

CITY OF FITCHBURG
REPORT TO THE CITY COUNCIL

June 12, 2018

Presented By:

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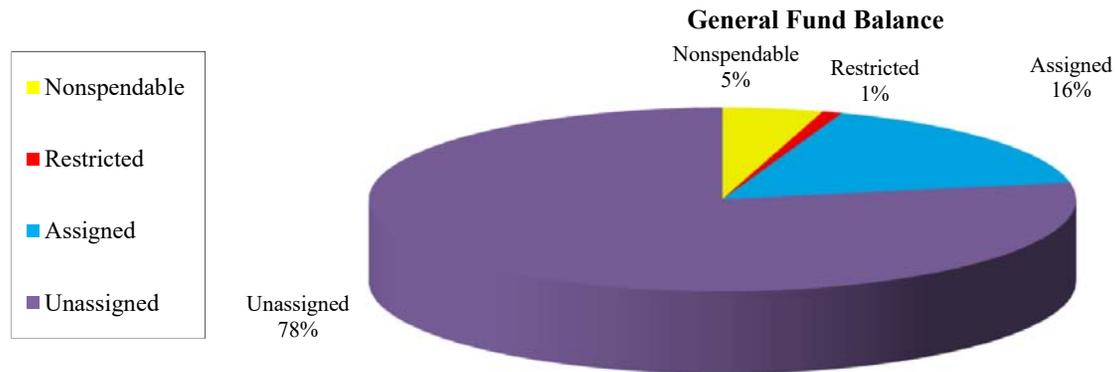
Actual data was derived from current and prior years audited financial statements

This communication is intended solely for the information and use of management, the council, and others within the organization, and is not intended to be, and should not be, used by anyone other than the specified parties.

CITY OF FITCHBURG 2017 FINANCIAL STATEMENT HIGHLIGHTS

DETAILS OF GENERAL FUND BALANCE

	<u>2017</u>
<u>Nonspendable</u> <i>includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.</i>	\$332,288
<u>Restricted</u> <i>includes fund balance amounts that can be spent only for the specific purposes stipulated by an external source.</i>	66,187
<u>Assigned</u> <i>includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed.</i>	1,199,225
<u>Unassigned</u> <i>includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories.</i>	<u>5,636,604</u>
Total General Fund Balance	<u>\$ 7,234,304</u>



CITY OF FITCHBURG

2017 FINANCIAL STATEMENT HIGHLIGHTS

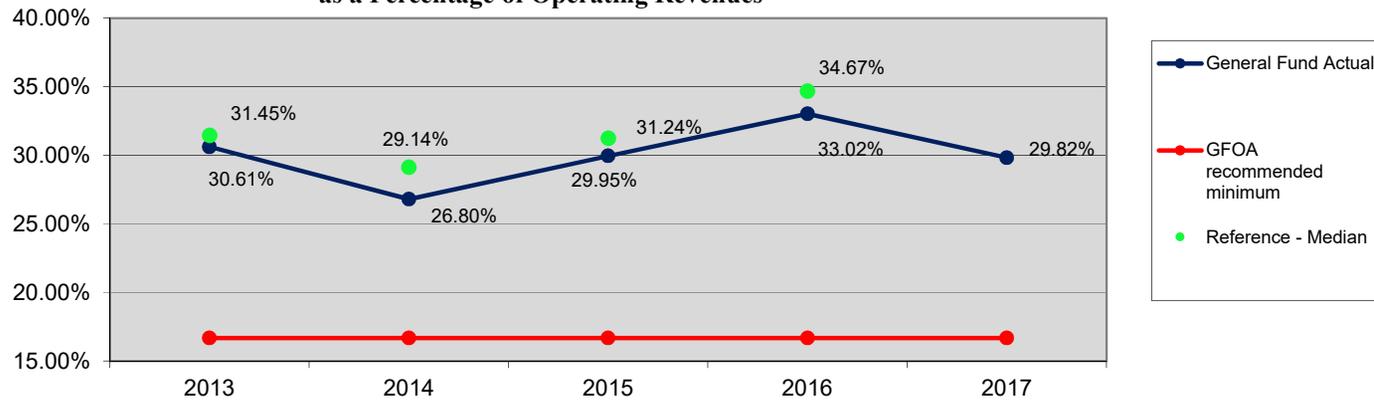
ANALYSIS OF GENERAL FUND BALANCE

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Unassigned Fund Balance	\$ 4,880,303	\$ 4,538,150	\$ 5,207,357	\$ 5,978,234	\$ 5,636,604
Operating Revenues	15,942,185	16,932,349	17,387,800	18,102,973	18,904,902
% of operating revenues	30.61%	26.80%	29.95%	33.02%	29.82%

City's target, per city policy

\$3,042,990 - \$5,071,650

**Unassigned General Fund Balance
as a Percentage of Operating Revenues**



GFOA recommended range for % of operating revenues:

no less than 2 months of regular GF operating revenues

Acceptable range per city policy:

15-25% of general fund revenues plus prior year state shared revenues

Reference values for the population range: 17,500 to 30,000 generated from 2013-2016 Baker Tilly municipal client data for Wisconsin.

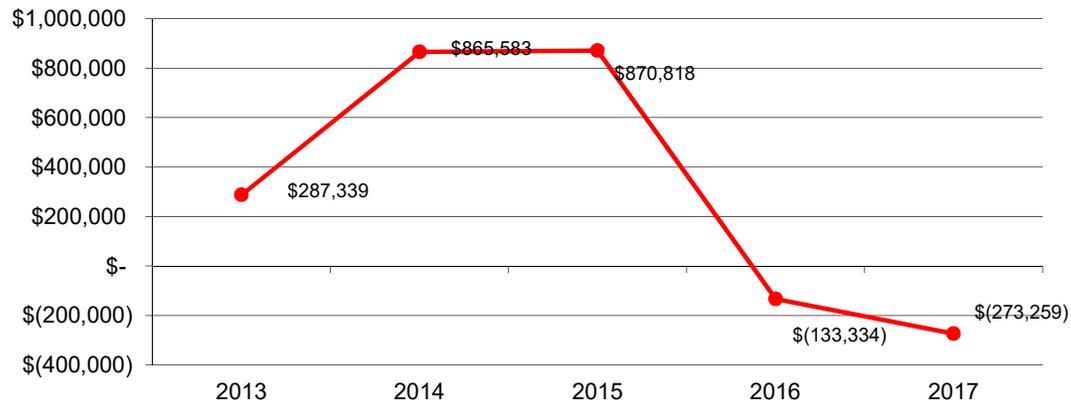
CITY OF FITCHBURG

2017 FINANCIAL STATEMENT HIGHLIGHTS

ANALYSIS OF CHANGE IN GENERAL FUND BALANCE

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Change in General Fund Balance	\$ 287,339	\$ 865,583	\$ 870,818	\$ (133,334)	\$ (273,259)

Change in General Fund Balance

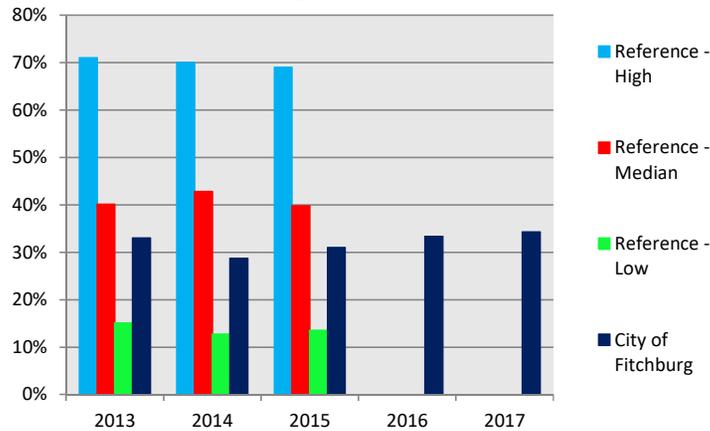


CITY OF FITCHBURG 2017 FINANCIAL STATEMENT HIGHLIGHTS

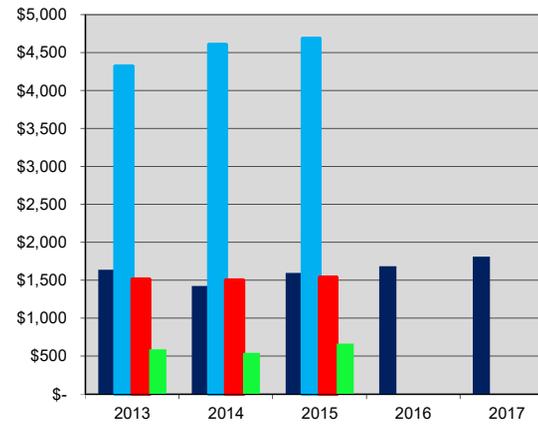
GENERAL OBLIGATION DEBT OUTSTANDING

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Total General Obligation (G.O.) Debt (net)</u>					
City	\$ 40,932,334	\$ 37,362,170	\$ 41,955,000	\$ 47,245,000	\$ 51,425,000
Utilities	500,000	400,000	275,000	150,000	-
Subtotal	41,432,334	37,762,170	42,230,000	47,395,000	51,425,000
Less: Funds available for debt	(154,954)	(138,815)	(203,490)	(224,393)	(813,639)
TOTAL	\$ 41,277,380	\$ 37,623,355	\$ 42,026,510	\$ 47,170,607	\$ 50,611,361
Population	25,192	26,380	26,321	27,996	27,936
G.O. Debt Capacity	\$ 125,188,650	\$ 131,198,210	\$ 135,570,085	\$ 141,532,275	\$ 147,700,905
G.O. debt per capita	\$ 1,639	\$ 1,426	\$ 1,597	\$ 1,685	\$ 1,812
% of debt limit	33%	29%	31%	33%	34%

Percentage of Debt Limit



G.O. Debt Outstanding - Per Capita



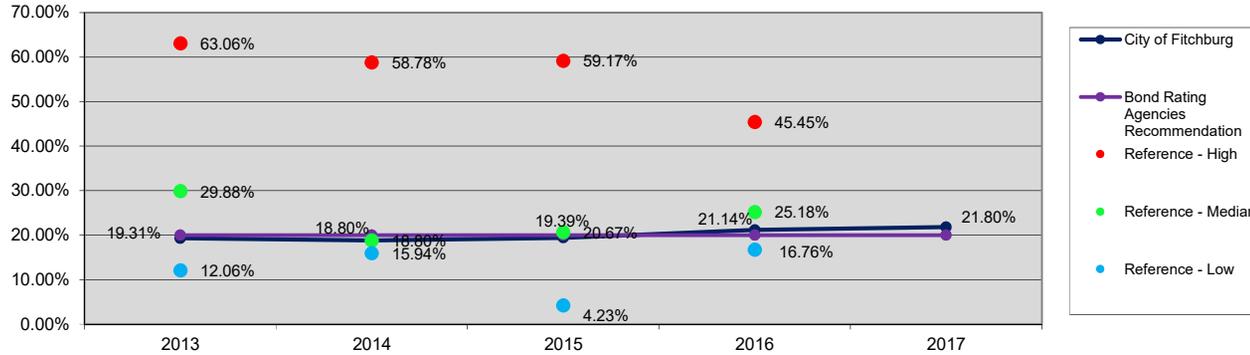
2012-2014 Reference values for the population range: 17,500 to 30,000 taken from *MunicipalFacts16* publication by the Wisconsin Taxpayers Alliance, 2016.

CITY OF FITCHBURG 2017 FINANCIAL STATEMENT HIGHLIGHTS

ANALYSIS OF DEBT SERVICE - GOVERNMENTAL FUNDS

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Total Debt Service</u>					
Principal*	\$ 3,318,231	\$ 3,570,164	\$ 3,732,170	\$ 4,410,000	\$ 4,810,000
Interest and fiscal charges*	<u>1,276,787</u>	<u>1,028,711</u>	<u>1,170,472</u>	<u>1,276,750</u>	<u>1,290,429</u>
TOTAL	<u>\$ 4,595,018</u>	<u>\$ 4,598,875</u>	<u>\$ 4,902,642</u>	<u>\$ 5,686,750</u>	<u>\$ 6,100,429</u>
*Excludes debt refunding					
<u>Total Non-Capital Expenditures</u>					
Total governmental funds expenditures	\$ 32,482,487	\$ 37,737,370	\$ 31,535,299	\$ 37,994,749	\$ 40,567,648
Less: capital outlay	<u>(8,692,032)</u>	<u>(13,272,961)</u>	<u>(6,256,326)</u>	<u>(11,099,099)</u>	<u>(12,581,636)</u>
TOTAL NON-CAPITAL EXPENDITURES	<u>\$ 23,790,455</u>	<u>\$ 24,464,409</u>	<u>\$ 25,278,973</u>	<u>\$ 26,895,650</u>	<u>\$ 27,986,012</u>
% of debt service to non-capital expenditures	19.31%	18.80%	19.39%	21.14%	21.80%

Debt Service to Non-Capital Expenditures



	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Bond rating agencies recommended %	20.00%	20.00%	20.00%	20.00%
High - Reference:	63.06%	58.78%	59.17%	45.45%
Median - Reference:	29.88%	18.80%	20.67%	25.18%
Low - Reference:	12.06%	15.94%	4.23%	16.76%

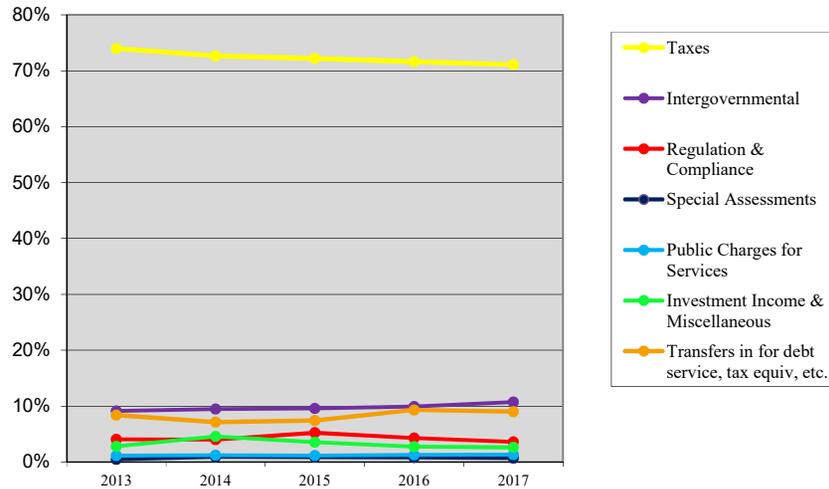
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CITY OF FITCHBURG 2017 FINANCIAL STATEMENT HIGHLIGHTS

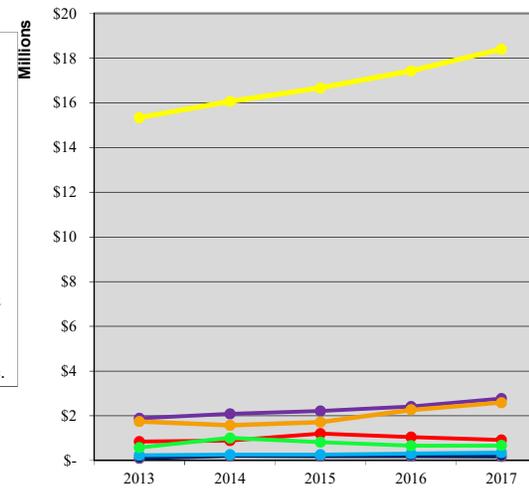
GENERAL & DEBT SERVICE FUND REVENUES AND TRANSFERS IN

	<u>2013</u>	<u>%</u>	<u>2014</u>	<u>%</u>	<u>2015</u>	<u>%</u>	<u>2016</u>	<u>%</u>	<u>2017</u>	<u>%</u>
Total Revenues and Transfers in										
Taxes	\$ 15,341,492	74%	\$ 16,061,889	73%	\$ 16,667,261	72%	\$ 17,431,123	72%	\$ 18,403,123	71%
Intergovernmental	1,890,177	9%	2,092,630	9%	2,216,969	10%	2,412,972	10%	2,769,981	11%
Regulation and Compliance	845,195	4%	887,566	4%	1,206,121	5%	1,044,720	4%	925,408	4%
Special Assessments	99,191	0%	202,637	1%	196,154	1%	194,832	1%	175,439	1%
Public Charges for Services	239,847	1%	268,525	1%	268,058	1%	313,141	1%	344,099	1%
Investment Income & Miscellaneous	577,062	3%	1,011,635	5%	817,638	4%	665,581	3%	672,953	3%
Transfers in for debt service, tax equiv, etc.	1,743,152	8%	1,580,154	7%	1,715,704	7%	2,267,633	9%	2,591,867	9%
TOTAL	\$ 20,736,116	100%	\$ 22,105,036	100%	\$ 23,087,905	100%	\$ 24,330,002	100%	\$ 25,882,870	100%

% of Total Revenues and Transfers in



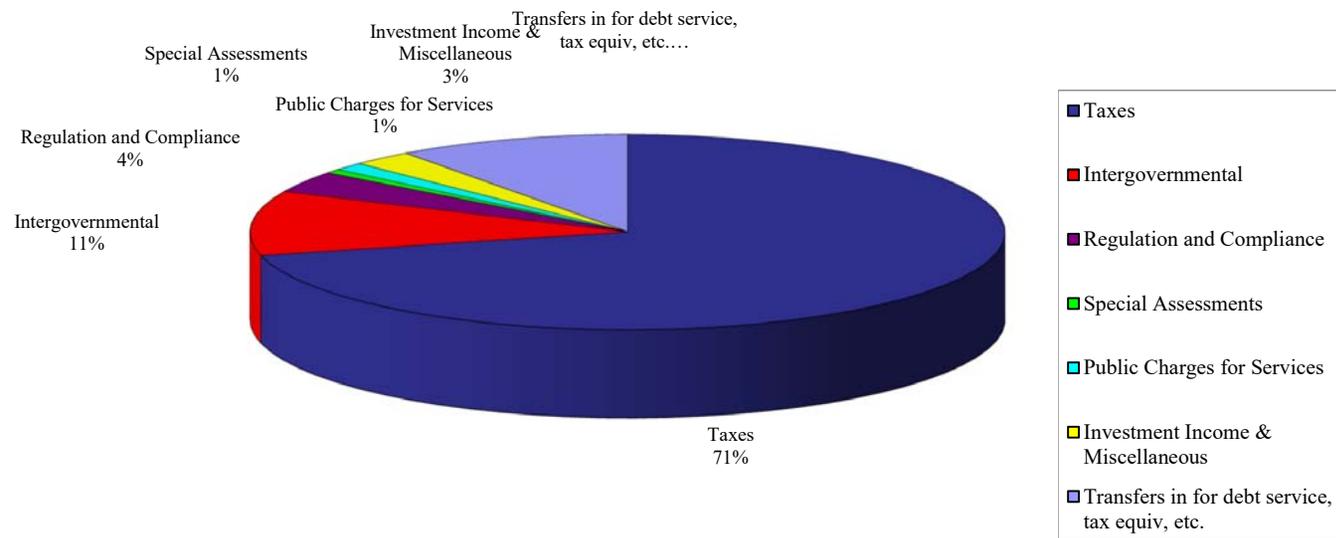
Total Revenues and Transfers in



CITY OF FITCHBURG
2017 FINANCIAL STATEMENT HIGHLIGHTS

2017 GENERAL & DEBT SERVICE FUND REVENUES AND TRANSFERS IN

Total Revenues and Transfers in: \$25,882,870



CITY OF FITCHBURG 2017 FINANCIAL STATEMENT HIGHLIGHTS

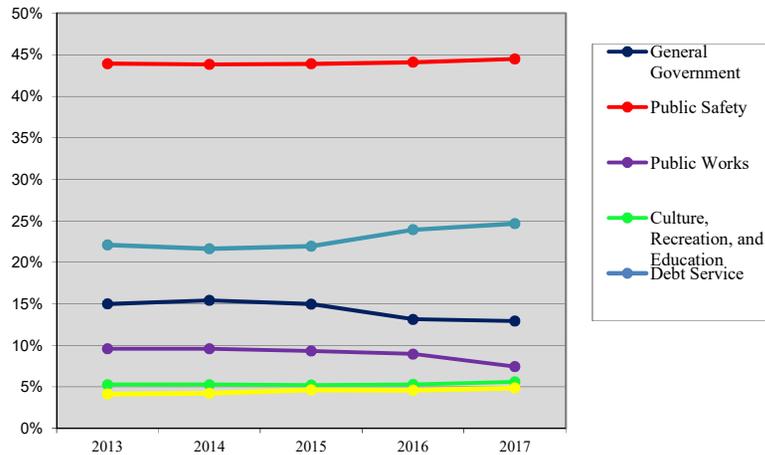
GENERAL & DEBT SERVICE FUND EXPENDITURES

	2013	%	2014	%	2015	%	2016	%	2017	%
Total Expenditures										
General Government	\$ 3,094,802	15%	\$ 3,281,529	15%	\$ 3,288,940	15%	\$ 3,076,264	13%	\$ 3,151,199	13%
Public Safety	9,072,387	44%	9,322,247	44%	9,641,685	44%	10,326,298	44%	10,851,551	44%
Public Works	1,980,866	10%	2,038,324	10%	2,046,957	9%	2,096,647	9%	1,813,464	7%
Culture, Recreation, and Education	1,087,903	5%	1,120,683	5%	1,144,162	5%	1,236,814	5%	1,366,974	6%
Debt Service**	4,561,101	22%	4,598,875	22%	4,818,295	22%	5,604,982	24%	6,018,497	25%
Other*	853,942	4%	901,547	4%	1,018,856	5%	1,079,230	5%	1,184,997	5%
TOTAL	\$ 20,651,001	100%	\$ 21,263,205	100%	\$ 21,958,895	100%	\$ 23,420,235	100%	\$ 24,386,682	100%

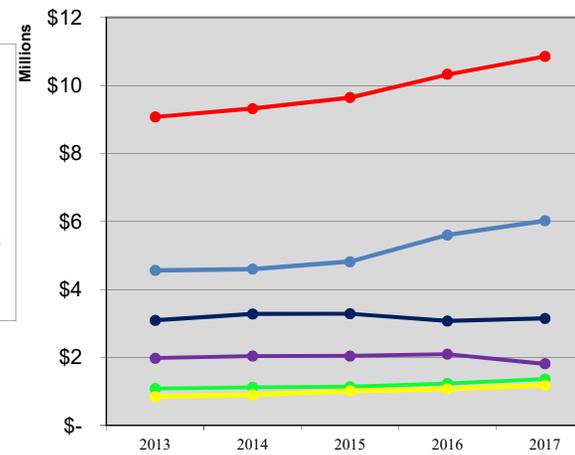
*Other includes Conservation and Development and Health and Human Services

**Excludes debt refunding

% of Total Expenditures



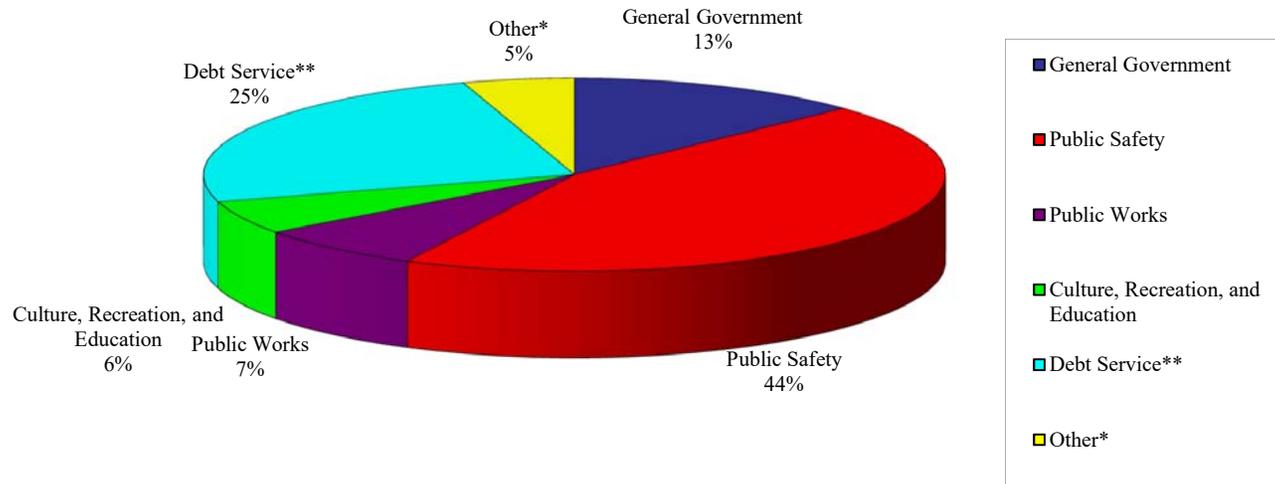
Total Expenditures



CITY OF FITCHBURG
2017 FINANCIAL STATEMENT HIGHLIGHTS

2017 GENERAL & DEBT SERVICE FUND EXPENDITURES

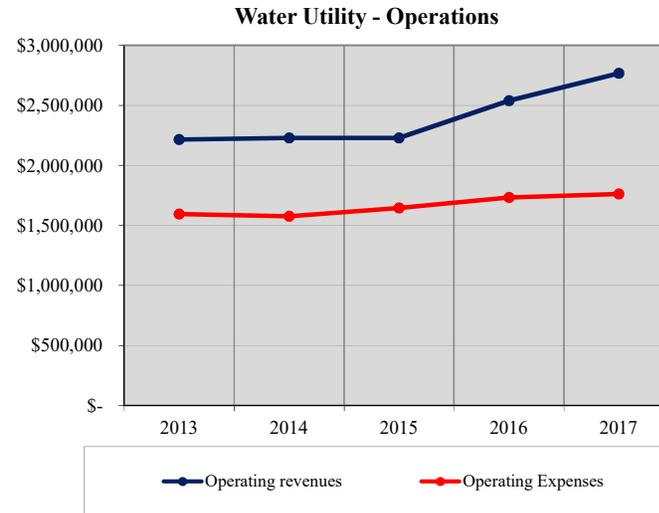
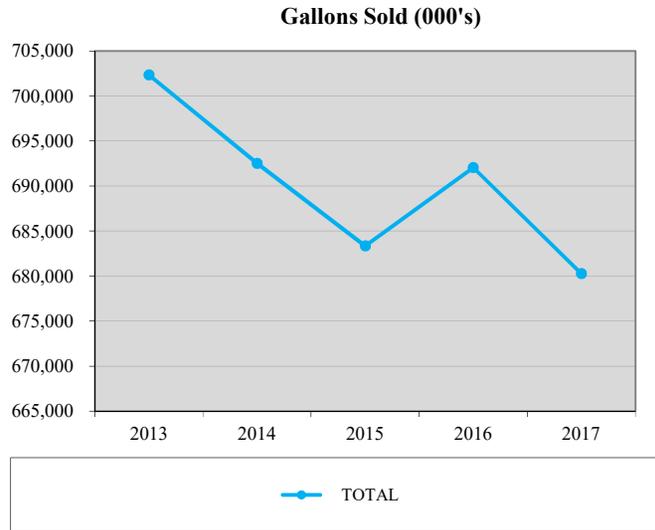
Total Expenditures: \$24,386,682



*Other includes Conservation and Development and Health and Human Services
**Excludes debt refunding

FITCHBURG UTILITY DISTRICT - WATER 2017 FINANCIAL STATEMENT HIGHLIGHTS

	2013	%	2014	%	2015	%	2016	%	2017	%
Gallons Sold (000's)										
Residential	289,027	41%	276,640	40%	264,833	39%	259,729	38%	249,081	37%
Multifamily Residential	49,090	7%	218,373	32%	220,272	32%	234,941	34%	235,436	35%
Commercial	285,930	41%	118,166	17%	121,398	18%	118,966	17%	117,481	17%
Industrial	43,582	6%	52,602	8%	50,773	7%	53,091	8%	49,700	7%
Irrigation	31,266	4%	22,945	3%	23,490	3%	22,516	3%	25,959	4%
Public authority	3,429	0%	3,773	1%	2,583	0%	2,820	0%	2,600	0%
TOTAL	702,324	100%	692,499	100%	683,349	100%	692,063	100%	680,257	100%
Operating Revenues	\$ 2,215,653		\$ 2,229,520		\$ 2,229,284		\$ 2,539,352		\$ 2,766,623	
Operating Expenses	1,593,790		1,576,951		1,645,148		1,732,204		1,762,231	



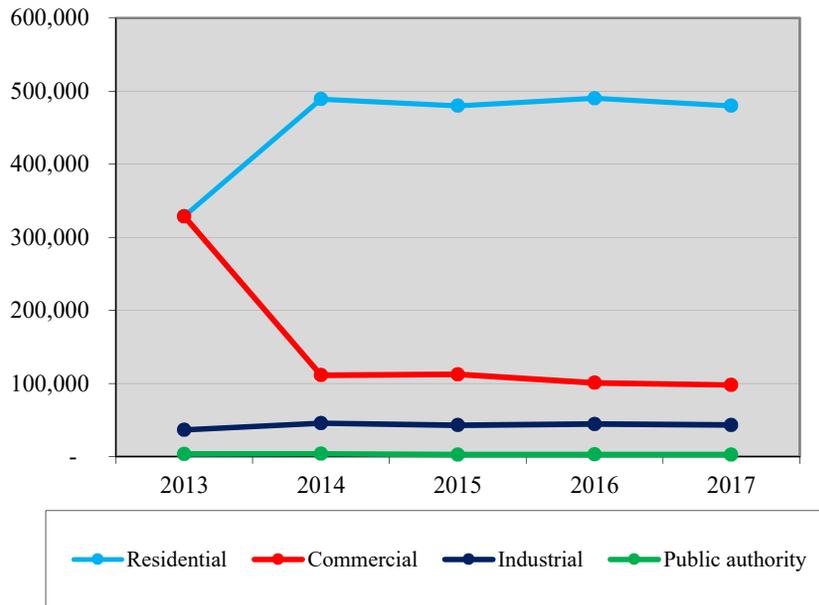
	2013	2014	2015	2016	2017
Ability to meet current obligations - Water and Wastewater					
Unrestricted cash & investments	\$ 4,433,492	\$ 4,780,621	\$ 5,224,827	\$ 5,425,726	\$ 3,162,188
Months of unrestricted cash	12.19	12.80	13.90	13.25	7.27
Ability to meet current obligations - Water					
Unrestricted cash & investments					\$ 2,324,146
Months of unrestricted cash					10.08
Rate of Return					
Actual rate	3.76%	3.75%	2.02%	4.67%	5.63%
Authorized rate	5.25%	5.25%	5.25%	5.25%	5.25%

FITCHBURG UTILITY DISTRICT - WASTEWATER

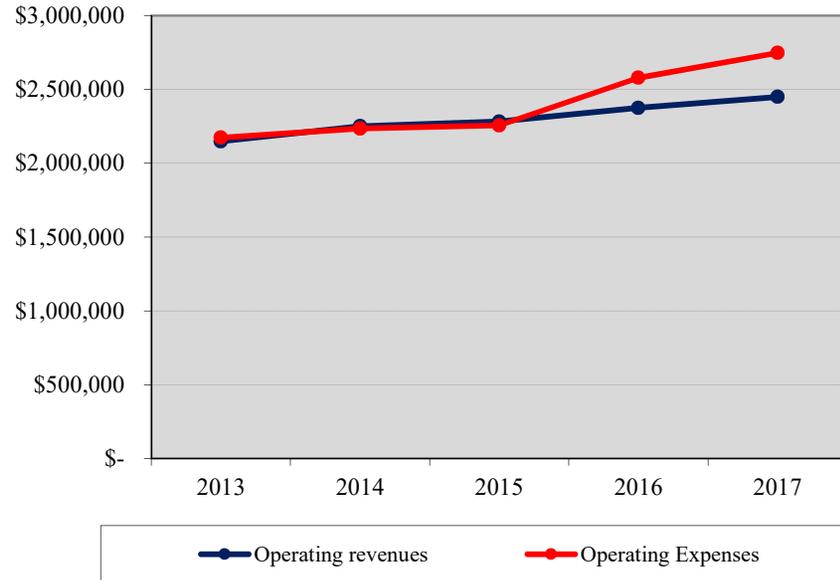
2016 FINANCIAL STATEMENT HIGHLIGHTS

	<u>2013</u>	<u>%</u>	<u>2014</u>	<u>%</u>	<u>2015</u>	<u>%</u>	<u>2016</u>	<u>%</u>	<u>2017</u>	<u>%</u>
<u>Gallons Sold (000's)</u>										
Residential	328,915	47%	489,153	75%	479,989	75%	490,300	77%	479,924	77%
Commercial	328,575	47%	111,295	17%	112,349	18%	100,935	16%	97,846	16%
Industrial	36,351	5%	45,526	7%	42,928	7%	44,464	7%	43,149	7%
Public authority	3,409	0%	3,733	1%	2,568	1%	2,794	1%	2,597	1%
TOTAL	<u>697,250</u>	100%	<u>649,707</u>	100%	<u>637,834</u>	100%	<u>638,493</u>	100%	<u>623,516</u>	100%
Operating Revenues	\$ 2,148,958		\$ 2,250,576		\$ 2,282,454		\$ 2,374,224		\$ 2,449,397	
Operating Expenses	2,172,957		2,234,661		2,256,787		2,578,738		2,747,196	

Gallons Sold (000's)



Wastewater Utility - Operations



2013

2014

2015

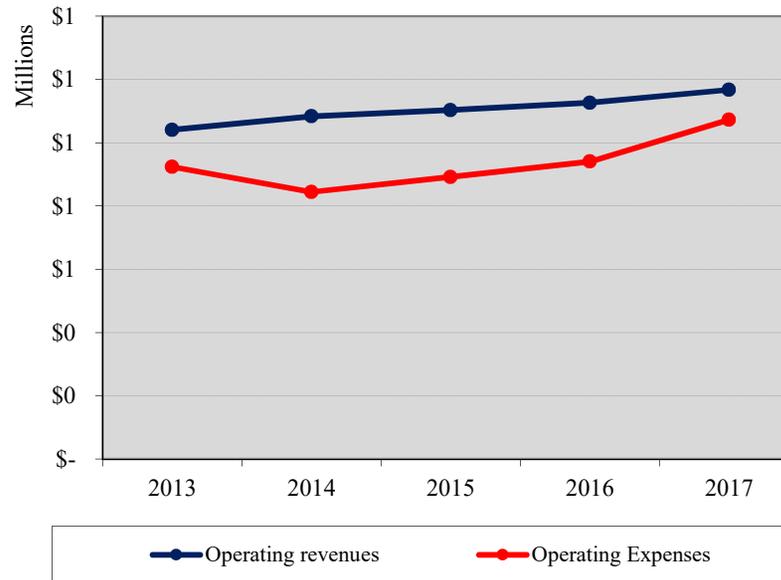
2016

2017

FITCHBURG STORMWATER UTILITY DISTRICT 2016 FINANCIAL STATEMENT HIGHLIGHTS

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Operating Revenues	\$ 1,041,100	\$ 1,083,515	\$ 1,102,836	\$ 1,126,026	\$ 1,167,269
Operating Expenses	924,177	844,326	891,518	940,577	1,072,980

Stormwater Utility - Operations



	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Ability to meet current obligations</u>					
Unrestricted cash & investments	\$ 413,662	\$ 752,238	\$ 829,907	\$ 933,668	\$ 1,779,995
Months of unrestricted cash	4.77	8.33	9.03	9.95	18.30