u>333,886</u>
Change in net position					(72,879)	(12,317)
Net position - January 1					<u>660,598</u>	<u>672,915</u>
Net position - December 31					<u>\$ 587,719</u>	<u>\$ 660,598</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
 Balance Sheet - General Fund
 December 31, 2012

With Summarized Financial Information as of December 31, 2011
 "See Independent Accountants' Review Report"

	2012	2011
ASSETS		
Cash and investments	\$ 668,141	\$ 741,923
Accounts receivable	302	2,790
Taxes receivable	1,471,401	1,477,352
Inventory	-	1,818
TOTAL ASSETS	\$ 2,139,844	\$ 2,223,883
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE		
Liabilities		
Accounts payable	\$ 10,713	\$ 8,749
Payroll liabilities	1,750	1,728
Due to other governments	1,733,334	1,788,322
Total Liabilities	1,745,797	1,798,799
Deferred Inflows of Resources		
Property taxes	276,701	274,211
Fund Balance		
Nonspendable for inventory	-	1,818
Assigned for subsequent years' expenditures	53,801	57,931
Assigned for subsequent year's budget	21,076	35,000
Unassigned	42,469	56,124
Total Fund Balance	117,346	150,873
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 2,139,844	\$ 2,223,883

Reconciliation to the Statement of Net Position

Total Fund Balance as shown above	\$ 117,346	\$ 150,873
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	470,373	509,725
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 3)	\$ 587,719	\$ 660,598

The notes to the basic financial statements are an integral part of this statement.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance -
General Fund
For the Year Ended December 31, 2012
With Summarized Financial Information for the Year Ended December 31, 2011
"See Independent Accountants' Review Report"

	2012	2011
Revenues		
Taxes	\$ 277,294	\$ 273,488
Intergovernmental	190,942	198,452
Licenses and permits	7,516	7,537
Fines, forfeits and penalties	250	85
Public charges for services	936	7,821
Intergovernmental charges for services	13,651	26,103
Miscellaneous	1,106	460
Total Revenues	<u>491,695</u>	<u>513,946</u>
Expenditures		
General government	71,880	71,843
Public safety	95,625	95,245
Public works	351,797	314,654
Conservation and development	1,350	2,378
Capital outlay	4,570	1,495
Total Expenditures	<u>525,222</u>	<u>485,615</u>
Net Change in Fund Balance	(33,527)	28,331
Fund Balance - January 1	<u>150,873</u>	<u>122,542</u>
Fund Balance - December 31	<u>\$ 117,346</u>	<u>\$ 150,873</u>
Reconciliation to the Statement of Activities		
Net Change in Fund Balance as shown above	\$ (33,527)	\$ 28,331
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives:		
Capital assets reported as capital outlay in the governmental fund statements	\$ -	
Less current year depreciation	<u>(39,352)</u>	(39,352) (36,674)
In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as a revenue. In the statement of activities only the gain or (loss) on the disposal is reported.		
Loss on disposition reported in the statement of activities	-	(73)
In a previous year, the Town recognized revenue for other long-term assets in the governmental activities. The collections received are recognized as revenue in the fund statements this year.	<u>-</u>	<u>(3,901)</u>
Change in Net Position of Governmental Activities as Reported on the Statement of Activities (see page 4)	<u>\$ (72,879)</u>	<u>\$ (12,317)</u>

The notes to the basic financial statements are an integral part of this statement.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended December 31, 2012
"See Independent Accountants' Review Report"

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 274,197	\$ 274,197	\$ 277,294	\$ 3,097
Intergovernmental	210,505	210,505	190,942	(19,563)
Licenses and permits	3,750	3,750	7,516	3,766
Fines, forfeits and penalties	-	-	250	250
Public charges for services	-	-	936	936
Intergovernmental charges for services	15,587	15,587	13,651	(1,936)
Miscellaneous	500	500	1,106	606
Total Revenues	504,539	504,539	491,695	(12,844)
Expenditures				
General government	82,399	73,899	71,880	2,019
Public safety	95,464	92,464	95,625	(3,161)
Public works	341,146	371,516	351,797	19,719
Conservation and development	2,530	1,530	1,350	180
Capital outlay	18,000	4,570	4,570	-
Total Expenditures	539,539	543,979	525,222	18,757
Net Change in Fund Balance	(35,000)	(39,440)	(33,527)	5,913
Fund Balance - January 1	150,873	150,873	150,873	-
Fund Balance - December 31	\$ 115,873	\$ 111,433	\$ 117,346	\$ 5,913

The notes to the basic financial statements are an integral part of this statement.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012
"See Independent Accountants' Review Report"

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Town of Cooperstown, Manitowoc County, Wisconsin ("the Town"), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Town are described below:

1. Reporting Entity

The Town of Cooperstown is a municipal corporation governed by an elected five member board. In accordance with GAAP, the basic financial statements are required to include the Town (the primary government) and any separate component units that have a significant operational or financial relationship with the Town. The Town has not identified any component units that are required to be included in the basic financial statements in accordance with standards established by GASB Statement Nos. 14 and 39.

2. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. *Governmental activities* are primarily supported by taxes and intergovernmental revenues. The Town reports no business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function 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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Governmental funds include the general fund. The major individual governmental fund is reported as a separate column in the fund financial statements.

The Town reports the following major governmental fund:

GENERAL FUND

This is the Town's main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

3. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. 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 revenues as soon as all eligibility requirements imposed by the provider have been met.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012
"See Independent Accountants' Review Report"

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 Town 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.

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

4. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

a. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at cost or amortized cost, which approximates market.

b. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$2,000 or higher and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. Infrastructure assets acquired or constructed prior to January 1, 2004 are not included in the financial statements.

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

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

	Years
<u>Assets</u>	
Buildings and improvements	40
Machinery and equipment	10 - 15
Vehicles	5 - 7
Infrastructure	15 - 50

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012
"See Independent Accountants' Review Report"

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Deferred Outflows/Inflows of Resources

The Town implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* for the year ended December 31, 2012. In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town currently does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one type of item that qualifies for reporting in this category, property taxes. This amount will be recognized as an inflow of resources in the subsequent year for which it was levied.

d. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- Committed fund balance - Amounts that are constrained for specific purposes by action of the Board. These constraints can only be removed or changed by the Board using the same action that was used to create them.
- Assigned fund balance - Amounts that are constrained for specific purposes by action of Town management. The Town Board has not authorized an employee to assign fund balance.
- Unassigned fund balance - Amounts that are available for any purpose.

The Town has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012
"See Independent Accountants' Review Report"

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE STATEMENTS

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

- Net investment in capital assets - Amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position - Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation. There is no restricted net position at December 31, 2012.
- Unrestricted net position - Net position that is neither classified as restricted nor as net investment in capital assets.

5. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

6. Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements with no change in previously reported net position, changes in net position, fund balances or changes in fund balance

7. Summarized Comparative Information

The basic financial statements include certain prior-year summarized comparative information in total, but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2011, from which the summarized information was derived.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012
"See Independent Accountants' Review Report"

NOTE B - STEWARDSHIP AND COMPLIANCE

Budgets and Budgetary Accounting

The Town follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. Prior to December, the Town Clerk submits to the Town Board a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Town Board action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the general fund.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Town. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Town Board.
5. Encumbrance accounting is not used by the Town to record commitments related to unperformed contracts for goods or services.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012
"See Independent Accountants' Review Report"

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

The Town maintains various cash and investment accounts that are displayed in the financial statements as "Cash and investments."

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the Town's cash and investments totaled \$668,141 on December 31, 2012 and consisted entirely of deposits with financial institutions.

Deposits and investments of the Town are subject to various risks. Presented below is a discussion of the specific risks and the Town's policy related to the risk.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Town does not have an additional custodial credit risk policy.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for time and savings deposits and \$250,000 for interest bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for all time accounts, savings accounts and interest bearing demand deposit accounts per official custodian per depository institution. In addition, the Town's non-interest bearing transaction accounts are fully insured through December 31, 2012. As of January 1, 2013 the Town's non-interest bearing transaction accounts are combined with its interest bearing demand deposits for FDIC insurance coverage. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

On December 31, 2012, \$16,326 of the Town's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized.

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012
"See Independent Accountants' Review Report"

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

2. Property Taxes

Property taxes consist of taxes on real estate and personal property. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the Town.

The Town bills and collects its own property taxes and also levies and collects taxes for the Denmark School District, Mishicot School District, Reedsville School District, Manitowoc County, Northeast Wisconsin Technical College, Lakeshore Technical College and the State of Wisconsin.

3. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 55,774	\$ -	\$ -	\$ 55,774
Capital assets, being depreciated:				
Buildings and improvements	55,112	-	-	55,112
Vehicles	20,211	-	-	20,211
Machinery and equipment	333,499	-	-	333,499
Infrastructure	420,918	-	-	420,918
Subtotals	829,740	-	-	829,740
Less accumulated depreciation	375,789	39,352	-	415,141
Total capital assets, being depreciated, net	453,951	(39,352)	-	414,599
Governmental activities capital assets, net	\$ 509,725	\$ (39,352)	\$ -	470,373
Less related long-term debt outstanding				-
Net investment in capital assets				<u>\$ 470,373</u>

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

Governmental activities	
General government	\$ 840
Public works	38,512
Total depreciation expense - governmental activities	<u>\$ 39,352</u>

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012
"See Independent Accountants' Review Report"

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Long-term Obligations

The Town had no long-term debt during the year ended December 31, 2012.

Legal Margin for New Debt

The Town's legal margin for creation of additional general obligation debt on December 31, 2012 was \$4,941,830 as follows:

Equalized valuation of the County	\$ 98,836,600
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	4,941,830
Total outstanding general obligation debt applicable to debt limitation	-
Legal Margin for New Debt	<u>\$ 4,941,830</u>

5. Fund Equity

In the fund financial statements, portions of the general fund balance have been assigned to represent tentative management plans that are subject to change. At December 31, 2012, fund balance assigned was as follows:

Subsequent years' expenditures	
Capital	\$ 126
General public building	18,500
General government outlay	1,505
Highway equipment outlay	32,800
Highway building outlay	870
Total	<u>\$ 53,801</u>

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Notes to Basic Financial Statements
December 31, 2012
"See Independent Accountants' Review Report"

NOTE D - OTHER INFORMATION

1. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Town completes an annual review of its insurance coverage to ensure adequate coverage.

2. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2012 and 2013 budget years, Wisconsin statutes limit the increase in the maximum allowable tax levy to the percentage change in the Town's January 1 equalized value as a result of net new construction. The actual limit for the Town for the 2012 budget was 0.67%. The actual limit for the Town for the 2013 budget was 0.91%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

3. Contingencies

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

SUPPLEMENTARY INFORMATION

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Schedule of Budgeted and Actual Revenues
General Fund

For the Year Ended December 31, 2012
 With Summarized Financial Information for the Year Ended December 31, 2011
 "See Independent Accountants' Review Report"

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)	2011
Taxes					
Property taxes	\$ 274,197	\$ 274,197	\$ 274,211	\$ 14	\$ 272,379
Managed forest lands	-	-	2,675	2,675	792
Interest and penalties on taxes	-	-	408	408	317
Total Taxes	274,197	274,197	277,294	3,097	273,488
Intergovernmental					
State					
Shared taxes	49,395	49,395	49,395	-	57,453
Fire insurance	-	-	3,342	3,342	3,105
Transportation aid	129,857	129,857	129,857	-	129,857
Other transportation aid	26,239	26,239	-	(26,239)	-
Computer aid	14	14	14	-	18
Payment for municipal services	-	-	461	461	519
Forest crop aid	-	-	197	197	181
Payment in lieu of taxes	-	-	576	576	574
Recycling	5,000	5,000	7,100	2,100	6,745
Total Intergovernmental	210,505	210,505	190,942	(19,563)	198,452
Licenses and Permits					
Business and occupational licenses	750	750	962	212	895
Dog licenses	-	-	1,353	1,353	20
Building permits	3,000	3,000	4,496	1,496	6,212
Zoning permits	-	-	630	630	210
Other permits	-	-	75	75	200
Total Licenses and Permits	3,750	3,750	7,516	3,766	7,537
Fines, Forfeits and Penalties					
Fines	-	-	250	250	85
Public Charges for Services					
General government	-	-	242	242	166
Highway	-	-	694	694	7,655
Total Public Charges for Services	-	-	936	936	7,821
Intergovernmental Charges for Services					
General government	-	-	-	-	72
Constable	-	-	38	38	43
Highways and streets	15,587	15,587	13,613	(1,974)	25,988
Total Intergovernmental Charges for Services	15,587	15,587	13,651	(1,936)	26,103
Miscellaneous					
Interest	500	500	451	(49)	460
Sale of property and equipment	-	-	655	655	-
Total Miscellaneous	500	500	1,106	606	460
Total Revenues	\$ 504,539	\$ 504,539	\$ 491,695	\$ (12,844)	\$ 513,946

TOWN OF COOPERSTOWN
MANITOWOC COUNTY, WISCONSIN
Schedule of Budgeted and Actual Expenditures
General Fund

For the Year Ended December 31, 2012

With Summarized Financial Information for the Year Ended December 31, 2011

"See Independent Accountants' Review Report"

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)	2011
General Government					
Town board	\$ 15,762	\$ 14,262	\$ 13,633	\$ 629	\$ 15,045
General administration	24,952	23,952	23,819	133	21,660
Financial administration	22,685	22,685	22,288	397	21,442
Legal	5,000	-	-	-	2,446
Town hall	3,000	2,500	2,074	426	1,343
Property and liability insurance	11,000	10,500	10,066	434	9,907
Total General Government	82,399	73,899	71,880	2,019	71,843
Public Safety					
Constable	1,893	393	302	91	735
Inspection	2,000	2,000	1,950	50	2,015
Fire department	76,571	76,571	79,913	(3,342)	81,058
Rescue squad	15,000	13,500	13,460	40	11,437
Total Public Safety	95,464	92,464	95,625	(3,161)	95,245
Public Works					
Salaries and wages	62,478	62,978	62,805	173	60,827
Street maintenance	177,429	194,429	205,733	(11,304)	181,456
Street and bridge construction	26,239	26,239	-	26,239	-
Street lighting	3,000	3,000	2,696	304	2,693
Garbage collection	39,000	45,300	43,200	2,100	38,495
Recycling	25,000	28,400	27,184	1,216	24,021
Weed and nuisance control	8,000	11,170	10,179	991	7,162
Total Public Works	341,146	371,516	351,797	19,719	314,654
Conservation and Development					
Planning commission	2,530	1,530	1,350	180	2,378
Capital Outlay					
General public building	3,000	3,630	3,630	-	-
General government outlay	-	940	940	-	1,495
Highway equipment outlay	15,000	-	-	-	-
Total Capital Outlay	18,000	4,570	4,570	-	1,495
Total Expenditures	\$ 539,539	\$ 543,979	\$ 525,222	\$ 18,757	\$ 485,615