

CITY OF FITCHBURG
REPORT TO THE CITY COUNCIL

May 26, 2015

Presented By:

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Madison, WI 53707-7398
800 362 7301

Vicki V. Hellenbrand, CPA, Partner

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

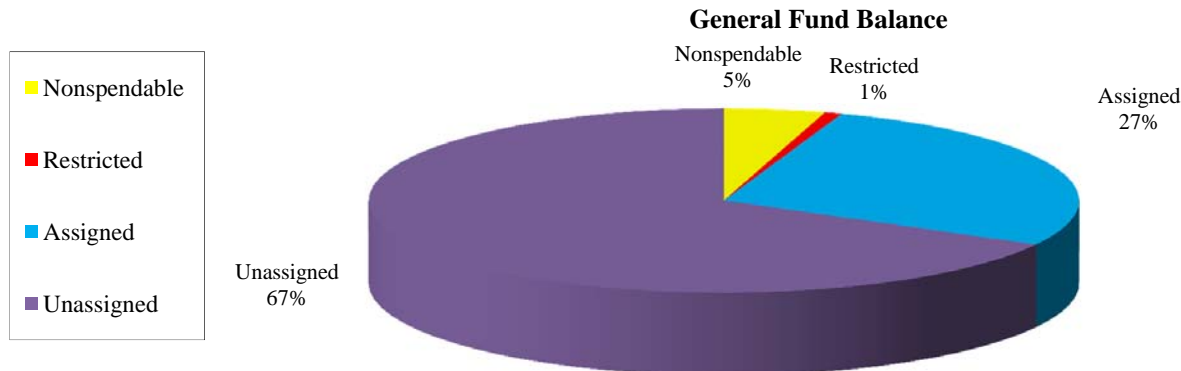
This communication is intended solely for the information and use of management, the council, and others within the organization, and is not intended to be, and should not be, used by anyone other than the specified parties.

CITY OF FITCHBURG

2014 FINANCIAL STATEMENT HIGHLIGHTS

DETAILS OF GENERAL FUND BALANCE

	<u>2014</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>	\$311,438
<u>Restricted</u> <i>includes fund balance amounts that can be spent only for the specific purposes stipulated by an external source.</i>	53,255
<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>	1,867,236
<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>4,538,150</u>
Total General Fund Balance	<u>\$ 6,770,079</u>



CITY OF FITCHBURG

2014 FINANCIAL STATEMENT HIGHLIGHTS

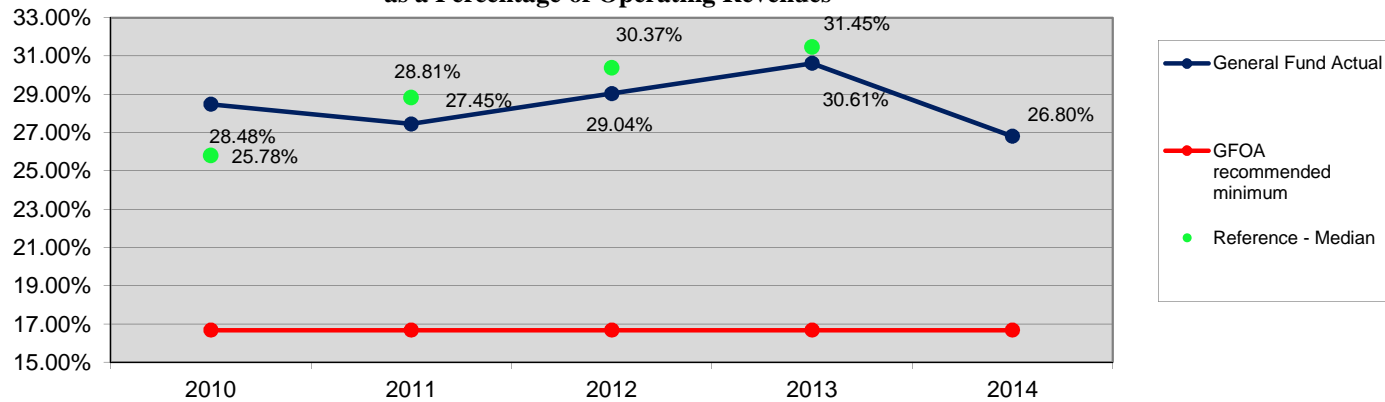
ANALYSIS OF GENERAL FUND BALANCE

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Unreserved Fund Balance	\$ 4,339,005	\$ -	\$ -	\$ -	\$ -
Unassigned Fund Balance	-	4,258,986	4,630,165	4,880,303	4,538,150
	15,237,229	15,518,246	15,946,046	15,942,185	16,932,349
% of operating revenues	28.48%	27.45%	29.04%	30.61%	26.80%

City's target, per city policy

\$2,773,013 - \$4,621,689

**Unreserved or 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 2010-2013 Baker Tilly municipal client data for Wisconsin.

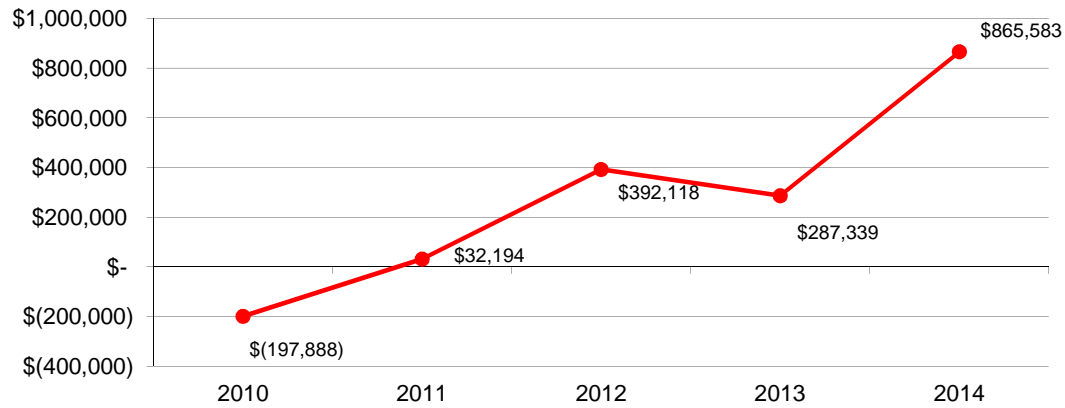
CITY OF FITCHBURG

2014 FINANCIAL STATEMENT HIGHLIGHTS

ANALYSIS OF CHANGE IN GENERAL FUND BALANCE

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Change in General Fund Balance	\$ (197,888)	\$ 32,194	\$ 392,118	\$ 287,339	\$ 865,583

Change in General Fund Balance

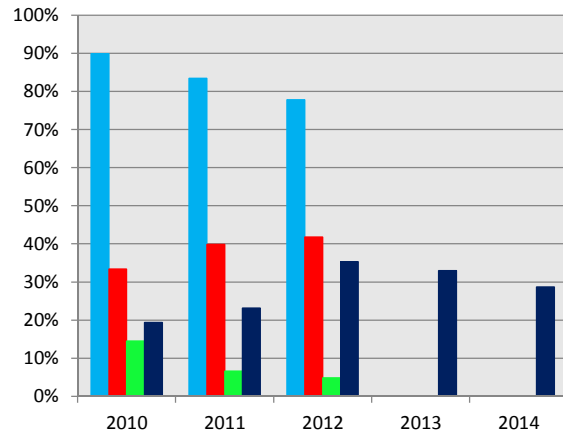


CITY OF FITCHBURG 2014 FINANCIAL STATEMENT HIGHLIGHTS

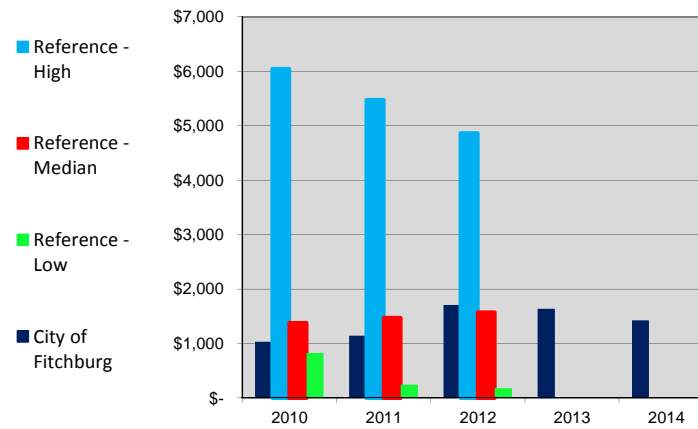
GENERAL OBLIGATION DEBT OUTSTANDING

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Total General Obligation (G.O.) Debt (net)</u>					
City	\$ 24,612,137	\$ 29,022,355	\$ 43,210,568	\$ 40,932,334	\$ 37,362,170
Utilities	685,495	575,000	550,000	500,000	400,000
Subtotal	25,297,632	29,597,355	43,760,568	41,432,334	37,762,170
Less: Funds available for debt	(820,365)	(720,316)	(544,964)	(154,954)	(138,815)
TOTAL	\$ 24,477,267	\$ 28,877,039	\$ 43,215,604	\$ 41,277,380	\$ 37,623,355
Population	23,690	25,192	25,246	25,192	26,380
G.O. Debt Capacity	\$ 126,231,390	\$ 124,488,245	\$ 122,356,620	\$ 125,188,650	\$ 131,198,210
G.O. debt per capita	\$ 1,033	\$ 1,146	\$ 1,712	\$ 1,639	\$ 1,426
% of debt limit	19%	23%	35%	33%	29%

Percentage of Debt Limit



G.O. Debt Outstanding - Per Capita



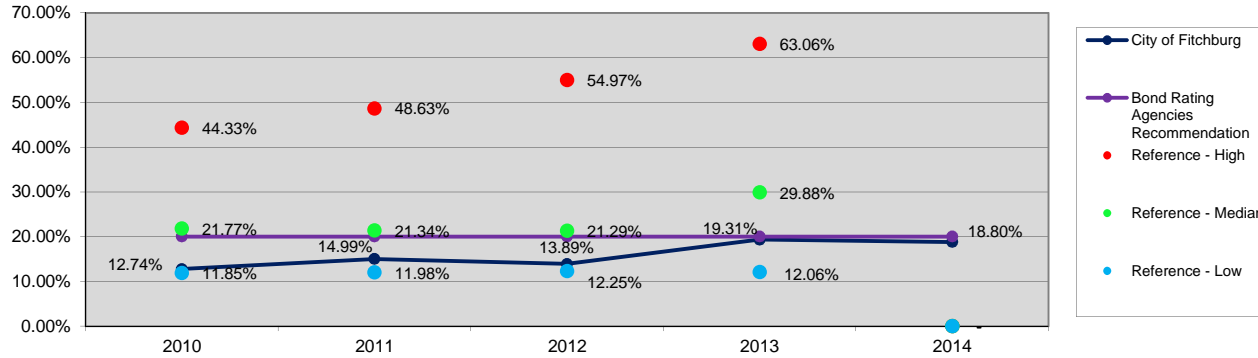
2010-2012 Reference values for the population range: 17,500 to 30,000 taken from *MunicipalFacts14* publication by the Wisconsin Taxpayers Alliance, 2014.

CITY OF FITCHBURG 2014 FINANCIAL STATEMENT HIGHLIGHTS

ANALYSIS OF DEBT SERVICE - GOVERNMENTAL FUNDS

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Total Debt Service</u>					
Principal*	\$ 1,861,010	\$ 2,174,782	\$ 2,566,623	\$ 3,318,231	\$ 3,570,164
Interest*	583,254	1,133,149	1,401,851	1,276,787	1,028,711
TOTAL	\$ 2,444,264	\$ 3,307,931	\$ 3,968,474	\$ 4,595,018	\$ 4,598,875
*Excludes debt refunding					
<u>Total Non-Capital Expenditures</u>					
Total governmental funds expenditures	\$ 29,796,686	\$ 39,170,902	\$ 48,226,428	\$ 32,482,487	\$ 37,737,370
Less: capital outlay	(10,613,367)	(17,100,277)	(19,650,936)	(8,692,032)	(13,272,961)
TOTAL NON-CAPITAL EXPENDITURES	\$ 19,183,319	\$ 22,070,625	\$ 28,575,492	\$ 23,790,455	\$ 24,464,409
% of debt service to non-capital expenditures	12.74%	14.99%	13.89%	19.31%	18.80%

Debt Service to Non-Capital Expenditures



	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Bond rating agencies recommended %	20.00%	20.00%	20.00%	20.00%
High - Reference:	44.33%	48.63%	54.97%	63.06%
Median - Reference:	21.77%	21.34%	21.29%	29.88%
Low - Reference:	11.85%	11.98%	12.25%	12.06%

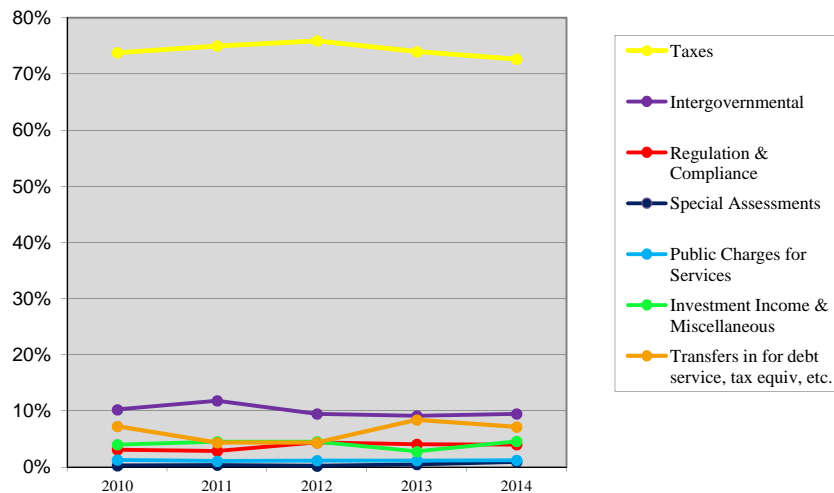
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CITY OF FITCHBURG 2014 FINANCIAL STATEMENT HIGHLIGHTS

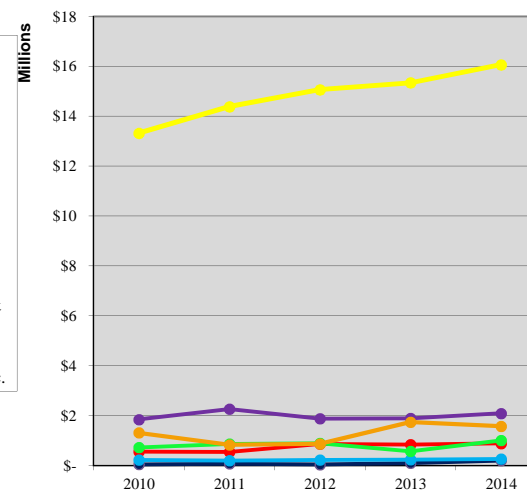
GENERAL & DEBT SERVICE FUND REVENUES AND TRANSFERS IN

	<u>2010</u>	<u>%</u>	<u>2011</u>	<u>%</u>	<u>2012</u>	<u>%</u>	<u>2013</u>	<u>%</u>	<u>2014</u>	<u>%</u>
<u>Total Revenues and Transfers in</u>										
Taxes	\$ 13,321,231	74%	\$ 14,385,332	75%	\$ 15,061,843	76%	\$ 15,341,492	74%	\$ 16,061,889	73%
Intergovernmental	1,849,077	10%	2,269,184	12%	1,880,818	9%	1,890,177	9%	2,092,630	9%
Regulation and Compliance	557,660	3%	551,902	3%	868,081	4%	845,195	4%	887,566	4%
Special Assessments	50,326	0%	70,230	0%	42,677	0%	99,191	0%	202,637	1%
Public Charges for Services	231,907	1%	205,713	1%	229,203	1%	239,847	1%	268,525	1%
Investment Income & Miscellaneous	725,565	4%	865,958	5%	893,590	5%	577,062	3%	1,011,635	5%
Transfers in for debt service, tax equiv, etc.	1,314,662	7%	836,701	4%	868,458	4%	1,743,152	8%	1,580,154	7%
TOTAL	\$ 18,050,428	100%	\$ 19,185,020	100%	\$ 19,844,670	100%	\$ 20,736,116	100%	\$ 22,105,036	100%

% of Total Revenues and Transfers in



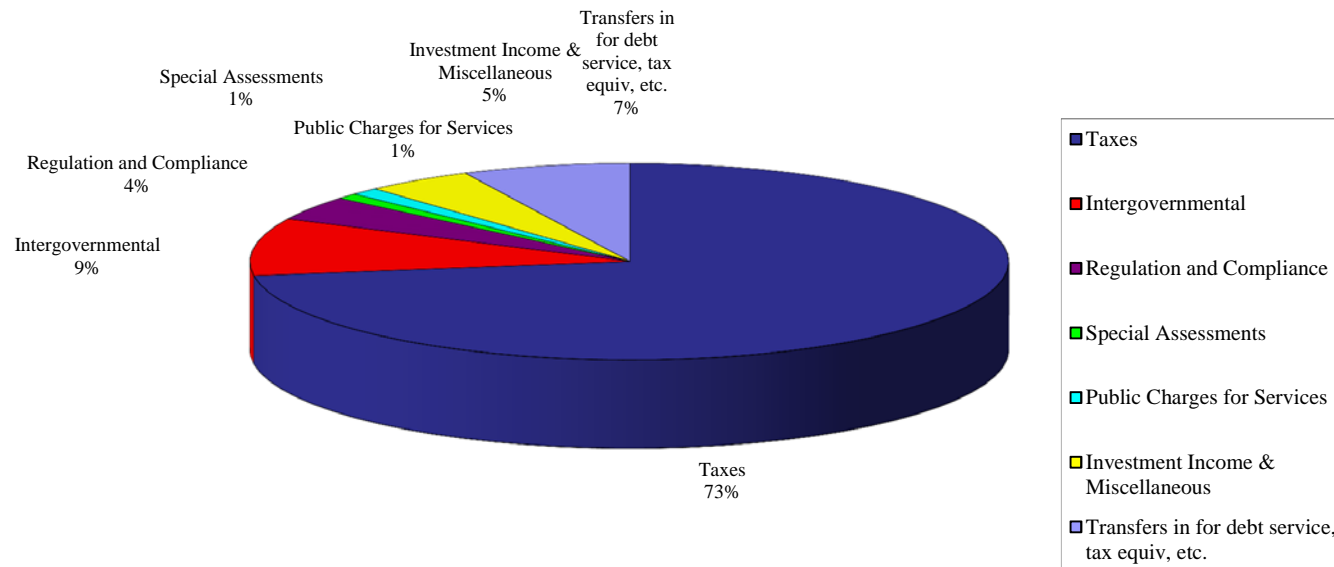
Total Revenues and Transfers in



CITY OF FITCHBURG
2014 FINANCIAL STATEMENT HIGHLIGHTS

2014 GENERAL & DEBT SERVICE FUND REVENUES AND TRANSFERS IN

Total Revenues and Transfers in: \$22,105,036



CITY OF FITCHBURG 2014 FINANCIAL STATEMENT HIGHLIGHTS

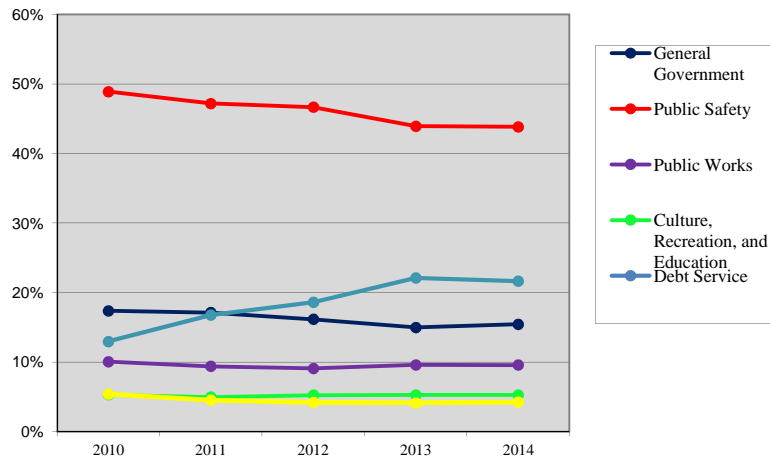
GENERAL & DEBT SERVICE FUND EXPENDITURES

	<u>2010</u>	<u>%</u>	<u>2011</u>	<u>%</u>	<u>2012</u>	<u>%</u>	<u>2013</u>	<u>%</u>	<u>2014</u>	<u>%</u>
Total Expenditures										
General Government	\$ 3,092,896	17%	\$ 3,272,931	17%	\$ 3,202,117	16%	\$ 3,094,802	15%	\$ 3,281,529	15%
Public Safety	8,698,273	49%	9,013,773	47%	9,251,119	47%	9,072,387	44%	9,322,247	44%
Public Works	1,789,077	10%	1,795,214	9%	1,802,553	9%	1,980,866	10%	2,038,324	10%
Culture, Recreation, and Education	941,664	5%	951,510	5%	1,041,236	5%	1,087,903	5%	1,120,683	5%
Debt Service**	2,307,489	13%	3,205,243	17%	3,688,169	19%	4,561,101	22%	4,598,875	22%
Other*	959,694	5%	864,354	5%	836,890	4%	853,942	4%	901,547	4%
TOTAL	\$ 17,789,093	100%	\$ 19,103,025	100%	\$ 19,822,084	100%	\$ 20,651,001	100%	\$ 21,263,205	100%

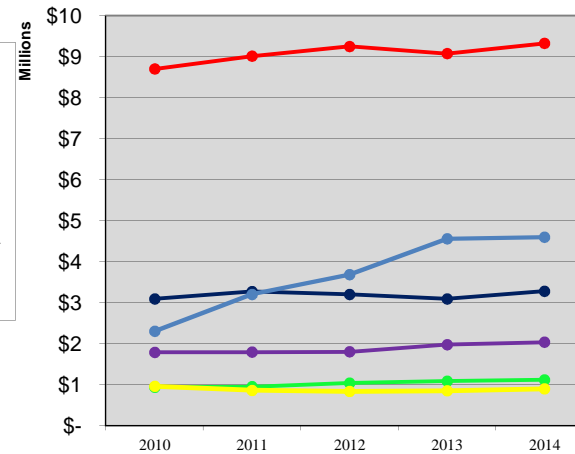
*Other includes Conservation and Development and Health and Human Services

**Excludes debt refunding

% of Total Expenditures



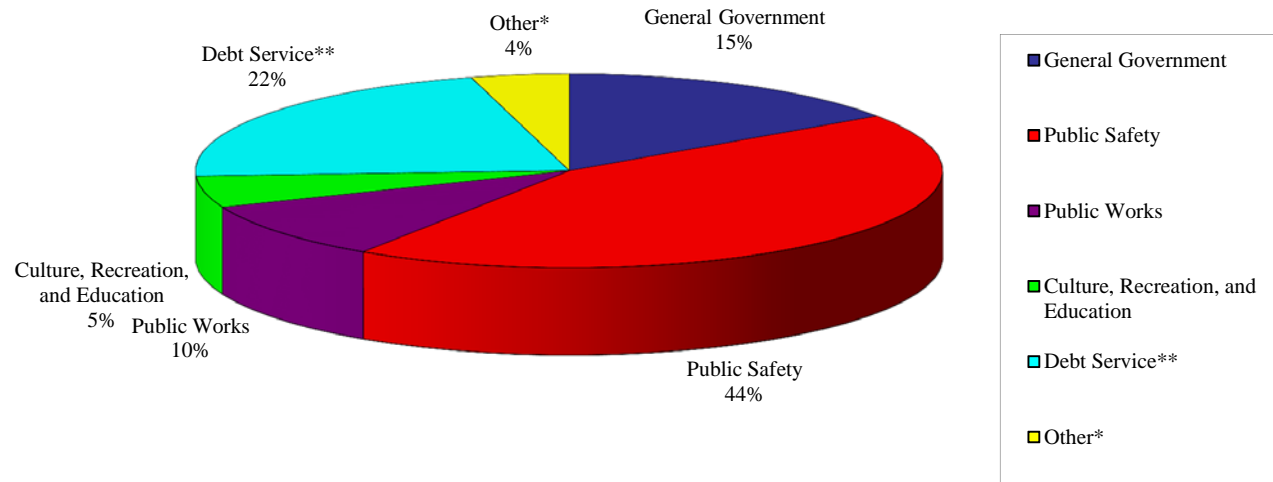
Total Expenditures



CITY OF FITCHBURG
2014 FINANCIAL STATEMENT HIGHLIGHTS

2014 GENERAL & DEBT SERVICE FUND EXPENDITURES

Total Expenditures: \$21,263,205



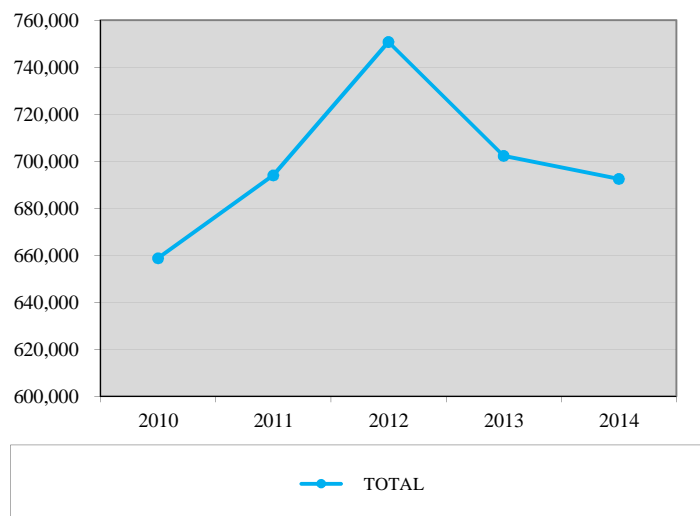
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**Excludes debt refunding

FITCHBURG UTILITY DISTRICT - WATER

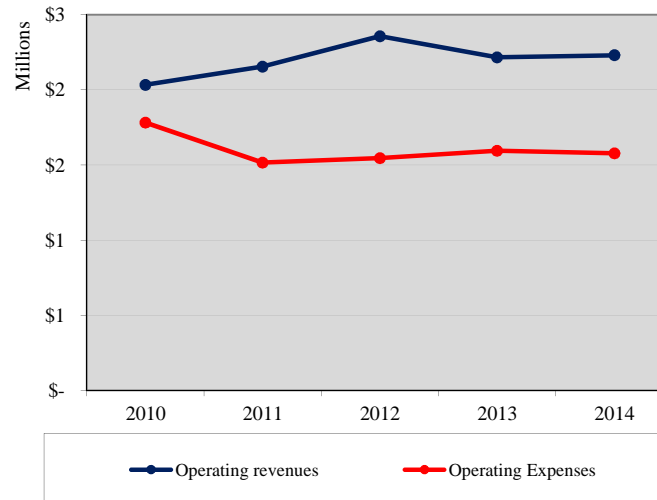
2014 FINANCIAL STATEMENT HIGHLIGHTS

	<u>2010</u>	<u>%</u>	<u>2011</u>	<u>%</u>	<u>2012</u>	<u>%</u>	<u>2013</u>	<u>%</u>	<u>2014</u>	<u>%</u>
Gallons Sold (000's)										
Residential	295,764	45%	307,138	44%	350,050	47%	289,027	41%	276,640	40%
Multifamily Residential (new class in 2013)							49,090	7%	218,373	32%
Commercial	322,277	49%	346,518	50%	356,950	48%	285,930	41%	118,166	17%
Industrial	37,876	6%	37,440	5%	40,549	5%	43,582	6%	52,602	8%
Irrigation (new class in 2013)							31,266	4%	22,945	3%
Public authority	2,836	0%	2,919	0%	3,237	0%	3,429	0%	3,773	1%
TOTAL	658,753	100%	694,015	100%	750,786	100%	702,324	100%	692,499	100%
Operating Revenues	\$ 2,032,909		\$ 2,154,575		\$ 2,356,211		\$ 2,215,653		\$ 2,229,520	
Operating Expenses	1,781,309		1,515,788		1,545,717		1,593,790		1,576,951	

Gallons Sold (000's)



Water Utility - Operations



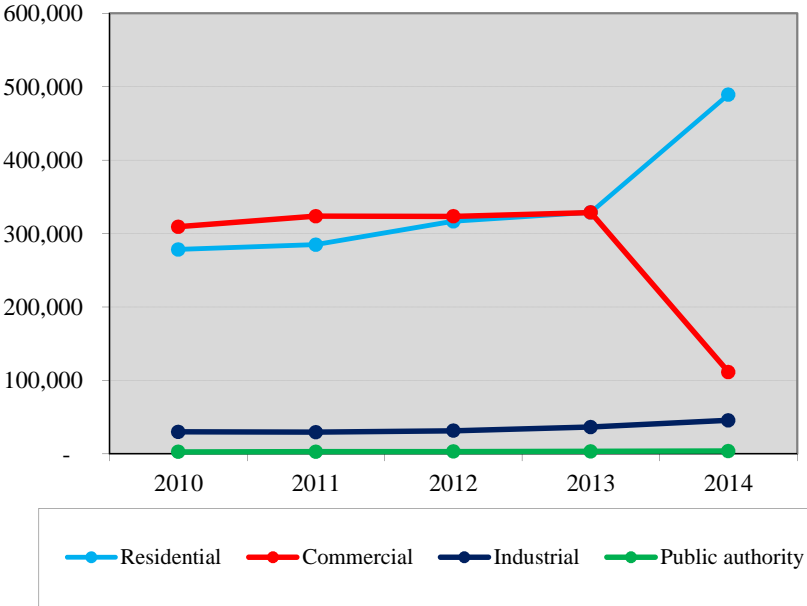
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Ability to meet current obligations - Water and Wastewater					
Unrestricted cash & investments	\$ 2,129,565	\$ 2,956,143	\$ 3,511,680	\$ 4,433,492	\$ 4,780,621
Months of unrestricted cash	6.84	8.87	9.50	12.19	12.80
Rate of Return					
Actual rate	1.63%	4.46%	6.80%	3.76%	3.75%
Authorized rate	5.25%	5.25%	5.25%	5.25%	5.25%

FITCHBURG UTILITY DISTRICT - WASTEWATER

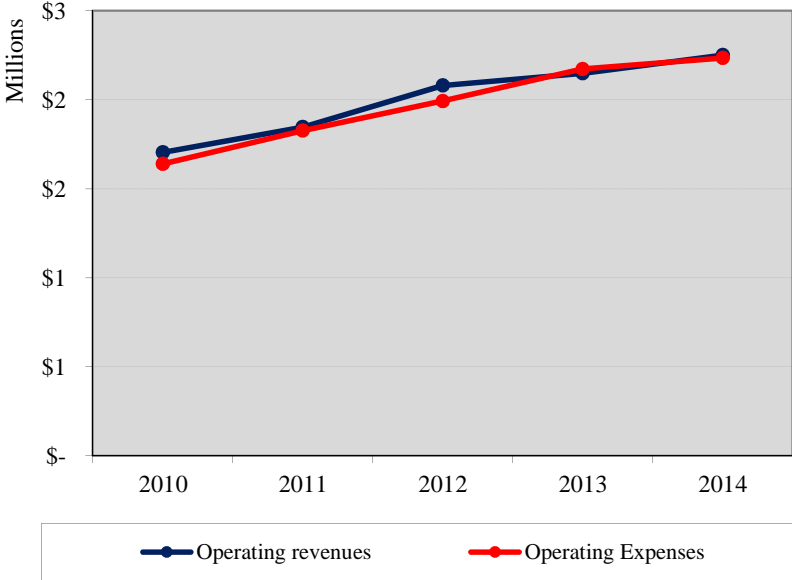
2014 FINANCIAL STATEMENT HIGHLIGHTS

	<u>2010</u>	%	<u>2011</u>	%	<u>2012</u>	%	<u>2013</u>	%	<u>2014</u>	%
<u>Gallons Sold (000's)</u>										
Residential	278,256	45%	284,868	44%	316,579	47%	328,915	47%	489,153	75%
Commercial	309,239	50%	323,531	51%	323,327	48%	328,575	47%	111,295	17%
Industrial	29,801	5%	29,375	5%	31,402	5%	36,351	5%	45,526	7%
Public authority	2,719	0%	2,812	0%	3,052	0%	3,409	0%	3,733	1%
TOTAL	<u>620,015</u>	100%	<u>640,586</u>	100%	<u>674,360</u>	100%	<u>697,250</u>	100%	<u>649,707</u>	100%
Operating Revenues	\$ 1,704,295		\$ 1,846,759		\$ 2,080,387		\$ 2,148,958		\$ 2,250,576	
Operating Expenses	1,639,907		1,826,218		1,992,933		2,172,957		2,234,661	

Gallons Sold (000's)



Wastewater Utility - Operations

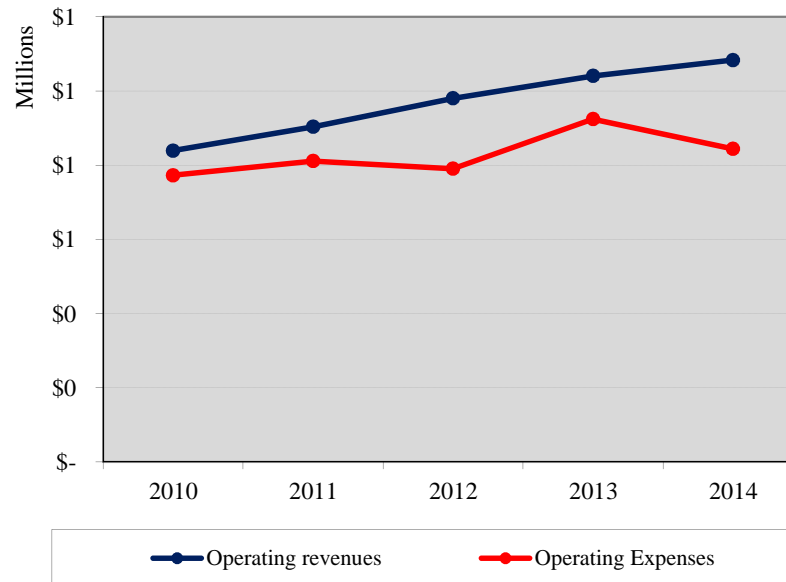


FITCHBURG STORMWATER UTILITY DISTRICT

2014 FINANCIAL STATEMENT HIGHLIGHTS

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Operating Revenues	\$ 839,242	\$ 903,795	\$ 980,580	\$ 1,041,100	\$ 1,083,515
Operating Expenses	773,004	811,153	790,639	924,177	844,326

Stormwater Utility - Operations



	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Ability to meet current obligations</u>					
Unrestricted cash & investments	\$ 370,567	\$ 370,567	\$ 751,458	\$ 413,662	\$ 752,238
Months of unrestricted cash	5.30	4.92	9.20	4.77	8.33