

CITY OF STOUGHTON
REPORT TO THE CITY COUNCIL

June 14, 2016

Presented By:

Baker Tilly Virchow Krause, LLP
Ten Terrace Court
P.O. Box 7398
Madison, WI 53707-7398
800 362 7301

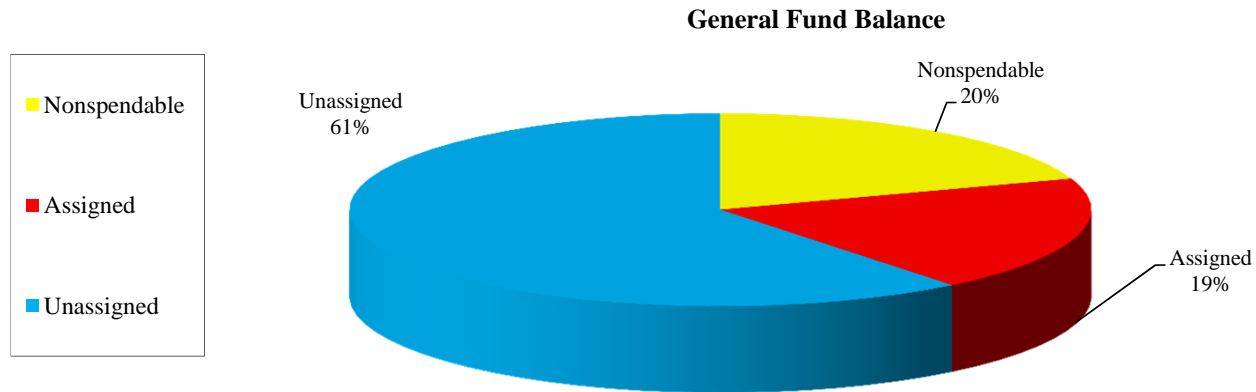
Carla A. Gogin, CPA, Partner
Vasvi R. Joshi, Manager

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

CITY OF STOUGHTON
2015 FINANCIAL STATEMENT HIGHLIGHTS

DETAILS OF GENERAL FUND BALANCE

<u>Nonspendable</u>	<u>2015</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>	\$1,052,968
<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>	1,038,261
<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>3,231,239</u>
Total General Fund Balance	<u>\$ 5,322,468</u>



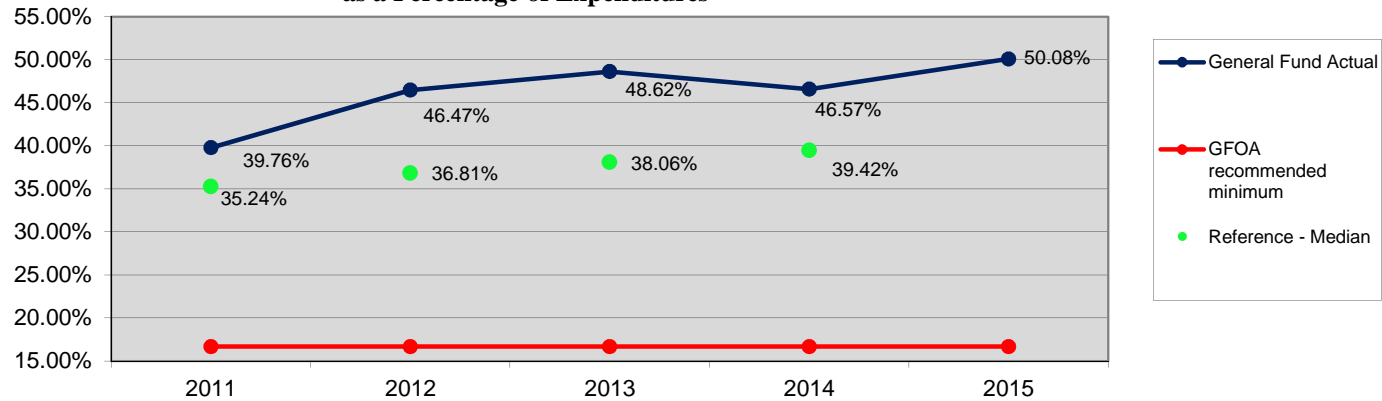
CITY OF STOUGHTON

2015 FINANCIAL STATEMENT HIGHLIGHTS

ANALYSIS OF GENERAL FUND BALANCE

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Unrestricted Fund Balance	3,165,204	3,638,916	3,875,337	3,947,569	4,269,500
Expenditures	7,960,296	7,831,299	7,969,898	8,477,043	8,525,735
% of expenditures	39.76%	46.47%	48.62%	46.57%	50.08%

**Unrestricted General Fund Balance
as a Percentage of Expenditures**



GFOA recommended range for % of expenditures: no less than 2 months of regular GF operating expenditures

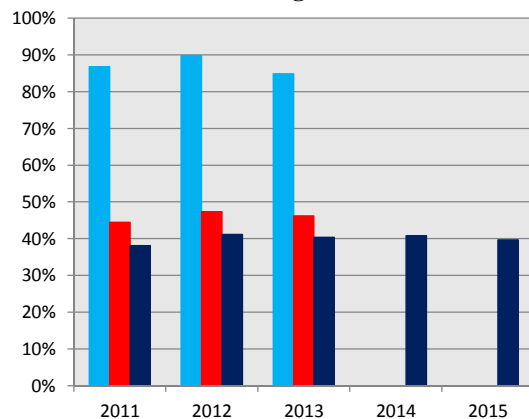
Reference values for the population range: 10,000 to 17,500 generated from 2011-2014 Baker Tilly municipal client data for Wisconsin.

CITY OF STOUGHTON 2015 FINANCIAL STATEMENT HIGHLIGHTS

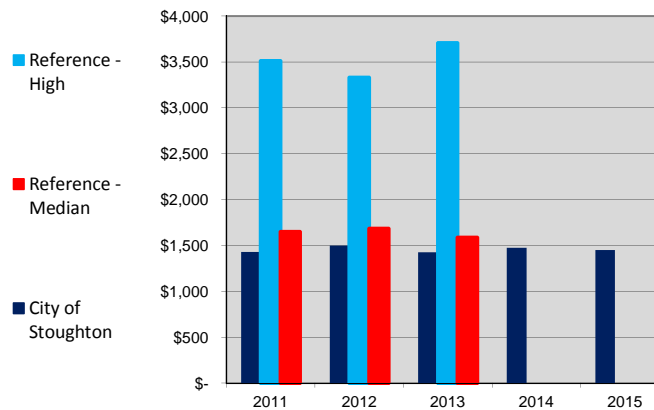
GENERAL OBLIGATION DEBT OUSTANDING

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Total General Obligation (G.O) Debt (net)					
City	\$ 17,525,000	\$ 18,162,500	\$ 16,704,563	\$ 17,285,084	\$ 16,545,527
Utilities	965,000	900,000	1,436,547	1,560,601	2,553,436
Less: Funds available for debt	(120,617)	(150,754)	(100,064)	(216,537)	(169,228)
TOTAL	<u>\$ 18,369,383</u>	<u>\$ 18,911,746</u>	<u>\$ 18,041,046</u>	<u>\$ 18,629,148</u>	<u>\$ 18,929,735</u>
Population	12,840	12,611	12,646	12,646	13,039
G.O. Debt Capacity	\$ 48,174,030	\$ 45,913,530	\$ 44,706,275	\$ 45,654,025	\$ 47,713,100
G.O. debt per capita	\$ 1,431	\$ 1,500	\$ 1,427	\$ 1,473	\$ 1,452
% of debt limit	38%	41%	40%	41%	40%

Percentage of Debt Limit



G.O. Debt Outstanding - Per Capita



2011-2013 Reference values for the population range: 10,000 to 17,500 taken from *MunicipalFacts15* publication by the Wisconsin Taxpayers Alliance, 2015.

CITY OF STOUGHTON
2015 FINANCIAL STATEMENT HIGHLIGHTS

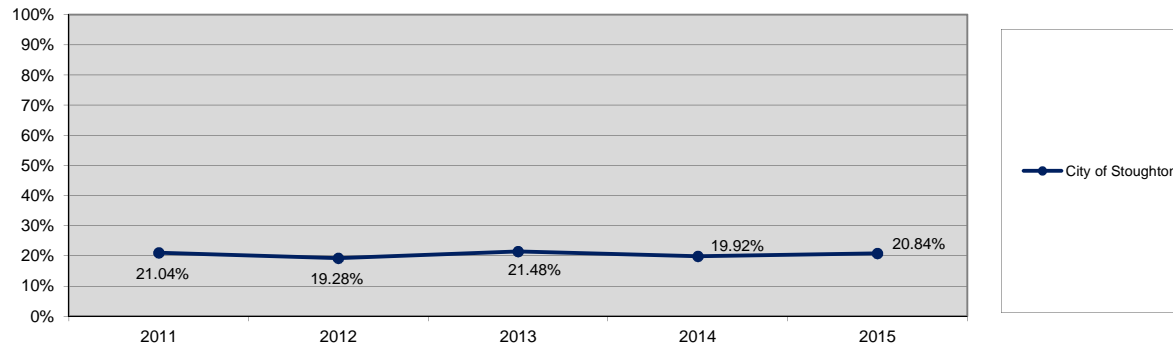
ANALYSIS OF DEBT SERVICE - GOVERNMENTAL FUNDS

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Total Debt Service</u>					
Principal*	\$ 1,960,000	\$ 1,985,000	\$ 2,196,937	\$ 2,174,479	\$ 2,284,557
Interest	592,525	544,763	493,184	449,980	486,630
TOTAL	\$ 2,552,525	\$ 2,529,763	\$ 2,690,121	\$ 2,624,459	\$ 2,771,187
<u>Total Non-Capital Expenditures</u>					
Total governmental funds expenditures*	\$ 14,658,832	\$ 15,675,733	\$ 15,207,325	\$ 16,828,266	\$ 16,853,121
Less: capital outlay	(2,527,432)	(2,552,034)	(2,685,674)	(3,654,793)	(3,555,740)
TOTAL NON-CAPITAL EXPENDITURES	\$ 12,131,400	\$ 13,123,699	\$ 12,521,651	\$ 13,173,473	\$ 13,297,381

* excludes refunded principal

% of debt service to non-capital expenditures	21.04%	19.28%	21.48%	19.92%	20.84%
---	--------	--------	--------	--------	--------

Debt Service to Non-Capital Expenditures



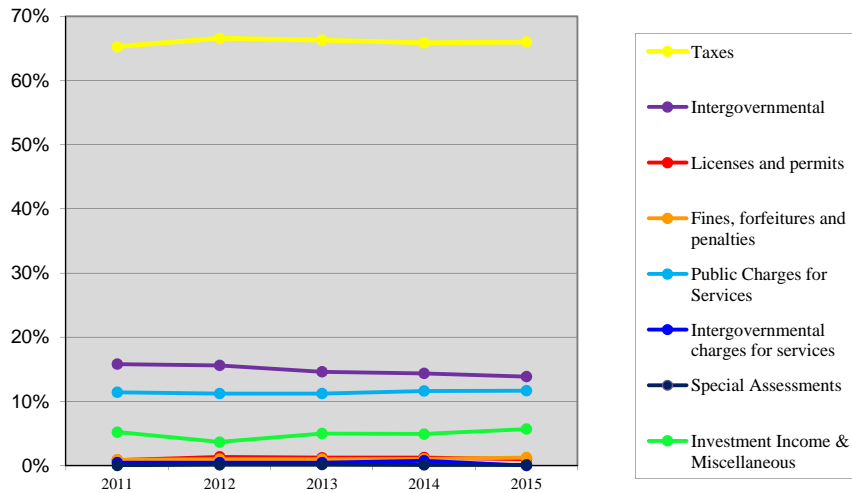
Bond rating agencies recommended % 20.00%

CITY OF STOUGHTON 2015 FINANCIAL STATEMENT HIGHLIGHTS

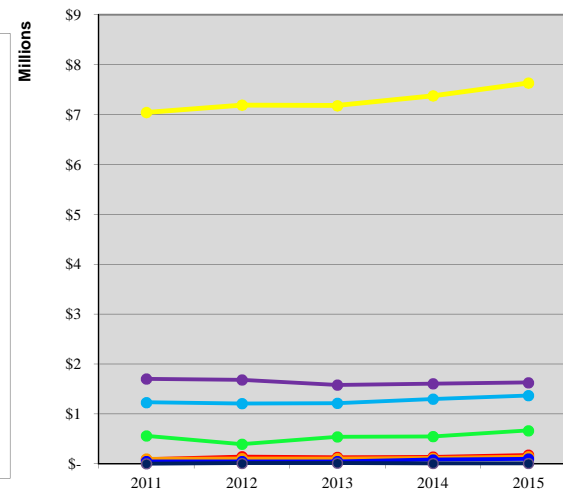
GENERAL & DEBT SERVICE FUND REVENUES

	<u>2011</u>	<u>%</u>	<u>2012</u>	<u>%</u>	<u>2013</u>	<u>%</u>	<u>2014</u>	<u>%</u>	<u>2015</u>	<u>%</u>
Total Revenues										
Taxes	\$ 7,041,880	65%	\$ 7,190,100	67%	\$ 7,179,236	66%	\$ 7,374,779	66%	\$ 7,630,400	66%
Intergovernmental	1,704,190	16%	1,684,260	16%	1,583,146	15%	1,606,752	14%	1,629,581	14%
Licenses and permits	91,627	1%	145,374	1%	134,056	1%	141,759	1%	176,140	1%
Fines, forfeitures and penalties	99,878	1%	107,159	1%	107,798	1%	118,039	1%	148,205	1%
Public charges for services	1,232,287	11%	1,212,026	11%	1,215,710	11%	1,302,212	12%	1,371,253	12%
Intergovernmental charges for services	48,783	0%	48,783	0%	48,783	0%	86,031	1%	99,630	0%
Special assessments	3,517	0%	14,549	0%	17,148	0%	11,711	0%	12,875	0%
Investment income & miscellaneous	563,026	5%	396,349	4%	542,027	5%	551,150	5%	669,147	6%
TOTAL	\$ 10,785,188	100%	\$ 10,798,600	100%	\$ 10,827,904	100%	\$ 11,192,433	100%	\$ 11,737,231	100%

% of Total Revenue



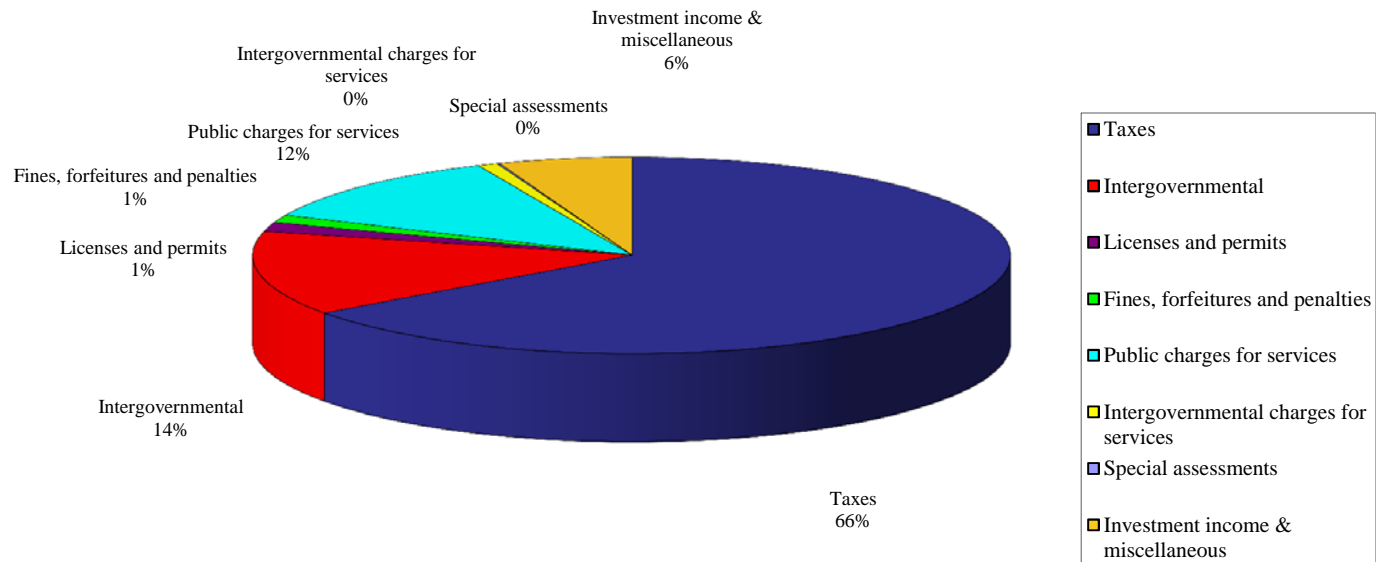
Total Revenue



CITY OF STOUGHTON
2015 FINANCIAL STATEMENT HIGHLIGHTS

2015 GENERAL & DEBT SERVICE FUND REVENUES

Total Revenues: \$11,737,231

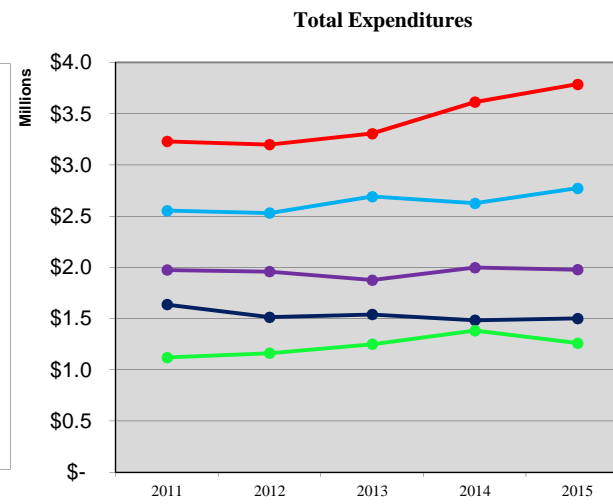
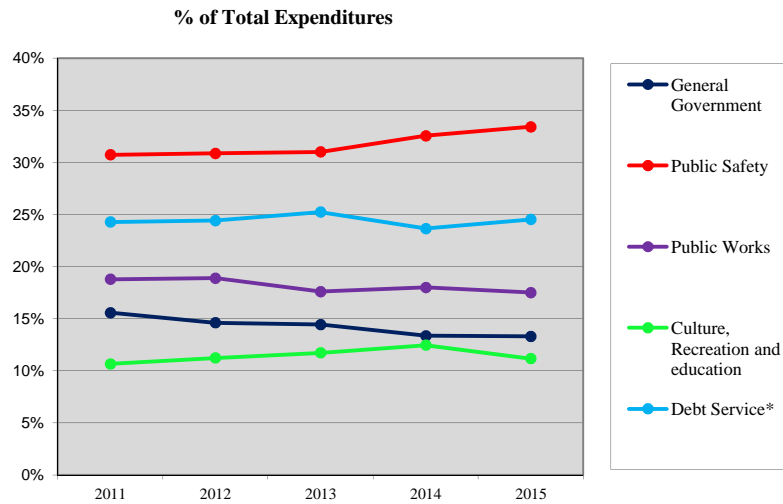


CITY OF STOUGHTON 2015 FINANCIAL STATEMENT HIGHLIGHTS

GENERAL & DEBT SERVICE FUND EXPENDITURES

	<u>2011</u>	<u>%</u>	<u>2012</u>	<u>%</u>	<u>2013</u>	<u>%</u>	<u>2014</u>	<u>%</u>	<u>2015</u>	<u>%</u>
Total Expenditures										
General Government	\$ 1,636,596	16%	\$ 1,513,012	15%	\$ 1,539,173	14%	\$ 1,483,909	13%	\$ 1,501,376	13%
Public Safety	3,229,765	31%	3,198,001	31%	3,305,741	31%	3,613,383	33%	3,786,470	33%
Public Works	1,973,585	19%	1,957,773	19%	1,875,905	18%	1,997,518	18%	1,977,034	18%
Culture, recreation and education	1,120,350	11%	1,162,513	11%	1,249,079	12%	1,382,233	12%	1,260,855	11%
Debt Service*	2,552,525	24%	2,529,763	24%	2,690,121	25%	2,624,459	24%	2,771,187	25%
TOTAL	\$ 10,512,821	100%	\$ 10,361,062	100%	\$ 10,660,019	100%	\$ 11,101,502	100%	\$ 11,296,922	100%

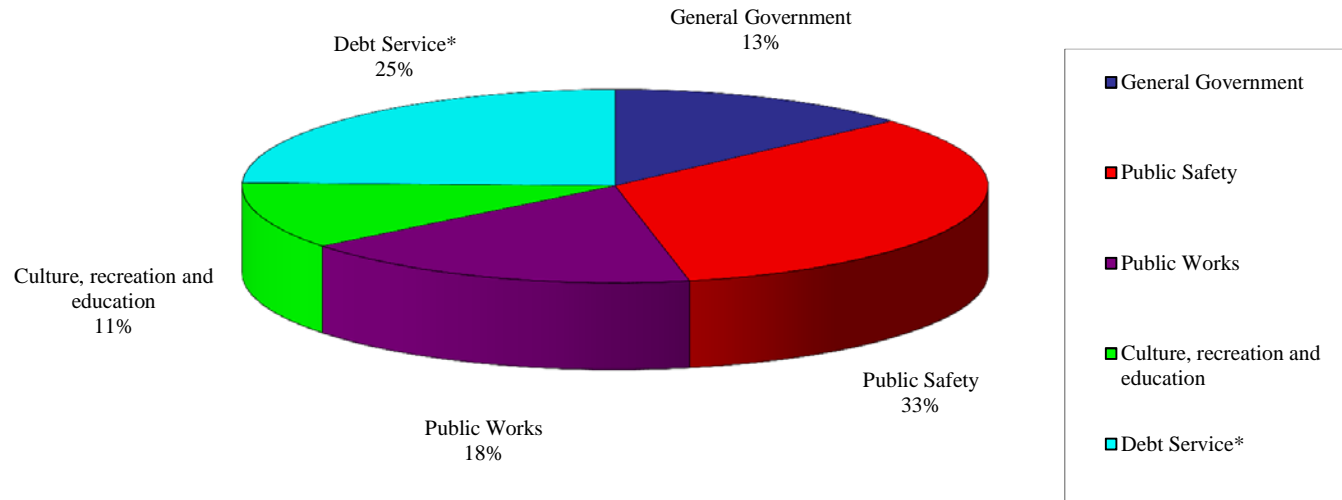
*Excludes debt refunding of \$3,360,000 in 2010 and \$1,000,000 in 2012.



CITY OF STOUGHTON
2015 FINANCIAL STATEMENT HIGHLIGHTS

2015 GENERAL & DEBT SERVICE FUND EXPENDITURES

Total Expenditures: \$11,296,922

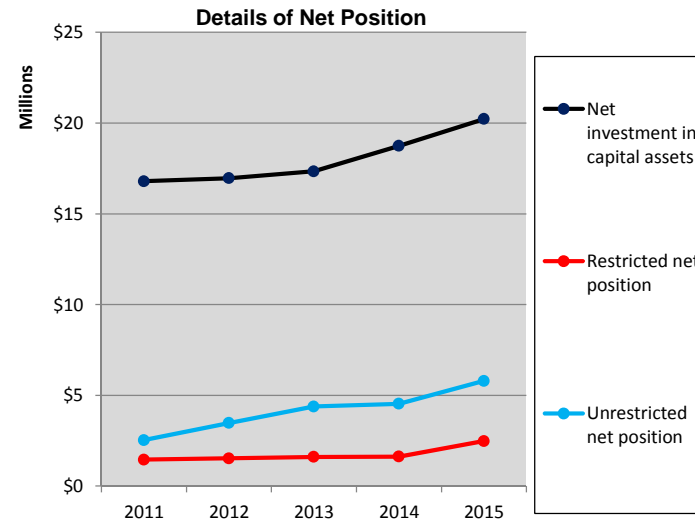
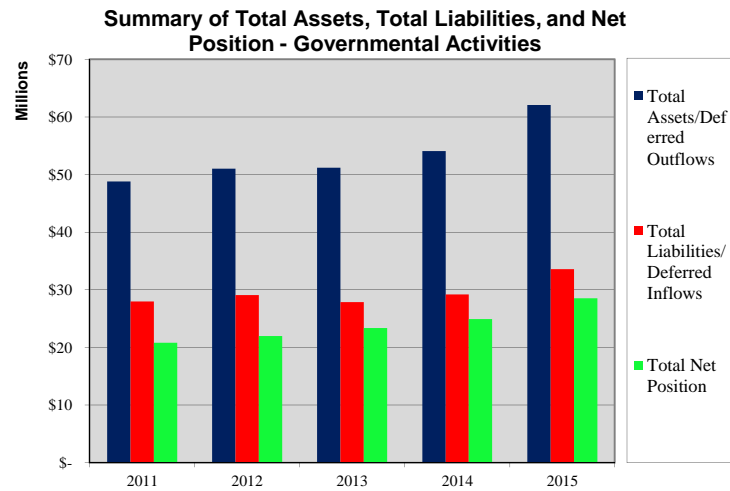


*Excludes debt refunding of \$3,360,000 in 2010 and \$1,000,000 in 2012.

CITY OF STOUGHTON 2015 FINANCIAL STATEMENT HIGHLIGHTS

ANALYSIS OF NET POSITION - GOVERNMENTAL ACTIVITIES

	<u>2011</u>	<u>%</u>	<u>2012</u>	<u>%</u>	<u>2013</u>	<u>%</u>	<u>2014</u>	<u>%</u>	<u>2015</u>	<u>%</u>
Total Assets/Deferred Outflows	\$ 48,770,812		\$ 51,019,843		\$ 51,176,991		\$ 54,087,531		\$ 62,052,502	
Total Liabilities/Deferred Inflows	27,981,229		29,056,966		27,843,075		29,182,985		33,557,185	
Net investment in capital assets	16,796,049	81%	16,961,378	77%	17,339,852	74%	18,744,830	75%	20,218,136	71%
Restricted net position	1,461,342	7%	1,527,101	7%	1,605,607	7%	1,626,071	7%	2,484,622	9%
Unrestricted net position	2,532,192	12%	3,474,398	16%	4,388,457	19%	4,533,645	18%	5,792,559	20%
Total Net Position	<u>\$ 20,789,583</u>	<u>100%</u>	<u>\$ 21,962,877</u>	<u>100%</u>	<u>\$ 23,333,916</u>	<u>100%</u>	<u>\$ 24,904,546</u>	<u>100%</u>	<u>\$ 28,495,317</u>	<u>100%</u>
Net Position as a % of Total Assets		43%		43%		46%		46%		46%



Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

CITY OF STOUGHTON
2015 FINANCIAL STATEMENT HIGHLIGHTS

HISTORICAL SUMMARY OF TAX INCREMENTAL FINANCING DISTRICTS
FROM DATE OF CREATION THROUGH DECEMBER 31, 2015

	<u>TIF District No. 3</u>	<u>%</u>	<u>TIF District No. 4</u>	<u>%</u>	<u>TIF District No. 5</u>	<u>%</u>	<u>TIF District No. 6</u>	<u>%</u>	<u>TIF District No. 7</u>	<u>%</u>
<u>Sources of funds</u>										
TIF increment	\$ 3,757,903	31%	\$ 1,844,258	27%	\$ 30,147	6%	\$ -		\$ -	0%
Intergovernmental	15,674	0%	134,552	2%	204,114	39%	-		-	0%
Public charges for services	28,946	0%	-	0%	-	0%	-		-	0%
Contribution from other district	742,340	6%	1,405,024	21%	-	0%	-		-	0%
Transfers from other funds	181,304	1%	-	0%	100,000	19%	-		-	0%
Investment income	54,595	0%	107,042	2%	16	0%	-		9,865	0%
Land sales	370,024	3%	-	0%	116,616	22%	-		-	0%
Miscellaneous revenues	1,109,335	9%	48,691	1%	72,476	14%	-		-	0%
Long-term debt issued	6,257,496	50%	3,160,750	47%	-	0%	-		4,775,000	100%
TOTAL	\$ 12,517,617	100%	\$ 6,700,317	100%	\$ 523,369	100%	\$ -		\$ 4,784,865	100%
<u>Uses of Funds</u>										
Capital expenditures	\$ 4,769,536	39%	\$ 2,309,568	39%	\$ 956,986	87%	\$ -	0%	\$ 380,760	88%
Administration	120,038	1%	74,536	1%	45,191	4%	11,731	100%	3,363	1%
Contribution to other district	1,918,405	16%	-	0%	-	0%	-	0%	-	0%
Debt issuance costs	20,162	0%	26,075	0%	-	0%	-	0%	45,926	11%
Interest on long-term debt	1,285,322	10%	765,410	14%	96,965	9%	-	0%	-	0%
Principal on long-term debt	4,208,533	34%	2,675,750	46%	-	0%	-	0%	-	0%
TOTAL	\$ 12,321,996	100%	\$ 5,851,339	100%	\$ 1,099,142	100%	\$ 11,731	100%	\$ 430,049	100%
TIF Fund Balance (Deficit) - December 31, 2015	\$ 195,621		\$ 848,978		\$ (575,773)		\$ (11,731)		\$ 4,354,816	
<u>Calculation of Net Cost Recoverable through TIF Increments</u>										
Long term debt outstanding	2,048,963		485,000		-		-		4,775,000	
Less/Add: TIF Fund Balance (Deficit) - December 31, 2015	(195,621)		(848,978)		575,773		11,731		(4,354,816)	
Net cost recoverable (recovered) through TIF increments - December 31, 2015	\$ 1,853,342		\$ (363,978)		\$ 575,773		\$ 11,731		\$ 420,184	
Creation date:	January 1, 1993		January 1, 1999		January 1, 2010		January 1, 2015		January 1, 2015	
Last date to incur project costs:	November 24, 2014		March 23, 2021		March 12, 2032		September 29, 2030		November 11, 2029	
Last year to collect increment:	2020		2026		2037		2036		2035	