2014

City of West Allis
Wisconsin

# Comprehensive Annual Financial Report

Urban Joe Cafe

West Allis Cross Town Connector Trail

Cardinal Capital Management

Historic Neighborhoods

CITY AT THE CENTER
WEST ALLIS

For The Year Ended
December 31, 2014

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF WEST ALLIS, WISCONSIN
for the year ended December 31, 2014

CITY AT THE CENTER
WEST ALLIS

PREPARED BY THE FINANCE DIVISION


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**CITY OF WEST ALLIS, WISCONSIN**
December 31, 2014

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# INTRODUCTORY SECTION

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CITY AT THE CENTER
WEST ALLIS

Wisconsin Award for Municipal Excellence

**DEPARTMENT OF ADMINISTRATION & FINANCE**
**FINANCE DIVISION**

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June 30, 2015

Honorable Mayor Dan Devine
Members of the Common Council

I am pleased to submit the Comprehensive Annual Financial Report of the City of West Allis, Wisconsin, for the year ended December 31, 2014. This report has been prepared by the City's Finance Department. Although the Financial Statements were examined by the independent auditors Schenck and Associates SC, and their opinion is that all financial statements present fairly, in all material respects, the City's position at December 31, 2014, the responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects, that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and all necessary disclosures to enable the reader to gain maximum understanding of the City's financial affairs have been included. This letter of transmittal is designed to complement the Management's Discussion and Analysis and should be read in conjunction with it.

This financial report is divided into four major sections. The Introductory Section begins with this transmittal letter, the Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 2013, the City's organizational chart and a listing of the elected officials. This is followed by the Financial section which includes the independent auditors' report on the basic financial statements and supplementary schedule of expenditures of federal awards and schedule of state financial assistance. Completing the financial section is the management's discussion and analysis and the basic financial statements, required supplemental information, other supplemental information.

The Statistical Section, which is unaudited, includes general information and major departments and related activities along with further information on selected financial and demographic information, generally presented on a multi-year basis. Also, in 2010 the City implemented GASB 54 so one of the charts will reflect only three years of information.

Required supplemental information includes the schedule of funding progress and the schedule of employer contributions required by GASB Statement No. 45.

The Supplemental Reports Section includes the auditors' report on internal control, report on federal and state financial assistance (Single Audit), and reports on compliance.

**Profile of the Government**

The City of West Allis is located in Milwaukee County immediately west of the City of Milwaukee. Incorporated in 1906, West Allis has grown from an initial population of 2,300 and is the eleventh largest city in the State of Wisconsin, with a population of 60,411 according to the 2010 census. State estimated 2014 population is 60,272.

Located near, and servicing West Allis, are two airports, one for commercial aviation (Timmerman Field)

and one for general aviation (Mitchell International Airport), both owned and operated by Milwaukee County. Milwaukee County also runs the Countywide Transit System, which services West Allis. The County also owns and operates an excellent Public Museum, Humphrey IMAX Theater, a well-known zoo, and Miller Park, home of the Milwaukee Brewers. West Allis is the home of the Wisconsin State Fair Grounds, which is the location of several important national, state, regional and local activities.

Companies such as Quad Graphics, Johnson Controls, P&H Mining, Avalon Rail, Children's Hospital of Wisconsin, Brookdale Senior Living, Aurora Home Medical Services, Anthem Blue Cross, Chris Hansen Laboratory Inc, C & H Distributors and many other large, medium and small businesses of a diversified nature are located in West Allis, as well as many financial institutions and places of worship.

West Allis is served by two railways, the Union Pacific Railroad and the Milwaukee Road. Also serving the Metropolitan area, including West Allis, is The Wisconsin Center (formerly the Frontier Airlines Center), the BMO Harris Bradley Center, home of the Milwaukee Bucks, Milwaukee Admirals, and the Marquette Golden Eagles, and the Summerfest Grounds, home of the largest annual outdoor music festival in the Midwest, as well as several ethnic festivals held throughout the summer.

The City of West Allis operates and maintains ten parks of varying size. In addition, the City also has several large and small county owned and operated parks and golf courses within its boundaries. The City also sponsors several parades and celebrations annually, including National Night Out.

The City operates under the Council-Mayor form of government. The Common Council is composed of ten alderpersons elected from five geographic districts, who are elected to four year terms. The Chief Executive Officer of the City is the Mayor, who monitors and supervises departmental operations for the Common Council. The City Administrative Officer assists the Council and Mayor in their overall and day-to-day role of direction and operation of the City.

West Allis is a full service community, providing for: public safety, housing assistance, water distribution and disposal, public works, recreation and general government. The City of West Allis employs on a permanent, full-time basis a total of 514 people. At different times during the year West Allis also employs temporary and part-time help to do seasonal and other work. The City requires that all emergency-workers reside within a thirty-minute drive radius of the West Allis city limits within eighteen months of employment. The City operates daily through thirteen departments, headed by ten appointed officials and two elected officials (Attorney & Municipal Judge).

This report includes all of the funds and account groups of the City. It includes all governmental organizations and activities for which the Common Council is financially accountable.

The City of West Allis maintains budgetary controls; the objective being to ensure compliance with legal provisions embodied in the annual budget adopted by the Common Council in November for the following calendar year. Generally, the majority of all-governmental funds and enterprise funds are included in the annual budget. The statutory level of budgetary control for operating budgets, that is, the level at which expenditures cannot exceed the appropriated amount, is established by activity within each fund.

Each department is required to submit their request to the Mayor prior to the first week in August. After the Mayor has completed his review, it is forwarded to Common Council for their evaluation and approval. In October or November of each year, the Common Council adopts the City budget for the ensuing year. Taxes are mailed in the first week of December to all property taxpayers.

Management of the City is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurances recognizes that: (1) the cost of control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of Federal and State financial assistance, the government is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

## FACTORS AFFECTING FINANCIAL CONDITIONS

Realizing the importance of a vibrant local economy, the City of West Allis employs an aggressive strategy, in cooperation with local business, Milwaukee County and the State of Wisconsin, to encourage development. The City's steady growth in value and employment combined with current and proposed undertakings make West Allis' prospects for the future very favorable. The City's Aa2 rating from Moody's and AA rating from S&P were recently reconfirmed and both agencies rate the City as "stable". The following is a description of some of the major undertakings in the City and additional information is available on the Development Department section of the city website: www.westalliswi.gov

**TID 2 (Veterans' Park) CLOSED 2014**

| | |
|---|---|
| Base value: | $1,681,600 |
| Current value: | $8,829,700 |
| Original property taxes: | $46,900 |
| Current property taxes: | $251,800 |
| Tax Increment: | $204,900 |
| Date TID is to expire: | 20 years (2014) |

This TID was dissolved in 2014, two years ahead of schedule. The project added over $7 million of incremental value and $204,897 of tax incremental revenue. The TID successfully transformed the southeast corner of S. 70 St. and W. Greenfield Ave. out of a sharply declining neighborhood.

Today, the area consists of The Landmark, a 127-unit contemporary senior community with both market-rate ($905 - $1,015 1-BR and $1,060 - $1,275 2-BR) and Low-Income Housing Tax Credit assisted rental units ($640). The facility features a well-maintained landscape and initiated an architectural statement that became a model for high-density, quality construction in the community.

**TID 5 (Six Points/Farmer's Market)**

| | |
|---|---|
| Base value: | $18,524,000 |
| Current value: | $50,000,000 |
| Future value: | $93,000,000 |
| Original Property Taxes: | $516,600 |
| Current property taxes: | $1,213,000 |
| Projected property taxes: | $2,300,000 |
| Tax Increment: | $697,000 |
| Debt & net Fund Balance | $18,716,988 |
| Date TID is to expire: | 31 years (2031) |

Established in 2001, the Six Points/Farmers Market Redevelopment Area, the 44-acre District, was a challenging and ambitious undertaking by the City of West Allis to transition an aging industrial corridor into a mix of contemporary housing choices and neighborhood commercial uses. Faced with numerous historic brownfield issues and the assemblage of several underutilized parcels, the City had successfully acquired and cleared land to accommodate a multi-phase development. Though the recent recession challenged development, following the completion and recent $19-million sale of Phase I, the area is gaining recognition in the real estate community as a prime opportunity and has been a huge game-changer for the image of the City of West Allis.

The Berkshire, currently valued at $3.6 million, was one of the first major redevelopments, opened to occupants in 2004. This project redeveloped 1.3-acres of land along W. Greenfield Ave., east of S. 64 St.

into 80 units of senior living and three (3) street-level commercial tenants. As one of the first completed projects in the District, this development served as an early catalyst for continued redevelopment.

Across the street, is the Six Points East Condos, a $12-million mixed-use development was constructed in 2008 on the 1.2-acre site. The development includes 42 condominium units, all of which have been sold and are assessed between $110,000 and $245,000. The project also features 20,000 ft.² of street-level retail space, which remains available.

Late in 2003, the CDA published a request for proposals to develop three parcels, composed primarily of two former Pressed Steel Tank parcels and another parcel immediately west of the Farmers Market, which were to be developed in three phases.

Toldt Development was ultimately selected by the CDA. Their proposal included over $60 million in redevelopment taking place over an extended period of time, depending on market conditions. The proposal provided for 600 new, multi-story housing units ranging from condominiums to market rate apartments. Additionally, over 100,000 ft.² of retail space would accompany the development.

Phase 1 is the 3.1-acre parcel immediately north of the Farmers Market. Ground was broken on the first two buildings in June 2006 and the last two were completed in 2008 which are now currently assessed at $15,300,000. This development was recently sold for over $19 million. The properties provide 182 market-rate multifamily units and 5,000 ft.² of commercial space. The buildings feature a contemporary design with upscale amenities.

Phase II is the parcel immediately west of the Farmers Market. Development of Phase II was approved and underway, when market conditions shifted and made lending for the project's construction unavailable. Toldt Development was in the process of developing a 114- unit market rate $14,000,000 multifamily development when the recent recession hit. With financing at the time being extremely difficult to obtain, and then more recently, personal family matters, the developer decided to exit the housing development business.

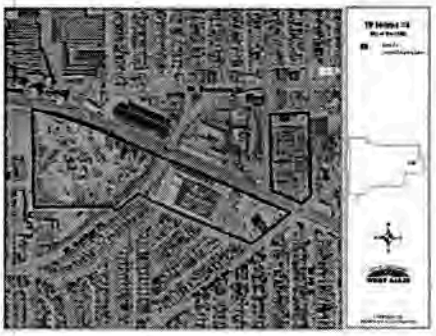
In December 2013, through claw back provisions in the original Purchase and Sale Agreement, the site was re-acquired by the CDA at a substantially discounted value because of the developer's lack of performance. The CDA is currently marketing the site for potential redeveopment.

Phase III of the redevelopment project, associated with the former Pressed Steel Tank facility, is located northwest of the Historic Farmers Market and encompasses nearly 8 acres. The site has been cleared and cleaned for development. Approximately $2.5 million of grant funding was awarded to assist with the cleanup including $200,000 of SAG funding.

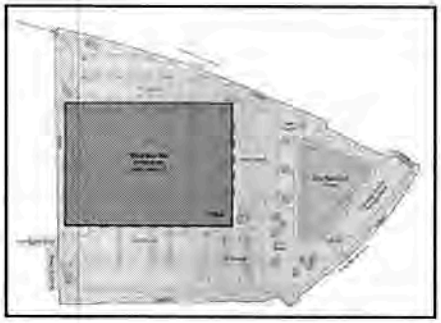
The site is currently being marketed for office, commercial or multi-family development. The CDA has contracted with a commercial real estate firm to help market these remaining phases of development, with the expectation that development will occur soon. Current projections suggest development as high as $40-million for office or mixed-use development. Those projects are not expected to be incrementally developed within the District until about 2019.

**TID 6 (Juneau Highlands Business Park)**

| | |
|---|---|
| Base value: | $1,330,600 |
| Future value: | $7,342,400 |
| Current value: | $0 |
| Original property taxes: | $38,054 |
| Current property taxes: | $0 |
| Projected property taxes: | $245,100 |
| Property Tax Increment: | $ 60 |
| Debt & net Fund Balance: | $2,187,665 |
| Date TID is to expire: | 17 years (2021) |



*Tax Incremental District No. Six* consists of 11.61 acres of land located at 1960 S. 67 Place. The site had been used as a carbide gas manufacturing plant, a waste storage and transfer facility, an oil/hazardous waste trucking terminal, a salvage/junkyard, and a lime pit, used to store lime slurry. In order to prevent the site from accumulating additional fill materials that would make future development difficult, the area was deemed "blighted" and in need of blight elimination and an urban redevelopment project. To prepare the site for development, the land was cleared and environmental testing and clean up were conducted. Project costs included relocation of the existing businesses, site grading and geotechnical work to fill the former lime pits. The project has been financed through the sale of bonds, federal and state grants such as a Wisconsin Department of Commerce Brownfield Grants - $675,000, Wisconsin Department of Natural Resources Site Assessment Grants - $89,000, EPA Clean-up Grant $200,000, Wisconsin Department of Commerce Emergency Assistance Program grant - $150,000; and in 2009 the American Recovery and Reinvestment Act provided a grant of $350,000.



Numerous development proposals have been reviewed for the Juneau Highlands Business Park site, including a 150,000 ft.² electric foundry and a 124,000 ft.² industrial facility. Those options did not materialize, in part due to general economic conditions, availability of competing parcels in the market place such as Milwaukee's Menomonee Valley, changes in the real estate market as well as adjacent land uses, etc.

The CDA is in final negotiations with a developer to construct up to 150,000 ft.² flex space industrial property with an estimated value over $7 million. The facility would be occupied by an 80,000 ft.² tenant and a 40,000 ft.² space built on speculation. Expansion opportunity for an additional 30,000 ft.² would be designed into the layout. The development has the potential to add over 100 jobs to the community.

**TID 7 (Summit Place)**

| | |
|---|---|
| Base value: | $15,914,400 |
| Current value: | $62,993,300 |
| Original property taxes: | $435,432 |
| Current Property taxes: | $1,476,600 |
| Tax Increment: | $1,041,200 |
| Debt & net Fund Balance: | $3,886,416 |
| Date TID is to expire: | 13 years (2017) |

*Tax Incremental District No. Seven* is designed to encourage the revitalization of the last two undeveloped vacant and dilapidated former Allis-Chalmers Mfg. Co. properties; (1) the deteriorating Shop Buildings (about 7.8 acres of vacant warehouses) south of W. Washington St. and, (2) an obsolete Utility Corridor (10.7 acres) on the north side of the street. These two underutilized resources, in their current state, continue to foster blighting influence on the area, provide little if any property tax relief and produce virtually no employment.

For the City of West Allis and Milwaukee County, the legacy of Allis-Chalmers could be a one-of-a kind office facility that would be the second largest office complex in the Metro Milwaukee area. The project was being financed primarily through the sale of bonds, land sale proceeds, the use of New Market Tax Credits and federal and state grants such as Wisconsin Department of Commerce Brownfield Grants, and Wisconsin Department of Natural Resources Site Assessment Grants.

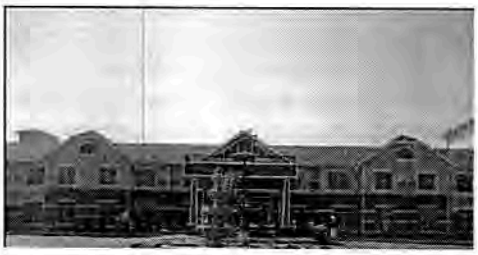
To date, over $70 million of private and public dollars have been invested. The current success of the partnership has allowed this project to excel beyond expectations. Of the nearly 650,000 square feet of built-out space nearly 98% has been leased out and is supporting over 2,200 jobs.

The CDA has loaned Whitnall Summit approximately $4.5 million, which is scheduled to be repaid in

2017. To be on the conservative side none of these funds have been used in the calculations to pay off the TID. This was to ensure the financial integrity of paying off this TID. Also, these funds could provide a potential source of financing should the Six Points/Farmers Market TID need some form of donor TID contribution.

**TID 9 (Pioneer Neighborhood)**

| | |
|---|---|
| Base value: | $2,299,600 |
| Current value: | $13,217,400 |
| Original property taxes: | $45,950 |
| Current property taxes: | $321,700 |
| Tax Increment: | $275,800 |
| Debt & net Fund Balance: | $1,831,796 |
| Date TID is to expire: (estimate) | 15 years (2023) |



*Tax Incremental District No. Nine* consists of approximately five acres of land located along the south portion of National Avenue between S. 77 St. and S. 80 St. The District is commonly described as the Pioneer Neighborhood District based upon a collection of historic buildings that abut National Avenue. These buildings date back to the City's early settlement period of the late 1890's to the 1900's. In the last several years, this historic area has seen a decline in both appearance and values of properties within the District, leading to a declining tax base and falling revenues for the City prompting the establishment of a TID.

An opportunity presented itself to acquire several properties that were seen as catalysts for the revitalization of this neighborhood. The City purchased both the former Neis Hardware building and the Laidlaw Bus Company sites to kick start the redevelopment of the area. The redevelopment of the area includes PyraMax bank, a $1.3 million project that opened in March 2008, West Allis Animal Hospital, a $1 million project, which opened in 2008, a new Pioneer Gas Station, which opened in 2009, and a 200 unit elderly housing residential facility, which opened in early 2010. The elderly housing residential facility added nearly $20 million in new taxable value and 70 jobs.

With the expansion of the Memory Care units, an additional $1.6-million of development potential exists within the District, and is projected to be constructed around 2018. With that projection added to the current value, the District is set to expire in 2020 after just 14.7 years. (Even without that additional development, the District would pay off its expenses in 2020 after 14.9 years.)

**TID 10 (Yellow Freight)**

| | |
|---|---|
| Base value: | $3,463,600 |
| Current value: | $0 |
| Original property taxes: | $66,500 |
| Current property taxes: | $0 |
| Tax Increment: | $0 |
| Debt & net Fund Balance: | $2,453,603 |
| Date TID is to expire: (estimate) | 15 years (2023) |

West Allis' central location, in combination with the CDA's creative use of TID and other financing resources induced the repositioning the vacant former Yellow Freight terminal located at 116th and Rogers. The TID, utilized to write down land assembly, demolition and environment costs, was crucial in attracting $11.3 million in development by Wangard Partners and its affiliate Mister Rogers Neighborhood LLC. The 9.6 acres of land is located on the City's west side (at 11528 and 11406 W. Rogers St.) and was formerly occupied by two truck terminals and a divisive railroad spur. The proposed improvements are projected to provide over 130 jobs.

This District was created in 2008 to acquire and redevelop the first of two vacant truck terminals. Further, it was designed to proactively foster redevelopment with increased employment opportunities that had

less heavy trucking impacts on the local infrastructure and environment. A DNR Site Assessment Grant of $30,000 was utilized for preliminary environmental investigation prior to acquisition.

Wangard Partners closed on financing of the project in fall of 2013. The $14-million redevelopment was financed with a combination of private and public financing programs. The developer purchased the site for $845,000 from the CDA. Redevelopment is currently under construction with projected spring 2015 occupancy for the 72,000 ft.² industrial building for Ferguson Plumbing's showroom. The 50,000 ft.² spec industrial/distribution space is projected to be available in the first quarter of 2016.

**TID 11 (84th and Greenfield)**

| | |
|---|---|
| Base value: | $4,678,100 |
| Current value: | $0 |
| Original property taxes: | $88,800 |
| Current property taxes: | $0 |
| Tax Increment: | $0 |
| Debt & net Fund Balance: | $802,063 |
| Date TID is to expire: (estimate) | 27 years (2038) |

Facilitating development is often complicated and unique. It requires economic analysis, and it involves multiple parties such as investors, lenders, financial consultants and outside legal counsel, all working towards advancing a project. In the case of 84th and Greenfield redevelopment area, the project involved several creative financial strategies and solutions in order to attract a hotel development (often identified as top goal within the City's strategic long-range plan). TID #11 was created in 2010 to undertake the redevelopment of 11.4 acres of land impacted by flooding in 2008.
A significant financial tool beyond TID was utilized—EB-5—which is an investor program focused on job creation and capital investment by foreign investors. Following the recent recession, hotel financing underwent stricter underwriting criteria, or was simply hard to obtain. In order to raise $9.5 million in equity, the developer waited two (2) years while Chinese investors were vetted through Homeland Security, a critical requirement of the EB-5 program.

Another financial element was a Tri-City Bank loan of $2,500,000 secured through a first mortgage loan. The City-affiliated First-Ring Industrial Redevelopment Enterprise, Inc. (FIRE) provided a $1,500,000 leveraged loan, and the TID provided a $350,000 loan which was personally guaranteed by the property owners, in order to facilitate a $900,000 state-of-the-art 100-year underground storm water facility, designed to retain storm water on site and not spill out into the neighboring properties. Redevelopment of the 84th and Greenfield area included a combination of TID, grants and creative financing. Together, these programs contributed to the development of a $13 million Hampton Inn and Suites and 9,000 ft.² banquet center, set to open in the fall of 2015.

**TID 12 (Teledyne)**

*Tax Incremental District No. Twelve* consists of approximately 8.9 acres of land at S. 54th Street and W. Burnham Avenue. Working with the owner and Milwaukee County, buildings that were deemed unsafe have been demolished and the site will be marketed for redevelopment, most likely into one or two commercial enterprises with the potential to add over 200 family supporting jobs.

**TID 13 (Former Home Juice Redevelopment Area)**

*Tax Incremental District No. Thirteen* located on S. 113th Street, just south of Greenfield Avenue will use a public/private partnership, including grant funding from the DNR and US EPA to clean up neighborhood blight into 10,000 square feet of viable commercial space.

**First-Ring Industrial Redevelopment Enterprise (FIRE)**

F.I.R.E is a Community Development Entity formed to provide gap financing to mixed-use developments and business expansions throughout the Southeast Wisconsin industrial corridor. In 2007, FIRE was awarded $35 million in New Market Tax Credits and in 2009 FIRE was awarded an additional $70 million in New Market Tax Credits. The CDFI Fund, an arm of the U.S. Treasury Department, awards the New Market Tax Credits. The target area for FIRE includes Milwaukee County, Racine County and Kenosha County. Investments in these areas have included two business expansions, three real estate developments, and two community facilities. The projects have helped improve over 200,000 square feet of development, attracted over 800 jobs, and helped foster 1,125 construction jobs.

FIRE was awarded an additional $33 million in tax credits in June 2014. FIRE also made three economic development loans by reinvesting proceeds from fees collected from eleven successful NMTC projects.

**Downtown West Allis Business Improvement District (BID)**

Downtown West Allis, www.downtownwestallis.com recognized by Milwaukee Magazine as one of the most underrated shopping areas of the Metro-Milwaukee area, has been in the midst of revitalization. In 2000, the Governor recognized the Downtown area as a Wisconsin Main Street community. Since then, the area has added a new streetscape with decorative lighting and new pedestrian amenities to enhance the look and feel of the area. In 2012, the geographic boundaries of the BID are West Greenfield Avenue between 70th and 76th Streets, extending to the North and South alleys & the West side of South 70th Street North to West Madison Street and South to West Orchard Street. Most of the properties are in excess of 60 years old, with many over 80 years old. The BID is home to greater than 100 small and diverse retail/service businesses.

The Downtown West Allis Business Improvement District hosts a variety of events including:

1. West Allis Ala-Carte – a variety of crafts, food and entertainment held in June.
2. The Annual Downtown West Allis Classic Car Show held in October
3. Halloween Meet-n-Treat held in October
4. A Holiday Stroll which kicks of the holiday season with a Santa café, coloring contest for the kids and the West Allis Charities annual Christmas parade.

**Wisconsin State Fair Grounds**

West Allis is home of the Wisconsin State Fair Grounds, which is the location of several important national, state, regional and local activities. The State Fair Grounds is also home of the Pettit Olympic Ice Arena, which is the only operating ice rink in North America and the site of Olympic Speed Skating training. Also on the State Fair Grounds is the Milwaukee Mile, "America's Legendary Oval", a one-mile oval racetrack that hosts several auto races and the oldest continuously operating motor speedways.

As part of an effort to more effectively utilize the Wisconsin Fair Grounds year round, a 300,000 sq. ft. exposition center was constructed in 2001. Other improvements included a grandstand and upgrades to the track, concession areas and new gateway grand entrances to the Fair Park. The new construction and upgrades represent the use of $34 million in Industrial Revenue Bonds (IRB's). In 2009 the State of Wisconsin Fair Park Board bought out the remaining IRB's at a discount of approximately 60%. With the reduced debt load the exposition center and related facility should have an easier time being able to secure a solid financial future. The Milwaukee Mile Race Track has seen several promoters over the last

few years. The current promoter is Andretti Sports. Although the Milwaukee Mile racetrack is currently being used, there may be future long range plans for development. The City would be willing to work with the State and any developer that sees a potential reuse of the site.

**Bike & Pedestrian Trails Expanded**

Building on the success of the recently extended Hank Aaron State Trail, which has proven to be a valuable commuter and recreational trail linking jobs, commerce, and neighborhoods, the City is finalizing plans to develop the West Allis Cross Town Connector trail. This 5-mile long trail will feature 2.5 miles of off-street improvements including a bridge over Hwy 100. When completed, the Cross Town trail will provide the missing link between Wisconsin's two largest urban centers; connecting West Allis to Milwaukee's lakefront via the Hank Aaron State Trail and connecting West Allis to Madison via the New Berlin Recreational Trail and Glacial Drumlin Trail. The project is estimated to cost $2.9 million, of which $2.4 million has been secured in state and federal funding. Final planning took place in 2012 for this trail with construction bid out 2013. The first leg of the trail expansion was completed in the fall of 2013.

**Cash Management and Investment Policy**

Cash temporarily idle during the year was invested in repurchase agreements, Wisconsin Local Government Investment Pool, American Deposit Management, and demand deposits. All cash transactions for City operations are run through two accounts. The main account is to accommodate all vendor checks while the second account is used exclusively for payroll checks. Interest is accumulated on a daily basis and posted to the general account at the end of the month.

The investment of City funds is done in accordance with Secs. 34.01(5) and 66.04 (2), of the Wisconsin State Statutes. The Statutes permit investments in Certificates of Deposit, Government Bonds and Securities, Government Pool and Repurchase Agreements. In 2012, the highest concentrations of the City's cash portfolio were maintained in the American Deposit Corporation, Tri-City Investment account, and municipal securities through various suppliers. These investment vehicles continued to provide one of the highest rates of return available with low risk for liquid cash holdings.

**Local Economy**

The City over the past 10 years has experienced an overall growth in terms of residential and commercial value growth. Although the City is land locked and fully developed, West Allis has continually increased its value through redevelopment as was outlined earlier in this letter. The City's equalized valuation has increased from $3.5 billion in 2005 to $3.7 billion in 2014.

As of the writing of this transmittal, unemployment in West Allis 5.1% is slightly above the state-wide average of 4.4%, much improved from the 7.6% rate in 2012.

**Relevant Financial Policies**

The budgetary philosophy of the City has been one of stability in budget, taxes and user charges. The City has a formal policy of maintaining an unassigned fund balance of at least 5% of expenditures, but in practice the City has maintained a much healthier level of reserves. In 2014, unassigned fund balance was 11.7% of expenditures and, taking assigned and unassigned fund balances into consideration, the percentage of expenditures was 76.6%. The City maintains such balances to provide a cushion against unforeseen budget events, to save for future capital items, and for cash flow purposes.

The Common Council continues to support mutual agreements between the City and other governmental agencies. Some of the agreements that are in place are as follows: Milwaukee County Federated Library System, Milwaukee Area Paramedic Program, Police and Fire mutual aid agreements, Milwaukee Area Domestic Animal Control Commission, Health Services and Technology Services for the City of West

Milwaukee, and Information Technology contracts for maintaining police software for several communities. In most cases these arrangements not only save the community money but contribute additional revenues to help offset other parts of the City's budget.

**Major initiatives**

1. Pursuing opportunities for visionary development and improving the quality of life within West Allis as outlined in the 2030 Comprehensive Plan.
2. Aggressively trying to recruit new businesses to West Allis by utilizing New Markets Tax Credits, Tax Incremental Financing Districts, State incentives and Block Grant Funds.
3. Working in existing TIDs to market viable options that will increase tax base.
4. Maintaining or improving the city's debt rating (Moody's Aa2, Standard & Poor's AA).
5. Preservation of high quality city services by focusing on productivity improvements, more efficient and streamlined operating methods, and alternative service delivery options.
6. Pursuing opportunities for green initiatives and environmental sustainability.
7. Technology upgrades include GPS tracking of DPW vehicles, more utilization of mobile devices in the field, electronic forms and process management, and a time and attendance system.

## AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a **Certificate of Achievement for Excellence in Financial Reporting** to the City of West Allis, Wisconsin, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2013. This was the seventeenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In 1995 the City received the Wisconsin League of Municipalities Award for Municipal Excellence which recognized the City for exceptional performance in the provision of government services.

## ACKNOWLEDGMENT

The preparation of this report was made possible by the dedicated services of the entire staff of the Finance Department, and the advice and services provided by the independent auditors, Schenck and Associates, SC.

We would also like to thank the Common Council for their interest and support in planning and conducting the financial operations of the City of West Allis in a responsible and progressive manner.

Respectfully submitted,

Mark D. Wyss
Finance Director/Comptroller/City Treasurer

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of West Allis**

**Wisconsin**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

**December 31, 2013**

Jeffrey R. Emer

Executive Director/CEO

**CITY OF WEST ALLIS, WISCONSIN**
General Information

ELECTED CITY OFFICIALS

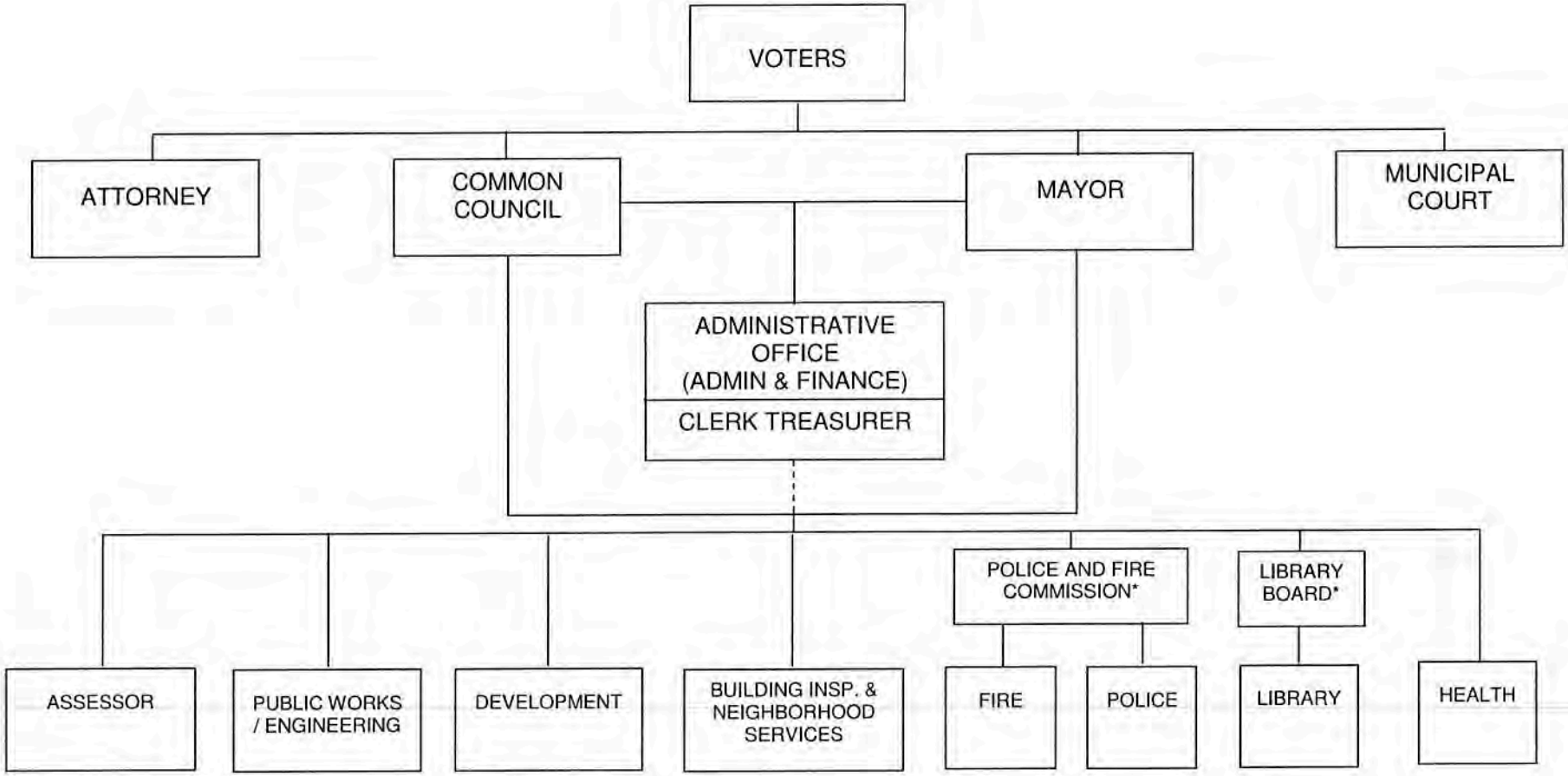
**Mayor and Council**

| | Initial Term Commenced | Current Term Expires |
|---|---|---|
| Dan Devine, Mayor | 4/2008 | 4/2016 |
| Gary T. Barczak, Alderperson | 4/1988 | 4/2016 |
| Thomas G. Lajsic, Alderperson & Council President | 4/1996 | 4/2016 |
| Marty Wiegel, Alderperson | 5/2003 | 4/2016 |
| Michael May, Alderperson | 4/2012 | 4/2016 |
| Michael Czaplewski, Alderperson | 4/1995 | 4/2016 |
| Rosalie Reinke, Alderperson | 4/1992 | 4/2016 |
| Kevin Haass, Alderperson | 4/2014 | 4/2016 |
| Cathleen M. Probst, Alderperson | 4/2012 | 4/2016 |
| Daniel Roadt, Alderperson | 4/2008 | 4/2016 |
| Vincent Vitale, Alderperson | 4/1988 | 4/2016 |

**Elected Official**

| | | |
|---|---|---|
| Scott Post, City Attorney | 3/2002 | 4/2016 |
| Paul Murphy, Judge | 5/2003 | 4/2015 |

# ORGANIZATIONAL CHART
# CITY OF WEST ALLIS




*Appointed by the Mayor and confirmed by the Common Council, with policy responsibility.

Note: Solid lines indicate direct lines of authority.
Dashed lines indicate indirect lines of administration.

**Regular positions for 2013 budget: 518.83 City FTE**

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# FINANCIAL SECTION

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Schenck
CPAs AND SO MUCH MORE.

## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Common Council
City of West Allis
Milwaukee County, Wisconsin

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of West Allis, Wisconsin ("the City") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the First-Ring Industrial Redevelopment Enterprise, Inc. (FIRE), which represents 92% and 97%, respectively, of the assets and revenues of the component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and in our opinion, insofar as it relates to the amounts included for FIRE, is based upon the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of December 31, 2014, and the changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress and the schedule of employer contributions on pages 21 through 36 and 81 through 82 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary information and the schedule of expenditures of federal awards and schedule of state financial assistance, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and schedules of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, the schedules of expenditures of federal awards and the schedule of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Report Issued in Accordance with *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2015, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Schenck SC

Certified Public Accountants
Green Bay, Wisconsin
June 30, 2015

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# MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of the City of West Allis, Wisconsin, we offer readers of the City's financial statements this narrative overview and analysis of the financial statements of the City for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 5-14 of this report.

## Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent year by $258,412,483 (*net position*). Of this amount, $34,423,111 is unrestricted net position and because of the positive position, funds would be available to meet the City's ongoing obligations to citizens and creditors. This is a decrease of $5,243,842 from what was available at the end of 2013 when we had a positive $39,666,953 in unrestricted net position.

- The City's net position for the governmental activities decreased by $670,076 (please see page 39 of the financial statements). While bonds and notes payable decreased by $2,595,475, the accrual for post-retirement benefits increased. The accrual for post-retirement benefits will continue to draw down the unrestricted net position of the City. The accrual for future health insurance benefits increased $5,656,557 for 2014. This amount is calculated under GASB Statement #45 and is the related ARC. The other major adjustment is related to debt – the net between what was issued and what was paid down was a positive $2,195,475. Other offsets to the OPEB accrual include deferred revenues, interest expense accruals, and net revenues from internal service funds. A smaller fund balance and an increase in loans receivable offset some of the increased OPEB liability, holding the overall net decrease to $182,523.

- As of the close of the current year, the City's governmental funds reported combined 2014 ending fund balances of $40,964,659 as compared to $42,432,572 at the end of 2013. Approximately 4% of this $40,964,659 or $1,568,719 is unassigned.

- At the end of the current year, unassigned fund balance for the general fund was $6,303,452 or approximately 12% of total general fund expenditures compared to $6,265,317 or approximately 12% at the end of 2013. While some individual revenue accounts didn't meet budget expectations, overall, every category of budgeted revenues exceeded projections in 2014. Additionally, 2014 expenditures came in below budget which allowed for a positive increase in the overall unassigned fund balance.

This discussion and analysis is designed to be an introduction to the basic financial statements of the City. These statements are comprised of three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide statements are made up of the statement of net position and the statement of activities.

The statement of net position presents information on all of the City's assets and liabilities and deferred outflows and inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position will serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This means, some revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues from those functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities (those supported by taxes and intergovernmental revenues) of the City include general government; public safety; public works; health and human services; culture and recreation, and conservation and development. The business-type activities (those supported by user fees) are the Water Utility, Sanitary Sewer Utility, Storm Water Utility, Solid Waste Utility, Parking Utility and the Senior Citizen's Housing.

The government-wide financial statements include not only the City itself (known as the primary government), but also the legally separate component units known as the First-Ring Industrial Redevelopment Enterprise, Inc. (FIRE) and the Terchak Endowment Fund. Financial information for these components units are reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 37-39 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

***Governmental funds.*** Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements; however, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This comparison may help readers better understand the long-term impact of a government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintained 29 individual governmental funds during 2014. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund and the debt service fund, each of which are considered major funds. Data from the other 27 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the combining statements found elsewhere in this report.

The City adopts annual appropriation budgets for the general, special revenue, other than Stimulus Programs, Library Endowment and Miscellaneous Grants, debt service, and public works improvements capital projects funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found starting on page 40 of this report.

***Proprietary funds.*** The City maintains two different types of proprietary funds. Enterprise funds are used to report the functions of the Water Utility, Sanitary Sewer

Utility, Storm Water Utility, Solid Waste Fund, Parking Utility, and the Senior Citizen's Housing are presented as business-type activities in the government-wide financial statements. Internal service funds are used to accumulate and allocate costs internally among various functions. The City uses internal service funds to account for its self-funded programs for health insurance and general liability insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found starting on page 45 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51-80 of this report.

**Required supplementary information (RSI).** RSI includes the schedule of funding progress and the schedule of employer contributions required by GASB Statement No. 45. These schedules can be found starting on page 81 of this report.

**Supplementary information.** The combining statements referred to in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information – which contains the Other Post-Employment Benefit Plan information. Combining and individual fund statements and schedules can be found starting on page 83 of this report.

**Government-wide Financial Analysis** As discussed earlier, net position may serve as a useful indicator of a government's financial position over time. The assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows of resources by $258,412,483 at the close of 2014. This compares to $255,540,965 at the close of 2013. Although the City's net position is positive, a major portion is due to the investment in capital assets (e.g., land, buildings, improvements, equipment, and infrastructure), less any related outstanding indebtedness used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt and deferred outflows of resources, it should be noted

that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of West Allis Net Position**
**(amount expressed in $1,000's)**

| | Governmental Activities | | Business-Type Activities | | Total | Total |
|---|---|---|---|---|---|---|
| | **2014** | **2013** | **2014** | **2013** | **2014** | **2013** |
| Current and other assets | $185,622 | $190,645 | $20,684 | $21,070 | $206,306 | $211,715 |
| Capital assets | 201,742 | 201,415 | 91,053 | 85,525 | 292,795 | 286,940 |
| **Total assets** | 387,364 | 392,060 | 111,737 | 106,595 | 499,101 | 498,655 |
| Deferred outflows | | | | | | |
| Loss on debt refunding | 0 | 0 | 176 | 182 | 176 | 182 |
| Long-term liabilities | | | | | | |
| Outstanding | 89,177 | 86,141 | 28,637 | 27,129 | 117,814 | 113,270 |
| Other Liabilities | 78,076 | 85,089 | 2,981 | 2,895 | 81,057 | 87,894 |
| **Total liabilities** | 167,253 | 171,230 | 28,568 | 30,024 | 198,871 | 201,254 |
| Deferred inflows | | | | | | |
| Property taxes | 41,950 | 41,999 | 43 | 43 | 41,993 | 42,042 |
| **Net position:** | | | | | | |
| Net investment in capital assets | 158,433 | 155,635 | 64,492 | 60,047 | 222,925 | 215,682 |
| Restricted | 1,064 | 192 | 0 | 0 | 1,064 | 192 |
| Unrestricted | 18,664 | 22,718 | 15,759 | 16,663 | 34,423 | 39,667 |
| **Total net position** | $178,161 | $178,831 | $80,252 | $76,710 | $258,412 | $255,541 |

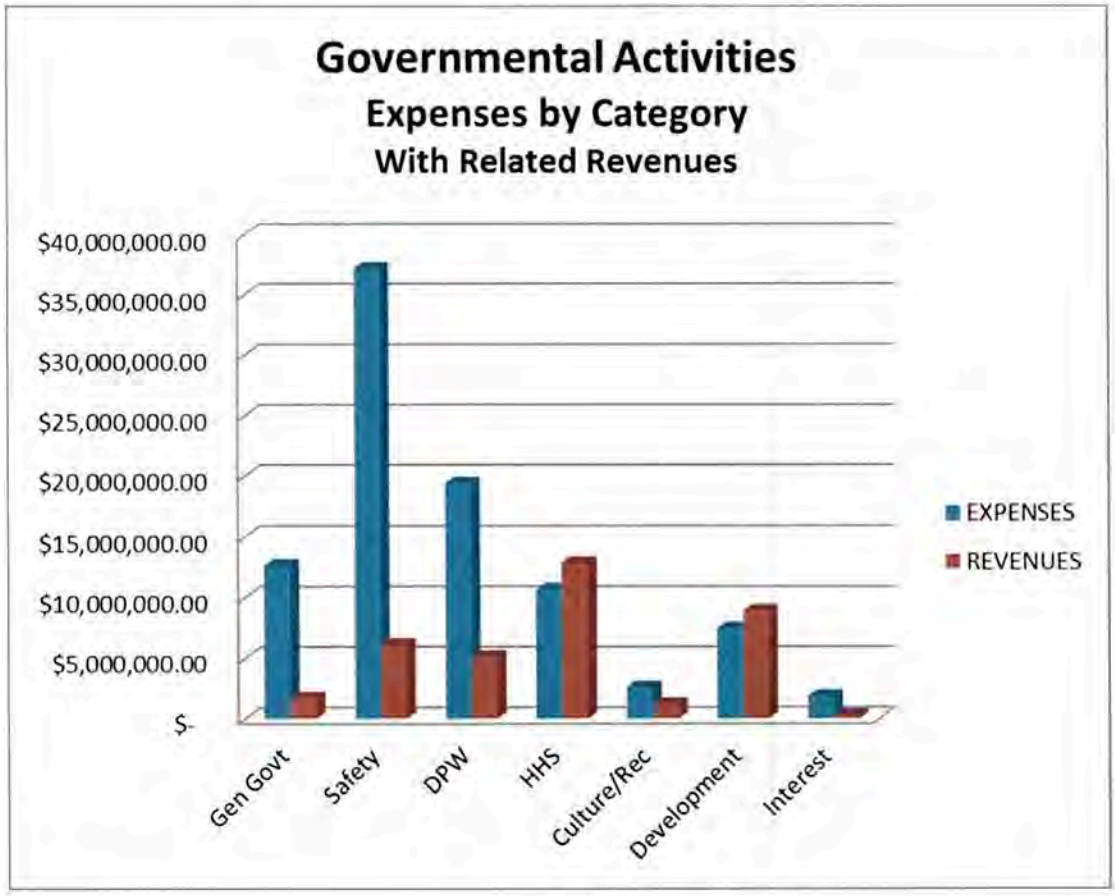
An additional portion of the City's net position (.04%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, a positive $34,423,111, is available to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position balance will decline over the next several years as we continue to recognize the Other Post-Employment Benefits obligation. At the end of the current fiscal year, the City is able to report a positive balance in the net investment in capital assets and the restricted categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

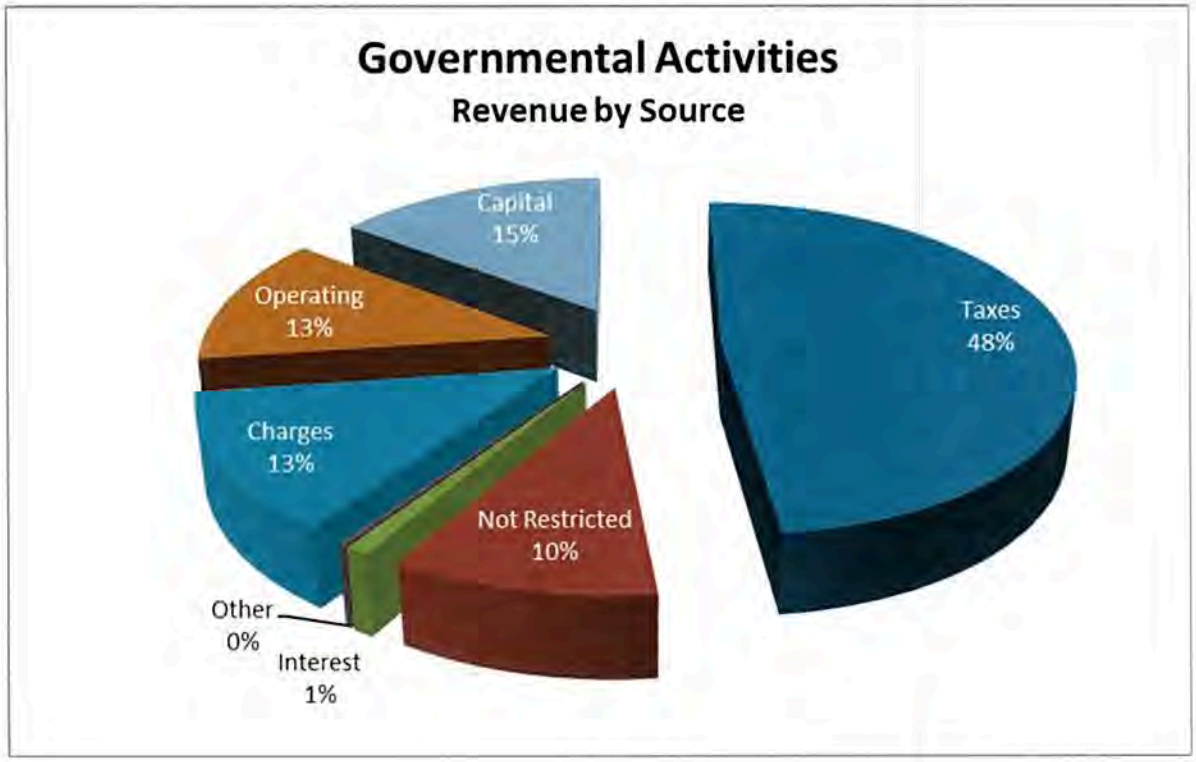
**City of West Allis Changes in Net Position**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| Revenues: | | | | | | |
| Program Revenues: | | | | | | |
| Charges for services | $11,819,105 | $9,088,165 | $21,360,255 | $21,296,775 | $33,179,360 | $30,384,940 |
| Operating grants and contributions | 11,194,095 | 9,010,784 | 278,735 | 258,805 | 11,472,830 | 9,269,589 |
| Capital grants and contributions | 13,279,356 | 3,151,837 | 11,335 | 14,979 | 13,290,691 | 3,166,816 |
| General Revenues: | | | | | | |
| Property taxes | 41,792,533 | 41,932,197 | 43,000 | 43,000 | 41,835,533 | 41,975,197 |
| Other taxes | 1,677,243 | 1,520,503 | 0 | 0 | 1,677,243 | 1,520,503 |
| Grants and contributions not restricted to specific programs | 9,206,794 | 9,480,878 | 0 | 0 | 9,206,794 | 9,480,878 |
| Other | 1,061,831 | 5,818,631 | 433,867 | 314,330 | 1,495,698 | 6,132,961 |
| **Total Revenues** | $90,030,957 | $80,002,995 | $22,127,192 | $21,927,889 | $112,158,149 | $101,930,884 |
| Expenses | | | | | | |
| General Government | 12,683,740 | 10,920,556 | 0 | 0 | 12,683,740 | 10,920,556 |
| Public Safety | 37,249,881 | 37,790,154 | 0 | 0 | 37,249,881 | 37,790,154 |
| Public Works | 19,435,157 | 17,704,389 | 0 | 0 | 19,435,157 | 17,704,389 |
| Health and Human Services | 10,697,085 | 7,678,226 | 0 | 0 | 10,697,085 | 7,678,226 |
| Culture & Recreation | 2,633,438 | 2,833,745 | 0 | 0 | 2,633,438 | 2,833,745 |
| Development | 7,490,488 | 5,701,550 | 0 | 0 | 7,490,488 | 5,701,550 |
| Interest on long-term debt | 1,884,864 | 2,131,098 | 0 | 0 | 1,884,864 | 2,131,098 |
| Water Utility | 0 | 0 | 6,986,601 | 6,893,875 | 6,986,601 | 6,893,875 |
| Sanitary Sewer Utility | 0 | 0 | 5,845,286 | 5,542,622 | 5,845,286 | 5,542,622 |
| Storm Sewer Utility | 0 | 0 | 2,391,743 | 2,451,452 | 2,391,743 | 2,451,452 |
| Solid Waste Utility | 0 | 0 | 1,721,052 | 1,680,361 | 1,721,052 | 1,680,361 |
| Parking Utility | 0 | 0 | 76,664 | 86,781 | 76,664 | 86,781 |
| Senior Citizen's Housing | 0 | 0 | 190,632 | 188,573 | 190,632 | 188,573 |
| **Total Expenses** | $92,074,653 | $84,759,718 | $17,211,978 | $16,843,664 | $109,286,631 | $101,603,382 |
| Increase in net position before transfer | -2,043,696 | -4,756,723 | 4,915,214 | 5,084,225 | 2,871,518 | 327,502 |
| Transfers | 1,373,620 | 1,261,318 | -1,373,620 | -1,261,318 | 0 | 0 |
| Change in net position | -670,076 | -3,495,405 | 3,541,594 | 3,822,907 | 2,871,518 | 327,502 |
| Net position - January 1 | 178,830,668 | 182,326,073 | 76,710,297 | 72,887,390 | 255,540,965 | 255,213,463 |
| Prior Period Adjustment | 0 | 0 | 0 | 0 | 0 | 0 |
| Net position - January 1 restated | 178,830,668 | 182,326,073 | $76,710,297 | $72,887,390 | 255,940,965 | 255,213,463 |
| Net position - December 31 | $178,160,592 | $178,830,668 | $80,251,891 | $76,710,297 | $258,412,483 | $255,540,965 |

**Governmental activities.** Governmental activities decreased the City's net position by $670,076 in 2014, compared to $3,495,405 in 2013. Key elements of this net decrease are as follows:

- Other Post-Employment Benefits created a negative adjustment of $5,656,557.
- Depreciation expense for governmental activities reflected in the statement of activities is $13,847,237. This is an expense without a cash outflow so there is no offsetting revenue reflected in the statement of activities. This would have the effect of reducing net position in the statement of activities. Additional capital assets acquired during the year amounted to $15,795,404 for a net positive adjustment of $1,948,167.
- Net between general obligation debt issued and paid created a positive net adjustment of $2,195,475.






**Business-type activities.** Business-type activities increased the City's net position by $3,541,594. Key elements of this net increase in net position are as follows:

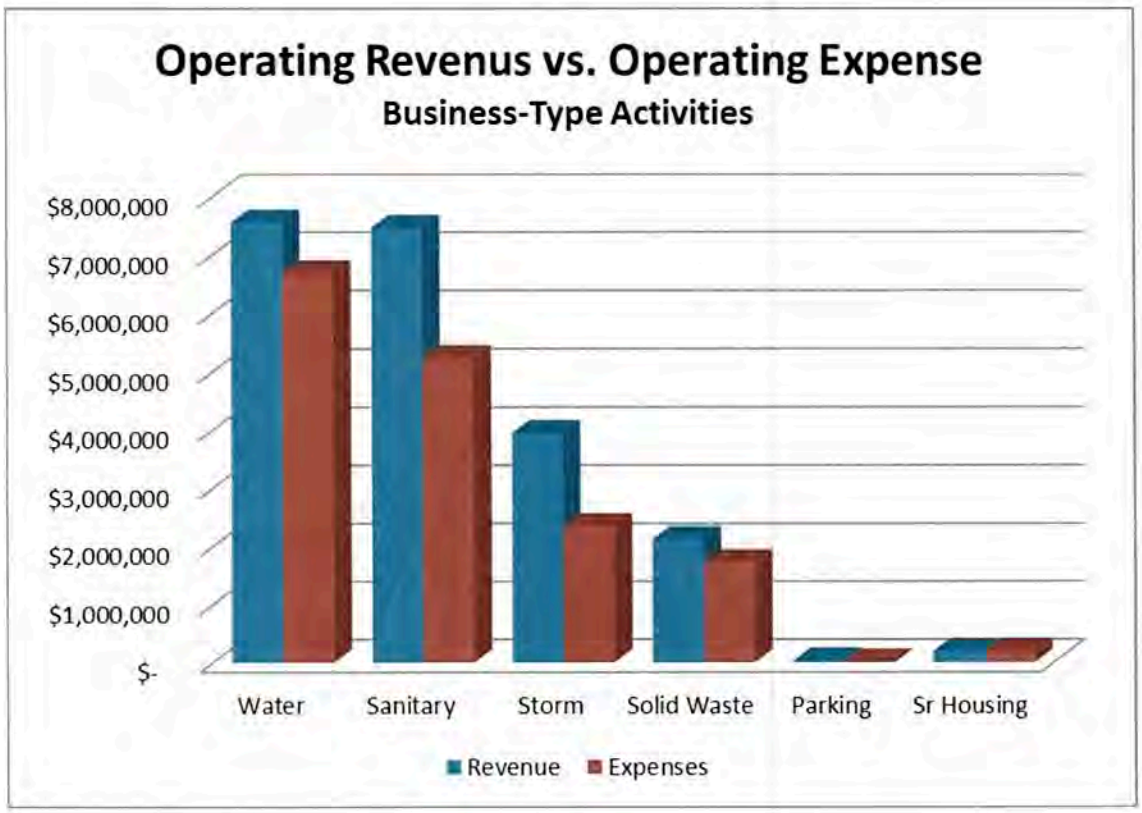
- The Water Utility decreased net position by $132,228 as compared to a decrease of $78,939 in 2013. The utility realized a 1.66% rate of return in 2014 as compared to 2.43% in 2013 based on the Public Service Commission of Wisconsin calculation.

- The Sanitary Sewer Utility increased net position by $1,560,461 as compared to an increase of $1,488,418 in 2013. The rate was increased in 2014 to $1.75 per ccf (750 gallons). The reason for increasing the rate is to allow for sufficient cash flow to deal with the bond payment needs and to fund additional maintenance needs of the city's aging sewer system on a cash basis. Over the past several years the amount of required repairs has risen significantly because of new DNR regulations related to clear water inflow into the sanitary system. The rate for the 2015 budget, passed in November of 2014, remained at $1.75 per ccf.

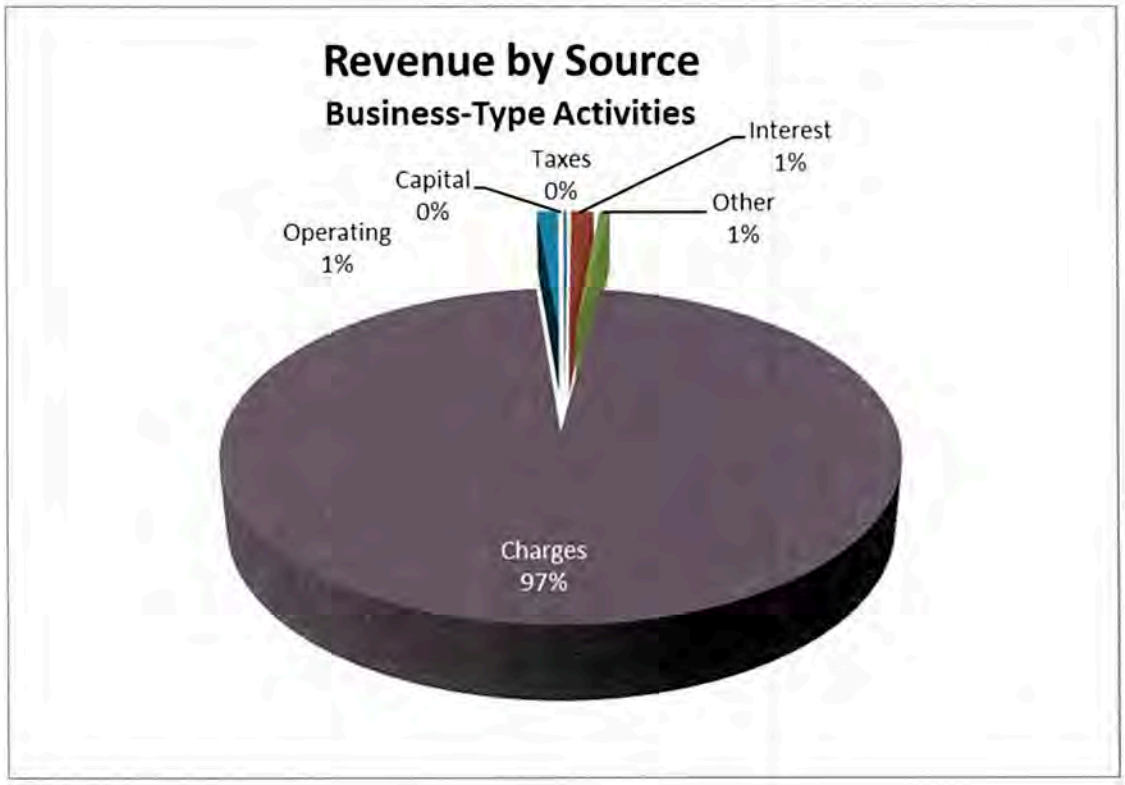
- The Storm Water Utility increased net position by $1,375,245 as compared to an increase of $1,293,414 in 2013. The rate was not increased in 2014. The Storm Water Utility spending on infrastructure continues to increase due to efforts to address the flooding and clear water inflow into the system.

- The Solid Waste Utility was established in 2006 to provide a revenue source to fund the costs of the state mandated city-recycling program. The Utility increased net position by $559,552 as compared to an increase of $615,103 in 2013. The rate was unchanged from 2013.

- The Parking Utility decreased net position by $5,272 as compared to a decrease of $20,422 in 2013. The utility continues to face challenges due to the drop off in the collection of parking permit revenue which is related to the loss of some retailers in the area.



- The Beloit Road Housing Management Fund increased net position by $183,836 as compared to an increase of $525,333 in 2013. The housing development was sold to an LLC investor group in December 2011. The LLC has made significant upgrades to the housing complex with funding from the federal Low Income Housing Tax Credit program and city loans, including improved, ADA-compliant units and an activity center. The City is now a minority partner in the LLC and contracts with the LLC to provide maintenance and management services.




## Financial Analysis of the Government's Funds

As indicated earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus on the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2014 the City's governmental funds reported combined ending fund balances of $40,964,659 a decrease of $1,467,913 in comparison with the prior year. Of the total fund balance, $1,568,719 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remaining fund balance is made up of $12,201,720 in Non-spendable Funds, $1,064,277 in Restricted Funds, $2,308,648 in Committed Funds and $23,821,295 in Assigned Funds. The major items within the assigned funds as it relates to the General Fund may be fund on page 72 – Note C-7.

**General Fund:** The general fund is the main operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $6,303,452 while total fund balance was $41,402,547. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to expenditures. Unassigned fund balance represents 11.7% of total general fund expenditures, while total fund balance represents 76.6% of total general fund expenditures. The fund balance increased by $2,915,211 due to better than expected revenues across all categories. Additionally, under spending in the salary and fringe benefit area related to various open positions in the Police and Fire Departments also contributed to the savings.

**Debt Service Funds.** The debt service fund continues to be reduced to assist in lowering the tax rate of the City and the reduction in Tax Incremental collection due to the reduction in values of the TID's.

**Proprietary Funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position for these funds can be seen in the table on the following page.

| Unrestricted Net Position: | 2014 | 2013 |
|---|---|---|
| Water Utility | $1,295,580 | $2,174,509 |
| Sanitary Sewer Utility | $2,350,718 | $2,890,150 |
| Storm Water Utility | $2,043,401 | $2,318,967 |
| Solid Waste Fund | $3,225,496 | $2,613,813 |
| Parking Utility | $191,749 | $197,021 |
| Senior Citizen's Housing | $6,652,531 | $6,468,695 |
| | $15,759,475 | $16,663,155 |

## General Fund Budgetary Highlights

Differences between the original budget and the final amended budget amounted to an increase in appropriations of $1,978,372 with the major items being as follows:

- Carry-over requests from 2013 for budgeted projects and expenditures that were unfinished at the end of the year totaled $849,400.
- Encumbrances carried over from 2013 for budgeted projects and expenditures that were still open at the end of the year totaled $579,122.
- Purchases requested from the Contingency Fund in 2013 and repaid with budgeted dollars included - $10,000 in additional litigation costs and $134,000 for squad cars.

**Revenues were more than budgetary estimates – explanation:**

During this year, revenues were higher than budget by $1,052,527. Although some individual revenues didn't meet expectations, every category of revenue exceeded projections. The biggest increase was in Public Works Services by over $600,000 due to higher than expected equipment rental to propriety funds and scrap metal processing.

**Expenditures were less than budgetary estimates – explanation:**

Actual operating expenditures were less than final budget by $3,673,575. Taking into consideration that there was nearly $2 million in carry-over requests and encumbered items, the City still realized savings of $3.6 million. Much of this was due to unfilled positions in the police and fire departments throughout the year. As a result, there were large savings in fringe benefit costs. Also, several large capital purchases in the Public Works Division were delayed until 2015, resulting in unspent funds in 2014. General Government was under budget by $1.1 million, but most of those funds are transferred

to various capital accumulation accounts to offset purchases in future years. Also, a planned use of fund balance was not needed to balance the 2014 budget.

## Capital Assets and Debt Administration

**Capital assets.** The City's investment in capital assets for its governmental and business type activities as of December 31, 2014, rounded and net of accumulated depreciation amounts to $292,795,059. Total investment in capital assets prior to accumulated depreciation was $593,411,376. This investment in capital assets includes land, buildings, machinery and equipment, vehicles, and infrastructure including roads, sewers, bridges, parking lot improvements, and lighting. The total net increase in the government wide activities investment in capital assets for the current fiscal year was $5,854,964 or a 2% increase (a .16% increase for governmental activities and 6.46% increase for business-type activities). Major capital asset events during the current fiscal year included the following:

### Governmental Activities:

- Infrastructure improvements added $1,157,458 to capital assets.
- The City expects to see a net decline to its net assets in the future because depreciation is growing at a faster rate relative to the City's ability to replace infrastructure. The majority of capital projects are dedicated to repairs as opposed to replacement or the adding of new streets.

### Business Type Activities:

- The Water Utility increased total assets by $1,894,501 for water distribution mains, services, hydrants, and meters.
- The Storm Water Utility increased assets by $2,166,469. The majority was for infrastructure replacement.
- The Sanitary Sewer Utility increased assets by $2,990,052 for main replacement.

**City of West Allis Capital Assets**

| | Governmental Activities 2014 | Governmental Activities 2013 | Business-Type Activities 2014 | Business-Type Activities 2013 | Total 2014 | Total 2013 |
|---|---|---|---|---|---|---|
| Land | $13,051,777 | $12,582,543 | $963,716 | $963,716 | $14,015,493 | $13,546,259 |
| Construction in Progress | $473,468 | $447,925 | $573,890 | $63,103 | $1,047,358 | $511,028 |
| Buildings | $159,331,282 | $152,191,655 | $496,728 | $496,728 | $159,828,010 | $152,688,383 |
| Improvements other than Buildings | $2,019,315 | $1,988,330 | $0 | $0 | $2,019,315 | $1,988,330 |
| Machinery and Equipment | $137,407,238 | $132,413,042 | $5,537,370 | $5,224,832 | $142,944,608 | $137,637,874 |
| Infrastructure | $156,797,835 | $155,640,377 | $116,758,757 | $110,531,060 | $273,556,592 | $266,171,437 |
| Total Assets | $469,080,915 | $455,263,872 | $124,330,461 | $116,252,620 | $593,411,376 | $572,543,311 |
| Less Accumulated Depreciation | ($267,338,768) | ($253,848,492) | (33,277,549) | (31,754,724) | (300,616,317) | ($285,603,216) |
| Net Capital Assets | $201,742,147 | $201,415,380 | $91,052,912 | $85,524,715 | $292,795,059 | $286,940,095 |
| Percentage Change | .16% | | 6.46% | | 2.04% | |

Additional information on the City's capital assets can be found in the footnote A-6f (page 55) and footnote C-3 (pages 63-64).

**Long-term debt.** At the end of the current fiscal year, the City had total bonded debt outstanding of $75,248,395 backed by the full faith and credit of the City. Moody's rating on the general obligation debt is Aa2 and Standard & Poor's is AA.

The City's total net general-obligation debt outstanding decreased by $1,400,909 or 1.8% during the current year. The City issued $6,800,000 in debt while paying down $8,200,909. New debt issued in 2014 was for the following purposes: the Water Utility issued $1,500,000, the Sewer Utility issued $2,050,000, and the General Fund issued $3,250,000.

State Statutes limit the amount of general obligation debt a City may issue to 5% of its total equalized value. The City's current debt level (including BAN's) is 40.42% of its limitation of $185,632,065 compared to 41.31% in 2013. The City's net total indebtedness for business-type activities increased by $1,194,566.

**City of West Allis Outstanding Debt**
**General Obligation Notes and Bonds**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| General Obligation Notes | $4,719,469 | $6,019,319 | $120,559 | $137,887 | $4,840,028 | $6,157,206 |
| General Obligation Bonds | 44,120,000 | 45,415,625 | 26,288,367 | 25,076,473 | 70,408,367 | 70,492,098 |
| | $48,839,469 | $51,434,944 | $26,408,926 | $25,214,360 | $75,248,395 | $76,649,304 |

Additional information on the City's long-term debt can be found in the footnotes on pages 67-70 of this report.

## Economic Factors and Next Year's Budgets and Rates

- The City, like others, has experienced a decrease in the market value of property within the city, with newer TIF Districts being the exception because of new construction. Housing values have begun to stabilize and even increase. Interest in vacant parcels has intensified.

- The general fund finished the year with an unassigned fund balance of $6,303,452, an increase of $38,135 from the previous year.

- The pension contribution rates for 2014 decreased from 14% for general city employees to 13.3%, however WI Acts 10 & 32 require employees to contribute half of this (7%). City police officers, subject to contract negotiations, will be paying the full employee contribution rate by the end of 2015. Firefighters contributed at least 6% toward their retirements, with new hires contributing the full 7%. Newly-hired police officers also pay the full contribution immediately upon hire.

- While interest rates remain low, staff has been able to ladder out investment instruments in an effort to reduce the impact of lower rates on overall earnings. Investment earnings have been on the upswing since 2012. The City also made two loans to its subsidiary First Ring Industrial Redevelopment Enterprise, obtaining an interest rate of 4.5% on those loans.

- The City continues to be affected by legislation at the state level. In 2011, a significant change to the collective bargaining rights of unions provided the City with greater flexibility to address some budget pressures. However, since public safety unions remain outside of the recent legislation, there are still significant budget pressures due to levy restrictions and a stagnant local economy.

- On July 1, 2013, the State of Wisconsin adopted its biennial budget for 2013 - 2015. That budget held to the strict levy limits under which municipalities must operate by forcing cities to reduce their tax levy in direct proportion to any increase in fees for certain services. As of this writing, the 2015-2017 State Budget has not yet passed.

All of these factors were considered in preparing the City's budget for the fiscal year and are being monitored closely when considering future year budgets as well.

**Requests for Information**

This financial report is designed to provide a general overview of the finances of the City of West Allis for interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of West Allis – Attn: Mark Wyss, City Comptroller, 7525 West Greenfield Ave, West Allis, WI 53214, or 414-302-8252 or mwyss@westalliswi.gov .

General information relating to the City of West Allis, Wisconsin can be found at the City's website www.westalliswi.gov.

# BASIC FINANCIAL STATEMENTS

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**CITY OF WEST ALLIS, WISCONSIN**
Statement of Net Position
December 31, 2014

| | Governmental Activities | Business-type Activities | Total | Component Units |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash and investments | $ 105,164,219 | $ 7,355,135 | $ 112,519,354 | $ 6,176,241 |
| Receivables | | | | |
| Taxes | 51,585,987 | 43,000 | 51,628,987 | - |
| Accounts | 1,293,353 | 7,989,858 | 9,283,211 | 8,431,791 |
| Notes and loans | 17,015,449 | 5,260,368 | 22,275,817 | - |
| Special assessments | 1,868,642 | - | 1,868,642 | - |
| Interest | 473,739 | 83,968 | 557,707 | - |
| Internal balances | 1,223,114 | (1,223,114) | - | - |
| Due to component unit/from primary government | (83,955) | - | (83,955) | 83,955 |
| Due from other governments | 1,717,579 | - | 1,717,579 | - |
| Inventories and prepaid items | 2,119,220 | 1,174,852 | 3,294,072 | - |
| Deposit with CVMIC | 3,244,299 | - | 3,244,299 | - |
| Capital assets | | | | |
| Land | 13,051,777 | 963,716 | 14,015,493 | - |
| Construction in progress | 473,468 | 573,890 | 1,047,358 | - |
| Buildings | 159,331,282 | 496,728 | 159,828,010 | - |
| Improvements other than buildings | 2,019,315 | - | 2,019,315 | - |
| Machinery and equipment | 137,407,238 | 5,537,370 | 142,944,608 | - |
| Infrastructure | 156,797,835 | 116,758,757 | 273,556,592 | - |
| Less: Accumulated depreciation | (267,338,768) | (33,277,549) | (300,616,317) | - |
| TOTAL ASSETS | 387,363,793 | 111,736,979 | 499,100,772 | 14,691,987 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Loss on advance refunding of debt | - | 175,948 | 175,948 | - |
| LIABILITIES | | | | |
| Accounts payable | 4,930,580 | 776,489 | 5,707,069 | 5,186,902 |
| Accrued liabilities | 4,222,985 | 140,040 | 4,363,025 | 43,141 |
| Due to other governments | 65,446,130 | 1,376,212 | 66,822,342 | - |
| Accrued interest payable | 449,406 | 194,703 | 644,109 | - |
| Deposits | 2,469,034 | 65,111 | 2,534,145 | - |
| Unearned revenues | 557,877 | 428,001 | 985,878 | 2,501,114 |
| Long-term obligations | | | | |
| Due within one year | 5,660,579 | 2,522,445 | 8,183,024 | - |
| Due in more than one year | 83,516,092 | 26,115,035 | 109,631,127 | - |
| TOTAL LIABILITIES | 167,252,683 | 31,618,036 | 198,870,719 | 7,731,157 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Property taxes | 41,950,518 | 43,000 | 41,993,518 | - |
| NET POSITION | | | | |
| Net investment in capital assets | 158,432,679 | 64,492,416 | 222,925,095 | - |
| Restricted | | | | |
| Debt service | 206,806 | - | 206,806 | - |
| Grantors | 857,471 | - | 857,471 | - |
| Unrestricted | 18,663,636 | 15,759,475 | 34,423,111 | 6,960,830 |
| TOTAL NET POSITION | $ 178,160,592 | $ 80,251,891 | $ 258,412,483 | $ 6,960,830 |

The notes to the basic financial statements are an integral part of this statement.

**CITY OF WEST ALLIS, WISCONSIN**
Statement of Activities
For the Year Ended December 31, 2014

| Functions/Programs | Expenses | Program Revenues | | |
|---|---|---|---|---|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental Activities | | | | |
| General government | $ 12,683,740 | $ 1,710,728 | $ - | $ - |
| Public safety | 37,249,881 | 4,190,127 | 1,955,536 | - |
| Public works | 19,435,157 | 960,539 | 3,173,674 | 1,005,405 |
| Health and human services | 10,697,085 | 337,709 | 667,711 | 11,873,951 |
| Culture and recreation | 2,633,438 | 885,714 | 300,068 | - |
| Conservation and development | 7,490,488 | 3,432,082 | 5,097,106 | 400,000 |
| Interest on debt | 1,884,864 | 302,206 | - | - |
| Total Governmental Activities | 92,074,653 | 11,819,105 | 11,194,095 | 13,279,356 |
| Business-type Activities | | | | |
| Water utility | 6,986,601 | 7,597,571 | - | 11,335 |
| Sanitary sewer utility | 5,845,286 | 7,468,860 | 24,445 | - |
| Storm water utility | 2,391,743 | 3,948,601 | - | - |
| Solid waste utility | 1,721,052 | 2,126,314 | 254,290 | - |
| Parking utility | 76,664 | 28,392 | - | - |
| Senior citizen housing | 190,632 | 190,517 | - | - |
| Total Business-type Activities | 17,211,978 | 21,360,255 | 278,735 | 11,335 |
| Total | $ 109,286,631 | $ 33,179,360 | $ 11,472,830 | $ 13,290,691 |
| Component Units | | | | |
| Terchak Endowment Fund | $ 46,471 | $ - | $ - | $ - |
| FIRE | 517,948 | 2,226,328 | - | - |
| | $ 564,419 | $ 2,226,328 | $ - | $ - |

General revenues
Property taxes, levied for general purposes
Property taxes, levied for debt service
Other taxes
State and federal aids not restricted to specific functions
Interest and investment earnings
Gain on sale of assets
Miscellaneous
Transfers
Total general revenues and transfers

Change in net position

Net position- January 1

Net position - December 31

The notes to the basic financial statements are an integral part of this statement.

| Net (Expense) Revenue and Changes in Net Position | | | |
|---|---|---|---|
| Governmental Activities | Business-type Activities | Total | Component Units |
| $ (10,973,012) | $ - | $ (10,973,012) | $ - |
| (31,104,218) | - | (31,104,218) | - |
| (14,295,539) | - | (14,295,539) | - |
| 2,182,286 | - | 2,182,286 | - |
| (1,447,656) | - | (1,447,656) | - |
| 1,438,700 | - | 1,438,700 | - |
| (1,582,658) | - | (1,582,658) | - |
| (55,782,097) | - | (55,782,097) | - |
| - | 622,305 | 622,305 | - |
| - | 1,648,019 | 1,648,019 | - |
| - | 1,556,858 | 1,556,858 | - |
| - | 659,552 | 659,552 | - |
| - | (48,272) | (48,272) | - |
| - | (115) | (115) | - |
| - | 4,438,347 | 4,438,347 | - |
| (55,782,097) | 4,438,347 | (51,343,750) | - |
| - | - | - | (46,471) |
| - | - | - | 1,708,380 |
| - | - | - | 1,661,909 |
| 35,331,314 | 43,000 | 35,374,314 | - |
| 6,461,219 | - | 6,461,219 | - |
| 1,677,243 | - | 1,677,243 | - |
| 9,206,794 | - | 9,206,794 | - |
| 814,462 | 295,901 | 1,110,363 | 139,860 |
| 98,680 | - | 98,680 | - |
| 148,689 | 137,966 | 286,655 | - |
| 1,373,620 | (1,373,620) | - | - |
| 55,112,021 | (896,753) | 54,215,268 | 139,860 |
| (670,076) | 3,541,594 | 2,871,518 | 1,801,769 |
| 178,830,668 | 76,710,297 | 255,540,965 | 5,159,061 |
| $ 178,160,592 | $ 80,251,891 | $ 258,412,483 | $ 6,960,830 |

**CITY OF WEST ALLIS, WISCONSIN**
Balance Sheet
Governmental Funds
December 31, 2014

| | General | Debt Service | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash and investments | $ 89,772,267 | $ 206,806 | $ 4,554,691 | $ 94,533,764 |
| Receivables | | | | |
| Taxes | 43,027,010 | 6,292,761 | - | 49,319,771 |
| Delinquent personal property taxes | 266,216 | - | - | 266,216 |
| Accounts | 444,828 | - | 737,736 | 1,182,564 |
| Notes and loans | 5,387,749 | - | 11,627,700 | 17,015,449 |
| Special assessments | - | - | 1,868,642 | 1,868,642 |
| Interest | 240,768 | - | 232,971 | 473,739 |
| Due from other funds | 7,332,201 | - | - | 7,332,201 |
| Due from other governmental units | 12,726 | - | 1,704,853 | 1,717,579 |
| Inventories and prepaid items | 1,741,220 | - | - | 1,741,220 |
| TOTAL ASSETS | $ 148,224,985 | $ 6,499,567 | $ 20,726,593 | $ 175,451,145 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts payable | $ 634,118 | $ - | $ 1,146,645 | $ 1,780,763 |
| Accrued liabilities | 4,146,055 | - | 75,119 | 4,221,174 |
| Due to other funds | - | - | 6,109,087 | 6,109,087 |
| Due to other governmental units | 65,446,130 | - | - | 65,446,130 |
| Due to component unit | 83,955 | - | - | 83,955 |
| Deposits | 2,397,457 | - | 41,261 | 2,438,718 |
| Unearned revenue | - | - | 374,492 | 374,492 |
| Total Liabilities | 72,707,715 | - | 7,746,604 | 80,454,319 |
| Deferred Inflows of Resources | | | | |
| Property taxes | 33,923,973 | 6,292,761 | - | 40,216,734 |
| Special assessments | - | - | 1,868,642 | 1,868,642 |
| Notes and loans | 190,750 | - | 11,756,041 | 11,946,791 |
| Total Deferred Inflows of Resources | 34,114,723 | 6,292,761 | 13,624,683 | 54,032,167 |
| Fund Balances (Deficit) | | | | |
| Nonspendable | | | | |
| Inventories and prepaid items | 1,741,220 | - | - | 1,741,220 |
| Long-term receivables | 10,460,500 | - | - | 10,460,500 |
| Restricted | | | | |
| Bondholders | - | 206,806 | - | 206,806 |
| Grantors | - | - | 857,471 | 857,471 |
| Committed | 1,550,039 | - | 758,609 | 2,308,648 |
| Assigned | 21,347,336 | - | 2,473,959 | 23,821,295 |
| Unassigned, reported in | | | | |
| General fund | 6,303,452 | - | - | 6,303,452 |
| Special revenue funds | - | - | (2,561) | (2,561) |
| Capital projects funds | - | - | (4,732,172) | (4,732,172) |
| Total Fund Balances (Deficit) | 41,402,547 | 206,806 | (644,694) | 40,964,659 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | $ 148,224,985 | $ 6,499,567 | $ 20,726,593 | $ 175,451,145 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Balance Sheet (Continued)
Governmental Funds
December 31, 2014

Reconciliation to the Statement of Net Position

| | | |
|---|---|---|
| Total Fund Balances from previous page | | $ 40,964,659 |
| Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds. | | 201,742,147 |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. The details of this difference are as follows: | | |
| Special assessments | $ 1,868,642 | |
| Delinquent taxes | 266,216 | |
| Loans receivable | 11,946,791 | |
| Net adjustment | | 14,081,649 |
| Internal service funds are used by management to charge the cost of insurance programs to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. | | 10,998,214 |
| Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. The details of this difference are as follows: | | |
| Bonds and notes payable | $ (48,839,469) | |
| Unfunded pension liability | (534,945) | |
| Employee benefits | (39,802,257) | |
| Accrued interest on long-term obligations | (449,406) | |
| Net adjustment | | (89,626,077) |
| Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 37) | | $ 178,160,592 |

The notes to the basic financial statements are an integral part of this statement.

**CITY OF WEST ALLIS, WISCONSIN**
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2014

| | General | Debt Service | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| Revenues | | | | |
| Taxes | $ 34,817,859 | $ 6,461,219 | $ - | $ 41,279,078 |
| Special assessments | - | - | 940,064 | 940,064 |
| Intergovernmental | 11,872,280 | 205,955 | 8,659,152 | 20,737,387 |
| Licenses and permits | 1,697,187 | - | - | 1,697,187 |
| Fines, forfeitures and penalties | 2,119,352 | - | - | 2,119,352 |
| Public charges for services | 3,445,954 | - | 1,935,550 | 5,381,504 |
| Loan repayments | - | - | 26,496 | 26,496 |
| Payment from hospital | 300,000 | - | - | 300,000 |
| Interest | 714,015 | - | 436 | 714,451 |
| Miscellaneous | 583,234 | 156,200 | 129,478 | 868,912 |
| Total Revenues | 55,549,881 | 6,823,374 | 11,691,176 | 74,064,431 |
| Expenditures | | | | |
| Current | | | | |
| General government | 7,401,251 | - | 2,195 | 7,403,446 |
| Public safety | 31,221,433 | - | 1,805,817 | 33,027,250 |
| Public works | 11,190,067 | - | - | 11,190,067 |
| Health | 1,937,402 | - | 667,713 | 2,605,115 |
| Culture and recreation | 2,319,434 | - | 431,355 | 2,750,789 |
| Conservation and development | 1,064 | - | 10,468,050 | 10,469,114 |
| Debt service | | | | |
| Principal retirement | - | 5,450,475 | - | 5,450,475 |
| Interest and fiscal charges | - | 1,908,070 | - | 1,908,070 |
| Capital outlay | - | - | 5,456,649 | 5,456,649 |
| Total Expenditures | 54,070,651 | 7,358,545 | 18,831,779 | 80,260,975 |
| Excess of Revenues Over (Under) Expenditures | 1,479,230 | (535,171) | (7,140,603) | (6,196,544) |
| Other Financing Sources (Uses) | | | | |
| General obligation debt issued | - | - | 3,255,000 | 3,255,000 |
| Transfers in | 1,823,631 | 1,018,802 | 856,352 | 3,698,785 |
| Transfers out | (387,650) | (468,702) | (1,368,802) | (2,225,154) |
| Total Other Financing Sources (Uses) | 1,435,981 | 550,100 | 2,742,550 | 4,728,631 |
| Net Change in Fund Balances | 2,915,211 | 14,929 | (4,398,053) | (1,467,913) |
| Fund Balances - January 1 | 38,487,336 | 191,877 | 3,753,359 | 42,432,572 |
| Fund Balances (Deficit) - December 31 | $ 41,402,547 | $ 206,806 | $ (644,694) | $ 40,964,659 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended December 31, 2014

Reconciliation to the Statement of Activities

| | | |
|---|---|---|
| Net Change in Fund Balances from previous page | | $ (1,467,913) |
| Amounts reported for governmental activities in the statement of activities are different because: | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period, detailed as follows: | | |
| Capital outlay | $ 15,795,404 | |
| Depreciation expense | (13,847,237) | |
| Net adjustment | | 1,948,167 |
| The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. | | (1,621,400) |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | 4,178,754 |
| The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term and related items, detailed as follows: | | |
| Issuance of general obligation debt | $ (3,255,000) | |
| Principal paid on long-term debt | 5,450,475 | |
| Forgiveness of principal on long-term debt | 400,000 | |
| Unfunded pension liability payment | 26,055 | |
| Health insurance benefit | (5,656,557) | |
| Net adjustment | | (3,035,027) |
| Accrued interest expense reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds. | | 9,978 |
| Internal service funds are used by management to charge the costs of insurance programs to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. | | (682,635) |
| Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 38 - 39) | | $ (670,076) |

The notes to the basic financial statements are an integral part of this statement.

**CITY OF WEST ALLIS, WISCONSIN**
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
General Fund
For the Year Ended December 31, 2014

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| Revenues | | | | |
| Taxes | $ 34,612,313 | $ 34,612,313 | $ 34,817,859 | $ 205,546 |
| Intergovernmental | 11,975,682 | 11,975,682 | 11,872,280 | (103,402) |
| Licenses and permits | 1,477,160 | 1,477,160 | 1,697,187 | 220,027 |
| Fines, forfeitures and penalties | 2,071,799 | 2,071,799 | 2,119,352 | 47,553 |
| Public charges for services | 2,763,700 | 2,763,700 | 3,445,954 | 682,254 |
| Interest | 717,000 | 717,000 | 714,015 | (2,985) |
| Miscellaneous | 879,700 | 879,700 | 883,234 | 3,534 |
| Total Revenues | 54,497,354 | 54,497,354 | 55,549,881 | 1,052,527 |
| Expenditures | | | | |
| Current | | | | |
| General government | 20,855,426 | 8,493,745 | 7,401,251 | 1,092,494 |
| Public safety | 21,927,501 | 32,067,237 | 31,221,433 | 845,804 |
| Health | 1,602,594 | 2,118,934 | 1,937,402 | 181,532 |
| Public works | 9,310,294 | 12,483,449 | 11,190,067 | 1,293,382 |
| Culture and recreation | 2,070,039 | 2,550,861 | 2,319,434 | 231,427 |
| Conservation and development | - | 30,000 | 1,064 | 28,936 |
| Total Expenditures | 55,765,854 | 57,744,226 | 54,070,651 | 3,673,575 |
| Excess of Revenues Over (Under) Expenditures | (1,268,500) | (3,246,872) | 1,479,230 | 4,726,102 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 1,788,000 | 1,788,000 | 1,823,631 | 35,631 |
| Transfers out | - | - | (387,650) | (387,650) |
| Total Other Financing Sources (Uses) | 1,788,000 | 1,788,000 | 1,435,981 | (352,019) |
| Net Change in Fund Balance | 519,500 | (1,458,872) | 2,915,211 | 4,374,083 |
| Fund Balance - January 1 | 38,487,336 | 38,487,336 | 38,487,336 | - |
| Fund Balance - December 31 | $ 39,006,836 | $ 37,028,464 | $ 41,402,547 | $ 4,374,083 |

The notes to the basic financial statements are an integral part of this statement.

**CITY OF WEST ALLIS, WISCONSIN**
Statement of Net Position
Proprietary Funds
December 31, 2014

| | Business-type Activities - Enterprise Funds | | | |
|---|---|---|---|---|
| | Water Utility | Sanitary Sewer Utility | Storm Water Utility | Solid Waste Fund |
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and investments | $ - | $ 2,014,440 | $ 1,105,940 | $ 2,710,865 |
| Receivables | | | | |
| Taxes | - | - | - | - |
| Accounts | 3,864,896 | 2,052,877 | 1,114,215 | 640,471 |
| Interest | - | - | - | - |
| Inventories and prepaid items | 1,174,852 | - | - | - |
| Total Current Assets | 5,039,748 | 4,067,317 | 2,220,155 | 3,351,336 |
| Noncurrent Assets | | | | |
| Capital Assets | | | | |
| Land | 57,990 | - | - | - |
| Construction in progress | 27,109 | 489,845 | 56,936 | - |
| Buildings | 496,728 | - | - | - |
| Infrastructure | 36,583,156 | 36,294,331 | 43,881,270 | - |
| Machinery and equipment | 2,436,393 | 740,017 | 1,572,165 | 679,735 |
| Accumulated depreciation | (14,551,291) | (7,118,282) | (11,154,766) | (344,150) |
| Total Capital Assets | 25,050,085 | 30,405,911 | 34,355,605 | 335,585 |
| Notes receivable | - | - | - | - |
| Deposit with CVMIC | - | - | - | - |
| Total Noncurrent Assets | 25,050,085 | 30,405,911 | 34,355,605 | 335,585 |
| TOTAL ASSETS | 30,089,833 | 34,473,228 | 36,575,760 | 3,686,921 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Loss on advance refunding of debt | 53,820 | 110,451 | 11,677 | - |
| LIABILITIES | | | | |
| Current Liabilities | | | | |
| Accounts payable | 281,485 | 213,641 | 158,593 | 121,012 |
| Accrued liabilities | 112,983 | 12,770 | 7,840 | 4,828 |
| Accrued interest payable | 71,406 | 112,976 | 10,321 | - |
| Deposits | 64,111 | 1,000 | - | - |
| Due to other funds | 1,223,114 | - | - | - |
| Due to other governmental units | - | 1,376,212 | - | - |
| Long-term obligations due within one year | 952,000 | 1,495,445 | 75,000 | - |
| Unearned revenue | 90,033 | - | - | - |
| Total Current Liabilities | 2,795,132 | 3,212,044 | 251,754 | 125,840 |
| Long-term Obligations | | | | |
| General obligation debt | 9,267,639 | 13,557,911 | 1,388,449 | - |
| Other post employment benefits | 1,901,036 | - | - | - |
| Total Long-term Obligations | 11,168,675 | 13,557,911 | 1,388,449 | - |
| TOTAL LIABILITIES | 13,963,807 | 16,769,955 | 1,640,203 | 125,840 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Property taxes | - | - | - | - |
| NET POSITION | | | | |
| Net investment in capital assets | 14,884,266 | 15,463,006 | 32,903,833 | 335,585 |
| Unrestricted | 1,295,580 | 2,350,718 | 2,043,401 | 3,225,496 |
| TOTAL NET POSITION | $ 16,179,846 | $ 17,813,724 | $ 34,947,234 | $ 3,561,081 |

The notes to the basic financial statements are an integral part of this schedule.

| Business-type Activities - Enterprise Funds | | | Governmental Activities - Internal Service Funds |
|---|---|---|---|
| Parking Utility | Beloit Road Housing Management | Total | |
| $ 191,650 | $ 1,332,240 | $ 7,355,135 | $ 10,630,455 |
| 43,000 | - | 43,000 | 2,000,000 |
| 1,330 | 316,069 | 7,989,858 | 110,789 |
| - | 83,968 | 83,968 | - |
| - | - | 1,174,852 | 378,000 |
| 235,980 | 1,732,277 | 16,646,813 | 13,119,244 |
| 905,726 | - | 963,716 | - |
| - | - | 573,890 | - |
| - | - | 496,728 | - |
| - | - | 116,758,757 | - |
| 109,060 | - | 5,537,370 | - |
| (109,060) | - | (33,277,549) | - |
| 905,726 | - | 91,052,912 | - |
| - | 5,260,368 | 5,260,368 | - |
| - | - | - | 3,244,299 |
| 905,726 | 5,260,368 | 96,313,280 | 3,244,299 |
| 1,141,706 | 6,992,645 | 112,960,093 | 16,363,543 |
| - | - | 175,948 | - |
| 1,009 | 749 | 776,489 | 3,149,817 |
| 222 | 1,397 | 140,040 | 1,811 |
| - | - | 194,703 | - |
| - | - | 65,111 | 30,316 |
| - | - | 1,223,114 | - |
| - | - | 1,376,212 | - |
| - | - | 2,522,445 | - |
| - | 337,968 | 428,001 | 183,385 |
| 1,231 | 340,114 | 6,726,115 | 3,365,329 |
| - | - | 24,213,999 | - |
| - | - | 1,901,036 | - |
| - | - | 26,115,035 | - |
| 1,231 | 340,114 | 32,841,150 | 3,365,329 |
| 43,000 | - | 43,000 | 2,000,000 |
| 905,726 | - | 64,492,416 | - |
| 191,749 | 6,652,531 | 15,759,475 | 10,998,214 |
| $ 1,097,475 | $ 6,652,531 | $ 80,251,891 | $ 10,998,214 |

**CITY OF WEST ALLIS, WISCONSIN**
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2014

| | Business-type Activities - Enterprise Funds | | | |
|---|---|---|---|---|
| | Water Utility | Sanitary Sewer Utility | Storm Water Utility | Solid Waste Fund |
| Operating Revenues | | | | |
| Charges for services | $ 7,433,368 | $ 7,468,860 | $ 3,948,601 | $ 2,126,314 |
| Rents | 130,849 | - | - | - |
| Parking fees and permits | - | - | - | - |
| Total Operating Revenues | 7,564,217 | 7,468,860 | 3,948,601 | 2,126,314 |
| Operating Expenses | | | | |
| Operation and maintenance | 5,962,622 | 4,840,236 | 1,739,494 | 1,668,922 |
| Insurance claims and estimate changes | - | - | - | - |
| Depreciation | 729,157 | 393,309 | 605,414 | 52,130 |
| Total Operating Expenses | 6,691,779 | 5,233,545 | 2,344,908 | 1,721,052 |
| Operating Income (Loss) | 872,438 | 2,235,315 | 1,603,693 | 405,262 |
| Nonoperating Revenues (Expenses) | | | | |
| Interest income | - | - | - | - |
| Interest and amortization expense | (294,822) | (464,600) | (46,835) | - |
| Interest rate subsidy | - | (235) | - | |
| State and local grants | - | 24,445 | - | 254,290 |
| Property taxes | - | - | - | - |
| Gain (loss) on sale of capital assets | - | (147,141) | - | - |
| Income (expense) from merchandising and jobbing | 33,354 | - | - | - |
| Miscellaneous | 11,764 | - | 118,387 | - |
| Total Nonoperating Revenues (Expenses) | (249,704) | (587,531) | 71,552 | 254,290 |
| Income (Loss) Before Contributions and Transfers | 622,734 | 1,647,784 | 1,675,245 | 659,552 |
| Customer contributions | 11,335 | - | - | - |
| Transfers out | (766,297) | (87,323) | (300,000) | (100,000) |
| Change in Net Position | (132,228) | 1,560,461 | 1,375,245 | 559,552 |
| Net Position - January 1 | 16,312,074 | 16,253,263 | 33,571,989 | 3,001,529 |
| Net Position - December 31 | $ 16,179,846 | $ 17,813,724 | $ 34,947,234 | $ 3,561,081 |

The notes to the basic financial statements are an integral part of this statement.

| Business-type Activities - Enterprise Funds | | | Governmental Activities - Internal Service Funds |
|---|---|---|---|
| Parking Utility | Beloit Road Housing Management | Total | |
| $ - | $ 190,517 | $ 21,167,660 | $ 14,169,760 |
| - | - | 130,849 | - |
| 28,392 | - | 28,392 | - |
| 28,392 | 190,517 | 21,326,901 | 14,169,760 |
| 76,664 | 190,632 | 14,478,570 | - |
| - | - | - | 16,852,395 |
| - | - | 1,780,010 | - |
| 76,664 | 190,632 | 16,258,580 | 16,852,395 |
| (48,272) | (115) | 5,068,321 | (2,682,635) |
| - | 295,901 | 295,901 | 100,011 |
| - | - | (806,257) | - |
| - | - | (235) | - |
| - | - | 278,735 | - |
| 43,000 | - | 43,000 | 2,000,000 |
| - | - | (147,141) | - |
| - | - | 33,354 | - |
| - | 8,050 | 138,201 | - |
| 43,000 | 303,951 | (164,442) | 2,100,011 |
| (5,272) | 303,836 | 4,903,879 | (582,624) |
| - | - | 11,335 | - |
| - | (120,000) | (1,373,620) | (100,011) |
| (5,272) | 183,836 | 3,541,594 | (682,635) |
| 1,102,747 | 6,468,695 | 76,710,297 | 11,680,849 |
| $ 1,097,475 | $ 6,652,531 | $ 80,251,891 | $ 10,998,214 |

**CITY OF WEST ALLIS, WISCONSIN**
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2014

| | Business-type Activities - Enterprise Funds | | |
|---|---|---|---|
| | Water Utility | Sanitary Sewer Utility | Storm Water Utility |
| Cash Flows from Operating Activities | | | |
| Cash received from customers | $ 7,706,962 | $ 7,435,798 | $ 3,890,256 |
| Cash from interfund services provided | - | - | - |
| Cash paid to suppliers | (3,781,151) | (4,480,733) | (999,405) |
| Cash paid to employees | (1,361,883) | (414,367) | (606,507) |
| Net Cash Provided (Used) by Operating Activities | 2,563,928 | 2,540,698 | 2,284,344 |
| Cash Flows from Noncapital Financing Activities | | | |
| Transfers to other funds | (766,297) | (87,323) | (300,000) |
| State and local grants | - | 24,445 | - |
| Property taxes | - | - | - |
| Net Cash Provided (Used) by Noncapital Financing Activities | (766,297) | (62,878) | (300,000) |
| Cash Flows from Capital and Related Financing Activities | | | |
| Acquisition and construction of capital assets | (2,165,546) | (3,186,646) | (2,183,082) |
| Customer contributions | 11,335 | - | - |
| Proceeds from debt issued | 1,520,000 | 2,025,000 | - |
| Principal paid on long-term debt | (887,500) | (1,402,934) | (60,000) |
| Interest paid on long-term debt | (275,920) | (414,907) | (53,765) |
| Net Cash Used by Capital and Related Financing Activities | (1,797,631) | (2,979,487) | (2,296,847) |
| Cash Flows from Investing Activities | | | |
| Interest received | - | (235) | - |
| Received on notes | - | - | - |
| Total Cash Flows from Investing Activities | - | (235) | - |
| Change in Cash and Cash Equivalents | - | (501,902) | (312,503) |
| Cash and Cash Equivalents - January 1 | - | 2,516,342 | 1,418,443 |
| Cash and Cash Equivalents - December 31 | $ - | $ 2,014,440 | $ 1,105,940 |
| Cash Flows from Operating Activities | | | |
| Operating income (loss) | $ 872,438 | $ 2,235,315 | $ 1,603,693 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities | | | |
| Depreciation and amortization | 729,157 | 393,309 | 605,414 |
| Depreciation charged to operating accounts | 79,925 | - | - |
| Merchandising and jobbing non-operating expense | 33,354 | - | - |
| Miscellaneous nonoperating income (expense) | 11,764 | - | 118,387 |
| Changes in assets and liabilities | | | |
| Accounts receivable | 130,981 | (33,062) | (176,732) |
| Due from other funds | - | - | - |
| Inventories and prepaid items | 209,871 | - | - |
| Accounts payable | (35,219) | (55,626) | 131,273 |
| Accrued liabilities | 9,724 | 5,218 | 2,309 |
| Deposits | 20,789 | - | - |
| Unearned revenue | 2,362 | - | - |
| Due to other funds | 249,182 | - | - |
| OPEB liability | 249,600 | - | - |
| Due to other governmental units | - | (4,456) | - |
| Net Cash Provided (Used) by Operating Activities | $ 2,563,928 | $ 2,540,698 | $ 2,284,344 |

The notes to the basic financial statements are an integral part of this statement.

| Business-type Activities - Enterprise Funds | | | | Governmental Activities - Internal Service Funds |
|---|---|---|---|---|
| Solid Waste Fund | Parking Utility | Beloit Road Housing Management | Total | |
| $ 2,139,082 | $ 28,112 | $ 242,569 | $ 21,442,779 | $ - |
| - | - | - | - | 14,116,539 |
| (1,147,435) | (50,754) | (27,721) | (10,487,199) | (17,203,195) |
| (525,346) | (25,729) | (132,631) | (3,066,463) | - |
| 466,301 | (48,371) | 82,217 | 7,889,117 | (3,086,656) |
| (100,000) | - | (120,000) | (1,373,620) | (100,011) |
| 254,290 | - | - | 278,735 | - |
| - | 43,000 | - | 43,000 | 2,000,000 |
| 154,290 | 43,000 | (120,000) | (1,051,885) | 1,899,989 |
| - | - | - | (7,535,274) | - |
| - | - | - | 11,335 | - |
| - | - | - | 3,545,000 | - |
| - | - | - | (2,350,434) | - |
| - | - | - | (744,592) | - |
| - | - | - | (7,073,965) | - |
| - | - | 371,885 | 371,650 | 100,011 |
| - | - | 45,128 | 45,128 | - |
| - | - | 417,013 | 416,778 | 100,011 |
| 620,591 | (5,371) | 379,230 | 180,045 | (1,086,656) |
| 2,090,274 | 197,021 | 953,010 | 7,175,090 | 11,717,111 |
| $ 2,710,865 | $ 191,650 | $ 1,332,240 | $ 7,355,135 | $ 10,630,455 |
| $ 405,262 | $ (48,272) | $ (115) | $ 5,068,321 | $ (2,682,635) |
| 52,130 | - | - | 1,780,010 | - |
| - | - | - | 79,925 | - |
| - | - | - | 33,354 | - |
| - | - | 8,050 | 138,201 | - |
| 12,768 | (280) | 52,052 | (14,273) | (50,006) |
| - | - | - | - | - |
| - | - | - | 209,871 | (378,000) |
| (4,094) | 201 | 217 | 36,752 | 28,995 |
| 235 | (20) | 471 | 17,937 | (304) |
| - | - | (62,426) | (41,637) | (1,491) |
| - | - | 83,968 | 86,330 | (3,215) |
| - | - | - | 249,182 | - |
| - | - | - | 249,600 | - |
| - | - | - | (4,456) | - |
| $ 466,301 | $ (48,371) | $ 82,217 | $ 7,889,117 | $ (3,086,656) |

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## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of West Allis, Wisconsin ("the City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

1. Reporting Entity
   The City of West Allis is a municipal corporation governed by an elected Mayor and ten-member council. In accordance with GAAP, the basic financial statements are required to include the City (the primary government) and any separate component units that have a significant operational or financial relationship with the City.

2. Individual Component Unit Disclosures
   Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization, or (b) there is potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

   Included within the reporting entity:

   First-Ring Industrial Redevelopment Enterprise (FIRE)
   FIRE is a community development entity created by the City of West Allis to spur development within a three county area in southeastern Wisconsin, partially through the distribution of new market tax credits to qualifying business enterprises. FIRE is managed by an independent board appointed by the City Council. FIRE provides specific financial benefits to the City. FIRE financial information is provided for the year ended December 31, 2014. Separate financial statements are available for FIRE.

   Terchak Endowment Fund
   An endowment fund has been established at the Greater Milwaukee Foundation for the sole purpose of providing funding to the West Allis Library for capital improvements. The endowment does not contain multiple funds. The endowment is under the control of the Greater Milwaukee Foundation Board, which is completely independent of the City of West Allis. The endowment fund is included as a discretely presented component unit since its purpose is to provide funding to the West Allis Library. Financial information is presented for the year ended December 31, 2014. Separate financial statements are not available.

3. Related Organization
   West Allis Memorial Hospital is a not-for-profit entity and its financial statements are not a part of this report. The City has title to certain of the Hospital's capital assets and those capital assets have been included in the basic financial statements of the City. The City has no appointee authority on the Hospital's board nor is the Hospital fiscally dependent on the City.

## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the City and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise and internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

GENERAL FUND
This is the City's main operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

DEBT SERVICE FUND
This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The City reports the following major enterprise funds:

WATER UTILITY
This fund accounts for all activities necessary to provide water service to residents and businesses of the City.

SANITARY SEWER UTILITY
This fund accounts for all activities necessary to provide sewer service to residents and businesses of the City.

STORM WATER UTILITY
This fund accounts for all activities necessary to provide storm water service to residents and businesses of the City.

SOLID WASTE FUND
This fund accounts for all activities necessary to provide for the disposal of solid waste and recycled items for residents of the City.

PARKING UTILITY
This fund accounts for the construction, maintenance and operation of street and off-street parking areas.

## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BELOIT ROAD HOUSING MANAGEMENT
This fund accounts for all activities related to the operation and maintenance of the City-owned housing project. The property was sold in December of 2011. This fund now holds the note receivable on the property sale.

Additionally, the government reports the following fund type:

*Internal service funds* account for insurance services provided to other departments or agencies of the City on a cost reimbursement basis.

5. Measurement Focus and Basis of Accounting
The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes are recorded as revenues in the year for which they are levied. Only the portion of special assessments receivable collected during the current year are recorded as revenue. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met and they are collected within 60 days of the end of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the City.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, city ordinance forfeitures, public charges for services and interest. Other revenues such as licenses and permits, other fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

6. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Fund Balance

a. Cash and Investments
Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

b. Accounts Receivable
Accounts receivable are recorded at gross amount with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

c. Interfund Receivables and Payables
During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Noncurrent portions of the interfund receivables for the governmental funds are offset by nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental activities and business-type activities.

d. Inventories
Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are offset by nonspendable fund balance amounts to indicate that they do not represent spendable available financial resources.

## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items using the consumption method.

Prepaid items of governmental funds in the fund financial statements are offset by nonspendable fund balance amounts to indicate that they do not represent spendable available financial resources.

f. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of $5,000 or higher and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

| | Governmental Activities | Business-type Activities |
|---|---|---|
| | Years | |
| Assets | | |
| Buildings | 50 | 25 - 50 |
| Improvements other than buildings | 10 | - |
| Machinery and equipment | 5 - 20 | 3 - 10 |
| Infrastructure | 30 - 50 | 15 - 100 |

Annual depreciation expense for the enterprise fund reported on the statement of cash flows may exceed depreciation expense reported on the statement of revenues, expenses and changes in net position. The difference results from depreciation expense applicable to transportation and certain other operating equipment of the water utility enterprise fund being charged to operating expense accounts other than the depreciation expense account. This accounting procedure is required by the Public Service Commission of the State of Wisconsin.

g. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Sick leave does not vest to the employee. All vacation is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements, or if they represent additional amounts the City has funded.

## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item that qualifies for reporting in this category, property taxes. This amount will be recognized as an inflow of resources in the subsequent year for which it was levied. The City also has an additional type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources, special assessments and notes and loans receivable. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

i. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the current period.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

## NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- Restricted fund balance - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- Committed fund balance - Amounts that are constrained for specific purposes by ordinance of the City Council. The constraints can only be removed or changed by the City Council using the same action that was used to create them.
- Assigned fund balance - Amounts that are constrained for specific purposes by action of City management. The City Council has authorized, through the adoption of a fund balance policy, the City Administrative Officer and the Finance Manager to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- Unassigned fund balance - Amounts that are available for any purpose. Unassigned amounts are only reported in the General Fund.

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

Equity is classified as net position and displayed in three components:

- Net investment in capital assets - Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- Restricted net position - Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - Net position that is neither classified as restricted nor as net investment in capital assets.

k. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

## NOTE B - STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting
The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

   a. Prior to November the Mayor submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted at the function level by City Council action. This action is completed prior to December each year.

   b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, special revenue, debt service and public works improvements capital projects funds with the following exceptions. The Stimulus Programs, HUD Development, CDBG-EAP, Rental Energy Loans, and Library Endowment special revenue funds and Tax Increment District capital project funds are not budgeted. Budget is defined as the originally approved budget plus or minus approved amendments. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.

   c. During the year, formal budgetary integration is employed as a management control device for the general fund, certain special revenue funds, debt service and public works improvements capital projects funds. Amendments to the budget during the year are initially reviewed by the Administration and Finance Committee and are subsequently authorized by the City Council. Management does not have authority to amend the legally adopted budget. Supplemental amendments were necessary during the year but were not material in relation to the original appropriation. Over-expenditure of budget accounts at year-end was approved by the City Council.

   d. The budget as enacted includes total expenditures at the activity level. An activity can be a department, division or fund. For example, most departments of the General Fund are budgeted at the department level with the exception of Public Works which is budgeted at the division level. Other budgeted funds tend to be budgeted at the total fund level. Expenditures cannot legally exceed appropriations at this level. The general fund, certain special revenue funds, debt service and certain capital projects fund have legally adopted budgets.

   e. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded in order to reserve that portion of the applicable appropriation, is utilized in the general and special revenue funds. Encumbrances outstanding at year-end are reported as assigned fund balance and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. General Fund encumbrances at year end totaled $351,059.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2014.

## NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)

2. Excess of Expenditures over Budget Appropriations

The following expenditure accounts of the general, special revenue, debt service and capital projects funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2014 as follows:

| Fund | Function | Excess Expenditures |
|---|---|---|
| General Fund | | |
| Common council | General government | $ 1,835 |
| Mayor | General government | 439 |
| Municipal court | General government | 90,780 |
| Finance | General government | 13,098 |
| Police and Fire Commission | Public safety | 4,826 |
| Planning | Public safety | 67,154 |
| Sanitation and street division | Public works | 51,099 |
| Inventory services | Public works | 22,313 |
| Special Revenue Funds | | |
| Housing programs | Conservation and development | 267,617 |
| Cable communications | Culture and recreation | 28,207 |
| Police grants | Public safety | 1,660,920 |
| Fire grants | Public safety | 43,091 |
| Miscellaneous grants | Conservation and development | 498,755 |
| Information technology joint ventures | General government | 31,525 |
| Debt Service Fund | Debt issuance costs | 36,372 |
| Public Works Improvements Capital Projects Fund | | |
| General government | General government | 2,195 |
| Capital outlay | Public works | 1,031,124 |

The above excess expenditure variances were funded using favorable revenue variances, issuance of long-term debt and available fund balance in the various funds.

3. Deficit Fund Equity

The following funds had deficit fund equity as of December 31, 2014:

| Fund | Deficit Fund Equity |
|---|---|
| Special Revenue Funds | |
| Miscellaneous Grants | $ 2,561 |
| Capital Projects Funds | |
| Public Works Improvements | 1,272,404 |
| Tax Increment District No. 3 | 89 |
| Tax Increment District No. 5 | 2,195,479 |
| Tax Increment District No. 6 | 308,091 |
| Tax Increment District No. 10 | 768,428 |
| Tax Increment District No. 11 | 17,671 |
| Tax Increment District No. 12 | 25,710 |
| Tax Increment District No. 13 | 144,300 |

The deficit in the special revenue fund is expected to be financed through future grant proceeds. The deficits in the capital projects funds are anticipated to be financed through future tax increment revenues and proceeds from long-term debt.

## NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

The City maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and investments."

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the City's cash and investments totaled $112,519,354 on December 31, 2014 as summarized below:

| | |
|---|---|
| Petty cash and cash on hand | $ 6,217 |
| Deposits with financial institutions | 72,928,045 |
| Investments | 39,585,092 |
| | $ 112,519,354 |

Additional information on the above deposits and investments follows:

| | |
|---|---|
| Government-wide Statement of Net Position | |
| Primary government | $ 112,519,354 |

Deposits and investments of the City are subject to various risks. Presented below is a discussion of the specific risks and the City's policy related to the risk.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The City requires all deposits to be either insured or collateralized.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of $250,000 for the combined amount of all time and savings deposits and $250,000 for interest-bearing and non-interest bearing demand deposits per official custodian per insured depository institution. Deposits with financial institution located outside the State of Wisconsin are insured by the FDIC in the amount of $250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of $400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

As of December 31, 2014, none of the City's deposits with financial institutions were in excess of federal and state depository insurance limits and uncollateralized.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The City has no additional credit risk policy. Presented below is the actual rating as of yearend for each investment type.

| Investment Type | Amount | Exempt From Disclosure | AAA | AA | A | Not Rated |
|---|---|---|---|---|---|---|
| Federal Home Loan Bank | $ 2,472,997 | $ - | $ 2,472,997 | $ - | $ - | $ - |
| Federal Home Loan Mortgage | 700,000 | - | 700,000 | - | - | - |
| Federal National Mortgage | 1,551,081 | - | 1,551,081 | - | - | - |
| Corporate bonds | 20,894,499 | - | 200,000 | 9,776,793 | 9,617,706 | 1,300,000 |
| Municipal bonds | 9,543,943 | - | 905,275 | 4,239,543 | 2,179,376 | 2,219,749 |
| Wisconsin local government investment pool | 4,422,572 | - | - | - | - | 4,422,572 |
| Totals | $ 39,585,092 | $ - | $ 5,829,353 | $ 14,016,336 | $ 11,797,082 | $ 7,942,321 |

Concentration of Credit Risk

The investment policy of the City recommends that no more than 50% of total investments can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

| Issuer | Investment Type | Reported Amount | Percent of Total |
|---|---|---|---|
| Federal Home Loan Bank | Mortgage securities | $ 2,472,997 | 7% |
| Wells Fargo | Bond | 4,030,292 | 12% |
| General Electric Capital Corp. | Bond | 4,534,191 | 13% |
| Royal Bank of Canada | Bond | 5,438,394 | 16% |

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City's investment policy limits investment maturities to no longer than seven years as a means of managing its exposure to fair value losses arising from increasing interest rates.

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

| | | Remaining Maturity (in Months) | | | |
|---|---|---|---|---|---|
| Investment Type | Amount | 12 Months or Less | 13 to 24 Months | 25 to 60 Months | More Than 60 Months |
| Federal Home Loan Bank | $ 2,472,997 | $ - | $ - | $ 2,073,000 | $ 399,997 |
| Federal Home Loan Mortgage | 700,000 | - | - | 700,000 | - |
| Federal National Mortgage | 1,551,081 | - | - | 1,298,379 | 252,702 |
| Corporate bonds | 20,894,499 | 5,236,825 | 306,388 | 9,854,343 | 5,496,943 |
| Municipal bonds | 9,543,943 | 1,022,997 | 1,171,201 | 5,965,936 | 1,383,809 |
| Wisconsin local government investment pool | 4,422,572 | 4,422,572 | - | - | - |
| Totals | $ 39,585,092 | $ 10,682,394 | $ 1,477,589 | $ 19,891,658 | $ 7,533,451 |

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

| Highly Sensitive Investments | Fair Value at Year End |
|---|---|
| Federal National Mortgage Association | $ 1,551,081 |
| Federal Home Loan Mortgage Corporation | 700,000 |
| Federal Home Loan Bank | 2,472,997 |

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of $4,422,572 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2014, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

2. Property Taxes

Property taxes consist of taxes on real estate and personal property. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in three equal installments on or before January 31, March 31 and May 31. Real estate taxes not paid by May 31 are purchased by the County as part of the August tax settlement. Delinquent personal property taxes remain the collection responsibility of the City.

The City bills and collects its own property taxes and also collects taxes levied by the West Allis School District, Milwaukee County, Milwaukee Area Technical College, Milwaukee Metropolitan Sewerage District, and the State of Wisconsin. All tax collections and remittances are accounted for in the general fund.

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

3. Capital Assets

Capital asset activity for the year ended December 31, 2014 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Governmental activities:** | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | $ 12,582,543 | $ 469,234 | $ - | $ 13,051,777 |
| Construction in progress | 447,925 | 473,468 | 447,925 | 473,468 |
| | 13,030,468 | 942,702 | 447,925 | 13,525,245 |
| Capital assets, being depreciated: | | | | |
| Improvements other than buildings | 1,988,330 | 30,985 | - | 2,019,315 |
| Buildings | 152,191,655 | 7,139,627 | - | 159,331,282 |
| Machinery and equipment | 132,413,042 | 5,203,892 | 209,696 | 137,407,238 |
| Infrastructure | 155,640,377 | 2,926,123 | 1,768,665 | 156,797,835 |
| Subtotals | 442,233,404 | 15,300,627 | 1,978,361 | 455,555,670 |
| Less accumulated depreciation for: | | | | |
| Land improvements | 1,755,956 | 28,553 | - | 1,784,509 |
| Buildings | 76,205,548 | 5,033,646 | - | 81,239,194 |
| Machinery and equipment | 102,437,206 | 3,604,537 | 87,822 | 105,953,921 |
| Infrastructure | 73,449,782 | 5,180,501 | 269,139 | 78,361,144 |
| Subtotals | 253,848,492 | 13,847,237 | 356,961 | 267,338,768 |
| Total capital assets, being depreciated, net | 188,384,912 | 1,453,390 | 1,621,400 | 188,216,902 |
| Governmental activities capital assets, net | $ 201,415,380 | $ 2,396,092 | $ 2,069,325 | 201,742,147 |
| Less related long-term debt outstanding | | | | 43,309,468 |
| Net investment in capital assets | | | | $ 158,432,679 |

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Business-type activities:** | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | $ 963,716 | $ - | $ - | $ 963,716 |
| Construction in progress | 63,103 | 573,890 | 63,103 | 573,890 |
| | 1,026,819 | 573,890 | 63,103 | 1,537,606 |
| Capital assets, being depreciated: | | | | |
| Buildings | 496,728 | - | - | 496,728 |
| Machinery and equipment | 5,224,832 | 312,538 | - | 5,537,370 |
| Infrastructure | 110,531,060 | 6,711,950 | 484,253 | 116,758,757 |
| Subtotals | 116,252,620 | 7,024,488 | 484,253 | 122,792,855 |
| Less accumulated depreciation for: | | | | |
| Buildings | 414,223 | 15,551 | - | 429,774 |
| Machinery and equipment | 3,757,595 | 251,579 | - | 4,009,174 |
| Infrastructure | 27,582,906 | 1,592,805 | 337,110 | 28,838,601 |
| Subtotals | 31,754,724 | 1,859,935 | 337,110 | 33,277,549 |
| Total capital assets, being depreciated, net | 84,497,896 | 5,164,553 | 147,143 | 89,515,306 |
| Business-type activities capital assets, net | $ 85,524,715 | $ 5,738,443 | $ 210,246 | 91,052,912 |
| Less related long-term debt outstanding, net of deferred inflows of resources | | | | 26,560,496 |
| Net investment in capital assets | | | | $ 64,492,416 |

Depreciation expense was charged to functions of the City as follows:

| | |
|---|---|
| Governmental activities | |
| General government | $ 175,098 |
| Public safety | 601,923 |
| Public works | 5,182,925 |
| Health and human services | 7,833,857 |
| Culture and recreation | 53,434 |
| Total depreciation expense - governmental activities | $ 13,847,237 |
| Business-type activities | |
| Water utility | $ 729,157 |
| Sanitary sewer utility | 393,309 |
| Storm water utility | 605,414 |
| Solid waste fund | 52,130 |
| Depreciation charged to operating accounts | 79,925 |
| Total depreciation expense - business-type activities | $ 1,859,935 |

Depreciation expense of business-type activities differs from the increase in accumulated depreciation due to a portion of depreciation being charged to other operating accounts during the year.

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

4. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2014 are detailed below:

| | Interfund Receivables | Interfund Payables |
|---|---|---|
| Governmental Funds | | |
| Operating Accounts and Cash Deficits Between Funds | | |
| General Fund | $ 7,332,201 | $ - |
| Nonmajor Governmental Funds | | |
| Special Revenue Funds | | |
| Block Grant | - | 53,270 |
| H.O.M.E. Program | - | 124,039 |
| Police Grants | - | 449,713 |
| Miscellaneous Grants | - | 301,530 |
| Capital Projects Funds | | |
| Public works improvements | - | 1,716,741 |
| Tax Increment Districts | | |
| No. 5 | - | 2,187,769 |
| No. 6 | - | 308,037 |
| No. 10 | - | 768,393 |
| No. 11 | - | 43,935 |
| No. 12 | - | 25,710 |
| No. 13 | - | 129,950 |
| Total Nonmajor Governmental Funds | - | 6,109,087 |
| Enterprise Funds | | |
| Water utility | - | 1,233,114 |
| Total | $ 7,332,201 | $ 7,342,201 |

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Interfund transfers for the year ended December 31, 2014 were as follows:

| | Transfer to: | | | |
|---|---|---|---|---|
| | General Fund | Debt Service | Nonmmajor Governmental | Totals |
| Transfers from: | | | | |
| General Fund | $ - | $ - | $ 387,650 | $ 387,650 |
| Debt Service Fund | - | - | 468,702 | 468,702 |
| Nonmajor Governmental Funds | 350,000 | 1,018,802 | - | 1,368,802 |
| Proprietary Funds | | | | |
| Water utility | 766,297 | - | - | 766,297 |
| Sanitary sewer utility | 87,323 | - | - | 87,323 |
| Beloit Road Housing mgmt. | 120,000 | - | - | 120,000 |
| Storm water utility | 300,000 | - | - | 300,000 |
| Solid waste fund | 100,000 | - | - | 100,000 |
| Internal Service Funds | | | | |
| Insurance Management Fund | 100,011 | - | - | 100,011 |
| Totals | $ 1,823,631 | $ 1,018,802 | $ 856,352 | $ 3,698,785 |

Transfers are used to: (1) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; (2) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; and (3) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service funds as debt service payments become due.

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

5. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2014:

| | Outstanding 1/1/14 | Issued | Retired | Outstanding 12/31/14 | Due Within One Year |
|---|---|---|---|---|---|
| **Governmental activities:** | | | | | |
| General Obligation Debt | | | | | |
| General City | | | | | |
| Bonds | $ 19,185,000 | $ 3,255,000 | $ 2,755,000 | $ 19,685,000 | $ 2,930,000 |
| Notes | 2,945,000 | - | 825,000 | 2,120,000 | 425,000 |
| Tax Incremental Districts | | | | | |
| Bonds | 26,230,625 | - | 1,795,625 | 24,435,000 | 1,810,000 |
| Notes | 3,074,319 | - | 474,850 | 2,599,469 | 409,579 |
| Total General Obligation Debt | 51,434,944 | 3,255,000 | 5,850,475 | 48,839,469 | 5,574,579 |
| Prior service pension liability | | | | | |
| Municipal police and firefighters | 304,000 | 26,698 | 49,828 | 280,870 | 50,000 |
| Post-retirement benefits payable | | | | | |
| Health insurance | 34,145,700 | 10,817,036 | 5,160,479 | 39,802,257 | - |
| Workers compensation | 257,000 | 33,207 | 36,132 | 254,075 | 36,000 |
| Governmental activities | | | | | |
| Long-term obligations | $ 86,141,644 | $ 14,131,941 | $ 11,096,914 | $ 89,176,671 | $ 5,660,579 |
| **Business-type activities:** | | | | | |
| General Obligation Debt | | | | | |
| Bonds | $ 25,076,473 | $ 3,545,000 | $ 2,333,106 | $ 26,288,367 | $ 2,480,381 |
| Notes | 137,887 | - | 17,328 | 120,559 | 18,064 |
| Premium on debt issued | 263,213 | 88,028 | 23,723 | 327,518 | 24,000 |
| Post-retirement benefits payable | | | | | |
| Health insurance | 1,651,436 | 380,582 | 130,982 | 1,901,036 | - |
| Business-type activities | | | | | |
| Long-term obligations | $ 27,129,009 | $ 4,013,610 | $ 2,505,139 | $ 28,637,480 | $ 2,522,445 |

Interest paid during the year on long-term debt totaled $2,604,442.

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt
General obligation debt currently outstanding is detailed as follows:

| | |
|---|---|
| Bonds | |
| $4,425,000 issued 4/1/04; $540,000 due in 2015 and $565,000 due in 2016; interest 4.50% to 4.625% | $ 1,105,000 |
| $5,040,000 issued 5/1/05; $410,000 due in 2015 and $145,000 due in 2016; interest 3.70% to 4.00% | 555,000 |
| $4,940,000 issued 5/1/06; $395,000 due annually through 2017; interest 4.0% to 5.0% | 940,000 |
| $3,695,000 issued 10/1/06; $130,000 to $340,000 due annually through 2021; interest 4.0% | 1,955,000 |
| $4,955,000 issued 5/1/07; $160,000 to $410,000 due annually through 2022; interest 4.0% | 2,040,000 |
| $6,600,000 issued 6/1/08; $535,000 to $540,000 due annually through 2023; interest 3.5% to 4.25% | 3,335,000 |
| $2,945,000 issued 3/27/09; $185,000 to $210,000 due annually through 2024; interest 3.50% to 4.35% | 1,995,000 |
| $7,105,000 issued 3/27/09; $50,000 to $1,295,000 due annually 2015 through 2024; interest 5.0% to 6.5% | 7,105,000 |
| $17,605,000 issued 3/29/10; $165,000 to $1,405,000 due annually through 2029; interest 3.00% to 5.75% | 14,910,000 |
| $2,445,000 issued 3/29/10; $65,000 to $115,000 due annually through 2028; interest 2.00% to 4.20% | 1,150,000 |
| $1,554,765 issued 10/27/10; $70,381 to $100,451 due annually through 2030; interest 2.4% | 1,353,367 |
| $5,635,000 issued 5/19/11; $190,000 to $470,000 due annually through 2026; interest 2.0% to 3.5% | 4,225,000 |
| $6,015,000 issued 4/5/12; $110,000 to $420,000 due annually through 2029; interest 0.95% to 4.1% | 5,005,000 |
| $6,205,000 issued 4/5/12; $235,000 to $505,000 due annually through 2027; interest 2.0% to 3.0% | 5,170,000 |
| $8,140,000 issued 6/13/13; $200,000 to $1,065,000 due annually through 2028; interest 1.0% to 2.5% | 7,640,000 |
| $5,560,000 issued 6/25/13; $70,000 to $500,000 due annually through 2030; interest 2.0% to 3.5% | 5,125,000 |
| $6,800,000 issued 6/12/14; $235,000 to $570,000 due annually through 2030; interest 2.0% to 3.5% | 6,800,000 |
| Total Bonds | 70,408,367 |

(Continued)

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

| | |
|---|---|
| Notes | |
| $144,426 issued 11/22/06; $7,221 due annually through 2026; interest 0.5% | 86,656 |
| $507,716 issued 04/11/07; $26,722 due annually through 2027; interest 0.5% | 320,661 |
| $345,902 issued 1/23/08; $18,205 due annually through 2026; interest 0.5% | 218,465 |
| $353,377 issued 6/11/08; $19,632 due annually through 2026; interest 0.5% | 235,584 |
| $50,697 issued 12/23/08; $2,816 due annually through 2026; interest 0.5% | 33,798 |
| $6,885,000 issued 4/1/09; $550,000 to $865,000 due annually through 2019; interest 3.5% to 4.0% | 3,715,000 |
| $177,372 issued 9/24/09; $19,122 to $23,828 due annually through 2019; interest 4.5% | 109,304 |
| $188,018 issued 7/2/10; $16,622 to $22,240 due annually through 2020; interest 4.25% | 120,560 |
| Total Notes | 4,840,028 |
| Total General Obligation Debt | $ 75,248,395 |

Annual principal and interest maturities of the outstanding general obligation debt of $75,248,395 on December 31, 2014 are detailed below:

| Year Ended | Governmental Activities | | Business-type Activities | | Totals | |
|---|---|---|---|---|---|---|
| December 31 | Principal | Interest | Principal | Interest | Principal | Interest |
| 2015 | $ 5,574,579 | $ 1,714,085 | $ 2,498,445 | $ 720,859 | $ 8,073,024 | $ 2,434,944 |
| 2016 | 5,595,467 | 1,541,241 | 2,515,890 | 647,636 | 8,111,357 | 2,188,877 |
| 2017 | 5,226,418 | 1,364,138 | 2,533,431 | 575,544 | 7,759,849 | 1,939,682 |
| 2018 | 5,217,400 | 1,190,686 | 2,466,038 | 507,005 | 7,683,438 | 1,697,691 |
| 2019 | 4,533,426 | 1,025,438 | 2,403,721 | 439,531 | 6,937,147 | 1,464,969 |
| 2020-2024 | 18,407,985 | 2,884,453 | 9,232,927 | 1,288,033 | 27,640,912 | 4,172,486 |
| 2025-2029 | 4,284,194 | 436,251 | 4,543,023 | 297,849 | 8,827,217 | 734,100 |
| 2030 | - | - | 215,451 | 3,218 | 215,451 | 3,218 |
| | $ 48,839,469 | $ 10,156,292 | $ 26,408,926 | $ 4,479,675 | $ 75,248,395 | $ 14,635,967 |

For governmental activities, the other long-term liabilities are generally funded by the general fund.

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2014 as $110,590,476 as follows:

| | | |
|---|---|---|
| Equalized valuation of the City | | $ 3,712,641,300 |
| Statutory limitation percentage | | (x) 5% |
| General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes | | 185,632,065 |
| Total outstanding general obligation debt applicable to debt limitation | $ 75,248,395 | |
| Less: Amounts available for financing general obligation debt | | |
| Debt service fund | 206,806 | |
| Net outstanding general obligation debt applicable to debt limitation | | 75,041,589 |
| Legal Margin for New Debt | | $ 110,590,476 |

Unfunded Pension Liability

The City's unfunded pension liability on December 31, 2014 consists of an unfunded liability of $280,870 for former employees covered under the Municipal Police and Firefighter's Pension Funds (MPFP). The MPFP liability is the City's best estimate of the unfunded liability. Monthly payments are made to employees covered under the plan until they are deceased.

Additional information on the MPFP is provided in Note E.1.

6. Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2014 there were five series of Industrial Revenue Bonds outstanding, with the aggregate principal amount payable undetermined.

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

7. Fund Equity

Government-wide and Proprietary Fund Statements

Equity is classified as net position and displayed in three components:

a. Net investment in capital assets - Amount of capital assets, net of accumulated depreciation, less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and capital related deferred outflows of resources and deferred inflows of resources.

b. Restricted net position - Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position - Net position that is neither classified as restricted nor as net investment in capital assets.

Net position of the governmental activities reported on the government-wide statement of net position at December 31, 2014 include the following:

| | |
|---|---|
| Net investment in capital assets | |
| Land | $ 13,051,777 |
| Construction in progress | 473,468 |
| Improvements other than buildings | 2,019,315 |
| Buildings | 159,331,282 |
| Machinery and equipment | 137,407,238 |
| Infrastructure | 156,797,835 |
| Less: Accumulated depreciation | (267,338,768) |
| Less: Related long-term debt outstanding | (43,309,468) |
| Total Net Investment in Capital Assets | 158,432,679 |
| Restricted | |
| Debt service | 206,806 |
| Grantors | 857,471 |
| Total Restricted | 1,064,277 |
| Unrestricted | 18,663,636 |
| Total Governmental Activities Net Position | $ 178,160,592 |

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Fund Statements

In the fund financial statements, portions of governmental fund balances are committed by City Council action. At December 31, 2014, fund balance was committed as follows:

| | |
|---|---|
| General Fund | |
| Committed for subsequent year's budget | $ 1,550,039 |
| Special Revenue Funds | |
| Committed for Cable Communications Fund | $ 707,451 |
| Committed for Information Technology Joint Ventures Fund | 49,158 |
| Committed for EPA Revolving Loan Fund | 2,000 |
| | $ 758,609 |

Also in the fund financial statements, portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2014, fund balance assigned was as follows:

| | |
|---|---|
| General Fund | |
| Subsequent years expenditures | $ 2,011,357 |
| Land/building acquisition | 1,000,000 |
| Capital accumulation | 2,500,123 |
| Insurance | 1,200,000 |
| Workers compensation | 1,500,000 |
| Dental insurance | 50,000 |
| Unfunded pension liability | 8,500,000 |
| Productivity/operation improvement | 189,000 |
| Public access | 515,000 |
| Tax levy reduction | 1,590,000 |
| Strategic planning | 97,500 |
| Capital replacement | 975,000 |
| Computer/Technology improvement | 249,356 |
| Community and economic development investment | 570,000 |
| Tax refunds | 200,000 |
| Parks and open spaces | 100,000 |
| Zombie Properties | 100,000 |
| | $ 21,347,336 |

## NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

8. Component Units

TERCHAK ENDOWMENT FUND

This report also contains the Terchak Endowment Fund, which is included as a discretely presented component unit in the statement of net position and the statement of activities. The Terchak Endowment was established through a donation of assets to the Greater Milwaukee Foundation with the intention that those assets act as an endowment for the West Allis Library. All assets are under the control of the Greater Milwaukee Foundation.

In addition to the basic financial statements and the preceding notes to the basic financial statements, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus
The Terchak Endowment Fund follows the accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments
The Terchak Endowment Fund's assets are included as part of the pooled cash and investments of the Greater Milwaukee Foundation. The Fund's share of the pool is reported at fair value.

FIRST-RING INDUSTRIAL REDEVELOPMENT ENTERPRISE (FIRE)

This report also contains financial information for FIRE, which is included as a discretely presented component unit in the statement of net position and the statement of activities.

In addition to the basic financial statements and the preceding notes to the basic financial statements, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus
FIRE follows the accrual basis of accounting and the flow of economic resources measurement focus.

b. Deposits and Investments
FIRE maintains deposit accounts separate from the City of West Allis. At year end, the bank balance of those deposits was covered by federal depository insurance.

## NOTE D - OTHER POST-EMPLOYMENT BENEFITS

*Plan Description* - The City provides health care insurance coverage for employees who retire with a minimum of 10 years of service and at least age 50 for protective services and age 55 for non-protective services. The City pays 95% of the premium during the first year of retirement. Thereafter, the retiree will be responsible for any premium increases until age 65, at which time, the City will pay 50% of the premium until the retiree ceases to pay their portion of the premium or until their death. There are 508 active and 544 retired employees in the plan.

*Annual OPEB Cost and Net OPEB Obligation* - The annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), and the amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation.

| Component | Amount |
|---|---|
| Annual required contribution | $ 11,275,982 |
| Interest on net OPEB | 1,431,861 |
| Adjustment to annual required contribution | (1,510,225) |
| Annual OPEB cost (expense) | 11,197,618 |
| Contributions made | 5,291,461 |
| Change in net OPEB obligation | 5,906,157 |
| OPEB obligation - beginning of year | 35,797,136 |
| OPEB obligation - end of year | $ 41,703,293 |

The annual required contribution for the current year was determined as part of an actuarial valuation using the projected unit credit method. The actuarial assumptions included (a) 3% inflation rate, (b) 4% investment return, (c) and projected salary increases at 3%.

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. The unfunded actuarial accrued liability is being amortized as a level dollar amount of projected payroll. The remaining amortization period at December 31, 2014 is 28 years, and the remaining amount is $158,697,124.

*Trend Information* - The annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 for the plan is as follows:

| Fiscal Year Ended | Annual OPEB Cost | Percentage Of Annual OPEB Cost Contributed | Net OPEB Obligation |
|---|---|---|---|
| 12/31/2012 | $ 10,073,291 | 42% | $ 30,342,636 |
| 12/31/2013 | 10,056,463 | 46% | 35,796,518 |
| 12/31/2014 | 11,197,618 | 47% | 41,703,293 |

## NOTE D - OTHER POST-EMPLOYMENT BENEFITS (Continued)

*Funded Status and Funding Progress* - As of the most recent actuarial valuations, conducted during 2014, the plan's unfunded actuarial accrued liability (UAAL) was $158,697,124. The annual payroll for active employees covered by the plan for the 2014 fiscal year was $36,272,346 for a ratio of the UAAL to covered payroll of 438%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as assumptions about future terminations, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actuarial results are compared with past experience and new estimates are made about the future.

*Actuarial Methods and Assumptions* - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the 2014 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a rate of 4% to discount expected liabilities to the valuation date. The initial healthcare trend rate for the plan was 10%; decreasing by 1% per year down to 5%. The UAAL is being amortized as a level percentage of projected payrolls on a closed basis. The remaining amortization period at December 31, 2014 was 28 years.

The required schedule of funding progress, which presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial liability for benefits, immediately follows the notes to the financial statements.

## NOTE E - OTHER INFORMATION

1. Retirement Commitments

   a. Wisconsin Retirement System
   All eligible City employees participate in the Wisconsin Retirement System (WRS), a cost-sharing, multiple-employer, defined benefit, public employee retirement system. All employees initially employed by a participating WRS employer prior to July 1, 2011, expected to work at least 600 hours a year (440 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire, are eligible to participate in the WRS. All employees initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS. Employees hired to work nine or ten months per year, (e.g. teachers contracts), but expected to return year after year are considered to have met the one-year requirement.

## NOTE E - OTHER INFORMATION (Continued)

Effective the first day of the first pay period on or after June 29, 2011, the employee required contribution was changed to one-half of the actuarially determined contribution rate for employees in the General Employment category, including Teachers, and Executives and Elected Officials. Required contributions for protective contributions are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

Contribution rates for 2014 were:

| | Employee | Employer |
|---|---|---|
| General (including Teachers) | 7.00% | 7.00% |
| Executives & Elected Officials | 7.75% | 7.75% |
| Protective with Social Security | 7.00% | 10.10% |
| Protective without Social Security | 7.00% | 13.70% |

The payroll for City employees covered by the WRS for the year ended December 31, 2014 was $35,558,481; the employer's total payroll was $36,272,346. The total required contribution for the year ended December 31, 2014 was $5,814,499, which consisted of $3,323,087, or 9.3% of covered payroll from the employer and $2,491,412, or 7.0% of covered payroll from employees. The required contribution for employees for the year ended December 31, 2014 was financed by the City. Total contributions for the years ending December 31, 2013 and 2012 were $5,296,866 and $4,771,718, respectively, equal to the required contributions for each year.

Employees who retire at or after age 65 (62 for elected officials and 54 for protective occupation employees with less than 25 years of service, 53 for protective occupation employees with more than 25 years of service) are entitled to receive a retirement benefit. Employees may retire at age 55 (50 for protective occupation employees) and receive actuarially reduced benefits. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor. A final average earnings is the average of the employee's three highest year's earnings. Employees terminating covered employment and submitting application before becoming eligible for a retirement benefit may withdraw their contributions and, by doing so, forfeit all rights to any subsequent benefit. For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011 are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011 must have five years of creditable service to be vested.

The WRS also provides death and disability benefits for employees. Eligibility and the amount of all benefits are determined under Chapter 40 of Wisconsin Statutes. The WRS issues an annual financial report that may be obtained by writing to the Department of Employee Trust Funds, P.O. Box 7931, Madison, WI 53707-7931.

b. Police-Fire Pension Fund

Protective employees of the City hired prior to 1948 are covered under the Municipal Police and Firefighter's Pension Funds (MPFPF), a multiple employer defined benefit plan, established under Chapter 62 of the Wisconsin Statutes. The MPFPF was closed to new members effective January 1, 1948. The administration of the plan was subsequently assumed by the Wisconsin Department of Employee Trust Funds. Upon retirement from the City, the monthly benefit payment was determined for beneficiaries of the plan. The City funds the monthly benefit obligation on a "pay-as-you-go" basis until the covered employees are deceased. The City's best estimate of the unfunded liability for this pension plan is $280,870 and is included in the Statement of Net Position. The total City contribution to the Fund during 2014 was $49,828.

## NOTE E - OTHER INFORMATION (Continued)

2. Mutual Insurance Company

During 1987, the City, together with certain other units of government within the State of Wisconsin, created the Cities and Villages Mutual Insurance Company (CVMIC) to provide liability insurance services to its members. The City is partially self-insured for liability insurance and pays premiums to CVMIC for its excess liability insurance coverage. The actuary for CVMIC determines premium charges to its members required to pay the expected claims and loss adjustment expenses.

CVMIC's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each member. CVMIC provides general liability, police and nurses professional liability, public official's liability and vehicle liability coverage for the City. The City's self-insured retention limit is $250,000 for each occurrence with a maximum limit of $1,000,000 annually. A separate financial report is issued annually by CVMIC. Since the City considers it probable that its initial capitalization contribution in CVMIC will be returned upon either dissolution of CVMIC or the approved withdrawal from CVMIC, the initial capitalization has been recorded as a deposit in the liability self-insurance internal service fund. Upon dissolution, the City would be entitled to a lump sum payment from CVMIC that may vary significantly from the amount of its deposit referred to above, based on the then financial conditions of CVMIC.

3. Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, natural disasters and workers' compensation. The City is self-insured for health and dental coverage and for workers' compensation. The City purchases general and automobile liability insurance from the Cities and Villages Mutual Insurance Company (See Note E.2). The City purchases commercial insurance for all other risks. There have been no significant reductions in insurance coverage for any risk of loss in the past year and settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

The City has a self-funded health and dental insurance program with claims processed by Humana on behalf of the City. The dental claims are being paid out of the General Fund, and the health claims are being paid out of the Health Insurance Internal Service Fund.

The City has a self-funded workers' compensation program with claims processed by Martin Boyer Company on behalf of the City. The claims are being paid out of the General Fund. As part of the plan, the City has reinsurance coverage for claims over their self-insured retention level of $250,000 per occurrence with a $1 million aggregate stop loss.

## NOTE E - OTHER INFORMATION (Continued)

All funds of the City participate in the plans. At December 31, 2014 the City maintained reserves of $50,000 and $1,000,000 for the coverage of catastrophe losses related to the dental and the workers' compensation plan, respectively. The claims liabilities of $59,818 and $241,563 for the dental and the workers' compensation plan, respectively are reported as accrued liabilities in the General Fund, and the health claims liability of $2,046,573 is reported as accounts payable in the Health Insurance Internal Service Fund at December 31, 2014. These liabilities are based on the requirements of the Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. Changes in the claims liability amount for the years ended December 31, 2014, 2013 and 2012 are as follows:

| | Liability January 1 | Current Year Claims and Changes in Estimates | Payments | Liability December 31 |
|---|---|---|---|---|
| 2014 | $ 2,030,400 | $ 16,670,744 | $ 16,654,571 | $ 2,046,573 |
| 2013 | 2,161,580 | 15,985,932 | 16,117,112 | 2,030,400 |
| 2012 | 2,351,000 | 15,885,896 | 16,075,316 | 2,161,580 |

4. Tax Incremental Districts

The City has established separate capital projects funds for ten Tax Incremental Districts (TID) created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the Districts were created, the property tax base within each District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the City to finance such improvements. Except for certain exceptions under Section 66.1105(6)(am)1, the Statutes allow five years from the termination date for a tax incremental district to incur project costs eligible for financing from tax increments. Pertinent information for each of the City's TID's follows:

| | TID No. 2 | TID No. 3 | TID No. 5 | TID No. 6 | TID No. 7 |
|---|---|---|---|---|---|
| Creation date | 11/15/1993 | 8/17/1994 | 1/1/2001 | 1/1/2004 | 1/1/2004 |
| Date construction period ends | 11/14/2003 | 8/16/2004 | 1/1/2008 | 1/1/2025 | 1/1/2025 |
| Date District terminates | 12/31/2020 | 12/31/2020 | 12/31/2023 | 12/31/1930 | 12/31/2030 |
| Unreimbursed project costs | $ - | $ - | $ 19,209,394 | $ 2,073,091 | $ 2,866,027 |
| Outstanding debt | $ - | $ - | $ 17,013,915 | $ 1,765,000 | $ 4,473,221 |

| | TID No. 9 | TID No. 10 | TID No. 11 | TID No. 12 | TID No. 13 |
|---|---|---|---|---|---|
| Creation date | 1/1/2006 | 1/1/2008 | 1/1/2010 | 1/1/2011 | 1/1/2011 |
| Date construction period ends | 1/1/2027 | 1/1/2030 | 1/1/1932 | 1/1/2033 | 1/1/2033 |
| Date District terminates | 12/31/2032 | 12/31/2034 | 12/31/2036 | 12/31/2037 | 12/31/2037 |
| Unreimbursed project costs | $ 1,357,604 | $ 2,103,428 | $ 912,672 | $ 25,710 | $ 144,298 |
| Outstanding debt | $ 1,445,617 | $ 1,335,000 | $ 895,000 | $ - | $ - |

It is the intention of the City to recover all project costs and debt service payments due prior to termination of the respective districts.

## NOTE E - OTHER INFORMATION (Continued)

5. Intermunicipal Agreement
The City is a member of the Milwaukee Area Domestic Animal Control Commission (MADACC) along with eighteen other communities within Milwaukee County. The Commission was created by an agreement signed in 1997 pursuant to the provisions of Section 66.30 of the Wisconsin Statutes. The Commission was established to provide a jointly-operated animal control services facility for dogs and cats. The Commission is governed by a nineteen member Board consisting of one representative from each municipality, each having one vote. Formulas for the sharing of operating and debt costs, and for the distribution of assets upon termination of participation, are provided within the agreement. In 1997, the Commission borrowed $2.5 million at 4.789% due annually through 2014, for the purchase of land and the construction of a facility.

6. Lease Disclosures
In 1963, West Allis Memorial Hospital entered into a fifty-year lease agreement with the City of West Allis for the right to operate the Hospital. In 1997, the lease was amended to extend the life an additional 25 years. Under the terms of this lease, the City has title to all assets and any subsequent additions, and the Hospital has exclusive right to the use of the assets and the obligation to maintain and replace them. The agreement does not provide for lease payments; however, a determination is made annually as to the amount of Hospital funds which can, consistent with sound financial management, be turned over to the City. The City recognized miscellaneous general fund revenue of $350,000 from the Hospital in 2014.

7. Property Tax Levy Limit
Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2014 and 2015 budget years, the increase in the maximum allowable tax levy is limited to the percentage change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2014 budget was .00%. The actual limit for the City for the 2015 budget was 0.22%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

8. Contingencies
   a. The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. An audit under Federal OMB Circular A-133 and the State Single Audit Guidelines has been conducted but final acceptance is still pending. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

   b. From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the City Attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

9. Subsequent Events
On May 19, 2015 the City issued $8,845,000 of general obligation corporate bonds, series 2015A. The bonds are payable through 2030 at interest rates ranging from 2.50% to 3.00%.

## NOTE E - OTHER INFORMATION (Continued)

10. Upcoming Accounting Pronouncements
In June 2012, the GASB issued GASB Statement No. 68, Accounting and Financial Reporting for Pensions. Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This net pension liability that will be recorded on the government-wide, proprietary and discretely presented component units statements will be computed differently than the current unfunded actuarial accrued liability, using specific parameters set forth by the GASB. The Statement also enhances accountability and transparency through revised note disclosures and required supplemental information (RSI). The City is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this Statement are effective for financial statements for the year ending December 31, 2015.

# REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Funding Progress
Other Post-Employment Benefit Plan
For the Year Ended December 31, 2014

| Actuarial Valuation Date December 31 | (1) Actuarial Value of Assets | (2) Actuarial Accrued Liability (AAL) Unit Credit | (3) Funded Ratio (1) / (2) | (4) Unfunded Actuarial Accrued Liability (UAAL) (2) - (1) | (5) Covered Payroll | UAAL as a Percentage of Covered Payroll (4) / (5) |
|---|---|---|---|---|---|---|
| 2010 | $ - | $ 122,041,691 | 0.00% | $ 122,041,691 | $ 35,910,808 | 340% |
| 2012 | - | 139,828,532 | 0.00% | 139,828,532 | 34,981,999 | 400% |
| 2014 | - | 158,697,124 | 0.00% | 158,697,124 | 36,272,346 | 438% |

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Employer Contributions
Other Post-Employment Benefit Plan
For the Year Ended December 31, 2014

| Year Ended December 31, | Employer Contributions | Annual Required Contribution (ARC) | Percentage Contributed |
|---|---|---|---|
| 2010 | $ 3,734,292 | $ 9,519,392 | 39% |
| 2011 | 4,065,523 | 9,519,392 | 43% |
| 2012 | 4,200,671 | 10,048,793 | 42% |
| 2013 | 4,602,581 | 10,056,463 | 46% |
| 2014 | 5,291,461 | 11,275,982 | 47% |

The City implemented GASB Statement No. 45 for the fiscal year ended December 31, 2008. Information for prior years is not available.

# SUPPLEMENTARY INFORMATION

**CITY OF WEST ALLIS, WISCONSIN**
General Fund
Schedule of Budgeted and Actual Revenues
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Taxes | | | |
| General City property taxes | $ 33,342,813 | $ 33,342,426 | $ (387) |
| Delinquent personal property taxes | 40,000 | 28,190 | (11,810) |
| Omitted taxes | 2,500 | - | (2,500) |
| Mobile home and trailer taxes | 80,000 | 73,399 | (6,601) |
| Hotel and motel taxes | 42,000 | 64,510 | 22,510 |
| State sales taxes | - | 390 | 390 |
| Tax equivalents | | | |
| Medical office | 612,000 | 696,541 | 84,541 |
| HOLIE | 76,595 | 83,044 | 6,449 |
| Other | 81,405 | 91,260 | 9,855 |
| Tax delinquencies and penalties | 335,000 | 438,099 | 103,099 |
| Total Taxes | 34,612,313 | 34,817,859 | 205,546 |
| Intergovernmental | | | |
| State shared revenues | 7,263,567 | 7,268,863 | 5,296 |
| Expenditure restraint program | 1,548,236 | 1,548,237 | 1 |
| Transportation aid | 2,209,379 | 2,208,565 | (814) |
| Exempt computer aid | 187,000 | 177,631 | (9,369) |
| Fire insurance | 145,000 | 166,003 | 21,003 |
| Municipal services payment | 322,500 | 8,314 | (314,186) |
| Milwaukee County Library | 270,000 | 264,667 | (5,333) |
| State fair service contract | 30,000 | 230,000 | 200,000 |
| Total Intergovernmental | 11,975,682 | 11,872,280 | (103,402) |
| Licenses and Permits | | | |
| Liquor/tavern licenses | 97,400 | 99,042 | 1,642 |
| Business operators license | 174,800 | 119,596 | (55,204) |
| Permits | | | |
| Construction | 715,000 | 979,309 | 264,309 |
| Parking | 370,400 | 376,103 | 5,703 |
| Engineering | 81,500 | 82,831 | 1,331 |
| Health | 15,760 | 16,057 | 297 |
| Other licenses and permits | 22,300 | 24,249 | 1,949 |
| Total Licenses and Permits | 1,477,160 | 1,697,187 | 220,027 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
General Fund
Schedule of Budgeted and Actual Revenues (Continued)
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Public Charges for Services | | | |
| General government | 20,750 | 23,814 | 3,064 |
| Building inspection | 49,900 | 59,726 | 9,826 |
| Police | 296,450 | 353,406 | 56,956 |
| Ambulance | 1,475,000 | 1,506,282 | 31,282 |
| Fire | 45,050 | 81,466 | 36,416 |
| Milwaukee County paramedic aid | 180,000 | 47,711 | (132,289) |
| Health | 261,850 | 321,652 | 59,802 |
| Senior center | 6,700 | 6,821 | 121 |
| Public works | 338,000 | 960,539 | 622,539 |
| Library | 90,000 | 84,537 | (5,463) |
| Total Public Charges for Services | 2,763,700 | 3,445,954 | 682,254 |
| Fines, Forfeitures and Penalties | | | |
| Court fines, costs and fees | 971,799 | 1,126,739 | 154,940 |
| Parking violations | 1,100,000 | 912,005 | (187,995) |
| Judgments and damages | - | 80,608 | 80,608 |
| Total Fines, Forfeitures and Penalties | 2,071,799 | 2,119,352 | 47,553 |
| Interest | | | |
| Interest on investments | 715,000 | 710,744 | (4,256) |
| Interest on special assessments | 2,000 | 3,271 | 1,271 |
| Total Interest | 717,000 | 714,015 | (2,985) |
| Miscellaneous | | | |
| Rental of City buildings | 177,000 | 202,663 | 25,663 |
| Sale of material and equipment | 102,000 | 98,680 | (3,320) |
| Contributions | 350,000 | 300,000 | (50,000) |
| Miscellaneous | 250,700 | 281,891 | 31,191 |
| Total Miscellaneous | 879,700 | 883,234 | 3,534 |
| TOTAL GENERAL FUND REVENUES | $ 54,497,354 | $ 55,549,881 | $ 1,052,527 |

**CITY OF WEST ALLIS, WISCONSIN**
General Fund
Schedule of Budgeted and Actual Expenditures
For the Year Ended December 31, 2014

| | Original Budget | Final Budget | Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| General Government | | | | |
| Common council | $ 100,200 | $ 261,559 | $ 263,394 | $ (1,835) |
| Mayor | 84,288 | 128,916 | 129,355 | (439) |
| City attorney | 482,750 | 686,802 | 675,652 | 11,150 |
| Municipal court | 324,807 | 388,437 | 479,217 | (90,780) |
| City assessor | 370,345 | 549,058 | 536,182 | 12,876 |
| Administration | 156,857 | 195,722 | 134,560 | 61,162 |
| Information technology | 845,458 | 1,368,585 | 1,246,324 | 122,261 |
| Purchasing/central services | 595,040 | 711,463 | 515,645 | 195,818 |
| Human resources | 333,743 | 472,135 | 461,178 | 10,957 |
| Finance | 336,380 | 502,612 | 515,710 | (13,098) |
| City clerk/treasurer | 463,143 | 680,449 | 643,138 | 37,311 |
| Promotions, celebrations and awards | 120,425 | 145,425 | 100,815 | 44,610 |
| Other general government | 16,641,990 | 2,402,582 | 1,700,081 | 702,501 |
| Total General Government | 20,855,426 | 8,493,745 | 7,401,251 | 1,092,494 |
| Public Safety | | | | |
| Police department | 11,816,890 | 17,645,001 | 17,412,222 | 232,779 |
| Fire department | 9,035,819 | 12,858,855 | 12,175,669 | 683,186 |
| Police and fire commission | 20,000 | 20,000 | 24,826 | (4,826) |
| Building inspections and zoning | 824,545 | 1,183,481 | 1,181,662 | 1,819 |
| Planning | 230,247 | 359,900 | 427,054 | (67,154) |
| Total Public Safety | 21,927,501 | 32,067,237 | 31,221,433 | 845,804 |
| Health | 1,602,594 | 2,118,934 | 1,937,402 | 181,532 |
| Public Works | | | | |
| Engineering | 916,944 | 1,266,875 | 1,206,071 | 60,804 |
| Public works administration office | 269,345 | 383,122 | 347,904 | 35,218 |
| Building and electrical division | 2,651,131 | 3,376,613 | 3,101,490 | 275,123 |
| Sanitation and street division | 2,542,496 | 3,517,230 | 3,568,329 | (51,099) |
| Forestry division | 1,092,944 | 1,444,992 | 1,395,409 | 49,583 |
| Fleet services | 1,665,057 | 2,261,201 | 1,315,135 | 946,066 |
| Inventory services | 172,377 | 233,416 | 255,729 | (22,313) |
| Total Public Works | 9,310,294 | 12,483,449 | 11,190,067 | 1,293,382 |
| Culture and Recreation | | | | |
| Senior center | 174,712 | 226,332 | 223,401 | 2,931 |
| Library | 1,895,327 | 2,324,529 | 2,096,033 | 228,496 |
| Total Culture and Recreation | 2,070,039 | 2,550,861 | 2,319,434 | 231,427 |
| Conservation and development | | | | |
| Neighborhood grants | - | 30,000 | 1,064 | 28,936 |
| TOTAL GENERAL FUND EXPENDITURES | $ 55,765,854 | $ 57,744,226 | $ 54,070,651 | $ 3,673,575 |

**CITY OF WEST ALLIS, WISCONSIN**
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

| | Block Grant | Stimulus Programs | H.O.M.E. Program | Rental Energy Loans | Housing Programs | Library Endowment | Cable Commun-ications |
|---|---|---|---|---|---|---|---|
| ASSETS | | | | | | | |
| Cash and investments | $ 5,240 | $ 29,893 | $ 35,938 | $ 423,858 | $ 248,773 | $ 91,378 | $ 595,621 |
| Receivables | | | | | | | |
| Accounts | 475 | - | - | - | 3,123 | - | 121,290 |
| Notes and loans | 1,925,180 | 112,505 | 2,665,290 | - | 341,804 | - | - |
| Special assessments | - | - | - | - | - | - | - |
| Interest | - | - | 7,180 | - | 57 | - | - |
| Due from other governmental units | 192,988 | - | 172,225 | - | - | - | - |
| TOTAL ASSETS | $ 2,123,883 | $ 142,398 | $ 2,880,633 | $ 423,858 | $ 593,757 | $ 91,378 | $ 716,911 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | $ 130,622 | $ - | $ 53,658 | $ - | $ 12,008 | $ - | $ 79 |
| Accrued liabilities | 14,811 | - | 1,682 | - | 20,032 | - | 9,381 |
| Due to other funds | 53,270 | - | 124,039 | - | - | - | - |
| Customer deposits | - | - | - | - | - | - | - |
| Unearned revenues | - | - | 7,180 | - | - | - | - |
| Total Liabilities | 198,703 | - | 186,559 | - | 32,040 | - | 9,460 |
| Deferred Inflows of Resources | | | | | | | |
| Special assessments | - | - | - | - | - | - | - |
| Notes and loans | 1,925,180 | 112,505 | 2,665,290 | - | 341,804 | - | - |
| Total Deferred Inflows of Resources | 1,925,180 | 112,505 | 2,665,290 | - | 341,804 | - | - |
| Fund Balance (Deficit) | | | | | | | |
| Restricted | | | | | | | |
| Grantors | - | 29,893 | 28,784 | 423,858 | 219,913 | 91,378 | - |
| Committed | - | - | - | - | - | - | 707,451 |
| Assigned | - | - | - | - | - | - | - |
| Unassigned (deficit) | - | - | - | - | - | - | - |
| Total Fund Balance (Deficit) | - | 29,893 | 28,784 | 423,858 | 219,913 | 91,378 | 707,451 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | $ 2,123,883 | $ 142,398 | $ 2,880,633 | $ 423,858 | $ 593,757 | $ 91,378 | $ 716,911 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
December 31, 2014

| | Health Grants | Police Grants | Fire Grants | Information Technology Joint Ventures | Miscellaneous Grants | EPA Revolving Loan | Total Special Revenue Funds |
|---|---|---|---|---|---|---|---|
| ASSETS | | | | | | | |
| Cash and investments | $ 134,739 | $ 3,343 | $ 72,185 | $ 48,438 | $ 33,818 | $ 2,000 | $ 1,725,224 |
| Receivables | | | | | | | |
| Accounts | - | - | - | 720 | - | - | 125,608 |
| Notes and loans | - | - | - | - | - | - | 5,044,779 |
| Special assessments | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | 7,237 |
| Due from other governmental units | 99,852 | 576,300 | 3,438 | - | 305,244 | - | 1,350,047 |
| TOTAL ASSETS | $ 234,591 | $ 579,643 | $ 75,623 | $ 49,158 | $ 339,062 | $ 2,000 | $ 8,252,895 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | $ 29,871 | $ 124,662 | $ 11,978 | $ - | $ 6,009 | $ - | $ 368,887 |
| Accrued liabilities | 21,225 | 5,268 | - | - | 267 | - | 72,666 |
| Due to other funds | - | 449,713 | - | - | 301,530 | - | 928,552 |
| Customer deposits | - | - | - | - | - | - | - |
| Unearned revenues | 183,495 | - | - | - | 33,817 | - | 224,492 |
| Total Liabilities | 234,591 | 579,643 | 11,978 | - | 341,623 | - | 1,594,597 |
| Deferred Inflows of Resources | | | | | | | |
| Special assessments | - | - | - | - | - | - | - |
| Notes and loans | - | - | - | - | - | - | 5,044,779 |
| Total Deferred Inflows of Resources | - | - | - | - | - | - | 5,044,779 |
| Fund Balance (Deficit) | | | | | | | |
| Restricted | | | | | | | |
| Grantors | - | - | 63,645 | - | - | - | 857,471 |
| Committed | - | - | - | 49,158 | - | 2,000 | 758,609 |
| Assigned | - | - | - | - | - | - | - |
| Unassigned (deficit) | - | - | - | - | (2,561) | - | (2,561) |
| Total Fund Balance (Deficit) | - | - | 63,645 | 49,158 | (2,561) | 2,000 | 1,613,519 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | $ 234,591 | $ 579,643 | $ 75,623 | $ 49,158 | $ 339,062 | $ 2,000 | $ 8,252,895 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
December 31, 2014

| | Public Works Improvements | Tax Increment Districts | | | | |
|---|---|---|---|---|---|---|
| | | No. 2 | No. 3 | No. 5 | No. 6 | No. 7 |
| ASSETS | | | | | | |
| Cash and investments | $ - | $ 282,827 | $ 442,450 | $ - | $ - | $ 2,016,177 |
| Receivables | | | | | | |
| Accounts | 581,031 | - | - | - | - | - |
| Notes and loans | - | - | 1,273,127 | 555,000 | - | 4,754,794 |
| Special assessments | 1,868,642 | - | - | - | - | - |
| Interest | - | - | - | - | - | 225,734 |
| Due from other governmental units | 354,806 | - | - | - | - | - |
| TOTAL ASSETS | $ 2,804,479 | $ 282,827 | $ 1,715,577 | $ 555,000 | $ - | $ 6,996,705 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | $ 298,288 | $ - | $ 442,539 | $ 7,452 | $ - | $ 10,348 |
| Accrued liabilities | 1,951 | - | - | 258 | 54 | 103 |
| Due to other funds | 1,716,741 | - | - | 2,187,769 | 308,037 | - |
| Customer deposits | 41,261 | - | - | - | - | - |
| Unearned revenue | 150,000 | - | - | - | - | - |
| Total Liabilities | 2,208,241 | - | 442,539 | 2,195,479 | 308,091 | 10,451 |
| Deferred Inflows of Resources | | | | | | |
| Special assessments | 1,868,642 | - | - | - | - | - |
| Notes and loans | - | - | 1,273,127 | 555,000 | - | 4,883,135 |
| Total Deferred Inflows of Resources | 1,868,642 | - | 1,273,127 | 555,000 | - | 4,883,135 |
| Fund Balance (Deficit) | | | | | | |
| Restricted | | | | | | |
| Grantors | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - |
| Assigned | - | 282,827 | - | - | - | 2,103,119 |
| Unassigned (deficit) | (1,272,404) | - | (89) | (2,195,479) | (308,091) | - |
| Total Fund Balance (Deficit) | (1,272,404) | 282,827 | (89) | (2,195,479) | (308,091) | 2,103,119 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | $ 2,804,479 | $ 282,827 | $ 1,715,577 | $ 555,000 | $ - | $ 6,996,705 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

| | Tax Increment Districts (Continued) | | | | | Total Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|---|---|---|---|
| | No. 9 | No. 10 | No. 11 | No. 12 | No. 13 | | |
| ASSETS | | | | | | | |
| Cash and investments | $ 88,013 | $ - | $ - | $ - | $ - | $ 2,829,467 | $ 4,554,691 |
| Receivables | | | | | | | |
| Accounts | - | - | 31,097 | - | - | 612,128 | 737,736 |
| Notes and loans | - | - | - | - | - | 6,582,921 | 11,627,700 |
| Special assessments | - | - | - | - | - | 1,868,642 | 1,868,642 |
| Interest | - | - | - | - | - | 225,734 | 232,971 |
| Due from other governmental units | - | - | - | - | - | 354,806 | 1,704,853 |
| TOTAL ASSETS | $ 88,013 | $ - | $ 31,097 | $ - | $ - | $ 12,473,698 | $ 20,726,593 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | $ - | $ - | $ 4,831 | $ - | $ 14,300 | $ 777,758 | $ 1,146,645 |
| Accrued liabilities | - | 35 | 2 | - | 50 | 2,453 | 75,119 |
| Due to other funds | - | 768,393 | 43,935 | 25,710 | 129,950 | 5,180,535 | 6,109,087 |
| Customer deposits | - | - | - | - | - | 41,261 | 41,261 |
| Unearned revenue | - | - | - | - | - | 150,000 | 374,492 |
| Total Liabilities | - | 768,428 | 48,768 | 25,710 | 144,300 | 6,152,007 | 7,746,604 |
| Deferred Inflows of Resources | | | | | | | |
| Special assessments | - | - | - | - | - | 1,868,642 | 1,868,642 |
| Notes and loans | - | - | - | - | - | 6,711,262 | 11,756,041 |
| Total Deferred Inflows of Resources | - | - | - | - | - | 8,579,904 | 13,624,683 |
| Fund Balance (Deficit) | | | | | | | |
| Restricted | | | | | | | |
| Grantors | - | - | - | - | - | - | 857,471 |
| Committed | - | - | - | - | - | - | 758,609 |
| Assigned | 88,013 | - | - | - | - | 2,473,959 | 2,473,959 |
| Unassigned (deficit) | - | (768,428) | (17,671) | (25,710) | (144,300) | (4,732,172) | (4,734,733) |
| Total Fund Balance (Deficit) | 88,013 | (768,428) | (17,671) | (25,710) | (144,300) | (2,258,213) | (644,694) |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | $ 88,013 | $ - | $ 31,097 | $ - | $ - | $ 12,473,698 | $ 20,726,593 |

**CITY OF WEST ALLIS, WISCONSIN**
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

| | Block Grant | Stimulus Programs | H.O.M.E. Program | Rental Energy Loans | Housing Programs | Library Endowment | Cable Commun-ications |
|---|---|---|---|---|---|---|---|
| Revenues | | | | | | | |
| Special assessments | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | 1,293,801 | 4,553 | 336,673 | - | 2,957,562 | - | - |
| Public charges for services | 186,130 | - | - | - | - | - | 688,120 |
| Loan repayments | - | - | 26,496 | - | - | - | - |
| Interest | - | - | 101 | - | 311 | 24 | - |
| Miscellaneous | - | - | - | - | - | 35,402 | - |
| Total Revenues | 1,479,931 | 4,553 | 363,270 | - | 2,957,873 | 35,426 | 688,120 |
| Expenditures | | | | | | | |
| Current | | | | | | | |
| General government | - | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | - | - |
| Health | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | 25,097 | 406,258 |
| Conservation and development | 1,479,931 | - | 375,269 | 8,851 | 3,097,855 | - | - |
| Capital outlay | - | - | - | - | - | - | - |
| Total Expenditures | 1,479,931 | - | 375,269 | 8,851 | 3,097,855 | 25,097 | 406,258 |
| Excess of Revenues Over (Under) Expenditures | - | 4,553 | (11,999) | (8,851) | (139,982) | 10,329 | 281,862 |
| Other Financing Sources (Uses) | | | | | | | |
| General obligation debt issued | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | (350,000) |
| Total Other Financing Sources (Uses) | - | - | - | - | - | - | (350,000) |
| Net Change in Fund Balances | - | 4,553 | (11,999) | (8,851) | (139,982) | 10,329 | (68,138) |
| Fund Balances (Deficits) - January 1 | - | 25,340 | 40,783 | 432,709 | 359,895 | 81,049 | 775,589 |
| Fund Balances (Deficits) - December 31 | $ - | $ 29,893 | $ 28,784 | $ 423,858 | $ 219,913 | $ 91,378 | $ 707,451 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Year Ended December 31, 2014

| | Health Grants | Police Grants | Fire Grants | Information Technology Joint Ventures | Miscell-aneous Grants | EPA Revolving Loan | Total Special Revenue Funds |
|---|---|---|---|---|---|---|---|
| Revenues | | | | | | | |
| Special assessments | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | 667,711 | 1,762,726 | 26,807 | - | 624,750 | - | 7,674,583 |
| Public charges for services | - | - | - | - | - | 2,000 | 876,250 |
| Loan repayments | - | - | - | - | - | - | 26,496 |
| Interest | - | - | - | - | - | - | 436 |
| Miscellaneous | 2 | - | - | 22,215 | - | - | 57,619 |
| Total Revenues | 667,713 | 1,762,726 | 26,807 | 22,215 | 624,750 | 2,000 | 8,635,384 |
| Expenditures | | | | | | | |
| Current | | | | | | | |
| General government | - | - | - | - | - | - | - |
| Public safety | - | 1,762,726 | 43,091 | - | - | - | 1,805,817 |
| Health | 667,713 | - | - | - | - | - | 667,713 |
| Culture and recreation | - | - | - | - | - | - | 431,355 |
| Conservation and development | - | - | - | - | 621,153 | - | 5,583,059 |
| Capital outlay | - | - | - | 49,525 | - | - | 49,525 |
| Total Expenditures | 667,713 | 1,762,726 | 43,091 | 49,525 | 621,153 | - | 8,537,469 |
| Excess of Revenues Over (Under) Expenditures | - | - | (16,284) | (27,310) | 3,597 | 2,000 | 97,915 |
| Other Financing Sources (Uses) | | | | | | | |
| General obligation debt issued | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | (350,000) |
| Total Other Financing Sources (Uses) | - | - | - | - | - | - | (350,000) |
| Net Change in Fund Balances | - | - | (16,284) | (27,310) | 3,597 | 2,000 | (252,085) |
| Fund Balances (Deficits) - January 1 | - | - | 79,929 | 76,468 | (6,158) | - | 1,865,604 |
| Fund Balances (Deficits) - December 31 | $ - | $ - | $ 63,645 | $ 49,158 | $ (2,561) | $ 2,000 | $ 1,613,519 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Year Ended December 31, 2014

| | Public Works Improvements | Tax Increment Districts | | | | |
|---|---|---|---|---|---|---|
| | | No. 2 | No. 3 | No. 5 | No 6 | No. 7 |
| Revenues | | | | | | |
| Special assessments | $ 940,064 | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | 984,569 | - | - | - | - | - |
| Public charges for services | - | - | - | - | - | 216,976 |
| Loan repayments | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| Miscellaneous | 29 | - | - | - | 7,000 | - |
| Total Revenues | 1,924,662 | - | - | - | 7,000 | 216,976 |
| Expenditures | | | | | | |
| Current | | | | | | |
| General government | 2,195 | - | - | - | - | - |
| Public safety | - | - | - | - | - | - |
| Health | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - |
| Conservation and development | - | 150 | 89 | 2,642,329 | 13,673 | 1,671,816 |
| Capital outlay | 5,407,124 | - | - | - | - | - |
| Total Expenditures | 5,409,319 | 150 | 89 | 2,642,329 | 13,673 | 1,671,816 |
| Excess of Revenues Over (Under) Expenditures | (3,484,657) | (150) | (89) | (2,642,329) | (6,673) | (1,454,840) |
| Other Financing Sources (Uses) | | | | | | |
| General obligation debt issued | 3,255,000 | - | - | - | - | - |
| Transfers in | 387,650 | 67,962 | - | - | - | 398,123 |
| Transfers out | - | - | - | (664,949) | (84,448) | - |
| Total Other Financing Sources (Uses) | 3,642,650 | 67,962 | - | (664,949) | (84,448) | 398,123 |
| Net Change in Fund Balances | 157,993 | 67,812 | (89) | (3,307,278) | (91,121) | (1,056,717) |
| Fund Balances (Deficits) - January 1 | (1,430,397) | 215,015 | - | 1,111,799 | (216,970) | 3,159,836 |
| Fund Balances (Deficits) - December 31 | $ (1,272,404) | $ 282,827 | $ (89) | $ (2,195,479) | $ (308,091) | $ 2,103,119 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

| | Tax Increment Districts (Continued) | | | | | Total Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|---|---|---|---|
| | No. 9 | No. 10 | No. 11 | No. 12 | No. 13 | | |
| Revenues | | | | | | | |
| Special assessments | $ - | $ - | $ - | $ - | $ - | $ 940,064 | $ 940,064 |
| Intergovernmental | - | - | - | - | - | 984,569 | 8,659,152 |
| Public charges for services | - | 842,324 | - | - | - | 1,059,300 | 1,935,550 |
| Loan repayments | - | - | - | - | - | - | 26,496 |
| Interest | - | - | - | - | - | - | 436 |
| Miscellaneous | - | - | 64,830 | - | - | 71,859 | 129,478 |
| Total Revenues | - | 842,324 | 64,830 | - | - | 3,055,792 | 11,691,176 |
| Expenditures | | | | | | | |
| Current | | | | | | | |
| General government | - | - | - | - | - | 2,195 | 2,195 |
| Public safety | - | - | - | - | - | - | 1,805,817 |
| Health | - | - | - | - | - | - | 667,713 |
| Culture and recreation | - | - | - | - | - | - | 431,355 |
| Conservation and development | 2,359 | 286,630 | 100,558 | 1,948 | 165,439 | 4,884,991 | 10,468,050 |
| Capital outlay | - | - | - | - | - | 5,407,124 | 5,456,649 |
| Total Expenditures | 2,359 | 286,630 | 100,558 | 1,948 | 165,439 | 10,294,310 | 18,831,779 |
| Excess of Revenues Over (Under) Expenditures | (2,359) | 555,694 | (35,728) | (1,948) | (165,439) | (7,238,518) | (7,140,603) |
| Other Financing Sources (Uses) | | | | | | | |
| General obligation debt issued | - | - | - | - | - | 3,255,000 | 3,255,000 |
| Transfers in | 2,312 | - | - | 305 | - | 856,352 | 856,352 |
| Transfers out | - | (184,456) | (84,949) | - | - | (1,018,802) | (1,368,802) |
| Total Other Financing Sources (Uses) | 2,312 | (184,456) | (84,949) | 305 | - | 3,092,550 | 2,742,550 |
| Net Change in Fund Balances | (47) | 371,238 | (120,677) | (1,643) | (165,439) | (4,145,968) | (4,398,053) |
| Fund Balances (Deficits) - January 1 | 88,060 | (1,139,666) | 103,006 | (24,067) | 21,139 | 1,887,755 | 3,753,359 |
| Fund Balances (Deficits) - December 31 | $ 88,013 | $ (768,428) | $ (17,671) | $ (25,710) | $ (144,300) | $ (2,258,213) | $ (644,694) |

**CITY OF WEST ALLIS, WISCONSIN**
Block Grant Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Intergovernmental | $ 1,093,964 | $ 1,293,801 | $ 199,837 |
| Loan repayments | 116,436 | 186,130 | 69,694 |
| Total Revenues | 1,210,400 | 1,479,931 | 269,531 |
| Expenditures | | | |
| Conservation and development | 2,808,354 | 1,479,931 | 1,328,423 |
| Net Change in Fund Balance | (1,597,954) | - | 1,597,954 |
| Fund Balance - January 1 | - | - | - |
| Fund Balance - December 31 | $ (1,597,954) | $ - | $ 1,597,954 |

**CITY OF WEST ALLIS, WISCONSIN**
H.O.M.E. Program Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Intergovernmental | $ 492,000 | $ 336,673 | $ (155,327) |
| Loan repayments | 285,000 | 26,496 | (258,504) |
| Interest | - | 101 | 101 |
| Total Revenues | 777,000 | 363,270 | (413,730) |
| Expenditures | | | |
| Conservation and development | 771,528 | 375,269 | 396,259 |
| Net Change in Fund Balance | 5,472 | (11,999) | (17,471) |
| Fund Balance - January 1 | 40,783 | 40,783 | - |
| Fund Balance - December 31 | $ 46,255 | $ 28,784 | $ (17,471) |

**CITY OF WEST ALLIS, WISCONSIN**
Housing Programs Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Intergovernmental | $ 2,576,775 | $ 2,957,562 | $ 380,787 |
| Interest | 20,000 | 311 | (19,689) |
| Total Revenues | 2,596,775 | 2,957,873 | 361,098 |
| Expenditures | | | |
| Conservation and development | 2,830,238 | 3,097,855 | (267,617) |
| Net Change in Fund Balance | (233,463) | (139,982) | 93,481 |
| Fund Balance - January 1 | 359,895 | 359,895 | - |
| Fund Balance - December 31 | $ 126,432 | $ 219,913 | $ 93,481 |

**CITY OF WEST ALLIS, WISCONSIN**
Cable Communications Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Public charges for services | $ 735,000 | $ 688,120 | $ (46,880) |
| Expenditures | | | |
| Culture and recreation | 378,051 | 406,258 | (28,207) |
| Excess of Revenues Over Expenditures | 356,949 | 281,862 | (75,087) |
| Other Financing Uses | | | |
| Transfers out | (350,000) | (350,000) | - |
| Net Change in Fund Balance | 6,949 | (68,138) | (75,087) |
| Fund Balance - January 1 | 775,589 | 775,589 | - |
| Fund Balance - December 31 | $ 782,538 | $ 707,451 | $ (75,087) |

**CITY OF WEST ALLIS, WISCONSIN**
Health Grants Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Intergovernmental | $ - | $ 667,711 | $ 667,711 |
| Miscellaneous | - | 2 | 2 |
| Total Revenues | - | 667,713 | 667,713 |
| Expenditures | | | |
| Health | 802,365 | 667,713 | 134,652 |
| Net Change in Fund Balance | (802,365) | - | 802,365 |
| Fund Balance - January 1 | - | - | - |
| Fund Balance - December 31 | $ (802,365) | $ - | $ 802,365 |

**CITY OF WEST ALLIS, WISCONSIN**
Police Grants Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Intergovernmental | $ - | $ 1,762,726 | $ 1,762,726 |
| Expenditures | | | |
| Public safety | 101,806 | 1,762,726 | (1,660,920) |
| Net Change in Fund Balance | (101,806) | - | 101,806 |
| Fund Balance - January 1 | - | - | - |
| Fund Balance - December 31 | $ (101,806) | $ - | $ 101,806 |

**CITY OF WEST ALLIS, WISCONSIN**
Fire Grants Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Intergovernmental | $ - | $ 26,807 | $ 26,807 |
| Expenditures | | | |
| Public safety | - | 43,091 | (43,091) |
| Net Change in Fund Balance | - | (16,284) | (16,284) |
| Fund Balance - January 1 | 79,929 | 79,929 | - |
| Fund Balance - December 31 | $ 79,929 | $ 63,645 | $ (16,284) |

**CITY OF WEST ALLIS, WISCONSIN**
Miscellaneous Grants Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Intergovernmental | $ - | $ 624,750 | $ 624,750 |
| Expenditures | | | |
| Conservation and development | 122,398 | 621,153 | (498,755) |
| Net Change in Fund Balance | (122,398) | 3,597 | 125,995 |
| Fund Balance (Deficit) - January 1 | (6,158) | (6,158) | - |
| Fund Balance (Deficit) - December 31 | $ (128,556) | $ (2,561) | $ 125,995 |

**CITY OF WEST ALLIS, WISCONSIN**
Information Technology Joint Ventures
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Years Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Miscellaneous | $ 18,000 | $ 22,215 | $ 4,215 |
| Expenditures | | | |
| General government | 18,000 | 49,525 | (31,525) |
| Net Change in Fund Balance | - | (27,310) | (27,310) |
| Fund Balance - January 1 | 76,468 | 76,468 | - |
| Fund Balance - December 31 | $ 76,468 | $ 49,158 | $ (27,310) |

**CITY OF WEST ALLIS, WISCONSIN**
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Property taxes | $ 6,411,184 | $ 6,461,219 | $ 50,035 |
| Intergovernmental | 195,100 | 205,955 | 10,855 |
| Miscellaneous | | | |
| Other | 75,002 | 156,200 | 81,198 |
| Total Revenues | 6,681,286 | 6,823,374 | 142,088 |
| Expenditures | | | |
| Debt service | | | |
| Principal retirement | | | |
| City purposes | 5,450,475 | 5,450,475 | - |
| Interest and fiscal charges | | | |
| City purposes | 1,908,312 | 1,841,698 | 66,614 |
| Debt issuance costs | 30,000 | 66,372 | (36,372) |
| Total Expenditures | 7,388,787 | 7,358,545 | 30,242 |
| Excess of Revenues Over (Under) Expenditures | (707,501) | (535,171) | 172,330 |
| Other Financing Sources (Uses) | | | |
| Transfers in | 1,061,048 | 1,018,802 | (42,246) |
| Transfers out | (428,547) | (468,702) | (40,155) |
| Total Other Financing Sources (Uses) | 632,501 | 550,100 | (82,401) |
| Net Change in Fund Balance | (75,000) | 14,929 | 89,929 |
| Fund Balance - January 1 | 191,877 | 191,877 | - |
| Fund Balance - December 31 | $ 116,877 | $ 206,806 | $ 89,929 |

**CITY OF WEST ALLIS, WISCONSIN**
Public Works Improvements Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2014

| | Original and Final Budget | Actual | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | | | |
| Special assessments | $ 1,626,000 | $ 940,064 | $ (685,936) |
| Intergovernmental | - | 984,569 | 984,569 |
| Miscellaneous | - | 29 | 29 |
| Total Revenues | 1,626,000 | 1,924,662 | 298,662 |
| Expenditures | | | |
| General government | - | 2,195 | (2,195) |
| Capital outlay | 4,376,000 | 5,407,124 | (1,031,124) |
| Total Expenditures | 4,376,000 | 5,409,319 | (1,033,319) |
| Excess of Revenues Over (Under) Expenditures | (2,750,000) | (3,484,657) | (734,657) |
| Other Financing Sources | | | |
| General obligation debt issued | 2,750,000 | 3,255,000 | 505,000 |
| Transfers in | - | 387,650 | 387,650 |
| Total Other Financing Sources | 2,750,000 | 3,642,650 | 892,650 |
| Net Change in Fund Balance | - | 157,993 | 157,993 |
| Fund Balance (Deficit) - January 1 | (1,430,397) | (1,430,397) | - |
| Fund Balance (Deficit) - December 31 | $ (1,430,397) | $ (1,272,404) | $ 157,993 |

**CITY OF WEST ALLIS, WISCONSIN**
Internal Service Funds
Combining Statement of Net Position
December 31, 2014

| | Insurance Management Fund | Health Insurance Fund | Total |
|---|---|---|---|
| ASSETS | | | |
| Cash and investments | $ 95,166 | $ 10,535,289 | $ 10,630,455 |
| Receivables | | | |
| Taxes | - | 2,000,000 | 2,000,000 |
| Accounts | - | 110,789 | 110,789 |
| Prepaid items | - | 378,000 | 378,000 |
| Deposit with CVMIC | 3,244,299 | - | 3,244,299 |
| Total Assets | 3,339,465 | 13,024,078 | 16,363,543 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts payable | - | 3,149,817 | 3,149,817 |
| Accrued liabilities | - | 1,811 | 1,811 |
| Deposits | - | 30,316 | 30,316 |
| Unearned revenue | - | 183,385 | 183,385 |
| Total Liabilities | - | 3,365,329 | 3,365,329 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Property taxes | - | 2,000,000 | 2,000,000 |
| NET POSITION | | | |
| Unrestricted | $ 3,339,465 | $ 7,658,749 | $ 10,998,214 |

**CITY OF WEST ALLIS, WISCONSIN**
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2014

| | Insurance Management Fund | Health Insurance Fund | Totals |
|---|---|---|---|
| Operating Revenues | | | |
| Charges to City departments, employees and retirees | $ - | $ 14,169,760 | $ 14,169,760 |
| Operating Expenses | | | |
| Insurance claims and estimate changes | - | 16,852,395 | 16,852,395 |
| Operating Loss | - | (2,682,635) | (2,682,635) |
| Nonoperating Revenues | | | |
| Property taxes | - | 2,000,000 | 2,000,000 |
| Interest income | 100,011 | - | 100,011 |
| Total Nonoperating Revenues | 100,011 | 2,000,000 | 2,100,011 |
| Income (Loss) Before Transfers | 100,011 | (682,635) | (582,624) |
| Transfers out | (100,011) | - | (100,011) |
| Change in Net Position | - | (682,635) | (682,635) |
| Net Position - January 1 | 3,339,465 | 8,341,384 | 11,680,849 |
| Net Position - December 31 | $ 3,339,465 | $ 7,658,749 | $ 10,998,214 |

**CITY OF WEST ALLIS, WISCONSIN**
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2014

| | Insurance Management Fund | Health Insurance Fund | Total |
|---|---|---|---|
| Cash Flows from Operating Activities | | | |
| Cash from interfund services provided | $ - | $ 14,116,539 | $ 14,116,539 |
| Cash paid for insurance | - | (17,115,091) | (17,115,091) |
| Cash paid to consultants and suppliers | - | (88,104) | (88,104) |
| Net Cash Used by Operating Activities | - | (3,086,656) | (3,086,656) |
| Cash Flows from Noncapital Financing Activities | | | |
| Property taxes | - | 2,000,000 | 2,000,000 |
| Transfers to other funds | (100,011) | - | (100,011) |
| Net Cash Provided (Used) by Noncapital Financing Activities | (100,011) | 2,000,000 | 1,899,989 |
| Cash Flows from Investing Activities | | | |
| Interest received | 100,011 | - | 100,011 |
| Increase (Decrease) in Cash and Cash Equivalents | - | (1,086,656) | (1,086,656) |
| Cash and Cash Equivalents - January 1 | 95,166 | 11,621,945 | 11,717,111 |
| Cash and Cash Equivalents - December 31 | $ 95,166 | $ 10,535,289 | $ 10,630,455 |
| Reconciliation of Operating Loss to Net Cash Used by Operating Activities | | | |
| Operating loss | $ - | $ (2,682,635) | $ (2,682,635) |
| Adjustments to reconcile operating loss to net cash used by operating activities | | | |
| Changes in assets and liabilities | | | |
| Accounts receivable | - | (50,006) | (50,006) |
| Accounts payable | - | 28,995 | 28,995 |
| Accrued liabilities | - | (304) | (304) |
| Deposits | - | (1,491) | (1,491) |
| Prepaid items | - | (378,000) | (378,000) |
| Unearned revenues | - | (3,215) | (3,215) |
| Net Cash Used by Operating Activities | $ - | $ (3,086,656) | $ (3,086,656) |

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Governmental Capital Assets - By Source
December 31, 2014

| | |
|---|---|
| Governmental Capital Assets | |
| City Government | |
| Land | $ 12,497,605 |
| Construction in progress | 287,859 |
| Buildings | 18,680,104 |
| Machinery and equipment | 21,697,146 |
| Infrastructure | 156,797,835 |
| | 209,960,549 |
| West Allis Memorial Hospital | |
| Land | 554,172 |
| Construction in progress | 185,609 |
| Land improvements | 2,019,315 |
| Buildings | 140,651,178 |
| Machinery and equipment | 115,710,092 |
| | 259,120,366 |
| Total Governmental Capital Assets | $ 469,080,915 |
| | |
| Investment in Governmental Capital Assets By Source | |
| General fund | $ 167,114,541 |
| Special revenue funds | |
| Federal and state grants | 5,579,232 |
| Capital projects funds | |
| General obligation debt | 36,081,926 |
| Hospital Funds | |
| Cash | 201,175,216 |
| Bonds | 59,130,000 |
| Total Investment in Governmental Capital Assets By Source | $ 469,080,915 |

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Governmental Capital Assets - By Function
December 31, 2014

| Function and Activity | Land | Construction in Progress | Land Improvements | Buildings | Machinery and Equipment | Infrastructure | Total |
|---|---|---|---|---|---|---|---|
| City Government | | | | | | | |
| General government | $ 562,857 | $ - | $ - | $ 1,857,610 | $ 1,984,577 | $ - | $ 4,405,044 |
| Public safety | 239,826 | - | - | 10,935,386 | 7,377,553 | - | 18,552,765 |
| Public works | 9,673,688 | 287,859 | - | 1,668,214 | 11,152,892 | 156,797,835 | 179,580,488 |
| Health | 74,500 | - | - | 796,605 | 65,868 | - | 936,973 |
| Culture and recreation | 1,093,379 | - | - | 3,422,289 | 1,045,007 | - | 5,560,675 |
| Development | 853,355 | - | - | - | 71,249 | - | 924,604 |
| Total City Government | 12,497,605 | 287,859 | - | 18,680,104 | 21,697,146 | 156,797,835 | 209,960,549 |
| West Allis Memorial Hospital | 554,172 | 185,609 | 2,019,315 | 140,651,178 | 115,710,092 | - | 259,120,366 |
| Total | $ 13,051,777 | $ 473,468 | $ 2,019,315 | $ 159,331,282 | $ 137,407,238 | $ 156,797,835 | $ 469,080,915 |

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Changes in Governmental Capital Assets - by Function
For the Year Ended December 31, 2014

| Function and Activity | Balance 1/1/2014 | Additions | Deletions | Balance 12/31/2014 |
|---|---|---|---|---|
| City Government | | | | |
| General government | $ 4,428,163 | $ - | $ 23,119 | $ 4,405,044 |
| Public safety | 18,503,091 | 190,438 | 140,764 | 18,552,765 |
| Public works | 177,663,956 | 3,731,010 | 1,814,478 | 179,580,488 |
| Health | 936,968 | 5 | - | 936,973 |
| Culture and recreation | 5,560,675 | - | - | 5,560,675 |
| Development | 924,604 | - | - | 924,604 |
| Total City Government | 208,017,457 | 3,921,453 | 1,978,361 | 209,960,549 |
| West Allis Memorial Hospital | 247,246,415 | 11,873,951 | - | 259,120,366 |
| Total | $ 455,263,872 | $ 15,795,404 | $ 1,978,361 | $ 469,080,915 |

**CITY OF WEST ALLIS, WISCONSIN**
Component Units
Combining Statement of Net Position
December 31, 2014

| | Terchak Endowment Fund | FIRE | Total |
|---|---|---|---|
| ASSETS | | | |
| Cash and investments | $ 1,154,791 | $ 5,021,450 | $ 6,176,241 |
| Accounts receivable | - | 8,431,791 | 8,431,791 |
| Due from City of West Allis | - | 83,955 | 83,955 |
| Total Assets | 1,154,791 | 13,537,196 | 14,691,987 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts payable | - | 5,186,902 | 5,186,902 |
| Accrued liabilities | - | 43,141 | 43,141 |
| Unearned revenue | - | 2,501,114 | 2,501,114 |
| Total Liabilities | - | 7,731,157 | 7,731,157 |
| NET POSITION | | | |
| Unrestricted | $ 1,154,791 | $ 5,806,039 | $ 6,960,830 |

**CITY OF WEST ALLIS, WISCONSIN**
Component Units
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2014

| | Terchak Endowment Fund | FIRE | Totals |
|---|---|---|---|
| Revenues | | | |
| Service fees | $ - | $ 2,226,328 | $ 2,226,328 |
| Interest | 67,518 | 72,342 | 139,860 |
| Total Revenues | 67,518 | 2,298,670 | 2,366,188 |
| Expenses | | | |
| Capital outlay | 46,471 | 517,948 | 564,419 |
| Change in Net Position | 21,047 | 1,780,722 | 1,801,769 |
| Net Position - January 1 | 1,133,744 | 4,025,317 | 5,159,061 |
| Net Position - December 31 | $ 1,154,791 | $ 5,806,039 | $ 6,960,830 |

# STATISTICAL SECTION

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## GENERAL INFORMATION

The City of West Allis is located in Milwaukee County immediately west of the City of Milwaukee. Incorporated in 1906, West Allis has grown from an initial population of 2,300 to become the eleventh largest city in the State of Wisconsin, with a population of 60,411 according to the 2010 census.

Companies such as Quad Graphics, Johnson Controls, P&H Mining, Avalon Rail, Aurora Home Medical Services, Alterra, Chris Hansen Laboratory Inc, C & H Distributors and many other large, medium and small businesses of a diversified nature are located in West Allis, as well as many financial institutions and places of worship.

West Allis is served by two railways, the Union Pacific Railroad and the Milwaukee Road. Also serving the Metropolitan area, including West Allis, is The Wisconsin Center, the Bradley Center, home of the Milwaukee Bucks, Milwaukee Admirals, and the Marquette Golden Eagles, and the Summerfest Grounds, home of the largest annual outdoor music festival in the Midwest, as well as several ethnic festivals.

The City of West Allis operates and maintains ten parks of varying size throughout the City. In addition, the City also has several large and small county owned and operated parks and golf courses within its boundaries.

The City operates under the Council-Mayor form of government. The Common Council is composed of ten alderpersons elected from five geographic districts, who are elected to four year terms. The Chief Executive Officer of the City is the Mayor, who monitors and supervises departmental operations for the Common Council. The City Administrative Officer assists the Council and Mayor in their overall and day-to-day role of direction and operation of the City.

West Allis is a full service community, providing for: public safety, housing assistance, water distribution and disposal, public works, recreation and general government. The City of West Allis employs on a permanent, full-time basis a total of 514 people. At different times during the year West Allis also employs temporary and part-time help to do seasonal and other work. The City requires that all public safety employees reside within a thirty-minute drive radius of the West Allis city limits within eighteen months of employment. The City operates daily through thirteen departments, headed by ten appointed officials and two elected officials (Attorney & Municipal Judge).

<u>The Department of Public Works Operations</u> is responsible for all public works activities. The Yard Operations Division manages the daily operations of public services to all residents by its separate divisions including; Sanitation and Streets, Recycling, Building and Electrical Services, Equipment Repair, Forestry and Grounds, Inventory Services, and Water Utility.

The Sanitation and Street Division provides for street and sewer (storm and sanitary) maintenance and improvements, refuse collection and disposal, ice control and snow

removal. The Recycling Office provides for the curbside pick-up of recyclables within the community. The Building and Electrical Services Division provides for maintenance and improvements to all municipal buildings and electrical facilities. The Equipment Repair Division provides for equipment repair and maintenance on all public works vehicles. The Forestry and Grounds Division provides for maintenance of all parks, playgrounds and trees.

The Water Utility provides for the distribution and maintenance of all water supply and storage facilities. The City of West Allis owns and operates its water system. The Water Division is operated as a public utility and is subject to regulation by the Wisconsin Public Service Commission. West Allis purchases its water from the City of Milwaukee Water Utility for storage and distribution through its own system. Clear water storage capacity is 7,000,000 gallons. Average daily water demand was 5,352,438 gallons per day for 2011. Pumping capacity for the system is 15,000,000 gallons per day. The highest gallons pumped on any one day in 2011 were 7,297,000 gallons.

As part of the Metropolitan Milwaukee Sewerage District (MMSD), the City of West Allis must pay for the operation of sewerage collection and treatment. These charges are collected by the City and remitted to MMSD. The City maintains over 300 miles of storm and sanitary sewers.

The Engineering Department develops construction plans, programs and contracts for streets, sewers, curbs, sidewalks, gutters, and traffic control devices.

The Department of Administration is responsible for all administrative, budgetary, financial, personnel, and support services.

The Finance Department provides for all accounting, auditing, water billing, issuance of debt, investment services, F.I.R.E. and other financial services. The Purchasing Division provides for acquisition of supplies, services and equipment. The Treasury Division acts as the depositor for all city funds. All funds are paid to the treasurer who is also responsible for all investments and disbursements of funds.

The Human Resources Department provides for all recruitment, testing and selection of employees, as well as labor negotiations and benefits program coordination.

The Data Processing/Information Services Department provides all data processing and computer maintenance services. The Central Services Division provides printing, copying, and mail room services. The Office of Cable Communications provides for the administration and regulation of the cable television system in the City, as well as programming and production for the City's governmental channel.

The Assessor makes a valuation of real and personal property for the purpose of establishing the tax base and maintains plat books, which properly describe each piece of real property within the city. The Assessor is required to report regularly to the state. Records of all personal property in the city are maintained also for tax purposes.

The Attorney conducts all the legal business of the City, drafts ordinances, bonds, and other instruments as required, and gives opinions in writing when requested to do so by other City officials.

The Department of Building and Zoning is responsible for enforcing all codes and making inspections in regards to building, electrical, and plumbing permits. It is also responsible for administering and enforcing the zoning ordinance.

The Clerk has charge of all official records and papers that pertain to city business. The Clerk attends all Council meetings and keeps records of the proceedings and an ordinance book that records all ordinances passed by the Council. The Clerk issues licenses and permits, records all bonds, draws and signs all orders on the treasury, prepares all publications pertaining to city business, supervises elections, and administers oaths.

The Department of Development is responsible for planning, community development, and economic development. The Department also staffs the West Allis Community Development Authority, which administers a housing rehabilitation grant and loan program and a housing Section 8 rental assistance program and the F.I.R.E. program.

The Health Department is responsible for maintaining health records, providing immunization, offering health education and counseling. The department is also responsible for environmental monitoring in cooperation with the State Department of Natural Resources. Nursing services and consumer protection (certification of weights and measures) is also a responsibility of this department. The operation of the West Allis Senior Citizen Center and the West Allis Farmers Market are also functions under the Health Department.

The Library is responsible for operations including reference, circulation, cataloging and technical services. The West Allis Public Library is a full service library with a collection of over 200,000 volumes, as part of the Milwaukee Federated Library System residents are also able to borrow from other community libraries in the metro area.

The Municipal Judge acts as the legal justice for municipal court and hears all municipal cases, which are brought to trial.

The Police Department is responsible for all law enforcement activities. The department is divided into several bureaus functioning in the area that each name would suggest. They are Youth Guidance, Detective, Patrol, Traffic, Communications & Records, Training and Crime Prevention/Public Relations.

The Fire Department operates from a headquarters (67th and Becher) and two additional stations (74th and National, and 108th and Lapham). The department is responsible for all fire training, education, prevention and extinguishment of fires. The department also provides rescue and paramedic service.

# STATISTICAL SECTION

This part of the City of West Allis' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about West Allis' overall financial health.

**Contents** **Page**


General Information 113

Financial Trends 117

These schedules contain trend information to help the reader understand how West Allis' financial performance and well-being has changed over time.

Revenue Capacity 123

These schedules contain information to help the reader assess West Allis' most significant local revenue source, the property tax.

Debt Capacity 127

These schedules present information to help the reader assess the affordability of West Allis' current levels of outstanding debt and West Allis' ability to issue additional debt in the future.

Demographics and Economic Information 131

These schedules offer demographic and economic indicators to help the reader understand the environment within which West Allis' financial activities take place.

Operating Information 133

These schedules contain service and infrastructure data to help the reader understand how the information in West Allis' financial report relates to the services West Allis provides and the activities it performs.


Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

Net Position by Component
Last ten fiscal years
Schedule 1

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| Governmental Activities | | | | | | | | | | |
| Net investment in capital assets | $ 180,296,657 | $ 176,761,317 | $ 170,149,762 | $ 162,229,941 | $ 156,725,902 | $ 159,589,960 | $ 161,468,728 | $ 159,183,191 | $ 155,634,993 | $ 158,432,679 |
| Restricted | 1,193,095 | 1,567,709 | 1,226,225 | 763,508 | 503,693 | 342,849 | 183,321 | 187,868 | 191,877 | 1,064,277 |
| Unrestricted | (23,147,843) | (18,171,436) | (11,799,923) | 39,160,362 | 28,848,960 | 25,632,400 | 22,854,223 | 22,955,014 | 22,718,355 | 18,663,636 |
| Total governmental activities net assets | $ 158,341,909 | $ 160,157,590 | $ 159,576,064 | $202,153,811 | $186,078,555 | $185,565,209 | $ 184,506,272 | $ 182,326,073 | $ 178,545,225 | $ 178,160,592 |
| Business-type Activities | | | | | | | | | | |
| Net investment in capital assets | $ 45,788,584 | $ 47,447,540 | $ 48,933,047 | $ 50,148,025 | $ 52,695,082 | $ 53,470,013 | $ 54,610,687 | $ 56,114,749 | $ 60,047,142 | $ 64,492,416 |
| Restricted | - | - | - | - | - | - | - | - | - | - |
| Unrestricted | 5,121,503 | 4,813,800 | 5,840,800 | 5,810,658 | 5,264,485 | 6,671,884 | 13,552,705 | 16,772,641 | 16,663,155 | 15,759,475 |
| Total business-type activities net assets | $ 50,910,087 | $ 52,261,340 | $ 54,773,847 | $ 55,958,683 | $ 57,959,567 | $ 60,141,897 | $ 68,163,392 | $ 72,887,390 | $ 76,710,297 | $ 80,251,891 |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | $ 226,085,241 | $ 224,208,857 | $ 219,082,809 | $ 212,377,966 | $ 209,420,984 | $ 213,059,973 | $ 216,079,415 | $ 215,297,940 | $ 215,682,135 | $ 222,925,095 |
| Restricted | 1,193,095 | 1,567,709 | 1,226,225 | 763,508 | 503,693 | 342,849 | 183,321 | 187,868 | 191,877 | 1,064,277 |
| Unrestricted | (18,026,340) | (13,357,636) | (5,959,123) | 44,971,020 | 34,113,445 | 32,304,284 | 36,406,928 | 39,727,655 | 39,381,510 | 34,423,111 |
| Total primary government net assets | $ 209,251,996 | $ 212,418,930 | $ 214,349,911 | $258,112,494 | $244,038,122 | $245,707,106 | $ 252,669,664 | $ 255,213,463 | $ 255,255,522 | $ 258,412,483 |

Data source: City of West Allis Audited Financial Statements

(a) In 2008 - the Unrestricted Fund Balance increased significantly because prior to the implementation of GASB Statement 45, the City reported a liablitiy in the government-wide statements for retiree health insurance. With the implementation of the new standard, the City is only required to report the annual required contribution for retiree heatlh insurance. The previously reported liablity of $47,903,521 reported as a restatement of the beginning net asset balance for the Governmental Activities in the Statement of Activities.

(b) In 2009 one of the major reasons the Unrestricted fund balance continues to decline is because the amount spent on the replacement of Capital Assets is substanitally less than the amount being depreciated for the Capital Assets.

(c) In 2010 the major increase to Net Investment in Capital Assets for the Governmental Activities was related to the West Allis Memorial Hospital adding new equipment.

# City of West Allis

Changes in Net Position
Last ten fiscal years
Schedule 2

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | $ 5,894,021 | $ 8,650,622 | $ 9,158,568 | $ 7,931,317 | $ 8,584,181 | $ 7,806,361 | $ 8,586,090 | $ 7,601,000 | $ 10,920,556 | $ 12,683,740 |
| Public Safety | 32,016,133 | 31,527,661 | 32,209,833 | 35,322,808 | 38,122,733 | 37,491,260 | 37,815,973 | 38,805,269 | 37,790,154 | 37,249,881 |
| Public Works | 16,959,467 | 16,043,132 | 15,492,747 | 19,059,398 | 20,775,195 | 16,122,988 | 15,308,926 | 14,917,241 | 17,704,389 | 19,435,157 |
| Health & Human Services | 9,381,305 | 12,051,827 | 10,603,940 | 11,422,393 | 11,851,638 | 10,898,842 | 8,380,438 | 10,578,888 | 7,678,226 | 10,697,085 |
| Culture, recreation & education | 2,984,956 | 2,716,521 | 4,204,967 | 2,953,551 | 3,415,253 | 3,189,297 | 3,223,701 | 3,121,334 | 2,833,745 | 2,633,438 |
| Conservation & development | 11,706,621 | 9,383,343 | 7,639,845 | 5,225,216 | 8,867,397 | 12,187,021 | 7,583,983 | 6,309,345 | 5,701,550 | 7,490,488 |
| Interest & Fiscal Charges | 2,506,934 | 2,706,602 | 2,865,726 | 2,624,692 | 2,634,191 | 2,912,763 | 2,187,395 | 2,272,863 | 2,416,541 | 1,884,864 |
| Total government activities expense | 81,449,437 | 83,079,708 | 82,175,626 | 84,539,375 | 94,250,588 | 90,608,532 | 83,086,506 | 83,605,940 | 85,045,161 | 92,074,653 |
| Business-type Activities: | | | | | | | | | | |
| Water Utility | 5,178,821 | 5,712,773 | 5,937,617 | 6,497,676 | 6,339,034 | 6,110,946 | 6,186,233 | 6,384,384 | 6,893,875 | 6,986,601 |
| Sanitary Sewer Utility | 4,432,519 | 4,167,597 | 4,305,675 | 4,866,936 | 5,147,842 | 5,695,049 | 5,902,207 | 5,925,361 | 5,542,622 | 5,845,286 |
| Storm Water Utility | 1,671,865 | 1,762,488 | 1,566,017 | 1,633,786 | 1,744,227 | 2,215,521 | 2,254,241 | 2,226,502 | 2,451,452 | 2,391,743 |
| Solid Waste Utility | - | 684,466 | 792,116 | 917,135 | 1,553,697 | 1,681,268 | 1,635,879 | 1,722,897 | 1,680,361 | 1,721,052 |
| Parking Utility | 42,955 | 83,259 | 58,847 | 86,878 | 53,062 | 42,601 | 64,651 | 38,123 | 86,781 | 76,664 |
| Senior Citizen's Housing | 339,568 | 245,991 | 250,681 | 358,993 | 281,149 | 335,881 | 395,877 | 254,464 | 188,573 | 190,632 |
| Total business-type activities expense | 11,665,728 | 12,656,574 | 12,910,953 | 14,361,404 | 15,119,011 | 16,081,266 | 16,439,088 | 16,551,731 | 16,843,664 | 17,211,978 |
| Total Primary Government Expense | $ 93,115,165 | $ 95,736,282 | $ 95,086,579 | $ 98,900,779 | $ 109,369,599 | $ 106,689,798 | $ 99,525,594 | $ 100,157,671 | $ 101,888,825 | $ 109,286,631 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for Services | | | | | | | | | | |
| General Government | $ 281,013 | $ 743,626 | $ 285,483 | $ 267,843 | $ 316,022 | $ 239,886 | $ 502,025 | $ 65,967 | $ 1,487,756 | $ 1,710,728 |
| Public Safety | 5,320,922 | 4,557,511 | 3,666,842 | 5,335,900 | 4,953,984 | 5,021,529 | 4,086,394 | 4,265,844 | 4,066,765 | 4,190,127 |
| Public Works | 455,930 | 613,372 | 1,770,323 | 629,056 | 437,743 | 397,319 | 884,235 | 1,635,627 | 767,356 | 960,539 |
| Health & Human Services | 229,657 | 239,713 | 238,583 | 237,879 | 287,905 | 301,641 | 276,256 | 281,228 | 274,581 | 337,709 |
| Culture, recreation & education | 627,549 | 97,710 | 105,208 | 687,370 | 717,577 | 817,404 | 816,763 | 868,005 | 897,605 | 885,714 |
| Conservation & development | 702,387 | 168,819 | 992,456 | 954,634 | 640,158 | 349,862 | 2,466,220 | 1,112,821 | 1,221,221 | 3,432,082 |
| Interest & Fiscal Charges | 720,953 | 580,360 | 492,999 | 476,460 | 319,909 | 187,563 | 128,860 | 739,957 | 372,881 | 302,206 |
| Charges for Services | 8,338,411 | 7,001,111 | 7,551,894 | 8,589,142 | 7,673,298 | 7,315,204 | 9,160,753 | 8,969,449 | 9,088,165 | 11,819,105 |
| Operating Grants and Contributions | 10,724,072 | 10,089,394 | 10,386,842 | 10,417,700 | 10,853,418 | 10,832,253 | 12,721,782 | 10,518,040 | 9,010,784 | 11,194,095 |
| Capital Grants and Contributions | 2,914,568 | 11,270,770 | 5,655,109 | 1,473,666 | 3,415,312 | 12,535,576 | 3,901,104 | 6,279,436 | 3,151,837 | 13,279,356 |
| Total governmental activities program revenues | 21,977,051 | 28,361,275 | 23,593,845 | 20,480,508 | 21,942,028 | 30,683,033 | 25,783,639 | 25,766,925 | 21,250,786 | 36,292,556 |

# City of West Allis

Changes in Net Position
Last ten fiscal years
Schedule 2

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| Business-type activities: | | | | | | | | | | |
| Charges for Services | 13,277,530 | 14,206,554 | 15,481,812 | 15,789,002 | 17,597,067 | 18,362,363 | 18,362,363 | 21,188,970 | 21,296,775 | 21,360,255 |
| Operating Grants and Contributions | - | 308,070 | 307,758 | 389,162 | 350,296 | 368,559 | 368,559 | 543,728 | 258,805 | 278,735 |
| Capital Grants and Contributions | 107,784 | 466,915 | 526,703 | 633,848 | 91,039 | 427,276 | 427,276 | 172,493 | 14,979 | 11,335 |
| Total business-type activities program revenues | 13,385,314 | 14,981,539 | 16,316,273 | 16,812,012 | 18,038,402 | 19,158,198 | 19,158,198 | 21,905,191 | 21,570,559 | 21,650,325 |
| Total Primary Government Program Revenues | $ 35,362,365 | $ 43,342,814 | $ 39,910,118 | $ 37,292,520 | $ 39,980,430 | $ 49,841,231 | $ 44,941,837 | $ 47,672,116 | $ 42,821,345 | $ 57,942,881 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental Activities | $ (59,472,386) | $ (54,718,433) | $ (58,581,781) | $ (64,058,867) | $ (72,308,560) | $ (59,925,499) | $ (57,302,867) | $ (57,839,015) | $ (63,794,375) | $ (55,782,097) |
| Business-type Activities | 1,719,586 | 2,324,965 | 3,405,320 | 2,450,608 | 2,919,391 | 3,076,932 | 2,719,110 | 5,353,460 | 4,726,895 | 4,438,347 |
| Total Primary Government Net Expense | $ (57,752,800) | $ (52,393,468) | $ (55,176,461) | $ (61,608,259) | $ (69,389,169) | $ (56,848,567) | $ (54,583,757) | $ (52,485,555) | $ (59,067,480) | $ (51,343,750) |
| (continued) | | | | | | | | | | |
| General Revenues and Other changes in Net Assets | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Property Taxes | 34,793,918 | 36,461,684 | 37,339,842 | 38,500,753 | 38,465,332 | 40,121,731 | 41,176,093 | 41,753,013 | 41,932,197 | 41,792,533 |
| Other Taxes | 1,019,110 | 729,680 | 713,241 | 736,287 | 852,851 | 927,282 | 881,385 | 1,246,701 | 1,520,503 | 1,677,243 |
| Intergovt'l revenues not restr to spec programs | 11,009,228 | 11,050,357 | 11,112,106 | 11,277,255 | 11,139,189 | 10,359,503 | 10,311,505 | 9,626,541 | 9,480,878 | 9,206,794 |
| Investment Income | 1,954,222 | 3,283,220 | 4,144,656 | 4,495,730 | 1,561,576 | 1,257,250 | 1,124,538 | 886,889 | 681,258 | 814,462 |
| Miscellaneous | 3,769,828 | 3,963,486 | 3,723,817 | 2,756,598 | 3,247,009 | 5,742,633 | 1,550,448 | - | 4,474,689 | 148,689 |
| Gain on sale/disposal of capital assets | - | - | - | | | | | 804,940 | 662,684 | 98,680 |
| Transfers | 1,110,924 | 1,045,687 | 966,593 | 966,470 | 967,347 | 1,003,754 | 1,199,961 | 1,340,732 | 1,261,318 | 1,373,620 |
| Total Governmental Activities | 53,657,230 | 56,534,114 | 58,000,255 | 58,733,093 | 56,233,304 | 59,412,153 | 56,243,930 | 55,658,816 | 60,013,527 | 55,112,021 |
| Business-type Activities: | | | | | | | | | | |
| Investment Income | 3 | 3,782 | - | - | - | 69,152 | 8,369 | 242,949 | 206,685 | 295,901 |
| Property Taxes | 10,000 | 10,000 | 20,000 | 22,000 | 22,000 | 40,000 | 43,000 | 43,000 | 43,000 | 43,000 |
| Miscellaneous | - | 58,193 | 43,013 | 12,698 | 26,840 | - | 419,891 | 425,321 | 107,645 | 137,966 |
| Gain on sale/disposal of capital assets | - | - | 10,767 | - | - | - | 4,904,003 | - | - | - |
| Transfers | (1,110,924) | (1,045,687) | (966,593) | (966,470) | (967,347) | (1,003,754) | (1,199,961) | (1,340,732) | (1,261,318) | (1,373,620) |
| Total Business-type Activities | (1,100,921) | (973,712) | (892,813) | (931,772) | (918,507) | (894,602) | 4,175,302 | (629,462) | (903,988) | (896,753) |
| Total Primary Government | 52,556,309 | 55,560,402 | 57,107,442 | 57,801,321 | 55,314,797 | 58,517,551 | 60,419,232 | 55,029,354 | 59,109,539 | 54,215,268 |
| Change in Net Assets | | | | | | | | | | |
| Governmental Activities | (5,815,156) | 1,815,681 | (581,526) | (5,325,774) | (16,075,256) | (513,346) | (1,058,937) | (2,180,199) | (3,780,848) | (670,076) |
| Business-type Activities | 618,665 | 1,351,253 | 2,512,507 | 1,518,836 | 2,000,884 | 2,182,330 | 6,894,412 | 4,723,998 | 3,822,907 | 3,541,594 |
| Total Primary Government | (5,196,491) | 3,166,934 | 1,930,981 | (3,806,938) | (14,074,372) | 1,668,984 | 5,835,475 | 2,543,799 | 42,059 | 2,871,518 |

Data Source: City of West Allis Audited Financial Statements

Fund Balances, Governmental Funds
Last Five Years
Schedule 3

| | Fiscal Year 2010 | Fiscal Year 2011 | Fiscal Year 2012 | Fiscal Year 2013 | Fiscal Year 2014 |
|---|---|---|---|---|---|
| General Fund | | | | | |
| Nonspendable | $ 3,786,310 | $ 1,208,155 | $ 1,241,675 | $ 8,358,397 | $ 12,201,720 |
| Restricted | - | - | - | - | - |
| Committed | 584,382 | 939,369 | 823,931 | 1,525,181 | 1,550,039 |
| Assigned | 19,983,386 | 20,232,002 | 21,300,823 | 22,338,441 | 21,347,336 |
| Unassigned | 6,439,209 | 10,024,801 | 11,436,142 | 6,265,317 | 6,303,452 |
| Total General Fund | 30,793,287 | 32,404,327 | 34,802,571 | 38,487,336 | 41,402,547 |
| All Other Governmental Funds | | | | | |
| Nonspendable | | | | | |
| Special Revenue Funds | 202,242 | 195,688 | 230,900 | 218,966 | - |
| Restricted | | | | | |
| Debt Service Funds | 342,849 | 183,321 | 187,868 | 191,877 | 206,806 |
| Special Revenue Funds | 2,291,097 | 1,324,999 | 1,241,235 | 800,739 | 857,471 |
| Committed | | | | | |
| Special Revenue Funds | 784,084 | 862,180 | 878,566 | 852,057 | 758,609 |
| Assigned | | | | | |
| Capital Projects Funds | 2,406,337 | 2,924,772 | 3,203,383 | 4,698,855 | 2,473,959 |
| Unassigned | | | | | |
| Special Revenue Funds | (4,367) | - | (95,248) | (6,158) | (2,561) |
| Capital Projects Funds | (1,083,707) | (2,640,833) | (2,353,722) | (2,811,100) | (4,732,172) |
| Total All Other Governmental Funds | 4,938,535 | 2,850,127 | 3,292,982 | 3,945,236 | (437,888) |
| Total Fund Balances | $ 35,731,822 | $ 35,254,454 | $ 38,095,553 | $ 42,432,572 | $ 40,964,659 |

Data Source: City of West Allis Audited Financial Statements

(a) According to GASB 44, a ten year trend should be shown. We implemented GASB 54 in the 2010 fiscal year. Until a 10 year trend is compiled, we will show the trend of the most current years reflecting GASB 34 standards. (Below we have included a schedule which outlines the method prior to implementation.)
(b) Increase in 2013 Nonspendable general fund is due to the movement of Long-term receivables from Unassigned to Nonspendable

Fund Balances, Governmental Funds - prior to implementing GASB Statement No. 54
Five years prior to implementing GASB Statement No. 54
Supplemental Schedule 3

| | Fiscal Year 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|
| General Fund | | | | | |
| Reserved | $ 1,858,235 | $ 1,730,286 | $ 1,910,061 | $ 1,874,891 | $ 2,034,916 |
| Unreserved | 16,615,079 | 20,590,669 | 24,143,723 | 26,884,171 | 27,072,815 |
| Total General Fund | 18,473,314 | 22,320,955 | 26,053,784 | 28,759,062 | 29,107,731 |
| All Other Governmental Funds | | | | | |
| Reserved | 4,687,860 | 2,293,023 | 1,744,129 | 1,366,129 | 1,131,817 |
| Unreserved, reported in: | | | | | |
| Special Revenue Funds | 1,543,844 | 2,147,186 | 2,135,942 | 2,230,086 | 2,495,048 |
| Capital Projects Funds | 293,067 | 1,739,546 | 3,039,808 | 440,270 | 2,015,882 |
| Debt Service Funds | - | - | - | - | - |
| Total All Other Governmental Funds | 6,524,771 | 6,179,755 | 6,919,879 | 4,036,485 | 5,642,747 |
| Total Fund Balances | $ 24,998,085 | $ 28,500,710 | $ 32,973,663 | $ 32,795,547 | $ 34,750,478 |

Data Source: City of West Allis Audited Financial Statements

# City of West Allis

Changes in Fund Balance, Governmental Funds
Last ten fiscal years
Schedule 4

| | Fiscal Year | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2005 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| Revenues: | | | | | | | | | |
| Taxes | $ 32,995,348 | $ 35,607,427 | $ 36,961,227 | $ 36,796,445 | $ 38,579,707 | $ 39,606,747 | $ 40,177,449 | $ 41,223,666 | $ 41,279,078 |
| Special assessments | 716,993 | 1,042,923 | 812,257 | 966,982 | 1,138,632 | 785,050 | 1,448,361 | 1,389,005 | 940,064 |
| Intergovernmental revenues | 22,397,093 | 21,302,282 | 21,795,547 | 22,499,361 | 27,066,761 | 22,878,787 | 20,256,266 | 19,441,170 | 20,737,387 |
| Licenses & permits | 1,789,784 | 1,533,882 | 1,517,233 | 1,366,852 | 1,443,159 | 1,409,206 | 1,530,672 | 1,461,698 | 1,697,187 |
| Fines, forfeits, & penalties | 1,925,439 | 2,126,327 | 2,121,677 | 2,016,671 | 1,984,350 | 1,725,585 | 2,115,717 | 2,119,298 | 2,119,352 |
| Public charges for services | 2,785,375 | 2,985,813 | 3,512,731 | 3,110,472 | 3,252,825 | 3,365,273 | 3,362,730 | 4,160,911 | 5,381,504 |
| Interdepartmental charges (effective 2004) | 52,205 | 57,608 | 67,119 | 87,231 | 74,276 | - | - | - | - |
| Interest and loan repayments | 585,904 | 770,737 | 280,063 | 457,430 | 357,949 | 296,005 | 255,921 | 143,010 | 26,496 |
| Received from hospital | 3,301,166 | 2,542,999 | 2,534,341 | 2,544,909 | 2,499,951 | 700,238 | 551,492 | 858,988 | 300,000 |
| Interest (effective 2003) | 1,586,216 | 3,472,435 | 2,401,617 | 1,150,572 | 855,044 | 681,312 | 712,434 | 586,075 | 714,451 |
| Miscellaneous revenues | 1,558,381 | 1,975,751 | 1,686,852 | 1,400,971 | 3,547,633 | 1,591,544 | 1,733,379 | 3,948,963 | 868,912 |
| Total revenues | 69,693,904 | 73,418,184 | 73,690,664 | 72,397,896 | 80,800,287 | 73,039,747 | 72,144,421 | 75,332,784 | 74,064,431 |
| Expenditures: | | | | | | | | | |
| Current: | | | | | | | | | |
| General government | 5,711,014 | 5,027,547 | 5,627,880 | 5,658,712 | 5,966,552 | 6,375,030 | 5,556,431 | 7,067,623 | 7,403,446 |
| Public safety | 29,587,580 | 30,091,482 | 31,369,218 | 33,253,377 | 34,029,635 | 33,517,452 | 34,162,923 | 32,779,243 | 33,027,250 |
| Public works and engineering | 12,613,752 | 12,670,476 | 12,510,021 | 12,655,807 | 10,969,343 | 11,252,167 | 10,103,630 | 10,676,582 | 11,190,067 |
| Health & human services | 2,232,919 | 2,372,616 | 2,447,441 | 2,522,597 | 2,585,138 | 2,531,757 | 2,295,555 | 2,381,467 | 2,605,115 |
| Culture & recreation | 2,765,816 | 3,492,521 | 2,900,481 | 2,991,494 | 2,749,018 | 2,790,093 | 2,727,106 | 2,717,291 | 2,750,789 |
| Conservation & development | 5,269,768 | 4,871,881 | 4,195,633 | 4,506,446 | 9,260,338 | 7,511,521 | 5,459,963 | 6,005,890 | 10,469,114 |
| Fringe benefits | 370,532 | 407,448 | 756,071 | 820,134 | 326,782 | 552,288 | 968,511 | - | - |
| Debt Service: | | | | | | | | | |
| Principal | 6,816,294 | 6,145,781 | 6,407,222 | 6,299,082 | 14,070,285 | 5,036,507 | 10,422,585 | 5,457,415 | 5,450,475 |
| Interest & fiscal charges | 2,534,472 | 2,766,150 | 2,755,037 | 2,703,323 | 2,709,030 | 2,747,503 | 2,349,592 | 2,142,127 | 1,908,070 |
| Capital Projects: | 13,338,958 | 5,058,638 | 9,616,221 | 9,500,536 | 7,115,930 | 5,224,038 | 5,450,263 | 5,758,906 | 5,456,649 |
| Total expenditures | 81,241,105 | 72,904,540 | 78,585,225 | 80,911,508 | 89,782,051 | 77,538,356 | 79,496,559 | 74,986,544 | 80,260,975 |
| Excess of revenues Over/(under) expenditures | (11,547,201) | 513,644 | (4,894,561) | (8,513,612) | (8,981,764) | (4,498,609) | (7,352,138) | 346,240 | (6,196,544) |

(continued)

# City of West Allis

Changes in Fund Balance, Governmental Funds
Last ten fiscal years
Schedule 4

| | Fiscal Year | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2005 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| Other financing sources/(uses) | | | | | | | | | |
| Debt | | | | | | | | | |
| General obligation debt issued | 12,770,000 | 2,992,716 | 3,749,975 | 9,336,961 | 4,465,000 | 2,735,000 | 8,760,000 | 2,750,000 | 3,255,000 |
| Refunded general obligation debt | - | - | - | 5,505,000 | 19,600,000 | - | - | 2,520,000 | - |
| Premium on debt issued | 49,787 | - | - | 95,912 | - | - | - | - | - |
| Payment to escrow agent | - | - | - | (5,505,000) | (15,173,966) | - | - | (2,540,539) | - |
| Transfers in | 1,946,719 | 4,369,537 | 5,525,469 | 4,164,840 | 6,460,046 | 3,520,100 | 3,029,627 | 4,035,764 | 3,698,785 |
| Transfers out | (835,795) | (3,402,944) | (4,558,999) | (3,129,170) | (5,387,972) | (2,233,859) | (1,596,389) | (2,774,446) | (2,225,154) |
| Total other financing sources/(uses) | 13,930,711 | 3,959,309 | 4,716,445 | 10,468,543 | 9,963,108 | 4,021,241 | 10,193,238 | 3,990,779 | 4,728,631 |
| Net change in fund balances | 2,383,510 | 4,472,953 | (178,116) | 1,954,931 | 981,344 | (477,368) | 2,841,100 | 4,337,019 | (1,467,913) |
| Fund balances | | | | | | | | | |
| Beginning of year | 22,614,575 | 28,500,710 | 32,973,663 | 32,795,547 | 34,750,478 | 35,731,822 | 35,254,454 | 38,095,554 | 42,432,573 |
| End of year | $ 24,998,085 | $ 32,973,663 | $ 32,795,547 | $ 34,750,478 | $ 35,731,822 | $ 35,254,454 | $ 38,095,554 | $ 42,432,573 | $ 40,964,660 |
| Capital Outlay - (a) | $ 9,083,803 | $ 7,982,293 | $ 10,089,678 | $ 5,354,789 | $ 10,142,319 | $ 9,571,461 | $ 8,933,223 | $ 5,977,570 | $ 15,795,404 |
| Debt Service as a percentage of noncapital expe | 12.96% | 13.73% | 13.38% | 11.91% | 21.07% | 11.45% | 18.10% | 11.01% | 11.41% |

Data source: City of West Allis Audited Financial Statements

# City of West Allis

Assessed Value and Actual Value of all Taxable Property
Last ten fiscal years
Schedule 5

| Fiscal Year | Residential Property | Commercial Property | Industrial Property | Agricultural Property | Total Taxable Assessed Value * | Assessed Direct Tax Rate | Total Taxable Equalized Value | Equalized Direct Tax Rate | Ratio of Assessed to Equalized Value |
|---|---|---|---|---|---|---|---|---|---|
| 2005 | $ 2,350,470,100 | $ 1,078,474,900 | $ 90,130,159 | $ - | $ 3,519,075,159 | $ 9.95 | $ 3,846,320,500 | $ 9.10 | 91.49% |
| 2006 | 2,800,582,800 | 1,327,751,500 | 84,720,700 | - | 4,213,055,000 | 8.49 | 4,271,402,600 | 8.37 | 98.63% |
| 2007 | 2,804,502,500 | 1,347,784,400 | 82,986,500 | - | 4,235,273,400 | 8.65 | 4,458,719,600 | 8.22 | 94.99% |
| 2008 | 2,808,624,000 | 1,358,662,700 | 81,392,200 | - | 4,248,678,900 | 8.70 | 4,477,791,900 | 8.25 | 94.88% |
| 2009 | 2,809,930,900 | 1,384,746,900 | 81,097,100 | - | 4,275,774,900 | 8.94 | 4,361,120,200 | 8.76 | 98.04% |
| 2010 | 2,624,941,600 | 1,375,651,900 | 79,442,500 | - | 4,080,036,000 | 9.61 | 4,112,421,800 | 9.53 | 99.21% |
| 2011 | 2,630,895,800 | 1,366,489,600 | 81,954,300 | - | 4,079,339,700 | 9.76 | 3,906,288,200 | 10.19 | 104.43% |
| 2012 | 2,629,668,000 | 1,249,708,300 | 71,215,800 | - | 4,083,973,400 | 9.81 | 3,738,930,800 | 10.71 | 109.23% |
| 2013 | 2,384,999,600 | 1,166,747,100 | 72,917,900 | - | 3,732,039,400 | 10.75 | 3,701,354,200 | 10.84 | 100.83% |
| 2014 | 2,385,457,200 | 1,161,688,500 | 54,959,600 | - | 3,724,450,300 | 10.81 | 3,712,641,300 | 10.84 | 100.32% |

Data source: Wisconsin Department of Revenue and City of West Allis Tax Files
*Note: Total Taxable Assessed Value does not include tax exempt properties; Tax exempt properties are not assigned values.

# City of West Allis

Direct & Overlapping Property Tax Rates
(per $1,000 of assessed valuation)
Last ten fiscal years
Schedule 6

| | | Direct Rates | | | | | | Overlapping Rates | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Tax Year | Collection Year | City West Allis | Debt Service | Health Fund | Parking Fund | TID Increment | Assessed Total Direct | West Allis/ West Milw School District | Milwaukee Area Technical College | Milwaukee County | Milwaukee Metro Sewage Distr | State of Wisconsin | State Tax Credit | Net Tax Rate |
| 2005 | 2006 | $ 8.12 | $ 0.96 | $ 0.66 | $ 0.01 | $ 0.20 | $ 9.95 | $ 7.86 | $ 2.06 | $ 4.65 | $ 1.55 | $ 0.21 | $ - | $ 26.28 |
| 2006 | 2007 | 6.65 | 0.96 | 0.66 | 0.01 | 0.21 | 8.49 | 6.97 | 1.79 | 3.98 | 1.32 | 0.18 | - | 22.73 |
| 2007 | 2008 | 6.75 | 0.96 | 0.66 | 0.02 | 0.26 | 8.65 | 7.43 | 1.87 | 4.09 | 1.35 | 0.18 | - | 23.57 |
| 2008 | 2009 | 6.87 | 0.96 | 0.66 | 0.02 | 0.19 | 8.70 | 7.45 | 1.93 | 4.17 | 1.36 | 0.18 | - | 23.79 |
| 2009 | 2010 | 7.16 | 0.88 | 0.65 | 0.02 | 0.23 | 8.94 | 7.96 | 1.94 | 4.23 | 1.35 | 0.17 | - | 24.59 |
| 2010 | 2011 | 7.82 | 0.83 | 0.69 | 0.01 | 0.26 | 9.61 | 8.46 | 1.93 | 4.49 | 1.45 | 0.17 | - | 26.11 |
| 2011 | 2012 | 7.95 | 0.85 | 0.69 | 0.01 | 0.26 | 9.76 | 8.46 | 1.94 | 5.53 | 1.46 | 0.17 | (1.04) | 26.28 |
| 2012 | 2013 | 8.13 | 0.92 | 0.49 | 0.01 | 0.26 | 9.81 | 8.01 | 1.94 | 4.62 | 1.49 | 0.15 | - | 26.02 |
| 2013 | 2014 | 8.92 | 1.02 | 0.54 | 0.01 | 0.26 | 10.75 | 8.36 | 2.11 | 5.09 | 1.69 | 0.17 | - | 28.17 |
| 2014 | 2015 | 8.98 | 1.03 | 0.54 | 0.01 | 0.25 | 10.81 | 8.12 | 1.27 | 5.08 | 1.71 | 0.17 | - | 27.16 |

Data source: City of West Allis Tax File

Principal Property Tax Payers
Current Year and Ten Years Ago
Schedule 7

| | | 2014 Assessed Value | | | 2005 Assessed Value | | |
|---|---|---|---|---|---|---|---|
| Taxpayer | Type of Business | Total Assessed Valuation | Rank | Percentage of Total Assessed Valuation | Total Assessed Valuation | Rank | Percentage of Total Assessed Valuation |
| Whitnall-Summit Co. | Office - Warehouse | $ 38,635,100 | 1 | 1.0% | $ 29,894,191 | 1 | 0.8% |
| William Blake | Lincoln Crest Apartments | 20,592,900 | 2 | 0.6% | 19,703,600 | 2 | 0.6% |
| Ramco-Gershenson Prop | Towne Center - Office | 18,367,600 | 3 | 0.5% | 17,184,660 | 3 | 0.5% |
| JDN West Allis Assoc | Strip Mall - Pick'n Save/Kohls | 16,873,500 | 4 | 0.5% | 17,002,900 | 4 | 0.5% |
| Renaissance Faire | Office - Warehouse | 16,230,600 | 5 | 0.4% | | | N/05 |
| Quad Graphics | Printing Facility | 15,781,200 | 6 | 0.4% | 16,910,700 | 5 | 0.5% |
| Toldt Development Inc. | Apartments | 15,339,300 | 7 | 0.4% | | | N/05 |
| Metropolitan Holding Company | The Hills Apartments | 14,366,700 | 8 | 0.4% | 12,821,551 | 6 | 0.4% |
| Sam's Real Estate | Sam's Club | 12,181,800 | 9 | 0.3% | 11,952,119 | 7 | 0.3% |
| Dayton-Hudson Corp. | Commercial - Target | 11,341,100 | 10 | 0.3% | | | N/05 |
| LBS Ltd Partnership | Apartments | 10,987,800 | 11 | 0.3% | 9,552,911 | 14 | 0.3% |
| Harold Wilde | Car Dealership | 10,888,600 | 12 | 0.3% | | | N/05 |
| Riverwood Associates | Apartments | 10,678,500 | 13 | 0.3% | | | N/05 |
| Heritage 6 LLC | Senior Apt Assisted Living | 10,541,000 | 14 | 0.3% | | | N/05 |
| Home Depot | Home Depot | 10,423,700 | 15 | 0.3% | 10,262,921 | 11 | 0.3% |
| SPTMNR Properties Trust | Senior Apt Assisted Living | 9,863,500 | 16 | 0.3% | | | N/05 |
| James Krahn | Various Apartments | 9,785,300 | 17 | 0.3% | 10,867,400 | 9 | 0.3% |
| Southtown Plaza LLC | | 9,150,600 | 18 | 0.2% | | | N/05 |
| Veterans Park | | 8,955,900 | 19 | 0.2% | | | N/05 |
| NDC LLC | Strip Mall - Pick'n Save/Kohls | 8,876,800 | 20 | 0.2% | 9,156,000 | 15 | 0.3% |
| 1126 West Allis Operating | Commercial - Office | | | N/14 | 9,781,061 | 13 | 0.3% |
| Charles Benidt | Food Store/Storage/Gas Station | | | N/14 | 11,214,161 | 8 | 0.3% |
| Centerpoint Properties | Warehouses | | | N/14 | 10,800,000 | 10 | 0.3% |
| Centre Point Development | Office - Warehouse | | | N/14 | 10,002,326 | 12 | 0.3% |
| Total | | $279,861,500 | | 7.5% | $207,106,501 | | 5.9% |

Data Source: City of West Allis - Assessors Office

( a ) Based on total Assessed Value

| | |
|---|---|
| 1/1/2005 | $3,519,075,199 |
| 1/1/2014 | $3,724,450,300 |

( b ) This table represents the current year and ten years ago, 2005.
( c ) N/14 = Not a top 20 Principal Property Tax Payer in 2014
( d ) N/05 = Not a top 15 Principal Property Tax Payer in 2005

# City of West Allis

Property Tax Levies & Collections
Last ten years
Schedule 8

| Levy Year | Collection Year | Total Tax Levy (1) | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|---|---|---|---|---|---|---|---|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2005 | 2006 | $ 93,577,601 | $ 93,520,763 | 99.94% | $ 42,546 | $ 93,563,309 | 99.98% |
| 2006 | 2007 | 97,020,376 | 96,970,309 | 99.95% | 38,131 | 97,008,440 | 99.98% |
| 2007 | 2008 | 101,348,833 | 101,266,466 | 99.92% | 63,950 | 101,330,416 | 99.97% |
| 2008 | 2009 | 102,739,447 | 102,685,524 | 99.95% | 39,845 | 102,725,369 | 99.97% |
| 2009 | 2010 | 107,265,288 | 107,214,684 | 99.95% | 30,298 | 107,244,982 | 99.97% |
| 2010 | 2011 | 109,084,702 | 109,032,984 | 99.95% | 29,397 | 109,062,381 | 99.97% |
| 2011 | 2012 | 110,126,451 | 110,071,355 | 99.95% | 34,454 | 110,105,809 | 99.98% |
| 2012 | 2013 | 110,120,559 | 110,064,533 | 99.95% | 25,872 | 110,090,405 | 99.97% |
| 2013 | 2014 | 115,309,554 | 115,260,031 | 99.96% | 11,502 | 115,271,533 | 99.97% |
| 2014 | 2015 | 111,137,220 | 111,092,765 | 99.96% | * | | |

* Data for the 2015 collection year is not yet available.
(1) Includes all special assessments and charges placed on tax roll for all taxing entities.

Data source: City of West Allis Finance Division Records

City of West Allis

Ratios of General Bonded Net Debt Outstanding Chart 1
Ratios of General Bonded Net Debt and Bond Anticipation Notes (BAN's) Outstanding Chart 2
Last ten years
Schedule 9

| Fiscal Year | Total General Bonded Debt | Designated Funds for Debt Service | Net General Bonded Debt | Total Taxable Equalized Value | Ratio of General Bonded Debt to Equalized Property Value | Total Taxable Assessed Value | Ratio of General Bonded Debt to Assessed Property Value | Population | Net General Bonded Debt Per Capita |
|---|---|---|---|---|---|---|---|---|---|
| 2005 | $ 59,565,880 | $ 1,193,095 | $ 58,372,785 | $ 3,846,320,500 | 1.52% | $ 3,519,075,159 | 1.66% | 60,515 | $ 964.60 |
| 2006 | 59,421,446 | 1,567,709 | 57,853,737 | 4,271,402,600 | 1.35% | 4,213,055,000 | 1.37% | 60,300 | 959.43 |
| 2007 | 58,285,695 | 1,226,225 | 57,059,470 | 4,458,719,600 | 1.28% | 4,235,273,400 | 1.35% | 60,410 | 944.54 |
| 2008 | 59,264,073 | 763,508 | 58,500,565 | 4,477,791,900 | 1.31% | 4,248,678,900 | 1.38% | 60,370 | 969.03 |
| 2009 | 69,732,577 | 503,693 | 69,228,884 | 4,361,120,200 | 1.59% | 4,275,774,900 | 1.62% | 60,600 | 1,142.39 |
| 2010 | 79,299,669 | 342,849 | 78,956,820 | 4,112,421,800 | 1.92% | 4,080,036,000 | 1.94% | 60,411 | 1,306.99 |
| 2011 | 78,518,268 | 183,321 | 78,334,947 | 3,906,288,200 | 2.01% | 4,079,339,700 | 1.92% | 60,365 | 1,297.69 |
| 2012 | 78,409,836 | 187,868 | 78,221,968 | 3,738,930,800 | 2.09% | 4,083,973,400 | 1.92% | 60,732 | 1,287.99 |
| 2013 | 76,649,304 | 191,877 | 76,457,427 | 3,701,354,200 | 2.07% | 3,732,039,400 | 2.05% | 60,300 | 1,267.95 |
| 2014 | 75,644,916 | 206,806 | 75,438,110 | 3,712,641,300 | 2.03% | 3,724,450,300 | 2.03% | 60,697 | 1,242.86 |

| Fiscal Year | Net General Bonded Debt | Bond Anticipation Notes | Bonded Debt and BAN's | Total Taxable Equalized Value | Ratio of General Bonded and BAN Debt to Equalized Property Value | Total Taxable Assessed Value | Ratio of General Bonded and BAN Debt to Assessed Property Value | Population | Net General Bonded Debt and BAN Per Capita |
|---|---|---|---|---|---|---|---|---|---|
| 2005 | $ 58,372,785 | $15,625,000 | $ 73,997,785 | $ 3,846,320,500 | 1.92% | $ 3,519,075,159 | 2.10% | 60,515 | $ 1,222.80 |
| 2006 | 57,853,737 | 17,965,000 | 75,818,737 | 4,271,402,600 | 1.78% | 4,213,055,000 | 1.80% | 60,300 | 1,257.36 |
| 2007 | 57,059,470 | 17,205,000 | 74,264,470 | 4,458,719,600 | 1.67% | 4,235,273,400 | 1.75% | 60,410 | 1,229.34 |
| 2008 | 58,500,565 | 16,205,000 | 74,705,565 | 4,477,791,900 | 1.67% | 4,248,678,900 | 1.76% | 60,370 | 1,237.46 |
| 2009 | 69,228,884 | 10,360,000 | 79,588,884 | 4,361,120,200 | 1.82% | 4,275,774,900 | 1.86% | 60,600 | 1,313.35 |
| 2010 | 78,956,820 | - | 78,956,820 | 4,112,421,800 | 1.92% | 4,080,036,000 | 1.94% | 60,411 | 1,306.99 |
| 2011 | 78,334,947 | - | 78,334,947 | 3,906,288,200 | 2.01% | 4,079,339,700 | 1.92% | 60,365 | 1,297.69 |
| 2012 | 78,221,968 | - | 78,221,968 | 3,738,930,800 | 2.09% | 4,083,973,400 | 1.92% | 60,732 | 1,287.99 |
| 2013 | 76,457,427 | - | 76,457,427 | 3,701,354,200 | 2.07% | 3,732,039,400 | 2.05% | 60,300 | 1,267.95 |
| 2014 | 75,438,110 | - | 75,438,110 | 3,712,641,300 | 2.03% | 3,724,450,300 | 2.03% | 60,697 | 1,242.86 |

The City issues all business-type activity debt as levy-supported, general obligation debt.

Data sources: Equalized Value - Wisconsin Department of Revenue
Estimated Population - Wisconsin Department of Administration
Debt - City of West Allis Finance Division records

Ratios of Outstanding Debt by Type
Last ten years
Schedule 10

| | Governmental Activities | | | | | | | Business Activities | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Fiscal Year | General City | Tax Increment Districts | West-Allis Hospital | Total General Obligation Bonds/Notes | BAN's General City Pension | BAN's Tax Increment Districts | Total Bond Anticipation Notes (BAN) | General Obligation Bonds/Notes | Total Primary Government | Percentage of Personal Income | Per Capita |
| 2005 | $ 21,026,073 | $ 13,681,183 | $ 15,380,000 | $ 50,087,256 | $ 2,790,000 | $ 12,835,000 | $ 15,625,000 | $ 9,478,624 | $ 75,190,880 | 0.88% | $ 1,242.52 |
| 2006 | 20,713,243 | 15,067,662 | 12,645,000 | 48,425,905 | 2,100,000 | 15,865,000 | 17,965,000 | 10,995,541 | 77,386,446 | 0.98% | 1,283.36 |
| 2007 | 20,366,538 | 14,712,282 | 10,595,000 | 45,673,820 | 1,340,000 | 15,865,000 | 17,205,000 | 12,611,875 | 75,490,695 | 1.11% | 1,249.64 |
| 2008 | 21,063,153 | 14,483,420 | 8,470,000 | 44,016,573 | 340,000 | 15,865,000 | 16,205,000 | 15,247,500 | 75,469,073 | 1.37% | 1,250.11 |
| 2009 | 22,757,762 | 23,896,690 | 6,245,000 | 52,899,452 | - | 10,360,000 | 10,360,000 | 16,833,125 | 80,092,577 | 1.60% | 1,321.66 |
| 2010 | 22,558,385 | 33,871,816 | 1,650,000 | 58,080,201 | - | - | - | 21,219,468 | 79,299,669 | 1.99% | 1,312.67 |
| 2011 | 22,560,000 | 32,213,694 | 1,005,000 | 55,778,694 | - | - | - | 22,739,574 | 78,518,268 | 2.12% | 1,300.73 |
| 2012 | 22,505,000 | 31,121,109 | 490,000 | 54,116,109 | - | - | - | 24,402,131 | 78,518,240 | 2.24% | 1,292.86 |
| 2013 | 22,130,000 | 29,304,943 | - | 51,434,943 | - | - | - | 25,477,573 | 76,912,516 | 2.26% | 1,275.50 |
| 2014 | 21,805,000 | 27,034,469 | - | 48,839,469 | - | - | - | 26,712,998 | 75,552,467 | * | 1,244.75 |

Data source: Wisconsin Department of Revenue and Wisconsin Department of Administration
The City issues all business-type activity debt as levy-supported, general obligation debt.
*Note: Data for 2014 Personal Income is not yet available.

**Legal Debt Margin Information - Required Debt**
Last ten years
Schedule 11

| | 2005 | 2006 | 2007 | 2008 | 2009 | Fiscal Years 2010 |
|---|---|---|---|---|---|---|
| Equalized Value of Real and Personal Property | $ 3,846,320,500 | $ 4,271,402,600 | $ 4,458,719,600 | $ 4,477,791,900 | $ 4,361,120,200 | $ 4,112,421,800 |
| **General Obligation Debt Limit** Five (5) Percent of Equalized Valuation per Section 67.03 of the Wisconsin Statutes | **192,316,025** | **213,570,130** | **222,935,980** | **223,889,595** | **218,056,010** | **205,621,090** |
| Amount of Debt Applicable to Debt Limitation: | | | | | | |
| General Obligation Bonds/Notes | 59,565,880 | 59,421,446 | 58,285,695 | 59,264,073 | 69,732,577 | 79,299,669 |
| Less: Amount Available for Financing GO Debt | (1,193,095) | (1,567,709) | (1,226,225) | (763,508) | (503,693) | (342,849) |
| **Net O/S GO Debt Applicable to Debt Limitation** | **58,372,785** | **57,853,737** | **57,059,470** | **58,500,565** | **69,228,884** | **78,956,820** |
| **Legal margin for New Debt** | **$ 133,943,240** | **$ 155,716,393** | **$ 165,876,510** | **$ 165,389,030** | **$ 148,827,126** | **$ 126,664,270** |
| Total net debt applicable to the limit as a percentage of debt limit | 30.35% | 27.09% | 25.59% | 26.13% | 31.75% | 38.40% |

Only incluedes debt required under state law.

Source: City of West Allis Finance Division Records

**Debt Margin Information - All Debt**
Last ten years
Schedule 11a

| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|---|---|---|---|---|---|---|
| Equalized Value of Real and Personal Property | $ 3,846,320,500 | $ 4,271,402,600 | $ 4,458,719,600 | $ 4,477,791,900 | $ 4,361,120,200 | $ 4,112,421,800 |
| **General Obligation Debt Limit** Five (5) Percent of Equalized Valuation per Section 67.03 of the Wisconsin Statutes | **192,316,025** | **213,570,130** | **222,935,980** | **223,889,595** | **218,056,010** | **205,621,090** |
| Amount of Debt Applicable to Debt Limitation: | | | | | | |
| General Obligation Bonds/Notes | 59,565,880 | 59,421,446 | 58,285,695 | 59,264,073 | 69,732,577 | 79,299,669 |
| Bond Anticipation Notes/Bonds | 15,625,000 | 17,965,000 | 17,205,000 | 16,205,000 | 10,360,000 | - |
| Less: Amount Available for Financing GO Debt | (1,193,095) | (1,567,709) | (1,226,225) | (763,508) | (503,693) | (342,849) |
| **Net O/S GO Debt Applicable to Debt Limitation** | **73,997,785** | **75,818,737** | **74,264,470** | **74,705,565** | **79,588,884** | **78,956,820** |
| **Legal margin for New Debt** | **$ 118,318,240** | **$ 137,751,393** | **$ 148,671,510** | **$ 149,184,030** | **$ 138,467,126** | **$ 126,664,270** |
| Total net debt applicable to the limit as a percentage of debt limit | 38.48% | 35.50% | 33.31% | 33.37% | 36.50% | 38.40% |

Includes Anticipation Notes although not required under state law.
The City issues all business-type activity debt as levy-supported, general obligation debt.
Data source: City of West Allis Finance Division Records

Computation of Direct, Overlapping, and Underlying Debt
Current Year and Ten Years Prior
Schedule 12

| Governmental Unit | 12/31/2014 General Obligation Bonded Debt Outstanding | Percentage Applicable to City | Amount Applicable to City |
|---|---|---|---|
| City - all outstanding debt (schedule 11a) | $ 75,644,914 | 100.00% | $ 75,644,914 |
| Milwaukee Area Technical College | 83,120,000 | 5.27% | 4,381,505 |
| Milwaukee County | 721,728,545 | 6.48% | 46,761,514 |
| West Allis/West Milwaukee School District | 23,275,582 | 84.46% | 19,659,441 |
| Milwaukee Metropolitan Sewage District | 972,948,617 | 6.61% | 64,271,040 |
| Total Overlapping | 1,801,072,744 | | 135,073,500 |
| Total Direct and Overlapping Debt | $ 1,876,717,658 | | $ 210,718,414 |

Percentage based on equalized value of the City as it relates to the over all value of each district
The City issues all business-type activity debt as levy-supported, general obligation debt.
Data source: By Ehlers Inc. - financial consultants from information provided by the individual taxing units.

| Governmental Unit | 12/31/2005 General Obligation Bonded Debt Outstanding | Percentage Applicable to City | Amount Applicable to City |
|---|---|---|---|
| City - all outstanding debt (schedule 11a) | $ 73,997,848 | 100.00% | $ 73,997,848 |
| Milwaukee Area Technical College | 51,035,000 | 5.55% | 2,832,443 |
| Milwaukee County | 438,461,711 | 6.79% | 29,771,550 |
| West Allis/West Milwaukee School District | 11,790,000 | 86.17% | 10,159,443 |
| Milwaukee Metropolitan Sewage District | 678,620,338 | 6.94% | 47,096,251 |
| Total Overlapping | 1,179,907,049 | | 89,859,687 |
| Total Direct and Overlapping Debt | $ 1,253,904,897 | | $ 163,857,535 |

Percentage based on equalized value of the City as it relates to the over all value of each district
The City issues all business-type activity debt as levy-supported, general obligation debt.
Data source: By Ehlers & Associates, Inc. financial consultants form information provided by the individual taxing units.

# City of West Allis

Demographic & Economic Statistics
Last ten years
Schedule 13

| | | | Per Capita Adjusted Gross Income | | | Unemployment Rates as of December not seasonally adjusted | | |
|---|---|---|---|---|---|---|---|---|
| Year | Population | Personal Income (in thousands) | City of West Allis | Milwaukee County | State of Wisconsin | City of West Allis | Milwaukee County | State of Wisconsin |
| 2005 | 60,515 | $ 1,075,412,065 | $ 17,771 | $ 19,372 | $ 22,214 | 4.9% | 5.8% | 4.8% |
| 2006 | 60,300 | 1,122,318,254 | 18,612 | 20,782 | 23,845 | 4.9% | 5.6% | 4.7% |
| 2007 | 60,410 | 1,140,721,796 | 18,883 | 21,603 | 24,374 | 4.9% | 5.7% | 4.8% |
| 2008 | 60,370 | 1,114,633,491 | 18,463 | 21,233 | 24,329 | 5.1% | 5.7% | 4.9% |
| 2009 | 60,600 | 1,052,799,187 | 17,373 | 20,195 | 23,211 | 9.2% | 9.6% | 8.7% |
| 2010 | 60,411 | 1,065,367,628 | 17,365 | 20,486 | 24,214 | 8.1% | 9.6% | 8.3% |
| 2011 | 60,635 | 1,072,587,150 | 17,689 | 20,681 | 24,218 | 8.1% | 9.0% | 6.6% |
| 2012 | 60,300 | 1,090,007,200 | 18,076 | 21,433 | 26,271 | 7.6% | 7.9% | 6.9% |
| 2013 | 60,300 | 1,127,473,200 | 18,698 | 22,411 | 26,963 | 6.4% | 7.2% | 5.8% |
| 2014 | 60,697 | * | * | * | * | 5.2% | 6.0% | 4.7% |

* : not available at this time
Data source: Per Capita Adjusted Gross Income - Wisconsin Department of Revenue https://www.revenue.wi.gov/ra/muni-agi/munag
Data source: Unemployment Rates - Wisconsin Department of Workforce Development - Wisconsin's Worknet web site below.
http://worknet.wisconsin.gov/worknet/dalaus.aspx?menuselection=da
Personal Income = Per Capita Adjusted Gross Income times population

Principal Employers
Current year and ten years prior
Schedule 14

| | | 2014 | | | 2005 | | |
|---|---|---|---|---|---|---|---|
| Employer | Type of Business | Employees | Rank | Percentage of Total County Employment | Employees | Rank | Percentage of Total County Employment |
| West Allis Memorial Hospital | Regional Hospital | 1,671 | 1 | 0.35% | 1,203 | 1 | 0.28% |
| West Allis School District | Elementary/Secondary Education | 1,400 | 2 | 0.29% | 943 | 2 | 0.22% |
| Quad Graphics | Commercial Printer | 914 | 3 | 0.19% | 913 | 3 | 0.21% |
| Johnson Controls | Engineering and IT | 700 | 4 | 0.15% | N/05 | | N/05 |
| Brookdale Senior Living (previously Alterra) | Assisted Care Health Provider | 600 | 5 | 0.12% | N/05 | | N/05 |
| City of West Allis | Municipal Government | 517 | 6 | 0.11% | 524 | 4 | 0.12% |
| Covenant Health Systems | Health Care Services | 332 | 7 | 0.07% | 203 | 14 | 0.05% |
| Village of Manor Park | Nursing Home & Retirement Facility | 287 | 8 | 0.06% | 351 | 5 | 0.08% |
| Aurora Visiting Nurses Assn. Of Milwaukee | Social Service Agency | 293 | 9 | 0.06% | 226 | 8 | 0.05% |
| Milwaukee Technical Area College | Technical College | 289 | 10 | 0.06% | 229 | 7 | 0.05% |
| Chr. Hansen Lab, Inc. | Food Additive Manufacturer | 285 | 11 | 0.06% | 213 | 11 | 0.05% |
| US Bank | Banking Services | 261 | 12 | 0.05% | N/05 | | N/05 |
| Childrens Hospital | Health Care Services | 250 | 13 | 0.05% | N/05 | | N/05 |
| Sullivan/Schein Dental Products | Dental Equipment Distributor | 220 | 14 | 0.05% | 225 | 10 | 0.05% |
| Motor Castings Company | Foundry | 225 | 15 | 0.05% | N/05 | | N/05 |
| Wilde Toyota | Auto Dealership | 209 | 16 | 0.04% | 168 | 18 | 0.04% |
| ReGENco (Now Toshiba International Corp) | Fabrication/Repair Turbines | 175 | 17 | 0.04% | N/05 | | N/05 |
| C & H Distributors | Industrial Products Direct Marketer | 173 | 18 | 0.04% | 203 | 13 | 0.05% |
| Rogers Memorial Hospital | Psychiatric Hospital | 173 | 19 | 0.04% | 198 | 15 | 0.05% |
| Mitchell Manor/Meadowmere Campus | Assisted Living | 170 | 20 | 0.04% | N/05 | | N/05 |
| Unit Drop Forge Company | Iron, Steel Forgings | 161 | 21 | 0.03% | 140 | 23 | 0.03% |
| Grebes Bakery | Commercial Bakery | 150 | 22 | 0.03% | 180 | 17 | 0.04% |
| Poblocki & Sons | Custom Electrical Signs | 130 | 23 | 0.03% | 143 | 22 | 0.03% |
| Poblocki Paving Corp. | Paving Contractor | 120 | 24 | 0.02% | N/05 | | N/05 |
| International Auto's | Auto Dealership | 118 | 25 | 0.02% | N/05 | | N/05 |
| HM Graphics | Advertising/Marketing | 110 | | 0.02% | 150 | 21 | 0.04% |
| Colders Furniture Showplace | Furniture/Appliance Dealership | 116 | | 0.02% | 162 | 19 | 0.04% |
| Home Depot | Retail Hardware | N/14 | | N/14 | 153 | 20 | 0.04% |
| Gordon Flesch | Office Machines Sales/Services | N/14 | | N/14 | 130 | 24 | 0.03% |
| Milwaukee Ductile Iron, Inc | Foundry | N/14 | | N/14 | 296 | 6 | 0.07% |
| Motor Castings Co | Foundry | N/14 | | N/14 | 226 | 9 | 0.05% |
| SAI Speciality Assoc | Roofing Technologies | N/14 | | N/14 | 207 | 12 | 0.05% |
| Alterra | Assisted Care Health Provider | | | | 186 | 16 | 0.04% |
| Langer Roofing | Roofing/Construction | | | | 125 | 25 | 0.03% |
| | | 10,049 | | 2.18% | 7,697 | | 1.79% |

Data source: City of West Allis - telephone survey of employers within the City
Wisconsin Worknet - http://worknet.wisconsin.gov/worknet - for Milwaukee County Labor Information

Various Statistics
Last ten years
Schedule 15

General Government - City Employees - Full Time Equivelents

| | Fiscal Year | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Mayor | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 | 1.25 |
| City Attorney | 5.87 | 5.87 | 6.05 | 6.05 | 6.25 | 6.25 | 6.25 |
| Municipal Court | 2.75 | 2.75 | 2.75 | 2.75 | 2.75 | 2.75 | 2.75 |
| City Assessor | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 | 5.75 |
| Administration | | | | | | | |
| Administrative Office | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 |
| Information Services | 7.00 | 7.30 | 7.30 | 7.30 | 8.30 | 8.15 | 8.75 |
| Purchasing/Central Services | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| Human Resources | 4.25 | 4.25 | 4.25 | 4.25 | 4.33 | 4.38 | 4.38 |
| Finance | 5.90 | 5.85 | 5.85 | 5.85 | 5.85 | 5.85 | 5.85 |
| Clerk/Treasurer | 6.00 | 6.00 | 6.00 | 5.75 | 5.75 | 5.75 | 5.75 |
| Police Depatment | 159.00 | 158.00 | 154.00 | 155.00 | 157.25 | 157.25 | 157.25 |
| Fire Department | 113.00 | 113.00 | 110.00 | 110.00 | 110.00 | 110.00 | 110.00 |
| Planning (Development) | 1.78 | 1.78 | 1.78 | 1.78 | 1.88 | 2.10 | 2.40 |
| Building Inspection & Zoning | 12.00 | 12.00 | 11.50 | 11.50 | 12.00 | 12.50 | 12.05 |
| Health Department | 24.35 | 24.35 | 24.81 | 24.81 | 25.11 | 25.11 | 25.40 |
| Senior Center | 2.50 | 2.50 | 2.10 | 2.10 | 2.10 | 2.10 | 2.10 |
| Public Library | 22.80 | 22.30 | 22.30 | 22.30 | 22.30 | 21.30 | 21.00 |
| Public Works | | | | | | | |
| Administrative Office | | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.25 |
| Building and Electrical | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 30.00 | 29.50 |
| Street and Sanitation | 57.00 | 56.25 | 56.00 | 56.00 | 56.00 | 56.00 | 56.00 |
| Forestry | 16.75 | 16.75 | 15.75 | 15.75 | 15.75 | 15.75 | 16.00 |
| Equipment Repair | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 |
| Inventory Services Recycling | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 4.00 | 3.50 |
| Engineering | 18.00 | 18.00 | 18.00 | 17.00 | 17.00 | 17.00 | 16.50 |
| Total | 521.70 | 524.20 | 515.69 | 515.44 | 519.87 | 518.49 | 517.43 |
| | | | | | | | |
| Public Safety | | | | | | | |
| Police Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Police Sub Station | 0 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire Stations | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| | | | | | | | |
| Public Works/Engineering | | | | | | | |
| Streets (miles) | 194 | 194 | 194 | 194 | 194 | 194 | 194 |
| Alleys (miles) | 43 | 43 | 43 | 43 | 43 | 43 | 43 |
| Side Walks (miles) | 278 | 278 | 278 | 278 | 278 | 278 | 278 |
| Sanitary Sewer (miles) | 177 | 177 | 177 | 177 | 175 | 177 | 177 |
| Storm Sewer (miles) (changed calc method 2009) | 152 | 152 | 152 | 152 | 163 | 163 | 163 |
| Street Lights (in 2010 added double lights) | 7,086 | 7,086 | 7,086 | 7,086 | 7,086 | 7,322 | 7,322 |
| Alley Lights | 756 | 756 | 756 | 756 | 756 | 756 | 756 |
| City owned parking lots | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Parking Stalls | 1,339 | 1,339 | 1,339 | 1,339 | 1,339 | 1,339 | 1,339 |
| | | | | | | | |
| Water Utility | | | | | | | |
| Number of feet of Water Main | 1,101,346 | 1,102,207 | 1,102,205 | 1,102,466 | 1,102,557 | 1,102,428 | 1,102,941 |
| Number of Hydrants | 2,622 | 2,622 | 2,623 | 2,619 | 2,619 | 2,620 | 2,621 |
| Daily Average Used (gallons) | 5,827,548 | 5,658,540 | 5,523,307 | 6,364,132 | 5,933,825 | 5,933,825 | 5,244,126 |
| Water Storage | | | | | | | |
| Tower - 84th and National - gallons | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Tower - 116th and Rodgers - gallons | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Underground - 96th and Mitchell - gallons | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |

Data Source: City of West Allis - various departmental reports

Operating Indicators by Program/Function
Ten Year Trend
Schedule 16

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
| **Public Safety** | | | | | | | | | | |
| Fire | | | | | | | | | | |
| Alarm Data | | | | | | | | | | |
| Fire | 234 | 184 | 172 | 160 | 167 | 172 | 145 | 172 | 172 | 136 |
| Rupture/Explosion | 8 | 5 | 2 | 3 | - | 3 | 4 | 3 | 6 | - |
| Hazardous Condition | 254 | 245 | 231 | 243 | 283 | 259 | 248 | 214 | 243 | 239 |
| Service | 403 | 382 | 392 | 453 | 375 | 153 | 145 | 116 | 134 | 154 |
| Good Intent | 224 | 267 | 289 | 269 | 286 | 252 | 257 | 190 | 187 | 176 |
| False Alarms | 418 | 532 | 515 | 496 | 557 | 519 | 517 | 451 | 427 | 491 |
| Weather | 4 | 2 | 1 | 16 | 1 | 2 | 1 | 2 | 3 | 1 |
| Other | 4 | 5 | 1 | 3 | 5 | 2 | 2 | 2 | 1 | 3 |
| Total Alarm | 1,549 | 1,622 | 1,603 | 1,643 | 1,674 | 1,362 | 1,319 | 1,150 | 1,173 | 1,200 |
| Emergency Medical Services Transport | | | | | | | | | | |
| Paramedic Unit (Advance Life) | 1,194 | 1,209 | 1,310 | 1,400 | 1,549 | 1,536 | 1,964 | 2,052 | 2,195 | 2,521 |
| Fire Rescue Unit (Basic Life) | 3,777 | 3,747 | 3,424 | 3,587 | 2,696 | 3,269 | 3,086 | 3,078 | 3,080 | 2,721 |
| Other Units on Scene | 50 | 60 | 92 | 80 | 51 | 78 | 44 | 22 | 36 | 69 |
| Total Patient Transports | 5,021 | 5,016 | 4,826 | 5,067 | 4,296 | 4,883 | 5,094 | 5,152 | 5,311 | 5,311 |
| Bureau of Fire Prevention Activity | | | | | | | | | | |
| Compliance Inspections | 8,628 | 8,546 | 8,613 | 8,516 | 8,430 | 8,793 | 9,723 | 6,241 | 5,691 | 5,840 |
| Plan Reviews | 427 | 433 | 397 | 361 | 322 | 364 | 277 | 300 | 306 | 277 |
| Site Inspections | 211 | 286 | 214 | 273 | 263 | 226 | 150 | 137 | 116 | 140 |
| **General Government** | | | | | | | | | | |
| Building Permits Issued | 1,919 | 1,811 | 1,648 | 1,649 | 1,480 | 1,673 | 1,592 | 1,586 | 1,588 | 1,616 |
| Building Permit Value | $62,729,841 | $38,452,724 | $50,101,452 | $39,108,752 | $20,636,858 | $23,791,748 | $32,812,843 | $29,295,073 | $32,246,059 | $55,627,260 |
| **Library** | | | | | | | | | | |
| Registered Borrowers | 33,402 | 35,172 | 37,500 | 34,116 | 36,603 | 38,798 | 33,910 | 35,993 | 38,018 | 39,978 |
| References | 55,301 | 51,766 | 47,642 | 68,194 | 89,064 | 109,470 | 75,086 | 91,764 | 88,410 | 60,201 |
| Library Visits | 358,956 | 339,612 | 294,528 | 287,970 | 295,308 | 371,332 | 309,898 | 409,392 | 479,544 | 460,000 |
| Circulation Transactions | 745,932 | 764,674 | 718,185 | 688,048 | 735,736 | 778,409 | 774,833 | 743,520 | 727,740 | 688,953 |
| Items Loaned | 88,446 | 91,099 | 58,875 | 48,001 | 51,564 | 67,116 | 73,733 | 75,027 | 81,015 | 81,248 |
| Items Received | 46,166 | 49,513 | 54,709 | 51,005 | 60,832 | 78,309 | 83,118 | 77,027 | 74,244 | 74,175 |
| Library Collection | | | | | | | | | | |
| Books Owned | 218,251 | 224,868 | 218,567 | 217,983 | 217,747 | 211,993 | 208,223 | 207,461 | 204,797 | 200,669 |
| Audio Materials | 13,225 | 13,526 | 14,200 | 14,611 | 15,181 | 15,547 | 16,401 | 17,355 | 18,204 | 19,519 |
| Data Bases | 10 | 8 | 10 | 19 | 21 | 18 | 67 | 66 | 66 | 66 |
| Video Materials | 14,270 | 14,859 | 14,883 | 14,114 | 15,346 | 16,198 | 16,019 | 17,415 | 20,070 | 21,025 |
| Subscriptions | 398 | 396 | 439 | 357 | 326 | 307 | 309 | 294 | 341 | 505 |
| Other - Includes Electronic Format | 984 | 1,001 | 985 | 1,044 | 799 | 760 | 865 | 917 | 869 | 862 |
| Electronic Books/Audio/Video(new) (continued) | - | - | - | - | 16,026 | 17,871 | 38,049 | 72,733 | 97,087 | 133,498 |
| **Water Utility** | | | | | | | | | | |
| Number of Metered Customers | | | | | | | | | | |
| Residential | 17,343 | 17,365 | 17,387 | 17,385 | 17,369 | 17,348 | 17,349 | 17,311 | 17,366 | 17,226 |
| Multifamily (Residential) (New 2014) | | | | | | | | | | 641 |
| Commercial | 2,040 | 2,043 | 2,039 | 2,038 | 2,036 | 2,031 | 2,031 | 2,085 | 2,036 | 1,502 |
| Industrial | 80 | 75 | 73 | 70 | 65 | 64 | 64 | 63 | 63 | 61 |
| Public Authority (new 2008) | N/A | N/A | N/A | 79 | 78 | 78 | 78 | 81 | 81 | 77 |
| Total | 19,463 | 19,483 | 19,499 | 19,572 | 19,548 | 19,521 | 19,522 | 19,540 | 19,546 | 19,507 |
| Gallons Sold (thousands) | | | | | | | | | | |
| Residential | 1,149,784 | 962,445 | 1,044,385 | 1,021,885 | 1,011,479 | 958,161 | 963,787 | 981,401 | 915,421 | 869,246 |
| Multifamily (Residential) (New 2014) | | | | | | | | | | 214,208 |
| Commercial | 611,083 | 640,416 | 623,803 | 653,641 | 588,911 | 599,183 | 585,032 | 616,844 | 590,619 | 384,881 |
| Industrial | 254,734 | 266,289 | 222,001 | 177,749 | 143,208 | 82,047 | 86,900 | 94,007 | 76,163 | 79,498 |
| Public Authority (new 2008) | N/A | N/A | N/A | 128,421 | 131,863 | 132,134 | 123,465 | 124,470 | 124,093 | 131,184 |
| Total | 2,015,601 | 1,869,150 | 1,890,189 | 1,981,696 | 1,875,461 | 1,771,525 | 1,759,184 | 1,816,722 | 1,706,296 | 1,679,017 |
| Gallons Pumped into System (1,000) | 2,503,403 | 2,314,713 | 2,295,387 | 2,322,908 | 2,165,846 | 1,953,640 | 1,914,106 | 1,978,427 | 1,821,724 | 1,959,773 |
| Total Gallons Sold (1,000) | 2,127,055 | 2,065,367 | 2,016,007 | 1,981,696 | 1,875,461 | 1,771,525 | 1,759,184 | 1,816,722 | 1,706,296 | 1,679,017 |
| Lost Water Unaccounted For (1,000) | 325,442 | 208,324 | 206,585 | 213,365 | 160,385 | 155,115 | 154,922 | 134,705 | 86,628 | 280,756 |
| Percent of water lost | 13% | 9% | 9% | 9% | 7% | 8% | 8% | 7% | 6% | 14% |
| Total KWH used for pumping | 1,056,791 | 1,002,582 | 1,115,140 | 1,169,460 | 1,323,425 | 1,271,438 | 1,004,555 | 901,732 | 832,756 | 1,959,773 |

Data Source (Public Safety): 2014 City of West Allis Annual Fire Report
Data Source (General Government): City of West Allis Building Inspection records
Data Source (Library): 2014 City of West Allis Library Report
Data Source (Water Utility): 2014 City of West Allis Public Service Commision Annual Report

# ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

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## INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Common Council
City of West Allis, Wisconsin
Milwaukee County, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Allis, Wisconsin, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City of West Allis, Wisconsin's basic financial statements, and have issued our report thereon dated June 30, 2015. Other auditors audited the financial statements of the First-Ring Industrial Redevelopment Enterprise, Inc. (FIRE), as described in our report on City of West Allis, Wisconsin's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of West Allis, Wisconsin's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of West Allis, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of West Allis, Wisconsin's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of West Allis, Wisconsin's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of West Allis, Wisconsin's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of West Allis, Wisconsin's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.

Schenck SC

Certified Public Accountants
Green Bay, Wisconsin
June 30, 2015

# SINGLE AUDIT SECTION

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# INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE *STATE SINGLE AUDIT GUIDELINES*

To the Honorable Mayor and Common Council
City of West Allis
Milwaukee County, Wisconsin

## Report on Compliance for Each Major Federal and State Program

We have audited the City of West Allis, Wisconsin's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the City of West Allis, Wisconsin's major federal and state programs for the year ended December 31, 2014. The City of West Allis, Wisconsin's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of City of West Allis, Wisconsin's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, *OMB Circular A-133* and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about City of West Allis, Wisconsin's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City of West Allis, Wisconsin's compliance.

### *Opinion on Each Major Federal and State Program*

In our opinion, the City of West Allis, Wisconsin complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2014.

**Report on Internal Control Over Compliance**

Management of City of West Allis, Wisconsin is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City of West Allis, Wisconsin's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of West Allis, Wisconsin's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and the *State Single Audit Guidelines.* Accordingly, this report is not suitable for any other purpose.

Schmidt SC

Certified Public Accountants
Green Bay, Wisconsin
June 30, 2015

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2014

| Grantor Agency/Pass-through Agency/Program Title | Federal CFDA Number | (Accrued) Deferred 1/1/14 | Cash Receipts | Accrued (Deferred) 12/31/14 | Total Revenues | Total Expenditures |
|---|---|---|---|---|---|---|
| U.S. DEPARTMENT OF AGRICULTURE | | | | | | |
| Passed through Wisconsin Department of Health and Family Services | | | | | | |
| Supplemental Food Program for Women, Infants and Children | 10.557 | $ (46,223) | $ 462,543 | $ 79,302 | $ 495,622 | $ 495,622 |
| State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | 10.561 | - | 6,234 | 7,365 | 13,599 | 13,599 |
| Total U.S. Department of Agriculture | | (46,223) | 468,777 | 86,667 | 509,221 | 509,221 |
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | | | | |
| Direct Programs | | | | | | |
| Community Development Block Grants | 14.218 | (217,850) | 1,318,663 | 192,988 | 1,293,801 | 1,293,801 |
| *Section 8 Cluster* | | | | | | |
| Section 8 Housing Choice Vouchers | 14.871 | - | 2,624,786 | - | 2,624,786 | 2,624,786 |
| Section 8 Management Fees | 14.871 | - | 295,886 | - | 295,886 | 295,886 |
| *Total Section 8 Cluster* | | - | 2,920,672 | - | 2,920,672 | 2,920,672 |
| *Community Development Block Grant Cluster* | | | | | | |
| Passed through Wisconsin Department of Commerce | | | | | | |
| Community Development Block Grant - State's Program | 14.228 | (278) | 353,241 | 30,818 | 383,781 | 383,781 |
| Passed through the City of Milwaukee, Wisconsin | | | | | | |
| Community Development Block Grant - State's Program | 14.228 | (56,876) | 56,876 | - | - | - |
| *Total Community Development Block Grant Cluster* | | (57,154) | 410,117 | 30,818 | 383,781 | 383,781 |
| Passed through Milwaukee County | | | | | | |
| HOME Investment Partnerships Program | 14.239 | (26,433) | 26,433 | 107,642 | 107,642 | 107,642 |
| Total U.S. Department of Housing and Urban Development | | (301,437) | 4,675,885 | 331,448 | 4,705,896 | 4,705,896 |
| U.S. DEPARTMENT OF JUSTICE | | | | | | |
| Passed through Milwaukee County | | | | | | |
| Byrne Memorial Justice Assistance Grant | 16.738 | (35,995) | 43,486 | 35,927 | 43,418 | 43,418 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2014

| Grantor Agency/Pass-through Agency/Program Title | Federal CFDA Number | (Accrued) Deferred 1/1/14 | Cash Receipts | Accrued (Deferred) 12/31/14 | Total Revenues | Total Expenditures |
|---|---|---|---|---|---|---|
| U.S. DEPARTMENT OF TRANSPORTATION | | | | | | |
| Passed through Wisconsin Department of Transportation | | | | | | |
| Highway Planning and Construction | 20.205 | | | | | |
| Project #1693-43-70/71 | | - | 427,088 | 354,806 | 781,894 | 781,894 |
| Project #1009-00-22 | | - | 35,000 | - | 35,000 | 35,000 |
| Highway Safety | 20.600 | | | | | |
| Pedestrian Safety Grant | | - | 2,000 | - | 2,000 | 2,000 |
| Alcohol Enforcement Grant | | (3,086) | 32,582 | - | 29,496 | 29,496 |
| Bicycle Safety Program | | - | 2,160 | - | 2,160 | 2,160 |
| Click it or ticket | | - | 4,407 | - | 4,407 | 4,407 |
| TRACS project | | - | 4,800 | - | 4,800 | 4,800 |
| Speed Enforcement Aggressive Driver | | 94 | - | - | 94 | 94 |
| Total U.S. Department of Transportation | | (2,992) | 508,037 | 354,806 | 859,851 | 859,851 |
| U.S. ENVIRONMENTAL PROTECTION AGENCY | | | | | | |
| Passed through the WI Department of Natural Resources | | | | | | |
| Ready for Reuse Grant | 66.469 | (19,091) | 41,647 | 58,354 | 80,910 | 80,910 |
| U.S. DEPARTMENT OF ENERGY | | | | | | |
| Direct Program | | | | | | |
| Recovery Act - Energy Efficiency and Conservation Block Grant | 81.128 | (2,054) | 2,054 | - | - | - |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | | | | |
| Passed through Wisconsin Department of Health Services | | | | | | |
| Public Health Emergency Preparedness | 93.069 | (6,283) | 6,283 | - | - | - |
| Public Health Emergency Preparedness Aligned Cooperative Agreements | 93.074 | (4,972) | 80,604 | 3,153 | 78,785 | 78,785 |
| Immunization Cooperative Agreements | 93.268 | (1,907) | 20,200 | (1,337) | 16,956 | 16,956 |
| Strengthening Public Health Infrastructure for Improved Health Outcomes | 93.507 | (979) | 979 | - | - | - |
| Medical Assistance Program | 93.778 | (471) | 1,551 | 354 | 1,434 | 1,434 |
| Preventive Health and Health Services Block Grant | 93.991 | (16,792) | 19,945 | 159 | 3,312 | 3,312 |
| Maternal and Child Health Services Block Grant | 93.994 | (7,744) | 25,518 | 5,816 | 23,590 | 23,590 |
| Total U.S. Department of Health and Human Services | | (39,148) | 155,080 | 8,145 | 124,077 | 124,077 |

(Continued)

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2014

| Grantor Agency/Pass-through Agency/Program Title | Federal CFDA Number | (Accrued) Deferred 1/1/14 | Cash Receipts | Accrued (Deferred) 12/31/14 | Total Revenues | Total Expenditures |
|---|---|---|---|---|---|---|
| U.S. DEPARTMENT OF HOMELAND SECURITY | | | | | | |
| Direct Program | | | | | | |
| Assistance to Firefighters Grant | 97.044 | | | | | |
| Project #EMW-2008-FO-06640 | | - | - | 3,438 | 3,438 | 3,438 |
| EXECUTIVE OFFICE OF THE PRESIDENT | | | | | | |
| Direct Program | | | | | | |
| High Intensity Drug Trafficking Area Program | 95.001 | (284,590) | 1,223,592 | 569,355 | 1,508,357 | 1,508,357 |
| TOTAL FEDERAL FINANCIAL ASSISTANCE | | $ (731,530) | $ 7,118,558 | $ 1,448,140 | $ 7,835,168 | $ 7,835,168 |

The notes to the schedules of expenditures of federal awards and state financial assistance are an integral part of these schedules.

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of State Financial Assistance
For the Year Ended December 31, 2014

| Grantor Agency/Pass-through Agency/Program Title | State I.D. Number | (Accrued) Deferred Revenue 1/1/14 | Cash Receipts | Accrued (Deferred) Revenue 12/31/14 | Total Revenues | Total Expenditures |
|---|---|---|---|---|---|---|
| WISCONSIN DEPARTMENT OF NATURAL RESOURCES | | | | | | |
| Brownfield Site Assessments | 370.687 | | | | | |
| Direct Program | | | | | | |
| Plate Engineering Site | | $ - | $ 40,308 | $ - | $ 40,308 | $ 40,308 |
| Passed through Wisconsin Economic Development Corporation | | | | | | |
| SAG #WEDC BF SAG FY 13-21408 | 370.587 | (37,749) | 41,959 | - | 4,210 | 4,210 |
| SAG # WEDC BF SAG FY 13-21909 | | - | - | 127,000 | 127,000 | 127,000 |
| Municipal Flood Control Program | 370.unknown | (106,419) | 19,460 | 86,959 | - | - |
| Total Wisconsin Department of Natural Resources | | (144,168) | 101,727 | 213,959 | 171,518 | 171,518 |
| WISCONSIN DEPARTMENT OF HEALTH AND FAMILY SERVICES | | | | | | |
| WIC Farmers' Market | 435.154720 | (1,739) | 2,834 | 2,283 | 3,378 | 3,378 |
| Birth Defects - Children and Youths with Special Health Care Needs F | 435.154790 | - | 1,183 | - | 1,183 | 1,183 |
| WWWP-GPR | 435.157000 | (25,035) | 57,176 | (14,808) | 17,333 | 17,333 |
| CONS CONTRACTS CHHD LD | 435.157720 | (4,110) | 10,684 | 1,168 | 7,742 | 7,742 |
| Maternal and Child Health Services | 435.159320 | (471) | 1,551 | 354 | 1,434 | 1,434 |
| Total Wisconsin Department of Health and Family Services | | (31,355) | 73,428 | (11,003) | 31,070 | 31,070 |
| WISCONSIN DEPARTMENT OF ADMINISTRATION | | | | | | |
| Beat Patrol Grant #2009-BP-01-1579-3 | 505.603 | - | 121,434 | - | 121,434 | 121,434 |
| TOTAL STATE FINANCIAL ASSISTANCE | | $ (175,523) | $ 296,589 | $ 202,956 | $ 324,022 | $ 324,022 |

The notes to the schedules of expenditures of federal awards and state financial assistance are an integral part of these schedules.

**CITY OF WEST ALLIS, WISCONSIN**
Notes to the Schedule of Expenditures of Federal Awards
and the Schedule of State Financial Assistance
For the Year Ended December 31, 2014

## NOTE A - BASIS OF PRESENTATION

In accordance with the audit requirements issued by the Office of Management and Budget (OMB) Circular A-133 and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, supplementary information is presented by the City in regard to federal and state financial assistance programs administered by the City.

## NOTE B - SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedule are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the City's 2014 financial statements. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the City in the succeeding year while deferred revenue represents advances for federal and state programs that exceed recorded City expenditures.

Federal Programs: The City of West Allis qualifies as a low risk auditee in accordance with paragraph 530 of OMB Circular A-133. Therefore major programs, as identified in Section I of the Schedule of Findings and Questioned Costs, represent those with combined expenditures exceeding 25% of total federal awards that also were deemed major programs based on the auditor's risk assessment. All other federal programs are considered non-major programs.

State Programs: Major programs represent state assistance programs with expenditures of $100,000 or more and other state programs classified as major in the *State Single Audit Guidelines*. All other state assistance programs required to be included in the Schedule of State Financial Assistance in accordance with Appendix H of the State Single Audit Guidelines are non-major programs.

## NOTE C - OVERSIGHT AGENCIES

The federal and state oversight agencies for the City are as follows:

Federal - U.S. Department of Housing and Urban Development
State - Wisconsin Department of Revenue

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2014

## Section I - Summary of Auditors' Results

| | |
|---|---|
| Basic Financial Statements | |
| Type of auditors' report issued: | Unmodified |
| Internal control over financial reporting: | |
| • Material weakness(es) identified? | No |
| • Significant deficiencies identified? | None Reported |
| Noncompliance material to basic financial statements noted? | No |
| Federal Awards Programs | |
| Internal control over major program: | |
| • Material weakness(es) identified? | No |
| • Significant deficiencies identified? | None Reported |
| Type of auditors' report issued on compliance for major programs | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? | No |
| Audit threshold used to determine between Type A and Type B programs: | $300,000 |
| Auditee qualified as low-risk auditee | Yes |

Identification of major federal programs:

| CFDA Number | Name of Federal Program |
|---|---|
| | *Housing Voucher Cluster* |
| 14.871 | Section 8 Housing Choice Vouchers |
| | *CDBG - State-Administered CDBG Cluster* |
| 14.228 | Community Development Block Grants/Special Purpose Grants/Insular Areas |
| | *Highway Planning and Construction Cluster* |
| 20.205 | Highway Planning and Construction |
| 10.557 | Special Supplemental Nutrition Program for Women, Infants, and Children |

| | |
|---|---|
| State Awards Programs | |
| Internal control over major program: | |
| • Material weakness(es) identified? | No |
| • Significant deficiencies identified? | None Reported |
| Type of auditors' report issued on compliance for major programs | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with *State Single Audit Guidelines*? | No |
| Audit threshold used to determine between Type A and Type B programs: | $100,000 |
| Auditee qualified as low-risk auditee | Yes |

Identification of major state programs:

| CFDA Number | Name of State Program |
|---|---|
| 370.587 | Site Assessment Grant FY13-21909 |

## Section II - Financial Statement Findings

There are no findings related to the basic financial statements required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2014.

## Section III - Federal and State Award Findings and Questioned Costs

There are no findings related to the federal and state awards for the year ended December 31, 2014.

**CITY OF WEST ALLIS, WISCONSIN**
Schedule of Prior Year Audit Findings and Corrective Action Plan
For the Year Ended December 31, 2014

## Prior Year Audit Findings

There were no findings or questioned costs for federal awards or state financial assistance for the year ended December 31, 2013.

## Corrective Action Plan

There were no findings or questioned costs for federal awards and state financial assistance for the year ended December 31, 2014.