

**CITY OF COLUMBUS**  
**REPORT TO THE CITY COUNCIL**  
**September 10, 2019**

Presented By:

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

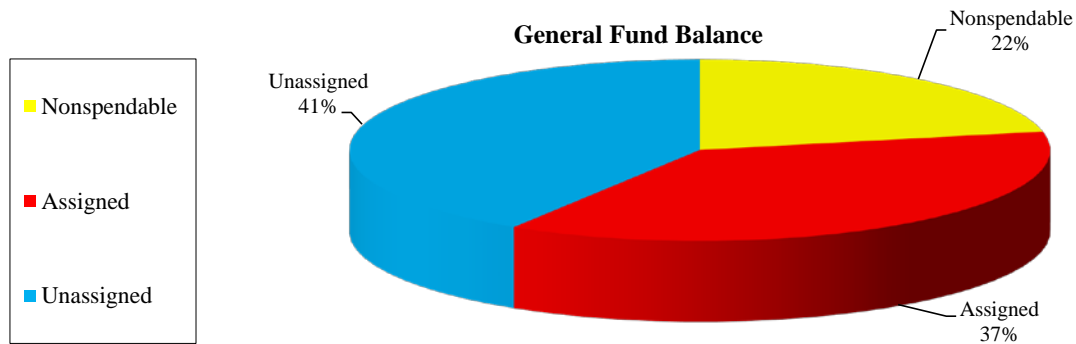
This communication is intended solely for the information and use of management, the board/council, and others within the organization, and is not intended to be, and should not be, used by anyone other than the specified parties.

**CITY OF COLUMBUS**  
**2018 FINANCIAL STATEMENT HIGHLIGHTS**

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**DETAILS OF GENERAL FUND BALANCE**

<u>Nonspendable</u>		<b><u>2018</u></b>
	<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>	\$483,584
<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>	825,546
<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>	914,163
<b>Total General Fund Balance</b>		<b><u>\$ 2,223,293</u></b>



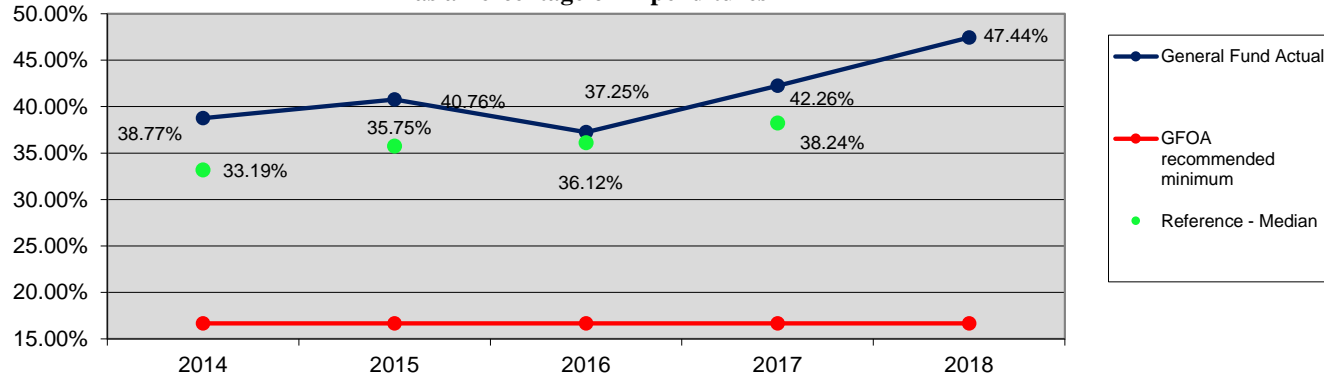
# CITY OF COLUMBUS

## 2018 FINANCIAL STATEMENT HIGHLIGHTS

### ANALYSIS OF GENERAL FUND BALANCE

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b>Unrestricted Fund Balance</b>	\$ 1,448,172	\$ 1,447,430	\$ 1,455,611	\$ 1,573,585	\$ 1,739,709
<b>Expenditures</b>	3,735,726	3,551,022	3,907,996	3,723,901	3,666,968
<b>% of expenditures (after GASB 54)</b>	38.77%	40.76%	37.25%	42.26%	47.44%

**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  
 City policy: no less than 10% or more than 25% of annual operating budget

Reference values for the population range: under 10,000 generated from 2014-2017 Baker Tilly municipal client data for Wisconsin.

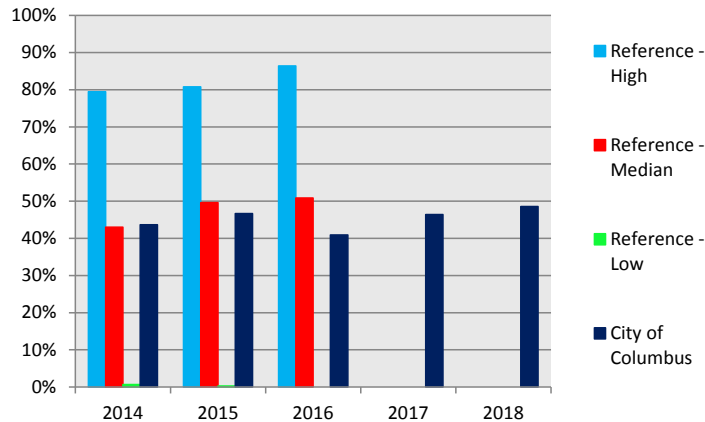
**What it means...** Assuming no revenues, the general fund has enough reserves on hand that can be used to fund operations for 5 months. Currently, general fund balance reserves exceed the minimum recommended by the GFOA of 17% or 2 months.

## CITY OF COLUMBUS 2018 FINANCIAL STATEMENT HIGHLIGHTS

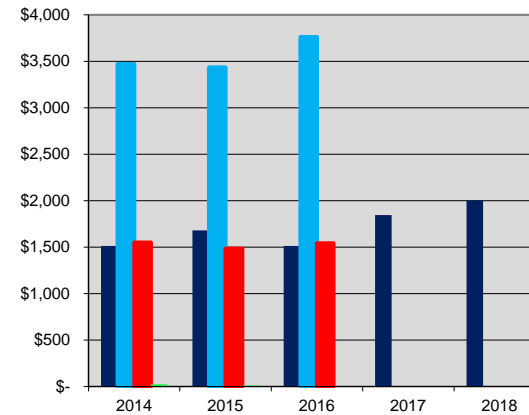
### GENERAL OBLIGATION DEBT OUTSTANDING

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b><u>Total General Obligation (G.O.) Debt (net)</u></b>					
City	\$ 7,820,926	\$ 8,753,663	\$ 7,750,347	\$ 9,388,449	\$ 10,204,935
Utility	<u>1,535,000</u>	<u>1,095,000</u>	<u>965,000</u>	<u>735,000</u>	<u>605,000</u>
Subtotal	9,355,926	9,848,663	8,715,347	10,123,449	10,809,935
Less: Funds available for debt	<u>(1,756,758)</u>	<u>(1,457,836)</u>	<u>(1,056,130)</u>	<u>(780,584)</u>	<u>(551,013)</u>
<b>TOTAL</b>	<u>\$ 7,599,168</u>	<u>\$ 8,390,827</u>	<u>\$ 7,659,217</u>	<u>\$ 9,342,865</u>	<u>\$ 10,258,922</u>
<b>Population</b>	5,021	4,998	5,066	5,066	5,127
<b>G.O. Debt Capacity</b>	\$ 17,408,675	\$ 17,981,565	\$ 18,728,565	\$ 20,137,410	\$ 21,110,450
G.O. debt per capita	\$ 1,513	\$ 1,679	\$ 1,512	\$ 1,844	\$ 2,001
% of debt limit	44%	47%	41%	46%	49%

**Percentage of Debt Limit**



**G.O. Debt Outstanding - Per Capita**



2014-2016 Reference values for the population range: 5,000 to 7,500 taken from *MunicipalFacts18* publication by the Wisconsin Policy Forum, 2018.

**What it means...**The city's outstanding general obligation debt is at 49% 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 2018 FINANCIAL STATEMENT HIGHLIGHTS

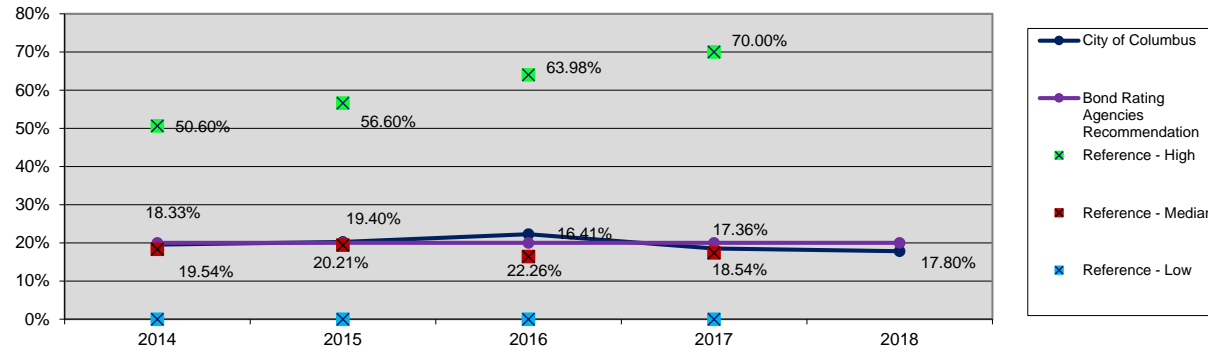
### ANALYSIS OF DEBT SERVICE - GOVERNMENTAL FUNDS

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<b><u>Total Debt Service</u></b>					
Principal*	\$ 978,403	\$ 1,132,263	\$ 1,003,316	\$ 1,186,715	\$ 861,169
Interest	262,115	309,434	235,056	311,564	315,822
<b>TOTAL</b>	<b>\$ 1,240,518</b>	<b>\$ 1,441,697</b>	<b>\$ 1,238,372</b>	<b>\$ 1,498,279</b>	<b>\$ 1,176,991</b>
<b><u>Total Non-Capital Expenditures</u></b>					
Total governmental funds expenditures*	\$ 6,390,349	\$ 6,671,483	\$ 9,129,202	\$ 9,260,478	\$ 8,414,713
Less: capital outlay	(253,455)	(194,645)	(2,449,639)	(2,399,823)	(1,803,928)
<b>TOTAL NON-CAPITAL EXPENDITURES</b>	<b>\$ 6,136,894</b>	<b>\$ 6,476,838</b>	<b>\$ 6,679,563</b>	<b>\$ 6,860,655</b>	<b>\$ 6,610,785</b>

\* excludes refunded principal

% of debt service to non-capital expenditures	19.54%	20.21%	22.26%	18.54%	17.80%
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**Debt Service to Non-Capital Expenditures**



Reference values for the population range: under 10,000 generated from 2014-2017 Baker Tilly municipal client data for Wisconsin.

**What it means...**The city's annual debt payments are about 18% of the city's total non-capital expenditures. This is just under the bond agency's recommendation of 20% (maximum). 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 2018 FINANCIAL STATEMENT HIGHLIGHTS

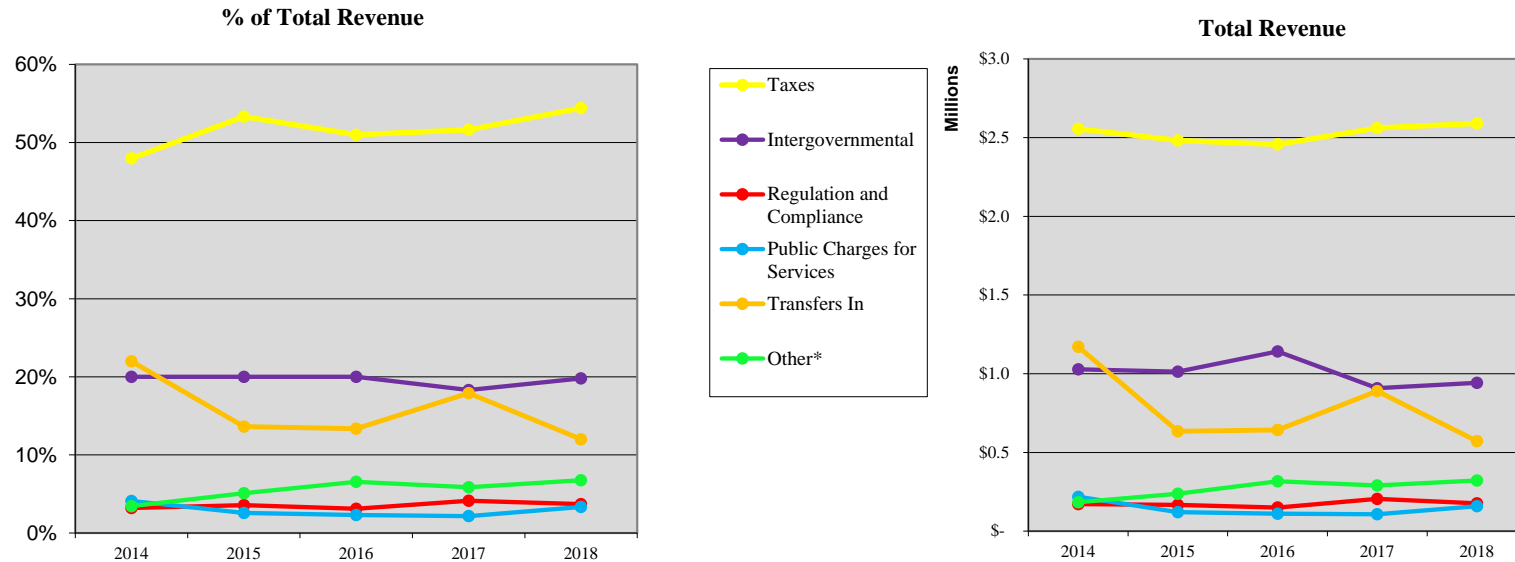
### GENERAL & DEBT SERVICE FUNDS REVENUES

	<u>2014</u>	<u>%</u>	<u>2015</u>	<u>%</u>	<u>2016</u>	<u>%</u>	<u>2017</u>	<u>%</u>	<u>2018</u>	<u>%</u>
<b>Total Revenues</b>										
Taxes	\$ 2,555,956	48%	\$ 2,481,640	53%	\$ 2,456,613	51%	\$ 2,561,750	52%	\$ 2,590,081	54%
Intergovernmental	1,028,713	20%	1,013,935	20%	1,141,560	20%	908,297	18%	941,856	20%
Regulation and Compliance	171,052	3%	166,756	4%	149,647	3%	204,934	4%	176,479	4%
Public Charges for Services	218,513	4%	120,217	3%	110,691	2%	107,078	2%	158,757	3%
Transfers In**	1,171,521	22%	634,367	14%	642,845	13%	888,979	18%	571,866	12%
Other*	183,534	3%	237,012	5%	315,943	7%	290,532	6%	321,678	7%
<b>TOTAL</b>	<b>\$ 5,329,289</b>	<b>100%</b>	<b>\$ 4,653,927</b>	<b>100%</b>	<b>\$ 4,817,299</b>	<b>100%</b>	<b>\$ 4,961,570</b>	<b>100%</b>	<b>\$ 4,760,717</b>	<b>100%</b>

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

\*\* Excludes transfers related to refunding of debt

In 2014, unspent bond proceeds related to the Gateway Industrial Park project were transferred to the debt service fund. In 2017, there was an increase in TIF 3 funds transferred to debt service according to the repayment schedule.

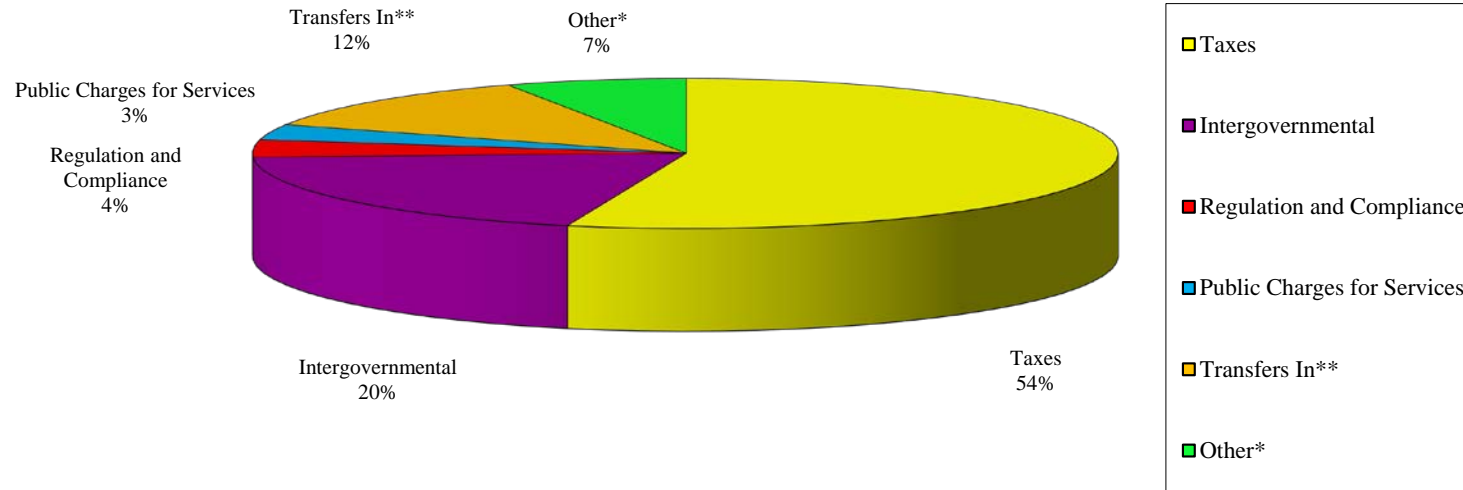


**CITY OF COLUMBUS**  
**2018 FINANCIAL STATEMENT HIGHLIGHTS**

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**2018 GENERAL & DEBT SERVICE FUNDS REVENUES**

**Total Revenues: \$4,760,717**



**What it means...** Generally, it is expected that revenue trends remain fairly stable over the years. The majority of most communities' revenues are from a combination of the tax levy and intergovernmental revenues. These make up almost 3/4 of the City of Columbus' revenues.

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

# CITY OF COLUMBUS

## 2018 FINANCIAL STATEMENT HIGHLIGHTS

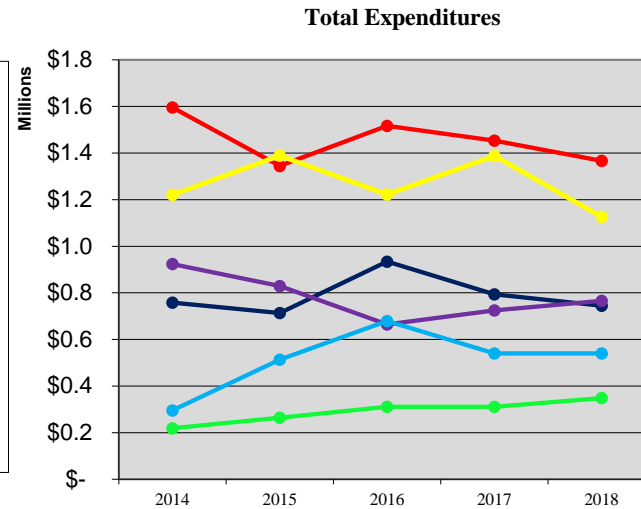
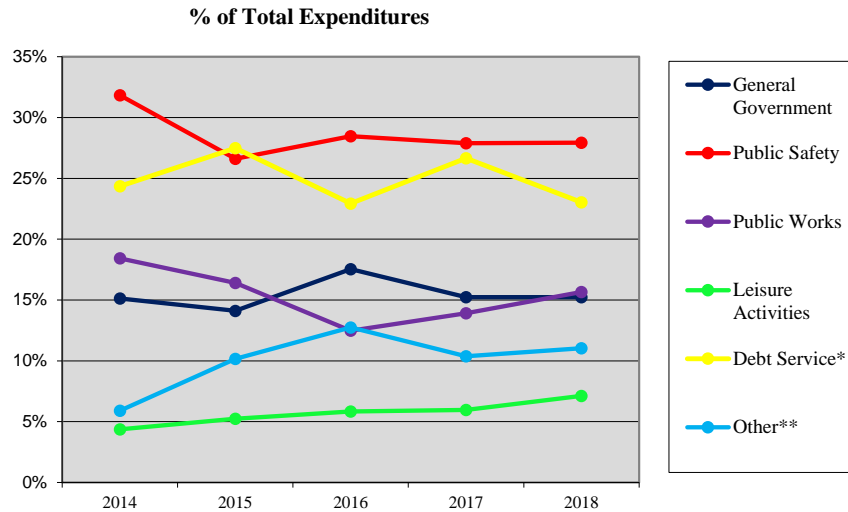
### GENERAL & DEBT SERVICE FUNDS EXPENDITURES

	<u>2014</u>	%	<u>2015</u>	%	<u>2016</u>	%	<u>2017</u>	%	<u>2018</u>	%
<b>Total Expenditures</b>										
General Government	\$ 758,091	15%	\$ 713,293	14%	\$ 934,389	18%	\$ 793,289	15%	\$ 744,843	15%
Public Safety	1,595,486	32%	1,344,806	27%	1,516,755	28%	1,453,052	28%	1,366,191	28%
Public Works	923,381	18%	828,968	16%	664,570	12%	724,860	14%	766,205	16%
Culture, recreation, and education	218,938	4%	264,364	5%	311,272	6%	310,362	6%	348,169	7%
Debt Service*	1,220,859	24%	1,388,975	27%	1,221,847	23%	1,388,074	27%	1,126,219	23%
Other**	295,693	6%	513,705	10%	679,121	13%	540,337	10%	539,838	11%
<b>TOTAL</b>	<u>\$ 5,012,448</u>	100%	<u>\$ 5,054,111</u>	100%	<u>\$ 5,327,954</u>	100%	<u>\$ 5,209,974</u>	100%	<u>\$ 4,891,465</u>	100%

\* Excludes refunded principal

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

In 2016, expenditures increased due to water tower repairs, fire equipment purchased via federal grant, and purchase of land for library expansion.



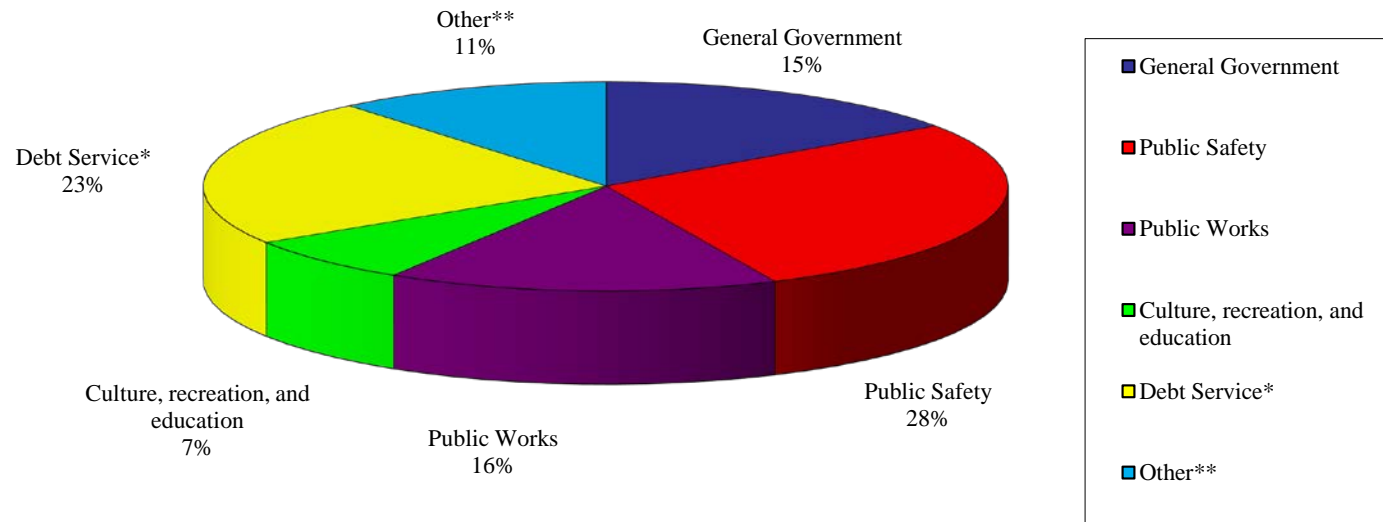


**CITY OF COLUMBUS**  
**2018 FINANCIAL STATEMENT HIGHLIGHTS**

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**2018 GENERAL & DEBT SERVICE FUNDS EXPENDITURES**

**Total Expenditures: \$4,891,465**



**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**  
**2018 FINANCIAL STATEMENT HIGHLIGHTS**

**HISTORICAL SUMMARY OF TAX INCREMENTAL FINANCING DISTRICTS**  
**FROM DATE OF CREATION THROUGH DECEMBER 31, 2018**

	<b>TIF District No. 3</b>	<b>%</b>	<b>TIF District No. 4</b>	<b>%</b>
<b><u>Sources of funds</u></b>				
Tax increments	\$ 4,457,949	49%	\$ 63,084	3%
Other taxes	24,365	0%	-	0%
Investment income	237,653	3%	10,584	0%
Intergovernmental revenues	439,378	5%	654	0%
Guaranteed payments	400,842	4%	-	0%
Miscellaneous	126,152	1%	478,430	23%
Proceeds of long-term debt	2,755,963	30%	1,570,000	74%
Land sales	590,764	7%	-	0%
<b>TOTAL</b>	<b>\$ 9,033,066</b>	<b>100%</b>	<b>\$ 2,122,752</b>	<b>100%</b>
<b><u>Uses of Funds</u></b>				
Capital expenditures	2,957,620	33%	1,693,767	91%
Administration	430,911	5%	68,636	4%
Increment refunds to developers	1,760,972	20%	-	0%
Interest and fiscal charges	1,698,540	19%	39,928	2%
Debt issuance costs	5,067	0%	50,472	3%
Principal on long-term debt	2,005,963	23%	-	0%
<b>TOTAL</b>	<b>\$ 8,859,073</b>	<b>100%</b>	<b>\$ 1,852,803</b>	<b>100%</b>
<b>TIF Fund Balance - December 31, 2018</b>	<b>\$ 173,993</b>		<b>\$ 269,949</b>	
<b><u>Calculation of Net Cost Recoverable through TIF Increments</u></b>				
General obligation debt outstanding	750,000		1,570,000	
Less: TIF Fund Balance - December 31, 2018	(173,993)		(269,949)	
<b>Net cost recoverable through TIF increments - December 31, 2018</b>	<b>\$ 576,007</b>		<b>\$ 1,300,051</b>	
<b>Creation date:</b>	June 20, 1995		January 1, 2015	
<b>Last date to incur project costs:</b>	June 20, 2017		August 15, 2030	
<b>Last year to collect increment:</b>	2023		2036	
<b>2017 tax increment:</b>	\$ 503,691		\$ 2,098	
<b>2018 tax increment:</b>	\$ 517,605		\$ 60,986	

**What it means...**TIF #3 is expected to generate enough increment to pay for the costs incurred over its life, including repayment of debt and advances. Based on the 2018 increment generated and no additional project costs, the TIF is on track to pay its debt and advances in less than two years. TIF #4 was created in 2015 and is generating a modest increment. Financing was provided by debt issuances in 2017 and 2018.