

**CITY OF CHILTON, WISCONSIN**  
**SUMMARY FINANCIAL REPORT**  
**DECEMBER 31, 2015**

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**CITY OF CHILTON, WISCONSIN**  
 Summary Financial Information  
 For the Year Ended December 31, 2015

The following information is provided to assist management in assessing financial results for the year ended December 31, 2015 and for indicating financial resources available at the start of the 2016 budget year.

**Governmental Fund Balances**

The following is a summary of financial position at December 31, 2015 along with the prior year for comparison.

	<u>2015</u>	<u>2014</u>
General Fund		
Nonspendable	\$ 68,556	\$ 75,108
Committed for subsequent years' expenditures	1,653,188	1,588,294
Unassigned	<u>126,205</u>	<u>96,622</u>
	<u>1,847,949</u>	<u>1,760,024</u>
Special Revenue Funds		
Restricted for:		
Community Rehabilitation	82,680	86,677
Committed for:		
Chilton Lake District	41,925	41,907
Library Donations	228,969	145,620
Economic Development	73,478	17,752
Redevelopment Authority	29,954	29,213
Fire Department Donations	<u>79,995</u>	<u>73,443</u>
	<u>537,001</u>	<u>394,612</u>
Capital Projects Funds		
Nonspendable for:		
Tax incremental district #4	430,537	480,269
Restricted for:		
General capital improvements	358,081	355,918
Tax incremental district #2	291,341	82,265
Tax incremental district #4	<u>123,972</u>	<u>74,121</u>
	<u>1,203,931</u>	<u>992,573</u>
 Total Governmental Fund Balances	 <u>\$ 3,588,881</u>	 <u>\$ 3,147,209</u>

A. The above summary indicates a total general fund balance in the amount of \$1,847,949 which is approximately 70% of actual general fund expenditures. This level of fund balance is generally considered excellent by municipal bond consultants and an indication of sound financial planning.

B. The increase in the general fund balance of \$87,924 was not anticipated.

**CITY OF CHILTON, WISCONSIN**  
 Tax Incremental Financing District No. 2 Annual Report  
 For the Year Ended December 31, 2015

Date Created: January 1, 1992

Latest Possible Termination Date: 2018

	Current Year	Cumulative
<b>Revenue</b>		
Tax increments	\$ 856,870	\$ 9,719,320
Land sales	22,750	96,554
State aid	1,606	13,708
Other revenues	530	1,930,543
Total revenues	881,756	11,760,125
<b>Expenditures</b>		
Project costs	63,285	8,184,835
Bond costs	-	38,640
Interest on debt	-	2,074,325
Total expenditures	\$ 63,285	10,297,800
Subtotal		1,462,325
Excess increment received from TID #1		134,532
Excess increment received from TID #1		220,870
Excess increment received from TID #1		222,872
Excess increment received from TID #3		68,130
Excess increment received from TID #3		93
Excess increment paid to TID #4 (2008)		(417,077)
Excess increment paid to TID #4 and #5 (2009)		(561,746)
Excess increment paid to TID #4 (2010)		(200,000)
Excess increment paid to TID #4 and #5 (2011)		(552,443)
Revenue paid to Economic Development (2010)		(25,000)
Revenue paid to Economic Development (2011)		(14,060)
Excess increment paid to TID #4 and #5 (2012)		(244,000)
Excess increment paid to TID #4 and #5 (2013)		(530,000)
Excess increment paid to TID #4 and #5 (2014)		(387,817)
Excess increment paid to TID #4 (2015)		(239,000)
Net Unreimbursed Costs at December 31, 2015		\$ (1,062,321)

**CITY OF CHILTON, WISCONSIN**

Tax Incremental Financing District No. 4 Annual Report  
For the Year Ended December 31, 2015

Date Created: January 1, 2005

Latest Possible Termination Date: 2031

	<u>Current Year</u>	<u>Cumulative</u>
Revenue		
Tax increments	\$ 53,853	\$ 244,218
State aid	218	21,140
Other revenues	<u>1,812</u>	<u>102,265</u>
Total revenues	<u>55,883</u>	<u>367,623</u>
Expenditures		
Project costs	74,785	2,762,798
Interest on debt	<u>-</u>	<u>324,535</u>
Total expenditures	<u>\$ 74,785</u>	<u>3,087,333</u>
Subtotal		(2,719,710)
Excess increment received from TID #2 (2008)		417,077
Excess increment received from TID #2 (2009)		396,551
Excess increment received from TID #2 (2010)		200,000
Excess increment received from TID #2 (2011)		467,000
Excess increment received from TID #2 (2012)		217,000
Excess increment received from TID #2 (2013)		312,000
Excess increment received from TID #2 (2014)		272,000
Excess increment received from TID #2 (2015)		<u>239,000</u>
Net Unreimbursed Costs at December 31, 2015		<u>\$ (199,082)</u>

**CITY OF CHILTON, WISCONSIN**  
Utility Rate of Return  
For the Year Ended December 31, 2015

**Water Utility Rate of Return**

The following is the water utility rate of return calculation using requirements of the Wisconsin Public Service Commission for 2015 along with the prior two years for comparison.

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Average utility plant in service	\$ 5,236,288	\$ 4,648,820	\$ 4,643,395
Average materials and supplies	19,062	19,093	21,161
Less:			
Average regulatory liability	(207,415)	(231,817)	(256,219)
Average accumulated depreciation	<u>(2,059,968)</u>	<u>(1,935,704)</u>	<u>(1,832,533)</u>
RATE BASE	<u>\$ 2,987,967</u>	<u>\$ 2,500,392</u>	<u>\$ 2,575,804</u>
 OPERATING INCOME	 <u>\$ (261,025)</u>	 <u>\$ 36,583</u>	 <u>\$ 77,013</u>
 RATE OF RETURN	 <u>-8.74%</u>	 <u>1.46%</u>	 <u>2.99%</u>

In 2015, revenues increased by \$3,000 and repairs and maintenance increased by \$287,000 resulting in the reduced rate of return.

**Sewer Utility Rate of Return**

The following is the sewer utility rate of return calculation for 2015 along with the prior two years for comparison.

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Average utility plant in service	\$ 11,312,617	\$ 11,295,007	\$ 11,290,341
Less:			
Contributions in aid of construction	(4,508,566)	(4,508,566)	(4,508,566)
Average accumulated depreciation	<u>(6,712,274)</u>	<u>(6,339,803)</u>	<u>(5,963,750)</u>
RATE BASE	<u>\$ 91,777</u>	<u>\$ 446,638</u>	<u>\$ 818,025</u>
 OPERATING INCOME	 <u>\$ 38,294</u>	 <u>\$ (222)</u>	 <u>\$ 15,685</u>
 RATE OF RETURN	 <u>41.73%</u>	 <u>-0.05%</u>	 <u>1.92%</u>

To achieve a rate of return of 3%, operating income would be approximately \$2,800. In 2015, revenues decreased by \$29,000 and operating expenses decreased by \$67,300 resulting in the higher rate of return. Expenses decreased because a higher paid employee was replaced with a lower paid employee and less maintenance was completed in 2015.