

**CITY OF STOUGHTON**  
**REPORT TO THE CITY COUNCIL**  
**May 26, 2015**

Presented By:

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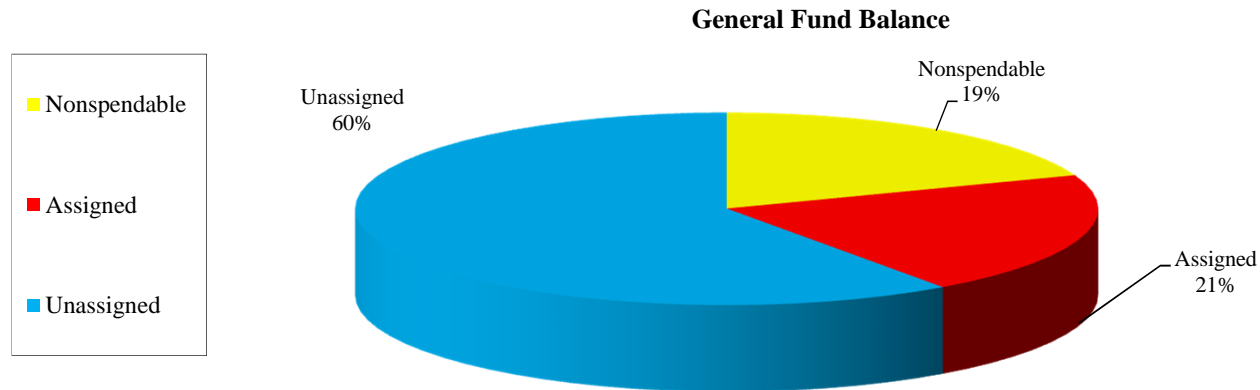
Heather S. Acker, CPA, Partner

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

## CITY OF STOUGHTON 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>	\$947,919
<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>	1,017,182
<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>2,930,387</u>
<b>Total General Fund Balance</b>	<b><u>\$ 4,895,488</u></b>



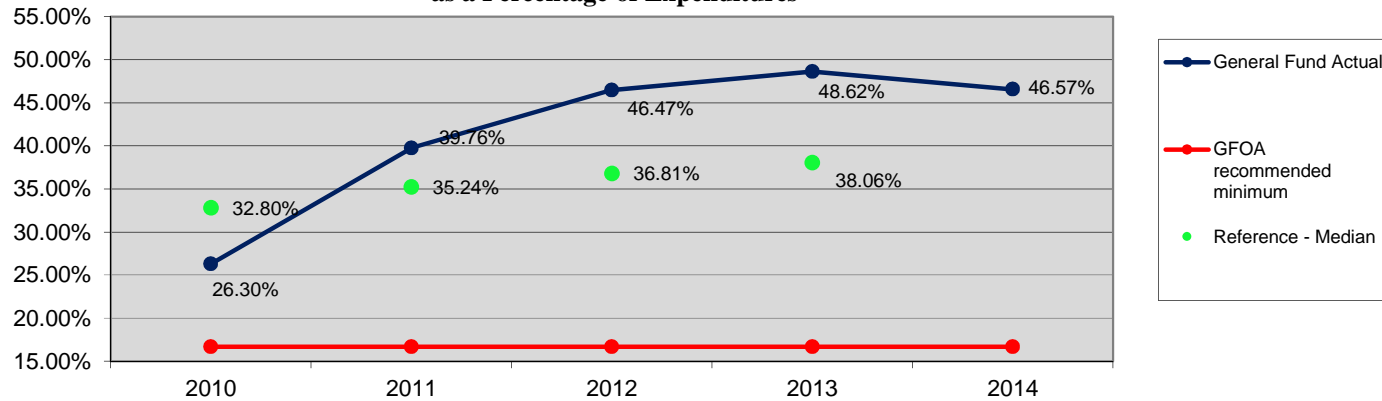
# CITY OF STOUGHTON

## 2014 FINANCIAL STATEMENT HIGHLIGHTS

### ANALYSIS OF GENERAL FUND BALANCE

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Unreserved Fund Balance</b>	\$ 1,980,637	\$ -	\$ -	\$ -	\$ -
<b>Unrestricted Fund Balance</b>	-	3,165,204	3,638,916	3,875,337	3,947,569
<b>Expenditures</b>	7,531,141	7,960,296	7,831,299	7,969,898	8,477,043
<b>% of expenditures</b>	26.30%	39.76%	46.47%	48.62%	46.57%

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



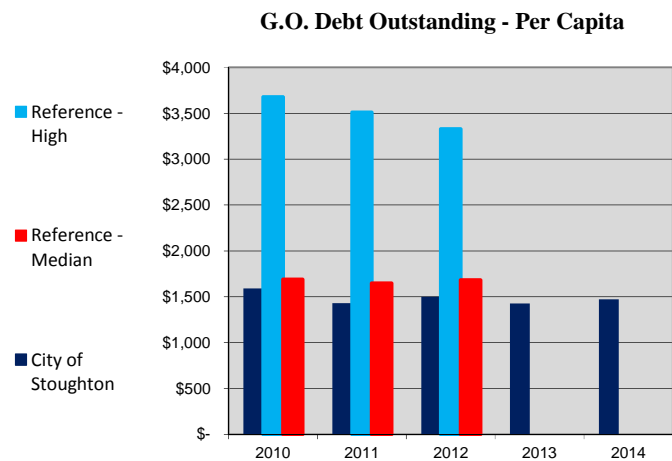
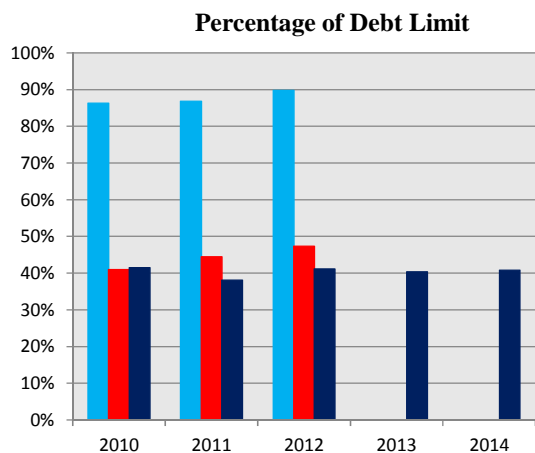
GFOA recommended range for % of expenditures: no less than 2 months of regular GF operating expenditures

Reference values for the population range: 10,000 to 17,500 generated from 2010-2013 Baker Tilly municipal client data for Wisconsin.

## CITY OF STOUGHTON 2014 FINANCIAL STATEMENT HIGHLIGHTS

### GENERAL OBLIGATION DEBT OUSTANDING

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Total General Obligation (G.O) Debt (net)</b>					
City	\$ 19,485,000	\$ 17,525,000	\$ 18,162,500	\$ 16,704,563	\$ 17,285,084
Utilities	1,015,000	965,000	900,000	1,436,547	1,560,601
Less: Funds available for debt	(103,206)	(120,617)	(150,754)	(100,064)	(216,537)
<b>TOTAL</b>	<u>\$ 20,396,794</u>	<u>\$ 18,369,383</u>	<u>\$ 18,911,746</u>	<u>\$ 18,041,046</u>	<u>\$ 18,629,148</u>
<b>Population</b>	12,820	12,840	12,611	12,646	12,646
<b>G.O. Debt Capacity</b>	\$ 49,130,975	\$ 48,174,030	\$ 45,913,530	\$ 44,706,275	\$ 45,654,025
G.O. debt per capita	\$ 1,591	\$ 1,431	\$ 1,500	\$ 1,427	\$ 1,473
% of debt limit	42%	38%	41%	40%	41%



2010-2012 Reference values for the population range: 10,000 to 17,500 taken from *MunicipalFacts14* publication by the Wisconsin Taxpayers Alliance, 2014.

**CITY OF STOUGHTON**  
**2014 FINANCIAL STATEMENT HIGHLIGHTS**

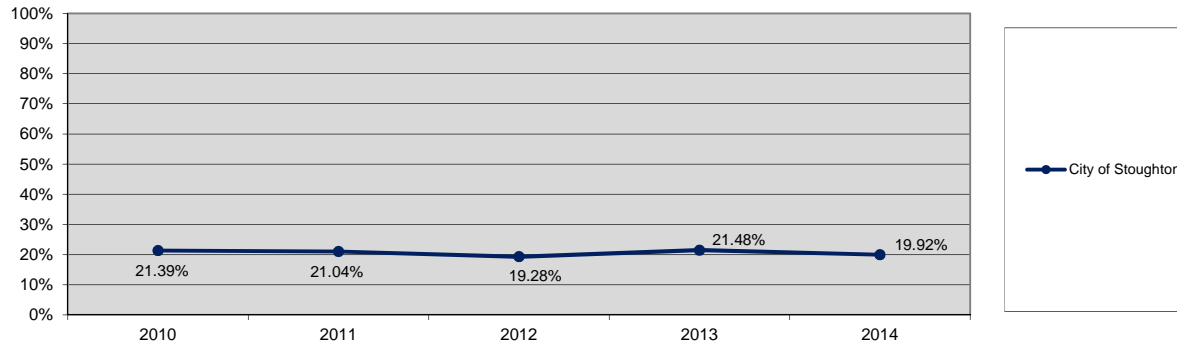
**ANALYSIS OF DEBT SERVICE - GOVERNMENTAL FUNDS**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b><u>Total Debt Service</u></b>					
Principal*	\$ 1,830,000	\$ 1,960,000	\$ 1,985,000	\$ 2,196,937	\$ 2,174,479
Interest	685,013	592,525	544,763	493,184	449,980
<b>TOTAL</b>	<b>\$ 2,515,013</b>	<b>\$ 2,552,525</b>	<b>\$ 2,529,763</b>	<b>\$ 2,690,121</b>	<b>\$ 2,624,459</b>
<b><u>Total Non-Capital Expenditures</u></b>					
Total governmental funds expenditures*	\$ 14,551,647	\$ 14,658,832	\$ 15,675,733	\$ 15,207,325	\$ 16,828,266
Less: capital outlay	(2,793,339)	(2,527,432)	(2,552,034)	(2,685,674)	(3,654,793)
<b>TOTAL NON-CAPITAL EXPENDITURES</b>	<b>\$ 11,758,308</b>	<b>\$ 12,131,400</b>	<b>\$ 13,123,699</b>	<b>\$ 12,521,651</b>	<b>\$ 13,173,473</b>

\* excludes refunded principal

% of debt service to non-capital expenditures	21.39%	21.04%	19.28%	21.48%	19.92%
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**Debt Service to Non-Capital Expenditures**



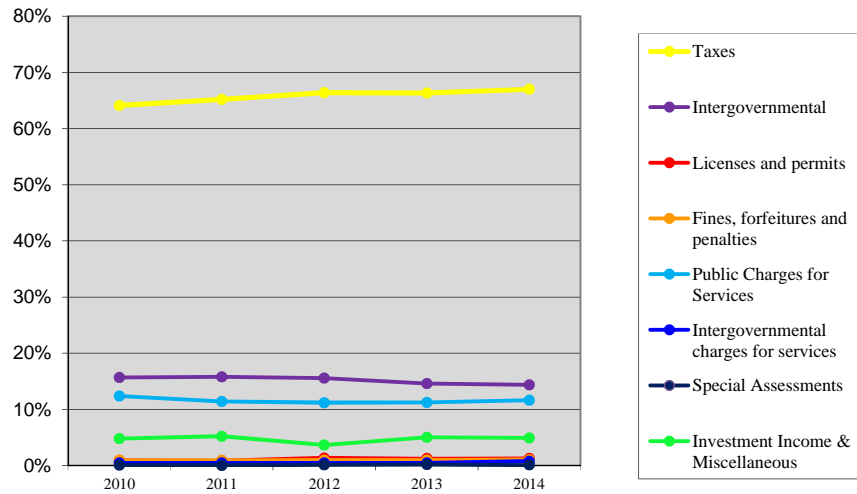
Bond rating agencies recommended %                      20.00%

## CITY OF STOUGHTON 2014 FINANCIAL STATEMENT HIGHLIGHTS

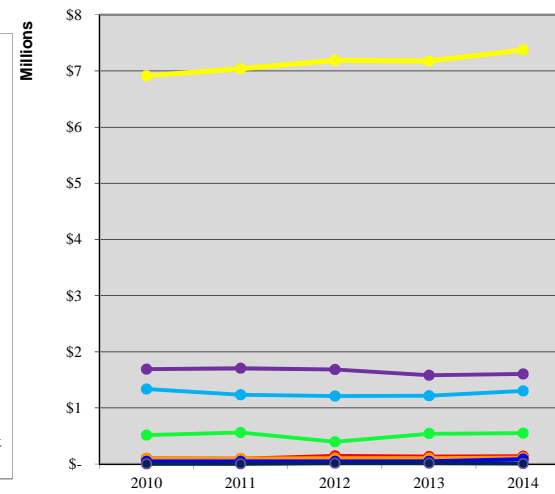
### GENERAL & DEBT SERVICE FUND REVENUES

	<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>
<b>Total Revenues</b>										
Taxes	\$ 6,913,451	64%	\$ 7,041,880	65%	\$ 7,190,100	66%	\$ 7,179,236	66%	\$ 7,374,779	67%
Intergovernmental	1,691,669	16%	1,704,190	16%	1,684,260	16%	1,583,146	15%	1,606,752	14%
Licenses and permits	101,117	1%	91,627	1%	145,374	1%	134,056	1%	141,759	1%
Fines, forfeitures and penalties	102,243	1%	99,878	1%	107,159	1%	107,798	1%	118,039	1%
Public charges for services	1,334,468	12%	1,232,287	11%	1,212,026	11%	1,215,710	11%	1,302,212	12%
Intergovernmental charges for services	48,783	0%	48,783	0%	48,783	0%	48,783	0%	86,031	1%
Special assessments	5,589	0%	3,517	0%	14,549	0%	17,148	0%	11,711	0%
Investment income & miscellaneous	515,373	5%	563,026	5%	396,349	4%	542,027	5%	551,150	5%
<b>TOTAL</b>	<b>\$ 10,712,693</b>	<b>99%</b>	<b>\$ 10,785,188</b>	<b>100%</b>	<b>\$ 10,798,600</b>	<b>100%</b>	<b>\$ 10,827,904</b>	<b>100%</b>	<b>\$ 11,192,433</b>	<b>100%</b>

**% of Total Revenue**



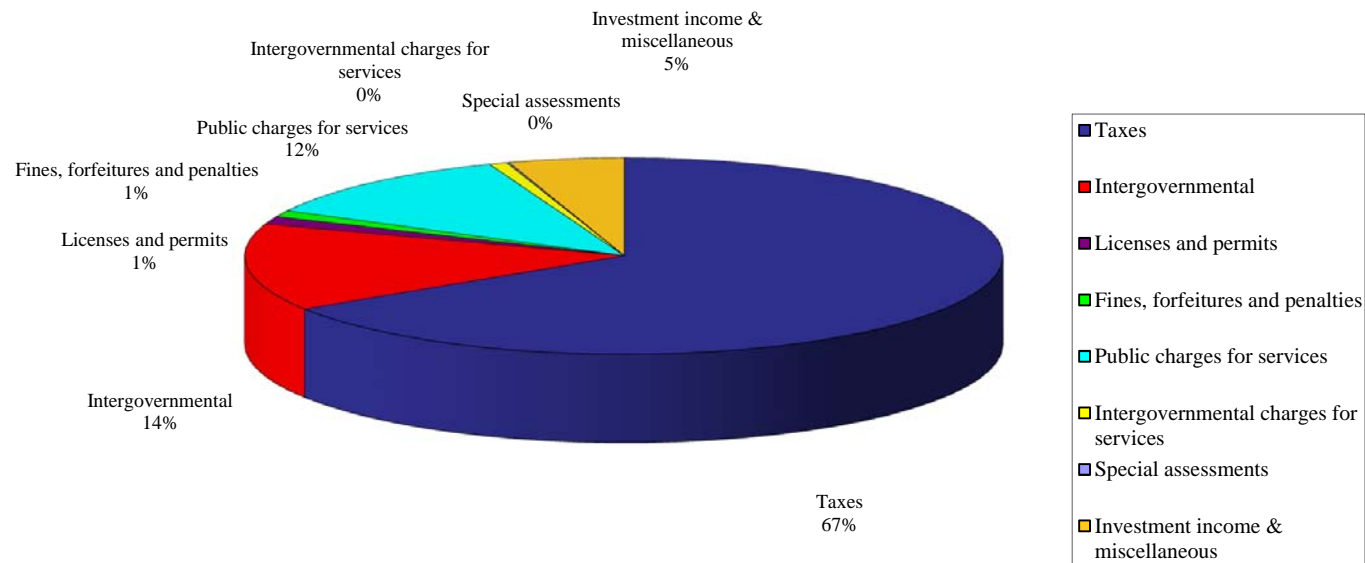
**Total Revenue**



**CITY OF STOUGHTON  
2014 FINANCIAL STATEMENT HIGHLIGHTS**

**2014 GENERAL & DEBT SERVICE FUND REVENUES**

**Total Revenues: \$11,192,433**

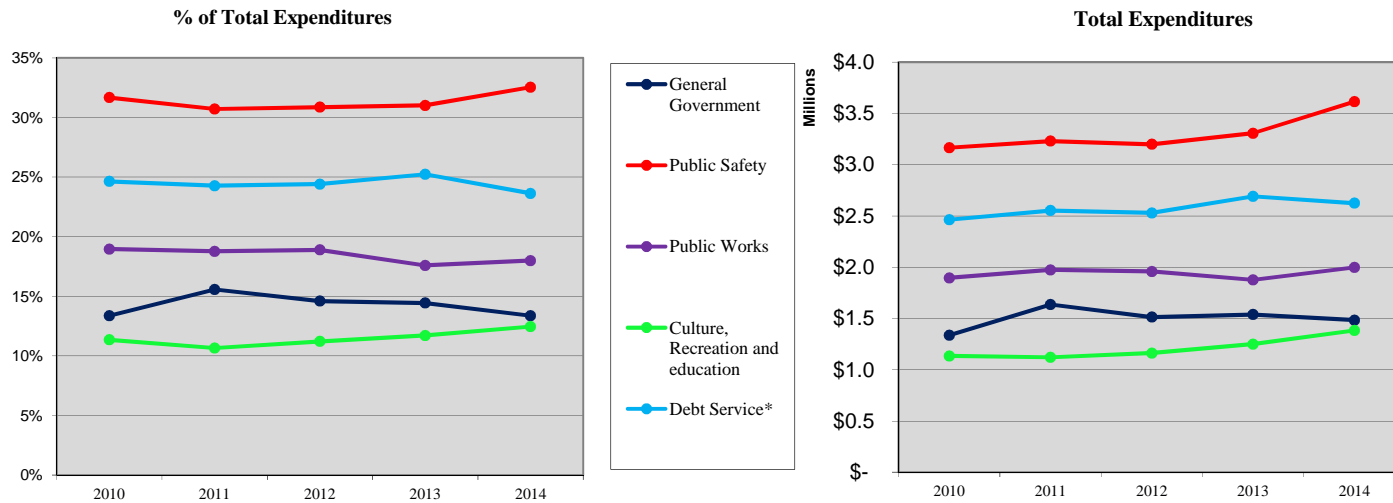


## CITY OF STOUGHTON 2014 FINANCIAL STATEMENT HIGHLIGHTS

### 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>
<b>Total Expenditures</b>										
General Government	\$ 1,335,841	13%	\$ 1,636,596	16%	\$ 1,513,012	15%	\$ 1,539,173	14%	\$ 1,483,909	13%
Public Safety	3,165,541	32%	3,229,765	31%	3,198,001	31%	3,305,741	31%	3,613,383	33%
Public Works	1,895,576	19%	1,973,585	19%	1,957,773	19%	1,875,905	18%	1,997,518	18%
Culture, recreation and education	1,134,183	11%	1,120,350	11%	1,162,513	11%	1,249,079	12%	1,382,233	12%
Debt Service*	<u>2,462,332</u>	25%	<u>2,552,525</u>	24%	<u>2,529,763</u>	24%	<u>2,690,121</u>	25%	<u>2,624,459</u>	24%
<b>TOTAL</b>	<b>\$ 9,993,473</b>	<b>100%</b>	<b>\$ 10,512,821</b>	<b>100%</b>	<b>\$ 10,361,062</b>	<b>100%</b>	<b>\$ 10,660,019</b>	<b>100%</b>	<b>\$ 11,101,502</b>	<b>100%</b>

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



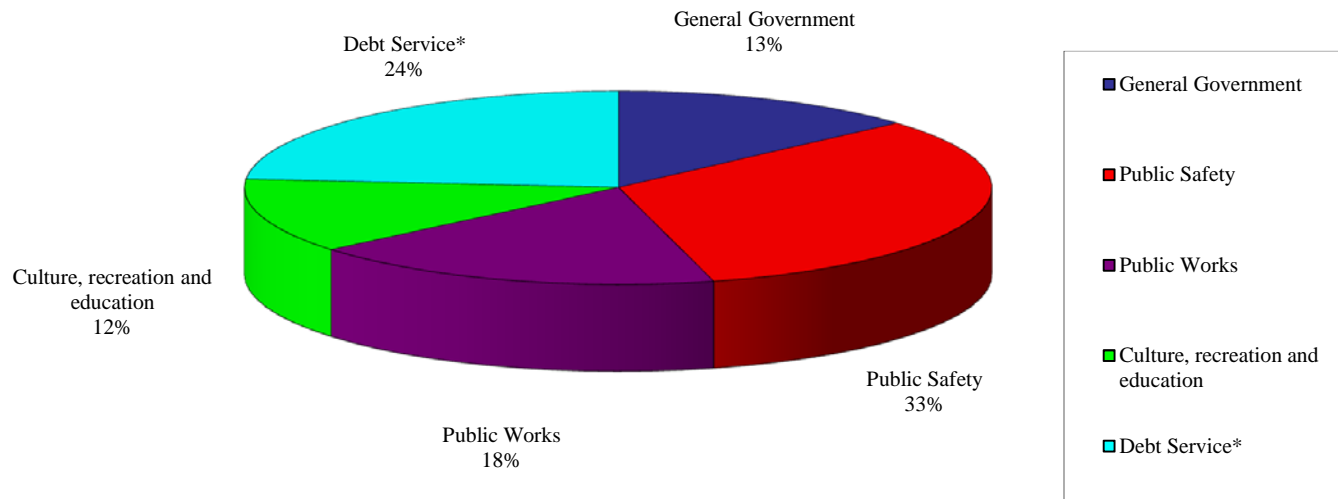


**CITY OF STOUGHTON  
2014 FINANCIAL STATEMENT HIGHLIGHTS**

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**2014 GENERAL & DEBT SERVICE FUND EXPENDITURES**

**Total Expenditures: \$11,101,502**

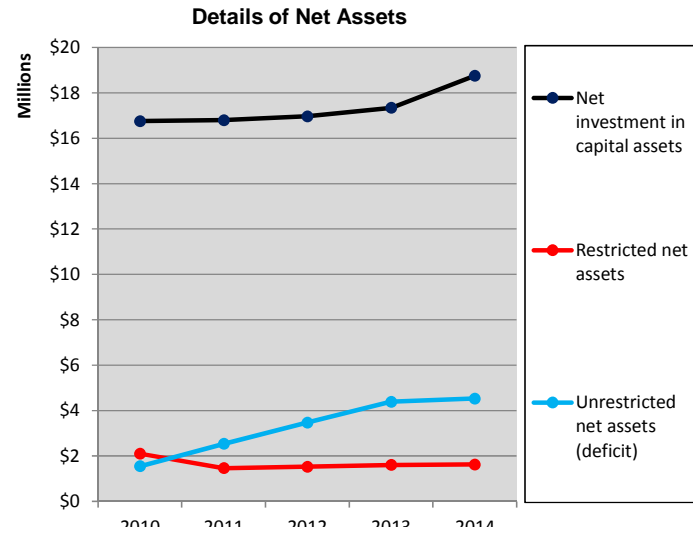
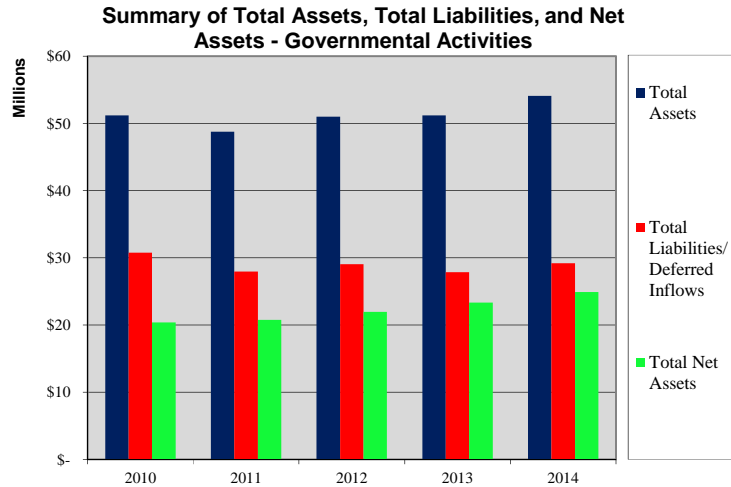


\*Excludes debt refunding of \$3,360,000 in 2010 and \$1,000,000 in 2012.

## CITY OF STOUGHTON 2014 FINANCIAL STATEMENT HIGHLIGHTS

### ANALYSIS OF NET ASSETS - GOVERNMENTAL ACTIVITIES

	<u>2010</u>	%	<u>2011</u>	%	<u>2012</u>	%	<u>2013</u>	%	<u>2014</u>	%
<b>Total Assets</b>	\$ 51,182,242		\$ 48,770,812		\$ 51,019,843		\$ 51,176,991		\$ 54,087,531	
<b>Total Liabilities/Deferred Inflows</b>	30,780,437		27,981,229		29,056,966		27,843,075		29,182,985	
Net investment in capital assets	16,752,659	82%	16,796,049	81%	16,961,378	77%	17,339,852	74%	18,744,830	75%
Restricted net assets	2,102,686	11%	1,461,342	7%	1,527,101	7%	1,605,607	7%	1,626,071	7%
Unrestricted net assets (deficit)	<u>1,546,460</u>	8%	<u>2,532,192</u>	12%	<u>3,474,398</u>	16%	<u>4,388,457</u>	19%	<u>4,533,645</u>	18%
<b>Total Net Assets</b>	<u>\$ 20,401,805</u>	100%	<u>\$ 20,789,583</u>	100%	<u>\$ 21,962,877</u>	100%	<u>\$ 23,333,916</u>	100%	<u>\$ 24,904,546</u>	100%
<b>Net Assets as a % of Total Assets</b>	40%		43%		43%		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**  
**2014 FINANCIAL STATEMENT HIGHLIGHTS**

**HISTORICAL SUMMARY OF TAX INCREMENTAL FINANCING DISTRICTS**  
**FROM DATE OF CREATION THROUGH DECEMBER 31, 2014**

	<u>TIF District No. 3</u>	%	<u>TIF District No. 4</u>	%	<u>TIF District No. 5</u>	%
<b><u>Sources of funds</u></b>						
TIF increment	\$ 3,298,015	27%	\$ 1,665,608	26%	\$ 30,147	6%
Intergovernmental	9,634	0%	130,175	2%	203,768	40%
Public charges for services	12,942	0%	-	0%	-	0%
Contribution from other district	742,340	6%	1,405,024	22%	-	0%
Transfers from other funds	181,304	2%	-	0%	100,000	20%
Investment income	54,474	0%	106,625	2%	16	0%
Land sales	370,024	3%	-	0%	116,616	23%
Miscellaneous revenues	1,109,335	9%	48,691	1%	54,392	11%
Long-term debt issued	6,257,496	51%	3,160,750	49%	-	0%
<b>TOTAL</b>	<b>\$ 12,035,564</b>	<b>100%</b>	<b>\$ 6,516,873</b>	<b>100%</b>	<b>\$ 504,939</b>	<b>100%</b>
<b><u>Uses of Funds</u></b>						
Capital expenditures	\$ 4,769,536	41%	\$ 2,309,568	40%	\$ 956,986	91%
Administration	116,414	1%	73,551	1%	2,675	0%
Contribution to other district	1,918,405	16%	-	0%	-	0%
Debt issuance costs	20,162	0%	26,075	0%	-	0%
Interest on long-term debt	1,221,421	10%	750,614	14%	96,965	9%
Principal on long-term debt	3,825,789	32%	2,600,751	46%	-	0%
<b>TOTAL</b>	<b>\$ 11,871,727</b>	<b>100%</b>	<b>\$ 5,760,559</b>	<b>100%</b>	<b>\$ 1,056,626</b>	<b>100%</b>
<b>TIF Fund Balance (Deficit) - December 31, 2014</b>	<b>\$ 163,837</b>		<b>\$ 756,314</b>		<b>\$ (551,687)</b>	
<b><u>Calculation of Net Cost Recoverable through TIF Increments</u></b>						
General obligation debt outstanding	2,431,707		559,999		-	
Less/Add: TIF Fund Balance (Deficit) - December 31, 2014	(163,837)		(756,314)		551,687	
<b>Net cost recoverable (recovered) through TIF increments - December 31, 2014</b>	<b>\$ 2,267,870</b>		<b>\$ (196,315)</b>		<b>\$ 551,687</b>	
<b>Creation date:</b>	November 24, 1992		March 23, 1999		March 12, 2010	
<b>Last date to incur project costs:</b>	November 24, 2014		March 23, 2021		March 12, 2032	
<b>Last year to collect increment:</b>	2020		2026		2037	