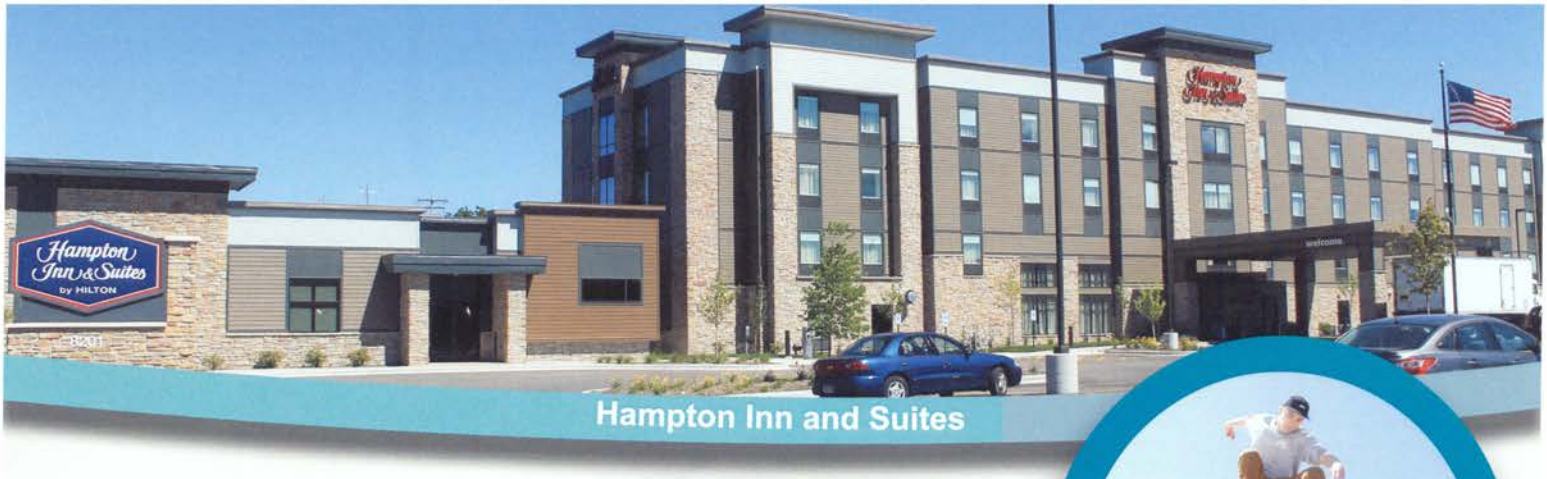

Hampton Inn and Suites

West Allis Skate Park

CITY AT THE CENTER
WEST ALLIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2015

Yellow Freight Redevelopment

Hwy 100 Development

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF WEST ALLIS, WISCONSIN
for the year ended December 31, 2015

CITY AT THE CENTER
WEST ALLIS

PREPARED BY THE FINANCE DEPARTMENT

Kris Moen, CPA
Interim Finance Director/Comptroller

Shawn Hart, CPA
Deputy Treasurer

Nicole O'Connor
Senior Accountant

Candi Sczerzen
Accountant

Christine Phinney
Grants Accountant

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CITY OF WEST ALLIS, WISCONSIN
December 31, 2015

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December 31, 2015

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December 31, 2015

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INTRODUCTORY SECTION

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June 24, 2016

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, 2015. This report has been prepared by the City's Finance Department. Although the Financial Statements were examined by the independent auditors Schenck SC, and their opinion is that all financial statements present fairly, in all material respects, the City's position at December 31, 2015, 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, 2014, 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.

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 2015 population is 60,329.

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 515 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 nineteen departments, headed by fourteen 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. Tax Bills are mailed in the first week of December to all property owners.

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. Tax increment financing is the primary tool utilized, but the City also takes advantage of numerous grant programs and other innovative tools, including New Market Tax credits. The City's philosophy is to assist a private-sector developer in taking the lead on any redevelopment initiative. However, when no private-sector developer steps forward, the City, through its Community Development Authority (CDA) will lead the redevelopment effort as a "developer of last resort". The CDA becomes a change agent and performs the necessary investigation, clean-up, demolition, research, marketing, and analysis that is sufficient to attract a development or a particular use and create the conditions that are acceptable to secure private sector investment and bank financing.

The City of West Allis has created 14 Tax Incremental Financing Districts that consist of many sizes and solve many different problems. These Districts are in various stages of implementation, from completed to recently adopted. They range from individual parcel (re)developments, such as Quad/Graphics, to larger neighborhood transformations, like the Six Points/Farmers Market District. Some of them focus on job creation, like Summit Place, while others, such as the Pioneer District, provide housing options and neighborhood improvements. More often than not, districts contain multiple aspects.

The City's most successful TIF District is Summit Place (TID #7) which revitalized two vacant, dilapidated, former Allis Chalmers Manufacturing Company properties into 678,000 square feet of built-out office space which is 98% leased and occupied. It is currently valued at approximately $63 million; has become the second largest office building complex in the metro Milwaukee area; and has brought over 2,700 jobs to the City since 2004. The initial transformation has continued to serve as a catalyst in the area. More recent improvements have included streetscaping and improvements to the adjacent Towne Center shopping center, the addition of two parking structures necessary due to the additional jobs brought to area, and a Neighborhood Residential Improvement program to address blighting influences, and to strengthen investment to ensure the continued success of the surrounding neighborhood. Without the proactive use of TIF, there was little probability that property values would have increased to current levels. As a direct result of this TID, the Summit Place area is now the City's largest taxpayer and the City's largest employment center.

The CDA has loaned Whitnall Summit approximately $3 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. These funds could provide a potential source of financing should the Six Points/Farmers Market TID need some form of donor TID contribution.

TID #11 was created in 2010 to undertake the redevelopment of 11.4 acres of land impacted by flooding in 2008. The land is located at 84th & Greenfield Avenue, across the street from the Wisconsin State Fairgrounds & Exposition Center. The project involved several creative financial strategies and solutions with the goal of attracting a hotel development (often identified as a top goal in the City's long-range strategic plan). Specifically, EB-5 Financing was utilized, 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 in TID #11 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 Hotel and Conference Center, which opened in October of 2015.

Other recent highlights in the City's TIF Districts included the 2015 completion of a $14 million industrial building in TID #10 (Yellow Freight) on a former trucking terminal site and the cleanup of neighborhood blight into the completion of a $1.2 million office space in TID #13 (Home Juice).

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".

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. 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 is the oldest continuously operating motor speedway.

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. 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. Continued expansion plans are on-going including the design of a bike bridge over Hwy 100 with potential construction in 2018.

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 payments while the second account is used exclusively for payroll purposes. 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, Corporate Bonds, Government Pool and Repurchase Agreements. In 2015, the highest concentrations of the City's cash portfolio were maintained in the American Deposit Corporation, Tri-City Investment account, and corporate 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 value has increased from $3.5 billion in 2005 to over $3.7 billion in 2015.

As of the writing of this transmittal, unemployment in West Allis of 6.5% is slightly above the state-wide average of 5.5%, much improved from the 7.7% 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 in the General Fund of at least 5% of expenditures, but in practice the City has maintained a much healthier level of reserves. In 2015, unassigned fund balance was 12% of expenditures and, total spendable fund balance was 60% of expenditures. 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, 2014. This was the eighteenth 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.

ACKNOWLEDGMENT

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

Kris Moen
Interim 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, 2014

Executive Director/CEO

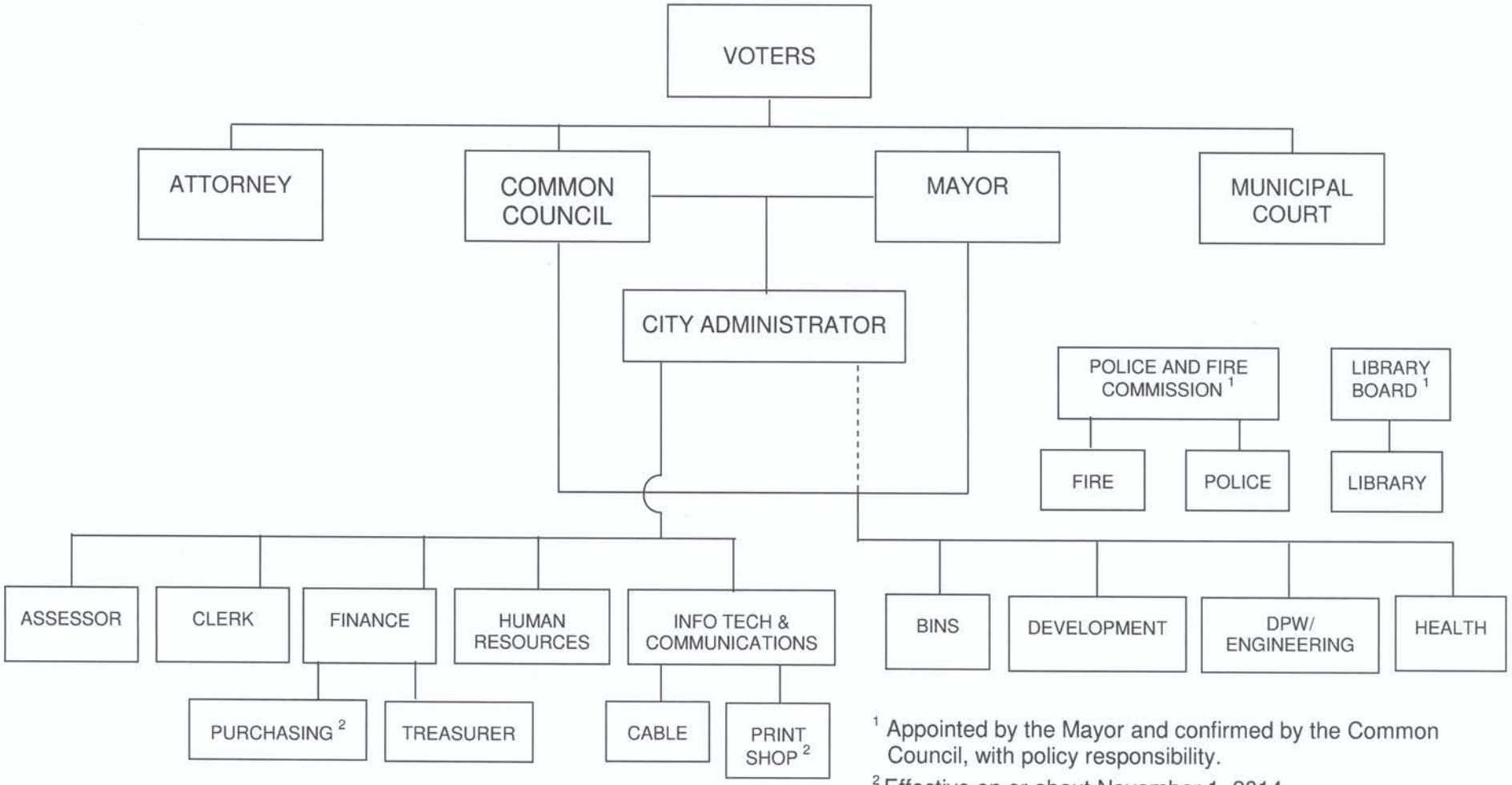
CITY OF WEST ALLIS, WISCONSIN
General Information

ELECTED CITY OFFICIALS

Mayor and Council

	Initial Term Commenced	Current Term Expires
Dan Devine, Mayor	4/2008	4/2020
Gary T. Barczak, Alderperson	4/1988	4/2020
Thomas G. Lajsic, Alderperson & Council President	4/1996	4/2020
Marty Wiegel, Alderperson	5/2003	4/2020
Michael May, Alderperson	4/2012	4/2020
Michael Czaplewski, Alderperson	4/1995	4/2020
Rosalie Reinke, Alderperson	4/1992	4/2020
Kevin Haass, Alderperson	4/2014	4/2020
Cathleen M. Probst, Alderperson	4/2012	4/2020
Daniel Roadt, Alderperson	4/2008	4/2020
Vincent Vitale, Alderperson	4/1988	4/2020
Elected Official		
Scott Post, City Attorney	3/2002	4/2020
Paul Murphy, Judge	5/2003	4/2019

ORGANIZATIONAL CHART
CITY OF WEST ALLIS



[1] Appointed by the Mayor and confirmed by the Common Council, with policy responsibility.

[2] Effective on or about November 1, 2014

[3] Authorization includes one Fire position not listed.

NOTE: Solid lines indicate lines of policy and program authority; dashed lines indicate lines of administrative and financial authority.

Regular positions for 2014 budget: 515.53[3] City FTE (per budget)

FINANCIAL SECTION

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Schenck sc
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 discretely presented component unit, 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, 2015, 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). 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of December 31, 2015, 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.

Emphasis of Matter

As discussed in Note E.10., the City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No.27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68.* Our opinions are not modified with respect to this matter.

As discussed in Note E.11, the City recorded a prior period adjustment of $1,154,791 in the government-wide financial statements to reclassify the donations to the City Library from a component unit to a special revenue fund. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 18 through 32 and the schedules relating to pensions and other post-employment benefits on pages 80 through 83 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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2016, 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 24, 2016

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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, 2015. 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 5-11 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 $269,459,903 (*net position*). Of this amount, $25,666,329 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 $8,756,782 from what was available at the end of 2014 when the City had a positive $34,423,111 in unrestricted net position.

- The City's net position for the governmental activities decreased by $10,665,847 (please see page 39 of the financial statements). The primary reason for the decrease relates to depreciation expense attributable to the city-owned hospital. While the city owns the hospital building and equipment, it has no responsibility for replacement of capital assets and equipment. The hospital is operated by Aurora Health Care, who manages the facility but due to the city's ownership depreciation of hospital assets is included in the City's government wide financial statements. In 2015, depreciation expense exceeded capital outlays by $6,891,775; over half of which is attributable to the hospital. The other significant draw down on the City's unrestricted net position is the accrual for post-employment benefits (OPEB) which was $6,066,650 for 2015. This amount is calculated under GASB Statement #45 and is the related ARC. Another major adjustment is related to debt – the net between what was issued and what was paid down helps offset the OPEB adjustment.

- As of the close of the current year, the City's governmental funds reported combined 2015 ending fund balances of $45,414,995 as compared to $40,964,659 at the end of 2014. Of the total, approximately 51% (23,092,082) is classified as spendable fund balance.

- At the end of the current year, unassigned fund balance for the general fund was $6,653,462 or approximately 12% of total general fund expenditures compared to $6,303,452 or approximately 12% at the end of 2014. Revenues from Fines, Forfeitures, and Penalties, as well as Miscellaneous Revenues didn't meet budget expectations, however overall, total revenues exceeded projections in 2015. Additionally, 2015 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 inflows of resources, with the difference between the two being 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 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 a legally separate component units known as the First-Ring Industrial Redevelopment Enterprise, Inc. (FIRE). Financial information for the components unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 33-35 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 31 individual governmental funds during 2015. 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 29 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 36 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 41 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 47-79 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 80 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 85 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 $269,459,903 at the close of 2015. This compares to $258,412,483 at the close of 2014. 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
	2015	2014	2015	2014	2015	2014
Current and other assets	$195,065	$185,622	$21,927	$20,684	$216,992	$206,306
Capital assets	194,651	201,742	95,006	91,053	289,657	292,795
Total assets	387,364	387,364	116,933	111,737	506,649	499,101
Deferred outflows						
Loss on debt refunding	219	0	150	176	369	176
Pension	8,132	0	516	0	8,648	0
Total Deferred Outflows	8,351	0	666	176	198,871	198,871
Long-term liabilities						
Outstanding	92,381	89,177	29,906	28,637	122,287	117,814
Other Liabilities	79,252	78,076	2,672	2,981	81,924	81,057
Total liabilities	171,633	167,253	32,578	28,568	204,211	198,871
Deferred inflows						
Property taxes	41,950	41,950	43	43	41,993	41,993
Net position:						
Net investment in capital assets	153,877	158,433	67,387	64,492	221,263	222,925
Restricted	21,512	1,064	1,018	0	20,530	1,064
Unrestricted	9,094	18,664	16,572	15,759	25,666	34,423
Total net position	$184,483	$178,161	$84,977	$80,252	$269,460	$258,412

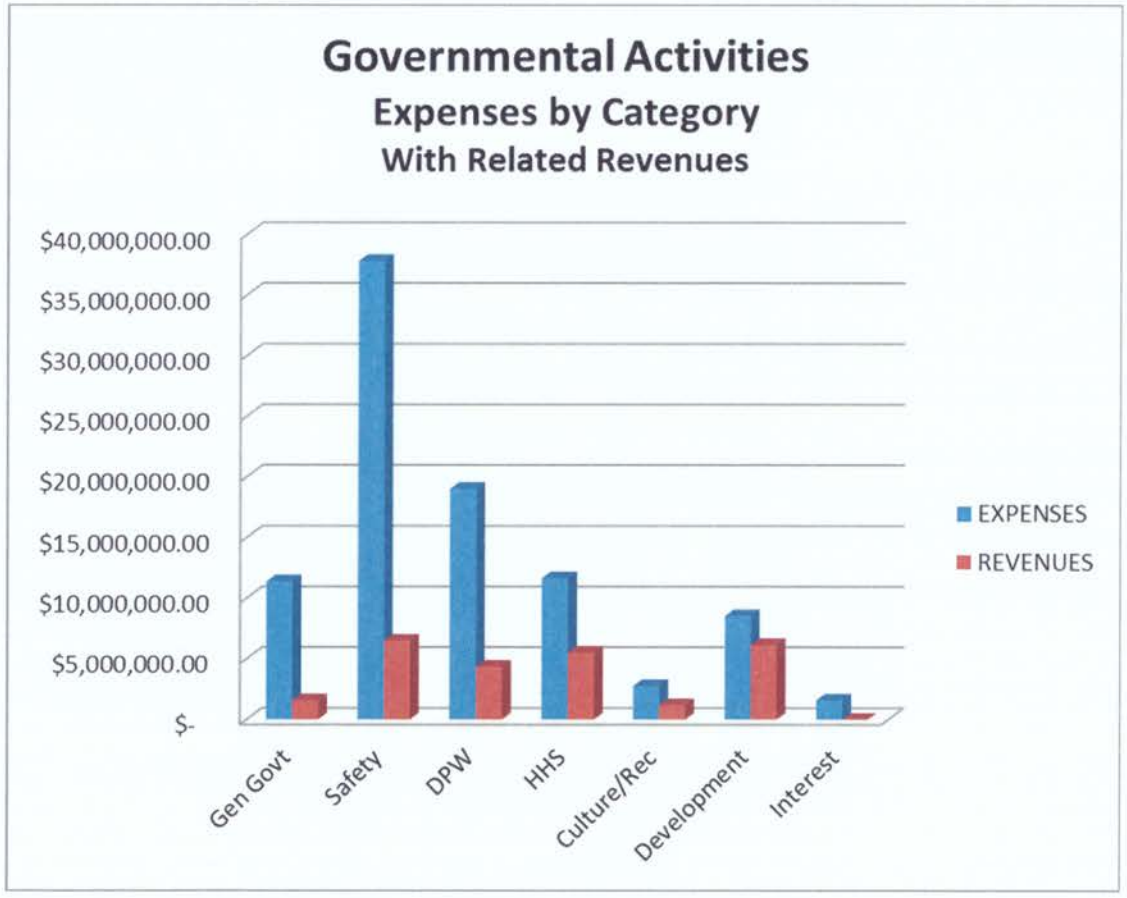
An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, a positive $25,666,329, is available to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position balance will decline over the next several years as we continue to recognize the Pension Obligation and 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 assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

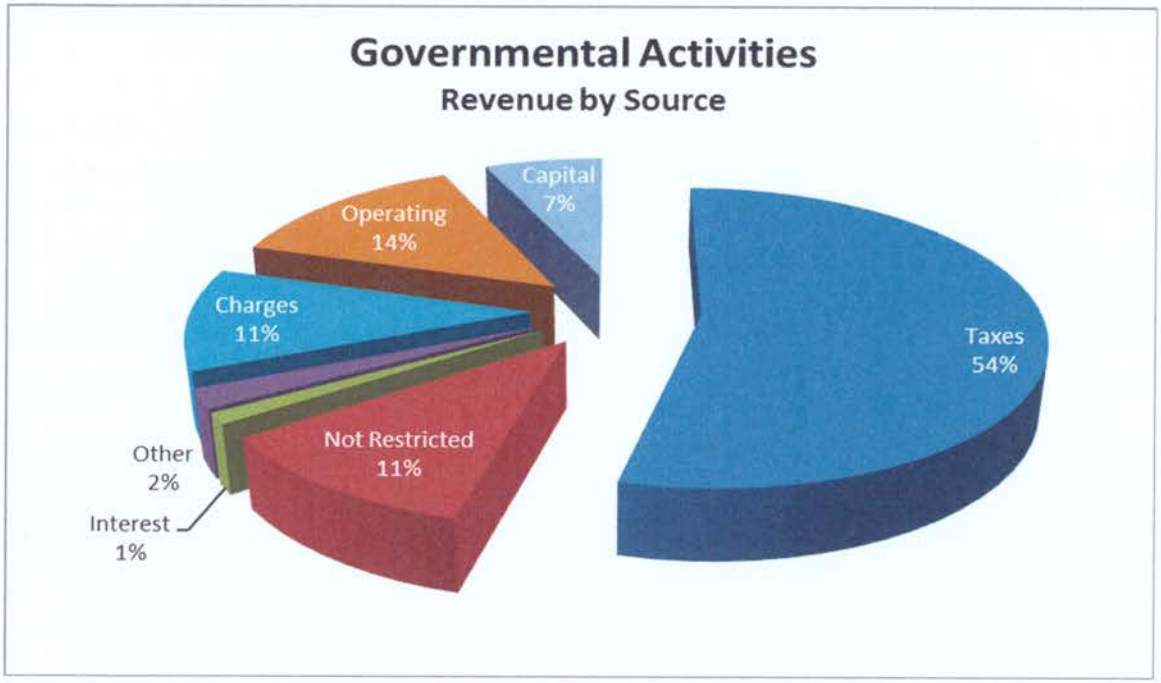
City of West Allis Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues:						
Charges for services	$8,942,523	$11,819,105	$21,824,456	$21,360,255	$30,766,979	$33,179,360
Operating grants and contributions	11,075,011	11,194,095	265,463	278,735	11,340,474	11,472,830
Capital grants and contributions	5,309,681	13,279,356	10,820	11,335	5,320,501	13,290,691
General Revenues:						
Property taxes	41,761,926	41,792,533	43,000	43,000	41,804,926	41,835,533
Other taxes	1,718,495	1,677,243	0	0	1,718,495	1,677,243
Grants and contributions not restricted to specific programs	9,205,072	9,206,794	0	0	9,205,072	9,206,794
Other	2,653,232	1,061,831	244,711	433,867	2,897,943	1,495,698
Total Revenues	$80,655,940	$90,030,957	$22,388,450	$22,127,192	$112,158,149	$112,158,149
Expenses						
General Government	11,379,723	12,683,740	0	0	11,379,723	12,683,740
Public Safety	37,791,564	37,249,881	0	0	37,791,564	37,249,881
Public Works	19,015,175	19,435,157	0	0	19,015,175	19,435,157
Health and Human Services	11,662,378	10,697,085	0	0	11,662,378	10,697,085
Culture & Recreation	2,778,993	2,633,438	0	0	2,778,993	2,633,438
Development	8,549,672	7,490,488	0	0	8,549,672	7,490,488
Interest on long-term debt	1,605,841	1,884,864	0	0	1,605,841	1,884,864
Water Utility	0	0	6,895,088	6,986,601	6,895,088	6,986,601
Sanitary Sewer Utility	0	0	5,823,936	5,845,286	5,823,936	5,845,286
Storm Sewer Utility	0	0	2,523,771	2,391,743	2,523,771	2,391,743
Solid Waste Utility	0	0	1,714,919	1,721,052	1,714,919	1,721,052
Parking Utility	0	0	104,526	76,664	104,526	76,664
Senior Citizen's Housing	0	0	150,944	190,632	150,944	190,632
Total Expenses	$92,783,346	$92,074,653	$17,213,184	$17,211,978	$109,996,530	$109,286,631
Increase in net position before transfer	-12,117,406	-2,043,696	5,175,266	4,915,214	-6,942,140	2,871,518
Transfers	1,451,559	1,373,620	-1,451,559	-1,373,620	0	0
Change in net position	-10,665,847	-670,076	3,723,707	3,541,594	-6,942,140	2,871,518
Net position - January 1	178,160,592	178,830,668	80,251,891	76,710,297	258,412,483	255,540,965
Prior Period Adjustment	1,154,791	0	0		1,154,791	
Cumulative Effect of Acctg Chg	15,832,954	0	1,001,815	0	16,834,769	0
Net position - January 1 restated	195,148,337	178,830,668	$81,253,706	$76,710,297	276,402,043	255,940,965
Net position - December 31	$184,482,490	$178,160,592	$84,977,413	$80,251,891	$269,459,903	$258,412,483

Governmental activities: Governmental activities decreased the City's net position by $10,665,847 in 2015, compared to $670,076 in 2014. Key elements of this net decrease are as follows:

- Other Post-Employment Benefits created a negative adjustment of $6,066,650.
- Depreciation expense for governmental activities reflected in the statement of activities is $15,412,979. 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 $8,521,204 for a net negative adjustment of $6,891,775.
- Payment to an escrow agent for the advance refunding of debt, plus the net between general obligation debt issued and paid, created a positive net adjustment of $2,989,579.





Business-type activities. Business-type activities increased the City's net position by $3,723,707. Key elements of this net increase in assets are as follows:

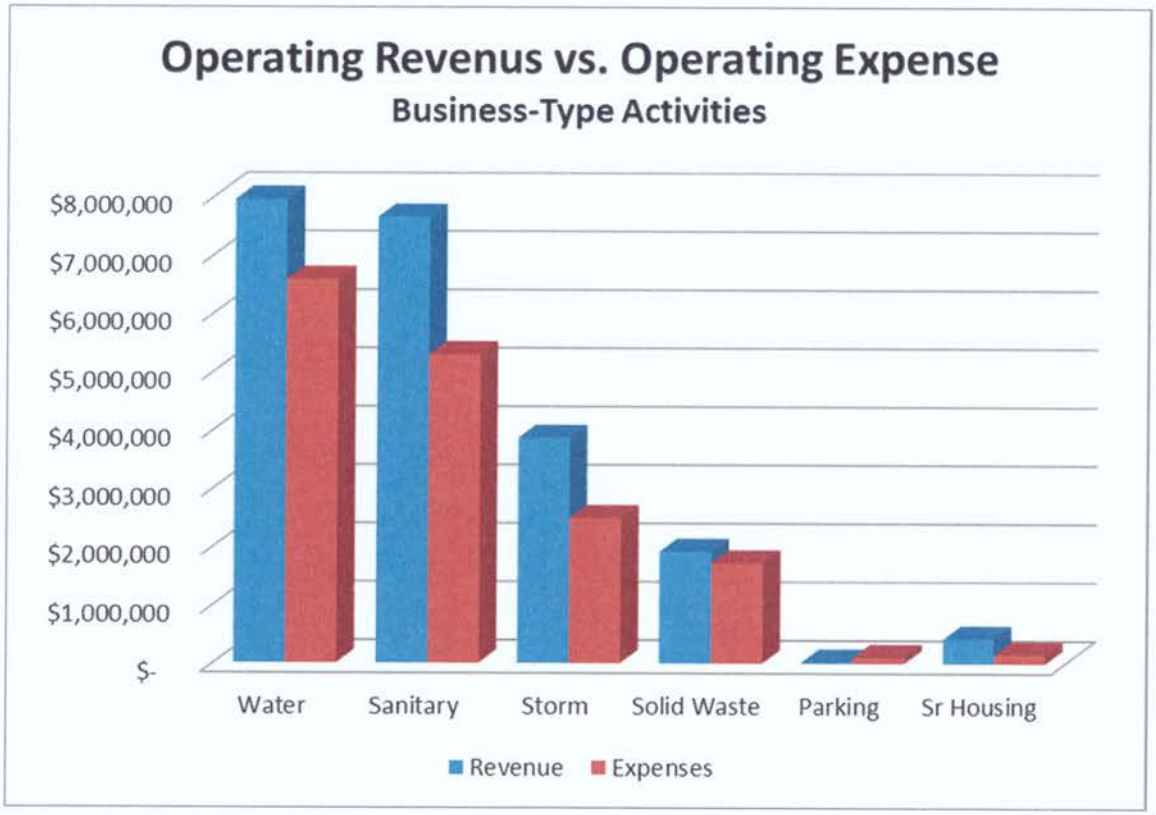
- The Water Utility increased net position by $247,968 as compared to a decrease of $132,228 in 2014. The utility realized a 3.93% rate of return in 2015 as compared to 1.66% in 2014 based on the Public Service Commission of Wisconsin calculation.

- The Sanitary Sewer Utility increased net position by $1,737,260 as compared to an increase of $1,560,461 in 2014. The rate was maintained at $1.75 per ccf (750 gallons) during 2015. The rate is designed to allow for sufficient cash flow for bond principal and interest 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. Rates are reviewed annually during the budget process.

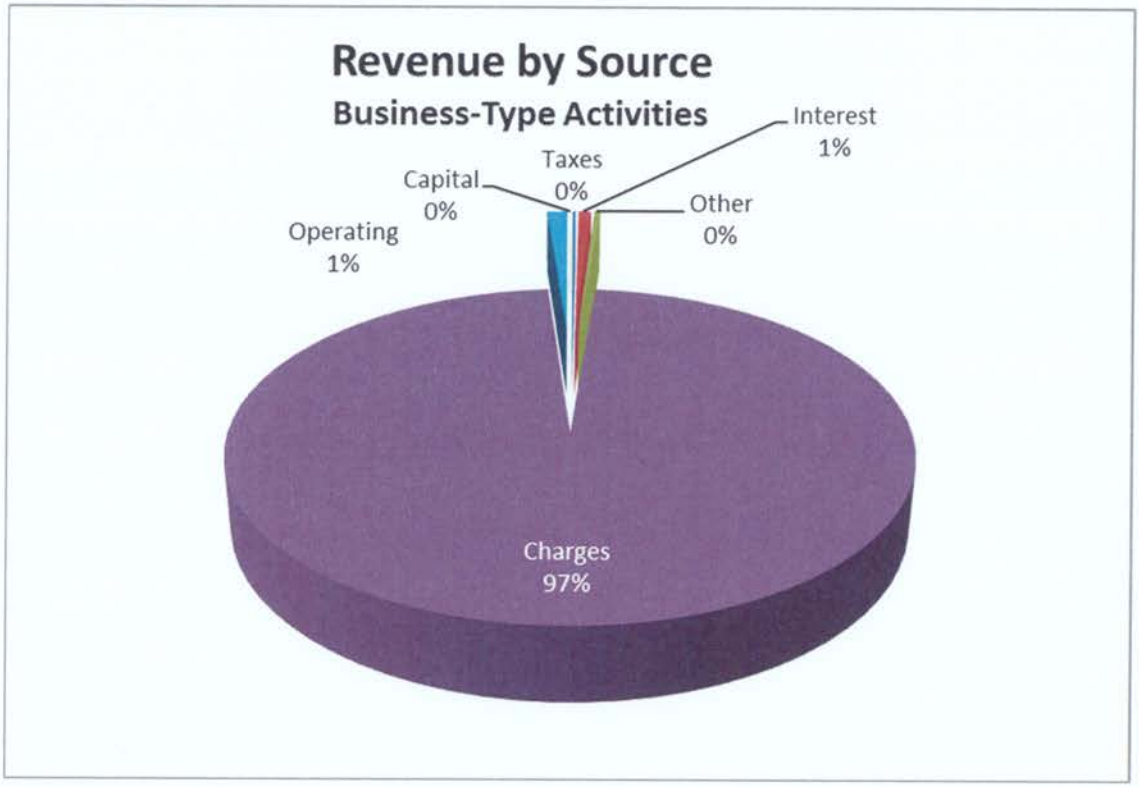
- The Storm Water Utility increased net position by $1,095,297 as compared to an increase of $1,375,245 in 2014. The rate was not increased in 2015. The Storm Water Utility spending on infrastructure continues to increase due to efforts to address the flooding and clear water inflow into the system.

- 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 $353,570 as compared to an increase of $559,552 in 2014. The rate was unchanged from 2014.

- The Parking Utility decreased net position by $38,664 as compared to a decrease of $5,272 in 2014. The utility continues to face the challenge to maintain the parking lots despite 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 $328,276 as compared to an increase of $183,836 in 2014; primarily due to the receipt of a one-time developer payment in 2015. 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. Spendable 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, 2015 the City's governmental funds reported combined ending fund balances of $45,414,995; an increase of $3,295,545 compared to the balance at the end of 2014. Of the total fund balance, the Non-Spendable portion is $12,156,611, while the total Spendable Fund Balance is $33,258,384. The Spendable portion of total fund balance includes $5,541,613 of Restricted Funds which are restricted as to their use by granting agencies or for debt service purposes. The remaining $27,716,771 of Spendable Fund Balance consists of various amounts either committed or assigned for specific purposes by action of the Common Council, or unassigned. Details of these commitments and assignments as they relate to the General Fund may be found on page 68 – Note C-8.

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 $6,653,462 while total fund balance was $44,557,870. 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 12.3% of total general fund expenditures, while total fund balance represents 82.1% of total general fund expenditures. The fund balance increased by $3,155,323 due to under spending in two main categories. Specifically, a labor contract expected to settle in 2015 did not occur until 2016 resulting in lower salary and fringe benefit expenses for 2015. Additionally, the purchase of several pieces of public works equipment, as well as a fire truck were on order as of the end of the year so these expenses are also not part of 2015 final figures. Fund Balance has been committed in the general fund as of December 31, 2015 to accommodate these expenses in 2016.

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 assets for these funds can be seen in the table below.

Unrestricted Assets:	**2015**	**2014**
Water Utility	$1,228,235	$1,295,580
Sanitary Sewer Utility	$2,343,341	$2,350,718
Storm Water Utility	$2,245,081	$2,043,401
Solid Waste Fund	$3,620,495	$3,225,496
Parking Utility	$152,355	$191,749
Senior Citizen's Housing	$6,982,944	$6,652,531
	$16,572,451	$15,759,475

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget amounted to an increase in appropriations of $2,771,540 with the major items being as follows:

- Carry-over requests from 2014 for budgeted projects and expenditures that were unfinished at the end of the year totaled $1,635,507.
- Encumbrances carried over from 2014 for budgeted projects and expenditures that were still open at the end of the year totaled $351,059.

- Purchases requested from the Contingency Fund in 2015 and repaid with budgeted dollars included - $10,000 in recruitment costs, $15,000 for fire engine repairs, and $140,206 for squad cars.

Revenues were more than budgetary estimates – explanation:

During this year, revenues were higher than budget by $685,149. The biggest individual item was an increase in Ambulance billings of over $450,000 above budget, and Public Works Services by over $300,000 due to higher than expected equipment rental to proprietary funds.

Expenditures were less than budgetary estimates – explanation:

Actual operating expenditures were less than final budget by $5,742,219. Approximately $2.3 million of encumbrances at the end of the year and another $2 million in carry-over requests for initiatives that were not completed in 2015 account for the underspent amounts when compared to budget. Additionally, a labor contract expected to settle in 2015 did not occur until 2016 which resulted in lower than budgeted salary expenditures in the Public Safety category and lower than budgeted fringe benefit expenditures in the General Government category. Also, a planned use of fund balance was not needed to balance the 2015 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, 2015, rounded and net of accumulated depreciation amounts to $289,657,504. Total investment in capital assets prior to accumulated depreciation was $553,891,938. 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 decrease in the government wide activities investment in capital assets for the current fiscal year was $3,137,555 or a 1.07% decrease (a 3.5% decrease for governmental activities and 4.34% increase for business-type activities).

Major capital asset events during the year included the following:

Governmental Activities:

- Infrastructure improvements added $3,842,805 to capital assets
- A decrease in Machinery and Equipment, mostly hospital-owned, reduced net assets by $49,207,702

- 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 $1,570,123 for water distribution mains, services, hydrants, and meters.
- The Storm Water Utility increased assets by $1,315,628. The majority was for infrastructure replacement.
- The Sanitary Sewer Utility increased assets by $2,659,309 for main replacement.

City of West Allis Capital Assets

	Governmental Activities 2015	Governmental Activities 2014	Business-Type Activities 2015	Business-Type Activities 2014	Total 2015	Total 2014
Land	$13,051,777	$13,051,777	$963,716	$963,716	$14,015,493	$14,015,493
Construction in Progress	$1,224,632	$473,468	$26,002	$573,890	$1,250,634	$1,047,358
Buildings	$160,483,950	$159,331,282	$496,728	$496,728	$160,980,678	$159,828,010
Improvements other than Buildings	$415,882	$2,019,315	$0	$0	$415,882	$2,019,315
Machinery and Equipment	$88,199,536	$137,407,238	$5,502,798	$5,537,370	$93,702,334	$142,944,608
Infrastructure	$160,640,640	$156,797,835	$122,886,277	$116,758,757	$283,526,917	$273,556,592
Total Assets	$424,016,417	$469,080,915	$129,875,521	$124,330,461	$553,891,938	$593,411,376
Less Accumulated Depreciation	($229,365,094)	($267,338,768)	(34,869,340)	(33,277,549)	(264,234,434)	(300,616,317)
Net Fixed Assets	$194,651,323	$201,742,147	$95,006,181	$91,052,912	$289,657,504	$292,795,059
Percentage Change	-3.5%		4.34%		-1.07%	

Additional information on the City's capital assets can be found in the footnote A-6f (page 51) and footnote C-3 (pages 59-60).

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of $73,110,383 backed by city's general obligation unlimited tax pledge. 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 $2,138,012 or 2.8% during the current year. The City issued $8,355,000 in debt while paying down $10,493,012. New debt issued in 2015 was for the following purposes: the Water Utility issued $1,500,000, the Sewer Utility issued $2,000,000, and the General Fund issued $2,750,000 for new projects. An additional $2,105,000 was issued to advance refund water, sewer, TID 5, and general bonds from 2007 and 2009 to save on interest costs.

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 is 39.05% of its limitation of $187,074,640 compared to 40.42% in 2014. The City's net total indebtedness for business-type activities increased by $851,567.

City of West Allis Outstanding Debt
General Obligation Notes and Bonds

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
General Obligation Notes	$2,274,890	$4,719,469	$102,495	$120,559	$2,377,385	$4,840,028
General Obligation Bonds	43,575,000	44,120,000	27,157,998	26,288,367	70,732,998	70,408,367
Anticipation Notes	0	0	0	0	0	0
	$45,849,890	$48,839,469	$27,260,493	$26,408,926	$73,110,383	$75,248,395

Additional information on the City's long-term debt can be found in footnote C-5 on pages 63-66 of this report.

Economic Factors and Next Year's Budgets and Rates

- The City, like others, experienced several years of decreasing market values of property within the city, with newer TIF Districts being the exception because of new construction. However, as of the last two years, property values have begun to stabilize and even increase. These modest increases are expected to continue.

- The general fund finished the year with an unassigned fund balance of $6,653,462, an increase of $350,010 from the previous year.

- The pension contribution rates for 2015 decreased from 14% for general city employees to 13.6%, however WI Acts 10 & 32 require employees to contribute half of this (6.8%). 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 pension contribution, with new hires contributing the full 6.8%. 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 has also generated interest income by making two loans to its subsidiary First-Ring Industrial Redevelopment Enterprise (FIRE), 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, 2015, the State of Wisconsin adopted its biennial budget for 2015 - 2017. That budget held to the strict levy limits that have been in place since 2011, which allows a levy increase by the percentage of equalized value net new construction. The state budget retained funding for Shared Revenues and Transportation Aid.

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: Kris Moen, Interim Finance Director, 7525 West Greenfield Ave, West Allis, WI 53214, or 414-302-8251 or kmoen@westalliswi.gov .

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

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BASIC FINANCIAL STATEMENTS

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CITY OF WEST ALLIS, WISCONSIN
Statement of Net Position
For the Year Ended December 31, 2015

	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Cash and investments	$ 110,343,783	$ 8,098,434	$ 118,442,217	$ 6,461,145
Receivables				
Taxes	49,097,523	43,000	49,140,523	-
Accounts	1,307,340	7,955,841	9,263,181	9,109,036
Notes and loans	15,611,689	5,352,646	20,964,335	-
Special assessments	1,871,068	-	1,871,068	-
Interest	654,827	87,038	741,865	-
Internal balances	1,252,618	(1,252,618)	-	-
Due to component unit/from primary government	(161,429)	-	(161,429)	161,429
Due from other governments	1,929,992	3,094	1,933,086	-
Inventories and prepaid items	2,074,111	1,136,767	3,210,878	-
Net pension asset	7,838,433	502,639	8,341,072	-
Deposit with CVMIC	3,244,299	-	3,244,299	-
Capital assets				
Land	13,051,777	963,716	14,015,493	-
Construction in progress	1,224,632	26,002	1,250,634	-
Buildings	160,483,950	496,728	160,980,678	-
Improvements other than buildings	415,882	-	415,882	-
Machinery and equipment	88,199,536	5,502,798	93,702,334	133,168
Infrastructure	160,640,640	122,886,277	283,526,917	-
Less: Accumulated depreciation	(229,365,094)	(34,869,340)	(264,234,434)	-
TOTAL ASSETS	389,715,577	116,933,022	506,648,599	15,864,778
DEFERRED OUTFLOWS OF RESOURCES				
Loss on advance refunding of debt	218,914	150,254	369,168	-
Deferred outflows related to pension	8,132,159	515,528	8,647,687	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	8,351,073	665,782	9,016,855	-
LIABILITIES				
Accounts payable	4,211,105	537,916	4,749,021	4,960,359
Accrued liabilities	4,613,638	144,253	4,757,891	38,412
Due to other governments	66,258,008	1,436,443	67,694,451	-
Accrued interest payable	431,623	195,917	627,540	-
Deposits	2,523,333	76,518	2,599,851	-
Unearned revenues	1,214,811	280,740	1,495,551	3,211,003
Long-term obligations				
Due within one year	5,963,534	2,793,890	8,757,424	-
Due in more than one year	86,417,182	27,112,714	113,529,896	-
TOTAL LIABILITIES	171,633,234	32,578,391	204,211,625	8,209,774
DEFERRED INFLOWS OF RESOURCES				
Property taxes	41,950,926	43,000	41,993,926	-
NET POSITION				
Net investment in capital assets	153,876,407	67,386,795	221,263,202	-
Restricted				
Debt service	50,893	-	50,893	-
Pension benefits	15,970,592	1,018,167	16,988,759	-
Grantors	2,147,794	-	2,147,794	-
Unrestricted	12,436,804	16,572,451	29,009,255	7,655,004
TOTAL NET POSITION	$ 184,482,490	$ 84,977,413	$ 269,459,903	$ 7,655,004

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, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	$ 11,379,723	$ 1,591,046	$ 117	$ -
Public safety	37,791,564	4,361,491	2,141,398	-
Public works	19,015,175	794,999	2,556,780	1,007,552
Health and human services	11,662,378	307,950	898,436	4,302,129
Culture and recreation	2,778,993	893,774	306,377	-
Conservation and development	8,549,672	993,263	5,171,903	-
Interest on debt	1,605,841	-	-	-
Total Governmental Activities	92,783,346	8,942,523	11,075,011	5,309,681
Business-type Activities				
Water utility	6,895,088	7,962,828	-	10,820
Sanitary sewer utility	5,823,936	7,641,263	11,195	-
Storm water utility	2,523,771	3,858,515	-	-
Solid waste utility	1,714,919	1,914,221	254,268	-
Parking utility	104,526	22,862	-	-
Senior citizen housing	150,944	424,767	-	-
Total Business-type Activities	17,213,184	21,824,456	265,463	10,820
Total	$ 109,996,530	$ 30,766,979	$ 11,340,474	$ 5,320,501
Component Unit				
FIRE	$ 858,539	$ 2,415,143	$ -	$ -

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, as originally reported

Prior period adjustment
Cumulative effect of change in accounting principle

Net Position - January 1, restated

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
$ (9,788,560)	$ -	$ (9,788,560)	$ -
(31,288,675)	-	(31,288,675)	-
(14,655,844)	-	(14,655,844)	-
(6,153,863)	-	(6,153,863)	-
(1,578,842)	-	(1,578,842)	-
(2,384,506)	-	(2,384,506)	-
(1,605,841)	-	(1,605,841)	-
(67,456,131)	-	(67,456,131)	-
-	1,078,560	1,078,560	-
-	1,828,522	1,828,522	-
-	1,334,744	1,334,744	-
-	453,570	453,570	-
-	(81,664)	(81,664)	-
-	273,823	273,823	-
-	4,887,555	4,887,555	-
(67,456,131)	4,887,555	(62,568,576)	-
-	-	-	1,556,604
35,469,165	43,000	35,512,165	-
6,292,761	-	6,292,761	-
1,718,495	-	1,718,495	-
9,205,072	-	9,205,072	-
950,145	166,391	1,116,536	292,361
76,440	-	76,440	-
1,626,647	78,320	1,704,967	-
1,451,559	(1,451,559)	-	-
56,790,284	(1,163,848)	55,626,436	292,361
(10,665,847)	3,723,707	(6,942,140)	1,848,965
178,160,592	80,251,891	258,412,483	6,960,830
1,154,791	-	1,154,791	(1,154,791)
15,832,954	1,001,815	16,834,769	-
195,148,337	81,253,706	276,402,043	5,806,039
$ 184,482,490	$ 84,977,413	$ 269,459,903	$ 7,655,004

CITY OF WEST ALLIS, WISCONSIN
Balance Sheet
Governmental Funds
For the Year Ended December 31, 2015

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	$ 93,737,635	$ 51,593	$ 5,312,150	$ 99,101,378
Receivables				
Taxes	40,676,115	6,138,834	-	46,814,949
Delinquent personal property taxes	282,574	-	-	282,574
Accounts	505,985	-	761,630	1,267,615
Notes and loans	5,155,642	-	10,456,047	15,611,689
Special assessments	-	-	1,871,068	1,871,068
Interest	276,264	-	378,563	654,827
Due from other funds	10,297,599	-	-	10,297,599
Due from other governmental units	46,991	-	1,883,001	1,929,992
Inventories and prepaid items	1,696,111	-	-	1,696,111
TOTAL ASSETS	$ 152,674,916	$ 6,190,427	$ 20,662,459	$ 179,527,802
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 456,707	$ 700	$ 446,191	$ 903,598
Accrued liabilities	4,509,238	-	102,808	4,612,046
Due to other funds	-	-	9,044,981	9,044,981
Due to other governmental units	66,257,963	-	45	66,258,008
Due to component unit	161,429	-	-	161,429
Deposits	2,437,118	-	59,371	2,496,489
Unearned revenue	9,175	-	991,992	1,001,167
Total Liabilities	73,831,630	700	10,645,388	84,477,718
Deferred Inflows of Resources				
Unearned revenue - Property taxes	33,812,092	6,138,834	-	39,950,926
Unavailable revenue				
Delinquent property taxes	282,574	-	-	282,574
Special assessments	-	-	1,871,068	1,871,068
Notes and loans receivable	190,750	-	10,682,697	10,873,447
Total Deferred Inflows of Resources	34,285,416	6,138,834	12,553,765	52,978,015
Fund Balances (Deficit)				
Nonspendable				
Inventories and prepaid items	1,696,111	-	-	1,696,111
Long-term receivables	10,460,500	-	-	10,460,500
Restricted				
Bondholders	-	50,893	-	50,893
Grantors	-	-	2,147,794	2,147,794
Committed	3,868,046	-	756,643	4,624,689
Assigned	21,879,751	-	2,012,219	23,891,970
Unassigned, reported in				
General fund	6,653,462	-	-	6,653,462
Special revenue funds	-	-	(22,495)	(22,495)
Capital projects funds	-	-	(7,430,855)	(7,430,855)
Total Fund Balances (Deficit)	44,557,870	50,893	(2,536,694)	42,072,069
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 152,674,916	$ 6,190,427	$ 20,662,459	$ 179,527,802

(Continued)

CITY OF WEST ALLIS, WISCONSIN
Balance Sheet (Continued)
Governmental Funds
December 31, 2015

Reconciliation to the Statement of Net Position

Total Fund Balances from previous page		$ 42,072,069
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.		194,651,323
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	$ 1,871,068	
Delinquent taxes	282,574	
Loans receivable	10,873,447	
Net adjustment		13,027,089
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.		11,370,333
The City's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource; therefore, it is not reported in the fund financial statements:		
Net pension asset	7,831,028	
Deferred outflows of resources	8,124,073	
Net adjustment		15,955,101
Deferred outflow of resources is reported in statement of net position for the loss on advance refunding.		218,914
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	$ (45,849,890)	
Premium on long-term debt	(233,940)	
Unfunded pension liability	(267,247)	
Workers compensation	(160,732)	
Employee benefits	(45,868,907)	
Accrued interest on long-term obligations	(431,623)	
Net adjustment		(92,812,339)
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 33)		$ 184,482,490

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, 2015

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 34,941,302	$ 6,292,761	$ -	$ 41,234,063
Special assessments	-	-	1,005,126	1,005,126
Intergovernmental	12,025,250	187,314	8,864,889	21,077,453
Licenses and permits	1,567,815	-	-	1,567,815
Fines, forfeitures and penalties	2,042,250	-	-	2,042,250
Public charges for services	3,477,070	-	1,189,526	4,666,596
Loan repayments	-	-	153,407	153,407
Investment return	843,584	-	(13,442)	830,142
Miscellaneous	1,197,077	79,724	1,582,223	2,859,024
Total Revenues	56,094,348	6,559,799	12,781,729	75,435,876
Expenditures				
Current				
General government	7,756,331	-	3,490	7,759,821
Public safety	31,471,830	-	1,991,799	33,463,629
Public works	10,678,063	-	-	10,678,063
Health	2,040,429	-	906,705	2,947,134
Culture and recreation	2,308,981	-	434,275	2,743,256
Conservation and development	886	-	8,942,689	8,943,575
Debt service				
Principal retirement	-	5,739,579	-	5,739,579
Interest and fiscal charges	-	1,637,171	-	1,637,171
Capital outlay	-	-	5,893,868	5,893,868
Total Expenditures	54,256,520	7,376,750	18,172,826	79,806,096
Excess of Revenues Over (Under) Expenditures	1,837,828	(816,951)	(5,391,097)	(4,370,220)
Other Financing Sources (Uses)				
General obligation debt issued	-	-	2,750,000	2,750,000
General obligation refunding debt issued	-	1,445,000	-	1,445,000
Premium on debt issued	-	242,007	-	242,007
Payment to refunding debt escrow agent	-	(1,671,463)	-	(1,671,463)
Transfers in	1,907,295	1,174,693	2,392,126	5,474,114
Transfers out	(589,800)	(529,199)	(2,797,820)	(3,916,819)
Total Other Financing Sources (Uses)	1,317,495	661,038	2,344,306	4,322,839
Net Change in Fund Balances	3,155,323	(155,913)	(3,046,791)	(47,381)
Fund Balances (Deficit) - January 1, as originally reported	41,402,547	206,806	(644,694)	40,964,659
Prior period adjustment	-	-	1,154,791	1,154,791
Fund Balances (Deficit) - January 1, as restated	41,402,547	206,806	510,097	42,119,450
Fund Balances (Deficit) - December 31	$ 44,557,870	$ 50,893	$ (2,536,694)	$ 42,072,069

(Continued)

Reconciliation to the Statement of Activities

Net Change in Fund Balances from previous page		$ (47,381)
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	$ 8,521,204	
Depreciation expense	(15,412,979)	
Net adjustment		(6,891,775)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(199,049)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(1,054,560)
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	$ (4,195,000)	
Principal paid on long-term debt	5,739,579	
Payment to escrow agent	1,445,000	
Premium issued on long-term debt, net of amortization	(233,940)	
Unfunded pension liability payment	13,623	
Workers compensation	93,343	
Health insurance benefit	(6,066,650)	
Net adjustment		(3,204,045)
The loss on advance refunding is reported in the governmental funds as an expenditure when paid. In the statement of activities, this cost is deferred and amortized over the life of the bonds.		218,914
Changes in the net pension asset and related deferred outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the pension plan		139,965
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.		17,783
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.		354,301
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 34 - 35)		$ (10,665,847)

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, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	$ 34,891,419	$ 34,891,419	$ 34,941,302	$ 49,883
Intergovernmental	11,960,670	11,960,670	12,025,250	64,580
Licenses and permits	1,491,510	1,491,510	1,567,815	76,305
Fines, forfeitures and penalties	2,178,500	2,178,500	2,042,250	(136,250)
Public charges for services	2,653,200	2,653,200	3,477,070	823,870
Investment return	802,500	802,500	843,584	41,084
Miscellaneous	1,431,400	1,431,400	1,197,077	(234,323)
Total Revenues	55,409,199	55,409,199	56,094,348	685,149
Expenditures				
Current				
General government	21,568,385	9,255,773	7,756,331	1,499,442
Public safety	22,640,366	33,118,664	31,471,830	1,646,834
Public works	9,312,747	12,874,599	10,678,063	2,196,536
Health	1,632,938	2,169,767	2,040,429	129,338
Culture and recreation	2,072,763	2,551,000	2,308,981	242,019
Conservation and development	-	28,936	886	28,050
Total Expenditures	57,227,199	59,998,739	54,256,520	5,742,219
Excess of Revenues Over (Under) Expenditures	(1,818,000)	(4,589,540)	1,837,828	6,427,368
Other Financing Sources (Uses)				
Transfers in	1,818,000	1,818,000	1,907,295	89,295
Transfers out	-	-	(589,800)	(589,800)
Total Other Financing Sources (Uses)	1,818,000	1,818,000	1,317,495	(500,505)
Net Change in Fund Balance	-	(2,771,540)	3,155,323	5,926,863
Fund Balance - January 1	41,402,547	41,402,547	41,402,547	-
Fund Balance - December 31	$ 41,402,547	$ 38,631,007	$ 44,557,870	$ 5,926,863

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

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CITY OF WEST ALLIS, WISCONSIN
Statement of Net Position
Proprietary Funds
December 31, 2015

	Business-type Activities - Enterprise Funds			
	Water Utility	Sanitary Sewer Utility	Storm Water Utility	Solid Waste Fund
ASSETS				
Current Assets				
Cash and investments	$ -	$ 1,994,298	$ 1,115,585	$ 3,130,778
Receivables				
Taxes	-	-	-	-
Accounts	4,001,478	2,099,918	1,232,490	576,334
Interest	-	-	-	-
Due from other governments	-	3,094	-	-
Inventories and prepaid items	1,136,767	-	-	-
Total Current Assets	5,138,245	4,097,310	2,348,075	3,707,112
Noncurrent Assets				
Capital Assets				
Land	57,990	-	-	-
Construction in progress	1,763	16,846	7,393	-
Buildings	496,728	-	-	-
Infrastructure	38,106,346	39,426,639	45,353,292	-
Machinery and equipment	2,508,672	740,017	1,465,314	679,735
Accumulated depreciation	(15,208,686)	(7,492,891)	(11,672,106)	(386,597)
Total Capital Assets	25,962,813	32,690,611	35,153,893	293,138
Notes receivable	-	-	-	-
Net pension asset	237,201	58,253	115,223	71,242
Deposit with CVMIC	-	-	-	-
Total Noncurrent Assets	26,200,014	32,748,864	35,269,116	364,380
TOTAL ASSETS	31,338,259	36,846,174	37,617,191	4,071,492
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pension	261,066	57,601	97,975	75,737
Loss on advance refunding of debt	45,967	93,339	10,948	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	307,033	150,940	108,923	75,737
LIABILITIES				
Current Liabilities				
Accounts payable	175,420	194,098	85,894	81,421
Accrued liabilities	120,079	10,403	7,342	5,196
Accrued interest payable	74,134	112,025	9,758	-
Deposits	75,518	1,000	-	-
Due to other funds	1,252,618	-	-	-
Due to other governmental units	-	1,436,443	-	-
Long-term obligations due within one year	1,079,000	1,644,890	70,000	-
Unearned revenue	75,277	-	-	-
Total Current Liabilities	2,852,046	3,398,859	172,994	86,617
Long-term Obligations				
General obligation debt	9,717,361	13,941,405	1,316,984	-
Other post employment benefits	2,136,964	-	-	-
Total Long-term Obligations	11,854,325	13,941,405	1,316,984	-
TOTAL LIABILITIES	14,706,371	17,340,264	1,489,978	86,617
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	-
NET POSITION				
Net investment in capital assets	15,212,419	17,197,655	33,777,857	293,138
Restricted for pension benefits	498,267	115,854	213,198	146,979
Unrestricted	1,228,235	2,343,341	2,245,081	3,620,495
TOTAL NET POSITION	$ 16,938,921	$ 19,656,850	$ 36,236,136	$ 4,060,612

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	
$ 151,679	$ 1,706,094	$ 8,098,434	$ 11,242,405
43,000	-	43,000	2,000,000
1,391	44,230	7,955,841	39,725
-	87,038	87,038	-
-	-	3,094	-
-	-	1,136,767	378,000
196,070	1,837,362	17,324,174	13,660,130
905,726	-	963,716	-
-	-	26,002	-
-	-	496,728	-
-	-	122,886,277	-
109,060	-	5,502,798	-
(109,060)	-	(34,869,340)	-
905,726	-	95,006,181	-
-	5,352,646	5,352,646	-
4,589	16,131	502,639	7,405
-	-	-	3,244,299
910,315	5,368,777	100,861,466	3,251,704
1,106,385	7,206,139	118,185,640	16,911,834
4,150	18,999	515,528	8,086
-	-	150,254	-
4,150	18,999	665,782	8,086
576	507	537,916	3,307,507
139	1,094	144,253	1,592
-	-	195,917	-
-	-	76,518	26,844
-	-	1,252,618	-
-	-	1,436,443	-
-	-	2,793,890	-
-	205,463	280,740	213,644
715	207,064	6,718,295	3,549,587
-	-	24,975,750	-
-	-	2,136,964	-
-	-	27,112,714	-
715	207,064	33,831,009	3,549,587
43,000	-	43,000	2,000,000
905,726	-	67,386,795	-
8,739	35,130	1,018,167	15,491
152,355	6,982,944	16,572,451	11,354,842
$ 1,066,820	$ 7,018,074	$ 84,977,413	$ 11,370,333

CITY OF WEST ALLIS, WISCONSIN
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds			
	Water Utility	Sanitary Sewer Utility	Storm Water Utility	Solid Waste Fund
Operating Revenues				
Charges for services	$ 7,788,731	$ 7,641,263	$ 3,858,515	$ 1,914,221
Rents	150,980	-	-	-
Parking fees and permits	-	-	-	-
Total Operating Revenues	7,939,711	7,641,263	3,858,515	1,914,221
Operating Expenses				
Operation and maintenance	5,824,119	4,870,276	1,848,214	1,672,471
Insurance claims and estimate changes	-	-	-	-
Depreciation	743,907	412,450	636,698	42,448
Total Operating Expenses	6,568,026	5,282,726	2,484,912	1,714,919
Operating Income (Loss)	1,371,685	2,358,537	1,373,603	199,302
Nonoperating Revenues (Expenses)				
Interest income	-	-	-	-
Interest and amortization expense	(327,062)	(476,346)	(38,859)	-
Interest rate subsidy	-	398	-	-
State and local grants	-	11,195	-	254,268
Property taxes	-	-	-	-
Loss on sale of capital assets	-	(64,864)	-	-
Income from merchandising and jobbing	23,117	-	-	-
Miscellaneous	9,307	-	60,553	-
Total Nonoperating Revenues (Expenses)	(294,638)	(529,617)	21,694	254,268
Income (Loss) Before Contributions and Transfers	1,077,047	1,828,920	1,395,297	453,570
Customer contributions	10,820	-	-	-
Transfers out	(839,899)	(91,660)	(300,000)	(100,000)
Change in Net Position	247,968	1,737,260	1,095,297	353,570
Net Position - January 1, as originally reported	16,179,846	17,813,724	34,947,234	3,561,081
Cumulative effect of change in accounting principle	511,107	105,866	193,605	145,961
Net Position - January 1, as restated	16,690,953	17,919,590	35,140,839	3,707,042
Net Position - December 31	$ 16,938,921	$ 19,656,850	$ 36,236,136	$ 4,060,612

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	
$ -	$ 424,767	$ 21,627,497	$ 14,115,438
-	-	150,980	-
22,862	-	22,862	-
22,862	424,767	21,801,339	14,115,438
104,526	150,944	14,470,550	-
-	-	-	15,761,137
-	-	1,835,503	-
104,526	150,944	16,306,053	15,761,137
(81,664)	273,823	5,495,286	(1,645,699)
-	166,391	166,391	105,736
-	-	(842,267)	-
-	-	398	-
-	-	265,463	-
43,000	-	43,000	2,000,000
-	-	(64,864)	-
-	-	23,117	-
-	8,062	77,922	-
43,000	174,453	(330,840)	2,105,736
(38,664)	448,276	5,164,446	460,037
-	-	10,820	-
-	(120,000)	(1,451,559)	(105,736)
(38,664)	328,276	3,723,707	354,301
1,097,475	6,652,531	80,251,891	10,998,214
8,009	37,267	1,001,815	17,818
1,105,484	6,689,798	81,253,706	11,016,032
$ 1,066,820	$ 7,018,074	$ 84,977,413	$ 11,370,333

CITY OF WEST ALLIS, WISCONSIN
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds		
	Water Utility	Sanitary Sewer Utility	Storm Water Utility
Cash Flows from Operating Activities			
Cash received from customers	$ 7,812,436	$ 7,594,222	$ 3,800,793
Cash from interfund services provided	-	-	-
Cash paid to suppliers	(3,516,656)	(4,330,704)	(865,953)
Cash paid to employees	(1,980,935)	(511,238)	(1,075,051)
Net Cash Provided (Used) by Operating Activities	2,314,845	2,752,280	1,859,789
Cash Flows from Noncapital Financing Activities			
Transfers to other funds	(839,899)	(94,754)	(300,000)
State and local grants	-	11,195	-
Property taxes	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(839,899)	(83,559)	(300,000)
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	(1,699,066)	(2,698,218)	(1,434,986)
Customer contributions	10,820	-	-
Proceeds from debt issued	1,820,000	2,340,000	-
Principal paid on long-term debt	(1,325,000)	(1,908,445)	(75,000)
Interest paid on long-term debt	(281,700)	(422,598)	(40,158)
Net Cash Used by Capital and Related Financing Activities	(1,474,946)	(2,689,261)	(1,550,144)
Cash Flows from Investing Activities			
Interest received	-	398	-
Change in Cash and Cash Equivalents	-	(20,142)	9,645
Cash and Cash Equivalents - January 1	-	2,014,440	1,105,940
Cash and Cash Equivalents - December 31	$ -	$ 1,994,298	$ 1,115,585
Cash Flows from Operating Activities			
Operating income (loss)	$ 1,371,685	$ 2,358,537	$ 1,373,603
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation and amortization	743,907	412,450	636,698
Depreciation charged to operating accounts	89,372	-	-
Merchandising and jobbing non-operating expense	23,117	-	-
Miscellaneous nonoperating income (expense)	9,307	-	60,553
Change in pension related assets and deferred outflows	12,840	(9,987)	(19,593)
Changes in assets and liabilities			
Accounts receivable	(136,582)	(47,041)	(118,275)
Inventories and prepaid items	38,085	-	-
Accounts payable	(106,065)	(19,543)	(72,699)
Accrued liabilities	7,096	(2,367)	(498)
Deposits	11,407	-	-
Unearned revenue	(14,756)	-	-
Due to other funds	29,504	-	-
OPEB liability	235,928	-	-
Due to other governmental units	-	60,231	-
Net Cash Provided (Used) by Operating Activities	$ 2,314,845	$ 2,752,280	$ 1,859,789

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	
$ 1,978,358	$ 22,801	$ 696,606	$ 21,905,216	$ -
-	-	-	-	14,216,761
(1,070,508)	(61,319)	(234,948)	(10,080,088)	(15,604,811)
(642,205)	(44,453)	(131,125)	(4,385,007)	-
265,645	(82,971)	330,533	7,440,121	(1,388,050)
(100,000)	-	(120,000)	(1,454,653)	(105,736)
254,268	-	-	265,463	-
-	43,000	-	43,000	2,000,000
154,268	43,000	(120,000)	(1,146,190)	1,894,264
-	-	-	(5,832,270)	-
-	-	-	10,820	-
-	-	-	4,160,000	-
-	-	-	(3,308,445)	-
-	-	-	(744,456)	-
-	-	-	(5,714,351)	-
-	-	163,321	163,719	105,736
419,913	(39,971)	373,854	743,299	611,950
2,710,865	191,650	1,332,240	7,355,135	10,630,455
$ 3,130,778	$ 151,679	$ 1,706,094	$ 8,098,434	$ 11,242,405
$ 199,302	$ (81,664)	$ 273,823	$ 5,495,286	$ (1,645,699)
42,448	-	-	1,835,503	-
-	-	-	89,372	-
-	-	-	23,117	-
-	-	8,062	77,922	-
(1,018)	(730)	2,137	(16,351)	2,327
64,137	(61)	271,839	34,017	71,064
-	-	-	38,085	-
(39,592)	(433)	(242)	(238,574)	157,690
368	(83)	(303)	4,213	(219)
-	-	(92,278)	(80,871)	(3,472)
-	-	(132,505)	(147,261)	30,259
-	-	-	29,504	-
-	-	-	235,928	-
-	-	-	60,231	-
$ 265,645	$ (82,971)	$ 330,533	$ 7,440,121	$ (1,388,050)

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, 2015. Separate financial statements are available for FIRE.

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.

   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.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 has two items that qualify for reporting in this category in the government-wide statement of net position. The first is the deferred charge on refunding resulting 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. The second is related to the City's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 three sources, delinquent property taxes, special assessments and notes and loans receivable which are not expected to be currently repaid. 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.

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. Positive unassigned amounts are only reported in the General Fund.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Pensions
For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

l. 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.

NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)

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, Centennial 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 $2,308,107.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2015.

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, 2015 as follows:

Fund	Function	Excess Expenditures
General Fund		
Common council	General government	$ 1,611
Mayor	General government	1,790
Municipal court	General government	98,243
Information technology	General government	43,397
Purchasing/central services	General government	2,533
Finance	General government	72,915
Planning	Public safety	36,508
Forestry division	Public works	69,755
Inventory services	Public works	17,141
Special Revenue Funds		
Block grant	Conservation and development	342,197
H.O.M.E. program	Conservation and development	304,492
Housing programs	Conservation and development	85,185
Cable communications	Culture and recreation	9,247
Health grants	Health	149,052
Police grants	Public safety	320,953
Fire grants	Public safety	5,264
Miscellaneous grants	Conservation and development	96,117
Debt Service Fund	Principal retirement	149,949
Debt Service Fund	Debt issuance costs	45,579
Public Works Improvements Capital Projects Fund		
General government	General government	3,490
Capital outlay	Public works	450,368

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, 2015:

Fund	Deficit Fund Equity
Special Revenue Funds	
Miscellaneous Grants	$ 14,226
Health Grants	8,269
Capital Projects Funds	
Public Works Improvements	2,702,461
Tax Increment District No. 3	89
Tax Increment District No. 5	2,174,638
Tax Increment District No. 6	497,782
Tax Increment District No. 10	897,464
Tax Increment District No. 11	140,337
Tax Increment District No. 12	34,848
Tax Increment District No. 13	250,780
Tax Increment District No. 14	732,456

NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)

The deficit in the special revenue funds are 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 $118,442,217 on December 31, 2015 as summarized below:

Petty cash and cash on hand	$ 13,617
Deposits with financial institutions	28,688,200
Investments	89,740,400
	$ 118,442,217

Additional information on the above deposits and investments follows:

Government-wide Statement of Net Position	
Primary government	$ 118,442,217

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.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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.

As of December 31, 2015, 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 Mortgage	$ 1,300,073	$ -	$ 1,300,073	$ -	$ -	$ -
Federal National Mortgage	2,881,694	-	2,881,694	-	-	-
Federal Home Loan Bank	1,002,195	-	1,002,195	-	-	-
Corporate bonds	21,659,505	-	400,000	9,720,692	9,301,898	2,236,915
Municipal bonds	13,344,491	-	2,098,967	7,142,841	983,094	3,119,589
Greater Milwaukee Community Foundation	1,091,558	-	-	-	-	1,091,558
Wisconsin local government investment pool	48,460,884	-	-	-	-	48,460,884
Totals	$ 89,740,400	$ -	$ 7,682,929	$ 16,863,533	$ 10,284,992	$ 54,908,946

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
General Electric Capital Corp.	Bond	$ 4,461,859	5%
Royal Bank of Canada	Bond	5,090,219	6%

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:

Investment Type	Amount	Exempt From Disclosure	AAA	AA	A	Not Rated
Federal Home Loan Mortgage	$ 1,300,073	$ -	$ 1,300,073	$ -	$ -	$ -
Federal National Mortgage	2,881,694	-	2,881,694	-	-	-
Federal Home Loan Bank	1,002,195	-	1,002,195	-	-	-
Corporate bonds	21,659,505	-	400,000	9,720,692	9,301,898	2,236,915
Municipal bonds	13,344,491	-	2,098,967	7,142,841	983,094	3,119,589
Greater Milwaukee Community Foundation	1,091,558	-	-	-	-	1,091,558
Wisconsin local government investment pool	48,460,884	-	-	-	-	48,460,884
Totals	$ 89,740,400	$ -	$ 7,682,929	$ 16,863,533	$ 10,284,992	$ 54,908,946

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	$ 2,881,694
Federal Home Loan Mortgage Corporation	1,300,073
Federal Home Loan Bank	1,002,195

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of $48,460,884 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, 2015, 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, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 13,051,777	$ -	$ -	$ 13,051,777
Construction in progress	473,468	1,224,632	473,468	1,224,632
	13,525,245	1,224,632	473,468	14,276,409
Capital assets, being depreciated:				
Improvements other than buildings	2,019,315	-	1,603,433	415,882
Buildings	159,331,282	1,152,668	-	160,483,950
Machinery and equipment	137,407,238	2,253,270	51,460,972	88,199,536
Infrastructure	156,797,835	4,364,102	521,297	160,640,640
Subtotals	455,555,670	7,770,040	53,585,702	409,740,008
Less accumulated depreciation for:				
Land improvements	1,784,509	25,358	1,603,433	206,434
Buildings	81,239,194	5,577,563	-	86,816,757
Machinery and equipment	105,953,921	4,051,044	51,261,923	58,743,042
Infrastructure	78,361,144	5,759,014	521,297	83,598,861
Subtotals	267,338,768	15,412,979	53,386,653	229,365,094
Total capital assets, being depreciated, net	188,216,902	(7,642,939)	199,049	180,374,914
Governmental activities capital assets, net	$ 201,742,147	$ (6,418,307)	$ 672,517	194,651,323
Less related long-term debt outstanding and related deferred inflows and outflows				40,774,916
Net investment in capital assets				$ 153,876,407

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	573,890	26,002	573,890	26,002
	1,537,606	26,002	573,890	989,718
Capital assets, being depreciated:				
Buildings	496,728	-	-	496,728
Machinery and equipment	5,537,370	72,279	106,851	5,502,798
Infrastructure	116,758,757	6,418,617	291,097	122,886,277
Subtotals	122,792,855	6,490,896	397,948	128,885,803
Less accumulated depreciation for:				
Buildings	429,774	15,551	-	445,325
Machinery and equipment	4,009,174	225,522	106,851	4,127,845
Infrastructure	28,838,601	1,683,802	226,233	30,296,170
Subtotals	33,277,549	1,924,875	333,084	34,869,340
Total capital assets, being depreciated, net	89,515,306	4,566,021	64,864	94,016,463
Business-type activities capital assets, net	$ 91,052,912	$ 4,592,023	$ 638,754	95,006,181
Less related long-term debt outstanding and related deferred inflows and outflows				27,619,386
Net investment in capital assets				$ 67,386,795

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

Governmental activities	
General government	$ 51,735
Public safety	587,331
Public works	6,357,578
Health and human services	8,285,073
Culture and recreation	131,262
Total depreciation expense - governmental activities	$ 15,412,979
Business-type activities	
Water utility	$ 743,907
Sanitary sewer utility	412,450
Storm water utility	636,698
Solid waste fund	42,448
Depreciation charged to operating accounts	89,372
Total depreciation expense - business-type activities	$ 1,924,875

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, 2015 are detailed below:

	Interfund Receivables	Interfund Payables
Governmental Funds		
Operating Accounts and Cash Deficits Between Funds		
General Fund	$ 10,297,599	$ -
Nonmajor Governmental Funds		
Special Revenue Funds		
Block Grant	-	320,463
H.O.M.E. Program	-	348,514
Police Grants	-	367,157
Miscellaneous Grants	-	47,067
Capital Projects Funds		
Public works improvements	-	3,239,187
Tax Increment Districts		
No. 3	-	89
No. 5	-	2,151,292
No. 6	-	495,096
No. 10	-	897,190
No. 11	-	171,043
No. 12	-	34,848
No. 13	-	249,597
No. 14	-	723,438
Total Nonmajor Governmental Funds	-	9,044,981
Enterprise Funds		
Water utility	-	1,252,618
Total	$ 10,297,599	$ 10,297,599

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, 2015 were as follows:

	Transfer to:			
	General Fund	Debt Service	Nonmajor Governmental	Totals
Transfers from:				
General Fund	$ -	$ -	$ 589,800	$ 589,800
Debt Service Fund	-	-	529,199	529,199
Nonmajor Governmental Funds	350,000	1,174,693	1,273,127	2,797,820
Proprietary Funds				
Water utility	839,899	-	-	839,899
Sanitary sewer utility	91,660	-	-	91,660
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	105,736	-	-	105,736
Totals	$ 1,907,295	$ 1,174,693	$ 2,392,126	$ 5,474,114

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, 2015:

	Outstanding 1/1/15	Issued	Retired	Outstanding 12/31/15	Due Within One Year
Governmental activities:					
General Obligation Debt					
General City					
Bonds	$ 19,685,000	$ 3,860,000	$ 2,930,000	$ 20,615,000	$ 2,935,000
Notes	2,120,000	-	1,695,000	425,000	425,000
Tax Incremental Districts					
Bonds	24,435,000	335,000	1,810,000	22,960,000	2,075,000
Notes	2,599,469	-	749,579	1,849,890	410,467
Total General Obligation Debt	48,839,469	4,195,000	7,184,579	45,849,890	5,845,467
Premium on long-term debt	-	242,007	8,067	233,940	8,067
Workers compensation	254,075	-	93,343	160,732	50,000
Prior service pension liability					
Municipal police and firefighters	280,870	-	13,623	267,247	10,000
Workers compensation	254,075	-	93,343	160,732	50,000
Post-retirement benefits payable					
Health insurance	39,802,257	10,856,488	4,789,838	45,868,907	-
Governmental activities					
Long-term obligations	$ 89,430,746	$ 15,293,495	$ 12,182,793	$ 92,541,448	$ 5,963,534
Business-type activities:					
General Obligation Debt					
Bonds	$ 26,288,367	$ 4,160,000	$ 3,290,369	$ 27,157,998	$ 2,727,070
Notes	120,559	-	18,064	102,495	18,820
Premium on debt issued	327,518	229,706	48,077	509,147	48,000
Post-retirement benefits payable					
Health insurance	1,901,036	381,970	146,042	2,136,964	-
Business-type activities					
Long-term obligations	$ 28,637,480	$ 4,771,676	$ 3,502,552	$ 29,906,604	$ 2,793,890

Interest paid during the year on long-term debt totaled $2,476,852.

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; $565,000 due in 2016; interest 4.625%	$ 565,000
$5,040,000 issued 5/1/05; $145,000 due in 2016; interest 3.80% to 4.00%	145,000
$4,940,000 issued 5/1/06; $395,000 due in 2016 and $150,000 due in 2017; interest 4.0% to 5.0%	545,000
$3,695,000 issued 10/1/06; $130,000 to $340,000 due annually through 2021; interest 4.0%	1,625,000
$4,955,000 issued 5/1/07; $160,000 to $410,000 due annually through 2017; interest 4.0%	820,000
$6,600,000 issued 6/1/08; $235,000 to $540,000 due annually through 2023; interest 3.5% to 4.25%	2,795,000
$2,945,000 issued 3/27/09; $185,000 to $210,000 due annually through 2024; interest 3.50% to 4.35%	1,810,000
$7,105,000 issued 3/27/09; $280,000 to $1,295,000 due annually through 2024; interest 5.0% to 6.5%	7,055,000
$17,605,000 issued 3/29/10; $165,000 to $1,405,000 due annually through 2029; interest 3.40% to 5.75%	13,750,000
$2,445,000 issued 3/29/10; $65,000 to $115,000 due annually through 2028; interest 2.35% to 4.20%	1,035,000
$1,554,765 issued 10/27/10; $72,070 to $100,451 due annually through 2030; interest 2.4%	1,282,998
$5,635,000 issued 5/19/11; $190,000 to $470,000 due annually through 2026; interest 2.0% to 3.5%	3,755,000
$6,015,000 issued 4/5/12; $110,000 to $420,000 due annually through 2029; interest 1.30% to 4.1%	4,615,000
$6,205,000 issued 4/5/12; $235,000 to $505,000 due annually through 2027; interest 2.0% to 3.0%	4,675,000
$8,140,000 issued 6/13/13; $200,000 to $1,065,000 due annually through 2028; interest 1.0% to 2.5%	7,030,000
$5,560,000 issued 6/25/13; $70,000 to $500,000 due annually through 2030; interest 2.0% to 3.5%	4,645,000
$6,800,000 issued 6/12/14; $235,000 to $565,000 due annually through 2030; interest 2.0% to 3.0%	6,230,000
$8,355,000 issued 5/1/15; $235,000 to $1,135,000 due annually through 2030, interest 2.5% to 3.0%	8,355,000
Total Bonds	70,732,998

(Continued)

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Notes	
$1,402,118 issued 11/22/06 through 12/23/08; $74,597 due annually through 2026; interest 0.5%.	820,569
$6,885,000 issued 4/1/09; $310,000 to $740,000 due annually through 2018; interest 3.5%.	1,365,000
$177,372 issued 9/24/09; $19,982 to $23,828 due annually through 2019; interest 4.5%	89,321
$188,018 issued 7/2/10; $18,820 to $22,240 due annually through 2020; interest 4.25%	102,495
Total Notes	2,377,385
Total General Obligation Debt	$ 73,110,383

Annual principal and interest maturities of the outstanding general obligation debt of $73,110,383 on December 31, 2015 are detailed below:

Year Ended	Governmental Activities		Business-type Activities		Totals	
December 31	Principal	Interest	Principal	Interest	Principal	Interest
2016	$ 5,845,467	$ 1,603,604	$ 2,745,890	$ 734,236	$ 8,591,357	$ 2,337,840
2017	5,461,418	1,415,638	2,763,444	655,244	8,224,862	2,070,882
2018	5,452,399	1,238,212	2,671,037	581,005	8,123,436	1,819,217
2019	4,748,425	1,074,388	2,608,721	509,031	7,357,146	1,583,419
2020	4,324,597	926,745	2,586,482	436,628	6,911,079	1,363,373
2021-2025	16,912,986	2,279,990	9,185,664	2,201,484	26,098,650	4,481,474
2026-2030	3,104,598	257,570	4,699,255	803,815	7,803,853	1,061,385
	$ 45,849,890	$ 8,796,147	$ 27,260,493	$ 5,921,443	$ 73,110,383	$ 14,717,590

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, 2015 as $114,015,150 as follows:

Equalized valuation of the City		$ 3,741,492,800
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		187,074,640
Total outstanding general obligation debt applicable to debt limitation	$ 73,110,383	
Less: Amounts available for financing general obligation debt		
Debt service fund	50,893	
Net outstanding general obligation debt applicable to debt limitation		73,059,490
Legal Margin for New Debt		$ 114,015,150

Unfunded Pension Liability

The City's unfunded pension liability on December 31, 2015 consists of an unfunded liability of $267,247 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, 2015 there were five series of Industrial Revenue Bonds outstanding, with the aggregate principal amount payable undetermined.

7. Advance Refunding

During fiscal year 2015, the City advance refunded portions of two general obligation corporate Purpose bond issuances from 2007 and 2009. The City issued $2,105,000 of general obligation corporate purpose refunding bonds to provide resources to purchase U.S. Government and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the financial statements. The advance refunding was undertaken to reduce total debt service payments over the next 7 years by $428,775 and to obtain an economic benefit (difference between the present value of the debt service payments of the refunded and refunding bonds) of $400,899.

At December 31, 2015, $2,420,000 of outstanding general obligation bonds and notes are considered defeased.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

8. 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, 2015 include the following:

Net investment in capital assets	
Land	$ 13,051,777
Construction in progress	1,224,632
Improvements other than buildings	415,882
Buildings	160,483,950
Machinery and equipment	88,199,536
Infrastructure	160,640,640
Less: Accumulated depreciation	(229,365,094)
Less: Related long-term debt outstanding and related deferred inflows and outflows	(40,774,916)
Total Net Investment in Capital Assets	153,876,407
Restricted	
Debt service	50,893
Grantors	2,147,794
Pension benefits	15,970,592
Total Restricted	18,169,279
Unrestricted	12,436,804
Total Governmental Activities Net Position	$ 184,482,490

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, 2015, fund balance was committed as follows:

General Fund		
Committed for subsequent year's budget	$	3,868,046
Special Revenue Funds		
Committed for Cable Communications Fund	$	686,240
Committed for Information Technology Joint Ventures Fund		68,398
Committed for Centennial Fund		5
Committed for EPA Revolving Loan Fund		2,000
	$	756,643

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, 2015, fund balance assigned was as follows:

General Fund		
Subsequent years expenditures	$	2,111,357
Land/building acquisition		1,000,000
Capital accumulation		2,188,795
Insurance		1,200,000
Workers compensation		1,500,000
Dental insurance		50,000
Unfunded pension liability		8,500,000
Productivity/operation improvement		235,500
Public access		515,000
Tax levy reduction		1,590,000
Strategic planning		97,500
Capital replacement		1,540,200
Computer/Technology improvement		361,399
Community and economic development investment		440,000
Tax refunds		200,000
Parks and open spaces		250,000
Zombie properties		100,000
	$	21,879,751

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

9. Component Unit

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.

NOTE D - OTHER POST-EMPLOYMENT BENEFITS (Continued)

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	1,668,132
Adjustment to annual required contribution	(1,705,656)
Annual OPEB cost (expense)	11,238,458
Contributions made	4,935,880
Change in net OPEB obligation	6,302,578
OPEB obligation - beginning of year	41,703,293
OPEB obligation - end of year	$ 48,005,871

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, 2015 is 27 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 2015 for the plan is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage Of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2013	$ 10,056,463	46%	$ 35,796,518
12/31/2014	11,197,618	47%	41,703,293
12/31/2015	11,238,458	44%	48,005,871

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.

NOTE D - OTHER POST-EMPLOYMENT BENEFITS (Continued)

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, 2015 was 27 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. Pension Plan

   a. Plan Description

      The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. 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.

      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.

      Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

      Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

      Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

      The WRS also provides death and disability benefits for employees.

NOTE E - OTHER INFORMATION (Continued)

b. Post-Retirement Adjustments

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment	Variable Fund Adjustment
2005	2.6%	7%
2006	0.8%	3%
2007	3.0%	10%
2008	6.6%	0%
2009	(2.1)%	(42)%
2010	(1.3)%	22%
2011	(1.2)%	11%
2012	(7.0)%	(7)%
2013	(9.6)%	9%
2014	4.7%	25%

c. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, and Executives and Elected Officials. Required contributions for protective employees 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.

During the reporting period, the WRS recognized $3,322,941 in contributions from the City.

Contribution rates as of December 31, 2015 are:

Employee Category	Employee	Employer
General	6.8%	6.8%
Executives & Elected Officials	7.7%	7.7%
Protective with Social Security	6.8%	9.5%
Protective without Social Security	6.8%	13.1%

NOTE E - OTHER INFORMATION (Continued)

d. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions

At December 31, 2015, the City reported an asset of $8,341,072 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2014, the City's proportion was 0.33958233%, which was a decrease of 0.00857819% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the City recognized pension expense of $3,336,919.

At December 31, 2015, the City reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual experience	$ 1,209,197
Net differences between projected and actual earnings on pension plan investments	4,039,150
Changes in proportion and differences between employer contributions and proportionate share of contributions	279,456
Employer contributions subsequent to the measurement date	3,119,884
Total	$ 8,647,687

$3,119,884 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31	Deferred Outflow of Resources
2015	$ 1,260,271
2016	1,260,271
2017	1,260,271
2018	1,260,271
2019	486,719

NOTE E - OTHER INFORMATION (Continued)

e. Actuarial Assumption

The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2013
Measurement Date of Net Pension Asset:	December 31, 2014
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.8%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

* *No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2012 using experience from 2009 – 2011. The total pension liability for December 31, 2014 is based upon a roll-forward of the liability calculated from the December 31, 2013 actuarial valuation.

Long-term Expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-Term Real Rate of Return	Target Allocation
US Equities	5.3%	21%
International Equities	5.7%	23%
Fixed Income	1.7%	36%
Inflation Sensitive Assets	2.3%	20%
Real Estate	4.2%	7%
Private Equity/Debt	6.9%	7%
Multi-Asset	3.9%	6%
Cash	0.9%	-20%

NOTE E - OTHER INFORMATION (Continued)

Single Discount Rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.56%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension asset to changes in the discount rate. The following presents the City's proportionate share of the net pension asset calculated using the discount rate of 7.20 percent, as well as what the City's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
Proportionate share of the net pension asset (liability)	$ (23,531,598)	$ 8,341,072	$ 33,512,816

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at http://legis.wisconsin.gov/lab/ and reference report number 15-11.

f. Payable to the WRS

At December 31, 2015 the City reported a payable of $686,203 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2015.

g. 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 $267,247 and is included in the Statement of Net Position. The total City contribution to the Fund during 2015 was $13,623.

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, 2015 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 $58,700 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 $1,847,900 is reported as accounts payable in the Health Insurance Internal Service Fund at December 31, 2015. 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, 2015, 2014 and 2013 are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Payments	Liability December 31
2015	$ 2,046,573	$ 14,525,804	$ 14,724,477	$ 1,847,900
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

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	12/31/2030	12/31/2030
Unreimbursed project costs	$ -	$ -	$ 18,498,956	$ 2,187,782	$ 2,035,236
Outstanding debt	$ -	$ -	$ 16,685,568	$ 1,690,000	$ 3,429,334

	TID No. 9	TID No. 10	TID No. 11	TID No. 12	TID No. 13	TID No. 14
Creation date	1/1/2006	1/1/2008	1/1/2010	1/1/2011	1/1/2011	5/6/2014
Date construction period ends	1/1/2027	1/1/2030	1/1/1932	1/1/2033	1/1/2033	5/6/2033
Date District terminates	12/31/2032	12/31/2034	12/31/2036	12/31/2037	12/31/2037	5/6/2041
Unreimbursed project costs	$ 1,136,057	$ 2,157,463	$ 975,339	$ 34,848	$ 250,779	$ 732,455
Outstanding debt	$ 1,220,000	$ 1,285,000	$ 840,000	$ -	$ -	$ -

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 (Commission) 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. The Commission currently has $3,200,000 of which the City would be responsible for 7.0368% if the Commission would default on the debt.

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 $305,000 from the Hospital in 2015.

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 2015 and 2016 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 2015 budget was .22%. The actual limit for the City for the 2016 budget was 0.71%. 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 Uniform Grant Guidance 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 25, 2016 the City issued $6,250,000 of general obligation bonds to finance street and water and sewer system construction projects. The bonds are payable through 2031 with interest rates ranging from 2.00% - 2.50%. On May 25, 2016 the City also issued $16,445,000 of taxable general obligation refunding bonds to refund portions of the outstanding 2009 and 2010 taxable general obligation bonds. The bonds are payable through 2029 with interest rates ranging from 0.75% - 3.00%.

NOTE E - OTHER INFORMATION (Continued)

10. Cumulative Effect of Change in Accounting Principles

The City has adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, which revised and established new financial reporting requirements for governments that provide their employees with pension benefits. The new standards recognize pension costs as employment services are provided, rather than when the pensions are funded. The cumulative effect of this change is summarized below:

	Governmental Activities			Business-type Activities							
	Governmental Funds	Internal Service Fund	Total	Water Utility	Sanitary Sewer Utility	Stormwater Utility	Solid Waste Fund	Parking Utility	Beloit Road Housing Management	Total	Total
Net Pension Asset	$ 12,893,758	$ 14,829	$ 12,908,587	$414,190	$ 85,727	$ 162,745	$118,356	$ 6,641	$ 29,976	$ 817,635	$ 13,726,222
Deferred Outflows of Resources	2,921,378	2,989	2,924,367	96,917	20,139	30,860	27,605	1,368	7,291	184,180	3,108,547
Total Cumulative Effect of Change in Accounting Principle	$ 15,815,136	$ 17,818	$ 15,832,954	$511,107	$105,866	$ 193,605	$145,961	$ 8,009	$ 37,267	$ 1,001,815	$ 16,834,769

11. Prior Period Adjustment

The City was the recipient of a donation for the City Library. The funds have been deposited with the Greater Milwaukee Community Foundation for the benefit of the Library. In prior years, this donation was reported as a component unit of the City. Based upon additional review of the donation, it was determined it is not a component unit and should be included as part of the Library Endowment special revenue fund. The prior period adjustment closes the component unit equity and includes it as an addition to the beginning of year special revenue fund equity.

12. Upcoming Accounting Pronouncements

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72, *Fair Value Measurement and Application*. Statement No. 72 requires measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and acceptable valuation techniques. This Statement also requires disclosures about the impact of fair value measurements on a government's financial position. GASB Statement No. 72 is required to be adopted for years beginning after June 15, 2015. The City is currently evaluating the impact this standard will have on the financial statements when adopted.

In June 2015, the GASB issued two new standards addressing accounting and financial reporting for post-employment benefits other than pensions (OPEB). GASB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans,* addresses reporting by OPEB plans whereas GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions,* addresses accounting and reporting by employer governments that provide OPEB benefits to their employees. The City will, after adoption of GASB No. 75, recognize on the face of the financial statements its net OPEB liability. GASB No. 74 is effective for fiscal years beginning after June 15, 2016 whereas GASB No. 75 is effective one year later. The City is currently evaluating the impact these standards will have on the financial statements when adopted.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF WEST ALLIS, WISCONSIN
Schedule of Funding Progress
Other Post-Employment Benefit Plan
For the Year Ended December 31, 2015

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)
2008	$ -	$ 128,614,356	0.00%	$ 128,614,356	$ 34,036,048	378%
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%

See Notes to Required Supplementary Information.

CITY OF WEST ALLIS, WISCONSIN
Schedule of Employer Contributions
For the Year Ended December 31, 2015

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2009	$ 3,417,289	$ 9,929,952	34%
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%
2015	4,935,880	11,275,982	44%

See Notes to Required Supplementary Information.

CITY OF WEST ALLIS, WISCONSIN
Schedule of Proportionate Share of the Net Pension Asset
Wisconsin Retirement System
Last 10 Fiscal Years*

	2015
Proportion of the net pension asset	0.33958233%
Proportionate share of the net pension asset	$ 8,341,072
Covered-employee payroll	$ 35,558,481
Plan fiduciary net position as a percentage of the total pension asset	23.46%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See Notes to Required Supplementary Information.

CITY OF WEST ALLIS, WISCONSIN
Schedule of Contributions
Wisconsin Retirement System
Last 10 Fiscal Years*

	2015
Contractually required contributions	$ 3,322,941
Contributions in relation to the contractually required contributions	$ 3,322,941
Contribution deficiency (excess)	$ -
Covered-employee payroll	$ 35,558,481
Contributions as a percentage of covered-employee payroll	9.35%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

See Notes to Required Supplementary Information.

NOTE A - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NOS. 68 AND 71

The City implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68* for the fiscal year ended December 31, 2015. Information for prior years is not available.

NOTE B - WISCONSIN RETIREMENT SYSTEM

There were no changes of benefit terms or assumptions for any participating employer in WRS.

NOTE C - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 45

The City implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment benefits other than pensions.*

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CITY OF WEST ALLIS, WISCONSIN
Schedule of Budgeted and Actual Revenues
General Fund
For the Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Taxes			
General City property taxes	$ 33,472,719	$ 33,441,003	$ (31,716)
Delinquent personal property taxes	40,000	11,804	(28,196)
Omitted taxes	2,500	-	(2,500)
Mobile home and trailer taxes	80,000	71,075	(8,925)
Hotel and motel taxes	115,000	70,839	(44,161)
State sales taxes	-	346	346
Tax equivalents			
Medical office	676,700	676,090	(610)
HOLIE	83,000	83,353	353
Other	86,500	263,712	177,212
Tax delinquencies and penalties	335,000	323,080	(11,920)
Total Taxes	34,891,419	34,941,302	49,883
Intergovernmental			
State shared revenues	7,261,100	7,181,455	(79,645)
Expenditure restraint program	1,520,270	1,621,354	101,084
Transportation aid	2,340,700	2,336,369	(4,331)
Exempt computer aid	177,600	206,182	28,582
Fire insurance	166,000	152,707	(13,293)
Municipal services payment	-	8,767	8,767
Milwaukee County Library	265,000	268,304	3,304
State fair service contract	230,000	230,000	-
Other grants	-	20,112	20,112
Total Intergovernmental	11,960,670	12,025,250	64,580
Licenses and Permits			
Liquor/tavern licenses	99,450	93,283	(6,167)
Business operators license	170,850	124,606	(46,244)
Permits			
Construction	746,000	864,072	118,072
Parking	370,400	378,991	8,591
Engineering	66,450	66,490	40
Health	16,160	17,399	1,239
Other licenses and permits	22,200	22,974	774
Total Licenses and Permits	1,491,510	1,567,815	76,305

(Continued)

CITY OF WEST ALLIS, WISCONSIN
Schedule of Budgeted and Actual Revenues (Continued)
General Fund
For the Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Public Charges for Services			
General government	21,750	29,278	7,528
Building inspection	39,900	54,855	14,955
Police	306,800	366,278	59,478
Ambulance	1,250,000	1,706,043	456,043
Fire	45,050	71,483	26,433
Milwaukee County paramedic aid	150,000	100,710	(49,290)
Health	277,000	290,051	13,051
Senior center	6,700	6,844	144
Public works	466,000	774,999	308,999
Library	90,000	76,529	(13,471)
Total Public Charges for Services	2,653,200	3,477,070	823,870
Fines, Forfeitures and Penalties			
Court fines, costs and fees	1,103,500	1,057,621	(45,879)
Parking violations	1,050,000	953,582	(96,418)
Judgments and damages	25,000	31,047	6,047
Total Fines, Forfeitures and Penalties	2,178,500	2,042,250	(136,250)
Interest			
Interest on investments	800,000	841,570	41,570
Interest on special assessments	2,500	2,014	(486)
Total Interest	802,500	843,584	41,084
Miscellaneous			
Rental of City buildings	185,000	199,120	14,120
Sale of material and equipment	100,000	76,440	(23,560)
Contributions	900,000	308,250	(591,750)
Miscellaneous	246,400	613,267	366,867
Total Miscellaneous	1,431,400	1,197,077	(234,323)
TOTAL GENERAL FUND REVENUES	$ 55,409,199	$ 56,094,348	$ 685,149

CITY OF WEST ALLIS, WISCONSIN
Schedule of Budgeted and Actual Expenditures
General Fund
For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
General Government				
Common council	$ 100,200	$ 273,503	$ 275,114	$ (1,611)
Mayor	85,550	130,935	132,725	(1,790)
City attorney	501,100	688,299	683,669	4,630
Municipal court	330,625	395,659	493,902	(98,243)
City assessor	560,997	745,831	599,371	146,460
Administration	165,257	281,740	233,397	48,343
Information technology	1,061,228	1,754,205	1,797,602	(43,397)
Purchasing/central services	172,550	244,436	246,969	(2,533)
Human resources	339,065	475,813	466,165	9,648
Finance	253,794	397,063	469,978	(72,915)
City clerk/treasurer	572,644	827,546	652,100	175,446
Promotions, celebrations and awards	120,425	127,425	119,330	8,095
Other general government	17,304,950	2,913,318	1,586,009	1,327,309
Total General Government	21,568,385	9,255,773	7,756,331	1,499,442
Public Safety				
Police department	12,150,864	17,996,828	17,927,840	68,988
Fire department	9,382,551	13,528,718	11,959,243	1,569,475
Police and fire commission	29,300	39,300	21,862	17,438
Building inspections and zoning	832,384	1,184,454	1,157,013	27,441
Planning	245,267	369,364	405,872	(36,508)
Total Public Safety	22,640,366	33,118,664	31,471,830	1,646,834
Health	1,632,938	2,169,767	2,040,429	129,338
Public Works				
Engineering	938,934	1,283,182	1,192,267	90,915
Public works administration office	271,345	399,262	389,491	9,771
Building and electrical division	2,689,454	3,406,373	3,166,707	239,666
Sanitation and street division	2,645,200	3,599,259	3,367,474	231,785
Forestry division	1,082,219	1,468,430	1,538,185	(69,755)
Fleet services	1,532,075	2,501,771	790,476	1,711,295
Inventory services	153,520	216,322	233,463	(17,141)
Total Public Works	9,312,747	12,874,599	10,678,063	2,196,536
Culture and Recreation				
Senior center	177,577	227,990	220,568	7,422
Library	1,895,186	2,323,010	2,088,413	234,597
Total Culture and Recreation	2,072,763	2,551,000	2,308,981	242,019
Conservation and development				
Neighborhood grants	-	28,936	886	28,050
TOTAL GENERAL FUND EXPENDITURES	$ 57,227,199	$ 59,998,739	$ 54,256,520	$ 5,742,219

CITY OF WEST ALLIS, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Block Grant	Stimulus Programs	H.O.M.E. Program	Rental Energy Loans	Housing Programs	Library Endowment	Cable Communications
ASSETS							
Cash and investments	$ -	$ 40,325	$ -	$ 342,497	$ 991,120	1,215,846	$ 592,905
Receivables							
Accounts	475	-	-	-	3,092	-	119,070
Notes and loans	2,130,185	102,073	2,522,646	-	7,584	-	-
Interest	-	-	17,389	-	-	-	-
Due from other governmental units	374,049	-	479,669	-	-	-	-
TOTAL ASSETS	$ 2,504,709	$ 142,398	$ 3,019,704	$ 342,497	$ 1,001,796	$ 1,215,846	$ 711,975
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
Liabilities							
Accounts payable	$ 39,469	$ -	$ 101,588	$ -	$ 28,800	$ -	$ 14,986
Accrued liabilities	14,592	-	784	-	22,266	-	10,749
Due to other funds	320,463	-	348,514	-	-	-	-
Due to other governments	-	-	-	-	-	-	-
Unearned revenues	-	-	17,388	-	489,641	-	-
Total Liabilities	374,524	-	468,274	-	540,707	-	25,735
Deferred Inflows of Resources							
Unavailable revenue							
Special assessments	-	-	-	-	-	-	-
Notes and loans receivable	2,130,185	102,073	2,522,646	-	7,584	-	-
Total Deferred Inflows of Resources	2,130,185	102,073	2,522,646	-	7,584	-	-
Fund Balance (Deficit)							
Restricted							
Grantors	-	40,325	28,784	342,497	453,505	1,215,846	-
Committed	-	-	-	-	-	-	686,240
Assigned	-	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-	-
Total Fund Balance (Deficit)	-	40,325	28,784	342,497	453,505	1,215,846	686,240
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 2,504,709	$ 142,398	$ 3,019,704	$ 342,497	$ 1,001,796	$ 1,215,846	$ 711,975

(Continued)

CITY OF WEST ALLIS, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
For the Year Ended December 31, 2015

	Health Grants	Police Grants	Fire Grants	Information Technology Joint Ventures	Miscellaneous Grants	Centennial	EPA Revolving Loan	Total Special Revenue Funds
ASSETS								
Cash and investments	$ 105,220	$ -	$ 66,837	$ 66,178	$ -	$ 5	$ 1,800	$ 3,422,733
Receivables								
Accounts	5,000	-	-	2,220	-	-	-	129,857
Notes and loans	-	-	-	-	-	-	-	4,762,488
Interest	-	-	-	-	-	-	-	17,389
Due from other governmental units	88,032	457,251	-	-	162,979	-	2,068	1,564,048
TOTAL ASSETS	$ 198,252	$ 457,251	$ 66,837	$ 68,398	$ 162,979	$ 5	$ 3,868	$ 9,896,515
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE								
Liabilities								
Accounts payable	$ 14,927	$ 71,181	$ -	$ -	$ 96,321	$ -	$ 1,636	$ 368,908
Accrued liabilities	30,651	18,868	-	-	-	-	232	98,142
Due to other funds	-	367,157	-	-	47,067	-	-	1,083,201
Due to other governments	-	45	-	-	-	-	-	45
Unearned revenues	160,943	-	-	-	33,817	-	-	701,789
Total Liabilities	206,521	457,251	-	-	177,205	-	1,868	2,252,085
Deferred Inflows of Resources								
Unavailable revenue								
Special assessments	-	-	-	-	-	-	-	-
Notes and loans receivable	-	-	-	-	-	-	-	4,762,488
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	4,762,488
Fund Balance (Deficit)								
Restricted								
Grantors	-	-	66,837	-	-	-	-	2,147,794
Committed	-	-	-	68,398	-	5	2,000	756,643
Assigned	-	-	-	-	-	-	-	-
Unassigned (deficit)	(8,269)	-	-	-	(14,226)	-	-	(22,495)
Total Fund Balance (Deficit)	(8,269)	-	66,837	68,398	(14,226)	5	2,000	2,881,942
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 198,252	$ 457,251	$ 66,837	$ 68,398	$ 162,979	$ 5	$ 3,868	$ 9,896,515

(Continued)

CITY OF WEST ALLIS, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
For the Year Ended December 31, 2015

	Public Works Improvements	Zombie Property Abatement	Tax Increment Districts				
			No. 2	No. 3	No. 5	No. 6	No. 7
ASSETS							
Cash and investments	$ -	$ 95,953	$ -	$ -	$ -	$ -	$ 1,723,904
Receivables							
Accounts	600,676	-	-	-	-	-	-
Notes and loans	-	-	-	-	555,000	-	5,138,559
Special assessments	1,871,068	-	-	-	-	-	-
Interest	-	-	-	-	-	-	361,174
Due from other governmental units	318,953	-	-	-	-	-	-
TOTAL ASSETS	$ 2,790,697	$ 95,953	$ -	$ -	$ 555,000	$ -	$ 7,223,637
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE							
Liabilities							
Accounts payable	$ 30,192	$ -	$ -	$ -	$ 22,858	$ 2,686	$ 11,342
Accrued liabilities	3,137	-	-	-	488	-	380
Due to other funds	3,239,187	-	-	89	2,151,292	495,096	-
Due to other governments	-	-	-	-	-	-	-
Customer deposits	59,371	-	-	-	-	-	-
Unearned revenue	290,203	-	-	-	-	-	-
Total Liabilities	3,622,090	-	-	89	2,174,638	497,782	11,722
Deferred Inflows of Resources							
Unavailable revenue							
Special assessments	1,871,068	-	-	-	-	-	-
Notes and loans receivable	-	-	-	-	555,000	-	5,365,209
Total Deferred Inflows of Resources	1,871,068	-	-	-	555,000	-	5,365,209
Fund Balance (Deficit)							
Restricted							
Grantors	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-
Assigned	-	95,953	-	-	-	-	1,846,706
Unassigned (Deficit)	(2,702,461)	-	-	(89)	(2,174,638)	(497,782)	-
Total Fund Balance (Deficit)	(2,702,461)	95,953	-	(89)	(2,174,638)	(497,782)	1,846,706
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 2,790,697	$ 95,953	$ -	$ -	$ 555,000	$ -	$ 7,223,637

(Continued)

CITY OF WEST ALLIS, WISCONSIN
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
For the Year Ended December 31, 2015

	Tax Increment Districts (Continued)						Total Capital Projects Funds	Total Nonmajor Governmental Funds
	No. 9	No. 10	No. 11	No. 12	No. 13	No. 14		
ASSETS								
Cash and investments	$ 69,560	$ -	$ -	$ -	$ -	$ -	$ 1,889,417	$ 5,312,150
Receivables								
Accounts	-	-	31,097	-	-	-	631,773	761,630
Notes and loans	-	-	-	-	-	-	5,693,559	10,456,047
Special assessments	-	-	-	-	-	-	1,871,068	1,871,068
Interest	-	-	-	-	-	-	361,174	378,563
Due from other governmental units	-	-	-	-	-	-	318,953	1,883,001
TOTAL ASSETS	$ 69,560	$ -	$ 31,097	$ -	$ -	$ -	$ 10,765,944	$ 20,662,459
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE								
Liabilities								
Accounts payable	$ -	$ -	$ 19	$ -	$ 1,183	$ 9,003	$ 77,283	$ 446,191
Accrued liabilities	-	274	372	-	-	15	4,666	102,808
Due to other funds	-	897,190	171,043	34,848	249,597	723,438	7,961,780	9,044,981
Due to other governments	-	-	-	-	-	-	-	45
Customer deposits	-	-	-	-	-	-	59,371	59,371
Unearned revenue	-	-	-	-	-	-	290,203	991,992
Total Liabilities	-	897,464	171,434	34,848	250,780	732,456	8,393,303	10,645,388
Deferred Inflows of Resources								
Unavailable revenue								
Special assessments	-	-	-	-	-	-	1,871,068	1,871,068
Notes and loans receivable	-	-	-	-	-	-	5,920,209	10,682,697
Total Deferred Inflows of Resources	-	-	-	-	-	-	7,791,277	12,553,765
Fund Balance (Deficit)								
Restricted								
Grantors	-	-	-	-	-	-	-	2,147,794
Committed	-	-	-	-	-	-	-	756,643
Assigned	69,560	-	-	-	-	-	2,012,219	2,012,219
Unassigned (Deficit)	-	(897,464)	(140,337)	(34,848)	(250,780)	(732,456)	(7,430,855)	(7,453,350)
Total Fund Balance (Deficit)	69,560	(897,464)	(140,337)	(34,848)	(250,780)	(732,456)	(5,418,636)	(2,536,694)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 69,560	$ -	$ 31,097	$ -	$ -	$ -	$ 10,765,944	$ 20,662,459

CITY OF WEST ALLIS, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Block Grant	Stimulus Programs	H.O.M.E. Program	Rental Energy Loans	Housing Programs	Library Endowment	Cable Commun-ications
Revenues							
Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	1,379,835	10,432	912,651	-	3,090,460	-	-
Public charges for services	263,990	-	-	-	-	-	708,559
Loan repayments	-	-	153,407	-	-	-	-
Investment return	-	-	69	-	379	(13,890)	-
Miscellaneous	-	-	-	-	246,514	38,072	-
Total Revenues	1,643,825	10,432	1,066,127	-	3,337,353	24,182	708,559
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	54,505	379,770
Conservation and development	1,643,825	-	1,066,127	81,361	3,103,761	-	-
Capital outlay	-	-	-	-	-	-	-
Total Expenditures	1,643,825	-	1,066,127	81,361	3,103,761	54,505	379,770
Excess of Revenues Over (Under) Expenditures	-	10,432	-	(81,361)	233,592	(30,323)	328,789
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	-	10,432	-	(81,361)	233,592	(30,323)	(21,211)
Fund Balances (Deficits) - January 1, as originally reported	-	29,893	28,784	423,858	219,913	91,378	707,451
Prior period adjustment	-	-	-	-	-	1,154,791	-
Fund Balances (Deficits) - January 1, as restated	-	29,893	28,784	423,858	219,913	1,246,169	707,451
Fund Balances (Deficits) - December 31	$ -	$ 40,325	$ 28,784	$ 342,497	$ 453,505	$ 1,215,846	$ 686,240

(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, 2015

	Health Grants	Police Grants	Fire Grants	Information Technology Joint Ventures	Miscell-aneous Grants	Centennial	EPA Revolving Loan	Total Special Revenue Funds
Revenues								
Special assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	898,436	1,975,158	18,956	-	141,566	-	219,063	8,646,557
Public charges for services	-	-	-	-	-	-	-	972,549
Loan repayments	-	-	-	-	-	-	-	153,407
Investment return	-	-	-	-	-	-	-	(13,442)
Miscellaneous	-	877	-	19,240	-	5	-	304,708
Total Revenues	898,436	1,976,035	18,956	19,240	141,566	5	219,063	10,063,779
Expenditures								
Current								
General government	-	-	-	-	-	-	-	-
Public safety	-	1,976,035	15,764	-	-	-	-	1,991,799
Health	906,705	-	-	-	-	-	-	906,705
Culture and recreation	-	-	-	-	-	-	-	434,275
Conservation and development	-	-	-	-	153,231	-	219,063	6,267,368
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	906,705	1,976,035	15,764	-	153,231	-	219,063	9,600,147
Excess of Revenues Over (Under) Expenditures	(8,269)	-	3,192	19,240	(11,665)	5	-	463,632
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	(8,269)	-	3,192	19,240	(11,665)	5	-	113,632
Fund Balances (Deficits) - January 1, as originally reported	-	-	63,645	49,158	(2,561)	-	2,000	1,613,519
Prior period adjustment	-	-	-	-	-	-	-	1,154,791
Fund Balances (Deficits) - January 1, as restated	-	-	63,645	49,158	(2,561)	-	2,000	2,768,310
Fund Balances (Deficits) - December 31	$ (8,269)	$ -	$ 66,837	$ 68,398	$ (14,226)	$ 5	$ 2,000	$ 2,881,942

(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, 2015

	Public Works Improvements	Zombie Property Abatement	Tax Increment Districts					
			No. 2	No. 3	No. 5	No 6	No. 7	No. 9
Revenues								
Special assessments	$ 1,005,126	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	218,332	-	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-	216,977	-
Loan repayments	-	-	-	-	-	-	-	-
Investment return	-	-	-	-	-	-	-	-
Miscellaneous	4,043	-	-	1,273,127	-	-	345	-
Total Revenues	1,227,501	-	-	1,273,127	-	-	217,322	-
Expenditures								
Current								
General government	3,490	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Health	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Conservation and development	-	4,047	467,668	-	472,572	31,351	797,478	2,247
Capital outlay	5,893,868	-	-	-	-	-	-	-
Total Expenditures	5,897,358	4,047	467,668	-	472,572	31,351	797,478	2,247
Excess of Revenues Over (Under) Expenditures	(4,669,857)	(4,047)	(467,668)	1,273,127	(472,572)	(31,351)	(580,156)	(2,247)
Other Financing Sources (Uses)								
General obligation debt issued	2,750,000	-	-	-	-	-	-	-
Transfers in	489,800	100,000	205,283	-	1,273,127	-	323,743	-
Transfers out	-	-	(20,442)	(1,273,127)	(779,714)	(158,340)	-	(16,206)
Total Other Financing Sources (Uses)	3,239,800	100,000	184,841	(1,273,127)	493,413	(158,340)	323,743	(16,206)
Net Change in Fund Balances	(1,430,057)	95,953	(282,827)	-	20,841	(189,691)	(256,413)	(18,453)
Fund Balances (Deficits) - January 1, as originally reported	(1,272,404)	-	282,827	(89)	(2,195,479)	(308,091)	2,103,119	88,013
Prior period adjustment	-	-	-	-	-	-	-	-
Fund Balances (Deficits) - January 1, as restated	(1,272,404)	-	282,827	(89)	(2,195,479)	(308,091)	2,103,119	88,013
Fund Balances (Deficits) - December 31	$ (2,702,461)	$ 95,953	$ -	$ (89)	$ (2,174,638)	$ (497,782)	$ 1,846,706	$ 69,560

(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, 2015

	Tax Increment Districts (Continued)					Total Capital Projects Funds	Total Nonmajor Governmental Funds
	No. 10	No. 11	No. 12	No. 13	No. 14		
Revenues							
Special assessments	$ -	$ -	$ -	$ -	$ -	$ 1,005,126	$ 1,005,126
Intergovernmental	-	-	-	-	-	218,332	8,864,889
Public charges for services	-	-	-	-	-	216,977	1,189,526
Loan repayments	-	-	-	-	-	-	153,407
Investment return	-	-	-	-	-	-	(13,442)
Miscellaneous	-	-	-	-	-	1,277,515	1,582,223
Total Revenues	-	-	-	-	-	2,717,950	12,781,729
Expenditures							
Current							
General government	-	-	-	-	-	3,490	3,490
Public safety	-	-	-	-	-	-	1,991,799
Health	-	-	-	-	-	-	906,705
Culture and recreation	-	-	-	-	-	-	434,275
Conservation and development	13,645	38,066	9,311	106,480	732,456	2,675,321	8,942,689
Capital outlay	-	-	-	-	-	5,893,868	5,893,868
Total Expenditures	13,645	38,066	9,311	106,480	732,456	8,572,679	18,172,826
Excess of Revenues Over (Under) Expenditures	(13,645)	(38,066)	(9,311)	(106,480)	(732,456)	(5,854,729)	(5,391,097)
Other Financing Sources (Uses)							
General obligation debt issued	-	-	-	-	-	2,750,000	2,750,000
Transfers in	-	-	173	-	-	2,392,126	2,392,126
Transfers out	(115,391)	(84,600)	-	-	-	(2,447,820)	(2,797,820)
Total Other Financing Sources (Uses)	(115,391)	(84,600)	173	-	-	2,694,306	2,344,306
Net Change in Fund Balances	(129,036)	(122,666)	(9,138)	(106,480)	(732,456)	(3,160,423)	(3,046,791)
Fund Balances (Deficits) - January 1, as originally reported	(768,428)	(17,671)	(25,710)	(144,300)	-	(2,258,213)	(644,694)
Prior period adjustment	-	-	-	-	-	-	1,154,791
Fund Balances (Deficits) - January 1, as restated	(768,428)	(17,671)	(25,710)	(144,300)	-	(2,258,213)	510,097
Fund Balances (Deficits) - December 31	$ (897,464)	$ (140,337)	$ (34,848)	$ (250,780)	$ (732,456)	$ (5,418,636)	$ (2,536,694)

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, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	$ 1,151,628	$ 1,379,835	$ 228,207
Public charges for services	150,000	263,990	113,990
Total Revenues	1,301,628	1,643,825	342,197
Expenditures			
Conservation and development	1,301,628	1,643,825	(342,197)
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	-	-	-
Fund Balance - December 31	$ -	$ -	$ -

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, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	$ 307,040	$ 912,651	$ 605,611
Loan repayments	454,595	153,407	(301,188)
Interest	-	69	69
Total Revenues	761,635	1,066,127	304,492
Expenditures			
Conservation and development	761,635	1,066,127	(304,492)
Net Change in Fund Balance	-	-	-
Fund Balance - January 1	28,784	28,784	-
Fund Balance - December 31	$ 28,784	$ 28,784	$ -

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, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	$ 2,998,576	$ 3,090,460	$ 91,884
Interest	20,000	379	(19,621)
Miscellaneous	-	246,514	246,514
Total Revenues	3,018,576	3,337,353	318,777
Expenditures			
Conservation and development	3,018,576	3,103,761	(85,185)
Net Change in Fund Balance	-	233,592	233,592
Fund Balance - January 1	219,913	219,913	-
Fund Balance - December 31	$ 219,913	$ 453,505	$ 233,592

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, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Public charges for services	$ 735,000	$ 708,559	$ (26,441)
Expenditures			
Culture and recreation	370,523	379,770	(9,247)
Excess of Revenues Over Expenditures	364,477	328,789	(35,688)
Other Financing Uses			
Transfers out	(350,000)	(350,000)	-
Net Change in Fund Balance	14,477	(21,211)	(35,688)
Fund Balance - January 1	707,451	707,451	-
Fund Balance - December 31	$ 721,928	$ 686,240	$ (35,688)

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, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	$ 757,653	$ 898,436	$ 140,783
Expenditures			
Health	757,653	906,705	(149,052)
Net Change in Fund Balance	-	(8,269)	(8,269)
Fund Balance - January 1	-	-	-
Fund Balance - December 31	$ -	$ (8,269)	$ (8,269)

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, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	$ 1,684,282	$ 1,975,158	$ 290,876
Miscellaneous	-	877	877
Total Revenues	1,684,282	1,976,035	291,753
Expenditures			
Public safety	1,655,082	1,976,035	(320,953)
Net Change in Fund Balance	29,200	-	-
Fund Balance - January 1	-	-	-
Fund Balance - December 31	29,200	-	29,200
Total Revenues	$ 1,684,282	$ 1,976,035	$ 291,753

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, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	$ 10,500	$ 18,956	$ 8,456
Expenditures			
Public safety	10,500	15,764	(5,264)
Net Change in Fund Balance	-	3,192	3,192
Fund Balance - January 1	63,645	63,645	-
Fund Balance - December 31	$ 63,645	$ 66,837	$ 3,192

CITY OF WEST ALLIS, WISCONSIN
Miscellaneous Grants Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Intergovernmental	$ 57,114	$ 141,566	$ 84,452
Expenditures			
Conservation and development	57,114	153,231	(96,117)
Net Change in Fund Balance	-	(11,665)	(11,665)
Fund Balance (Deficit) - January 1	(2,561)	(2,561)	-
Fund Balance (Deficit) - December 31	$ (2,561)	$ (14,226)	$ (11,665)

CITY OF WEST ALLIS, WISCONSIN
Information Technology Joint Ventures
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Miscellaneous	$ 18,700	$ 19,240	$ 540
Expenditures			
General government	18,700	-	18,700
Net Change in Fund Balance	-	19,240	19,240
Fund Balance - January 1	49,158	49,158	-
Fund Balance - December 31	$ 49,158	$ 68,398	$ 19,240

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, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	$ 6,420,078	$ 6,292,761	$ (127,317)
Intergovernmental	205,100	187,314	(17,786)
Miscellaneous			
Other	75,002	79,724	4,722
Total Revenues	6,700,180	6,559,799	(140,381)
Expenditures			
Debt service			
Principal	5,589,630	5,739,579	(149,949)
Interest	1,714,034	1,561,592	152,442
Debt issuance costs	30,000	75,579	(45,579)
Total Expenditures	7,333,664	7,376,750	(43,086)
Excess of Revenues Under Expenditures	(633,484)	(816,951)	(183,467)
Other Financing Sources (Uses)			
General obligation refunding debt issued	-	1,445,000	1,445,000
Premium on debt issued	-	242,007	242,007
Payment to refunding debt escrow agent	-	(1,671,463)	(1,671,463)
Transfers in	1,099,243	1,174,693	75,450
Transfers out	(615,759)	(529,199)	86,560
Total Other Financing Sources (Uses)	483,484	661,038	177,554
Net Change in Fund Balance	(150,000)	(155,913)	(5,913)
Fund Balance - January 1	206,806	206,806	-
Fund Balance - December 31	$ 56,806	$ 50,893	$ (5,913)

CITY OF WEST ALLIS, WISCONSIN
Public Works Improvements Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
For the Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Special assessments	$ 1,309,000	$ 1,005,126	$ (303,874)
Intergovernmental	-	218,332	218,332
Miscellaneous	50,000	4,043	(45,957)
Total Revenues	1,359,000	1,227,501	(131,499)
Expenditures			
General government	-	3,490	(3,490)
Capital outlay	5,443,500	5,893,868	(450,368)
Total Expenditures	5,443,500	5,897,358	(453,858)
Excess of Revenues Under Expenditures	(4,084,500)	(4,669,857)	(585,357)
Other Financing Sources			
General obligation debt issued	2,750,000	2,750,000	-
Transfers in	1,437,500	489,800	(947,700)
Total Other Financing Sources	4,187,500	3,239,800	(947,700)
Net Change in Fund Balance	103,000	(1,430,057)	(1,533,057)
Fund Balance (Deficit) - January 1	(1,272,404)	(1,272,404)	-
Fund Balance (Deficit) - December 31	$ (1,169,404)	$ (2,702,461)	$ (1,533,057)

CITY OF WEST ALLIS, WISCONSIN
Internal Service Funds
Combining Statement of Net Position
For the Year Ended December 31, 2015

	Insurance Management Fund	Health Insurance Fund	Total
ASSETS			
Cash and investments	$ 95,166	$ 11,147,239	$ 11,242,405
Receivables			
Taxes	-	2,000,000	2,000,000
Accounts	-	39,725	39,725
Prepaid items	-	378,000	378,000
Deposit with CVMIC	3,244,299	-	3,244,299
Net pension asset	-	7,405	7,405
Total Assets	3,339,465	13,572,369	16,911,834
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	-	8,086	8,086
LIABILITIES			
Current Liabilities			
Accounts payable	-	3,307,507	3,307,507
Accrued liabilities	-	1,592	1,592
Deposits	-	26,844	26,844
Unearned revenue	-	213,644	213,644
Total Liabilities	-	3,549,587	3,549,587
DEFERRED INFLOWS OF RESOURCES			
Property taxes	-	2,000,000	2,000,000
NET POSITION			
Restricted for pension benefits	-	15,491	15,491
Unrestricted	3,339,465	8,015,377	11,354,842
Total net position	$ 3,339,465	$ 8,030,868	$ 11,370,333

CITY OF WEST ALLIS, WISCONSIN
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2015

	Insurance Management Fund	Health Insurance Fund	Totals
Operating Revenues			
Charges to City departments, employees and retirees	$ -	$ 14,115,438	$ 14,115,438
Operating Expenses			
Insurance claims and estimate changes	-	15,761,137	15,761,137
Operating Loss	-	(1,645,699)	(1,645,699)
Nonoperating Revenues			
Property taxes	-	2,000,000	2,000,000
Interest income	105,736	-	105,736
Total Nonoperating Revenues	105,736	2,000,000	2,105,736
Income Before Transfers	105,736	354,301	460,037
Transfers out	(105,736)	-	(105,736)
Change in Net Position	-	354,301	354,301
Net Position - January 1, as originally reported	3,339,465	7,658,749	10,998,214
Cumulative effect of change in accounting principle	-	17,818	17,818
Net Position - January 1, as restated	3,339,465	7,676,567	11,016,032
Net Position - December 31	$ 3,339,465	$ 8,030,868	$ 11,370,333

CITY OF WEST ALLIS, WISCONSIN
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2015

	Insurance Management Fund	Health Insurance Fund	Total
Cash Flows from Operating Activities			
Cash from interfund services provided	$ -	$ 14,216,761	$ 14,216,761
Cash paid for insurance	-	(15,449,238)	(15,449,238)
Cash paid to consultants and suppliers	-	(155,573)	(155,573)
Net Cash Used by Operating Activities	-	(1,388,050)	(1,388,050)
Cash Flows from Noncapital Financing Activities			
Property taxes	-	2,000,000	2,000,000
Transfers to other funds	(105,736)	-	(105,736)
Net Cash Provided (Used) by Noncapital Financing Activities	(105,736)	2,000,000	1,894,264
Cash Flows from Investing Activities			
Interest received	105,736	-	105,736
Increase in Cash and Cash Equivalents	-	611,950	611,950
Cash and Cash Equivalents - January 1	95,166	10,535,289	10,630,455
Cash and Cash Equivalents - December 31	$ 95,166	$ 11,147,239	$ 11,242,405
Reconciliation of Operating Loss to Net Cash Used by Operating Activities			
Operating loss	$ -	$ (1,645,699)	$ (1,645,699)
Adjustments to reconcile operating loss to net cash used by operating activities			
Changes in pension related assets and deferred outflows and deferred inflows	-	2,327	2,327
Changes in assets and liabilities			
Accounts receivable	-	71,064	71,064
Accounts payable	-	157,690	157,690
Accrued liabilities	-	(219)	(219)
Deposits	-	(3,472)	(3,472)
Unearned revenues	-	30,259	30,259
Net Cash Used by Operating Activities	$ -	$ (1,388,050)	$ (1,388,050)

CITY OF WEST ALLIS, WISCONSIN
Schedule of Governmental Capital Assets - By Source
For the Year Ended December 31, 2015

Governmental Capital Assets	
City Government	
Land	$ 12,497,605
Buildings	18,680,104
Machinery and equipment	21,600,542
Infrastructure	160,640,640
	213,418,891
West Allis Memorial Hospital	
Land	554,172
Construction in progress	1,224,632
Land improvements	415,882
Buildings	141,803,846
Machinery and equipment	66,598,994
	210,597,526
Total Governmental Capital Assets	$ 424,016,417
Investment in Governmental Capital Assets By Source	
General fund	$ 166,208,781
Special revenue funds	
Federal and state grants	5,579,232
Capital projects funds	
General obligation debt	40,446,028
Hospital Funds	
Cash	152,652,376
Bonds	59,130,000
Total Investment in Governmental Capital Assets By Source	$ 424,016,417

CITY OF WEST ALLIS, WISCONSIN
Schedule of Governmental Capital Assets - By Function
For the Year Ended December 31, 2015

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	7,310,397	-	18,485,609
Public works	9,673,688	-	-	1,668,214	11,123,444	160,640,640	183,105,986
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	-	-	18,680,104	21,600,542	160,640,640	213,418,891
West Allis Memorial Hospital	554,172	1,224,632	415,882	141,803,846	66,598,994	-	210,597,526
Total	$ 13,051,777	$ 1,224,632	$ 415,882	$ 160,483,950	$ 88,199,536	$ 160,640,640	$ 424,016,417

CITY OF WEST ALLIS, WISCONSIN
Schedule of Changes in Governmental Capital Assets - By Function
For the Year Ended December 31, 2015

Function and Activity	Balance 1/1/2015	Additions	Deletions	Balance 12/31/2015
City Government				
General government	$ 4,405,044	$ -	$ -	$ 4,405,044
Public safety	18,552,765	190,786	257,942	18,485,609
Public works	179,580,488	4,501,758	976,260	183,105,986
Health	936,973	-	-	936,973
Culture and recreation	5,560,675	-	-	5,560,675
Development	924,604	-	-	924,604
Total City Government	209,960,549	4,692,544	1,234,202	213,418,891
West Allis Memorial Hospital	259,120,366	4,302,128	52,824,968	210,597,526
Total	$ 469,080,915	$ 8,994,672	$ 54,059,170	$ 424,016,417

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 516 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).

The Department of Public Works Operations 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 4,899,436 gallons per day for 2015. Pumping capacity for the system is 15,000,000 gallons per day. The highest gallons pumped on any one day in 2015 were 6,400,000 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	116
These schedules contain trend information to help the reader understand how West Allis' financial performance and well-being has changed over time.	
Revenue Capacity	122
These schedules contain information to help the reader assess West Allis' most significant local revenue source, the property tax.	
Debt Capacity	126
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	130
These schedules offer demographic and economic indicators to help the reader understand the environment within which West Allis' financial activities take place.	
Operating Information	132
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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental Activities										
Net investment in capital assets	$ 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	$ 153,876,407
Restricted	1,567,709	1,226,225	763,508	503,693	342,849	183,321	187,868	191,877	1,064,277	18,169,279
Unrestricted	(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	12,436,804
Total governmental activities net assets	$ 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	$ 184,482,490
Business-type Activities										
Net investment in capital assets	$ 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	$ 67,386,795
Restricted	-	-	-	-	-	-	-	-	-	1,018,167
Unrestricted	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	16,572,451
Total business-type activities net assets	$ 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	$ 84,977,413
Primary government										
Net investment in capital assets	$ 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	$ 221,263,202
Restricted	1,567,709	1,226,225	763,508	503,693	342,849	183,321	187,868	191,877	1,064,277	19,187,446
Unrestricted	(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	29,009,255
Total primary government net assets	$ 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	$ 269,459,903

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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities:										
General Government	$ 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	$ 11,379,723
Public Safety	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	37,791,564
Public Works	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	19,015,175
Health & Human Services	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	11,662,378
Culture, recreation & education	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	2,778,993
Conservation & development	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	8,549,672
Interest & Fiscal Charges	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	1,605,841
Total government activities expense	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	92,783,346
Business-type Activities:										
Water Utility	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	6,859,088
Sanitary Sewer Utility	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	5,823,936
Storm Water Utility	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	2,523,771
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	1,714,919
Parking Utility	83,259	58,847	86,878	53,062	42,601	64,651	38,123	86,781	76,664	104,526
Senior Citizen's Housing	245,991	250,681	358,993	281,149	335,881	395,877	254,464	188,573	190,632	150,944
Total business-type activities expense	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	17,177,184
Total Primary Government Expense	$ 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	$ 109,960,530
Program Revenues										
Governmental Activities:										
Charges for Services										
General Government	$ 743,626	$ 285,483	$ 267,843	$ 316,022	$ 239,886	$ 502,025	$ 65,967	$ 1,487,756	$ 1,710,728	$ 1,591,046
Public Safety	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	4,361,491
Public Works	613,372	1,770,323	629,056	437,743	397,319	884,235	1,635,627	767,356	960,539	794,999
Health & Human Services	239,713	238,583	237,879	287,905	301,641	276,256	281,228	274,581	337,709	307,950
Culture, recreation & education	97,710	105,208	687,370	717,577	817,404	816,763	868,005	897,605	885,714	893,774
Conservation & development	168,819	992,456	954,634	640,158	349,862	2,466,220	1,112,821	1,221,221	3,432,082	993,263
Interest & Fiscal Charges	580,360	492,999	476,460	319,909	187,563	128,860	739,957	372,881	302,206	-
Charges for Services	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	8,942,523
Operating Grants and Contributions	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	11,075,011
Capital Grants and Contributions	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	5,309,681
Total governmental activities program revenues	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	25,327,215

City of West Allis

Changes in Net Position
Last ten fiscal years
Schedule 2

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Business-type activities:										
Charges for Services	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	21,824,456
Operating Grants and Contributions	308,070	307,758	389,162	350,296	368,559	368,559	543,728	258,805	278,735	265,463
Capital Grants and Contributions	466,915	526,703	633,848	91,039	427,276	427,276	172,493	14,979	11,335	10,820
Total business-type activities program revenues	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	22,100,739
Total Primary Government Program Revenues	$ 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	$ 47,427,954
Net (Expense)/Revenue										
Governmental Activities	$ (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)	$ (67,456,131)
Business-type Activities	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	4,923,555
Total Primary Government Net Expense	$ (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)	$ (62,532,576)
(continued)										
General Revenues and Other changes in Net Assets										
Governmental Activities:										
Property Taxes	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	41,761,926
Other Taxes	729,680	713,241	736,287	852,851	927,282	881,385	1,246,701	1,520,503	1,677,243	1,718,495
Intergovt'l revenues not restr to spec programs	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	9,205,072
Investment Income	3,283,220	4,144,656	4,495,730	1,561,576	1,257,250	1,124,538	886,889	681,258	814,462	950,145
Miscellaneous	3,963,486	3,723,817	2,756,598	3,247,009	5,742,633	1,550,448	-	4,474,689	148,689	1,626,647
Gain on sale/disposal of capital assets	-	-					804,940	662,684	98,680	76,440
Transfers	1,045,687	966,593	966,470	967,347	1,003,754	1,199,961	1,340,732	1,261,318	1,373,620	1,451,559
Total Governmental Activities	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	56,790,284
Business-type Activities:										
Investment Income	3,782	-	-	-	69,152	8,369	242,949	206,685	295,901	166,391
Property Taxes	10,000	20,000	22,000	22,000	40,000	43,000	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	78,320
Gain on sale/disposal of capital assets	-	10,767	-	-	-	4,904,003	-	-	-	-
Transfers	(1,045,687)	(966,593)	(966,470)	(967,347)	(1,003,754)	(1,199,961)	(1,340,732)	(1,261,318)	(1,373,620)	(1,451,559)
Total Business-type Activities	(973,712)	(892,813)	(931,772)	(918,507)	(894,602)	4,175,302	(629,462)	(903,988)	(896,753)	(1,163,848)
Total Primary Government	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	55,626,436
Change in Net Assets										
Governmental Activities	1,815,681	(581,526)	(5,325,774)	(16,075,256)	(513,346)	(1,058,937)	(2,180,199)	(3,780,848)	(670,076)	(10,665,847)
Business-type Activities	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	3,759,707
Total Primary Government	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	(6,906,140)

Data Source: City of West Allis Audited Financial Statements

Fund Balances, Governmental Funds
Last Six Years
Schedule 3

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015
General Fund						
Nonspendable	$ 3,786,310	$ 1,208,155	$ 1,241,675	$ 8,358,397	$ 12,201,720	$ 12,156,611
Restricted	-	-	-	-	-	-
Committed	584,382	939,369	823,931	1,525,181	1,550,039	3,868,046
Assigned	19,983,386	20,232,002	21,300,823	22,338,441	21,347,336	21,879,751
Unassigned	6,439,209	10,024,801	11,436,142	6,265,317	6,303,452	6,653,462
Total General Fund	30,793,287	32,404,327	34,802,571	38,487,336	41,402,547	44,557,870
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	50,893
Special Revenue Funds	2,291,097	1,324,999	1,241,235	800,739	857,471	2,147,794
Committed						
Special Revenue Funds	784,084	862,180	878,566	852,057	758,609	756,643
Assigned						
Capital Projects Funds	2,406,337	2,924,772	3,203,383	4,698,855	2,473,959	2,012,219
Unassigned						
Special Revenue Funds	(4,367)	-	(95,248)	(6,158)	(2,561)	(22,495)
Capital Projects Funds	(1,083,707)	(2,640,833)	(2,353,722)	(2,811,100)	(4,732,172)	(7,430,855)
Total All Other Governmental Funds	4,938,535	2,850,127	3,292,982	3,945,236	(437,888)	(2,485,801)
Total Fund Balances	$ 35,731,822	$ 35,254,454	$ 38,095,553	$ 42,432,572	$ 40,964,659	$ 42,072,069

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
Six years prior to implementing GASB Statement No. 54
Supplemental Schedule 3

	Fiscal Year					
	2005	2006	2007	2008	2009	2009
General Fund						
Reserved	$ 1,858,235	$ 1,730,286	$ 1,910,061	$ 1,874,891	$ 2,034,916	$ 2,034,916
Unreserved	16,615,079	20,590,669	24,143,723	26,884,171	27,072,815	27,072,815
Total General Fund	18,473,314	22,320,955	26,053,784	28,759,062	29,107,731	29,107,731
All Other Governmental Funds						
Reserved	4,687,860	2,293,023	1,744,129	1,366,129	1,131,817	1,131,817
Unreserved, reported in:						
Special Revenue Funds	1,543,844	2,147,186	2,135,942	2,230,086	2,495,048	2,495,048
Capital Projects Funds	293,067	1,739,546	3,039,808	440,270	2,015,882	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	5,642,747
Total Fund Balances	$ 24,998,085	$ 28,500,710	$ 32,973,663	$ 32,795,547	$ 34,750,478	$ 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									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Taxes	$ 34,688,461	$ 35,607,427	$ 36,961,227	$ 36,796,445	$ 38,579,707	$ 39,606,747	$ 40,177,449	$ 41,223,666	$ 41,279,078	$ 41,234,063
Special assessments	1,036,694	1,042,923	812,257	966,982	1,138,632	785,050	1,448,361	1,389,005	940,064	1,005,126
Intergovernmental revenues	20,778,580	21,302,282	21,795,547	22,499,361	27,066,761	22,878,787	20,256,266	19,441,170	20,737,387	21,077,453
Licenses & permits	1,462,298	1,533,882	1,517,233	1,366,852	1,443,159	1,409,206	1,530,672	1,461,698	1,697,187	1,567,815
Fines, forfeits, & penalties	1,839,392	2,126,327	2,121,677	2,016,671	1,984,350	1,725,585	2,115,717	2,119,298	2,119,352	2,042,250
Public charges for services	2,929,828	2,985,813	3,512,731	3,110,472	3,252,825	3,365,273	3,362,730	4,160,911	5,381,504	4,666,596
Interdepartmental charges (effective 2004)	61,050	57,608	67,119	87,231	74,276	-	-	-	-	-
Interest and loan repayments	493,911	770,737	280,063	457,430	357,949	296,005	255,921	143,010	26,496	153,407
Received from hospital	3,315,360	2,542,999	2,534,341	2,544,909	2,499,951	700,238	551,492	858,988	300,000	-
Interest (effective 2003)	2,609,497	3,472,435	2,401,617	1,150,572	855,044	681,312	712,434	586,075	714,451	830,142
Miscellaneous revenues	2,470,219	1,975,751	1,686,852	1,400,971	3,547,633	1,591,544	1,733,379	3,948,963	868,912	2,859,024
Total revenues	71,685,290	73,418,184	73,690,664	72,397,896	80,800,287	73,039,747	72,144,421	75,332,784	74,064,431	75,435,876
Expenditures:										
Current:										
General government	5,489,267	5,027,547	5,627,880	5,658,712	5,966,552	6,375,030	5,556,431	7,067,623	7,403,446	7,759,821
Public safety	29,527,478	30,091,482	31,369,218	33,253,377	34,029,635	33,517,452	34,162,923	32,779,243	33,027,250	33,463,629
Public works and engineering	11,809,623	12,670,476	12,510,021	12,655,807	10,969,343	11,252,167	10,103,630	10,676,582	11,190,067	10,678,063
Health & human services	2,338,163	2,372,616	2,447,441	2,522,597	2,585,138	2,531,757	2,295,555	2,381,467	2,605,115	2,947,134
Culture & recreation	2,634,225	3,492,521	2,900,481	2,991,494	2,749,018	2,790,093	2,727,106	2,717,291	2,750,789	2,743,256
Conservation & development	4,499,810	4,871,881	4,195,633	4,506,446	9,260,338	7,511,521	5,459,963	6,005,890	10,469,114	8,943,575
Fringe benefits	312,267	407,448	756,071	820,134	326,782	552,288	968,511	-	-	-
Debt Service:										
Principal	7,076,916	6,145,781	6,407,222	6,299,082	14,070,285	5,036,507	10,422,585	5,457,415	5,450,475	5,739,579
Interest & fiscal charges	2,637,646	2,766,150	2,755,037	2,703,323	2,709,030	2,747,503	2,349,592	2,142,127	1,908,070	1,637,171
Capital Projects:	10,987,383	5,058,638	9,616,221	9,500,536	7,115,930	5,224,038	5,450,263	5,758,906	5,456,649	5,893,868
Total expenditures	77,312,778	72,904,540	78,585,225	80,911,508	89,782,051	77,538,356	79,496,559	74,986,544	80,260,975	79,806,096
Excess of revenues Over/(under) expenditures	(5,627,488)	513,644	(4,894,561)	(8,513,612)	(8,981,764)	(4,498,609)	(7,352,138)	346,240	(6,196,544)	(4,370,220)

(continued)

City of West Allis

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other financing sources/(uses)										
Debt										
General obligation debt issued	8,084,426	2,992,716	3,749,975	9,336,961	4,465,000	2,735,000	8,760,000	2,750,000	3,255,000	2,750,000
Refunded general obligation debt	-	-	-	5,505,000	19,600,000	-	-	2,520,000	-	1,445,000
Premium on debt issued	-	-	-	95,912	-	-	-	-	-	242,007
Payment to escrow agent	-	-	-	(5,505,000)	(15,173,966)	-	-	(2,540,539)	-	(1,671,463)
Transfers in	3,116,324	4,369,537	5,525,469	4,164,840	6,460,046	3,520,100	3,029,627	4,035,764	3,698,785	5,474,114
Transfers out	(2,070,637)	(3,402,944)	(4,558,999)	(3,129,170)	(5,387,972)	(2,233,859)	(1,596,389)	(2,774,446)	(2,225,154)	(3,916,819)
Total other financing sources/(uses)	9,130,113	3,959,309	4,716,445	10,468,543	9,963,108	4,021,241	10,193,238	3,990,779	4,728,631	4,322,839
Net change in fund balances	3,502,625	4,472,953	(178,116)	1,954,931	981,344	(477,368)	2,841,100	4,337,019	(1,467,913)	(47,381)
Fund balances										
Beginning of year	24,998,085	28,500,710	32,973,663	32,795,547	34,750,478	35,731,822	35,254,454	38,095,554	42,432,573	42,119,450
End of year	$ 28,500,710	$ 32,973,663	$ 32,795,547	$ 34,750,478	$ 35,731,822	$ 35,254,454	$ 38,095,554	$ 42,432,573	$ 40,964,660	$ 42,072,069
Capital Outlay - (a)	$ 15,661,198	$ 7,982,293	$ 10,089,678	$ 5,354,789	$ 10,142,319	$ 9,571,461	$ 8,933,223	$ 5,977,570	$ 15,795,404	$ 8,521,204
Debt Service as a percentage of noncapital expe	15.76%	13.73%	13.38%	11.91%	21.07%	11.45%	18.10%	11.01%	11.41%	10.35%

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
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%
2015	2,385,091,100	1,166,347,800	53,953,500	-	3,731,629,800	10.81	3,741,492,800	10.79	99.74%

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
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
2015	2016	8.99	1.03	0.54	0.01	0.24	10.81	8.04	1.26	5.15	1.75	0.17	-	27.18

Data source: City of West Allis Tax File
2016 Budget Page 25

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

Taxpayer	Type of Business	2015 Assessed Value			2006 Assessed Value		
		Total Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Total Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Whitnall-Summit Co.	Office - Warehouse	$ 38,601,400	1	1.0%	$ 42,675,800	1	1.2%
Renaissance Faire	Office - Warehouse	22,188,300	2	0.6%			N/06
William Blake	Lincoln Crest Apartments	20,592,900	3	0.6%	21,654,700	2	0.6%
Ramco-Gershenson Prop	Towne Center - Office	18,364,600	4	0.5%	19,936,300	4	0.6%
Quad Graphics	Printing Facility	15,359,500	5	0.4%	18,756,900	5	0.5%
Toldt Development Inc.	Apartments	15,339,300	6	0.4%			N/06
Metropolitan Holding Company	The Hills Apartments	14,367,500	7	0.4%	14,775,500	6	0.4%
JDN West Allis Assoc	Strip Mall - Pick'n Save/Kohls	14,349,500	8	0.4%	20,356,200	3	0.6%
James Krahn	Various Apartments	13,310,100	9	0.4%			N/06
Sam's Real Estate	Sam's Club	12,161,800	10	0.3%	12,214,700	11	0.3%
LBS Ltd Partnership	Apartments	11,038,000	11	0.3%	11,864,200	12	0.3%
Harold Wilde	Car Dealership	10,947,400	12	0.3%			N/06
Riverwood Associates	Apartments	10,678,500	13	0.3%	12,808,800	9	0.4%
Heritage 6 LLC	Senior Apt Assisted Living	10,523,300	14	0.3%			N/06
Dayton-Hudson Corp.	Commercial - Target	10,311,200	15	0.3%	12,685,800	10	0.4%
Home Depot	Home Depot			N/15	11,384,700	14	0.3%
Kenneth Hendricks	Wareshouses - HOBO			N/15	13,583,500	7	0.4%
Charles Benidt	Food Store/Storage/Gas Station			N/15	11,539,700	13	0.3%
Centerpoint Properties	Warehouses			N/15	13,150,100	8	0.4%
Great lakes REIT	Commercial - Offices			N/15	11,324,300	15	0.3%
Total		$238,133,300		6.4%	$248,711,200		7.1%

Data Source: City of West Allis - Assessors Office

(a) Based on total Assessed Value

1/1/2016	$4,213,055,000
1/1/2015	$3,731,629,800

(b) This table represents the current year and ten years ago, 2006.
(c) N/15 = Not a top 15 Principal Property Tax Payer in 2015
(d) N/06 = Not a top 15 Principal Property Tax Payer in 2006

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
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%	33,843	107,248,527	99.97%
2010	2011	109,084,702	109,032,984	99.95%	29,401	109,062,385	99.97%
2011	2012	110,126,451	110,071,355	99.95%	35,995	110,107,350	99.98%
2012	2013	110,120,559	110,064,533	99.95%	28,888	110,093,421	99.98%
2013	2014	115,309,554	115,260,031	99.96%	25,382	115,285,413	99.98%
2014	2015	111,137,220	111,092,765	99.96%	12,739	111,105,504	99.97%
2015	2016	110,978,090	103,035,623	92.84%	*		

* 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
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
2015	73,110,383	50,893	73,059,490	3,741,492,800	1.95%	3,731,629,800	1.96%	60,329	1,211.02

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
2015	73,762,359	-	73,762,359	3,731,629,800	1.98%	3,731,629,800	1.98%	60,329	1,222.67

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
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	-	-	-	24,293,727	78,409,836	2.23%	1,291.08
2013	22,130,000	29,304,943	-	51,434,943	-	-	-	25,214,360	76,649,303	2.24%	1,271.13
2014	21,805,000	27,034,469	-	48,839,469	-	-	-	26,408,929	75,248,398	2.31%	1,239.74
2015	21,040,000	24,809,890	-	45,849,890	-	-	-	27,260,493	73,110,383	*	1,211.86

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 2015 Personal Income is not yet available.

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

	Fiscal Years									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Equalized Value of Real and Personal Property	$ 4,271,402,600	$ 4,458,719,600	$ 4,477,791,900	$ 4,361,120,200	$ 4,112,421,800	$ 3,906,288,200	$ 3,738,930,800	$ 3,701,354,200	$ 3,712,641,300	$ 3,741,492,800
General Obligation Debt Limit Five (5) Percent of Equalized Valuation per Section 67.03 of the Wisconsin Statutes	**213,570,130**	**222,935,980**	**223,889,595**	**218,056,010**	**205,621,090**	**195,314,410**	**186,946,540**	**185,067,710**	**185,632,065**	**187,074,640**
Amount of Debt Applicable to Debt Limitation:										
General Obligation Bonds/Notes	59,421,446	58,285,695	59,264,073	69,732,577	79,299,669	78,518,268	78,409,836	76,649,304	75,644,916	73,110,383
Less: Amount Available for Financing GO Debt	(1,567,709)	(1,226,225)	(763,508)	(503,693)	(342,849)	(183,321)	(187,868)	(191,877)	(206,806)	(50,893)
Net O/S GO Debt Applicable to Debt Limitation	**57,853,737**	**57,059,470**	**58,500,565**	**69,228,884**	**78,956,820**	**78,334,947**	**78,221,968**	**76,457,427**	**75,438,110**	**73,059,490**
Legal margin for New Debt	**$ 155,716,393**	**$ 165,876,510**	**$ 165,389,030**	**$ 148,827,126**	**$ 126,664,270**	**$ 116,979,463**	**$ 108,724,572**	**$ 108,610,283**	**$ 110,193,955**	**$ 114,015,150**
Total net debt applicable to the limit as a percentage of debt limit	27.09%	25.59%	26.13%	31.75%	38.40%	40.11%	41.84%	41.31%	40.64%	39.05%

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Equalized Value of Real and Personal Property	$ 4,271,402,600	$ 4,458,719,600	$ 4,477,791,900	$ 4,361,120,200	$ 4,112,421,800	$ 3,906,288,200	$ 3,738,930,800	$ 3,701,354,200	$ 3,712,641,300	$ 3,741,492,800
General Obligation Debt Limit Five (5) Percent of Equalized Valuation per Section 67.03 of the Wisconsin Statutes	**213,570,130**	**222,935,980**	**223,889,595**	**218,056,010**	**205,621,090**	**195,314,410**	**186,946,540**	**185,067,710**	**185,632,065**	**187,074,640**
Amount of Debt Applicable to Debt Limitation:										
General Obligation Bonds/Notes	59,421,446	58,285,695	59,264,073	69,732,577	79,299,669	78,518,268	78,409,836	76,649,304	75,644,916	73,110,383
Bond Anticipation Notes/Bonds	17,965,000	17,205,000	16,205,000	10,360,000	-	-	-	-	-	-
Less: Amount Available for Financing GO Debt	(1,567,709)	(1,226,225)	(763,508)	(503,693)	(342,849)	(183,321)	(187,868)	(191,877)	(206,806)	(50,893)
Net O/S GO Debt Applicable to Debt Limitation	**75,818,737**	**74,264,470**	**74,705,565**	**79,588,884**	**78,956,820**	**78,334,947**	**78,221,968**	**76,457,427**	**75,438,110**	**73,059,490**
Legal margin for New Debt	**$ 137,751,393**	**$ 148,671,510**	**$ 149,184,030**	**$ 138,467,126**	**$ 126,664,270**	**$ 116,979,463**	**$ 108,724,572**	**$ 108,610,283**	**$ 110,193,955**	**$ 114,015,150**
Total net debt applicable to the limit as a percentage of debt limit	35.50%	33.31%	33.37%	36.50%	38.40%	40.11%	41.84%	41.31%	40.64%	39.05%

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	12/31/2015 General Obligation Bonded Debt Outstanding	Percentage Applicable to City	Amount Applicable to City
City - all outstanding debt (schedule 11a)	$ 45,849,890	100.00%	$ 45,849,890
Milwaukee Area Technical College	114,825,000	5.15%	5,911,076
Milwaukee County	58,553,179,100	6.39%	3,741,489,591
West Allis/West Milwaukee School District	4,439,424,197	84.28%	3,741,493,440
Milwaukee Metropolitan Sewage District	57,445,674,300	6.51%	3,741,494,213
Total Overlapping	120,553,102,597		11,230,388,320
Total Direct and Overlapping Debt	$ 120,598,952,487		$ 11,276,238,210

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	12/31/2006 General Obligation Bonded Debt Outstanding	Percentage Applicable to City	Amount Applicable to City
City - all outstanding debt (schedule 11a)	75,818,737	100%	75,818,737
Milwaukee Area Technical College	53,850,000	5.54%	2,983,290
Milwaukee County	421,813,252	6.72%	28,345,851
West Allis/West Milwaukee School District	21,270,000	86.43%	18,383,661
Milwaukee Metropolitan Sewage District	612,703,826	6.86%	42,031,482
Total Overlapping	1,109,637,078		91,744,284
Total Direct and Overlapping Debt	1,185,455,815		167,563,021

Percentage based on equalized value of the City as it relates to the over all value of each district

Data source: By Stifel, Nicolaus & Company, Incorporated - financial consultants from information provided by the indiviual taxing units.

City of West Allis

Demographic & Economic Statistics
Last ten years
Schedule 13

Year	Population	Personal Income (in thousands)	Per Capita Adjusted Gross Income			Unemployment Rates as of December not seasonally adjusted		
			City of West Allis	Milwaukee County	State of Wisconsin	City of West Allis	Milwaukee County	State of Wisconsin
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	1,144,126,950	18,850	22,507	27,671	5.2%	6.0%	4.7%
2015	60,329		*	*	*	5.1%	5.1%	4.6%

* : 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

		2015			2006		
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%	1,615	1	0.38%
West Allis School District	Elementary/Secondary Education	1,400	2	0.29%	933	3	0.22%
Quad Graphics	Commercial Printer	914	3	0.19%	958	2	0.22%
Johnson Controls	Engineering and IT	700	4	0.15%			N/06
Brookdale Senior Living (previously Alterra)	Assisted Care Health Provider	600	5	0.12%	282	9	0.07%
City of West Allis	Municipal Government	517	6	0.11%	516	5	0.12%
Covenant Health Systems	Health Care Services	332	7	0.07%	254	11	0.06%
Village of Manor Park	Nursing Home & Retirement Facility	287	8	0.06%	375	6	0.09%
Aurora Visiting Nurses Assn. Of Milwaukee	Social Service Agency	293	9	0.06%	304	7	0.07%
Milwaukee Technical Area College	Technical College	289	10	0.06%	229	13	0.05%
Chr. Hansen Lab, Inc.	Food Additive Manufacturer	285	11	0.06%	188	17	0.04%
US Bank	Banking Services	261	12	0.05%	255	10	0.06%
Childrens Hospital	Health Care Services	250	13	0.05%			N/06
Sullivan/Schein Dental Products	Dental Equipment Distributor	220	14	0.05%	232	12	0.05%
Motor Castings Company	Foundry	225	15	0.05%	215	15	0.05%
Wilde Toyota	Auto Dealership	209	16	0.04%	191	16	0.04%
ReGENco (Now Toshiba International Corp)	Fabrication/Repair Turbines	175	17	0.04%			N/06
C & H Distributors	Industrial Products Direct Marketer	173	18	0.04%	220	14	0.05%
Rogers Memorial Hospital	Psychiatric Hospital	173	19	0.04%	156	20	0.04%
Mitchell Manor/Meadowmere Campus	Assisted Living	170	20	0.04%			N/06
Unit Drop Forge Company	Iron, Steel Forgings	161	21	0.03%	140	24	0.03%
Grebes Bakery	Commercial Bakery	150	22	0.03%	180	18	0.04%
Poblocki & Sons	Custom Electrical Signs	130	23	0.03%	151	21	0.04%
Poblocki Paving Corp.	Paving Contractor	120	24	0.02%			
International Auto's	Auto Dealership	118	25	0.02%			N06
HM Graphics	Advertising/Marketing	N/15		N/15	150	23	0.04%
Colders Furniture Showplace	Furniture/Appliance Dealership	N/15		N/15	161	19	0.04%
Anthem Health	Health Insurance	N/15		N/15	900	4	0.21%
Metal Technologies	Foundry	N/15		N/15	300	8	0.07%
Home Depot	Retail Hardware	N/14		N/14	150	22	0.04%
Gordon Flesch	Office Machines Sales/Services	N/14		N/14	135	25	0.03%
		9,823		2.14%	9,190		2.13%

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

City of West Allis

Various Statistics
Last ten years
Schedule 15

General Government - City Employees - Full Time Equivelents

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Mayor	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
City Attorney	5.87	6.05	6.05	6.25	6.25	6.25	5.75	5.75	5.75	5.75
Municipal Court	2.75	2.75	2.75	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	5.75	5.75	5.75
Administration										
Administrative Office	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	2.75	1.75
Information Services	7.30	7.30	7.30	8.30	8.15	8.75	9.00	9.00	10.00	10.00
Purchasing/Central Services	6.00	6.00	6.00	6.00	6.00	6.00	5.50	5.50	5.50	4.50
Human Resources	4.25	4.25	4.25	4.33	4.38	4.38	4.50	4.50	4.50	4.50
Finance	5.85	5.85	5.85	5.85	5.85	5.85	5.35	5.35	5.05	5.05
Clerk/Treasurer**	6.00	6.00	5.75	5.75	5.75	5.75	5.75	5.75	5.75	
Clerk										4.50
Treasurer										0.75
Police Depatment	158.00	154.00	155.00	157.25	157.25	157.25	159.55	159.55	159.55	16055.00
Fire Department	113.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	107.00	106.00
Planning (Development)	1.78	1.78	1.78	1.88	2.10	2.40	3.03	3.03	3.03	3.03
Building Inspection & Zoning	12.00	11.50	11.50	12.00	12.50	12.05	11.55	11.55	11.55	11.65
Health Department	24.35	24.81	24.81	25.11	25.11	25.40	24.90	24.90	24.90	26.07
Senior Center	2.50	2.10	2.10	2.10	2.10	2.10	2.20	2.20	2.20	2.20
Public Library	22.30	22.30	22.30	22.30	21.30	21.00	21.50	21.50	21.50	21.50
Public Works										
Administrative Office	4.50	4.50	4.50	4.50	4.50	4.25	4.50	4.50	4.50	4.50
Building and Electrical	30.00	30.00	30.00	30.00	30.00	29.50	29.50	29.50	29.50	29.50
Street and Sanitation	56.25	56.00	56.00	56.00	56.00	56.00	56.00	56.00	54.00	54.00
Forestry	16.75	15.75	15.75	15.75	15.75	16.00	16.00	16.00	16.00	16.00
Equipment Repair	13.00	13.00	13.00	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	4.00	3.50	3.50	3.50	3.50	3.50
Engineering	18.00	18.00	17.00	17.00	17.00	16.50	16.25	16.25	16.25	16.25
Total	524.20	515.69	515.44	519.87	518.49	517.43	518.83	518.83	515.53	16408.75
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Police Sub Station	1	1	1	1	1	1	1	1	1	1
Fire Stations	3	3	3	3	3	3	3	3	3	3
Public Works/Engineering										
Streets (miles)	194	194	194	194	194	194	194	194	194	194
Alleys (miles)	43	43	43	43	43	43	43	43	43	43
Side Walks (miles)	278	278	278	278	278	278	278	278	278	278
Sanitary Sewer (miles)	177	177	177	175	177	177	177	173	173	173
Storm Sewer (miles) (changed calc method 2009)	152	152	152	163	163	163	163	198	199	201
Street Lights (in 2010 added double lights)	7,086	7,086	7,086	7,086	7,322	7,322	7,322	7,322	7,231	7,231
Alley Lights	756	756	756	756	756	756	756	756	756	756
City owned parking lots	40	40	40	40	40	40	40	40	40	40
Parking Stalls	1,339	1,339	1,339	1,339	1,339	1,339	1,339	1,339	1,339	1,339
Water Utility										
Number of feet of Water Main	1,102,207	1,102,205	1,102,466	1,102,557	1,102,428	1,102,941	1,105,118	1,107,204	1,106,773	1,107,218
Number of Hydrants	2,622	2,623	2,619	2,619	2,620	2,621	2,621	2,621	2,620	2,621
Daily Average Used (gallons)	5,658,540	5,523,307	6,364,132	5,933,825	5,933,825	5,244,126	5,420,348	4,990,508	5,072,100	4,899,436
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	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	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	4,000,000	4,000,000	4,000,000

Data Source: City of West Allis - various departmental reports
*In 2015 Treasurer's department became a dvision of the Finance Department

Operating Indicators by Program/Function
Ten Year Trend
Schedule 16

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Public Safety										
Fire										
Alarm Data										
Fire	184	172	160	167	172	145	172	172	136	220
Rupture/Explosion	5	2	3	-	3	4	3	6	-	8
Hazardous Condition	245	231	243	283	259	248	214	243	239	250
Service	382	392	453	375	153	145	116	134	154	360
Good Intent	267	289	269	286	252	257	190	187	176	338
False Alarms	532	515	496	557	519	517	451	427	491	577
Weather	2	1	16	1	2	1	2	3	1	-
Other	5	1	3	5	2	2	2	1	3	2
Total Alarm	1,622	1,603	1,643	1,674	1,362	1,319	1,150	1,173	1,200	1,755
Emergency Medical Services Transport										
Paramedic Unit (Advance Life)	1,209	1,310	1,400	1,549	1,536	1,964	2,052	2,195	2,521	2,824
Fire Rescue Unit (Basic Life)	3,747	3,424	3,587	2,696	3,269	3,086	3,078	3,080	2,721	2,856
Other Units on Scene	60	92	80	51	78	44	22	36	69	39
Total Patient Transports	5,016	4,826	5,067	4,296	4,883	5,094	5,152	5,311	5,311	5,719
Bureau of Fire Prevention Activity										
Compliance Inspections	8,546	8,613	8,516	8,430	8,793	9,723	6,241	5,691	5,840	5,849
Plan Reviews	433	397	361	322	364	277	300	306	277	249
Site Inspections	286	214	273	263	226	150	137	116	140	131
General Government										
Building Permits Issued	1,811	1,648	1,649	1,480	1,673	1,592	1,586	1,588	1,616	1,412
Building Permit Value	$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	$31,980,170
Library										
Registered Borrowers	35,172	37,500	34,116	36,603	38,798	33,910	35,993	38,018	39,978	41,571
References	51,766	47,642	68,194	89,064	109,470	75,086	91,764	88,410	60,201	57,626
Library Visits	339,612	294,528	287,970	295,308	371,332	309,898	409,392	479,544	460,000	487,424
Circulation Transactions	764,674	718,185	688,048	735,736	778,409	774,833	743,520	727,740	688,953	662,653
Items Loaned	91,099	58,875	48,001	51,564	67,116	73,733	75,027	81,015	81,248	81,940
Items Received	49,513	54,709	51,005	60,832	78,309	83,118	77,027	74,244	74,175	74,924
Library Collection										
Books Owned	224,868	218,567	217,983	217,747	211,993	208,223	207,461	204,797	200,669	190,834
Audio Materials	13,526	14,200	14,611	15,181	15,547	16,401	17,355	18,204	19,519	18,959
Data Bases	8	10	19	21	18	67	66	66	66	68
Video Materials	14,859	14,883	14,114	15,346	16,198	16,019	17,415	20,070	21,025	21,940
Subscriptions	396	439	357	326	307	309	294	341	505	308
Other - Includes Electronic Format	1,001	985	1,044	799	760	865	917	869	862	8,932
Electronic Books/Audio/Video(new)	-	-	-	16,026	17,871	38,049	72,733	97,087	133,498	175,108
(continued)										
Water Utility										
Number of Metered Customers										
Residential	17,365	17,387	17,385	17,369	17,348	17,349	17,311	17,366	17,226	17,203
Multifamily (Residential) (New 2014)									641	640
Commercial	2,043	2,039	2,038	2,036	2,031	2,031	2,085	2,036	1,502	1,731
Industrial	75	73	70	65	64	64	63	63	61	61
Public Authority (new 2008)	N/A	N/A	79	78	78	78	81	81	77	76
Total	19,483	19,499	19,572	19,548	19,521	19,522	19,540	19,546	19,507	19,711
Gallons Sold (thousands)										
Residential	962,445	1,044,385	1,021,885	1,011,479	958,161	963,787	981,401	915,421	869,246	877,388
Multifamily (Residential) (New 2014)									214,208	226,951
Commercial	640,416	623,803	653,641	588,911	599,183	585,032	616,844	590,619	384,881	376,189
Industrial	266,289	222,001	177,749	143,208	82,047	86,900	94,007	76,163	79,498	82,570
Public Authority (new 2008)	N/A	N/A	128,421	131,863	132,134	123,465	124,470	124,093	131,184	120,765
Total	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	1,683,863
Gallons Pumped into System (1,000)	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	1,909,553
Total Gallons Sold (1,000)	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	1,683,863
Lost Water Unaccounted For (1,000)	208,324	206,585	213,365	160,385	155,115	154,922	134,705	86,628	280,756	211,690
Percent of water lost	9%	9%	9%	7%	8%	8%	7%	6%	14%	11%
Total KWH used for pumping	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	866,788

Data Source (Public Safety): 2015 City of West Allis Annual Fire Report
Data Source (General Government): City of West Allis Building Inspection records
Data Source (Library): 2015 City of West Allis Library Report
Data Source (Water Utility): 2015 City of West Allis Public Service Commision Annual Report

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ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

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Schenck
CPAs AND SO MUCH MORE.

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Allis, Wisconsin, as of and for the year ended December 31, 2015, 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 which included an emphasis of matter paragraph as indicated on page 16 dated June 24, 2016. 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 24, 2016

SINGLE AUDIT SECTION

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CPAs AND SO MUCH MORE.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE 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) 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, 2015. 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, Uniform Guidance 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, 2015.

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 the Uniform Guidance 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 the Uniform Guidance and the *State Single Audit Guidelines.* Accordingly, this report is not suitable for any other purpose.

Schenck SC

Certified Public Accountants
Green Bay, Wisconsin
June 24, 2016

CITY OF WEST ALLIS, WISCONSIN
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2015

Grantor Agency/Pass-through Agency/Program Title	Federal CFDA Number	(Accrued) Deferred 1/1/15	Cash Receipts	Accrued (Deferred) 12/31/15	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	$ (79,302)	$ 748,114	$ 73,628	$ 742,440	$ 742,440
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	(7,365)	17,741	(1,354)	9,022	9,022
Total U.S. Department of Agriculture		(86,667)	765,855	72,274	751,462	751,462
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Direct Programs						
Community Development Block Grants	14.218	(192,988)	1,208,423	374,049	1,389,484	1,389,484
Section 8 Cluster						
Section 8 Housing Choice Vouchers	14.871	-	2,682,190	-	2,682,190	2,682,190
Section 8 Management Fees	14.871	-	308,808	-	308,808	308,808
Section 8 Housing Choice Vouchers- VASH	14.871	-	74,156	-	74,156	74,156
Total Section 8 Cluster		-	3,065,154	-	3,065,154	3,065,154
Community Development Block Grant Cluster						
Passed through Wisconsin Department of Commerce						
Community Development Block Grant - State's Program	14.228	(30,818)	31,337	-	519	519
Passed through the City of Milwaukee, Wisconsin						
Community Development Block Grant - State's Program	14.228	-	-	162,049	162,049	162,049
Total Community Development Block Grant Cluster		(30,818)	31,337	162,049	162,568	162,568
Passed through Milwaukee County						
HOME Investment Partnerships Program	14.239	(107,642)	783,264	-	675,622	675,622
Total U.S. Department of Housing and Urban Development		(331,448)	5,088,178	536,098	5,292,828	5,292,828
U.S. DEPARTMENT OF JUSTICE						
Passed through Milwaukee County						
Byrne Memorial Justice Assistance Grant	16.738	(35,927)	84,659	-	48,732	48,732
Passed through Wisconsin Office of Justice Assistance						
Byrne Memorial Justice Assistance Grant	16.738	-	20,552	-	20,552	20,552
Total U.S. Department of Justice		(35,927)	105,211	-	69,284	69,284

(Continued)

CITY OF WEST ALLIS, WISCONSIN
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2015

Grantor Agency/Pass-through Agency/Program Title	Federal CFDA Number	(Accrued) Deferred 1/1/15	Cash Receipts	Accrued (Deferred) 12/31/15	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		(354,806)	354,806	-	-	-
Highway Safety	20.600					
Alcohol Enforcement Grant		-	32,808	4,664	37,472	37,472
TRACS project		-	4,528	-	4,528	4,528
Speed Enforcement Aggressive Driver		-	36,208	7,863	44,071	44,071
Total U.S. Department of Transportation		(354,806)	428,350	12,527	86,071	86,071
U.S. ENVIRONMENTAL PROTECTION AGENCY						
Passed through the WI Department of Natural Resources						
Ready for Reuse Grant	66.469	(58,354)	58,354	-	-	-
Direct Program						
Brownfield's Assessment and Cleanup Cooperative Agreements						
Project #BF-00E00912-0	66.818	-	216,995	2,068	219,063	219,063
Total U.S. Environmental Protection Agency		(58,354)	275,349	2,068	219,063	219,063
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Passed through Wisconsin Department of Health Services						
Environmental Public Health and Emergency Response	93.070	-	38	-	38	38
Public Health Emergency Preparedness Aligned Cooperative Agreements	93.074	(3,153)	71,179	5,581	73,607	73,607
Immunization Cooperative Agreements	93.268	1,337	9,217	156	10,710	10,710
Preventive Health and Health Services Block Grant	93.758	-	6,506	-	6,506	6,506
Medical Assistance Program	93.778	(354)	1,638	232	1,516	1,516
Preventive Health and Health Services Block Grant	93.991	(159)	159	-	-	-
Maternal and Child Health Services Block Grant	93.994	(5,816)	28,876	4,171	27,231	27,231
Total U.S. Department of Health and Human Services		(8,145)	117,613	10,140	119,608	119,608

(Continued)

CITY OF WEST ALLIS, WISCONSIN
Schedule of Expenditures of Federal Awards (Continued)
For the Year Ended December 31, 2015

Grantor Agency/Pass-through Agency/Program Title	Federal CFDA Number	(Accrued) Deferred 1/1/15	Cash Receipts	Accrued (Deferred) 12/31/15	Total Revenues	Total Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY						
Direct Program						
Fire Prevention and Safety Grant						
Project #EMW-2013-FP-00785	97.044	(3,438)	6,915	-	3,477	3,477
Assistance to Firefighters Grant						
Project #EMW-2008-FO-06640	97.044	-	5,400	-	5,400	5,400
Total U.S. Department of Homeland Security		(3,438)	12,315	-	8,877	8,877
EXECUTIVE OFFICE OF THE PRESIDENT						
Direct Program						
High Intensity Drug Trafficking Area Program	95.001	(569,355)	1,836,256	424,692	1,691,593	1,691,593
TOTAL FEDERAL FINANCIAL ASSISTANCE		$ (1,448,140)	$ 8,629,127	$ 1,057,799	$ 8,238,786	$ 8,238,786

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, 2015

Grantor Agency/Pass-through Agency/Program Title	State I.D. Number	(Accrued) Deferred Revenue 1/1/15	Cash Receipts	Accrued (Deferred) Revenue 12/31/15	Total Revenues	Total Expenditures
WISCONSIN DEPARTMENT OF NATURAL RESOURCES						
Brownfield Site Assessments	370.687					
Direct Program						
Plate Engineering Site		$ -	$ 30,705	$ -	$ 30,705	$ 30,705
Passed through Wisconsin Economic Development Corporation						
SAG # WEDC BF SAG FY 13-21909	370.587	(127,000)	127,000	-	-	-
Municipal Flood Control Program	370.unknown	(86,959)	89,599	562	3,202	3,202
Total Wisconsin Department of Natural Resources		(213,959)	247,304	562	33,907	33,907
WISCONSIN DEPARTMENT OF HEALTH SERVICES						
WIC Farmers' Market	435.154720	(2,283)	3,481	2,188	3,386	3,386
WWWP-GPR	435.157000	14,808	(14,808)	-	-	-
Wisconsin Well Woman Program	435.157010	-	438	-	438	438
CONS CONTRACTS CHHD LD	435.157720	(1,168)	8,261	516	7,609	7,609
Maternal and Child Health Services	435.159320	(354)	1,638	232	1,516	1,516
Total Wisconsin Department of Health and Family Services		11,003	(990)	2,936	12,949	12,949
WISCONSIN DEPARTMENT OF ADMINISTRATION						
Beat Patrol Grant #2009-BP-01-1579-3	505.603	-	121,434	-	121,434	121,434
TOTAL STATE FINANCIAL ASSISTANCE		$ (202,956)	$ 367,748	$ 3,498	$ 168,290	$ 168,290

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, 2015

NOTE A - BASIS OF PRESENTATION

In accordance with the audit requirements issued by the Office of Management and Budget (OMB) Uniform Guidance 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 2015 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 the Uniform Guidance. Therefore major programs, as identified in Section I of the Schedule of Findings and Questioned Costs, represent those with combined expenditures exceeding 20% 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 $250,000 (non DHS) or $100,000 (DHS) 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, 2015

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 the Uniform Guidance?	No
Audit threshold used to determine between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee	Yes

Identification of major federal programs:

CFDA Number	Name of Federal Program
16.738	Edward Byrne Memorial Justice Assistance Grant Program
95.001	High Intensity Drug Trafficking Areas Program

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:	
Non DHS	$250,000
DHS	$100,000
Auditee qualified as low-risk auditee	Yes

Identification of major state program:

CFDA Number	Name of State Program
505.603	Beat Patrol

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, 2015.

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, 2015.

CITY OF WEST ALLIS, WISCONSIN
Schedule of Prior Year Audit Findings and Corrective Action Plan
For the Year Ended December 31, 2015

Prior Year Audit Findings

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

Corrective Action Plan

There were no findings or questioned costs for federal awards and state financial assistance for the year ended December 31, 2015.