

**CITY OF COLUMBUS**  
**REPORT TO THE CITY COUNCIL**  
**July 21, 2015**

Presented By:

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

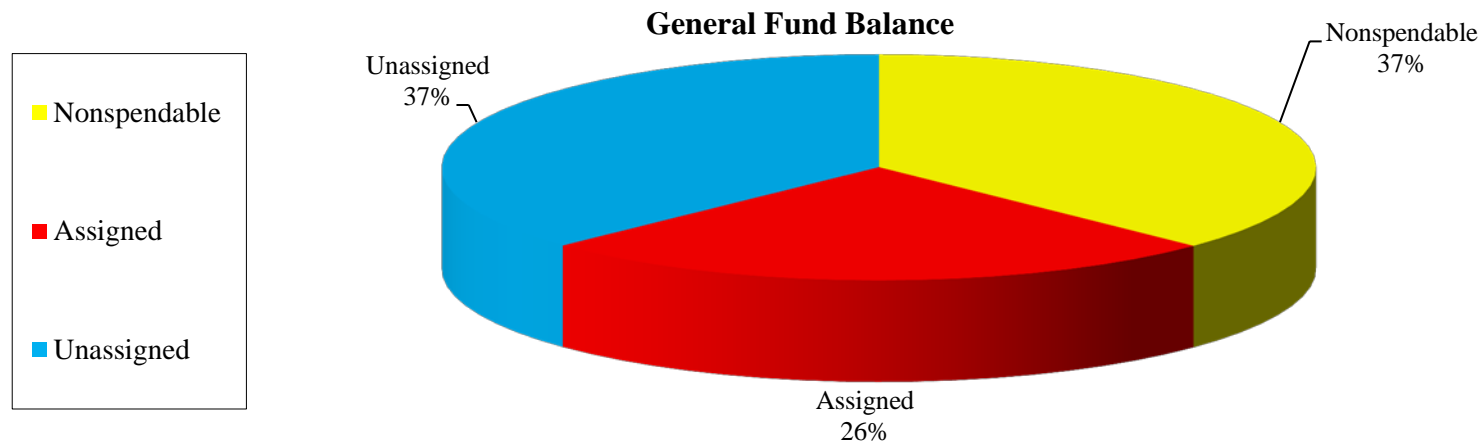
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# CITY OF COLUMBUS

## 2014 FINANCIAL STATEMENT HIGHLIGHTS

### DETAILS OF GENERAL FUND BALANCE

|                                   |  |                     |
|-----------------------------------|--|---------------------|
| <u>Nonspendable</u>               |  | <u>2014</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> | \$859,367           |
| <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>   | 590,488             |
| <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>  | 857,684             |
| <b>Total General Fund Balance</b> |  | <u>\$ 2,307,539</u> |



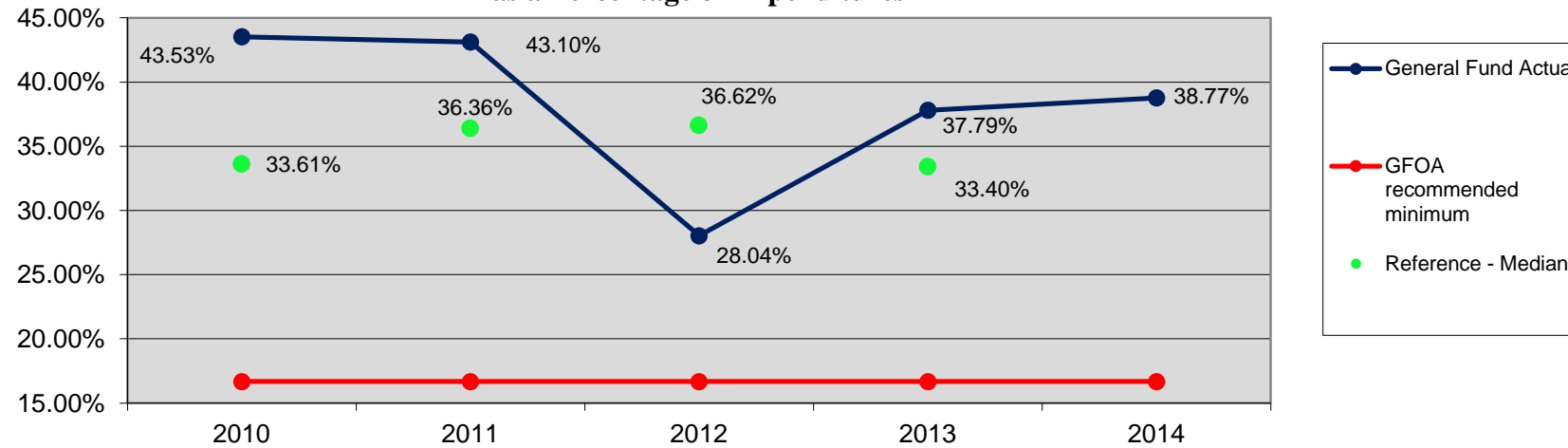
# CITY OF COLUMBUS

## 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>                    | \$ 1,144,713 |              |              |              |              |
| <b>Add: PILOT reserve for comparison purposes</b> | 393,263      |              |              |              |              |
| <b>Adjusted Unreserved Fund Balance</b>           | 1,537,976    |              |              |              |              |
| <b>Unrestricted Fund Balance</b>                  | \$ 1,537,976 | \$ 1,583,123 | \$ 1,041,109 | \$ 1,476,451 | \$ 1,448,172 |
| <b>Expenditures</b>                               | 3,533,075    | 3,672,759    | 3,713,582    | 3,906,795    | 3,735,726    |
| <br>  |              |              |              |              |              |
| % of expenditures (prior to GASB 54)              | 32.40%       |              |              |              |              |
| % of expenditures (after GASB 54)                 | 43.53%       | 43.10%       | 28.04%       | 37.79%       | 38.77%       |

**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  
 2013 Median - Reference: 33.40%

Reference values for the population range: 2,000 to 10,000 generated from 2010-2013 Baker Tilly municipal client data for Wisconsin.

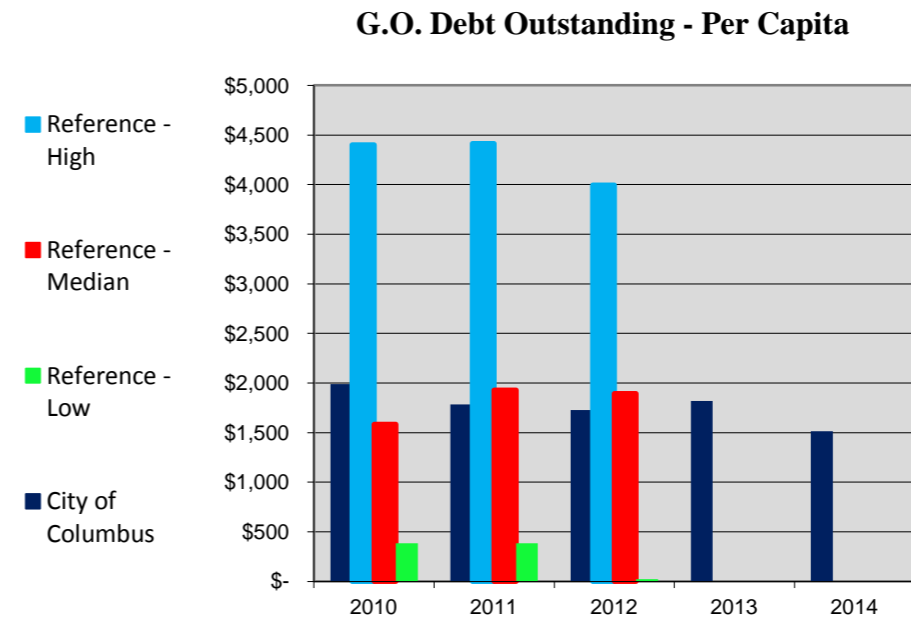
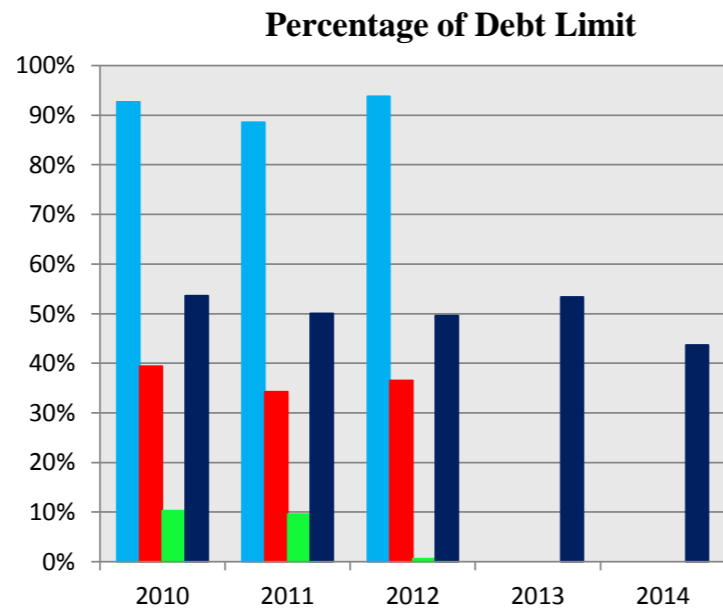
**What it means...** Assuming no revenues, the general fund has enough reserves on hand that can be used to fund operations for about 4.5 months. Currently, general fund balance reserves exceed the minimum recommended by the GFOA of 17% or 2 months. In 2012, the general fund provided financing for the Gateway Industrial Park project until long-term financing was secured, which resulted in a decrease in reserves available for current expenditures.

# CITY OF COLUMBUS

## 2014 FINANCIAL STATEMENT HIGHLIGHTS

### GENERAL OBLIGATION DEBT OUSTANDING

|   | <u>2010</u>                | <u>2011</u>                | <u>2012</u>                | <u>2013</u>                | <u>2014</u>                |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <b><u>Total General Obligation (G.O) Debt (net)</u></b> |                            |                            |                            |                            |                            |
| City  | \$ 8,894,540               | \$ 8,163,961               | \$ 7,824,691               | \$ 8,781,242               | \$ 7,820,926               |
| Utility   | <u>2,000,000</u>           | <u>1,945,000</u>           | <u>1,810,000</u>           | <u>1,675,000</u>           | <u>1,535,000</u>           |
| Subtotal  | 10,894,540                 | 10,108,961                 | 9,634,691                  | 10,456,242                 | 9,355,926                  |
| Less: Funds available for debt                          | <u>(1,053,925)</u>         | <u>(1,121,905)</u>         | <u>(967,468)</u>           | <u>(1,328,207)</u>         | <u>(1,756,758)</u>         |
| <b>TOTAL</b>  | <b><u>\$ 9,840,615</u></b> | <b><u>\$ 8,987,056</u></b> | <b><u>\$ 8,667,223</u></b> | <b><u>\$ 9,128,035</u></b> | <b><u>\$ 7,599,168</u></b> |
| <b>Population</b>                                       | 4,950                      | 5,036                      | 5,013                      | 5,019                      | 5,021                      |
| <b>G.O. Debt Capacity</b>                               | \$ 18,344,115              | \$ 17,965,865              | \$ 17,468,920              | \$ 17,120,420              | \$ 17,408,675              |
| G.O. debt per capita                                    | \$ 1,988                   | \$ 1,785                   | \$ 1,729                   | \$ 1,819                   | \$ 1,513                   |
| % of debt limit   | 54%                        | 50%                        | 50%                        | 53%                        | 44%                        |



2010-2012 Reference values for the population range: 5,000 to 7,500 taken from *MunicipalFacts14* publication by the Wisconsin Taxpayers Alliance, 2014.

**What it means...** The city's outstanding general obligation debt is at 44% of its statutory limit. Depending on the growth of a community, the tolerance for this percentage can vary. Growing communities may often fall between 60-70% of the limit and stable communities may want to stay with 50-60% of the limit.

## CITY OF COLUMBUS 2014 FINANCIAL STATEMENT HIGHLIGHTS

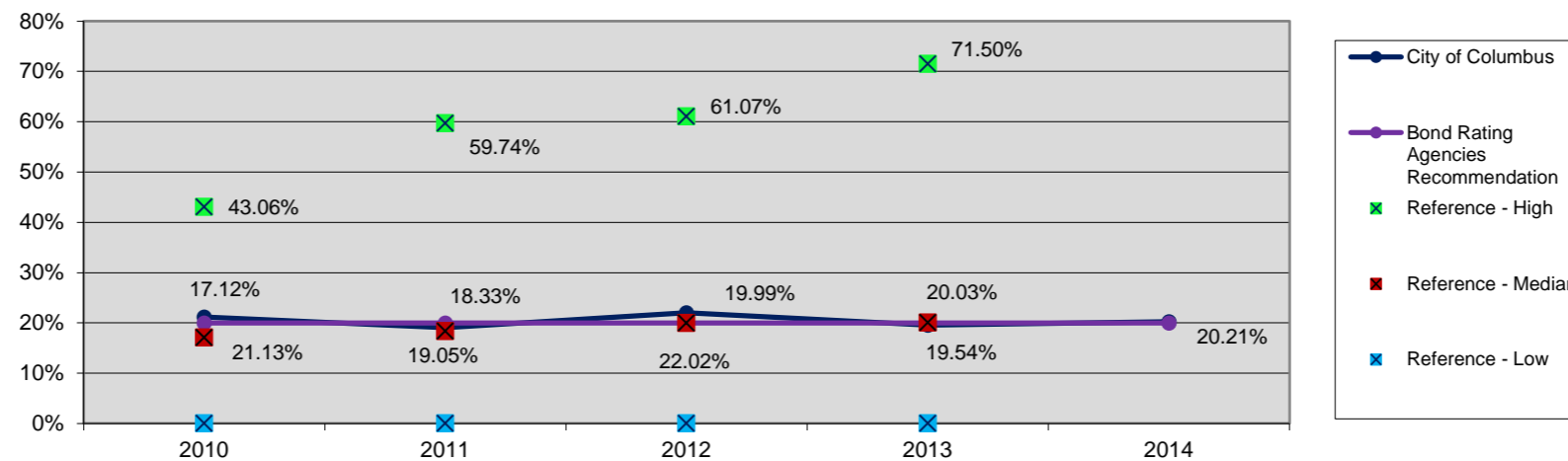
### ANALYSIS OF DEBT SERVICE - GOVERNMENTAL FUNDS

|  | <u>2010</u>                | <u>2011</u>                | <u>2012</u>                | <u>2013</u>                | <u>2014</u>                |
|--|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <b><u>Total Debt Service</u></b>             |                            |                            |                            |                            |                            |
| Principal*                                   | \$ 799,965                 | \$ 730,579                 | \$ 982,335                 | \$ 928,449                 | \$ 978,403                 |
| Interest                                     | <u>417,244</u>             | <u>363,884</u>             | <u>375,474</u>             | <u>330,930</u>             | <u>262,115</u>             |
| <b>TOTAL</b>                                 | <b><u>\$ 1,217,209</u></b> | <b><u>\$ 1,094,463</u></b> | <b><u>\$ 1,357,809</u></b> | <b><u>\$ 1,259,379</u></b> | <b><u>\$ 1,240,518</u></b> |
| <b><u>Total Non-Capital Expenditures</u></b> |                            |                            |                            |                            |                            |
| Total governmental funds expenditures*       | \$ 7,296,331               | \$ 6,538,807               | \$ 7,583,228               | \$ 7,910,557               | \$ 6,390,349               |
| Less: capital outlay                         | <u>(1,535,777)</u>         | <u>(793,791)</u>           | <u>(1,416,511)</u>         | <u>(1,466,319)</u>         | <u>(253,455)</u>           |
| <b>TOTAL NON-CAPITAL EXPENDITURES</b>        | <b><u>\$ 5,760,554</u></b> | <b><u>\$ 5,745,016</u></b> | <b><u>\$ 6,166,717</u></b> | <b><u>\$ 6,444,238</u></b> | <b><u>\$ 6,136,894</u></b> |

\* excludes refunded principal

|   |        |        |        |        |        |
|---|--------|--------|--------|--------|--------|
| % of debt service to non-capital expenditures | 21.13% | 19.05% | 22.02% | 19.54% | 20.21% |
|---|--------|--------|--------|--------|--------|

### Debt Service to Non-Capital Expenditures



Reference values for the population range: 2,000 to 10,000 generated from 2010-2013 Baker Tilly municipal client data for Wisconsin.

**What it means...**The city's annual debt payments are about 20% of the city's total non-capital expenditures. This is right in line with the bond agency's recommendations of 20%. Again, growing communities with significant TIF debt have a higher tolerance for exceeding the recommended percentage as the tax levy is not supporting those debt payments whereas stable communities should monitor to ensure that debt payments do not make up a large percentage of its annual expenditures.

# CITY OF COLUMBUS

## 2014 FINANCIAL STATEMENT HIGHLIGHTS

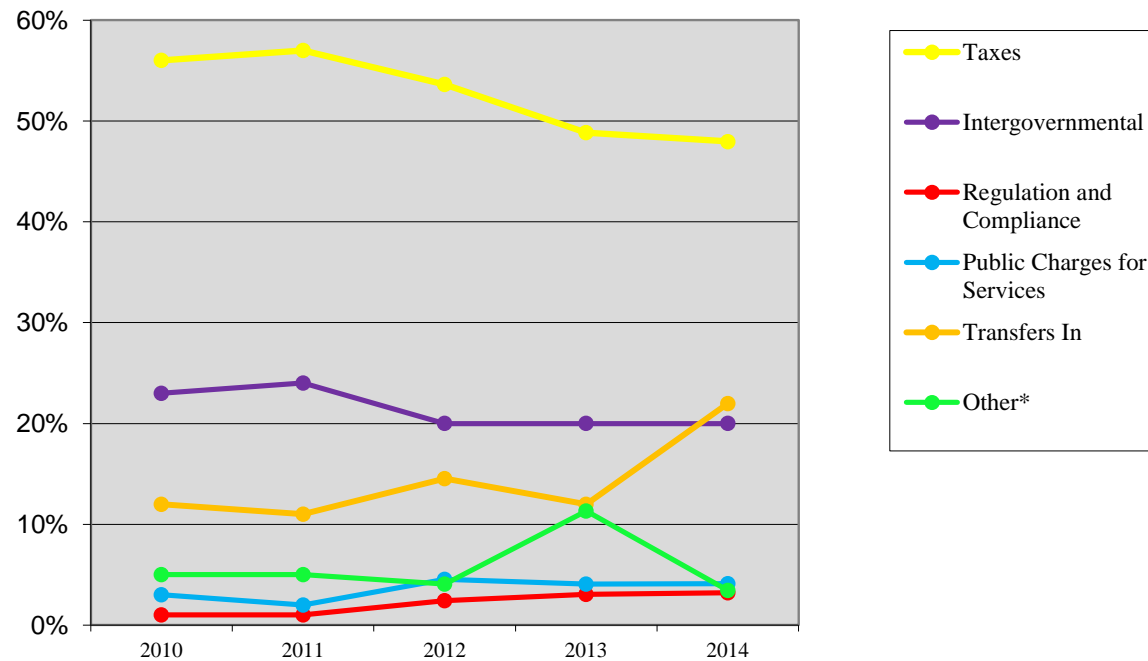
### GENERAL & DEBT SERVICE FUNDS REVENUES

|                              | <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><u>Total Revenues</u></b> |                     |             |                     |             |                     |             |                     |             |                     |             |
| Taxes                        | \$ 2,793,001        | 56%         | \$ 2,773,450        | 57%         | \$ 2,686,167        | 54%         | \$ 2,616,929        | 49%         | \$ 2,555,956        | 48%         |
| Intergovernmental            | 1,158,825           | 23%         | 1,146,655           | 24%         | 1,041,825           | 20%         | 1,112,328           | 20%         | 1,028,713           | 20%         |
| Regulation and Compliance    | 60,774              | 1%          | 64,141              | 1%          | 122,001             | 2%          | 162,865             | 3%          | 171,052             | 3%          |
| Public Charges for Services  | 132,117             | 3%          | 186,354             | 2%          | 227,720             | 5%          | 217,339             | 4%          | 218,513             | 4%          |
| Transfers In**               | 617,688             | 12%         | 537,151             | 11%         | 728,343             | 15%         | 641,263             | 12%         | 1,171,521           | 22%         |
| Other*                       | 274,105             | 5%          | 173,146             | 5%          | 203,082             | 4%          | 606,414             | 11%         | 183,534             | 3%          |
| <b>TOTAL</b>                 | <b>\$ 5,036,510</b> | <b>100%</b> | <b>\$ 4,880,897</b> | <b>100%</b> | <b>\$ 5,009,138</b> | <b>100%</b> | <b>\$ 5,357,138</b> | <b>100%</b> | <b>\$ 5,329,289</b> | <b>100%</b> |

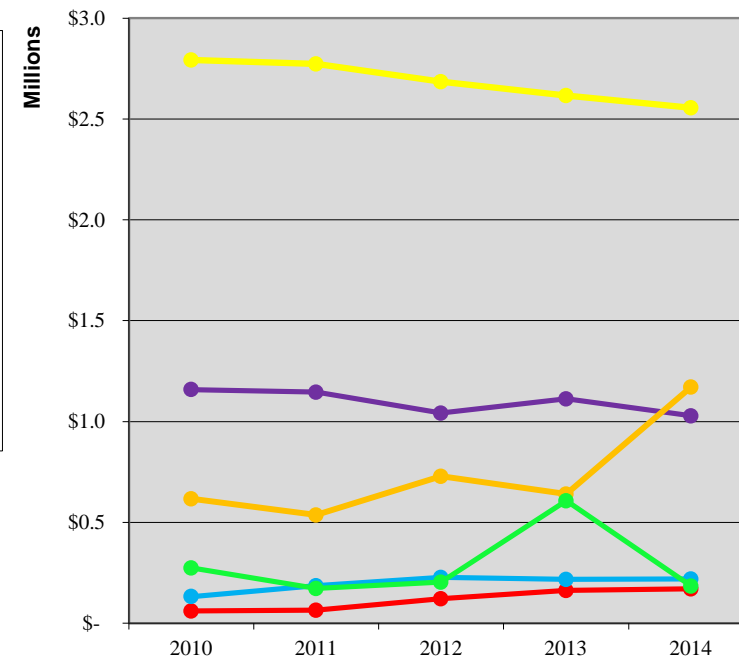
\* Other includes special assessments, interest income, property sales, proceeds of capital leases and miscellaneous

\*\* Excludes transfers related to refunding of debt

**% of Total Revenue**



**Total Revenue**

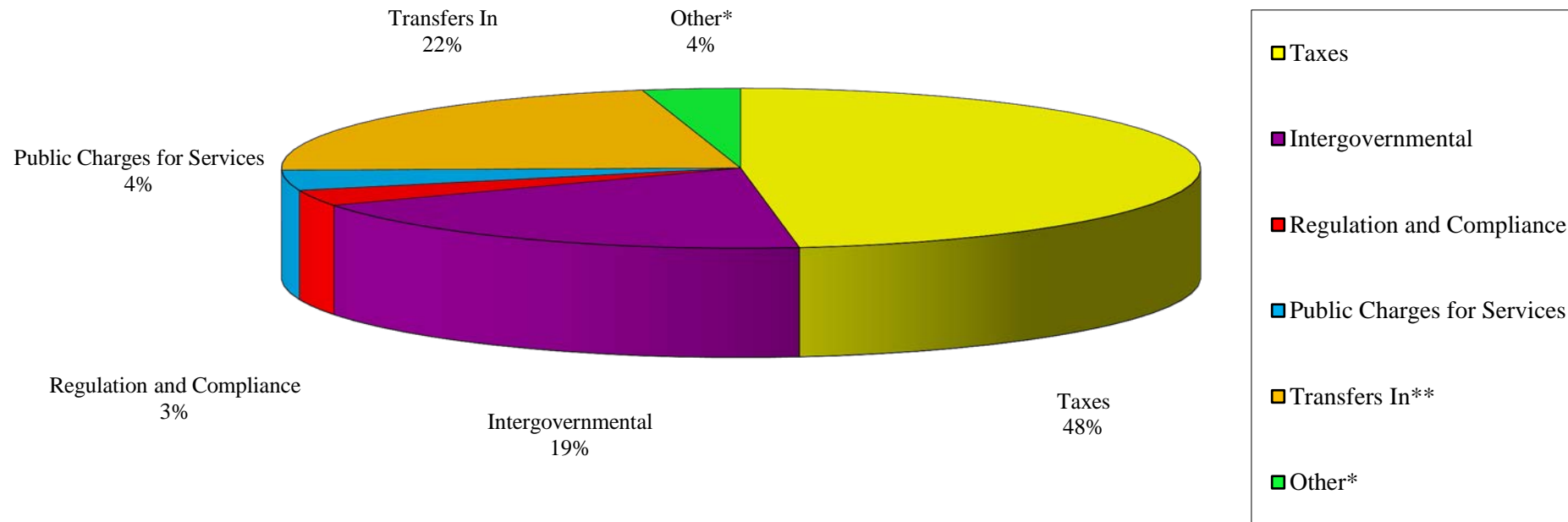


**CITY OF COLUMBUS**  
**2014 FINANCIAL STATEMENT HIGHLIGHTS**

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**2014 GENERAL & DEBT SERVICE FUNDS REVENUES**

**Total Revenues: \$5,329,289**



**What it means...** Generally, it is expected that revenue trends remain fairly stable over the years. In 2014, a large transfer was made to debt service in relation to unspent debt proceeds for the Gateway project. The majority of most communities' revenues are from a combination of the tax levy and intergovernmental revenues. These make up 2/3 of the City of Columbus' revenues.

\* Other includes Special Assessments, Interest Income, proceeds of capital leases and Miscellaneous

# CITY OF COLUMBUS

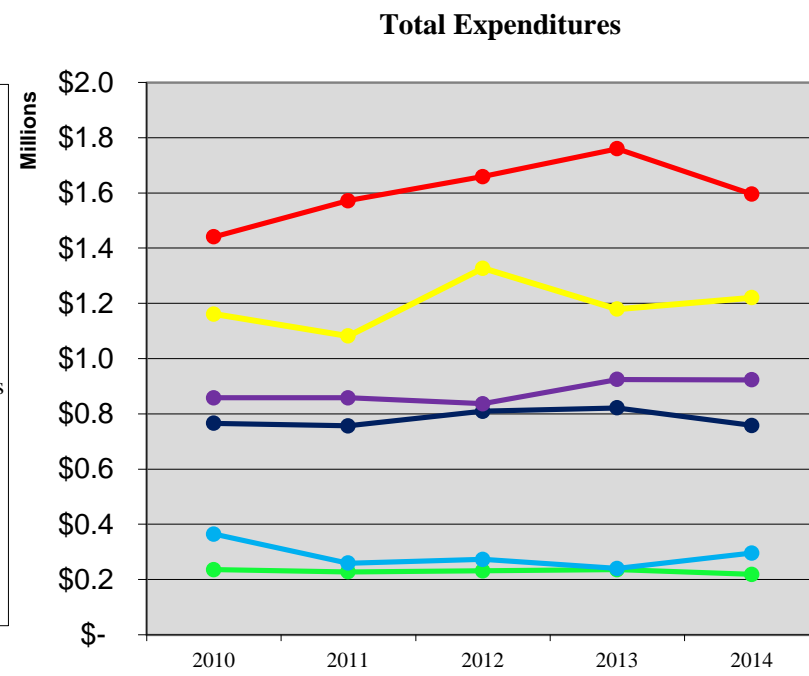
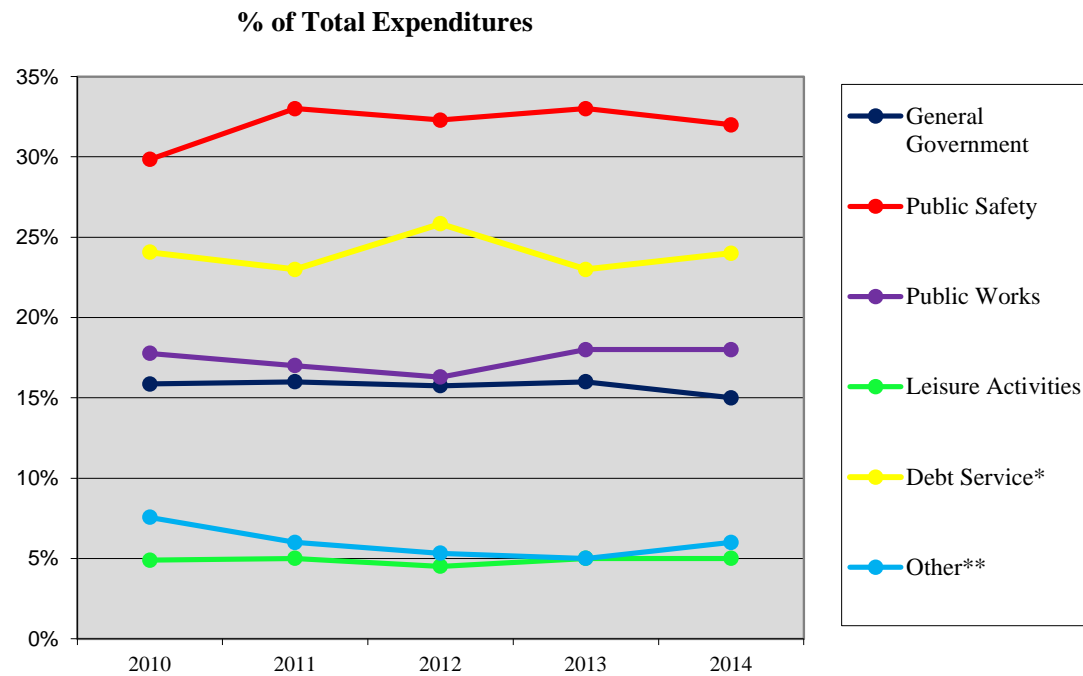
## 2014 FINANCIAL STATEMENT HIGHLIGHTS

### GENERAL & DEBT SERVICE FUNDS 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><u>Total Expenditures</u></b>   |                     |             |                     |             |                     |             |                     |             |                     |             |
| General Government                 | \$ 765,958          | 16%         | \$ 756,861          | 16%         | \$ 809,590          | 16%         | \$ 821,611          | 16%         | \$ 758,091          | 15%         |
| Public Safety                      | 1,440,881           | 30%         | 1,571,853           | 33%         | 1,659,254           | 32%         | 1,759,647           | 33%         | 1,595,486           | 32%         |
| Public Works                       | 857,899             | 18%         | 858,428             | 17%         | 837,025             | 16%         | 924,412             | 18%         | 923,381             | 18%         |
| Culture, recreation, and education | 235,957             | 5%          | 228,095             | 5%          | 231,821             | 5%          | 235,571             | 5%          | 218,938             | 5%          |
| Debt Service*                      | 1,161,620           | 24%         | 1,081,728           | 23%         | 1,327,407           | 26%         | 1,179,430           | 23%         | 1,220,859           | 24%         |
| Other**                            | 364,995             | 8%          | 259,327             | 6%          | 273,390             | 5%          | 240,349             | 5%          | 295,693             | 6%          |
| <b>TOTAL</b>                       | <b>\$ 4,827,310</b> | <b>100%</b> | <b>\$ 4,756,292</b> | <b>100%</b> | <b>\$ 5,138,487</b> | <b>100%</b> | <b>\$ 5,161,020</b> | <b>100%</b> | <b>\$ 5,012,448</b> | <b>100%</b> |

\* Excludes refunded principal

\*\* Other includes health and human services, conservation and development, capital outlay and transfers out



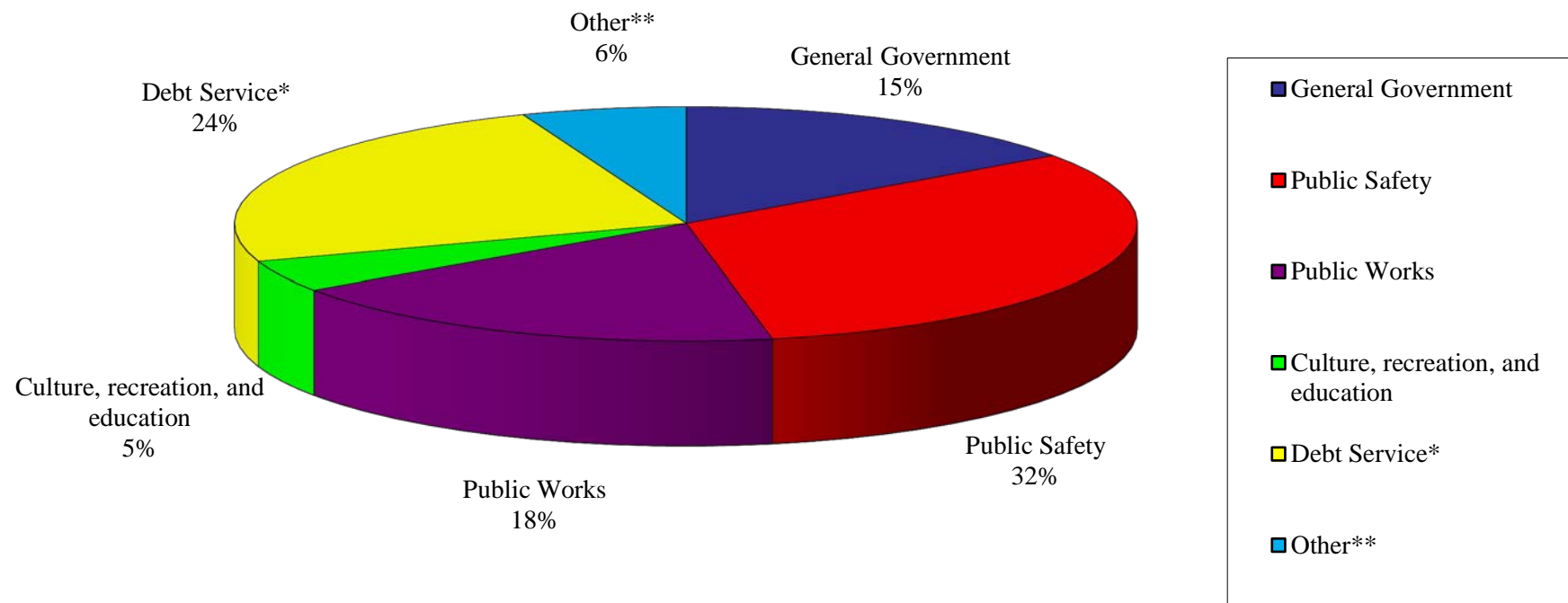


**CITY OF COLUMBUS**  
**2014 FINANCIAL STATEMENT HIGHLIGHTS**

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**2014 GENERAL & DEBT SERVICE FUNDS EXPENDITURES**

**Total Expenditures: \$5,012,448**



**What it means...**Generally, it is expected that expenditure trends remain fairly stable over the years. Expenditures by category vary from one community to the next, but general government, public safety, and public works are typically the most cost-intensive functions of local government.

\* Excludes refunded principal

\*\* Other includes Health and Human Services, Conservation and Development, Capital Outlay and Transfers Out

**CITY OF COLUMBUS**  
**2014 FINANCIAL STATEMENT HIGHLIGHTS**

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

|  | <b>TIF District No. 3</b> | <b>%</b>    |
|--|---------------------------|-------------|
| <b><u>Sources of funds</u></b>   |                           |             |
| Tax increments   | \$ 2,440,751              | 35%         |
| Other taxes  | 24,365                    | 0%          |
| Investment income  | 220,710                   | 3%          |
| Intergovernmental revenues   | 430,558                   | 6%          |
| Guaranteed payments  | 400,842                   | 6%          |
| Miscellaneous  | 126,152                   | 2%          |
| Proceeds of long-term debt   | 2,755,963                 | 39%         |
| Land sales   | 538,564                   | 8%          |
| <b>TOTAL</b>   | <b>\$ 6,937,905</b>       | <b>100%</b> |
| <b><u>Uses of Funds</u></b>  |                           |             |
| Capital expenditures   | 263,624                   | 4%          |
| Administration   | 801,666                   | 12%         |
| Increment refunds to developers  | 2,957,620                 | 43%         |
| Interest and fiscal charges  | 1,375,963                 | 20%         |
| Debt issuance costs  | 1,458,646                 | 21%         |
| Principal on long-term debt  | 5,067                     | 0%          |
| <b>TOTAL</b>   | <b>\$ 6,862,586</b>       | <b>100%</b> |
| <b>TIF Fund Balance - December 31, 2014</b>                              | <b>\$ 75,319</b>          |             |
| <b><u>Calculation of Net Cost Recoverable through TIF Increments</u></b> |                           |             |
| General obligation debt outstanding                                      | 1,380,000                 |             |
| Advances from general fund and sewer                                     | 879,420                   |             |
| Less: TIF Fund Balance - December 31, 2014                               | (75,319)                  |             |
| <b>Net cost recoverable through TIF increments - December 31, 2014</b>   | <b>\$ 2,184,101</b>       |             |
| <b>Creation date:</b>  | June 20, 1995             |             |
| <b>Last date to incur project costs:</b>                                 | June 20, 2017             |             |
| <b>Last year to collect increment:</b>                                   | 2023                      |             |
| <b>2014 tax increment:</b>   | \$ 385,389                |             |
| <b>2015 tax increment:</b>   | \$ 505,859                |             |

**What it means...**The TIF is expected to generate enough increment to pay for the costs incurred over its life, including repayment of debt and advances. Based on the 2015 increment generated and no additional project costs, the TIF is on track to pay its debt and advances in five years.