

CITY OF ONALASKA, WISCONSIN

**SUMMARY FINANCIAL REPORT
WITH INDEPENDENT AUDITORS'
REPORT**

DECEMBER 31, 2016

CITY OF ONALASKA, WISCONSIN
SUMMARY FINANCIAL REPORT

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INDEPENDENT AUDITORS' REPORT

To the Common Council
City of Onalaska, Wisconsin

The accompanying summary financial reports of the City of Onalaska, Wisconsin (the "City") as of and for the year ended December 31, 2016, as listed in the table of contents, are derived from the audited basic financial statements of governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Onalaska, Wisconsin, as of and for the year ended December 31, 2016. We expressed an unmodified audit opinion on those audited financial statements in our report dated May 11, 2017.

The summary financial reports do not contain all the disclosures required by accounting principles generally accepted in the United States of America. Reading the summary financial reports, therefore, is not a substitute for reading the audited financial statements of the City.

Management's Responsibility for the Summary Financial Reports

Management is responsible for the preparation of the summary financial reports on the basis described in the other financial information.

Auditor's Responsibility

Our responsibility is to express an opinion about whether the summary financial reports are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with auditing standards generally accepted in the United States of America. The procedures consisted principally of comparing the summary financial reports with the related information in the audited financial statements from which the summary financial reports have been derived, and evaluating whether the summary financial reports are prepared in accordance with the basis described in the other financial information.

Opinion

In our opinion, the summary financial reports of the City of Onalaska, Wisconsin as of and for the year ended December 31, 2016 referred to above are consistent, in all material respects, with the audited financial statements from which they have been derived, on the basis described in the other financial information.

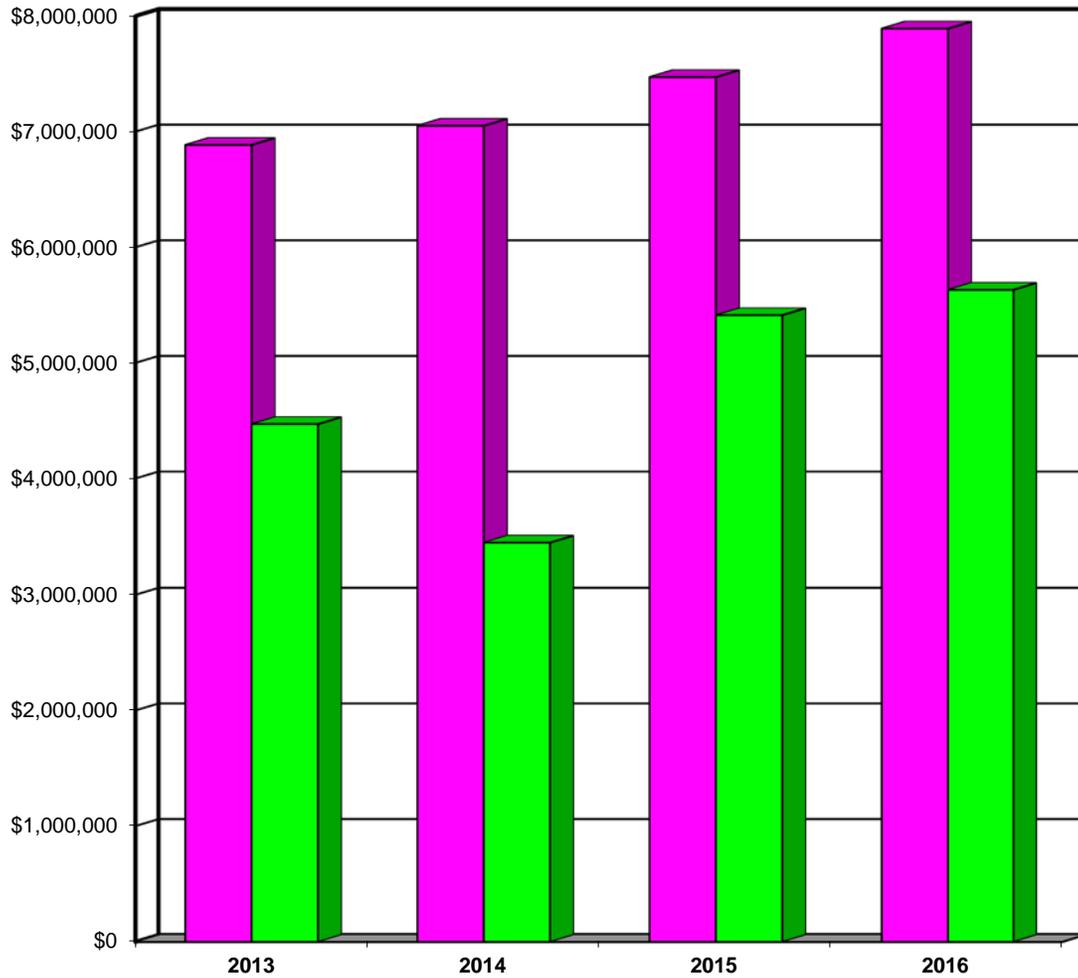
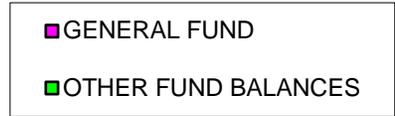
Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
May 11, 2017

CITY OF ONALASKA, WISCONSIN
COMBINED BALANCE SHEET
INCLUDING COMPONENT UNIT

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	DECEMBER 31,	
	2016	2015
ASSETS		
Cash and investments	\$ 36,610,157	\$ 36,591,743
Restricted cash	1,259,433	1,291,584
Receivables		
Taxes	23,235,614	23,688,223
Special assessments	613,813	636,617
Customers and other	1,572,375	1,296,107
Interfund	2,399,146	3,058,848
Intergovernmental	142,780	259,824
Net pension asset (Wisconsin Retirement System)	-	153,851
Inventories and prepaids	157,660	111,131
Capital assets, less accumulated depreciation	<u>53,533,734</u>	<u>51,018,718</u>
TOTAL ASSETS	<u>119,524,712</u>	<u>118,106,646</u>
DEFERRED OUTFLOWS OF RESOURCES		
Wisconsin Retirement System pension	581,616	175,461
Loss on refunding	<u>451,918</u>	<u>507,210</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>1,033,534</u>	<u>682,671</u>
	<u>\$ 120,558,246</u>	<u>\$ 118,789,317</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND EQUITY		
LIABILITIES		
Payables	\$ 1,487,045	\$ 1,867,095
Accrued interest expense	154,423	153,944
Interfund payables	2,399,146	3,058,848
Taxes and special assessments		
Due to other governments	28,900,851	29,140,618
Deferred revenue until next year	11,188,573	10,839,471
Net pension liability (Wisconsin Retirement System)	102,077	-
Compensated absences	176,567	164,192
Long-term debt	19,645,353	17,965,193
Premium on long-term debt	<u>65,101</u>	<u>47,431</u>
TOTAL LIABILITIES	<u>64,119,136</u>	<u>63,236,792</u>
DEFERRED INFLOWS OF RESOURCES		
Wisconsin Retirement System pension	216,960	1,136
Unavailable revenue	<u>324,891</u>	<u>332,695</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>541,851</u>	<u>333,831</u>
	<u>64,660,987</u>	<u>63,570,623</u>
EQUITY		
Net position	42,375,104	42,335,696
General fund balance	7,890,595	7,471,019
Other fund balances	<u>5,631,560</u>	<u>5,411,979</u>
TOTAL EQUITY	<u>55,897,259</u>	<u>55,218,694</u>
	<u>\$ 120,558,246</u>	<u>\$ 118,789,317</u>

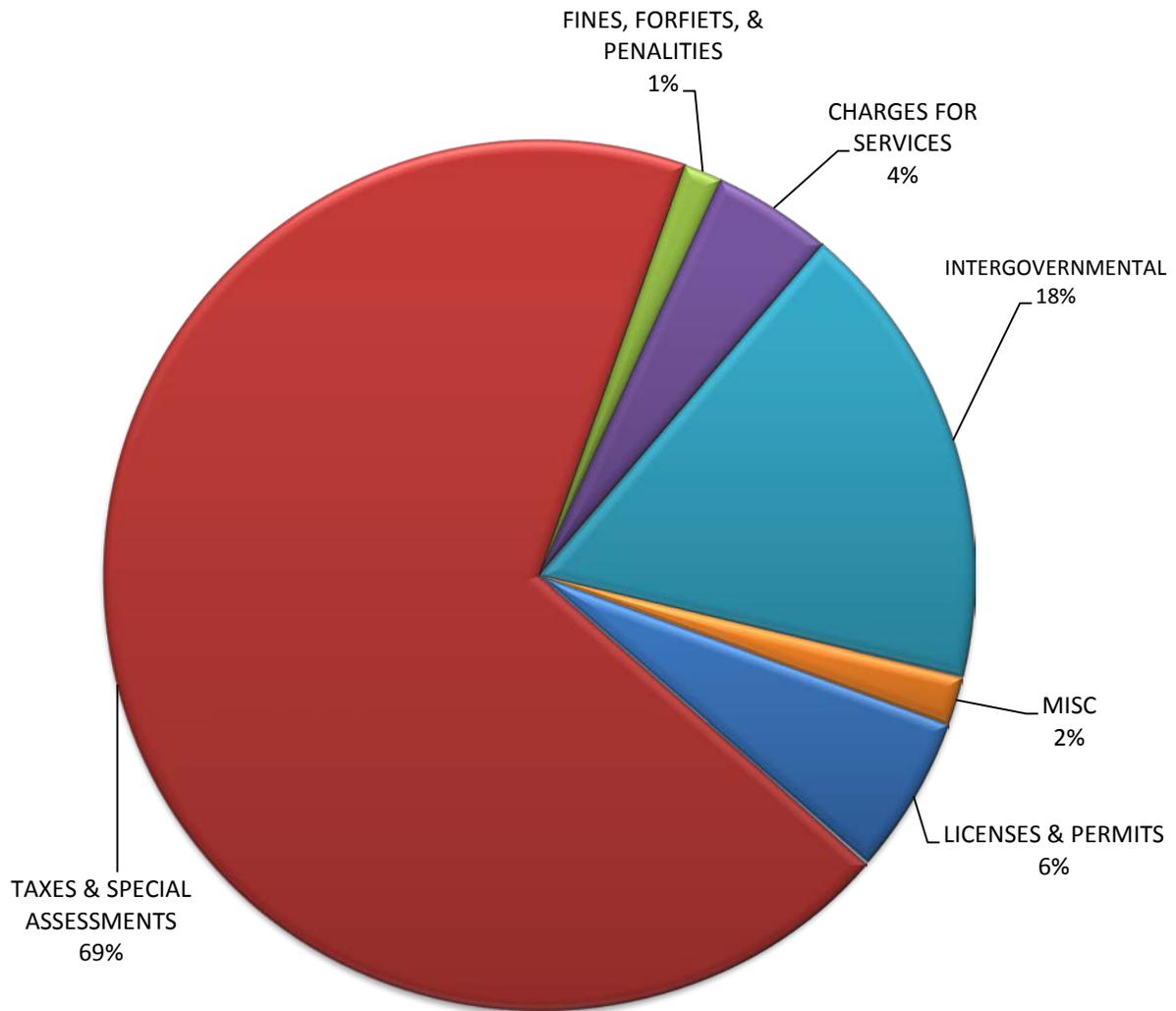
CITY OF ONALASKA, WISCONSIN 2013-2016 FUND BALANCES



CITY OF ONALASKA, WISCONSIN
REVENUE
GENERAL FUND
YEAR ENDED DECEMBER 31, 2016

	2016		2015
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
REVENUE			
Taxes			
Property	\$ 5,726,655	\$ 5,722,093	\$ 5,592,328
Payments in lieu of taxes	117,000	146,123	120,450
Special Assessments	17,140	54,141	73,044
Intergovernmental			
State shared taxes	760,779	769,505	783,096
State grants and payments	711,852	730,759	702,763
Licenses and Permits			
Business and occupational licenses	225,615	230,986	232,759
Nonbusiness licenses	52,065	62,275	58,389
Building permits and inspection fees	160,350	201,705	336,640
Zoning permits and fees	6,000	11,991	11,886
Fines, Forfeits, and Penalties			
Law and ordinance violations	118,500	123,495	117,779
Public Charges for Services			
General government	9,970	12,348	13,547
Public safety	4,000	12,500	8,315
Culture, recreation, and education	188,648	210,639	205,590
Other	1,200	880	872
Intergovernmental Charges for Services			
Other local governments	51,837	143,011	137,812
Miscellaneous			
Interest	57,005	70,680	61,603
Insurance recoveries	10,000	41,613	56,535
Donations/contributions	21,000	16,659	21,785
Miscellaneous	12,000	26,174	39,706
Operating Transfer In	<u>408,000</u>	<u>444,519</u>	<u>417,410</u>
TOTAL REVENUE	<u>\$ 8,659,616</u>	<u>\$ 9,032,096</u>	<u>\$ 8,992,309</u>

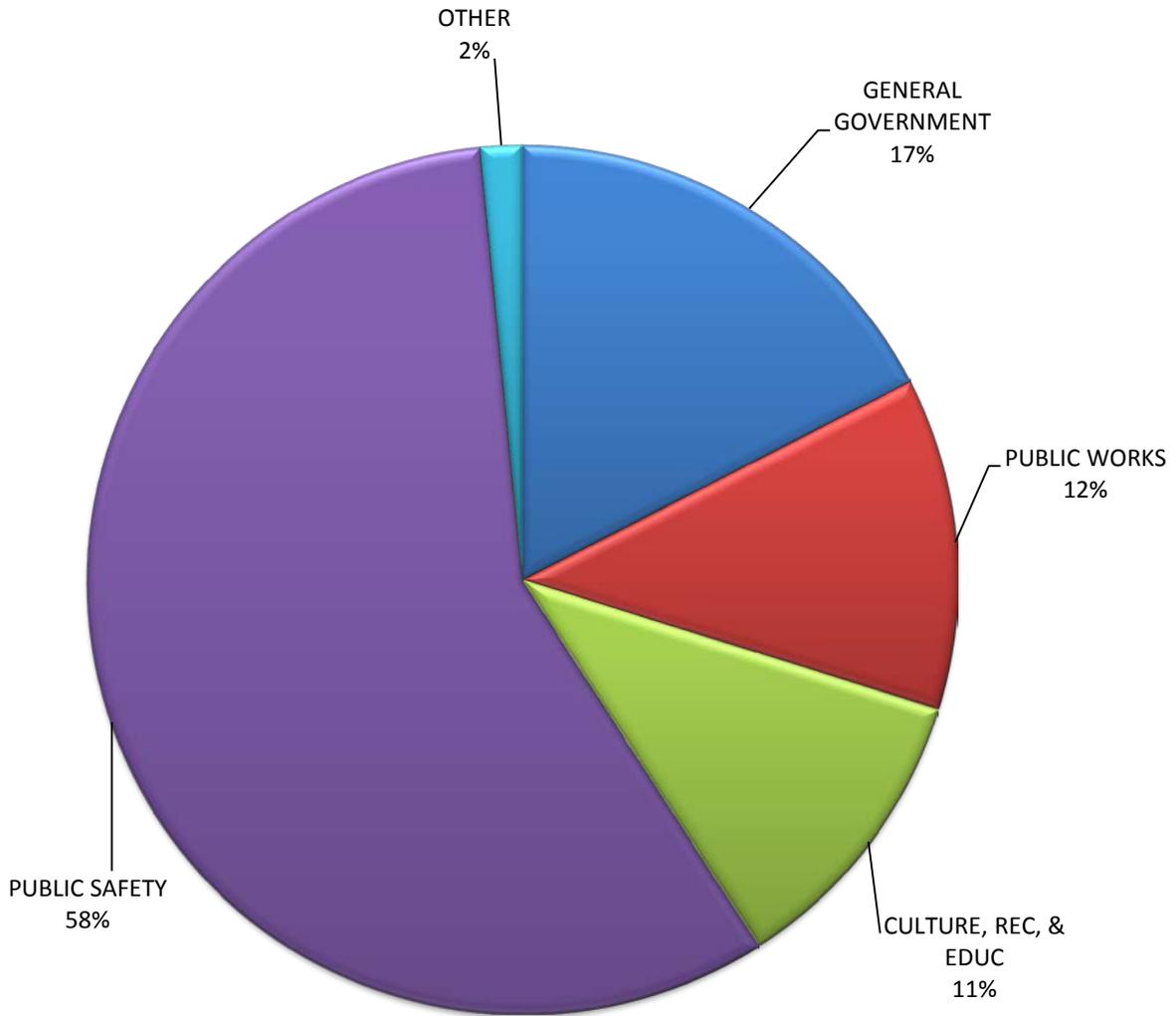
CITY OF ONALASKA, WISCONSIN 2016 GENERAL FUND REVENUE



CITY OF ONALASKA, WISCONSIN
EXPENDITURES
GENERAL FUND
YEAR ENDED DECEMBER 31, 2016

EXPENDITURES	2016		2015
	<u>BUDGET</u>	<u>ACTUAL</u>	<u>ACTUAL</u>
General Government			
Common council	\$ 58,792	\$ 47,543	\$ 48,439
Municipal court	325	963	16
City attorney	115,000	140,558	127,478
Mayor	34,776	29,961	77,086
Finance	136,802	172,417	135,239
Clerk and elections	257,772	229,809	217,428
Auditing, personnel, and management	84,273	91,083	82,799
Assessor	325,275	358,990	325,298
City hall	168,586	161,332	151,893
Other general government	279,201	228,780	246,134
Public Safety			
Police department	2,866,811	2,712,912	2,772,582
Fire department	1,752,559	1,648,086	1,636,593
Inspections	441,026	443,554	417,119
Other	7,200	7,000	7,300
Public Works			
Engineering	116,125	115,469	125,803
Street department	721,893	659,742	694,343
Street signs and markings	19,300	23,053	18,584
Street lighting	240,105	230,058	239,954
Health and Human Services			
Animal pound	56,000	44,313	51,067
Culture, Recreation, and Education			
Library	92,248	88,027	86,751
Parks	300,978	295,031	281,408
Recreation	395,116	364,655	368,859
Swimming pool	176,532	176,121	169,919
Conservation and Development			
Planning	66,421	85,063	209,311
Operating Transfers Out	<u>258,000</u>	<u>258,000</u>	<u>80,000</u>
TOTAL EXPENDITURES	<u>\$ 8,971,116</u>	<u>\$ 8,612,520</u>	<u>\$ 8,571,403</u>

CITY OF ONALASKA, WISCONSIN 2016 GENERAL FUND EXPENDITURES

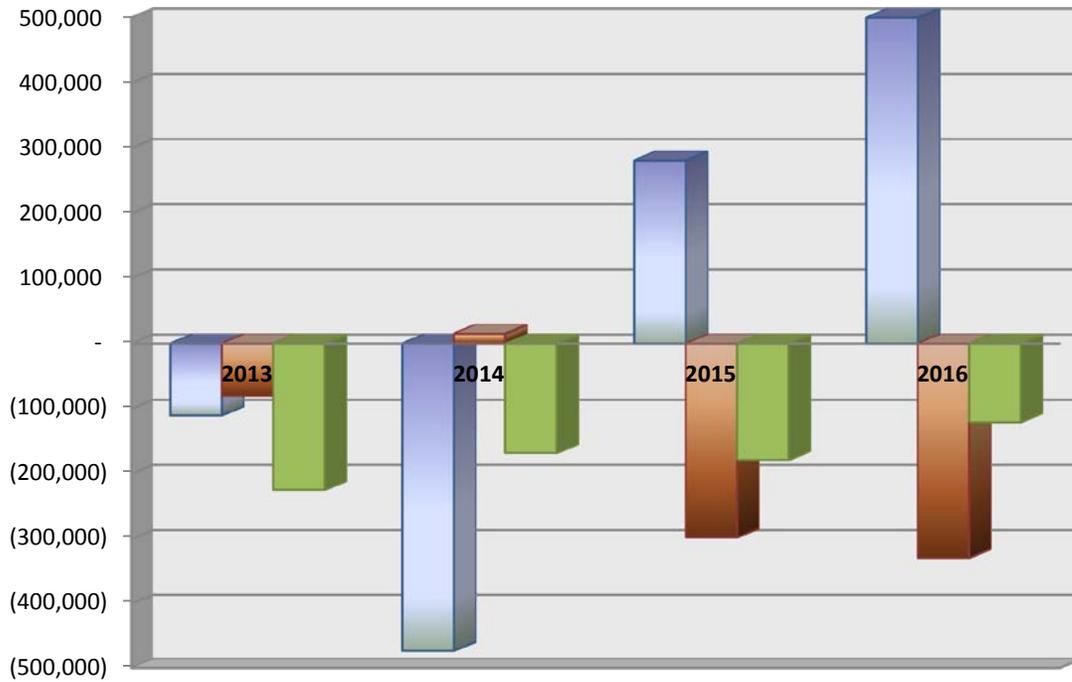


CITY OF ONALASKA, WISCONSIN
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET ASSETS
WATER, SEWER, AND STORM WATER UTILITY

	YEAR ENDED DECEMBER 31,					
	WATER		SEWER		STORM WATER	
	2016	2015	2016	2015	2016	2015
OPERATING REVENUE						
Charges for services	\$ 2,231,701	\$ 1,995,357	\$ 1,844,276	\$ 1,797,336	\$ 771,590	\$ 749,425
OPERATING EXPENSES						
Operations	551,297	669,013	345,271	299,784	283,912	268,144
Maintenance	47,222	74,048	16,031	32,357	22,795	28,078
General and administration	439,513	366,057	1,318,924	1,279,871	57,338	107,828
Depreciation	628,809	571,008	468,913	461,334	517,873	514,723
Taxes	36,287	34,381	23,993	21,317	10,263	9,227
TOTAL OPERATING EXPENSES	<u>1,703,128</u>	<u>1,714,507</u>	<u>2,173,132</u>	<u>2,094,663</u>	<u>892,181</u>	<u>928,000</u>
OPERATING INCOME (LOSS)	<u>528,573</u>	<u>280,850</u>	<u>(328,856)</u>	<u>(297,327)</u>	<u>(120,591)</u>	<u>(178,575)</u>
NONOPERATING (EXPENSES) REVENUE						
Intergovernmental grants	-	-	-	-	30,058	31,077
Interest income	4,814	3,785	5,707	7,145	696	714
Contributions	-	-	9,359	2,021	9,400	-
Interest expense	(136,371)	(138,153)	(55,519)	(51,015)	(143,443)	(147,832)
Miscellaneous revenue	-	-	-	-	9,559	4,103
Loss on disposal of capital assets	-	-	-	-	(1,516)	(1,206)
Debt issuance costs	(6,993)	(50,141)	(3,490)	(10,489)	-	(1,567)
Amortization expense	(12,278)	(13,123)	(1,720)	(4,989)	-	-
Capital Contributions	17,875	12,603	-	60,986	-	-
Transfer out	(414,820)	(388,430)	(29,699)	(28,980)	-	-
TOTAL NONOPERATING (EXPENSES)	<u>(547,773)</u>	<u>(573,459)</u>	<u>(75,362)</u>	<u>(25,321)</u>	<u>(95,246)</u>	<u>(114,711)</u>
CHANGE IN NET POSITION	(19,200)	(292,609)	(404,218)	(322,648)	(215,837)	(293,286)
NET POSITION AT BEGINNING OF YEAR	15,452,722	15,618,302	11,730,117	11,970,614	14,321,425	14,579,038
CHANGE IN ACCOUNTING PRINCIPLE	-	127,029	-	82,151	-	35,673
NET POSITION AT END OF YEAR	<u>\$ 15,433,522</u>	<u>\$ 15,452,722</u>	<u>\$ 11,325,899</u>	<u>\$ 11,730,117</u>	<u>\$ 14,105,588</u>	<u>\$ 14,321,425</u>

CITY OF ONALASKA, WISCONSIN WATER, SEWER, AND STORM WATER UTILITY OPERATING INCOME (LOSS)

- WATER
- SEWER
- STORM WATER



CITY OF ONALASKA, WISCONSIN
STATEMENT OF REVENUE, EXPENDITURES, AND FUND EQUITY
OTHER FUNDS

	FUND BALANCES/ NET POSITION			FUND BALANCES/ NET POSITION
	JANUARY 1, 2016	REVENUE	EXPENDITURES	DECEMBER 31, 2016
Special Revenue				
Nonresident and park	\$ 569,843	\$ 14,899	\$ 77,115	\$ 507,627
Special projects/donations	2,079,046	303,371	565,537	1,816,880
Refuse and recycling	361,324	963,337	956,648	368,013
Shared ride taxi	211,148	805,022	779,567	236,603
Equipment replacement	543,903	354,634	(64,919)	963,456
Police reserves	3,400	7,633	7,611	3,422
Municipal court	149,028	297,796	290,789	156,035
Debt Service	404,270	8,256,835	8,045,215	615,890
Capital Projects				
1990 Projects	150,660	2,336	152,973	23
1996 Projects	(19,726)	-	-	(19,726)
1997 Projects	(1,461)	35	-	(1,426)
1998 Projects	57,550	304	-	57,854
2001 Projects	7,492	11	-	7,503
2002 Projects	(2,340)	-	-	(2,340)
2003 Projects	(861)	-	-	(861)
2004 Projects	214	1	-	215
2005 Projects	33,391	-	-	33,391
2006 Projects	9,806	1	-	9,807
2007 Projects	287	-	-	287
2008 Projects	277,724	375	18,956	259,143
2009 Projects	139	-	37,529	(37,390)
2010 Projects	10	-	-	10
2011 Projects	9,801	-	15,000	(5,199)
2012 Projects	(19,292)	-	-	(19,292)
2013 Projects	(30,419)	-	1,438	(31,857)
2014 Projects	258,508	372	214,282	44,598
2015 Projects	358,534	323	248,877	109,980
2016 Projects	-	3,487,174	2,928,260	558,914
Enterprise				
Tourism	333,710	800,641	465,839	668,512
Cemetery	399,843	227,089	69,141	557,791
Gundersen Lutheran Parking Ramp	(91,242)	243,248	79,640	72,366
Omni Center	(72,184)	598,512	621,886	(95,558)
TOTAL	<u>\$ 5,982,106</u>	<u>\$ 16,363,949</u>	<u>\$ 15,511,384</u>	<u>\$ 6,834,671</u>

CITY OF ONALASKA, WISCONSIN
OTHER FINANCIAL INFORMATION
DECEMBER 31, 2016

Independent Auditors' Report - An unmodified "clean" auditors' opinion was issued on the City's financial statements. Our opinion states that we found that your statements present fairly, in all material respects, the financial activity of the City.

Basis of Accounting - The combined balance sheet, general fund revenue, general fund expenditures, and statement of revenue, expenditures, and fund equity summary financial statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting. The statement of revenue, expenses, and changes in net position financial statement is presented using the economic resources measurement focus and the accrual basis of accounting.

General Capital Assets - The City added \$2,699,508 of general capital assets during 2016, of which \$1,784,882 was infrastructure, \$270,891 was for vehicles, \$74,385 was for Council Chambers AV, \$74,913 was for Van Riper Park playground, and \$14,767 for Aquatic Center cameras.

	Balances <u>1/1/16</u>	<u>Additions</u>	<u>Retirements</u>	Balances <u>12/31/16</u>
General Capital Assets	\$ 82,828,182	\$ 2,699,508	\$ (2,642,255)	\$ 82,885,435
Less Accumulated Depreciation	<u>37,635,379</u>	<u>2,765,585</u>	<u>(2,642,255)</u>	<u>37,758,709</u>
General Capital Assets, net	<u>\$ 45,192,803</u>	<u>\$ (66,077)</u>	<u>\$ -</u>	<u>\$ 45,126,726</u>

Water, Sewer, and Storm Water Utilities - The City added \$4,297,282 of water, sewer, and storm water fixed assets during 2016, of which \$36,475 was contributed by developers.

Long-Term Debt - General obligation long-term debt decreased \$942,375 to an outstanding general obligation debt balance of \$42,061,888, at December 31, 2016. The City is well below its debt limit of \$91,763,510.

	Balances <u>1/1/16</u>	<u>Additions</u>	<u>Retirements</u>	Balances <u>12/31/16</u>
General Obligation Long-Term Debt	<u>\$ 43,004,263</u>	<u>\$ 10,594,190</u>	<u>\$(11,536,565)</u>	<u>\$ 42,061,888</u>

Auditors' Reports on Compliance and Internal Control Over Financial Reporting - These reports conclude that the City's internal control appears adequate for a City of your size and we did not identify any material compliance violations.

Communications With the Those Charge With Governance - This report discusses the scope and limitations of a financial audit and communicates any problems we had during the audit process. No significant problems were identified.