



City of Fitchburg

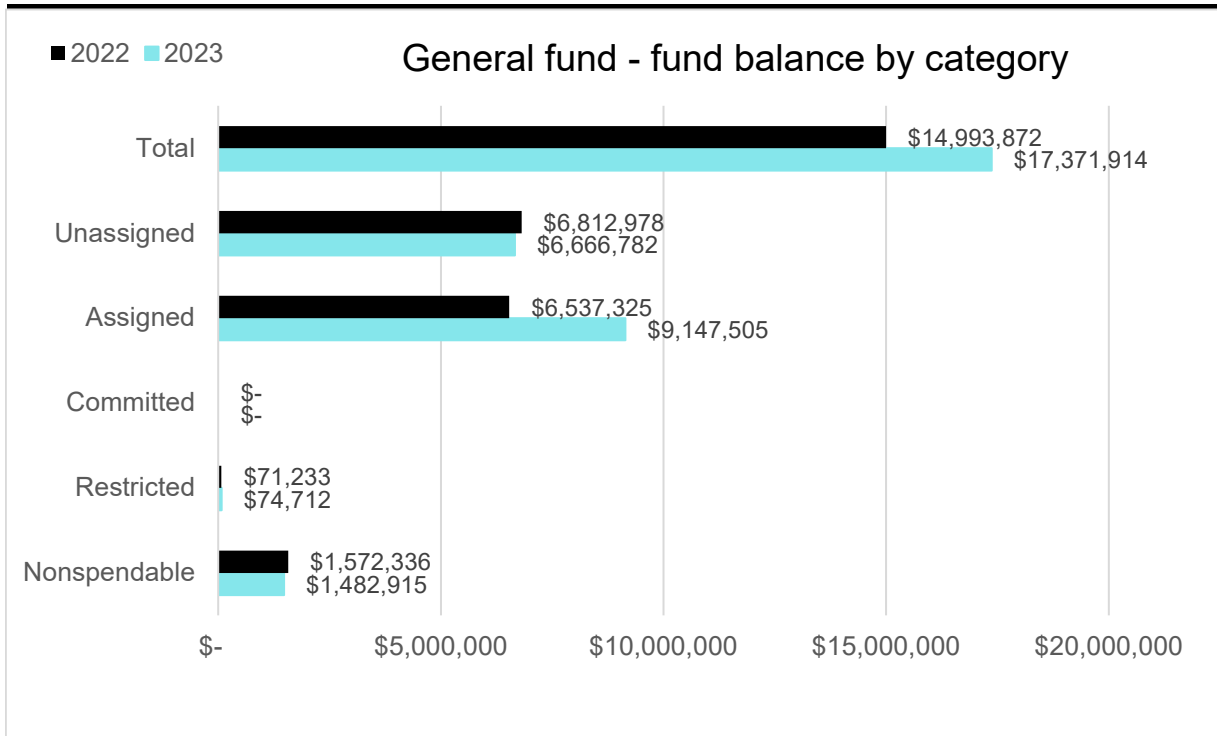
2023 Financial highlights

Presentation to the Finance Committee
May 28, 2024

Client service team

Andrea Jansen, CPA, CFE, Partner
Vasvi Joshi, CPA, Senior Manager
Ryan Shavlik, CPA, Senior Associate
Logan Connors, Senior Associate
Jimmy Klein, Associate

City of Fitchburg General fund results



Summarized income statement

	<u>Actual</u>	<u>Final budget</u>	<u>Variance</u>
Revenues and other financing sources	\$ 27,348,345	\$ 26,231,810	\$ 1,116,535
Expenditures and other financing uses	<u>24,970,303</u>	<u>27,824,001</u>	<u>2,853,698</u>
Net change in fund balance	<u>\$ 2,378,042</u>	<u>\$ (1,592,191)</u>	<u>\$ 3,970,233</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.

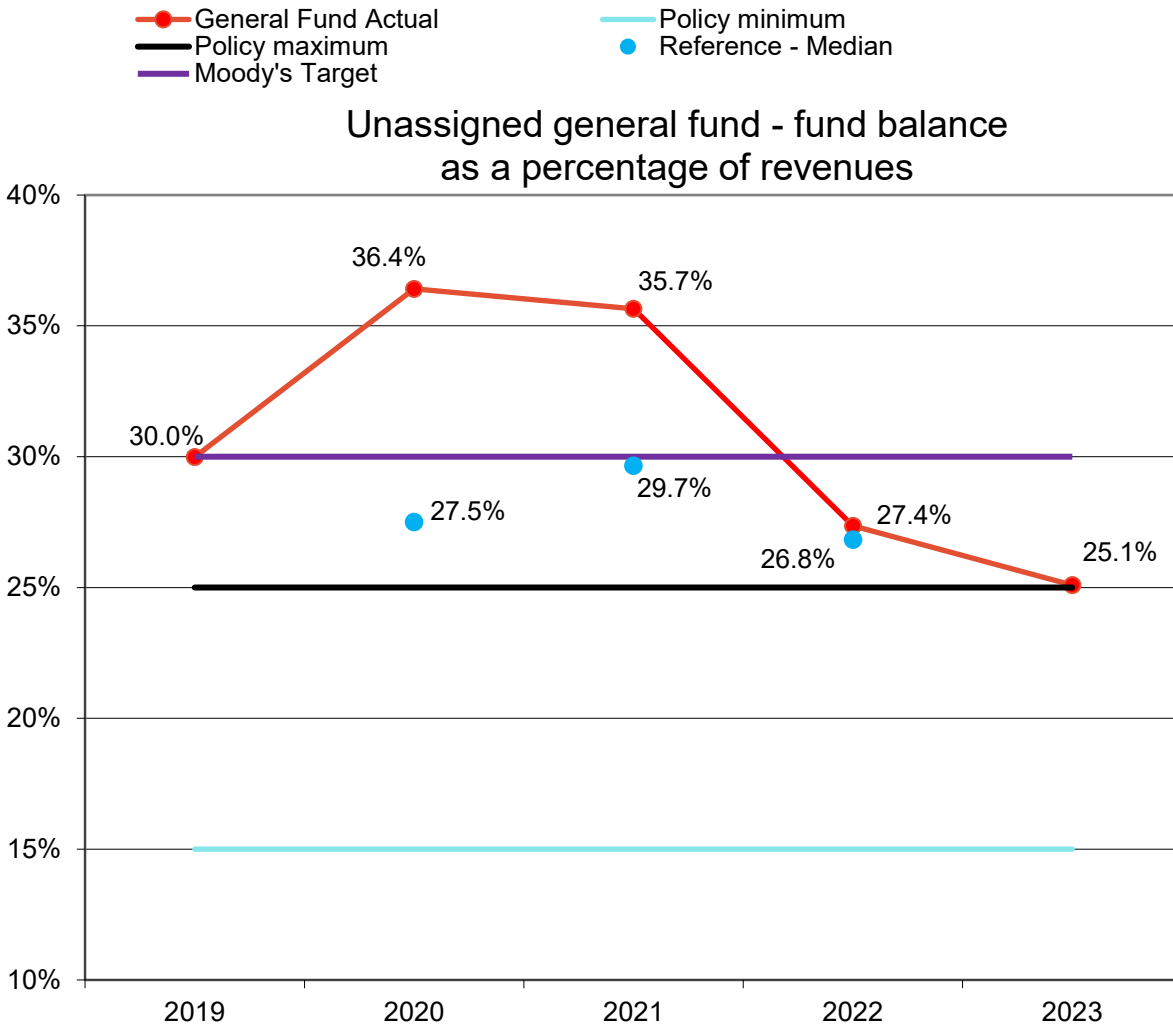
Unassigned - residual amounts that have not been classified within other categories above.

City of Fitchburg

General fund - fund balance trends

Fund balance policy:

Unassigned general fund balance within a range of 15-25% of general fund revenues



Other reference values

GFOA recommends a minimum of no less than 2 months (16.7%) of general fund expenditures.

Bond agency target value is based on Moody's AAA target rate of 30%

Median reference value generated from 2020 - 2022 Baker Tilly municipal client data for population rang from 30,000 to 150,000

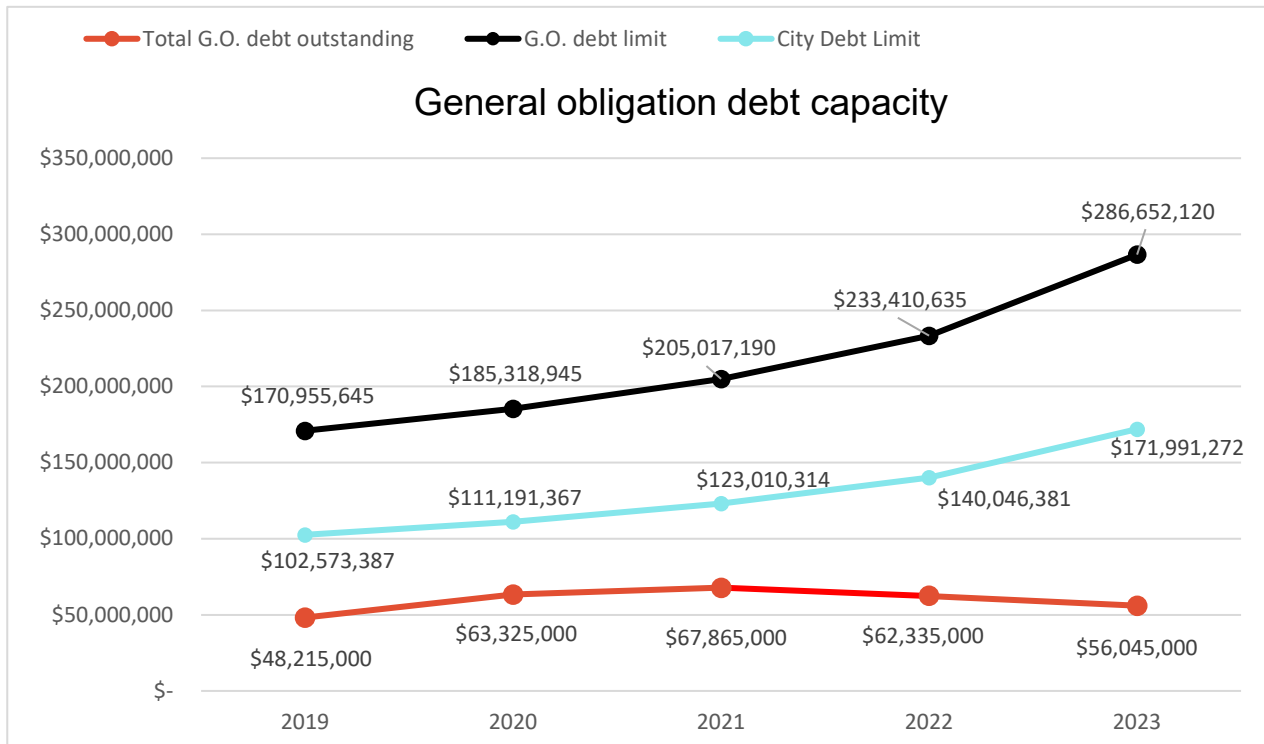
City of Fitchburg

General obligation debt

Debt management policy:

City policy is not to exceed 3% of the city's total equalized value
 Legal debt limit is 5% of the city's total equalized value

Actual percentage of debt limit at 12/31/23: **20%**



Total debt outstanding by type at 12/31/2023

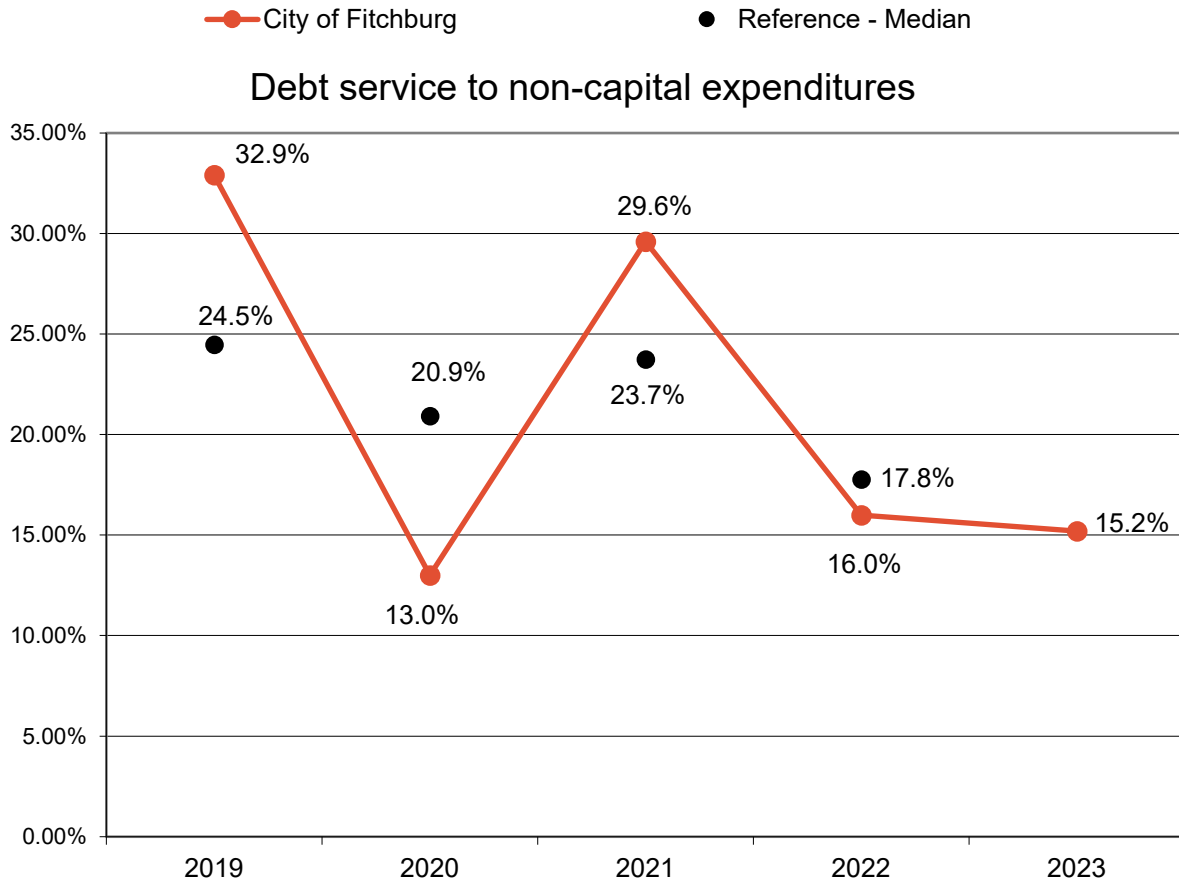
	General obligation	Total
City	\$ 56,045,000	\$ 56,045,000
Utility	-	-
Total	\$ 56,045,000	\$ 62,335,000

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 Fitchburg
Governmental funds - debt service



Years 2019 through 2023 include refundings and TID debt call.
Adjusted metrics excluding refunding/call principal are 18% in 2019 & 2021, 15% in 2022 and 13% in 2023.

Current and prior year data

	<u>2023</u>	<u>2022</u>
Principal	\$ 6,290,000	\$ 5,530,000
Interest	1,621,077	1,789,065
Total	<u>\$ 7,911,077</u>	<u>\$ 7,319,065</u>
Non-capital expenditures	<u>\$ 52,055,700</u>	<u>\$ 45,781,141</u>

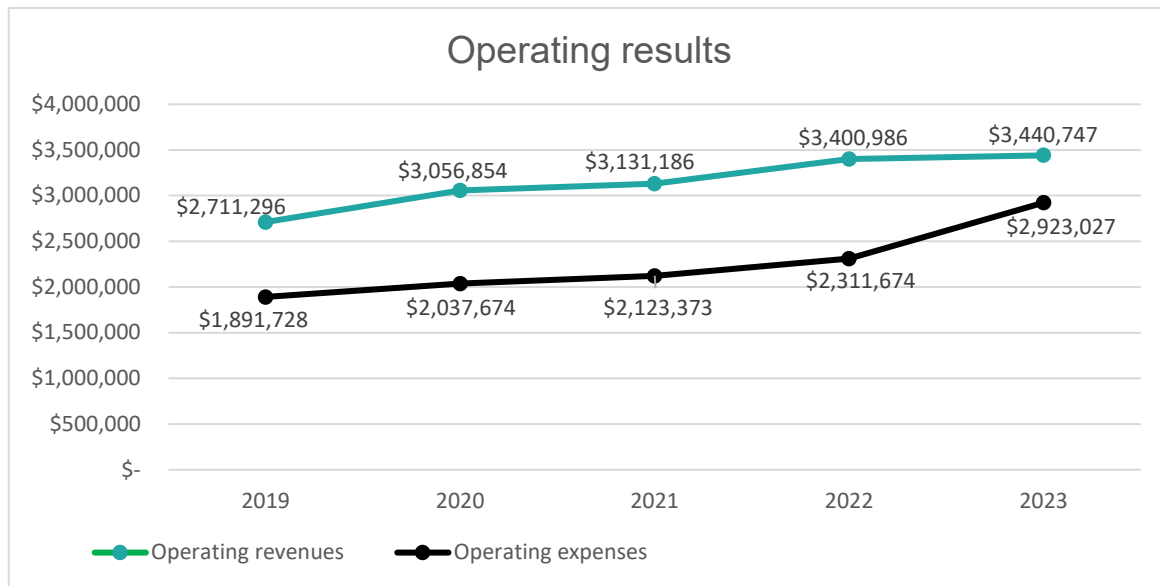
Other reference values

Median reference value generated from 2019 - 2022 Baker Tilly municipal client data for population range from 30,000 to 150,000



City of Fitchburg Water Utility Results

	<u>Current Year</u>	<u>Prior Year</u>
Actual Rate of Return	2.57%	4.90%
Authorized Rate of Return	5.25%	5.25%

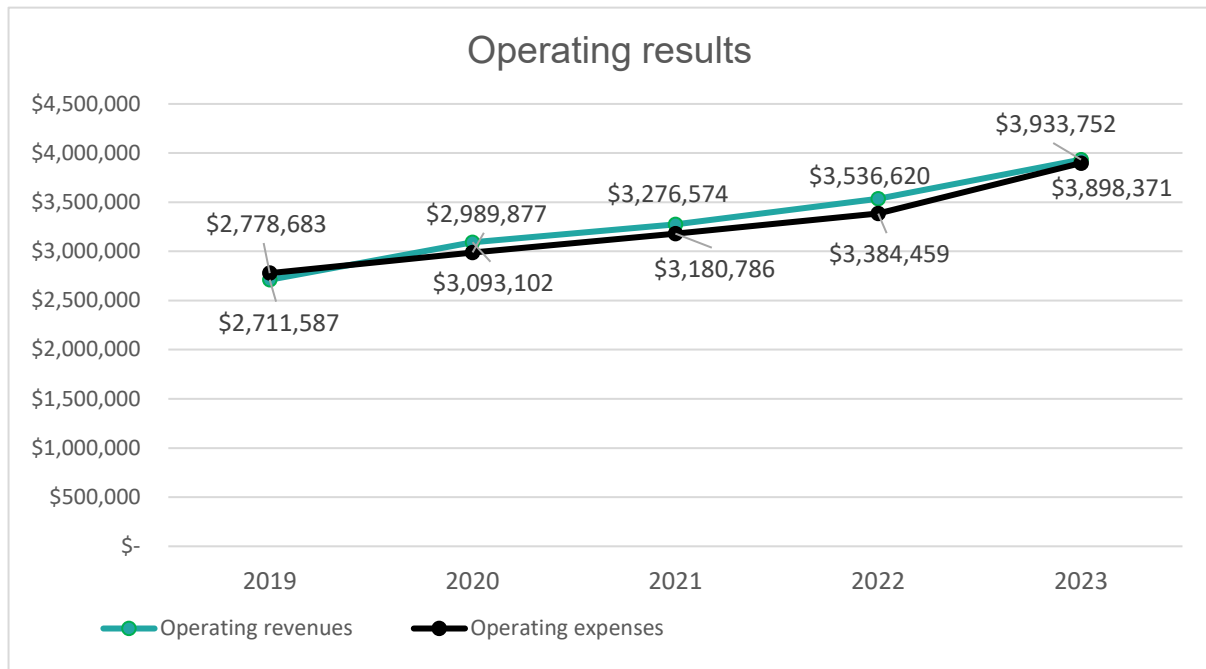


Unrestricted Reserves

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Year end balance	\$ 4,648,023	\$ 6,188,851	\$ 4,018,475	\$ 4,961,612	\$ 4,890,885
Months on hand	20.57	24.29	15.40	17.51	17.06



City of Fitchburg Sewer Utility Results

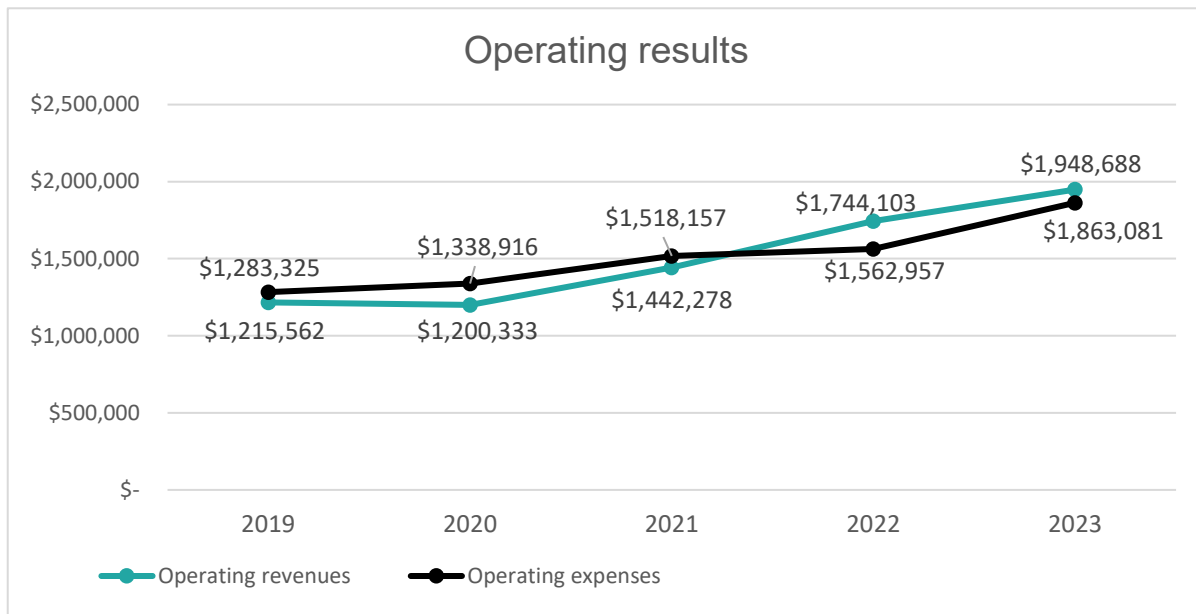


Unrestricted Reserves

	2019	2020	2021	2022	2023
Year end balance	\$ 704,824	\$ 921,023	\$ 1,740,804	\$ 2,466,583	\$ 3,026,482
Months on hand	3.12	3.57	6.38	8.37	9.23



City of Fitchburg Stormwater Utility Results



Unrestricted Reserves

	2019	2020	2021	2022	2023
Year end balance	\$ 2,602,867	\$ 1,293,485	\$ 1,341,582	\$ 2,115,663	\$ 816,237
Months on hand	25.70	12.93	11.16	14.56	5.03