

**CITY OF BLACK RIVER FALLS
REPORT TO THE COMMON COUNCIL**

June 17, 2020

Presented By:



Baker Tilly Virchow Krause, LLP
3410 Oakwood Mall Drive, Suite 200
Eau Claire, WI 54701

Kimberly M. Shult, CPA, Partner
kimberly.shult@bakertilly.com
612.876.4912

Nick Goeman, CPA, Manager
nick.goeman@bakertilly.com
612.876.4868

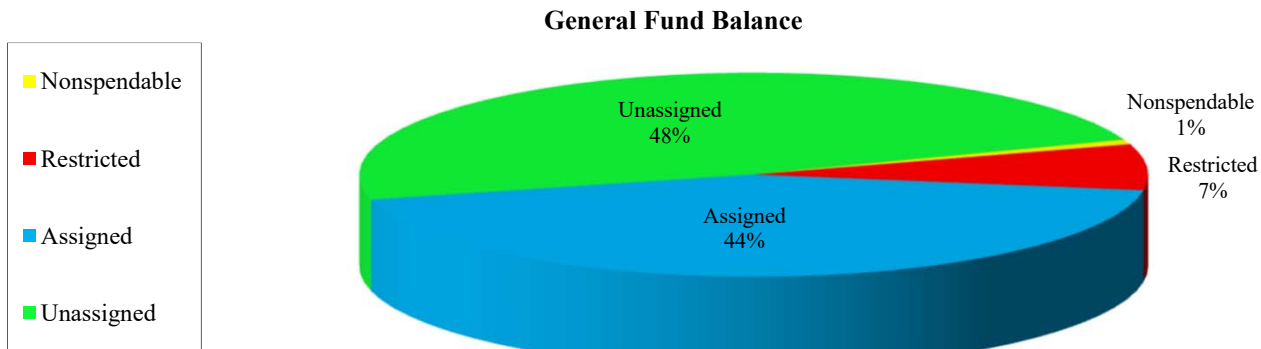
Actual data was derived from current and prior years audited financial statements

This communication is intended solely for the information and use of management, the board, 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 BLACK RIVER FALLS 2019 FINANCIAL STATEMENT HIGHLIGHTS

DETAILS OF GENERAL FUND BALANCE

	<u>2019</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>	\$29,741
<u>Restricted</u> <i>includes fund balance amounts that can be spent only for the specific purposes stipulated by an external source.</i>	289,348
<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>	1,731,272
<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>	1,923,121
Total General Fund Balance	\$ 3,973,482

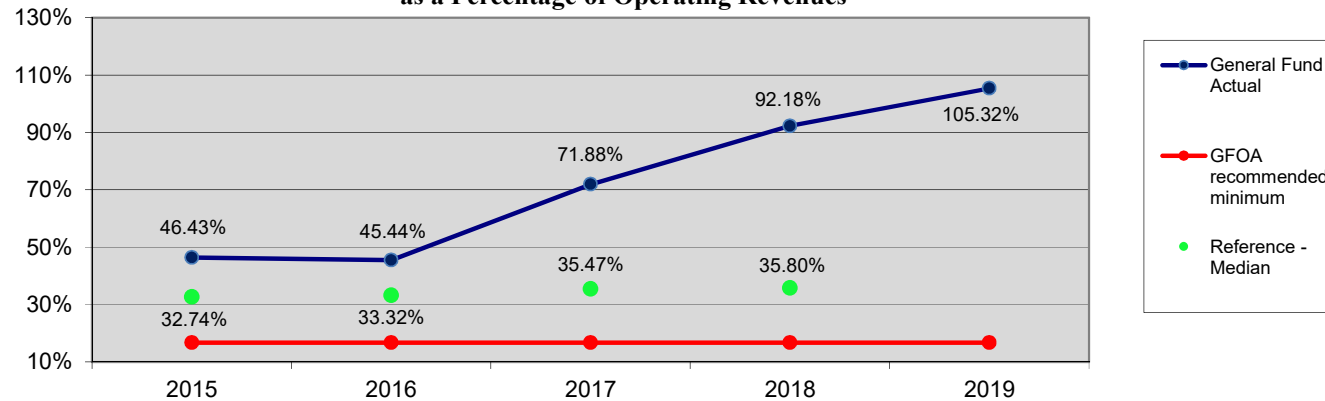


CITY OF BLACK RIVER FALLS 2019 FINANCIAL STATEMENT HIGHLIGHTS

ANALYSIS OF GENERAL FUND BALANCE

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Unrestricted Fund Balance	\$ 1,628,117	\$ 1,635,556	\$ 2,711,809	\$ 3,211,810	\$ 3,654,393
Operating revenues	3,506,860	3,599,203	3,772,750	3,484,097	3,469,911
% of revenues	46.43%	45.44%	71.88%	92.18%	105.32%

**Unreserved or Unrestricted General Fund Balance
as a Percentage of Operating Revenues**



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

Reference values for the population range: 2,000 to 10,000 generated from 2015-2018 Baker Tilly municipal client data for Wisconsin.

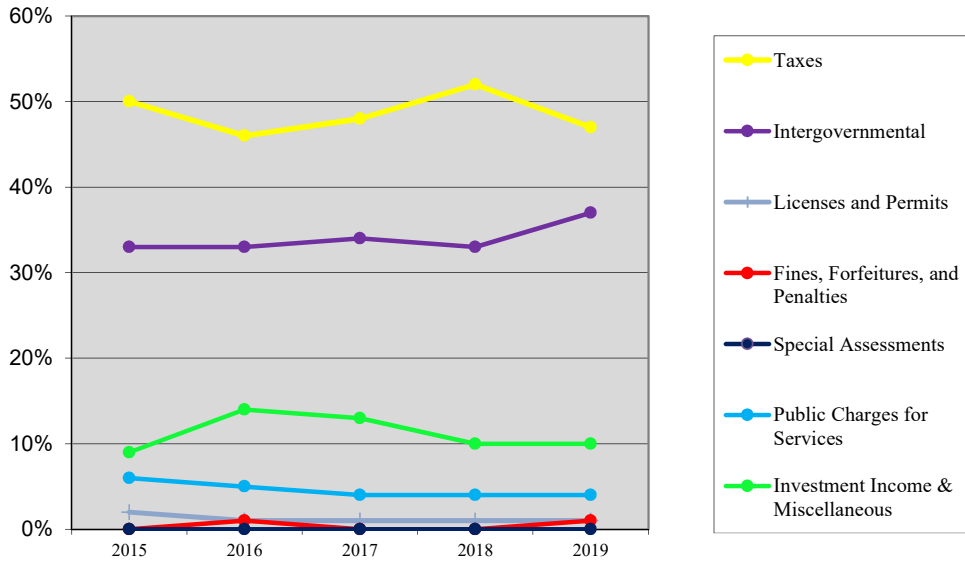
CITY OF BLACK RIVER FALLS

2019 FINANCIAL STATEMENT HIGHLIGHTS

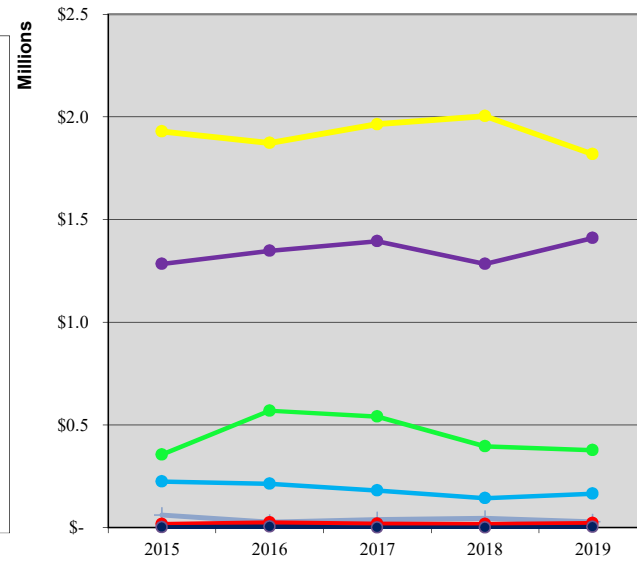
GENERAL & DEBT SERVICE FUND REVENUES

	<u>2015</u>	<u>%</u>	<u>2016</u>	<u>%</u>	<u>2017</u>	<u>%</u>	<u>2018</u>	<u>%</u>	<u>2019</u>	<u>%</u>
Total Revenues										
Taxes	\$ 1,929,450	50%	\$ 1,873,384	46%	\$ 1,964,197	48%	\$ 2,004,192	52%	\$ 1,818,537	47%
Intergovernmental	1,284,703	33%	1,347,980	33%	1,394,178	34%	1,284,078	33%	1,410,521	37%
Licenses and Permits	61,257	2%	25,954	1%	39,077	1%	45,106	1%	28,542	1%
Fines, Forfeitures, and Penalties	17,304	0%	24,428	1%	18,337	0%	17,720	0%	21,753	1%
Special Assessments	1,923	0%	5,058	0%	132	0%	505	0%	3,086	0%
Public Charges for Services	224,154	6%	213,561	5%	180,417	4%	142,783	4%	165,185	4%
Investment Income & Miscellaneous	355,751	9%	569,412	14%	541,274	13%	395,958	10%	377,026	10%
TOTAL	\$ 3,874,542	100%	\$ 4,059,777	100%	\$ 4,137,612	100%	\$ 3,890,342	100%	\$ 3,824,650	100%

% of Total Revenue



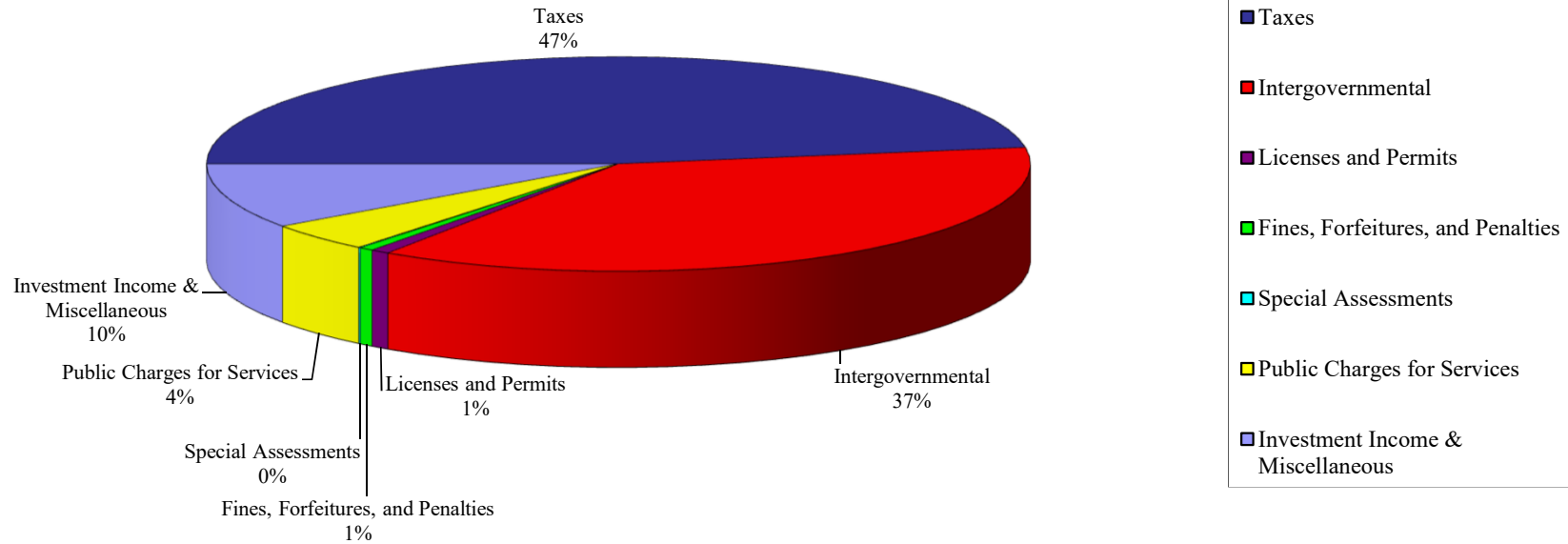
Total Revenue



CITY OF BLACK RIVER FALLS 2019 FINANCIAL STATEMENT HIGHLIGHTS

2019 GENERAL & DEBT SERVICE FUND REVENUES

Total Revenues: \$3,824,650



CITY OF BLACK RIVER FALLS 2019 FINANCIAL STATEMENT HIGHLIGHTS

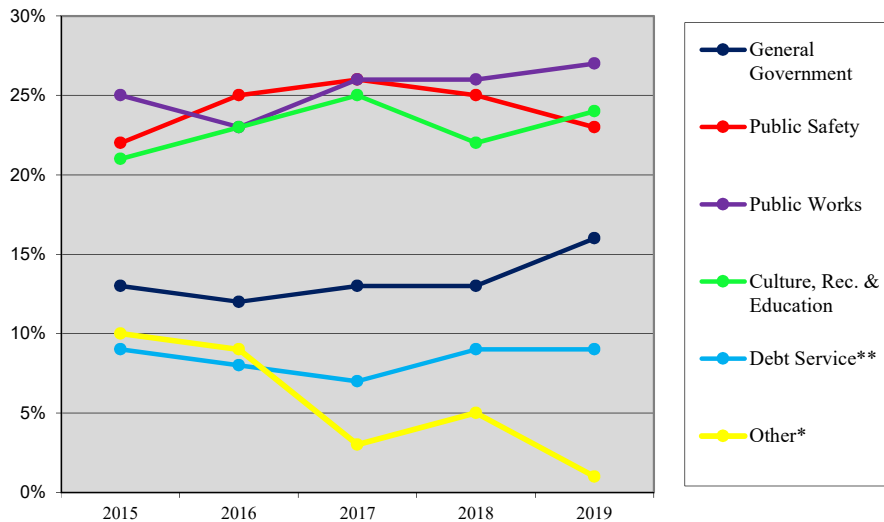
GENERAL & DEBT SERVICE FUND EXPENDITURES

	<u>2015</u>	<u>%</u>	<u>2016</u>	<u>%</u>	<u>2017</u>	<u>%</u>	<u>2018</u>	<u>%</u>	<u>2019</u>	<u>%</u>
Total Expenditures										
General Government	\$ 569,139	13%	\$ 537,302	12%	\$ 520,594	13%	\$ 568,572	13%	\$ 673,699	16%
Public Safety	985,071	22%	1,168,459	25%	1,042,499	26%	1,063,203	25%	976,405	23%
Public Works	1,126,931	25%	1,061,430	23%	1,048,678	26%	1,077,933	26%	1,130,854	27%
Culture, Rec. & Education	966,633	21%	1,054,839	23%	1,040,900	25%	948,499	22%	1,032,433	24%
Debt Service**	385,620	9%	361,208	8%	287,893	7%	374,292	9%	386,031	9%
Other*	457,271	10%	389,571	9%	141,988	3%	201,751	5%	44,684	1%
TOTAL	\$ 4,490,665	100%	\$ 4,572,809	100%	\$ 4,082,552	100%	\$ 4,234,250	100%	\$ 4,244,106	100%

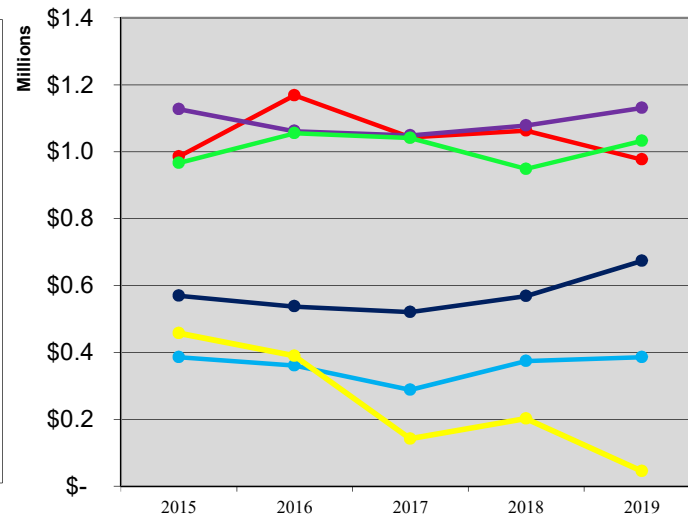
*Other includes Health and Human Services, Conservation and Development, and Capital Outlay

**Excludes debt refunding

% of Total Expenditures



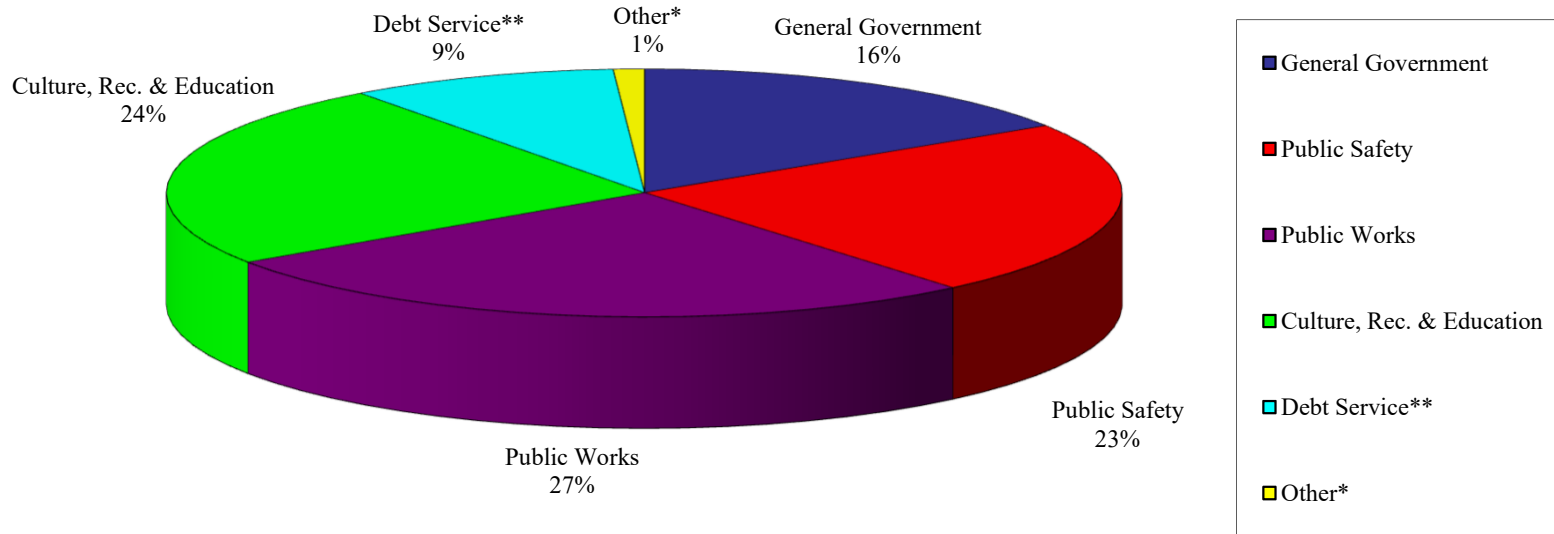
Total Expenditures



**CITY OF BLACK RIVER FALLS
2019 FINANCIAL STATEMENT HIGHLIGHTS**

2019 GENERAL & DEBT SERVICE FUND EXPENDITURES

Total Expenditures: \$4,244,106



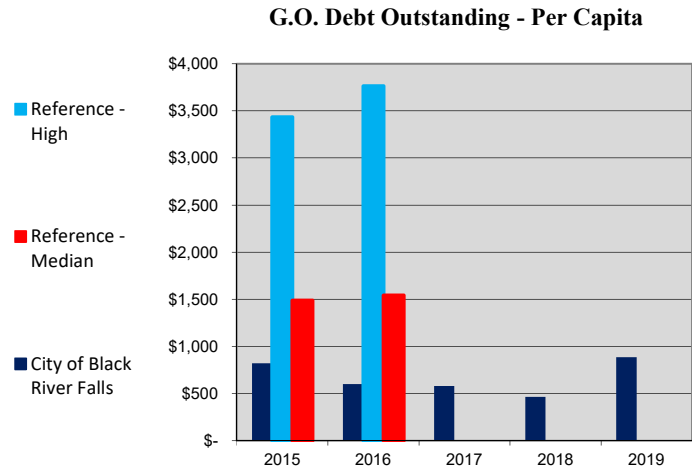
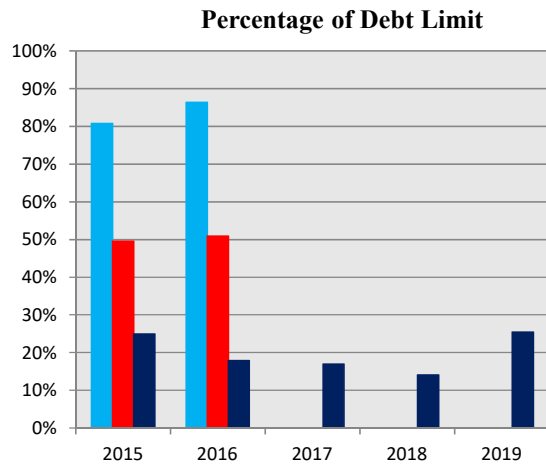
*Other includes Health and Human Services, Conservation and Development, and Capital Outlay

**Excludes debt refunding

CITY OF BLACK RIVER FALLS 2019 FINANCIAL STATEMENT HIGHLIGHTS

GENERAL OBLIGATION DEBT OUSTANDING

	2015	2016	2017	2018	2019
<u>Total General Obligation (G.O.) Debt (net)</u>					
City	\$ 2,751,517	\$ 2,219,570	\$ 1,884,381	\$ 1,557,826	\$ 3,238,943
Utilities	1,345,070	1,171,327	999,169	819,930	642,977
Subtotal	4,096,587	3,390,897	2,883,550	2,377,756	3,881,920
Less: Fund equity available for debt	(1,121,308)	(1,220,674)	(777,643)	(700,166)	(668,874)
TOTAL	\$ 2,975,279	\$ 2,170,223	\$ 2,105,907	\$ 1,677,590	\$ 3,213,046
Population (per 2010 census)	3,622	3,622	3,622	3,622	3,622
G.O. Debt Capacity	\$ 11,911,190	\$ 12,128,710	\$ 12,437,765	\$ 11,930,905	\$ 12,625,995
G.O. debt per capita	\$ 821	\$ 599	\$ 581	\$ 463	\$ 887
% of debt limit	25%	18%	17%	14%	25%



2015-2016 Reference values for the population range: 3,600 to 5,000 taken from MunicipalFacts18 publication by the Wisconsin Policy Forum, 2018**.

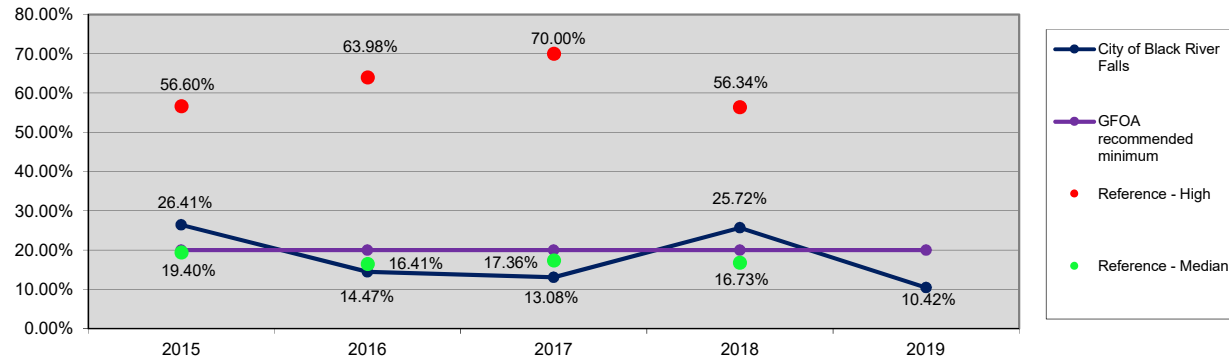
**Most recent publication available as of June 2020

CITY OF BLACK RIVER FALLS 2019 FINANCIAL STATEMENT HIGHLIGHTS

ANALYSIS OF DEBT SERVICE - GOVERNMENTAL FUNDS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Total Debt Service</u>					
Principal	\$ 1,252,126	\$ 631,947	\$ 595,189	\$ 1,474,555	\$ 483,883
Interest	<u>76,155</u>	<u>49,872</u>	<u>42,636</u>	<u>34,696</u>	<u>43,921</u>
TOTAL	\$ 1,328,281	\$ 681,819	\$ 637,825	\$ 1,509,251	\$ 527,804
<u>Total Non-Capital Expenditures</u>					
Total governmental funds expenditures	\$ 5,519,054	\$ 5,357,945	\$ 5,260,818	\$ 6,091,665	\$ 7,373,818
Less: capital outlay	<u>(489,534)</u>	<u>(646,541)</u>	<u>(382,950)</u>	<u>(223,233)</u>	<u>(2,307,166)</u>
TOTAL NON-CAPITAL EXPENDITURES	\$ 5,029,520	\$ 4,711,404	\$ 4,877,868	\$ 5,868,432	\$ 5,066,652
% of debt service to non-capital expenditures	26.41%	14.47%	13.08%	25.72%	10.42%

Debt Service to Non-Capital Expenditures



	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Bond rating agencies recommended %	20.00%	20.00%	20.00%	20.00%
High - Reference:	56.60%	63.98%	70.00%	56.34%
Median - Reference:	19.40%	16.41%	17.36%	16.73%

Reference values for the population range: 2,000 to 10,000 generated from 2015-2018 Baker Tilly municipal client data for Wisconsin.

CITY OF BLACK RIVER FALLS

2019 Other Information and Communications

Communication To Those Charged With Governance and Management



Please refer to the full communication report for additional details and all required communications as the information presented above is not all inclusive.

Informational Points

- > Preparing for lease standard
- > Preparing for conduit debt reporting
- > Trending challenges for organizations