

VILLAGE OF TREMPEALEAU, WISCONSIN

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT**

Year Ended December 31, 2009

VILLAGE OF TREMPLEAU, WISCONSIN

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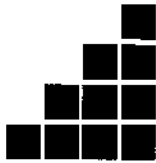
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Vig & Associates, LLC
Certified Public Accountants and Business Advisors

INDEPENDENT AUDITORS' REPORT

President and Board of Trustees
Village of Trempealeau
Trempealeau, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Trempealeau, Wisconsin, as of and for the year ended December 31, 2009, which collectively comprise the Village of Trempealeau, Wisconsin's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Trempealeau, Wisconsin's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Village of Trempealeau, Wisconsin, as of December 31, 2009, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated May 24, 2010 on our consideration of the Village of Trempealeau, Wisconsin's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Management has omitted a 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. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Trempealeau, Wisconsin's financial statements as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements of the Village of Trempealeau, Wisconsin. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Vig & Associates LLC

May 24, 2010

BASIC FINANCIAL STATEMENTS

VILLAGE OF TREMPPEALEAU, WISCONSIN
GOVERNMENT-WIDE STATEMENT OF NET ASSETS
As of December 31, 2009

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and investments	\$ 450,083	\$ 357,726	\$ 807,809
Receivables:			
Taxes	487,172	-	487,172
Customer	92,952	232,994	325,946
Other	633	468,904	469,537
Internal balances	362,368	(362,368)	-
Inventories and prepaid items	-	71,902	71,902
Restricted cash and investments	841	814,262	815,103
Total current assets	<u>1,394,049</u>	<u>1,583,420</u>	<u>2,977,469</u>
Noncurrent assets:			
Land	134,426	-	134,426
Infrastructure	707,662	-	707,662
Buildings	2,705,054	-	2,705,054
Vehicles and equipment	431,722	-	431,722
Land improvements	40,387	-	40,387
Utility system	-	9,691,595	9,691,595
Less: Accumulated depreciation	(733,924)	(3,943,943)	(4,677,867)
Economic development loans	127,038	-	127,038
Unamortized debt issuance expense	-	30,464	30,464
Total noncurrent assets	<u>3,412,365</u>	<u>5,778,116</u>	<u>9,190,481</u>
Total assets	<u>\$ 4,806,414</u>	<u>\$ 7,361,536</u>	<u>\$ 12,167,950</u>

See accompanying notes to financial statements.

VILLAGE OF TREMPLEAU, WISCONSIN
GOVERNMENT-WIDE STATEMENT OF NET ASSETS
As of December 31, 2009

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current liabilities:			
Accounts payable	\$ 13,384	\$ 562,373	\$ 575,757
Accrued liabilities:			
Payroll, payroll taxes, insurance	19,444	58,570	78,014
Interest	28,133	11,565	39,698
Customer deposits	-	6,554	6,554
Deferred revenue	566,972	-	566,972
Current portion of long-term obligations	131,154	141,482	272,636
Total current liabilities	759,087	780,544	1,539,631
Noncurrent liabilities:			
Long-term obligations, net of current portion	1,207,200	1,634,344	2,841,544
Vested compensated absences, net of current portion	19,620	21,233	40,853
Total noncurrent liabilities	1,226,820	1,655,577	2,882,397
Total liabilities	1,985,907	2,436,121	4,422,028
Net Assets			
Invested in capital assets, net of related debt	2,018,729	4,018,484	6,037,213
Restricted for:			
Debt service and equipment replacement	26,059	766,904	792,963
Impact fees	841	-	841
Housing loans	129,882	-	129,882
Unrestricted	644,996	140,027	785,023
Total net assets	2,820,507	4,925,415	7,745,922
Total liabilities and net assets	\$ 4,806,414	\$ 7,361,536	\$ 12,167,950

See accompanying notes to financial statements.

VILLAGE OF TREMPLEAU, WISCONSIN
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2009

Functions/Programs	Expenses	Charges for Services	Capital Grants and Contributions	Primary Government		
				Government Activities	Business-Type Activities	Total
Governmental activities:						
General government	\$ 162,635	\$ 36,610	\$ 3,740	\$ (122,285)	\$ -	\$ (122,285)
Public safety	278,898	-	16,528	(262,370)	-	(262,370)
Public works	213,484	8,057	61,575	(143,852)	-	(143,852)
Health and human services	2,711	-	-	(2,711)	-	(2,711)
Leisure activities	327,629	51,239	42,722	(233,668)	-	(233,668)
Conservation and development	2,691	(701)	-	(3,392)	-	(3,392)
Interest and fiscal charges	88,852	-	-	(88,852)	-	(88,852)
Total governmental activities	<u>1,076,900</u>	<u>95,205</u>	<u>124,565</u>	<u>(857,130)</u>	<u>-</u>	<u>(857,130)</u>
Business-type activities:						
Electric	1,246,531	1,309,335	44,176	-	106,980	106,980
Water	168,202	166,316	22,620	-	20,734	20,734
Sewer	295,120	240,990	18,800	-	(35,330)	(35,330)
Interest and fiscal charges	72,013	-	-	-	(72,013)	(72,013)
Total business-type activities	<u>1,781,866</u>	<u>1,716,641</u>	<u>85,596</u>	<u>-</u>	<u>20,371</u>	<u>20,371</u>
Total	<u>\$ 2,858,766</u>	<u>\$ 1,811,846</u>	<u>\$ 210,161</u>	<u>(857,130)</u>	<u>20,371</u>	<u>(836,759)</u>
General revenues:						
Property taxes:						
General purpose				182,293	-	182,293
Debt service				117,183	-	117,183
Library				52,000	-	52,000
Capital projects				85,000	-	85,000
Tax incremental financing districts				48,835	-	48,835
Other taxes				46,436	-	46,436
State and federal aids not restricted to specific functions:						
State shared taxes				248,539	-	248,539
Safe drinking water loan program				-	1,501,239	1,501,239
Interest and investment earnings				18,465	3,200	21,665
Miscellaneous				8,035	-	8,035
Transfers:						
Property tax equivalent				67,234	(67,234)	-
Total general revenues and transfers				<u>874,020</u>	<u>1,437,205</u>	<u>2,311,225</u>
Change in net assets				<u>16,890</u>	<u>1,457,576</u>	<u>1,474,466</u>
Net assets - beginning of year				<u>2,803,617</u>	<u>3,467,839</u>	<u>6,271,456</u>
Net assets - end of year				<u>\$ 2,820,507</u>	<u>\$ 4,925,415</u>	<u>\$ 7,745,922</u>

See accompanying notes to financial statements.

VILLAGE OF TREMPLEAU, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2009
With Comparative Totals for December 31, 2008

	Major						2009	2008
	General	Tax	Capital	Library	Block	Debt	2009	2008
	Fund	Incremental	Projects	Fund	Grant	Service	Total	Totals
	Fund	Financing	Fund	Fund	Fund	Fund	Gov't.	(Memorandum
	Fund	District	Fund	Fund	Fund	Fund	Funds	Only)
<u>ASSETS</u>								
Cash and investments	\$ 239,841	\$ -	\$ 15,000	\$ 166,339	\$ 2,844	\$ 26,059	\$ 450,083	\$ 565,004
Receivables:								
Taxes	190,756	47,976	79,700	52,000	-	116,740	487,172	486,330
Delinquent personal								
property taxes	633	-	-	-	-	-	633	1,239
Customer accounts	92,952	-	-	-	-	-	92,952	99,511
Notes	-	-	-	-	127,038	-	127,038	135,048
Special assessments	-	-	-	-	-	-	-	701
Advances to other funds	606,032	-	-	-	-	-	606,032	509,110
Prepaid expenses	-	-	-	-	-	-	-	1,027
Restricted cash and								
investments	841	-	-	-	-	-	841	28,584
Total assets	\$ 1,131,055	\$ 47,976	\$ 94,700	\$ 218,339	\$ 129,882	\$ 142,799	\$ 1,764,751	\$ 1,826,554
<u>LIABILITIES</u>								
Accounts payable	\$ 10,685	\$ -	\$ -	\$ 2,699	\$ -	\$ -	\$ 13,384	\$ 7,601
Accrued liabilities and								
expenses	19,444	-	-	-	-	-	19,444	13,093
Deferred revenues	359,640	47,976	79,700	52,000	127,038	116,740	783,094	776,873
Advances from other funds	-	228,664	15,000	-	-	-	243,664	237,569
Total liabilities	389,769	276,640	94,700	54,699	127,038	116,740	1,059,586	1,035,136
<u>FUND EQUITY</u>								
Fund balance:								
Reserved	606,665	-	-	-	2,844	26,059	635,568	543,050
Unreserved								
Designated:								
General Fund	841	-	-	-	-	-	841	28,584
Undesignated:								
General Fund	133,780	-	-	-	-	-	133,780	232,872
Special revenue funds	-	-	-	163,640	-	-	163,640	224,481
Capital project funds	-	(228,664)	-	-	-	-	(228,664)	(237,569)
Total fund equity	741,286	(228,664)	-	163,640	2,844	26,059	705,165	791,418
Total liabilities and								
 fund equity	\$ 1,131,055	\$ 47,976	\$ 94,700	\$ 218,339	\$ 129,882	\$ 142,799	\$ 1,764,751	\$ 1,826,554

See accompanying notes to financial statements.

VILLAGE OF TREMPPEALEAU, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2009
With Comparative Totals for December 31, 2008

	2009	2008
	Total	Totals
	Gov't.	(Memorandum
	Funds	Only)
<hr/>		
<i>Total net assets reported for governmental activities in the Statement of Net Assets are different from the amount reported above as total governmental funds fund balance because:</i>		
 Total fund balances from previous page	\$ 705,165	\$ 791,418
 Capital assets used in government activities are not financial resources and therefore are not reported in the fund statements. Amounts reported for governmental activities in the Statement of Net Assets are:		
Governmental capital assets	\$ 4,019,251	
Governmental accumulated depreciation	<u>(733,924)</u>	3,285,327 3,268,783
 Loans receivable and interest on TIF advance are reported as deferred revenue in the fund financial statements, but recognized as revenue when earned in the government-wide financial statements. These types of deferred revenues at year end consist of:		
Interest on TIF advance	89,084	
Loan receivable	<u>127,038</u>	216,122 206,743
 Long-term liabilities, including bonds and notes payable, are not due in the current period and therefore are not reported in the fund statements. Long-term liabilities reported in the Statement of Net Assets that are not reported in the Governmental Funds Balance Sheet are:		
General obligation debt	(1,266,598)	
Due to Town of Trempealeau	(21,498)	
Landfill liability	(42,825)	
Accrued interest on general obligation debt	(28,133)	
Vested employee benefits	<u>(27,053)</u>	(1,386,107) (1,463,327)
 Total net assets - governmental activities	 <u>\$ 2,820,507</u>	 <u>\$ 2,803,617</u>

See accompanying notes to financial statements.

VILLAGE OF TREMPLEAU, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
For the Year Ended December 31, 2009
With Comparative Totals for Year Ended December 31, 2008

	Major						2009 Total Gov't. Funds	2008 Totals (Memorandum Only)
	General	Tax	Capital	Library	Block	Debt		
		Incremental Financing District	Projects Fund	Fund	Grant Fund	Service Fund		
Revenues:								
Taxes and special assessments	\$ 232,830	\$ 48,835	\$ 85,000	\$ 52,000	\$ -	\$ 117,183	\$ 535,848	\$ 494,048
Intergovernmental	330,641	-	-	42,463	-	-	373,104	354,788
Licenses and permits	26,812	-	-	-	-	-	26,812	11,990
Fines, forfeitures, and penalties	2,575	-	-	-	-	-	2,575	3,316
Public charges for services	47,354	-	-	-	-	-	47,354	45,285
Interest income	3,193	-	75	2,282	4	-	5,554	24,204
Miscellaneous general revenues	14,710	-	-	8,389	2,831	-	25,930	22,214
Total revenues	658,115	48,835	85,075	105,134	2,835	117,183	1,017,177	955,845
Expenditures:								
Current:								
General government	170,407	-	-	-	-	-	170,407	159,535
Public safety	259,658	-	-	-	-	-	259,658	273,273
Public works	158,715	-	-	-	-	-	158,715	146,715
Health and human services	2,711	-	-	-	-	-	2,711	2,580
Leisure activities	118,828	-	-	165,975	-	-	284,803	216,506
Conservation and development	1,885	806	-	-	-	-	2,691	10,532
Capital outlay:								
General government	-	-	1,623	-	-	-	1,623	10,068
Public safety	-	-	43,039	-	-	-	43,039	10,977
Public works	-	-	110,330	-	-	-	110,330	161,589
Leisure activities	-	-	-	-	-	-	-	31,639
Conservation and development	-	-	-	-	363	-	363	-
Debt service:								
Principal retirement	-	202,657	-	-	-	1,032,423	1,235,080	70,158
Interest and fiscal charges	-	24,502	-	-	-	58,331	82,833	77,591
Total expenditures	712,204	227,965	154,992	165,975	363	1,090,754	2,352,253	1,171,163
Excess (deficiency) of revenues over expenditures	(54,089)	(179,130)	(69,917)	(60,841)	2,472	(973,571)	(1,335,076)	(215,318)
Other financing sources (uses):								
Operating transfers in	67,234	-	43,328	-	-	5,515	116,077	106,575
Operating transfers out	(48,843)	-	-	-	-	-	(48,843)	(39,863)
Long-term debt issued	-	188,035	26,589	-	-	966,965	1,181,589	104,180
Total other financing sources (uses)	18,391	188,035	69,917	-	-	972,480	1,248,823	170,892
Excess (deficiency) of revenues over expenditures and other sources (uses)	(35,698)	8,905	-	(60,841)	2,472	(1,091)	(86,253)	(44,426)
Fund balance (deficit), January 1	776,984	(237,569)	-	224,481	372	27,150	791,418	835,844
Fund balance (deficit), December 31	\$ 741,286	\$ (228,664)	\$ -	\$ 163,640	\$ 2,844	\$ 26,059	\$ 705,165	\$ 791,418

See accompanying notes to financial statements.

**VILLAGE OF TREMPLEAU, WISCONSIN
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2009**

Net change in fund balances - total governmental funds \$ (86,253)

Amounts reported for governmental activities in the Statement of Activities are different because:

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Assets and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

Capital outlay reported in governmental fund statements	\$	155,355	
Capital assets not included in capital outlay amounts on governmental fund statements		(13,842)	
Depreciation expense reported in the Statement of Activities		(124,969)	
Amount by which capital outlays are greater (less) than depreciation in the current period:			16,544

Special assessments and long-term receivables are reported as deferred revenue in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.

Revenue from notes receivable on the fund statements are deferred until payment is received		(2,831)	
Current year special assessments are deferred in fund statements		(701)	
Interest income on TIF advance is deferred on fund statements and recognized in the government-wide statements.			12,911

Debt incurred in governmental funds is reported as an other financing source, but is reported as an increase in outstanding long-term debt in the Statement of Net Assets, and does not affect the Statement of Activities.

The amount of debt incurred in the current year is:			(1,181,589)
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Vested employee benefits are reported in the governmental funds when amounts are paid. The Statement of Activities reports the value of benefits earned during the year.

Amounts paid for special termination benefits are greater (less) than amounts earned by:			932
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Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the Statement of Net Assets and does not affect the Statement of Activities.

The amount of long-term debt principal payments in the current year is:			
Principal payments paid			1,235,080
Landfill liability			7,318
Due to Town of Trempealeau for annexed property			21,498

In governmental funds, interest payments on outstanding long-term debt are reported as an expenditure when paid. In the Statement of Activities, interest is reported as incurred.

The amount of interest paid during the current period	82,833		
The amount of interest accrued during the current period		(88,852)	
Interest paid is greater (less) than interest accrued by:			(6,019)

Change in net assets - governmental activities			\$ 16,890
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See accompanying notes to financial statements.

VILLAGE OF TREMPPEALEAU, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2009
With Comparative Actual Totals for Year Ended December 31, 2008

	2009			Variance with	2008
	Budgeted Amounts			Final Budget	Actual Totals
	Original	Final	Actual	Favorable (Unfavorable)	(Memorandum Only)
Revenues:					
Taxes and special assessments	\$ 223,961	\$ 223,961	\$ 232,830	\$ 8,869	\$ 219,738
Intergovernmental	319,914	319,914	330,641	10,727	309,755
Licenses and permits	8,880	8,880	26,812	17,932	11,990
Fines, forfeitures, and penalties	4,100	4,150	2,575	(1,575)	3,316
Public charges for services	38,090	38,090	47,354	9,264	45,285
Miscellaneous general revenues	37,350	37,350	17,903	(19,447)	27,969
Total revenues	<u>632,295</u>	<u>632,345</u>	<u>658,115</u>	<u>25,770</u>	<u>618,053</u>
Expenditures:					
Current:					
General government	201,826	201,826	170,407	31,419	159,535
Public safety	247,931	247,931	259,658	(11,727)	273,273
Public works	134,964	134,964	158,715	(23,751)	146,715
Health and human services	2,742	2,742	2,711	31	2,580
Leisure activities	92,543	92,543	118,828	(26,285)	101,318
Conservation and development	2,824	2,824	1,885	939	1,376
Total expenditures	<u>682,830</u>	<u>682,830</u>	<u>712,204</u>	<u>(29,374)</u>	<u>684,797</u>
Excess (deficiency) of revenues over expenditures	<u>(50,535)</u>	<u>(50,485)</u>	<u>(54,089)</u>	<u>(3,604)</u>	<u>(66,744)</u>
Other financing sources (uses):					
Operating transfers in	56,000	56,000	67,234	11,234	66,712
Operating transfers out	(5,515)	(5,515)	(48,843)	(43,328)	(39,863)
Total other financing sources (uses)	<u>50,485</u>	<u>50,485</u>	<u>18,391</u>	<u>(32,094)</u>	<u>26,849</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>(50)</u>	<u>-</u>	<u>(35,698)</u>	<u>(35,698)</u>	<u>(39,895)</u>
Fund balance, January 1	<u>776,984</u>	<u>776,984</u>	<u>776,984</u>	<u>-</u>	<u>816,879</u>
Fund balance, December 31	<u>\$ 776,934</u>	<u>\$ 776,984</u>	<u>\$ 741,286</u>	<u>\$ (35,698)</u>	<u>\$ 776,984</u>

See accompanying notes to financial statements.

VILLAGE OF TREMPLEAU, WISCONSIN
STATEMENT OF NET ASSETS
ENTERPRISE FUNDS
As of December 31, 2009
With Comparative Totals for December 31, 2008

	Electric Utility	Water Utility	Sewer Fund	2009 Totals	2008 Totals (Memorandum Only)
<u>ASSETS</u>					
Current assets:					
Cash and cash equivalents	\$ 51,025	\$ 291,701	\$ 15,000	\$ 357,726	\$ 374,030
Customer accounts receivable	197,874	12,024	23,096	232,994	226,284
Other receivables	5,144	463,637	123	468,904	65,444
Inventories	71,902	-	-	71,902	65,411
Total current assets	325,945	767,362	38,219	1,131,526	731,169
Restricted assets					
(cash and cash equivalents):					
Redemption account	-	-	48,172	48,172	80,949
Substation construction account	35,793	-	-	35,793	35,621
Bond reserve account	103,845	-	-	103,845	103,468
Replacement account	-	-	626,452	626,452	567,537
Total restricted assets					
(cash and cash equivalents)	139,638	-	674,624	814,262	787,575
Property, plant and equipment:					
Utility plant	3,194,338	1,613,895	3,268,026	8,076,259	7,838,703
Construction work in progress	-	1,615,336	-	1,615,336	59,649
Accumulated depreciation	(1,087,711)	(598,278)	(2,257,954)	(3,943,943)	(3,664,288)
Net property, plant and equipment	2,106,627	2,630,953	1,010,072	5,747,652	4,234,064
Other assets and debits:					
Unamortized bond discount and expenses	30,464	-	-	30,464	32,310
Total other assets and debits	30,464	-	-	30,464	32,310
Total assets	\$ 2,602,674	\$ 3,398,315	\$ 1,722,915	\$ 7,723,904	\$ 5,785,118

See accompanying notes to financial statements.

VILLAGE OF TREMPLEAU, WISCONSIN
STATEMENT OF NET ASSETS
ENTERPRISE FUNDS
As of December 31, 2009
With Comparative Totals for December 31, 2008

	Electric Utility	Water Utility	Sewer Fund	2009 Totals	2008 Totals (Memorandum Only)
LIABILITIES AND NET ASSETS					
Current liabilities (payable from current assets):					
Accounts payable	\$ 85,676	\$ 466,215	\$ 10,482	\$ 562,373	\$ 118,949
Accrued liabilities and expenses	58,570	-	-	58,570	58,843
Customer deposits	6,554	-	-	6,554	5,071
Current portion of compensated absences	6,809	1,517	2,539	10,865	9,240
Total current liabilities (payable from current assets)	<u>157,609</u>	<u>467,732</u>	<u>13,021</u>	<u>638,362</u>	<u>192,103</u>
Current liabilities (payable from restricted assets):					
Current portion of mortgage revenue bonds	45,000	-	85,617	130,617	122,896
Accrued interest payable	7,818	128	3,619	11,565	12,145
Total current liabilities (payable from restricted assets)	<u>52,818</u>	<u>128</u>	<u>89,236</u>	<u>142,182</u>	<u>135,041</u>
Long-term liabilities:					
Advances from other funds	-	-	362,368	362,368	271,541
Mortgage revenue bonds, net of current portion	995,000	63,298	576,046	1,634,344	1,701,663
Vested compensated absences, net of current portion	9,104	4,189	7,940	21,233	16,931
Total long-term liabilities	<u>1,004,104</u>	<u>67,487</u>	<u>946,354</u>	<u>2,017,945</u>	<u>1,990,135</u>
Total liabilities	<u>1,214,531</u>	<u>535,347</u>	<u>1,048,611</u>	<u>2,798,489</u>	<u>2,317,279</u>
Net assets:					
Invested in capital assets, net of related debt	1,102,420	2,567,655	348,409	4,018,484	2,445,126
Restricted for debt service and equipment replacement	96,027	(128)	671,005	766,904	739,809
Unrestricted	189,696	295,441	(345,110)	140,027	282,904
Total net assets	<u>1,388,143</u>	<u>2,862,968</u>	<u>674,304</u>	<u>4,925,415</u>	<u>3,467,839</u>
Total liabilities and net assets	<u>\$ 2,602,674</u>	<u>\$ 3,398,315</u>	<u>\$ 1,722,915</u>	<u>\$ 7,723,904</u>	<u>\$ 5,785,118</u>

See accompanying notes to financial statements.

VILLAGE OF TREMPPEALEAU, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND
CHANGE IN NET ASSETS - ENTERPRISE FUNDS
For the Year Ended December 31, 2009
With Comparative Totals for Year Ended December 31, 2008

	Electric Utility	Water Utility	Sewer Fund	2009 Totals	2008 Totals (Memorandum Only)
Operating revenues:					
Sales of electricity	\$ 1,309,335	\$ -	\$ -	\$ 1,309,335	\$ 1,292,369
Sales of water	-	166,316	-	166,316	166,083
Sewerage service fees	-	-	240,990	240,990	239,049
Total operating revenues	<u>1,309,335</u>	<u>166,316</u>	<u>240,990</u>	<u>1,716,641</u>	<u>1,697,501</u>
Operating expenses:					
Operation and maintenance	1,102,442	119,915	171,216	1,393,573	1,418,059
Depreciation	128,218	44,572	118,191	290,981	266,532
Taxes	15,871	3,715	5,713	25,299	23,242
Total operating expenses	<u>1,246,531</u>	<u>168,202</u>	<u>295,120</u>	<u>1,709,853</u>	<u>1,707,833</u>
Operating income (loss)	<u>62,804</u>	<u>(1,886)</u>	<u>(54,130)</u>	<u>6,788</u>	<u>(10,332)</u>
Nonoperating revenues (expenses):					
Interest income	1,130	95	1,975	3,200	14,117
Interest on long-term debt	(47,416)	(128)	(22,623)	(70,167)	(74,289)
Amortization expense	(1,846)	-	-	(1,846)	(1,846)
Total nonoperating revenues (expenses)	<u>(48,132)</u>	<u>(33)</u>	<u>(20,648)</u>	<u>(68,813)</u>	<u>(62,018)</u>
Net income (loss) before contributions and transfers	<u>14,672</u>	<u>(1,919)</u>	<u>(74,778)</u>	<u>(62,025)</u>	<u>(72,350)</u>
Transfers - property tax equivalent	(43,202)	(24,032)	-	(67,234)	(66,712)
Intergovernmental grant proceeds	-	1,501,239	-	1,501,239	-
Contributed capital	44,176	22,620	18,800	85,596	90,207
Change in net assets	<u>15,646</u>	<u>1,497,908</u>	<u>(55,978)</u>	<u>1,457,576</u>	<u>(48,855)</u>
Net assets, January 1	<u>1,372,497</u>	<u>1,365,060</u>	<u>730,282</u>	<u>3,467,839</u>	<u>3,516,694</u>
Net assets, December 31	<u>\$ 1,388,143</u>	<u>\$ 2,862,968</u>	<u>\$ 674,304</u>	<u>\$ 4,925,415</u>	<u>\$ 3,467,839</u>

See accompanying notes to financial statements.

VILLAGE OF TREMPLEAU, WISCONSIN
STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS
For the Year Ended December 31, 2009
With Comparative Totals for Year Ended December 31, 2008

	Electric Utility	Water Utility	Sewer Fund	2009 Totals	2008 Totals (Memorandum Only)
Cash flows from operating activities:					
Cash received from customers	\$ 1,365,137	\$ 166,599	\$ 242,325	\$ 1,774,061	\$ 1,705,292
Cash received from (paid to) other funds for services	-	2,207	(2,207)	-	-
Cash paid to suppliers for goods and services	(988,161)	(96,052)	(105,054)	(1,189,267)	(1,297,318)
Cash payments to employees for services	(140,461)	(55,032)	(68,659)	(264,152)	(224,895)
Net cash provided (used) by operating activities	<u>236,515</u>	<u>17,722</u>	<u>66,405</u>	<u>320,642</u>	<u>183,079</u>
Cash flows from noncapital financing activities:					
Cash paid for tax equivalent	(43,202)	(24,032)	-	(67,234)	(66,712)
Net cash provided (used) by noncapital financing activities	<u>(43,202)</u>	<u>(24,032)</u>	<u>-</u>	<u>(67,234)</u>	<u>(66,712)</u>
Cash flows from investing activities:					
Interest income	1,130	95	1,975	3,200	14,117
Net cash provided (used) by investing activities	<u>1,130</u>	<u>95</u>	<u>1,975</u>	<u>3,200</u>	<u>14,117</u>
Cash flows from capital and related financing activities:					
Principal paid on mortgage revenue bonds	(40,000)	-	(82,896)	(122,896)	(120,262)
Interest paid on long-term debt	(47,416)	(128)	(22,623)	(70,167)	(74,289)
Proceeds from long-term debt	-	63,298	-	63,298	-
Intergovernmental grant proceeds	-	1,038,572	-	1,038,572	-
Advances received	-	-	90,827	90,827	78,959
Contributed capital	44,176	4,620	4,360	53,156	20,693
Acquisition and construction of capital assets	(186,997)	(1,095,945)	(17,026)	(1,299,968)	(206,190)
Salvage (net of cost of removal) on disposal of capital assets	953	-	-	953	(708)
Net cash provided (used) by capital and related financing activities	<u>(229,284)</u>	<u>10,417</u>	<u>(27,358)</u>	<u>(246,225)</u>	<u>(301,797)</u>
Net increase (decrease) in cash and cash equivalents	<u>(34,841)</u>	<u>4,202</u>	<u>41,022</u>	<u>10,383</u>	<u>(171,313)</u>
Cash and cash equivalents, January 1	<u>225,504</u>	<u>287,499</u>	<u>648,602</u>	<u>1,161,605</u>	<u>1,332,918</u>
Cash and cash equivalents, December 31	<u>\$ 190,663</u>	<u>\$ 291,701</u>	<u>\$ 689,624</u>	<u>\$ 1,171,988</u>	<u>\$ 1,161,605</u>

See accompanying notes to financial statements.

VILLAGE OF TREMPLEAU, WISCONSIN
STATEMENT OF CASH FLOWS - ENTERPRISE FUNDS
For the Year Ended December 31, 2009
With Comparative Totals for Year Ended December 31, 2008

	Electric Utility	Water Utility	Sewer Fund	2009 Totals	2008 Totals (Memorandum Only)
Reconciliation of operating income (loss)					
to net cash flows from operating					
activities:					
Operating income (loss)	\$ 62,804	\$ (1,886)	\$ (54,130)	\$ 6,788	\$ (10,332)
Depreciation	128,218	44,572	118,191	290,981	266,532
Meter reading allocation	-	2,207	(2,207)	-	-
(Increase) decrease in current assets:					
Customer accounts receivable	(8,130)	188	1,233	(6,709)	10,376
Other receivables	59,010	95	102	59,207	14,119
Inventories	(6,491)	-	-	(6,491)	(5,443)
Increase (decrease) in current liabilities:					
Accounts payable	(3,564)	(28,390)	2,263	(29,691)	(76,673)
Accrued liabilities and expenses	(254)	936	953	1,635	1,204
Customer deposits	1,483	-	-	1,483	616
Deferred revenues	3,439	-	-	3,439	(17,320)
Net cash flows from operating					
activities	<u>\$ 236,515</u>	<u>\$ 17,722</u>	<u>\$ 66,405</u>	<u>\$ 320,642</u>	<u>\$ 183,079</u>
Supplementary schedule:					
Noncash capital and related financing transactions:					
Contributed capital	\$ -	\$ 18,000	\$ 14,440	\$ 32,440	\$ 69,514
Intergovernmental grant proceeds	-	462,667	-	462,667	-
Accounts payable	-	465,099	8,016	473,115	27,233
Other receivables	-	(462,667)	-	(462,667)	(58,714)
Plant additions	-	(483,099)	(22,456)	(505,555)	(38,033)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of cash and cash equivalents					
to the statement of net assets:					
Designated cash and cash equivalents - statement of net assets	\$ 51,025	\$ 291,701	\$ 15,000	\$ 357,726	\$ 374,030
Restricted cash and cash equivalents - statement of net assets	139,638	-	674,624	814,262	787,575
Cash and cash equivalents - end of year	<u>\$ 190,663</u>	<u>\$ 291,701</u>	<u>\$ 689,624</u>	<u>\$ 1,171,988</u>	<u>\$ 1,161,605</u>

See accompanying notes to financial statements.

VILLAGE OF TREMPEALEAU, WISCONSIN
STATEMENT OF FIDUCIARY NET ASSETS
As of December 31, 2009
With Comparative Totals for December 31, 2008

	2009 Private Purpose Trust Fund Trempealeau Trust Fund	2009 Agency Fund Tax Collection Fund	2009 Total Fiduciary	2008 Totals (Memorandum Only)
Assets				
Cash and investments	\$ 17,007	\$ 497,544	\$ 514,551	\$ 496,094
Taxes receivable	-	1,024,638	1,024,638	1,095,453
Total assets	<u>\$ 17,007</u>	<u>\$ 1,522,182</u>	<u>\$ 1,539,189</u>	<u>\$ 1,591,547</u>
Liabilities				
Due to other governments	\$ -	\$ 1,522,182	\$ 1,522,182	\$ 1,574,970
Total liabilities	<u>-</u>	<u>1,522,182</u>	<u>1,522,182</u>	<u>1,574,970</u>
Net Assets	<u>17,007</u>	<u>-</u>	<u>17,007</u>	<u>16,577</u>
Total liabilities and net assets	<u>\$ 17,007</u>	<u>\$ 1,522,182</u>	<u>\$ 1,539,189</u>	<u>\$ 1,591,547</u>

See accompanying notes to financial statements.

VILLAGE OF TREMPEALEAU, WISCONSIN
STATEMENT OF CHANGES IN NET ASSETS -
FIDUCIARY FUND
For the Year Ended December 31, 2009
With Comparative Totals for Year Ended December 31, 2008

	2009 Private Purpose Trust Fund <u>Trempealeau Trust Fund</u>	2008 Totals (Memorandum Only) <u></u>
Additions		
Investment income	\$ 430	\$ 383
Change in net assets	430	383
Net assets, January 1	<u>16,577</u>	<u>16,194</u>
Net assets, December 31	<u><u>\$ 17,007</u></u>	<u><u>\$ 16,577</u></u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

VILLAGE OF TREMPLEAU, WISCONSIN
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December 31, 2009

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VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Village of Trempealeau conform to generally accepted accounting principles as applicable to governmental units.

A. REPORTING ENTITY

This report includes all of the funds of the Village of Trempealeau. The reporting entity for the Village consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government. This report does not contain any component units.

B. BASIS OF FINANCIAL STATEMENT PRESENTATION

Government-Wide Financial Statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Village does not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, 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 included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

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

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF FINANCIAL STATEMENT PRESENTATION (Continued)

Fund Financial Statements (Continued)

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

- a. Total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues or expenditures of the individual governmental fund are at least 5 percent of the corresponding total for all governmental funds combined.
- c. In addition, any other governmental fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

Governmental Funds

Governmental funds are those funds through which most governmental functions are typically financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Village has presented the following governmental funds:

General Fund – The General Fund is the general operating fund of the Village and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

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

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, interest, and related costs.

Capital Projects Funds – Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

The Village reports the following major governmental funds:

General Fund	TIF Capital Projects Fund
Library Fund	Block Grant Fund
Capital Projects Fund	Debt Service Fund

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. BASIS OF FINANCIAL STATEMENT PRESENTATION (Continued)

Proprietary Funds

Proprietary Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flow.

The Village reports the following business-type activities:

Major Enterprise Funds

Electric Utility – Accounts for providing electric service.

Water Utility – Accounts for providing water service.

Sewer Fund – Accounts for providing sewer service.

Fiduciary Funds (Not included in Government-Wide Statements)

Agency Fund – Used to account for assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The Village's agency fund accounts for the transactions pertaining to the Village's tax appropriation.

Private-Purpose Trust Fund – Used to report any trust arrangement not properly reported in a pension trust fund under which principal and income benefit individuals, private organizations, or other governments. The Village reports the Trempealeau Trust Fund as a private-purpose trust fund.

C. BASIS OF ACCOUNTING

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

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BASIS OF ACCOUNTING (Continued)

The proprietary funds follow all pronouncements of the Governmental Accounting Standards Board, and have elected not to follow Financial Accounting Standards Board pronouncements issued before November 30, 1989. The 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 Electric Utility, Water Utility, and Sewer Fund, are charges to customers for providing service to the Village's residents and businesses. Operating expenses for proprietary funds include the cost of providing these services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

The Village's property taxes are levied on or before December 31 on the equalized valuation as of the prior January 1 for all general property located in the Village. The taxes are due and payable in the following year. Property taxes are recorded in the year levied as taxes receivable and deferred revenues.

Property taxes are recognized in the appropriate fund as revenues in the succeeding year when they are collected and available to finance services. If not collected by July 31, the delinquent property taxes are recorded as delinquent taxes receivable and deferred revenue in the general fund. Delinquent property taxes are recognized as revenue when collected. Delinquent taxes collected by February 28 of the subsequent year are also recognized as revenue in the current year. Interest on delinquent property taxes is recognized as revenue when received.

The aggregate amount of property taxes to be levied for Village purposes is determined according to provisions of Chapter 120 of the Wisconsin Statutes. Property taxes levied by the Village are certified to local taxing districts for collection. Property taxes attach as an enforceable lien as of January 1. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar – 2009 tax roll:

Lien date and levy date	December, 2009
Tax bills mailed	December, 2009
Payment in full or first installment due	January 31, 2010
Second installment due	July 31, 2010

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. BASIS OF ACCOUNTING (Continued)

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

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

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

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

D. MEASUREMENT FOCUS

On the Government-Wide Statement of Net Assets and Statement of Activities, governmental activities are presented using the economic resources measurement focus. Under this concept, revenues and expenses are matched using the accrual basis of accounting.

The measurement focus of all governmental funds is the flow of current financial resources concept. Under this concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or a reservation of fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are included as liabilities in the government-wide financial statements but are excluded from the governmental fund financial statements. The related expenditures are recognized in the governmental fund financial statements when the liabilities are liquidated.

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. CASH AND INVESTMENTS

The Village's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Cash and investment balances for individual funds are pooled unless maintained in segregated accounts.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Fair value of investments in the local government investment pool (LGIP) is based on information provided by the State of Wisconsin Investment Board.

The Village has adopted an investment policy. That policy follows the state statute for allowable investments. This policy does not address custodial credit risk, credit risk or interest rate risk.

Restricted Assets

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

F. INVENTORIES AND PREPAID ITEMS

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Enterprise funds inventories are generally used for construction and for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction, operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. CAPITAL ASSETS

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets and \$15,000 for infrastructure assets, and an estimated useful life in excess of two years. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated fair value at the date of donation.

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. CAPITAL ASSETS (Continued)

Government-Wide Statements (Continued)

As allowed by the Governmental Accounting Standards Board, the Village has chosen not to retroactively capitalize its infrastructure assets. Therefore, infrastructure assets have been capitalized starting January 1, 2004.

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest used capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. There was no interest capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	15 - 75 years
Land improvements	15 - 30 years
Vehicles and equipment	3 - 15 years
Infrastructure	20 - 60 years
Utility system	5 - 100 years

Fund Financial Statements

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

H. INTERFUND RECEIVABLES AND PAYABLES

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds". Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets.

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. BUDGETS

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 1.C.

J. COMPENSATED ABSENCES AND OTHER EMPLOYEE BENEFIT AMOUNTS

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

All vested vacation, sick leave pay, and compensatory time is accrued when incurred in the government-wide, enterprise, 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, and are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2009 are determined on the basis of current salary rates and include salary related payments.

K. LONG-TERM OBLIGATIONS

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes and bonds payable, accrued compensated absences, due to Town of Trempealeau and landfill liability.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the issue using the straight-line method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year end for both premiums/discounts and gains/losses, as applicable, is shown as an increase or decrease in the liability section of the balance sheet. The Village does not engage in conduit debt transactions.

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. OTHER ASSETS

In governmental funds, debt issuance costs are recognized in the current period. For the government-wide financial statements, governmental activity debt issuance costs are amortized over the life of the debt issue.

M. CLAIMS AND JUDGMENTS

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

N. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

O. EQUITY CLASSIFICATIONS

Government-Wide Statements

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

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt.
- b. Restricted net assets – Consists of new assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. EQUITY CLASSIFICATIONS (Continued)

Government-Wide Statements (Continued)

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

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is classified as reserved and unreserved, with unreserved further split between designated and undesignated. Reserved fund balances represent amounts not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designated fund balances represent tentative management plans that are subject to change. Undesignated fund balance amounts represent amounts available for use in future periods.

P. BASIS FOR EXISTING RATES – PROPRIETARY FUNDS

Electric Utility

Current electric rates were approved by the PSCW and placed into effect on May 1, 2009. The rates are designed to provide a 6.5% return on rate base.

Water Utility

Current water rates were approved by the PSCW on June 19, 2002 and placed into effect by the water utility on June 25, 2002. The rates are designed to provide a 6.0% return on rate base.

Sewer Fund

Current sewer rates were approved by the Village Board on December 6, 2004.

Q. SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 24, 2010, which is the date the financial statements were issued.

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

A budget has been adopted for the General Fund, certain Special Revenue Funds, the Debt Service Fund, and the Capital Projects Fund. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

A. BUDGETARY INFORMATION (Continued)

The budgeted amounts presented include any amendments made during the year. The Village Board may authorize transfers of budgeted amounts within departments. Transfers between departments and changes to the overall budget must be approved by two-thirds of the Village Board. There were no supplemental appropriations during the year. Appropriations lapse at year end unless specifically carried over. There were no carryovers to the following year. Budgets are adopted at the department level of expenditure.

B. EXCESS EXPENDITURES OVER APPROPRIATIONS

The Village controls expenditures at the department level. Some individual funds experienced expenditures which exceeded appropriations as follows:

	Budgeted Expenditures	Actual Expenditures	Excess of Expenditures Over Appropriations
General Fund:			
Current:			
Public safety	\$ 247,931	\$ 259,658	\$ (11,727)
Public works	134,964	158,715	(23,751)
Leisure activities	92,543	118,828	(26,285)
Capital Projects Fund:			
Capital outlay:			
Public safety	26,589	43,039	(16,450)
Public works	80,000	110,330	(30,330)
Library Fund:			
Current:			
Leisure activities	131,678	165,975	(34,297)
Debt Service Fund:			
Debt service:			
Principal retirement	65,049	1,032,423	(967,374)
Interest and fiscal charges	57,649	58,331	(682)

Excess expenditures over budgeted amounts were financed by revenues received exceeding the budgeted amounts and fund balance.

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

C. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2009, the following funds held a deficit balance:

	Amount	Reason
Tax Incremental Financing District	\$ 228,664	Unrecovered costs

D. BOND COVENANT DISCLOSURE

As part of the 1996 and 2006 Sewer and Electric Revenue Bond resolutions, certain information is required to be disclosed.

Compliance with Funding Requirements

The utilities are substantially in compliance with combined bond funding requirements.

Number of Customers

The utilities served the following number of customers at December 31, 2009:

	Electric	Water	Sewer
Residential	1,001	695	812
Commercial	160	53	52
Public authority	2	14	-
Fire protection	-	2	-
Totals	<u>1,163</u>	<u>764</u>	<u>864</u>

Insurance Coverage

The utilities were covered under the following insurance at December 31, 2009:

Company/Type	Expires	Coverage
<u>Local Government Property Insurance</u>		
Buildings, Personal Property, Inland Marine Floater and Property in the Open	1/1/2011	\$ 13,205,296
Contractors Equipment	1/1/2011	\$ 463,443
<u>League of Wisconsin Municipalities</u>		
Worker's Compensation	1/1/2011	\$ 100,000 bodily injury by accident and disease \$ 500,000 policy limit

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

D. BOND COVENANT DISCLOSURE (Continued)

Insurance Coverage (Continued)

Company/Type	Expires	Coverage
<u>League of Wisconsin Municipalities (continued)</u>		
General liability	1/1/2011	
Bodily Injury and Property Damage		\$ 3,000,000 each occurrence
Personal and Advertising Injury and Law Enforcement		\$ 3,000,000 each occurrence
Damages to Rented Premises		\$ 250,000 limit
Premises Medical Payments		\$ 10,000 limit
Public Officials Errors and Omissions		\$ 3,000,000 each occurrence
Automobile Liability - Any Auto		\$ 3,000,000 each occurrence
Automobile Physical Damage		\$ 461,500 limit
Automobile Medical Payments - Owned Autos		\$ 10,000 limit
Uninsured Motorists		\$ 25,000 per person
		\$ 50,000 per occurrence
Underinsured Motorists		\$ 25,000 per person
		\$ 50,000 per occurrence
Worker Compensation Increase Limits		\$ 2,000,000 limit
Sewer Backup Extended Coverage		\$ 100,000 per occurrence
		\$ 300,000 annual aggregate
Boiler/Mechanical Breakdown	1/1/2011	\$ 30,000,000

Debt Coverage

2009 required and actual coverage factors are as follows:

	Electric	Sewer
Change in net assets	\$ 15,646	\$ (55,978)
Plus:		
Interest expense	47,416	22,623
Depreciation	128,218	118,191
Amortization	1,846	-
Tax equivalent	43,202	-
Less:		
Capital contributed	44,176	18,800
Income available for debt service	<u>\$ 192,152</u>	<u>\$ 66,036</u>

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

D. BOND COVENANT DISCLOSURE (Continued)

Debt Coverage (Continued)

	Electric	Sewer
Annual debt service	\$ 91,010	\$ 105,928
2009 calculated coverage ratio	2.11	0.62
Required coverage ratio	1.25	1.10

NOTE 3. DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

Investment of Village funds is restricted by State Statutes. Available investments are limited to:

1. Time deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in the State of Wisconsin, if the time deposits mature in not more than three years.
2. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, local cultural arts district, or by the University of Wisconsin Hospitals and Clinics Authority.
3. Bonds or securities issued or guaranteed by the federal government.
4. The Local Government Investment Pool.
5. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
6. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
7. Repurchase agreements with public depositories, with certain conditions.

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (Continued)

The carrying amount of the Village's cash and investments totaled \$2,137,463 on December 31, 2009 and is summarized below:

Petty cash funds	\$ 200
Deposits with financial institutions	2,087,066
Investments:	
LGIP	50,197
	<u>\$ 2,137,463</u>

Reconciliation to the basic financial statements:

Government-wide Statement of Net Assets:

Cash and investments	\$ 807,809
Restricted cash and investments	815,103

Fiduciary funds:

Private-Purpose Trust Fund	17,007
Agency Fund	497,544
	<u>\$ 2,137,463</u>

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

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure the Village's deposits may not be returned to it. The Village evaluates custodial credit risk through periodic monitoring of the financial condition of financial institutions where deposits are held. Formal written custodial risk policies have not been adopted by the District. As of December 31, 2009, \$1,105,142 of the Village's deposits with financial institutions totaling \$2,269,952 was in excess of federal depository insurance limits and exposed to custodial credit risk as follows. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit.

Uninsured and uncollateralized	\$ 455,142
Uninsured and collateralized with securities held by pledging financial institutions	650,000
Total	<u>\$ 1,105,142</u>

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

A. CASH AND INVESTMENTS (Continued)

Deposits and the Local Government Investment Pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual organizations. This coverage has not been considered in computing the above amounts.

Interest Rate Risk – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Village does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Wisconsin State Statute limits the maturity of commercial paper and corporate bonds to not more than seven years. As of December 31, 2009, the Local Government Investment Pool had an average maturity of 88 days and a fair value of \$50,197.

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin Statute limits investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. Investments in the LGIP are covered under a surety bond issued by Financial Security Assurance, Inc. The bond insures against losses arising from principal defaults on substantially all types of securities acquired by the Pool except U.S. Government and agency securities. The bond provides unlimited coverage on principal losses, reduced by any FDIC and State of Wisconsin Guarantee Fund insurance. The Local Government Investment Pool (LGIP) was not rated as of December 31, 2009.

Concentration of Credit Risk – The investment policy of the Village contains no limitations on the amount that can be invested in any one issuer. The Village had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total Village investments.

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

B. RECEIVABLES

Receivables as of year end for the governmental funds' individual major funds and fiduciary funds in the aggregate are as follows:

Fund	Total Receivables	Amounts not expected to be collected within one year
General Fund	\$ 284,341	\$ 633
TIF District	47,976	-
Capital Projects Fund	79,700	-
Library Fund	52,000	-
Block Grant Fund	127,038	127,038
Debt Service Fund	116,740	-
Tax Collection Fund	1,024,638	-
Totals	<u>\$ 1,732,433</u>	<u>\$ 127,671</u>

Special assessments, economic development loan receivables and delinquent personal property taxes are not expected to be collected within one year.

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:

	Unavailable	Unearned	Total
Property taxes receivable	\$ -	\$ 566,972	\$ 566,972
Housing loans	127,038	-	127,038
Interest receivable on advance to TIF	89,084	-	89,084
Total deferred revenue for governmental funds	<u>\$ 216,122</u>	<u>\$ 566,972</u>	<u>\$ 783,094</u>

C. RESTRICTED ASSETS

Governmental funds have restricted cash in the amount of \$841 which consists of:

Park land impact fees	\$ 841
	<u>\$ 841</u>

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

C. RESTRICTED ASSETS (Continued)

In the Electric, Water and Sewer Enterprise Funds, restricted assets represent cash reserved in accordance with utility revenue bond ordinances and can only be used in the following ways:

Bond Principal and Interest Accounts – Payments from these accounts can be made only for interest and principal and paying agent's fees as such become due.

Bond Reserve Accounts – Payments from the accounts may be made only to prevent default in the event the monies in the bond principal and interest accounts are insufficient to make payments when due.

Bond Depreciation and Replacement Account – Payments from the account may be made for making emergency replacements, repairs and additions to the Village's utility systems if other funds are not available.

At December 31, 2009, enterprise fund restricted cash consisted of the following:

	Electric	Sewer	Total
Bond reserve accounts	\$ 103,845	\$ 48,172	\$ 152,017
Unspent bond proceeds	35,793	-	35,793
Equipment replacement fund	-	626,452	626,452
Total restricted cash	<u>\$ 139,638</u>	<u>\$ 674,624</u>	<u>\$ 814,262</u>

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009 was as follows:

	Balance 1/1/2009	Additions	Deletions	Balance 12/31/2009
Governmental activities				
Capital assets not being depreciated:				
Land	\$ 134,426	\$ -	\$ -	\$ 134,426
Total capital assets not being depreciated	<u>134,426</u>	<u>-</u>	<u>-</u>	<u>134,426</u>

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

D. CAPITAL ASSETS (Continued)

	Balance 1/1/2009	Additions	Deletions	Balance 12/31/2009
Governmental activities (continued)				
Capital assets being depreciated:				
Buildings	\$ 2,705,054	\$ -	\$ -	\$ 2,705,054
Land improvements	40,387	-	-	40,387
Infrastructure	646,954	60,708	-	707,662
Vehicles and equipment	350,917	80,805	-	431,722
Total capital assets being depreciated	3,743,312	141,513	-	3,884,825
Less: Accumulated depreciation:				
Buildings	(312,585)	(57,822)	-	(370,407)
Land improvements	(5,134)	(1,504)	-	(6,638)
Infrastructure	(135,707)	(39,042)	-	(174,749)
Vehicles and equipment	(155,529)	(26,601)	-	(182,130)
Total accumulated depreciation	(608,955)	(124,969)	-	(733,924)
Net capital assets - governmental activities	<u>\$ 3,268,783</u>	<u>\$ 16,544</u>	<u>\$ -</u>	<u>\$ 3,285,327</u>

Depreciation expense was charged to functions as follows:

Governmental activities	
General government	\$ 10,007
Public safety	13,572
Public works	58,623
Leisure activities	42,767
Total governmental activities depreciation	<u>\$ 124,969</u>

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

D. CAPITAL ASSETS (Continued)

Proprietary Funds	Balance 1/1/2009	Additions	Retirements	Balance 12/31/2009
Electric Utility:				
Land and land rights	\$ 698	\$ -	\$ -	\$ 698
Transmission and distribution plant	2,724,376	176,149	10,980	2,889,545
General plant	293,247	10,848	-	304,095
Total electric plant	<u>\$ 3,018,321</u>	<u>\$ 186,997</u>	<u>\$ 10,980</u>	<u>\$ 3,194,338</u>
Water Utility:				
Land and land rights	\$ 2,821	\$ -	\$ -	\$ 2,821
Source of supply plant	39,148	-	-	39,148
Pumping plant	7,275	-	-	7,275
Transmission and distribution plant	1,331,425	23,357	1,300	1,353,482
Water treatment plant	183,142	-	-	183,142
General plant	28,027	-	-	28,027
Construction work in progress	59,649	1,555,687	-	1,615,336
Total water plant	<u>\$ 1,651,487</u>	<u>\$ 1,579,044</u>	<u>\$ 1,300</u>	<u>\$ 3,229,231</u>
Sewer Fund:				
Land and land rights	\$ 3,100	\$ -	\$ -	\$ 3,100
Collection system plant	1,097,297	14,400	-	1,111,697
Pumping equipment	252,615	22,400	-	275,015
Treatment and disposal plant	1,810,219	-	-	1,810,219
General plant	65,313	2,682	-	67,995
Total sewer plant	<u>\$ 3,228,544</u>	<u>\$ 39,482</u>	<u>\$ -</u>	<u>\$ 3,268,026</u>

A summary of accumulated depreciation for the utilities follows:

Fund	Balance 1/1/2009	2009 Depreciation Expense	2009 Meter Reading Allocation	2009 Retirements and Removals (Net of Salvage)	Balance 12/31/2009
Electric	\$ 969,519	\$ 128,218	\$ -	\$ 10,026	\$ 1,087,711
Water	552,799	44,572	2,207	1,300	598,278
Sewer	2,141,970	118,191	(2,207)	-	2,257,954

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

E. INTERFUND ADVANCES AND TRANSFERS

The following is a schedule of interfund advances:

	Advances To Other Funds	Advances From Other Funds
General Fund	\$ 606,032	\$ -
Tax Incremental Financing District	-	228,664
Capital Projects Fund	-	15,000
Enterprise Funds:		
Sewer Fund	-	362,368
Totals	<u>\$ 606,032</u>	<u>\$ 606,032</u>

The following is a schedule of interfund transfers:

Transfer from:	Transfer to:	Amount	Purpose
Water Utility	General Fund	\$ 24,032	Tax equivalent
Electric Utility	General Fund	\$ 43,202	Tax equivalent
General Fund	Debt Service Fund	\$ 5,515	Debt service
General Fund	Capital Projects Fund	\$ 43,328	Cover deficit

F. DEFERRED REVENUES

Deferred revenues of \$783,094 at December 31, 2009, consist of the following:

	2009 Tax Apportionment	Housing Loans	Interest Receivable on Advance to TIF
General Fund	\$ 270,556	\$ -	\$ 89,084
Tax Incremental Fund	47,976	-	-
Capital Projects Fund	79,700	-	-
Library Fund	52,000	-	-
Block Grant Fund	-	127,038	-
Debt Service Fund	116,740	-	-
Totals	<u>\$ 566,972</u>	<u>\$ 127,038</u>	<u>\$ 89,084</u>

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

G. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2009 was as follows:

	1/1/2009 Balance	Increases	Decreases	12/31/2009 Balance	Amounts Due Within One Year
Governmental Activities					
Bonds and notes payable:					
General obligation debt	\$ 1,320,089	\$ 1,181,589	\$ 1,235,080	\$ 1,266,598	\$ 96,223
Total	1,320,089	1,181,589	1,235,080	1,266,598	96,223
Other liabilities:					
Landfill liability	50,143	-	7,318	42,825	6,000
Due to Town of Trempealeau	42,996	-	21,498	21,498	21,498
Vested compensated absences	27,985	23,212	24,144	27,053	7,433
Total other liabilities	121,124	23,212	52,960	91,376	34,931
Total governmental activities - long-term liabilities	<u>\$ 1,441,213</u>	<u>\$ 1,204,801</u>	<u>\$ 1,288,040</u>	<u>\$ 1,357,974</u>	<u>\$ 131,154</u>
Business-Type Activities					
Bonds and notes payable:					
Revenue bonds	\$ 1,824,559	\$ 63,298	\$ 122,896	\$ 1,764,961	\$ 130,617
Other liabilities:					
Vested compensated absences	26,171	28,807	22,880	32,098	10,865
Total business-type activities - long-term liabilities	<u>\$ 1,850,730</u>	<u>\$ 92,105</u>	<u>\$ 145,776</u>	<u>\$ 1,797,059</u>	<u>\$ 141,482</u>

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

In accordance with Wisconsin Statutes, total general obligation indebtedness of the Village may not exceed five percent of the equalized value of taxable property within the Village's jurisdiction. The debt limit as of December 31, 2009 was \$4,677,670. Total general obligation debt outstanding at year end was \$1,266,598.

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

G. LONG-TERM OBLIGATIONS (Continued)

Governmental activities long-term debt at December 31, 2009 consisted of the following issues:

	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	Balance 12/31/2009
General Obligation Debt					
General obligation refunding bonds	4/28/2009	10/1/2021	2.0% - 4.2%	\$ 1,155,000	\$ 1,155,000
Promissory note	4/7/2009	4/7/2010	4.00%	26,590	26,590
Promissory note	4/25/2008	4/25/2013	4.20%	104,180	85,008
Total governmental activities - general obligation debt					<u>\$ 1,266,598</u>

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt	
	Principal	Interest
2010	\$ 96,223	\$ 57,118
2011	122,323	38,980
2012	123,465	35,938
2013	124,587	32,363
2014	120,000	28,745
2015 - 2019	500,000	93,685
2020 - 2021	180,000	10,920
Totals	<u>\$ 1,266,598</u>	<u>\$ 297,749</u>

Business-type activities debt at December 31, 2009 consisted of the following issues:

	Date of Issue	Final Maturity	Interest Rate	Original Indebtedness	Balance 12/31/2009
Enterprise Funds					
Clean water fund loan - sewer	5/22/1996	5/1/2016	3.282%	\$ 1,433,595	\$ 661,663
Electric revenue bond	3/6/2006	5/1/2026	3.80% - 5.00%	1,155,000	1,040,000
Safe drinking water loan	11/12/2009	5/1/2029	2.668%	63,298	63,298
Total business-type activities - long-term debt					<u>\$ 1,764,961</u>

VILLAGE OF TREMPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

G. LONG-TERM OBLIGATIONS (Continued)

Debt service requirements to maturity are as follows:

Years	Business-Type Activities	
	Principal	Interest
2010	\$ 130,617	\$ 67,932
2011	136,028	63,319
2012	139,000	58,499
2013	147,069	53,455
2014	150,238	48,184
2015 - 2019	499,785	171,186
2020 - 2024	377,389	90,205
2025 - 2029	184,835	9,726
Totals	<u>\$ 1,764,961</u>	<u>\$ 562,506</u>

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements.

Estimated payments of compensated absences, landfill liability and amount due to Town of Trempealeau are not included in the debt service requirement schedules. The compensated absences liability attributable to governmental activities will be liquidated primarily by the General Fund.

The Village of Trempealeau is required by statute to pay the Town of Trempealeau annual installments of \$21,498 relating to the annexation of property. The amount to be repaid fluctuates as the Village annexes additional property.

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

H. GOVERNMENTAL ACTIVITIES NET ASSETS

Governmental activities net assets reported on the Government-Wide Statement of Net Assets at December 31, 2009 includes the following:

Invested in capital assets, net of related debt	
Land	\$ 134,426
Other capital assets, net of accumulated depreciation	3,150,901
Less: related long-term debt outstanding	<u>(1,266,598)</u>
Total invested in capital assets	<u>2,018,729</u>
Restricted	
Debt service and equipment replacement	26,059
Park land impact fees	841
Housing loans	<u>129,882</u>
Total restricted	<u>156,782</u>
Unrestricted	<u>644,996</u>
Total governmental activities net assets	<u><u>\$ 2,820,507</u></u>

I. GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2009 include the following:

Reserved

Major funds:

 General Fund:

Reserved for advances	\$ 606,032
Delinquent personal property taxes	633

 Block Grant Fund:

Reserved for housing loans	2,844
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 Debt Service Fund

26,059

 Total

635,568

VILLAGE OF TREMPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

I. GOVERNMENTAL FUND BALANCES (Continued)

Unreserved (designated)

Major funds:

General Fund:

Impact fees for park land	\$ 841
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Unreserved (undesignated)

Major funds:

Undesignated (deficit)

General Fund	133,780
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Library Fund	163,640
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Tax Incremental Financing District	(228,664)
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Total	68,756
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Total fund equity	\$ 705,165
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J. EMPLOYEES RETIREMENT SYSTEM

All eligible Village of Trempealeau employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All permanent employees expected to work at least 600 hours a year are eligible to participate in the WRS. Covered employees are required by statute to contribute 5.9% of their salary (5.0% for protective occupations with Social Security) to the plan. Employers may make these contributions to the plan on behalf of employees. Employers are required to contribute an actuarially determined amount necessary to fund the remaining projected cost of future benefits.

The payroll for employees covered by the WRS for the year ended December 31, 2009 was \$476,441; the employer's total payroll was \$555,372. The total employer required contribution for the year ended December 31, 2009 was \$53,400, or 11.2%. Total contributions for the years ending December 31, 2008 and 2007 were \$48,819 and \$45,641, respectively, equal to the required contributions for each year.

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

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

J. EMPLOYEES RETIREMENT SYSTEM (Continued)

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

K. STATUS OF TAX INCREMENTAL FINANCING DISTRICT

Summary Description

The Village has created a Tax Incremental Financing District (TIF District or TID) in accordance with Section 66.1105 of the Wisconsin Statutes. The purpose of that section is to allow a municipality to recover development and improvements costs in a designated area from the property taxes generated on the increased value of the property after creation of the district. The tax on the increased value is called a tax increment.

Generally, the statutes provide that no project costs may be expended later than seven years after the creation date of the district. The statutes further allow the municipality to collect tax increments for sixteen years after the last project expenditure is made or until the net project cost of the district has been recovered, whichever occurs first. The 1995-97 state budget act changed these timeframes for districts created prior to October 1, 1995. The budget act extended the project expenditure period for these districts from seven years to ten years. Also, the budget act established a maximum life of twenty-seven years on these districts. Project costs uncollected at the dissolution date are absorbed by the municipality.

The State enacted several changes relating to tax incremental districts in 2004. One of these changes extends the expenditure period for all current and future districts, effective October 1, 2004, to five years prior to the termination of the district's unextended maximum life. For those districts that have reached the end of its expenditure period prior to October 1, 2004, it allows a municipality to expend additional project costs included in the project plan beginning October 1, 2004.

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3. DETAILED NOTES ON ALL FUNDS (Continued)

K. STATUS OF TAX INCREMENTAL FINANCING DISTRICT (Continued)

Summary Description (Continued)

In 1997, the Village created Tax Incremental Financing District No. 1. A summary of cumulative status is as follows:

	2009 Year Ended	From Date of Creation
Project Costs		
Capital expenditures	\$ 806	\$ 595,153
Interest and fiscal charges	24,502	211,189
Total costs	<u>25,308</u>	<u>806,342</u>
Project Revenues		
Tax increments	48,835	279,277
Special assessments	-	6,561
Miscellaneous	-	66,995
Sale of property	-	36,810
Total revenues	<u>48,835</u>	<u>389,643</u>
Net cost recoverable through TIF Increments - December 31, 2009	<u>\$ (23,527)</u>	<u>\$ 416,699</u>
Reconciliation of Recoverable Costs:		
General obligation debt		\$ 188,035
Plus: Fund balance deficit		<u>228,664</u>
Net cost recoverable through TIF Increments - December 31, 2009		<u>\$ 416,699</u>

Current valuations of the District are as follows:

Current value	\$ 4,254,900
Base	<u>2,003,400</u>
Increment	<u>\$ 2,251,500</u>

The intent of the Village is to recover the above amounts from future TID surplus funds, if any, prior to termination of the TID. Unless terminated by the Village prior thereto, the TID has a statutory termination year of 2024.

The General Fund is advancing funds to TIF District No. 1. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the District's inception. No repayment schedule has been determined for the advances. The General Fund is charging the TIF District interest on the advance at a rate of 8%.

VILLAGE OF TREMPEALEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 4. OTHER INFORMATION

A. JOINT VENTURES

The Village of Trempealeau and the Townships of Trempealeau and Caledonia jointly operate the local Fire Department, which is called the Trempealeau-Caledonia Fire Board.

The governing body is made up of citizens from each community. Local representatives are appointed by the boards. The governing body has authority to adopt its own budget and control the financial affairs of the Department. The Village made a payment totaling \$37,185 to the Department for 2009. The Village believes that the Department will continue to provide services in the future at similar rates.

Financial information of the Department as of December 31, 2009 is available directly from the Village of Trempealeau and Townships of Trempealeau and Caledonia.

Debt is being repaid with resources of the Department and is secured by the taxing power of the participants. The transactions of the Department are not reflected in these financial statements.

The Village does not have an equity interest in the fire board.

The Village of Trempealeau also participates in the Southern Trempealeau County Solid Waste Commission to jointly provide garbage and recycling service to residents of the Village of Trempealeau, City of Galesville, Village of Melrose, and Towns of Caledonia, Gale, Trempealeau and Dodge. The governing body is made up of one member from each community. The Village made payments totaling \$13,312 to the Commission in 2009. During 2004, the Commission notified participants that part of the initial start-up assessment would be returned to the communities over the next five years. The final payment of the initial start-up assessment was received in 2008. Financial information can be obtained from the Village of Trempealeau or other participating communities.

B. COMMITMENTS AND CONTINGENCIES

Lawsuits

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

Grants

The Village has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

VILLAGE OF TREMPLEAU, WISCONSIN
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 4. OTHER INFORMATION (Continued)

B. COMMITMENTS AND CONTINGENCIES (Continued)

State Funding

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

Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

Construction Commitments

The Village's Municipal Water Utility has awarded contracts to construct two new water wells and water treatment plant. It is anticipated the project will cost approximately \$3.8 million. The Village is financing the project with grants and a subsidized low interest loan issued by the State of Wisconsin's Safe Drinking Water Loan program. The construction project is anticipated to be completed in 2010. As of December 31, 2009, \$1,615,336 had been expended on the project.

SUPPLEMENTAL INFORMATION

VILLAGE OF TREMPLEAU, WISCONSIN
STATEMENT OF REVENUES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2009
With Comparative Actual Totals for Year Ended December 31, 2008

	2009			Variance with Final Budget Favorable (Unfavorable)	2008 Actual Totals (Memorandum Only)
	Budgeted Amounts				
	Original	Final	Actual		
Taxes and special assessments:					
General property taxes	\$ 182,292	\$ 182,292	\$ 182,293	\$ 1	\$ 173,563
Mobile home taxes	33,669	33,669	31,834	(1,835)	31,501
Room taxes	5,000	5,000	8,181	3,181	7,315
Payment in lieu of taxes	3,000	3,000	6,421	3,421	6,710
Special assessments	-	-	4,101	4,101	649
Total taxes and special assessments	223,961	223,961	232,830	8,869	219,738
Intergovernmental:					
State aid:					
Shared taxes	248,539	248,539	248,539	-	248,539
Fire insurance tax from state	2,600	2,600	2,771	171	2,776
Connecting streets	53,211	53,211	53,211	-	56,011
Local road improvement aid	8,364	8,364	8,364	-	-
Law enforcement improvement	6,200	6,200	16,528	10,328	1,600
Computer exemption	1,000	1,000	769	(231)	587
Aid in lieu of taxes	-	-	259	259	242
Other state aid	-	-	200	200	-
Total intergovernmental	319,914	319,914	330,641	10,727	309,755
Licenses and permits:					
Liquor and malt beverage license	3,000	3,000	14,550	11,550	3,200
Operators' licenses	300	300	575	275	410
Cigarette licenses	30	30	25	(5)	10
Dog licenses	100	100	857	757	70
Soft drink licenses	50	50	55	5	50
Building permits	4,000	4,000	8,400	4,400	6,650
Street closing permits	200	200	75	(125)	125
Sign permits	100	100	100	-	75
Concert permits	100	100	125	25	100
Zoning permits and fees	1,000	1,000	2,050	1,050	1,300
Total licenses and permits	8,880	8,880	26,812	17,932	11,990

VILLAGE OF TREMPLEAU, WISCONSIN
STATEMENT OF REVENUES - BUDGET AND ACTUAL - GENERAL FUND
(CONTINUED)
For the Year Ended December 31, 2009
With Comparative Actual Totals for Year Ended December 31, 2008

	2009			Variance with	2008
	Budgeted Amounts			Final Budget	Actual Totals
	Original	Final	Actual	Favorable	(Memorandum
				(Unfavorable)	Only)
Fines, forfeitures, and penalties:					
Court penalties and costs	\$ 4,000	\$ 4,000	\$ 2,300	\$ (1,700)	\$ 3,031
Animal pound fines	-	50	200	150	75
Parking violations	100	100	75	(25)	210
Total fines, forfeitures,					
and penalties	4,100	4,150	2,575	(1,575)	3,316
Public charges for services:					
Clerk fees	5,000	5,000	6,118	1,118	5,008
License publication fees	90	90	30	(60)	70
Landfill	2,500	2,500	3,956	1,456	2,194
Swimming pool	25,000	25,000	29,660	4,660	32,118
Parkland development	4,000	4,000	5,575	1,575	4,400
Recreation program	1,500	1,500	2,015	515	1,495
Total public charges					
for services	38,090	38,090	47,354	9,264	45,285
Miscellaneous general revenues:					
Investment income	25,000	25,000	2,856	(22,144)	15,916
Interest on advance - Marina	1,500	1,500	337	(1,163)	1,150
Donations	100	100	5,600	5,500	3,800
Rent	750	750	1,075	325	500
Miscellaneous	10,000	10,000	8,035	(1,965)	6,603
Total miscellaneous					
general revenues	37,350	37,350	17,903	(19,447)	27,969
Total revenues	<u>\$ 632,295</u>	<u>\$ 632,345</u>	<u>\$ 658,115</u>	<u>\$ 25,770</u>	<u>\$ 618,053</u>

VILLAGE OF TREMPLEAU, WISCONSIN
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2009
With Comparative Actual Totals for Year Ended December 31, 2008

	2009			Variance with	2008
	Budgeted Amounts			Final Budget	Actual Totals
	Original	Final	Actual	Favorable (Unfavorable)	(Memorandum Only)
General government:					
Board	\$ 4,729	\$ 4,729	\$ 4,055	\$ 674	\$ 4,139
Attorney	8,000	8,000	1,457	6,543	1,338
Administrator	29,163	29,163	25,780	3,383	23,560
Village clerk	23,919	23,919	18,178	5,741	17,692
Clerk - elections	1,900	1,900	1,799	101	3,283
Accounting	10,000	10,000	7,158	2,842	5,630
Treasurer	13,715	13,715	14,393	(678)	12,497
Assessment of property	8,300	8,300	8,376	(76)	7,825
Village hall	27,500	27,500	35,290	(7,790)	31,122
Property and liability insurance	42,000	42,000	16,938	25,062	18,438
Other general government	32,600	32,600	36,983	(4,383)	34,011
Total general government	201,826	201,826	170,407	31,419	159,535
Public safety:					
Police	163,631	163,631	165,341	(1,710)	177,396
Fire protection	78,200	78,200	85,649	(7,449)	87,055
EMT	4,500	4,500	4,368	132	4,356
Building inspection	1,600	1,600	4,300	(2,700)	4,466
Total public safety	247,931	247,931	259,658	(11,727)	273,273
Public works:					
Shop	75,465	75,465	12,812	62,653	14,712
Machinery and equipment	6,000	6,000	12,005	(6,005)	14,338
Street maintenance	12,095	12,095	43,692	(31,597)	40,541
Tree and brush control	-	-	3,871	(3,871)	4,425
Snow and ice control	1,600	1,600	26,493	(24,893)	27,452
Traffic control	-	-	761	(761)	797
Sidewalks	1,500	1,500	-	1,500	-
Street lighting	21,000	21,000	34,909	(13,909)	25,115
Refuse and garbage collection	-	-	139	(139)	84
Recycling	13,304	13,304	13,312	(8)	13,304
Sanitary landfill	4,000	4,000	7,318	(3,318)	4,099
Weed control	-	-	3,403	(3,403)	1,848
Total public works	134,964	134,964	158,715	(23,751)	146,715

VILLAGE OF TREMPPEALEAU, WISCONSIN
STATEMENT OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND
(CONTINUED)
For the Year Ended December 31, 2009
With Comparative Actual Totals for Year Ended December 31, 2008

	2009			Variance with	2008
	Budgeted Amounts			Final Budget	Actual Totals
	Original	Final	Actual	Favorable	(Memorandum
				(Unfavorable)	Only)
Health and human services:					
Cemetery	\$ 600	\$ 600	\$ 600	\$ -	\$ 600
Senior activity	2,142	2,142	2,111	31	1,980
Total health and human services	<u>2,742</u>	<u>2,742</u>	<u>2,711</u>	<u>31</u>	<u>2,580</u>
Leisure activities:					
Parks	2,000	2,000	10,643	(8,643)	4,407
Recreation	11,115	11,115	11,710	(595)	8,897
Celebrations and entertainment	200	200	2,971	(2,771)	2,370
Swimming pool	79,228	79,228	93,504	(14,276)	85,644
Total leisure activities	<u>92,543</u>	<u>92,543</u>	<u>118,828</u>	<u>(26,285)</u>	<u>101,318</u>
Conservation and development:					
Planning	2,824	2,824	1,885	939	1,376
Total conservation and development	<u>2,824</u>	<u>2,824</u>	<u>1,885</u>	<u>939</u>	<u>1,376</u>
Total expenditures	<u>\$ 682,830</u>	<u>\$ 682,830</u>	<u>\$ 712,204</u>	<u>\$ (29,374)</u>	<u>\$ 684,797</u>

VILLAGE OF TREMPPEALEAU, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
For the Year Ended December 31, 2009
With Comparative Actual Totals for Year Ended December 31, 2008

	2009			2008
	Final Budget	Actual	Variance - Favorable (Unfavorable)	Actual Totals (Memorandum Only)
Revenues:				
Property taxes	\$ 85,000	\$ 85,000	\$ -	\$ 83,375
Investment income	-	75	75	468
Total revenues	<u>85,000</u>	<u>85,075</u>	<u>75</u>	<u>83,843</u>
Expenditures:				
Capital outlay:				
General government	10,000	1,623	8,377	10,068
Public safety	26,589	43,039	(16,450)	10,977
Public works	80,000	110,330	(30,330)	161,589
Leisure activities	-	-	-	31,639
Total expenditures	<u>116,589</u>	<u>154,992</u>	<u>(38,403)</u>	<u>214,273</u>
Excess (deficiency) of revenues over expenditures	<u>(31,589)</u>	<u>(69,917)</u>	<u>(38,328)</u>	<u>(130,430)</u>
Other financing sources (uses):				
Long-term debt issued	-	26,589	26,589	104,180
Operating transfers in	31,589	43,328	11,739	26,250
Total other financing sources (uses)	<u>31,589</u>	<u>69,917</u>	<u>38,328</u>	<u>130,430</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

VILLAGE OF TREMPLEAU, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - LIBRARY FUND
For the Year Ended December 31, 2009
With Comparative Actual Totals for Year Ended December 31, 2008

	2009			2008
	Final Budget	Actual	Variance - Favorable (Unfavorable)	Actual Totals (Memorandum Only)
Revenues:				
Property taxes	\$ 52,000	\$ 52,000	\$ -	\$ 52,000
Intergovernmental	42,123	42,463	340	45,033
Investment income	-	2,282	2,282	6,649
Miscellaneous	6,000	8,389	2,389	11,311
Total revenues	<u>100,123</u>	<u>105,134</u>	<u>5,011</u>	<u>114,993</u>
Expenditures:				
Current:				
Leisure activities	131,678	165,975	(34,297)	115,188
Total expenditures	<u>131,678</u>	<u>165,975</u>	<u>(34,297)</u>	<u>115,188</u>
Excess (deficiency) of revenues over expenditures	(31,555)	(60,841)	(29,286)	(195)
Fund balance - January 1	224,481	224,481	-	224,676
Fund balance - December 31	<u>\$ 192,926</u>	<u>\$ 163,640</u>	<u>\$ (29,286)</u>	<u>\$ 224,481</u>

VILLAGE OF TREMPPEALEAU, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE FUND
For the Year Ended December 31, 2009
With Comparative Actual Totals for Year Ended December 31, 2008

	2009		2008	
	Final Budget	Actual	Variance - Favorable (Unfavorable)	Actual Totals (Memorandum Only)
Revenues:				
Property taxes	\$ 117,183	\$ 117,183	\$ -	\$ 93,610
Total revenues	<u>117,183</u>	<u>117,183</u>	<u>-</u>	<u>93,610</u>
Expenditures:				
Debt service:				
Principal retirement	65,049	1,032,423	(967,374)	54,016
Interest and fiscal charges	57,649	58,331	(682)	53,208
Total debt service	<u>122,698</u>	<u>1,090,754</u>	<u>(968,056)</u>	<u>107,224</u>
Total expenditures	<u>122,698</u>	<u>1,090,754</u>	<u>(968,056)</u>	<u>107,224</u>
Excess (deficiency) of revenues over expenditures	<u>(5,515)</u>	<u>(973,571)</u>	<u>(968,056)</u>	<u>(13,614)</u>
Other financing sources (uses):				
Long-term debt issued	-	966,965	966,965	-
Operating transfers in	5,515	5,515	-	13,613
Total other financing sources (uses)	<u>5,515</u>	<u>972,480</u>	<u>966,965</u>	<u>13,613</u>
Excess (deficiency) of revenues over expenditures and other sources (uses)	<u>-</u>	<u>(1,091)</u>	<u>(1,091)</u>	<u>(1)</u>
Fund balance - January 1	<u>27,150</u>	<u>27,150</u>	<u>-</u>	<u>27,151</u>
Fund balance - December 31	<u>\$ 27,150</u>	<u>\$ 26,059</u>	<u>\$ (1,091)</u>	<u>\$ 27,150</u>

VILLAGE OF TREMPLEAU, WISCONSIN
ELECTRIC UTILITY
DETAILED STATEMENT OF SELECTED OPERATING REVENUES
AND EXPENSES
For the Year Ended December 31, 2009
With Comparative Totals for Year Ended December 31, 2008

	2009	2008 Totals (Memorandum Only)
Sales of electricity:		
Residential sales	\$ 760,946	\$ 726,870
Small commercial sales	249,944	250,611
Large power sales	261,352	281,765
Street lighting sales	28,687	25,729
Other operating revenues	8,406	7,394
Total sales of electricity	\$ 1,309,335	\$ 1,292,369
Operation and maintenance expenses:		
Purchased power	\$ 841,384	\$ 910,267
Operation supervision and labor	34,140	33,241
Line and station supplies and expense	9,692	8,385
Maintenance of structures	4,780	7,394
Maintenance of lines	12,999	20,090
Maintenance of line transformers	1,542	1,961
Maintenance of street lighting	2,266	3,792
Maintenance of meters	781	431
Miscellaneous distribution expenses	-	306
Meter reading labor	3,861	4,217
Accounting and collecting labor	48,416	42,099
Supplies and expenses	1,564	1,178
Uncollectible accounts	413	5,608
Administrative and general salaries	2,912	3,112
Office supplies and expenses	3,976	5,078
Outside services employed	23,286	14,650
Regulatory commission expense	6,510	-
Property insurance	5,661	6,012
Employee pensions and benefits	42,721	37,397
Miscellaneous general expenses	33,922	22,471
Transportation expenses	16,859	10,463
Maintenance of general plant	4,757	2,838
Total operation and maintenance expenses	\$ 1,102,442	\$ 1,140,990

VILLAGE OF TREMPLEAU, WISCONSIN
WATER UTILITY
DETAILED STATEMENT OF SELECTED OPERATING REVENUES
AND EXPENSES
For the Year Ended December 31, 2009
With Comparative Totals for Year Ended December 31, 2008

	2009	2008 Totals (Memorandum Only)
Sales of water:		
Metered sales - residential	\$ 94,521	\$ 95,436
Metered sales - commercial	13,161	12,776
Public fire protection	48,464	48,464
Other sales to public authorities	6,627	6,288
Other operating revenues	3,543	3,119
Total sales of water	\$ 166,316	\$ 166,083
Operation and maintenance expenses:		
Fuel or power purchased for pumping	\$ 10,034	\$ 8,439
Operation supplies and expenses	6,208	3,978
Maintenance of pumping plant	20,602	22,137
Water treatment supplies and expenses	5,254	5,702
Maintenance of services	343	-
Maintenance of meters	-	68
Maintenance of hydrants	1,529	105
Meter reading labor	2,284	2,625
Accounting and collecting labor	32,736	28,317
Office supplies and expenses	2,666	6,409
Uncollectible accounts	75	520
Administrative and general salaries	1,820	1,945
Regulatory commission expense	2,485	-
Outside services employed	6,773	5,299
Property insurance expense	3,774	4,008
Employee pensions and benefits	20,995	17,704
Miscellaneous general expense	1,495	3,190
Transportation expense	842	1,712
Total operation and maintenance expenses	\$ 119,915	\$ 112,158

VILLAGE OF TREMPLEAU, WISCONSIN
SEWER FUND
DETAILED STATEMENT OF SELECTED OPERATING REVENUES
AND EXPENSES
Year Ended December 31, 2009
With Comparative Totals for Year Ended December 31, 2008

	2009	2008 Totals (Memorandum Only)
Sewer charges for services:		
Metered sales - residential	\$ 216,267	\$ 209,718
Metered sales - commercial	23,787	28,247
Other operating revenues	936	1,084
Total sewer charges for services	\$ 240,990	\$ 239,049
Operation and maintenance expenses:		
Supervision and labor	\$ 210	\$ 217
Power for pumping	31,401	25,276
Operation supplies and expenses	6,040	4,382
Maintenance of pumping equipment	7,467	10,972
Maintenance of collection system	38,965	35,659
Meter reading	2,667	2,977
Accounting and collecting labor	37,689	32,541
Administrative and general salaries	2,093	2,237
Office supplies and expenses	2,312	2,944
Outside services employed	9,097	14,321
Property insurance	5,661	6,012
Employee pensions and benefits	21,878	19,169
Miscellaneous general expenses	2,700	5,103
Transportation expenses	1,368	1,439
Rent	1,668	1,662
Total operation and maintenance expenses	\$ 171,216	\$ 164,911

**REPORTS AND SCHEDULES ISSUED UNDER
CIRCULAR A-133 AND GOVERNMENT AUDITING STANDARDS**

VILLAGE OF TREMPLEAU, WISCONSIN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2009

		Federal CFDA Number	Loan or Grant Award	Cash/ Accrued or (Deferred) Revenue at January 1	Receipts or Revenue Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at December 31
Administering Agency/Pass-Through Agency/Award Description							
U.S. Department of Transportation							
Passed through Wisconsin Department of Transportation							
State and Community Highway Safety							
Total U.S. Department of Transportation		20.600	\$ 4,000	\$ -	\$ 4,000	\$ 4,000	\$ -
U.S. Department of Justice							
Passed through Wisconsin Department of Justice							
Byrne Memorial Justice Assistance Grant Program							
Total U.S. Department of Justice		16.738	8,277	-	7,991	7,991	-
U.S. Environmental Protection Agency							
Passed through Wisconsin Department of Natural Resources							
Capitalization grants for State							
Safe Drinking Water Loan Program							
(Project No. 4943-02)							
Total U.S. Environmental Protection Agency		66.468	{1}{2} 2,834,962	-	1,038,572	1,509,539	470,967
Total Federal Awards				\$ -	\$ 1,050,563	\$ 1,521,530	\$ 470,967

Footnotes:

(1) Tested as major program.

(2) The Safe Drinking Water Loan Program consists of \$82,058 of loan disbursements and \$1,480,779 of grant disbursements.

See notes to schedules of expenditures of awards.

VILLAGE OF TREMPLEAU, WISCONSIN
SCHEDULE OF EXPENDITURES OF STATE OF WISCONSIN AWARDS
Year Ended December 31, 2009

		State CFDA Number	Loan or Grant Award	Cash/ Accrued or (Deferred) Revenue at January 1		Receipts or Revenue Recognized	Disbursements/ Expenditures	Cash/Accrued or (Deferred) Revenue at December 31
Administering Agency/Pass-Through Agency/Award Description								
Office of Justice Assistance								
Digital Recording of Custodial Interrogation 2008								
Total Office of Justice Assistance		505.636	\$ 2,478	\$ -	\$ 2,478	\$ 2,478	\$ -	\$ -
Total State Awards			\$ -	\$ -	\$ 2,478	\$ 2,478	\$ -	\$ -

See notes to schedules of expenditures of awards.

VILLAGE OF TREMPPEALEAU, WISCONSIN
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
Year Ended December 31, 2009

NOTE 1. BASIS OF PRESENTATION

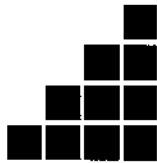
The accompanying Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State of Wisconsin Awards include the federal and state loan and grant activity of the Village of Trempealeau, Wisconsin and are presented on the modified accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and *State Single Audit Guidelines*. Therefore, some amounts presented in the schedules may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2. FEDERAL AND STATE AGENCIES

The Village's oversight agencies for the audit are the U.S. Environmental Protection Agency and the State of Wisconsin Department of Administration.

NOTE 3. OTHER

The Schedule of Expenditures of Federal Awards contains an additional footnote specific to the loan and grant programs.



Vig & Associates, LLC
Certified Public Accountants and Business Advisors

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

President and Board of Trustees
Village of Trempealeau
Trempealeau, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Trempealeau, Wisconsin as of and for the year ended December 31, 2009, which collectively comprise the Village of Trempealeau, Wisconsin's basic financial statements and have issued our report thereon dated May 24, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Village of Trempealeau, Wisconsin's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village of Trempealeau, Wisconsin's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village of Trempealeau, Wisconsin's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

Internal Control Over Financial Reporting (continued)

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Village's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as 2009-1, 2009-2 and 2009-3 to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as 2009-4 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Trempealeau, Wisconsin's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

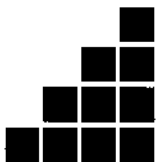
We noted certain matters that we reported to management of the Village of Trempealeau, Wisconsin, in separate correspondence dated May 24, 2010.

The Village of Trempealeau, Wisconsin's response to the deficiencies identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Village of Trempealeau, Wisconsin's response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management, the Village of Trempealeau Board of Trustees, federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Vig & Associates LLC

May 24, 2010



Vig & Associates, LLC
Certified Public Accountants and Business Advisors

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

President and Board of Trustees
Village of Trempealeau
Trempealeau, Wisconsin

Compliance

We have audited the compliance of the Village of Trempealeau, Wisconsin with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement, and the State Single Audit Guidelines issued by the Wisconsin Department of Administration (DOA) that are applicable to each of its major federal programs for the year ended December 31, 2009. The Village of Trempealeau, Wisconsin's major federal programs are identified in the summary of audit results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Village of Trempealeau, Wisconsin's management. Our responsibility is to express an opinion on the Village of Trempealeau, Wisconsin's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and the State Single Audit Guidelines issued by the Wisconsin Department of Administration (DOA). Those standards, OMB Circular A-133, and the State Single Audit Guidelines require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village of Trempealeau, Wisconsin's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Village of Trempealeau, Wisconsin's compliance with those requirements.

In our opinion, the Village of Trempealeau, Wisconsin complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Internal Control Over Compliance

The management of the Village of Trempealeau, Wisconsin is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Village of Trempealeau, Wisconsin's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Village of Trempealeau, Wisconsin's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Village of Trempealeau Board of Trustees, federal and state awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Vig & Associates LLC

May 24, 2010

**VILLAGE OF TREMPPEALEAU, WISCONSIN
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2009**

There were no findings in the previous year.

VILLAGE OF TREMPEALEAU, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2009

A. SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of the Village of Trempealeau, Wisconsin.
2. Three material weaknesses (2009-1, 2009-2 and 2009-3) and one significant deficiency (2009-4) were noted in the audit of the financial statements. Management's responses to the deficiencies were not audited, and accordingly, no opinion is expressed on them.

2009-1 - The Village has a control deficiency in that overlapping duties are concentrated within a small number of accounting and administrative staff. This situation is not unusual and it is a control deficiency shared with entities of similar size because ideal segregation of duties and responsibilities may not be practical from a cost benefit standpoint.

2009-2 - The Village has established controls over most routine transactions involving cash receipts, cash disbursements, billing and receivables, and payroll. Controls over non-routine transactions of a complex nature may not be effective to ensure that they are properly recorded in the financial statements. In addition, controls over routine and non-routine transactions may be concentrated in personnel responsible for reconciling general ledger accounts and preparing general journal entries. Controls could be enhanced by involving other financial personnel or management in the approval of all reconciliations and journal entries.

Management response to 2009-1 & 2009-2 - *The Village is aware of the lack of segregation of duties issues but is unable to clear the deficiency due to limited resources.*

2009-3 - The Village has identified general fraud risks and the implication of those risks to its business; however, they have yet to develop a formal antifraud program with stated control processes.

Management response to 2009-3 - *Although many fraud risks have been identified, a formal antifraud program with stated control processes has not yet been developed. The Village is evaluating this matter further.*

VILLAGE OF TREMPEALEAU, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)
For the Year Ended December 31, 2009

A. SUMMARY OF AUDIT RESULTS (Continued)

2009-4 - Like other entities of similar size, the Village requires the assistance of the auditor to draft financial statements and disclosures that comply with technical standards. The Village Board receives a synopsis of financial reports at its regular meetings. However, detailed financial statements on the activities of the various funds are not prepared or made available on a monthly basis.

Management response to 2009-4 - *Due to the technical nature of preparing the financial statements, the Village has requested the assistance of the auditor to draft the financial statements and the required disclosures. Due to limited resources, the Village does not anticipate the need for this assistance to change in the foreseeable future.*

3. No instances of noncompliance material to the financial statements were disclosed during the audit.
4. No significant deficiencies relative to the audit of major federal programs were disclosed in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal awards programs expresses an unqualified opinion.
6. There were no audit findings relative to major federal awards programs.
7. The programs tested as major programs included:

a. Federal	
<u>Program ID#</u>	<u>Name</u>
66.468	Safe Drinking Water Loan Program (Project No. 4786-01)

8. The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
9. The Village of Trempealeau, Wisconsin was not determined to be a low risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

Other than the three material weaknesses and one significant deficiency listed as 2009-1 through 2009-4, no findings were reported.

**VILLAGE OF TREMPLEAU, WISCONSIN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)
For the Year Ended December 31, 2009**

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL PROGRAMS

There were no findings and questioned costs required to be reported under Circular A-133.

C. FINDINGS AND QUESTIONED COSTS - STATE PROGRAMS

There were no findings and questioned costs required to be reported under Circular A-133 or State Single Audit Guidelines.

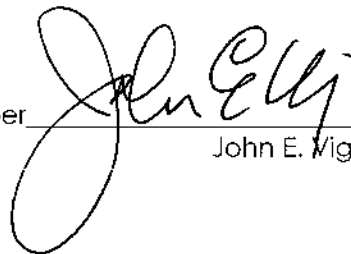
D. OTHER ISSUES

1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No
2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned costs, material weakness, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the State Single Audit Guidelines:

Department of Health Services	N/A
Department of Workforce Development	N/A
Department of Corrections	N/A
Department of Natural Resources	No
Department of Justice	No
Office of Justice Assistance	No
Department of Administration	No
3. Was a Management Letter or other document conveying audit comments issued as a result of this audit?

Yes
An Audit
Communication
Letter was submitted to
the oversight body

4. Name and signature of managing member



John E. Vig, CPA

5. Date of report:

May 24, 2010