

Presentation to the City of Sheboygan December 18, 2023

d. Long-term debt

Type of debt	Governmental Activities	Business-type Activities	Total
General obligation bonds and notes	\$ 56,830	\$ 115	\$ 56,945
Direct borrowings	40	15,343	15,383
Revenue bonds	-	6,020	6,020
Section 108 Notes	3,040	-	3,040
Mortgage notes	225	-	225
Leases payable	1,573	745	2,318
Sheboygan County	1,000	-	1,000
Compensated absences	3,810	637	4,447
	<u>\$ 66,518</u>	<u>\$ 22,860</u>	<u>\$ 89,378</u>

Statutory debt limit (5% of equalized value) \$ 193,043

Capacity for additional general obligation debt \$ 136,058

Percentage of capacity to debt limit 70%

4. Questions – please contact us at

Michelle Walter, Senior Manager, at 414 777 5576 or email at michelle.walter@bakertilly.com.

Wendi Unger, Partner, at 414 777 5423 or email at wendi.unger@bakertilly.com.



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c. Enterprise Funds

	Sewerage System	Water Utility	Transit Commission	Nonmajor Enterprise	Internal Service
Current year activity					
Operating revenues	\$ 9,894	\$ 10,461	\$ 8,475	\$ 1,342	\$ 11,425
Operating expenses	<u>6,091</u>	<u>6,424</u>	<u>4,832</u>	<u>1,529</u>	<u>10,606</u>
Operating income	3,803	4,037	3,643	(187)	819
Nonoperating revenue (expenses)	(512)	4,156	(15)	(79)	(216)
Transfers and Contributions	<u>(172)</u>	<u>(1,030)</u>	<u>551</u>	<u>12</u>	<u>(125)</u>
Change in net position	<u>\$ 3,119</u>	<u>\$ 7,163</u>	<u>\$ 4,179</u>	<u>\$ (254)</u>	<u>\$ 478</u>
Net Position	<u>\$ 19,230</u>	<u>\$ 55,681</u>	<u>\$ 10,459</u>	<u>\$ 1,957</u>	<u>\$ 19,085</u>

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b. Governmental Funds

	General Fund	Special Revenue Federal Grants	Capital Projects TIF Districts	Capital Projects Capital Projects
Current year activity				
Revenues and other sources	\$ 42,206	\$ 10,177	\$ 6,181	\$ 6,538
Expenditures and other uses	41,962	11,037	4,943	6,951
Change in fund balances	<u>\$ 244</u>	<u>\$ (860)</u>	<u>\$ 1,238</u>	<u>\$ (413)</u>
Fund Balance				
Nonspendable	\$ 125	\$ -	\$ -	\$ -
Restricted	-	-	6,043	-
Committed	350	-	-	6,871
Assigned	1,745	-	-	-
Unassigned (deficit)	21,869	(987)	-	-
Total	<u>\$ 24,089</u>	<u>\$ (987)</u>	<u>\$ 6,043</u>	<u>\$ 6,871</u>

	Debt Service GO Debt	Nonmajor Governmental
Current year activity		
Revenues and other sources	\$ 4,262	\$ 12,998
Expenditures and other uses	4,169	13,489
Change in fund balances	<u>\$ 93</u>	<u>\$ (491)</u>
Fund Balance		
Nonspendable	\$ -	\$ 999
Restricted	7,553	3,639
Committed	-	2,844
Assigned	-	-
Unassigned (deficit)	-	(2,826)
Total	<u>\$ 7,553</u>	<u>\$ 4,656</u>

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3. Financial highlights (in thousands)

a. Budgetary compliance

Details of individual funds actual results to budget can be found in the city's year-end budget to actual report. Some individual funds exceeded their budget. A summary of the general fund budget to actual results follows:

	Final Budget	Actual	Variance: Favorable (unfavorable)
Revenues	\$ 38,780	\$ 39,943	\$ 1,163
Expenditures	42,252	40,527	1,725
Excess (deficiency)	(3,472)	(584)	2,888
Other financing sources (uses)	1,048	828	(220)
Net change in fund balance	<u>\$ (2,424)</u>	<u>\$ 244</u>	<u>\$ 2,668</u>

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1. Objective of the audit was to express our opinion on your financial statements.
2. Reports issued
 - a. Financial statements
 - i. Unmodified opinion, commonly referred to as a “clean” opinion
 - ii. Highest level of assurance you can receive from your auditor
 - i. Emphasis of matter for implementation of GASB 87, Leases
 - b. Reporting and Insights Document
 - i. Audit approach, responsibilities, risks
 - ii. Internal control matters
 1. Material weaknesses
 2. Other comments and recommendations
 - iii. Required communications
 1. Communications are customary and usual.
 - iv. Other communications
 1. Upcoming accounting changes
 2. Two-Way Communication
 - c. Single Audit
 - i. Unmodified opinions issued
 - ii. 5 Financial Statement findings and 2 program specific findings