

CITY OF MILTON, WISCONSIN

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

DECEMBER 31, 2019

CITY OF MILTON, WISCONSIN
SUMMARY FINANCIAL REPORT

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Milton, Wisconsin

The accompanying summary financial reports of the City of Milton, Wisconsin (the "City") as of and for the year ended December 31, 2019 and the related notes, as listed in the table of contents, are derived from the audited basic financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Milton, Wisconsin as of and for the year ended December 31, 2019. We expressed an unmodified audit opinion on those audited financial statements in our report dated June 25, 2020.

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.

Auditors' 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 Milton, Wisconsin as of and for the year ended December 31, 2019, 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.

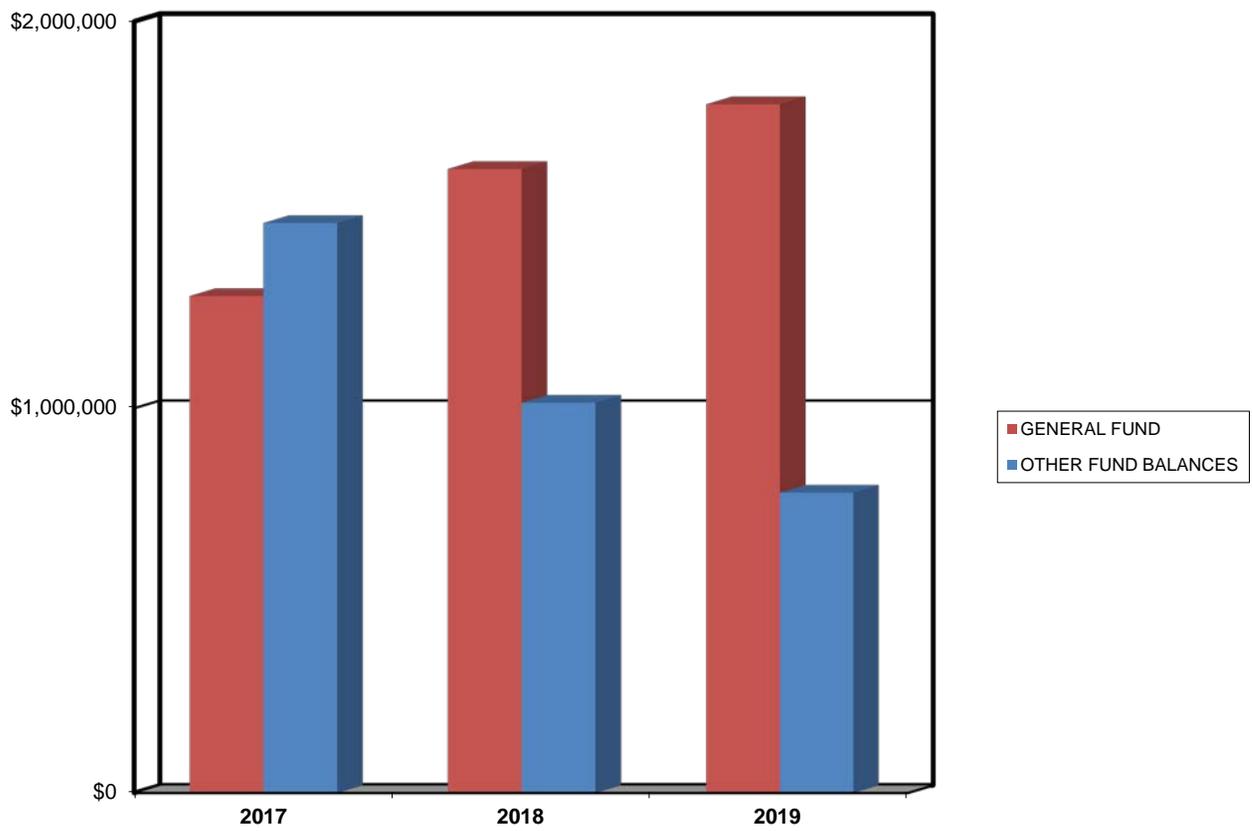
Hawkins Ash CPAs, LLP

La Crosse, Wisconsin
June 25, 2020

**CITY OF MILTON, WISCONSIN
COMBINED BALANCE SHEET**

<u>ASSETS</u>	DECEMBER 31,	
	2019	2018
Cash and investments	\$ 8,252,761	\$ 8,869,270
Restricted cash	1,252,042	2,194,354
Receivables		
Taxes	8,145,130	5,745,264
Special assessments	457,978	376,572
Customers and other	615,753	572,212
Interfund	416,048	488,447
Loan	278,910	284,631
Interest	16,026	2,604
Inventories and prepaids	54,185	53,095
Capital assets, less accumulated depreciation	21,874,373	19,438,301
Net pension asset (Wisconsin Retirement System)	-	83,618
TOTAL ASSETS	41,363,206	38,108,368
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Wisconsin Retirement System pension	465,070	242,371
Local Retiree Life Insurance fund	4,042	3,333
TOTAL DEFERRED OUTFLOWS OF RESOURCES	469,112	245,704
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 41,832,318	\$ 38,354,072
<u>LIABILITIES</u>		
Payables	\$ 622,665	\$ 161,597
Accrued liabilities	74,314	65,737
Accrued interest expense	13,734	15,310
Interfund payables	416,048	488,447
Due to other governments	1,736,664	5,295,500
Compensated absences	53,740	57,541
Long-term obligations	3,084,986	3,397,130
Unearned revenue	889,834	872,765
Net LRLIF liability	19,341	20,305
TOTAL LIABILITIES	6,911,326	10,374,332
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable revenue		
Tax roll	4,787,096	4,353,127
Wisconsin Retirement System pension	321,872	292,798
Local Retiree Life Insurance fund	5,174	286
TOTAL DEFERRED INFLOWS OF RESOURCES	5,114,142	4,646,211
<u>EQUITY</u>		
Net position	27,239,564	20,700,993
General fund balance	1,785,563	1,618,424
Other fund balances	781,723	1,014,112
TOTAL EQUITY	29,806,850	23,333,529
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND EQUITY	\$ 41,832,318	\$ 38,354,072

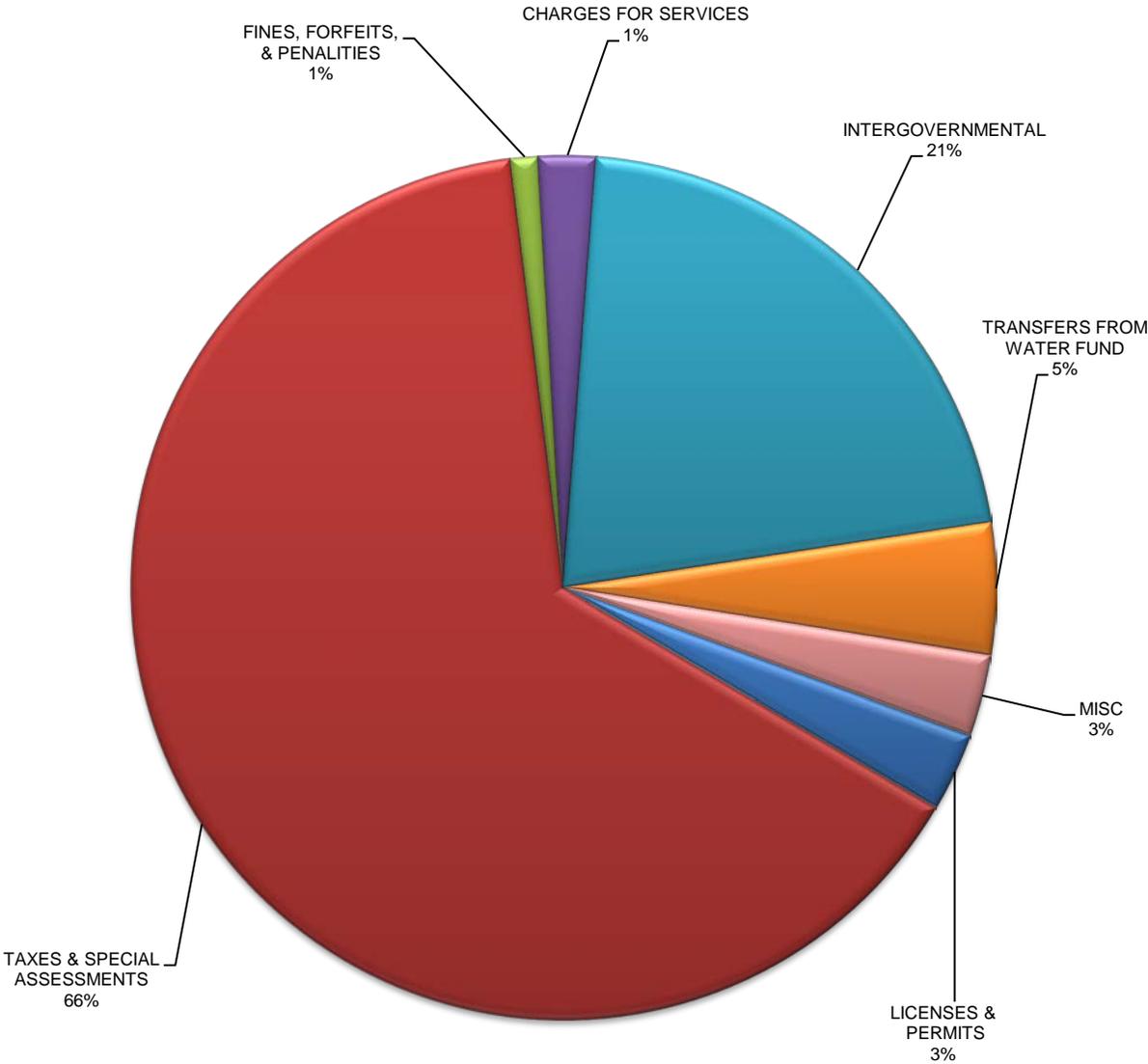
CITY OF MILTON, WISCONSIN 2017-2019 FUND EQUITY



CITY OF MILTON, WISCONSIN
REVENUE
GENERAL FUND

REVENUE	YEAR ENDED DECEMBER 31,		
	2019		2018
	BUDGET	ACTUAL	ACTUAL
Taxes	\$ 3,289,755	\$ 3,289,546	\$ 3,236,502
Intergovernmental			
State shared taxes	716,727	728,927	724,296
State grants and payments	343,605	359,335	338,315
Licenses and Permits			
Business and occupational licenses	89,300	95,658	95,309
Nonbusiness licenses	4,200	3,446	3,017
Building permits and inspection fees	24,800	49,321	33,801
Zoning permits and fees	1,333	750	2,250
Other permits and fees	300	125	50
Fines, Forfeits, and Penalties			
Law and ordinance violations	55,250	52,858	58,323
Public Charges for Services			
General government	3,500	6,393	5,453
Public safety	1,250	4,350	1,978
Public works	13,250	23,614	30,083
Culture, recreation, and education	-	-	522
Intergovernmental Charges for Services			
Other local governments	118,000	73,946	71,147
Miscellaneous			
Interest and dividends	61,150	128,976	96,817
Rent	19,600	24,548	26,577
Miscellaneous	600	1,475	880
Operating Transfer In	210,000	251,892	530,371
TOTAL REVENUE	\$ 4,952,620	\$ 5,095,160	\$ 5,255,691

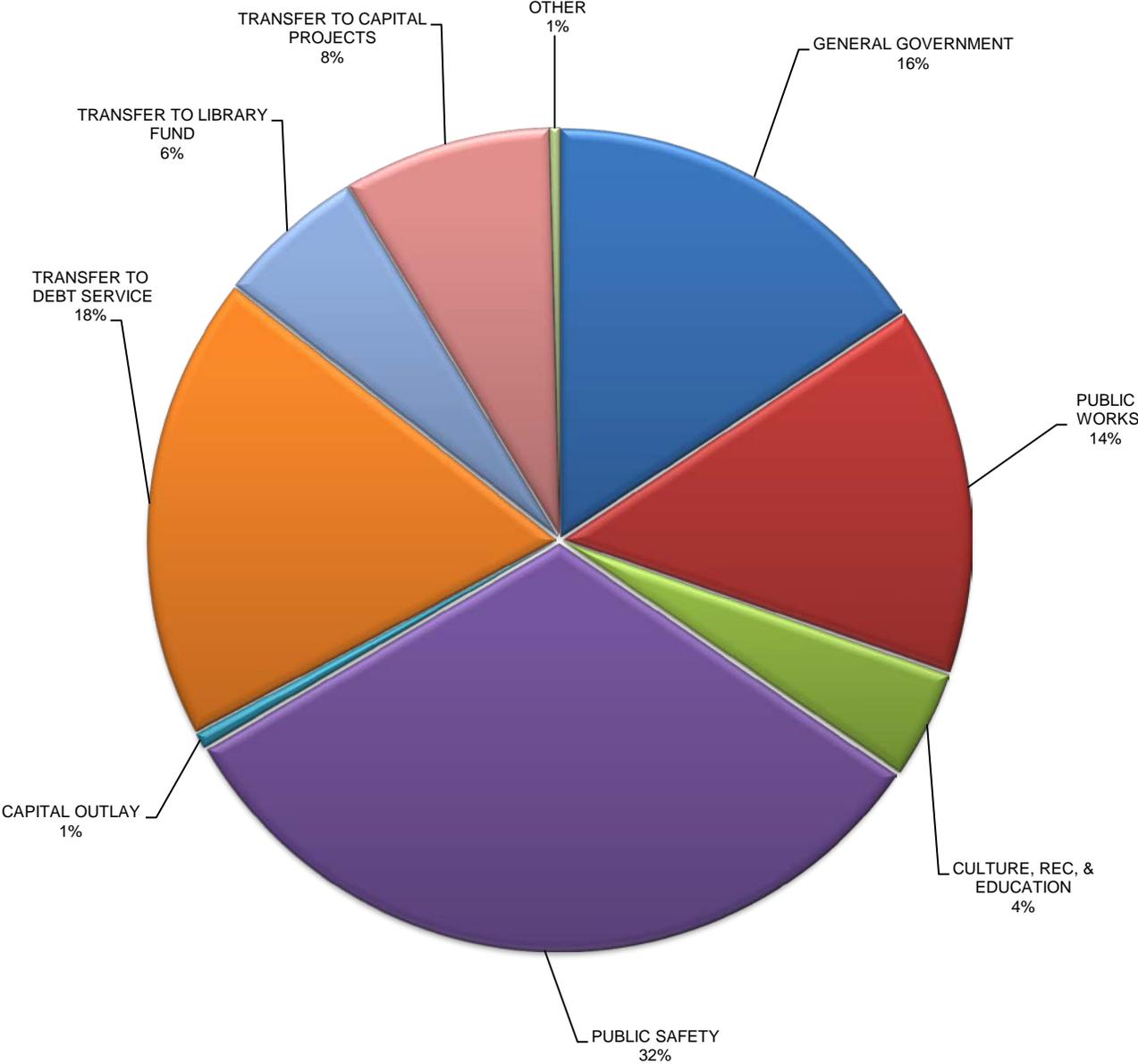
CITY OF MILTON 2019 GENERAL FUND REVENUE



CITY OF MILTON, WISCONSIN
EXPENDITURES
GENERAL FUND

EXPENDITURES	YEAR ENDED DECEMBER 31,		
	2019		2018
	BUDGET	ACTUAL	ACTUAL
General Government			
Mayor/council	\$ 16,420	\$ 15,474	\$ 15,151
Municipal court	81,875	80,622	69,310
Legal	63,000	57,375	56,860
City administrator	350,681	350,001	338,886
City clerk/treasurer	25,180	24,108	24,020
Elections	6,500	6,419	9,001
Assessor	30,800	30,584	41,579
Other	258,470	208,628	206,197
Public Safety			
Law enforcement	1,233,629	1,134,805	1,072,881
Code enforcement	48,433	33,071	41,868
Fire protection	340,175	362,810	313,335
Inspection materials	23,119	47,760	26,410
Public Works			
DPW administration	213,366	179,009	169,629
City garage	40,765	34,901	31,896
Public safety building	10,438	19,995	13,415
Street maintenance materials	331,043	318,111	285,663
Snow and ice removal materials	80,000	91,391	61,254
Traffic signs materials	22,850	2,414	22,594
Street lights	81,100	70,179	72,280
Recycling materials	5,900	3,447	3,246
Health and Human Services			
Cemetary	3,700	2,249	3,694
Culture, Recreation, and Education			
Donations	20,000	20,000	21,200
Parks	207,900	173,803	168,643
Community house	5,000	4,156	7,595
Recreation	10,762	8,501	15,621
Celebrations	4,900	4,303	4,491
Conservation and Development			
Historic preservation allocation	2,540	2,476	25
Planning	3,000	9,030	8,649
Economic development	5,000	4,786	2,840
Capital Outlay	33,500	30,039	37,517
Operating Transfers Out	1,597,574	1,597,574	1,781,352
TOTAL EXPENDITURES	<u>\$ 5,157,620</u>	<u>\$ 4,928,021</u>	<u>\$ 4,927,102</u>

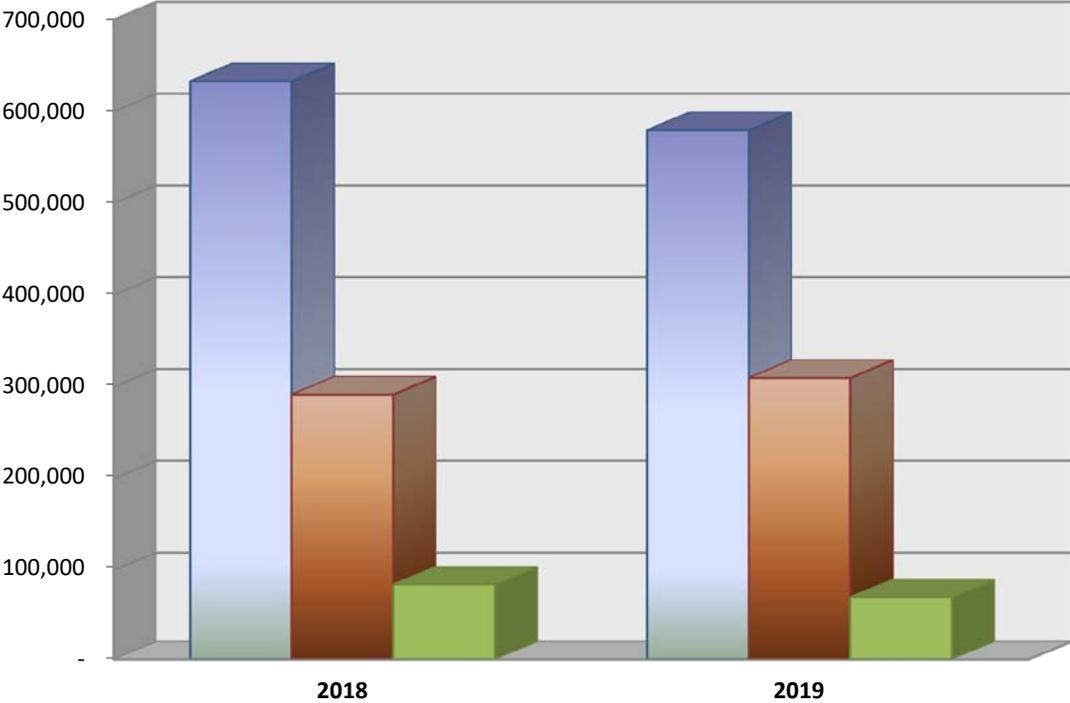
CITY OF MILTON 2019 GENERAL FUND EXPENDITURES



CITY OF MILTON, WISCONSIN
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
WATER, SEWER, AND STORM WATER

	YEAR ENDED DECEMBER 31,					
	WATER		SEWER		STORM WATER	
	2019	2018	2019	2018	2019	2018
OPERATING REVENUE						
Charges for services	\$ 1,470,215	\$ 1,457,659	\$ 1,177,715	\$ 1,104,523	\$ 275,259	\$ 268,688
OPERATING EXPENSES						
Operations	376,883	351,867	125,359	118,696	6,443	8,672
Maintenance	91,612	52,624	189,568	128,900	27,716	22,091
General and administration	90,031	94,814	187,869	216,670	113,244	108,213
Depreciation	332,185	325,473	365,332	348,764	58,184	45,712
TOTAL OPERATING EXPENSES	<u>890,711</u>	<u>824,778</u>	<u>868,128</u>	<u>813,030</u>	<u>205,587</u>	<u>184,688</u>
OPERATING INCOME	<u>579,504</u>	<u>632,881</u>	<u>309,587</u>	<u>291,493</u>	<u>69,672</u>	<u>84,000</u>
NONOPERATING (EXPENSES) REVENUE						
Interest income	46,680	29,804	41,184	28,690	4,927	4,935
Interest expense	(61,398)	(63,785)	(24,160)	(31,000)	-	-
Debt issue costs	(1,692)	(1,692)	-	-	-	-
Capital contributions	139,606	217,479	1,130,981	165,257	161,292	189,724
Transfer out	(245,324)	(225,296)	120,829	(5,075)	(54,881)	(53,613)
TOTAL NONOPERATING (EXPENSES) REVENUE	<u>(122,128)</u>	<u>(43,490)</u>	<u>1,268,834</u>	<u>157,872</u>	<u>111,338</u>	<u>141,046</u>
CHANGE IN NET POSITION	457,376	589,391	1,578,421	449,365	181,010	225,046
NET POSITION AT BEGINNING OF YEAR	9,057,508	8,474,837	8,333,545	7,891,444	3,309,940	3,087,253
CHANGE IN ACCOUNTING PRINCIPLE	-	(6,720)	-	(7,264)	-	(2,359)
NET POSITION AT END OF YEAR	<u>\$ 9,514,884</u>	<u>\$ 9,057,508</u>	<u>\$ 9,911,966</u>	<u>\$ 8,333,545</u>	<u>\$ 3,490,950</u>	<u>\$ 3,309,940</u>

CITY OF MILTON WATER, SEWER, AND STORM WATER 2018-2019 OPERATING INCOME



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

	<u>FUND EQUITY</u> JANUARY 1, 2019	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>FUND EQUITY</u> DECEMBER 31, 2019
Special Revenue				
Grant fund	\$ 50,620	\$ 18,043	\$ 33,987	\$ 34,676
Sidewalk fund	98,736	1,334	34,222	65,848
Small business development	25,000	-	-	25,000
Library fund	(249,627)	516,200	385,470	(118,897)
Refuse and recycling fund	5,577	303,688	300,928	8,337
Dog park	11,206	287	-	11,493
Crossridge park	66,915	199,431	113,308	153,038
Debt Service	2,086	959,917	904,435	57,568
Capital Projects	310,539	569,029	497,032	382,536
TIF #6	673,782	968,223	1,623,829	18,176
TIF #7	55,679	121,743	156,953	20,469
TIF #8	7,145	17,305	24,450	-
TIF #9	(23,035)	27,849	149	4,665
TIF #10	(20,511)	1,296,362	1,157,037	118,814
TOTAL	<u>\$ 1,014,112</u>	<u>\$ 4,999,411</u>	<u>\$ 5,231,800</u>	<u>\$ 781,723</u>

CITY OF MILTON, WISCONSIN
OTHER FINANCIAL INFORMATION
DECEMBER 31, 2019

Independent Auditors' Report - An unmodified "clean" auditors' opinion was issued on the City's financial statement. 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 balances 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 \$598,268 of general capital assets during 2019, of which \$124,704 was for equipment, \$111,239 was for improvement other than buildings and \$362,325 was infrastructure.

	<u>BALANCES</u> 1/1/19	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCES</u> 12/31/19
General Capital Assets	\$ 45,848,530	\$ 598,268	\$ (119,190)	\$ 46,327,608
Less Accumulated Depreciation	<u>(12,564,725)</u>	<u>(719,902)</u>	<u>119,190</u>	<u>(13,165,437)</u>
General Capital Assets, net	<u>\$ 33,283,805</u>	<u>\$ 121,634</u>	<u>\$ -</u>	<u>\$ 33,162,171</u>

Water, Sewer and Storm Water Utilities - The City added \$3,191,773 of water, sewer and storm water fixed assets during 2019.

Long-Term Debt - General obligation long-term debt decreased (\$691,794) to an outstanding general obligation debt balance of \$11,050,000 at December 31, 2019. The City is below its debt limit of \$21,372,265.

	<u>BALANCES</u> 1/1/19	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>BALANCES</u> 12/31/19
General Obligation Long-Term Debt	<u>\$ 11,741,794</u>	<u>\$ 1,225,000</u>	<u>\$ (1,916,794)</u>	<u>\$ 11,050,000</u>

Auditors' Reports on Compliance and Internal Control Over Financial Reporting - These reports conclude that the City's internal controls appear adequate for a City of your size.

Communications With Those Charged 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.