

City of West Bend

Financial highlights

July 6, 2020

Client service team



John W. Rader, CPA
Municipal Director



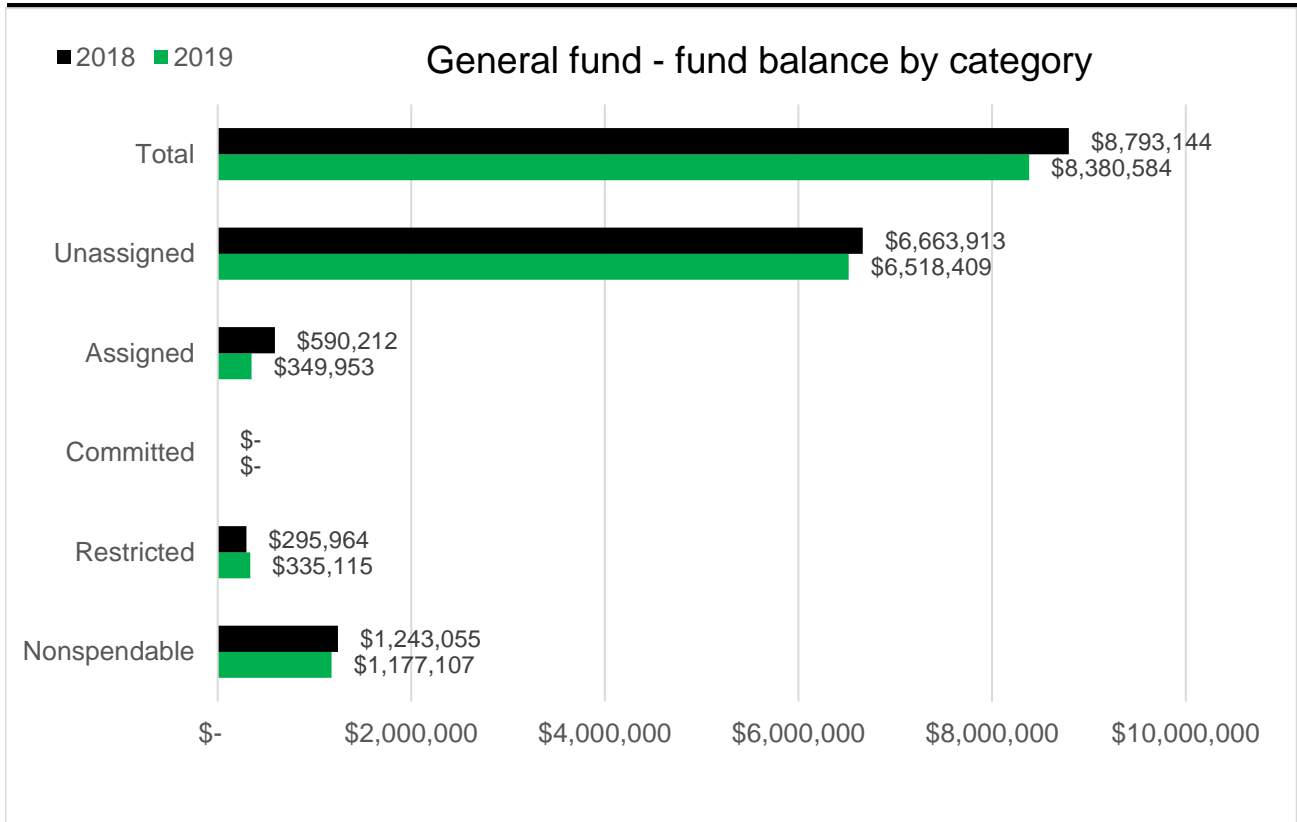
Andrea Jansen, CPA, CFE
Municipal Partner



Jodi Dobson, CPA
Utility Partner

City of West Bend

General fund results



Summarized income statement

	<u>Actual</u>	<u>Final budget</u>	<u>Variance</u>
Revenues and other financing sources	\$ 24,145,824	\$ 23,891,383	\$ 254,441
Expenditures and other financing uses	24,558,384	25,212,981	654,597
Net change in fund balance	<u>\$ (412,560)</u>	<u>\$ (1,321,598)</u>	<u>\$ 909,038</u>

Fund balance category definitions

Nonspendable - amounts cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained in tact.

Restricted - amounts that can be spent only for the specific purposes stipulated by an external source.

Committed - amounts constrained for specific purposes that are internally imposed through formal action of the governing body.

Assigned - spendable amounts that are intended to be used for specific purposes that are not considered restricted or committed.

Unassigned - residual amounts that have not been classified within other categories above.

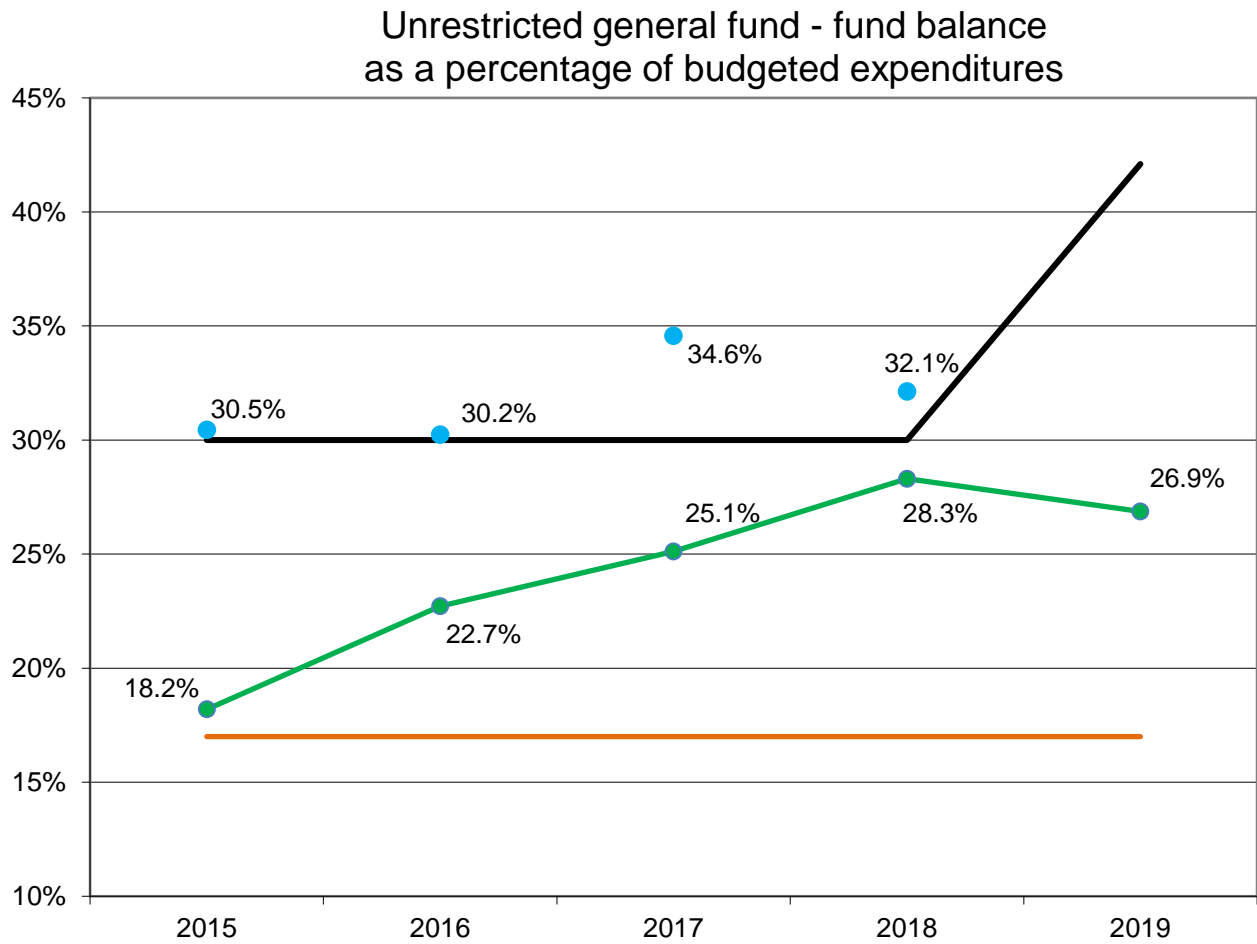
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General fund - fund balance trends

Fund balance policy*:

A minimum of 17% of subsequent year's budgeted general fund expenditures up to a maximum of 10% above the median value for comparable municipalities (median value of 32.1% for 2018).

● General Fund Actual — Policy minimum — Policy maximum ● Reference - Median



Other reference values

GFOA recommends a minimum of no less than 2 months (16.7%) of general fund expenditures.
 *fund balance policy prior to 2019 was a target of 17-30% of subsequent year budgeted expenditures.

Median reference value generated from 2015 - 2018 Baker Tilly municipal client data for population ranges from 30,000 to 150,000.

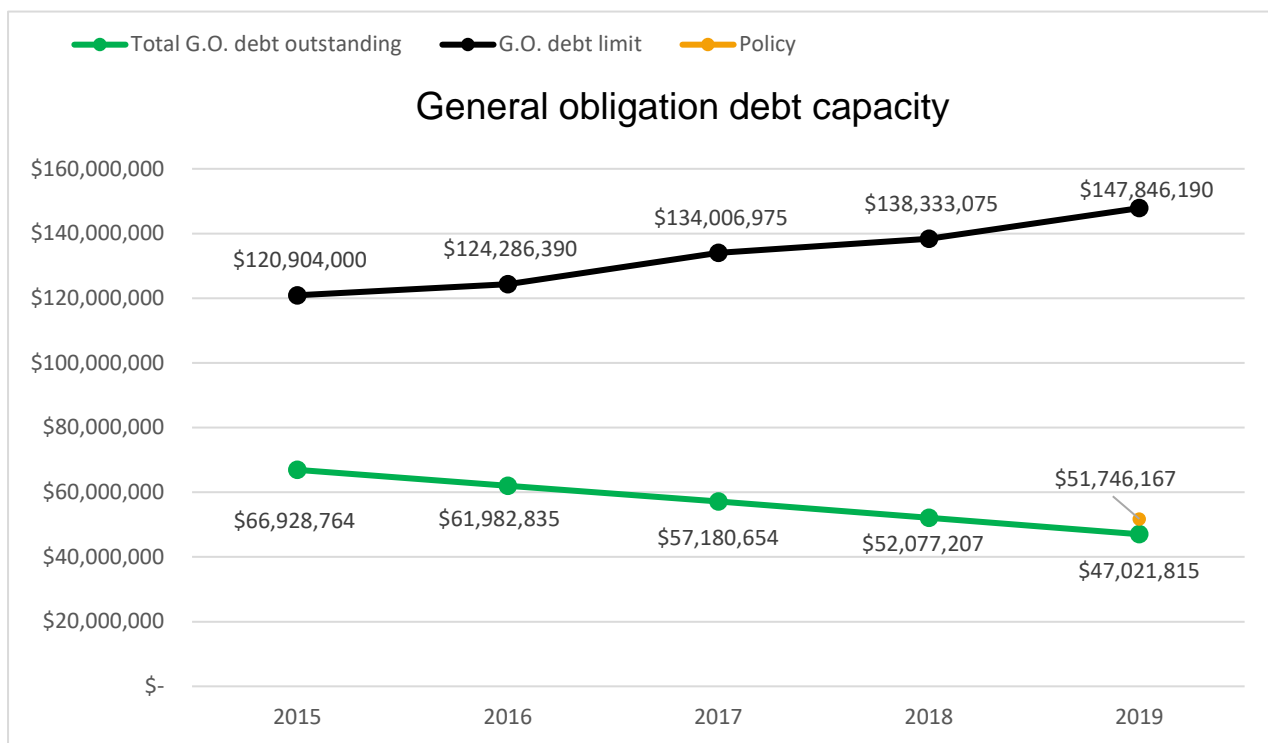
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General obligation debt

Debt management policy:

General obligation debt service should be no higher than 20% of non-capital expenditures. Beginning in 2019, total general obligation debt should be 10% below the median value for comparable municipalities. The most recent median value was for 2016 at 45%.

Actual percentage of debt limit at 12/31/19: **32%**



Total debt outstanding by type at 12/31/2019

	General obligation	Revenue debt	Capital lease	Total
City	\$ 42,970,315	\$ -	\$ 19,360	\$ 42,989,675
Utility	4,032,140	-	-	4,032,140
Total	\$ 47,002,455	\$ -	\$ 19,360	\$ 47,021,815

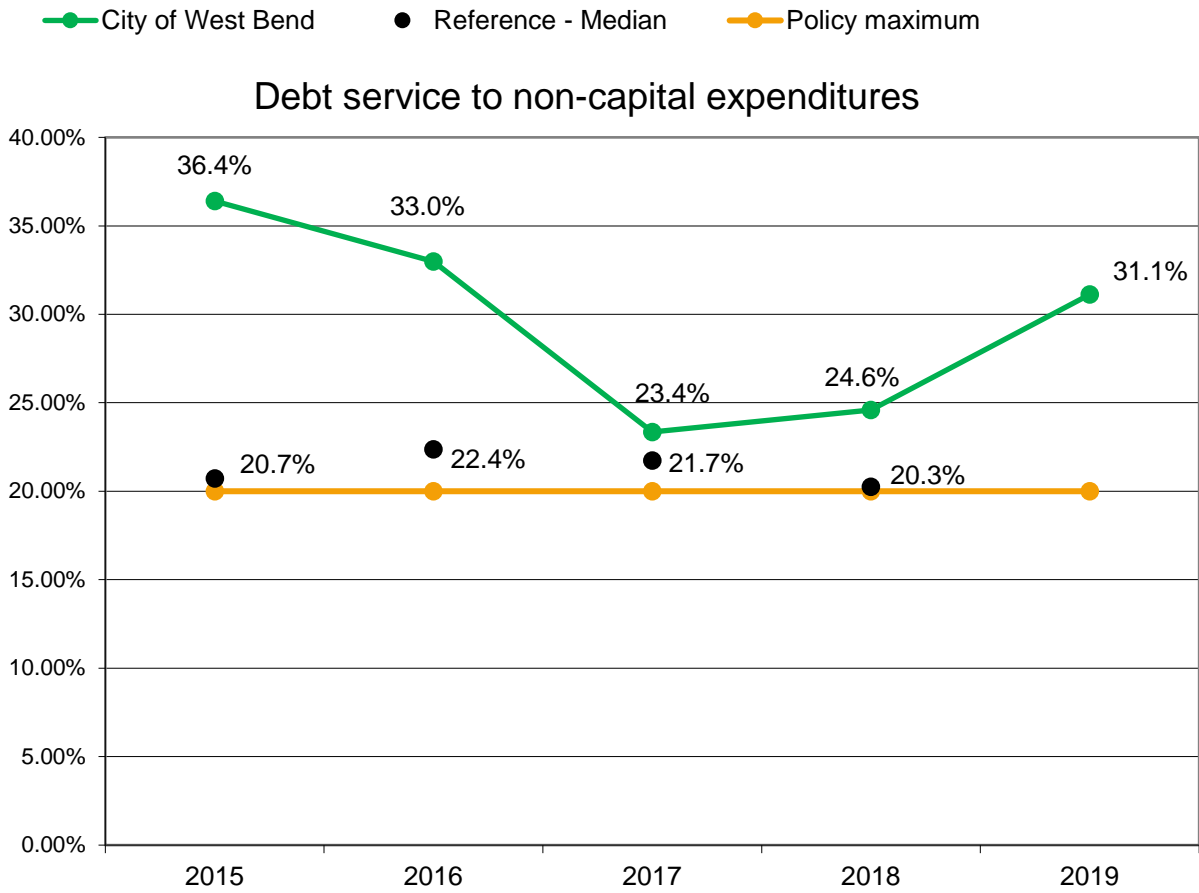
Comparative metrics available online through the Wisconsin Policy Forum.

<https://wispolicyforum.org/research/municipal-datatool-examining-and-comparing-wisconsin-cities-and-villages/>

Select "Debt" -- options for custom comparisons or comparisons by county

City of West Bend

Governmental funds - debt service



Current and prior year data

	<u>2019</u>	<u>2018</u>
Principal	\$ 11,300,052	\$ 7,338,447
Interest	1,418,909	1,489,633
Total	<u>\$ 12,718,961</u>	<u>\$ 8,828,080</u>
Non-capital expenditures*	<u>\$ 40,874,914</u>	<u>\$ 34,790,654</u>

Other reference values

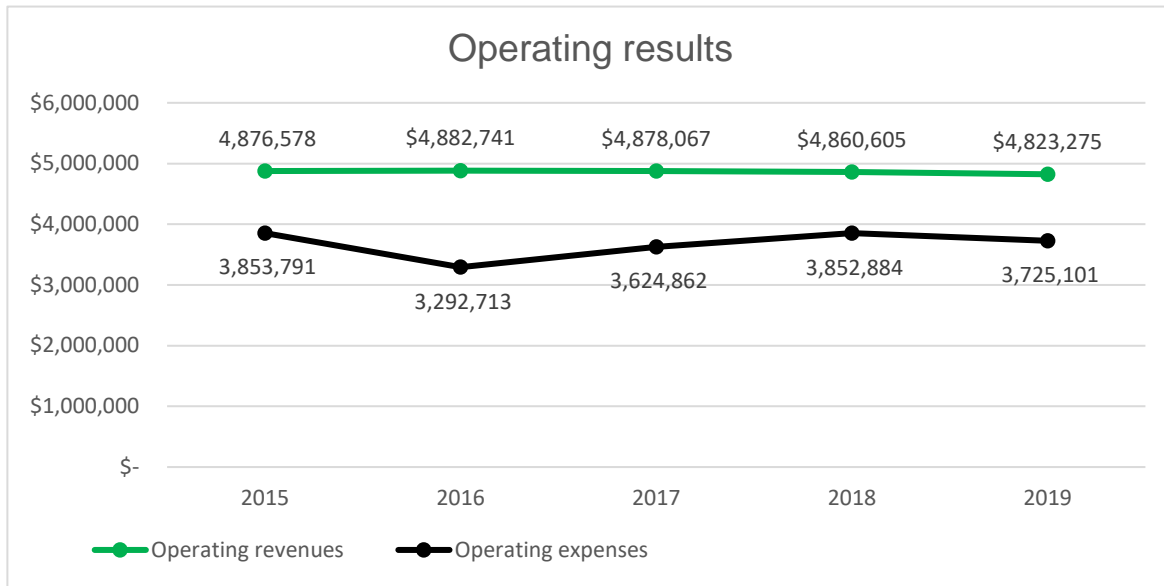
Median reference value generated from 2015 - 2018 Baker Tilly municipal client data for population ranges from 30,000 to 150,000.

*adjusted for non-capital items in reconciliation to the statement of activities in the City's CAFR.



City of West Bend Water Utility Results

	<u>Current Year</u>	<u>Prior Year</u>
Actual Rate of Return	4.34%	3.34%
Authorized Rate of Return	4.89%	4.89%



Unrestricted Reserves

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Year end balance	\$ 2,161,671	\$ 2,907,318	\$ 3,198,259	\$ 3,968,747	\$ 4,677,438
Months on hand	5.32	7.15	7.87	9.80	11.64

Debt Coverage

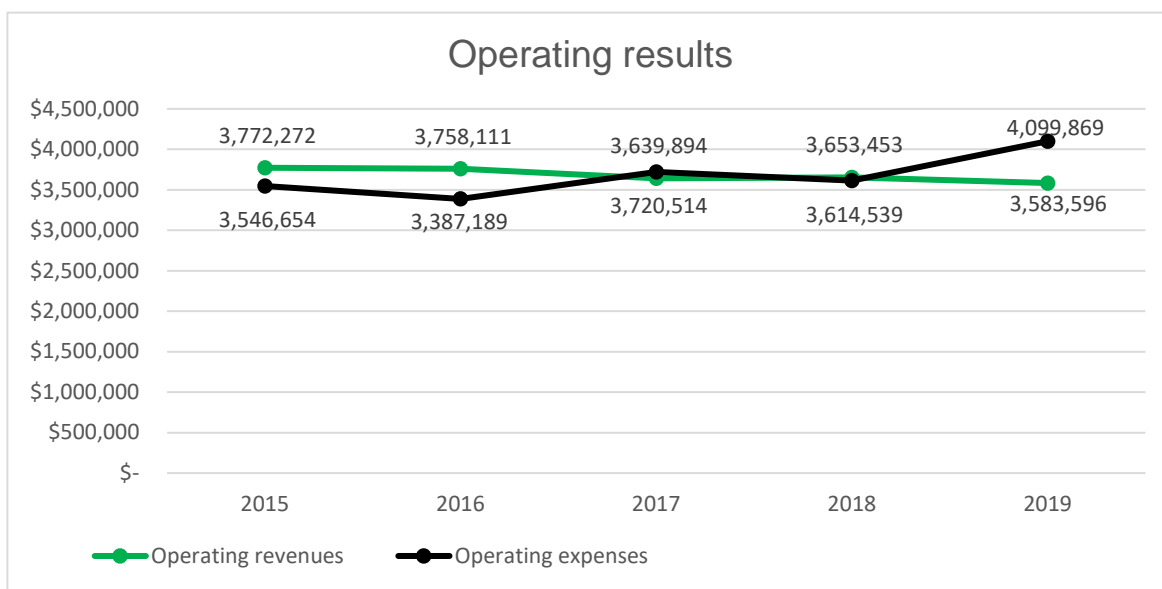
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Actual	5.21	6.55	6.01	5.36	0.00
Required	1.25	1.25	1.25	1.25	0.00

Investment in Capital





City of West Bend Sewer Utility Results



Unrestricted Reserves

	2015	2016	2017	2018	2019
Year end balance	\$ 3,717,776	\$ 5,438,579	\$ 3,481,903	\$ 4,505,178	\$ 5,169,987
Months on hand	11.83	17.37	11.48	14.80	17.31

Debt Coverage

	2015	2016	2017	2018	2019
Actual	5.21	6.55	6.01	5.36	0.00
Required	1.25	1.25	1.25	1.25	0.00

Investment in Capital

